

**NEW ISSUE – Book-Entry-Only**

**RATING: See “RATING” herein**

*In the opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel, assuming continuing compliance by the Township (as hereinafter defined) with certain tax covenants described herein, under existing law, interest on the Bonds and the Notes (as hereinafter defined) is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (“Code”), and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations. In addition, interest on the Bonds and the Notes may be subject to the branch profits tax imposed on certain foreign corporations and to the tax on “excess net passive income” imposed on S corporations. Interest on the Bonds and the Notes and any gain from the sale thereof are not included in the gross income of owners thereof under the New Jersey Gross Income Tax Act, as presently executed and construed. See “TAX MATTERS” herein.*

**\$8,743,000\***  
**TOWNSHIP OF LONG BEACH**  
**County of Ocean, New Jersey**  
**GENERAL OBLIGATION BONDS, SERIES 2025**  
**Consisting of:**  
**\$7,944,000\* General Improvement Bonds and**  
**\$799,000\* Water-Sewer Utility Bonds**  
**(Callable) (Bank Qualified)**

**\$1,151,750**  
**TOWNSHIP OF LONG BEACH**  
**County of Ocean, New Jersey**  
**BOND ANTICIPATION NOTES OF 2025, SERIES B**  
**(Non-Callable) (Bank Qualified)**

**Dated Date: Date of Delivery**

**Bonds Due: October 1, as shown on the inside front cover**  
**Notes Due: October 28, 2026, as shown on the inside front cover**

The Township of Long Beach, County of Ocean, New Jersey (“Township”), is issuing: (i) \$8,743,000\* aggregate principal amount of its General Obligation Bonds, Series 2025 (“Bonds”); and (ii) \$1,151,750 principal amount of its Bond Anticipation Notes of 2025, Series B (“Notes”). The Bonds consist of: (i) \$7,944,000\* General Improvement Bonds; and (ii) \$799,000\* Water and Sewer Utility Bonds.

The principal of the Bonds shall be paid on the respective maturity dates thereof upon presentation and surrender of the Bonds at the offices of the Township or its hereafter designated paying agent, if any. Interest on the Bonds is payable semi-annually on April 1 and October 1 (“Interest Payment Dates”), commencing April 1, 2026, in each year until maturity or earlier redemption. The Bonds are subject to redemption prior to their stated maturity dates on the terms and conditions contained herein.

The Notes shall be dated and bear interest from October 29, 2025 at the rate set forth herein. The Notes shall mature and be payable on October 28, 2026 upon presentation and surrender of the Notes at the offices of the Township or a duly designated paying agent, if any. Principal of and interest on the Notes are payable at maturity. The Notes are not subject to redemption prior to their stated maturity date.

Upon initial issuance, the Bonds and the Notes will each be registered in the name of Cede & Co., as nominee for The Depository Trust Company, Brooklyn, New York (“DTC”), which will act as securities depository for the Bonds and Notes. So long as Cede & Co. is the registered owner of the Bonds and the Notes, payments of principal and interest on the Bonds and the Notes will be made directly to DTC or its nominee, Cede & Co., which will remit such payments to the Direct Participants (as hereinafter defined) which will, in turn, remit such payments to the Beneficial Owners (as hereinafter defined) of the Bonds and the Notes. Purchasers will not receive certificates representing their ownership interest in the Bonds and the Notes purchased. For so long as any purchaser is a Beneficial Owner of a Bond and the Notes, such purchaser must maintain an account with a broker or dealer who is, or acts through, a Direct Participant to receive payment of the principal of and interest on such Bond and Note.

The Bonds are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented (“Local Bond Law”); (ii) bond ordinances 20-19, 20-20, 21-11, 21-23, 22-04, 22-05, 22-17, 23-06, 23-21, 24-19, 24-20, 24-21, 24-22 and 25-06, each duly and finally adopted by the Board of Commissioners of the Township (“Board of Commissioners”) and published in accordance with the requirements of the Local Bond Law; (iii) a resolution adopted by the Board of Commissioners on October 6, 2025; and (iv) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on October \_\_, 2025.

The Bonds are being issued to provide funds which will be used to: (i) permanently finance the costs of various capital improvements in the Township for which obligations have been authorized, but not yet issued; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Bonds.

The Notes are authorized to be issued pursuant to: (i) the Local Bond Law; (ii) bond ordinances 2024-02 and 2024-03, each duly and finally adopted by the Board of Commissioners and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on October \_\_, 2025.

The Notes are being issued by the Township to provide funds which will be used to: (i) temporarily finance the costs of capital improvements by the repayment, at maturity, of the principal of certain outstanding bond anticipation notes; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Notes.

The full faith and credit of the Township are irrevocably pledged for the payment of the principal of and interest on the Bonds and the Notes. The Bonds and the Notes are general obligations of the Township payable as to principal and interest from *ad valorem* taxes that shall be levied upon all taxable real property within the Township without limitation as to rate or amount.

**This cover contains certain information for quick reference only. It is *not* a summary of this issue. Investors must read the entire Official Statement, including the Appendices attached hereto, to obtain information essential to their making of an informed investment decision.**

*The Bonds and the Notes are offered when, as and if issued, subject to prior approval of legality by the law firm of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the Township, and certain other conditions described herein. Certain legal matters will be passed upon for the Township by its Attorney, Tennant D. Magee, Sr., Esquire, of the law firm Tennant Magee Law, Brielle, New Jersey. Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, has acted as Municipal Advisor to the Township in connection with the issuance of the Bonds and the Notes. It is anticipated that the Bonds and the Notes in definitive form will be available for delivery, in immediately available funds, through DTC in Brooklyn, New York on or about October 29, 2025.*

**ELECTRONIC SUBMISSIONS FOR THE NOTES WILL BE RECEIVED VIA PARITY AND EMAIL ([BMORRIS@MUNIADVISORS.COM](mailto:BMORRIS@MUNIADVISORS.COM)) UNTIL 11:15AM (EST) ON OCTOBER 16, 2025. ELECTRONIC SUBMISSIONS FOR THE BONDS WILL BE RECEIVED VIA PARITY UNTIL 11:30 A.M. (EST) ON OCTOBER 16, 2025. FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY VIEW THE RESPECTIVE NOTICES OF SALE POSTED AT [WWW.MUNIHUB.COM](http://WWW.MUNIHUB.COM).**

\* Preliminary, subject to change

**TOWNSHIP OF LONG BEACH**  
**County of Ocean, New Jersey**

**\$8,743,000\* GENERAL OBLIGATION BONDS, SERIES 2025**

Consisting of:

**\$7,944,000\* General Improvement Bonds**

**\$799,000\* Water-Sewer Utility Bonds**

**MATURITY, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIP\*\***

<b><u>Maturity Date</u></b> <b><u>(October 1)</u></b>	<b><u>General</u></b> <b><u>Improvement</u></b> <b><u>Principal</u></b>	<b><u>Water-Sewer</u></b> <b><u>Utility</u></b> <b><u>Principal</u></b>	<b><u>Combined</u></b> <b><u>Principal</u></b> <b><u>Amount</u></b> *	<b><u>Interest</u></b> <b><u>Rate</u></b>	<b><u>Yield</u></b>	<b><u>CUSIP</u></b> **
2026	\$254,000	\$29,000	\$283,000	%	%	
2027	265,000	30,000	295,000			
2028	300,000	30,000	330,000			
2029	315,000	30,000	345,000			
2030	325,000	30,000	355,000			
2031	360,000	30,000	390,000			
2032	370,000	35,000	405,000			
2033	375,000	35,000	410,000			
2034	390,000	35,000	425,000			
2035	395,000	40,000	435,000			
2036	400,000	40,000	440,000			
2037	415,000	40,000	455,000			
2038	425,000	45,000	470,000			
2039	450,000	45,000	495,000			
2040	470,000	50,000	520,000			
2041	475,000	50,000	525,000			
2042	480,000	50,000	530,000			
2043	485,000	50,000	535,000			
2044	495,000	50,000	545,000			
2045	500,000	55,000	555,000			

**\$1,151,750 BOND ANTICIPATION NOTES OF 2025, SERIES B**

**MATURITY, PRINCIPAL AMOUNT, INTEREST RATE, YIELD AND CUSIP\*\***

<b><u>Maturity</u></b>	<b><u>Principal</u></b> <b><u>Amount</u></b>	<b><u>Interest</u></b> <b><u>Rate</u></b>	<b><u>Yield</u></b>	<b><u>CUSIP</u></b> **
October 28, 2026	\$1,151,750	%	%	

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\* Preliminary, subject to change

\*\* A registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers listed above are being provided solely for the convenience of holders of the Bonds and the Notes only at the time of issuance of the Bonds and the Notes. The Township does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for the specified maturities of the Bonds and the Notes are subject to being changed after the issuance of the Bonds and Notes as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds and the Notes.

**TOWNSHIP OF LONG BEACH  
COUNTY OF OCEAN, NEW JERSEY**

**BOARD OF COMMISSIONERS**

Joseph H. Mancini, Mayor  
Dr. Joseph P. Lattanzi, Commissioner  
Alexander Meehan, Commissioner

**TOWNSHIP ADMINISTRATOR**

Kyle Ominski

**CHIEF FINANCIAL OFFICER**

Erica Nicholes

**TAX COLLECTOR**

Dawn Annarumma

**TOWNSHIP CLERK**

Danielle La Valle

**TOWNSHIP ATTORNEY**

Tennant D. Magee, Sr., Esq.  
Tennant Magee Law  
Brielle, New Jersey

**AUDITOR**

Suplee, Clooney & Company  
Westfield, New Jersey

**BOND COUNSEL**

Parker McCay P.A.  
Mount Laurel, New Jersey

**MUNICIPAL ADVISOR**

Phoenix Advisors,  
a division of First Security Municipal Advisors, Inc.  
Hamilton, New Jersey

The information which is set forth herein has been provided by the Township of Long Beach, County of Ocean, New Jersey ("Township"), The Depository Trust Company ("DTC") and by other sources which are believed to be reliable by the Township, but the information provided by such sources is not guaranteed as to accuracy or completeness by the Township. Certain general and financial information concerning the Township is contained in Appendices "A" and "B" to this Official Statement. Such information has been furnished by the Township.

No broker, dealer, salesperson or other person has been authorized by the Township to give any information or to make any representations with respect to the Bonds and the Notes other than those contained in this Official Statement and, if given or made, such information or representations must not be relied upon as having been authorized by the Township. The information contained herein has been provided by the Township and other sources deemed reliable; however, no representation or warranty is made as to its accuracy or completeness and such information is not to be construed as a representation or warranty by any underwriter or, as to information from sources other than itself, by the Township. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in any of the information herein since the date hereof, or the date as of which such information is given, if earlier.

References in this Official Statement to laws, rules, regulations, bond ordinances, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein, and copies of which may be inspected at the office of the Township Clerk during normal business hours.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor there be any sale of the Bonds or the Notes in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale.

Upon issuance, the Bonds and the Notes will not be registered under the Securities Act of 1933, as amended, will not be listed on any stock or other securities exchange and neither the Securities and Exchange Commission nor any other federal, State, municipal or other governmental entity will have passed upon the accuracy or adequacy of this Official Statement.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OR THE NOTES AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT PRIOR NOTICE.

**The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety.**

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## OFFICIAL STATEMENT

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**\$8,743,000\***  
**TOWNSHIP OF LONG BEACH**  
**County of Ocean, New Jersey**  
**GENERAL OBLIGATION BONDS, SERIES 2025**  
**Consisting of:**  
**\$7,944,000\* General Improvement Bonds**  
**\$799,000\* Water-Sewer Utility Bonds**

**and**

**\$1,151,750**  
**TOWNSHIP OF LONG BEACH**  
**County of Ocean, New Jersey**  
**BOND ANTICIPATION NOTES OF 2025, SERIES B**

### INTRODUCTION

The purpose of this Official Statement, including the cover page and Appendices attached hereto, is to provide certain information relating to the issuance by the Township of Long Beach, County of Ocean, New Jersey ("Township"), of: (i) \$8,743,000\* aggregate principal amount of its General Obligation Bonds, Series 2025 ("Bonds"); and (ii) \$1,151,750 principal amount of its Bond Anticipation Notes of 2025, Series B ("Notes"). The Bonds consist of: (i) \$7,944,000\* General Improvement Bonds; and (ii) \$799,000\* Water and Sewer Utility Bonds.

### AUTHORIZATION FOR THE BONDS AND THE NOTES

#### **Bonds**

The Bonds are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey ("State"), as amended and supplemented ("Local Bond Law"); (ii) bond ordinances 20-19, 20-20, 21-11, 21-23, 22-04, 22-05, 22-17, 23-06, 23-21, 24-19, 24-20, 24-21, 24-22 and 25-06, each duly and finally adopted by the Board Commissioners of the Township ("Board of Commissioners") and published in accordance with the requirements of the Local Bond Law; (iii) a resolution adopted by the Board of Commissioners on October 6, 2025; and (iv) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on October \_\_, 2025.

#### **Notes**

The Notes are authorized to be issued pursuant to: (i) the Local Bond Law; (ii) bond ordinances 24-02 and 24-03, each duly and finally adopted by the Board of Commissioners and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on October \_\_, 2025.

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\* Preliminary, subject to change.

## PURPOSE OF THE ISSUE

### Bonds

The Bonds are being issued to provide funds which will be used to: (i) permanently finance the costs of various capital improvements in the Township for which obligations have been authorized, but not yet issued; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Bonds.

The improvements to be permanently financed with the proceeds of the Bonds include the following:

### General Improvement Bonds

<b><u>Ordinance Number</u></b>	<b><u>Description</u></b>	<b><u>Amount of Outstanding Notes</u></b>	<b><u>New Money</u></b>	<b><u>Amounts Funded with Bond Proceeds</u></b>
2020-19	Various paving and drainage improvements	\$0	\$149,500	\$149,500
2020-20	Reconstruction and/or resurfacing of various roadways	0	75,000	75,000
2021-11	Acquisition of and improvements to real property for open space	0	275,000	275,000
2021-23	Repair and installation of various recreational projects	0	50,000	50,000
2022-04	Renovations and improvements to the transportation building	0	14,500	14,500
2022-05	Various recreational improvements	0	90,500	90,500
2022-17	Reconstruction and/or resurfacing of various roadways	0	94,000	94,000
2023-06	Reconstruction and/or resurfacing of Pompano Drive	0	318,250	318,250
2023-21	Resurfacing/Restoration of various roads	0	332,500	332,500
2024-20	Construction of various new municipal buildings	0	1,425,000	1,425,000
2024-21	Reconstruction and/or resurfacing of various roadways	0	1,100,000	1,100,000
2024-22	Construction of storm water pump stations and piping	0	2,499,750	2,499,750



<b><u>Ordinance Number</u></b>	<b><u>Description</u></b>	<b><u>Amount of Outstanding Notes</u></b>	<b><u>New Money</u></b>	<b><u>Amounts Funded with Bond Proceeds</u></b>
2025-06	Acquisition of and improvements to real property	0	1,520,000	1,520,000
<b>Total:</b>		<b>\$0</b>	<b>\$7,944,000</b>	<b>\$7,944,000</b>

#### **Water-Sewer Utility Bonds**

<b><u>Ordinance Number</u></b>	<b><u>Description</u></b>	<b><u>Amount of Outstanding Notes</u></b>	<b><u>New Money</u></b>	<b><u>Amounts Funded with Bond Proceeds</u></b>
2024-19	Replacement of various water mains	\$0	\$799,000	\$799,000
<b>Total:</b>		<b>\$0</b>	<b>\$799,000</b>	<b>\$799,000</b>

#### **Notes**

The Notes are being issued by the Township to provide funds which will be used to: (i) temporarily finance the costs of capital improvements by the repayment, at maturity, of the principal of certain outstanding bond anticipation notes; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Notes.

The improvements to be temporarily financed with the proceeds of the Notes include the following:

#### **Bond Anticipation Notes**

<b><u>Ordinance Number</u></b>	<b><u>Description</u></b>	<b><u>Amount of Outstanding Notes</u></b>	<b><u>New Money</u></b>	<b><u>Notes to be Issued</u></b>
2024-02	Acquisition of equipment	\$235,000	\$0	\$235,000
2024-03	Acquisition of equipment	916,750	0	916,750
<b>Total:</b>		<b>\$1,151,750</b>	<b>\$0</b>	<b>\$1,151,750</b>

## DESCRIPTION OF THE BONDS AND THE NOTES

### General

#### Bonds

The Bonds will be issued in the aggregate principal amount of \$8,743,000\*. The Bonds will be dated their date of delivery and bear interest from that date at the interest rates set forth on the inside front cover hereof. Interest on the Bonds is payable April 1 and October 1 (each an “Interest Payment Date” and collectively, “Interest Payment Dates”), commencing April 1, 2026, in each year until maturity or earlier redemption.

Individual purchases of the Bonds may be made in the principal amount of \$5,000, or any integral multiple of \$5,000, and in integral multiples of \$1,000 in excess thereof, or in such amount necessary to issue the principal amount of the Bonds, through book-entries made on the books and the records of DTC (as hereinafter defined) and its participants. See “DESCRIPTION OF THE BONDS – Book-Entry-Only System” below. The Bonds will mature on October 1 in the years and in the principal amounts, all as shown on the inside front cover page of this Official Statement.

The Bonds will be issued in fully registered book-entry only form without coupons. The principal of the Bonds will be payable to the registered owners at maturity upon presentation and surrender of the Bonds at the offices of the Township, or its hereafter designated paying agent, if any. Interest on each Bond shall be payable on each Interest Payment Date of such Bond to the registered owner of record thereof appearing on the registration books kept by the Township for such purpose at the offices of the Township, or its hereafter designated paying agent, if any, as of the close of business on the fifteenth (15<sup>th</sup>) day of the calendar month next preceding an Interest Payment Date (each a “Record Date”).

So long as The Depository Trust Company, Brooklyn, New York (“DTC”) or its nominee, Cede & Co., is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made directly to Cede & Co., as nominee of DTC. Disbursements of such payments to the participants of DTC (“DTC Participants”) is the responsibility of DTC and disbursements of such payments to the Beneficial Owners (as hereinafter defined) of the Bonds is the responsibility of the DTC Participants and not the Township or any hereinafter designated paying agent.

#### Notes

The Notes will be issued in the principal amount of \$1,151,750, will be dated their date of delivery and bear interest from that date at the interest rate set forth on the front cover hereof. Interest on the Notes shall be calculated on the basis of twelve (12) thirty (30) day months in a three hundred sixty (360) day year.

The Notes will be issued as fully registered notes in book-entry only form, if applicable, and when issued, will be registered in the name of and held by Cede & Co., as nominee of DTC. DTC will act as securities depository for the Notes. Principal of and interest on the Notes will be payable by the Township or a duly designated paying agent on the date of maturity by wire transfer of immediately available funds to DTC or its nominee. Purchases of beneficial interests in the Notes will be made in book-entry only form, without certificates, in denominations of \$5,000, or any integral multiple of \$1,000 in excess thereof, or in such amount necessary to issue the principal amount of the Notes, through book entries made on the books and records of

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\* Preliminary, subject to change

DTC and its participants. Under certain circumstances, such beneficial interests in the Notes are exchangeable for one or more fully registered Note certificates in authorized denominations.

The Note certificates will be on deposit with DTC, if applicable. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants and transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Notes on behalf of the individual purchasers. Individual purchasers of the Notes will not receive certificates representing their beneficial ownership interests in the Notes, but each book-entry owner will receive a credit balance on the books of its nominee, and this credit balance will be confirmed by an initial transaction statement stating the details of the Notes purchased. So long as DTC or its nominee, Cede & Co., is the registered owner of the Notes, payments of the principal of and interest on the Notes will be made by the Township or a duly designated paying agent directly to DTC or its nominee, Cede & Co., which will in turn remit such payments to DTC Participants, which will in turn remit such payments to the beneficial owners of the Notes. See “BOOK-ENTRY ONLY SYSTEM” herein.

So long as DTC or its nominee, Cede & Co., is the registered owner of the Notes, payments of the principal of and interest on the Notes will be made directly to Cede & Co., as nominee of DTC. Disbursements of such payments to the DTC Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners of the Notes is the responsibility of the DTC Participants and not the Township or any hereinafter designated paying agent.

## **Redemption Provisions**

### Bonds

The Bonds maturing on and after October 1, 2033, are subject to redemption prior to their stated maturity dates at the option of the Township, upon notice as set forth below, as a whole or in part (and, if in part, such maturities as the Township or its hereinafter designated paying agent, if any) shall determine and within any such maturity by lot) on any date on or after October 1, 2032, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, plus accrued interest to the redemption date.

Notice of redemption shall be given by mailing first class mail in a sealed envelope with postage prepaid not less than thirty (30) days nor more than sixty (60) days prior to the redemption date to the owner of every Bond of which all or a portion is to be redeemed at his or her last address, if any, appearing on the registration books of the Township or its hereinafter designated paying agent, if any (“Paying Agent”). So long as the Bonds are issued in book-entry-only form, all notices of redemption will be sent only to DTC or any successor and will not be sent to the beneficial owners of the Bonds. Failure of an owner of the Bonds to receive such notice or of DTC to advise any participant or any failure of a participant to notify any beneficial owner of the Bonds shall not affect the validity of any proceedings for the redemption of Bonds. Such notice shall specify: (i) the series and maturity of the Bonds to be redeemed; (ii) the redemption date and the place or places where amounts that are due and payable upon such redemption will be payable; (iii) if less than all of the Bonds are to be redeemed, the letters and numbers or other distinguishing marks of the Bonds to be redeemed; (iv) in the case of a Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed; (v) that on the redemption date there shall become due and payable with respect to each Bond or portion thereof to be redeemed the redemption price; and (vi) that from and after the redemption date interest on such Bond or portion thereof to be redeemed shall cease to accrue and be payable.

### Notes

The Notes are not subject to redemption prior to their stated maturity date.

## **Book-Entry-Only System\***

The description which follows of the procedures and record keeping with respect to beneficial ownership interests in the Bonds and the Notes, payment of principal and interest, and other payments on the Bonds and the Notes to DTC Participants or Beneficial Owners (as such terms is hereinafter defined), confirmation and transfer of beneficial ownership interests in the Bonds and the Notes and other related transactions by and between DTC, DTC Participants and Beneficial Owners, is based on certain information furnished by DTC to the Township, or its hereinafter designated Paying Agent, if any. Accordingly, the Township does not make any representations as to the completeness or accuracy of such information.

The DTC will act as securities depository for the Bonds and the Notes. The Bonds and the Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds and the Notes, each in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of the Bonds and the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and the Notes on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds and the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds and the Notes, except in the event that use of the book-entry system for the Bonds and the Notes is discontinued.

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\* Source: The Depository Trust Company

To facilitate subsequent transfers, all the Bonds and the Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds and the Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds and the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds and the Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices, if any, shall be sent to DTC. If less than all of the Bonds and the Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds or the Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Township or the hereafter designated paying agent, if any, as soon as possible after the applicable Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds and the Notes are credited on the applicable Record Date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and distributions on the Bonds and the Notes, if any, will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Township or the hereafter designated Paying Agent, if any, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Township or the hereafter designated Paying Agent, if any, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and distributions to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Township or the hereafter designated Paying Agent, if any, disbursement of such payments to Direct Participants will be the responsibility of DTC and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds and the Notes at any time by giving reasonable notice to the Township or its hereinafter designated Paying Agent, if any. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Township may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond and Note certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Township believes to be reliable, but neither the Township nor the Underwriter (as hereinafter defined) take any responsibility for the accuracy thereof.

**NEITHER THE TOWNSHIP NOR ITS HEREAFTER DESIGNATED PAYING AGENT, IF ANY, WILL HAVE THE RESPONSIBILITY OR OBLIGATION TO THE DIRECT PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR PROVIDING OF NOTICE FOR THE DIRECT PARTICIPANTS, OR THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS.**

**SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS AND THE NOTES, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE BONDHOLDERS/NOTEHOLDER OR REGISTERED OWNERS OF THE BONDS AND THE NOTES (OTHER THAN UNDER THE HEADING "TAX MATTERS") SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS AND THE NOTES.**

#### **Discontinuance of Book-Entry-Only System**

In the event that the book-entry-only system is discontinued and the Beneficial Owners become registered owners of the Bonds and the Notes, the following provisions would apply: (i) the Bonds and the Notes may be exchanged for an equal principal amount of Bonds and Notes in other authorized denominations and of the same maturity, upon surrender thereof at the offices of the Township, or its hereafter designated Paying Agent, if any; (ii) the transfer of the Bonds and the Notes may be registered on the books maintained by the Township, or its hereafter designated Paying Agent, if any, for such purposes only upon the surrender thereof to the Township, or its hereafter designated Paying Agent, if any, together with the duly executed assignment in form satisfactory to the Township, or its hereafter designated Paying Agent, if any; and (iii) for every exchange or registration of transfer of the Bonds and the Notes, the Township, or its hereafter designated Paying Agent, if any, may make a charge sufficient to reimburse for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer of the Bonds and the Notes. In such event, interest on the Bonds and the Notes will be payable by check or draft, mailed on each Interest Payment Date, to the registered owners thereof as of the close of business on the Record Date, whether or not a business day.

#### **SECURITY FOR THE BONDS AND THE NOTES**

The full faith and credit of the Township are irrevocably pledged for the payment of the principal of and interest on the Bonds and the Notes. The Bonds and the Notes are general obligations of the Township payable as to principal and interest from *ad valorem* taxes that shall be levied upon all taxable real property within the Township without limitation as to rate or amount.

The Township may pledge only its own credit and taxing power in respect of the Bonds and the Notes, and has no power to pledge the credit or taxing power of the State or any other political subdivision thereof, nor shall the Bonds and the Notes be deemed to be obligations of said State or any other political subdivision thereof, nor shall said State or any other political subdivision thereof be liable for the payment of principal of or interest on the Bonds and the Notes.

## **MARKET PROTECTION**

The Township does not anticipate issuing any additional bonds within the next ninety (90) days. The Township may issue additional bond anticipation notes, as necessary, during the remainder of calendar year 2025.

## **GENERAL INFORMATION REGARDING THE TOWNSHIP**

### **General**

General information concerning the Township, including economic, financial, demographic and other relevant data, is set forth in Appendix “A” to this Official Statement.

### **Financial**

Appendix “B” to this Official Statement contains the audited financial statement of the Township for the years ended December 31, 2024 and 2023. The financial data was provided by Suplee, Clooney & Company, Westfield, New Jersey (“Auditor”), and is included herein in reliance upon the authority of such firm. The Auditor has consented to the inclusion of its report in this Official Statement. Copies of the complete reports of audit may be obtained upon request to the office of the Chief Financial Officer of the Township.

## **CERTAIN PROVISIONS OF THE LAWS OF THE STATE OF NEW JERSEY AND THE UNITED STATES RELATING TO GENERAL OBLIGATION DEBT**

### **Local Bond Law**

**General** - The Local Bond Law governs the issuance of bonds and notes by counties and municipalities for the financing of capital improvements. Among its provisions are the following: (i) the power and obligation to pay any and all bonds and notes issued pursuant to the Local Bond Law shall be unlimited; (ii) the county or municipality shall levy *ad valorem* taxes upon all taxable property therein for the payment of the principal of and interest on such bonds and notes without limitation as to rate or amount; (iii) generally, a down payment that is not less than five percent (5%) of the amount of debt obligations authorized must be appropriated in addition to the amount of debt obligations authorized; (iv) all non-special-assessment bonds shall mature within the period of usefulness or average period of usefulness of the improvements being financed; and (v) after issuance, all bonds and notes shall be conclusively presumed to be fully authorized and issued by all of the laws of the State, and all persons shall be estopped from questioning their sale, execution or delivery.

**Debt Limits** - The authorized bonded indebtedness of the Township is limited by statute, subject to the exceptions noted below, to an amount equal to three and one-half percent (3.50%) of its equalized valuation basis. The equalized valuation basis of the Township is set by statute as the average for the last three years of the equalized value of all taxable real property and improvements as annually determined by the New Jersey State Board of Taxation. Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit.

Bonds, notes and long-term loans are included in the computation of debt for the statutory debt limit. The Township, including the issuance of the Bonds and the Notes, will not exceed its three and one-half percent (3.50%) debt limit.

**Exceptions to Debt Limits – Extensions of Credit** - The Township may exceed its debt limit with the approval of the New Jersey Department of Community Affairs, Division of Local Government Services, Local Finance Board (“Local Finance Board”), a State regulatory agency, and as permitted by other statutory exceptions. If all or any part of a proposed debt authorization would exceed its debt limit, the Township may apply to the Local Finance Board for an extension of credit. If the Local Finance Board determines that a proposed debt authorization would not materially impair the credit of the Township or substantially reduce the ability of the Township to meet its obligations or to provide essential public improvements and services, or make certain other statutory determinations, approval may be granted.

In addition, debt in excess of the statutory limit may be issued by the Township to fund certain notes, to provide for purposes in an amount not exceeding two-thirds (2/3) of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of utility and assessment obligations).

**Short-Term Financing** – When approved by bond ordinance, the Township may issue bond anticipation notes to temporarily finance capital improvements. Such notes may not be issued in an aggregate amount exceeding that specified by the ordinance. The notes may not be issued for periods of more than one year, renewable with the final maturity occurring no later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original note. After the third year, the amount of the notes that may be renewed annually must be decreased by the minimum amount required for the first year’s principal payment for the bond issue in anticipation of which the notes are issued.

**Refunding Bonds** – Refunding Bonds may be issued pursuant to the Local Bond Law for the purpose of paying, funding outstanding bonds, including emergency appropriations, the actuarial liabilities of a non-state administered public employee pension system and amounts owing to others for taxes levied in the local unit, or any renewals or extensions thereof, and for paying the cost of issuance of refunding bonds.

### **Local Fiscal Affairs Law**

The Local Fiscal Affairs Law, Chapter 5 of Title 40A of the New Jersey State Statutes, as amended and supplemented (“Local Fiscal Affairs Law”), governs audits, auditors, public moneys and financial statements of local governmental units, including the Township.

Each local unit is required to cause an annual audit of its books, accounts and financial transactions to be made and completed within six months after the close of its fiscal year by either a Registered Municipal Accountant or, by agreement with the Director (“Director”) of the Division of Local Government Services (“Division”) in the Department of Community Affairs, by qualified employees of the Division.

An independent examination of the Township’s books, accounts and financial transactions must be performed annually by a Registered Municipal Accountant who is licensed by the State Board of Public Accountants. The audit, conforming to the Division’s “Requirements of Audit”, includes recommendations for improvement of the local unit’s financial procedures and must be filed with the report, together with all recommendations made. A Summary of Audit, together with recommendations, must be published in a local newspaper within 30 days of its submission. The entire annual audit report for the year ended December 31, 2024 is on file with the Township Clerk and is available for review during business hours.

The Local Fiscal Affairs Law also requires that the Chief Financial Officer of the local unit file annually with the Director a verified statement of the financial condition of the local unit as of the close of the fiscal year to be made not later than February 10 for December 31 fiscal year end local units and August 10 for June 30 fiscal year end local units.



## Local Budget Law

The Local Budget Law, Chapter 4 of Title 40A of the State states, as amended and supplemented (“Local Budget Law”), governs the budgeting and appropriation of funds by local governmental units.

The Local Budget Law requires local governmental units to adopt a “cash basis” budget in such form that there will be sufficient cash collected to meet all debt service requirements, necessary operations of the local governmental units for the fiscal year and any mandatory payments required to be met during the fiscal year.

No budget shall be adopted unless the Director shall have previously certified their approval thereof.

Each local governmental unit must include in its budget an appropriation for the payment of debt service. The Director is required to examine such appropriation to determine whether it is properly set forth, in addition to determining whether all estimates of revenue contained in the budget are reasonable, accurate and correctly stated.

A statute passed in 1976, as amended (*N.J.S.A. 40A:4-45.1 et seq.*), commonly known as the “Cap Law”, imposed limitations on increases in municipal appropriations subject to various exceptions. On August 20, 1990, the Governor of the State signed into law P.L. 1990, c. 89, which revised and made permanent the “Cap Law”. Since its inception, the “Cap Law” has been amended and modified several times, most recently on July 13, 2010. While the revised “Cap Law” is more restrictive on the ability of a local unit to increase its overall appropriations, it does not limit the obligation of the Township to levy *ad valorem* taxes upon all taxable real property within the Township to pay debt service on the Bonds and the Notes. The Cap Law provides that a local unit shall limit any increase of its budget to 2.5% or the index rate, whichever is less, over the previous year’s final appropriations subject to certain exceptions. The “index rate” is the rate of annual percentage increase in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services computed by the United States, Department of Commerce. Among the exceptions to the limitations imposed by the Cap Law are capital expenditures; debt service; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law.

Additionally, legislation constituting P.L. 2010, c. 44, was adopted on July 13, 2010 (S-29R1), which, among other things, imposes a two percent (2.00%) cap on the tax levy that municipalities, counties, fire districts and solid waste collection districts may impose, with very limited exceptions and subject to certain adjustments.

Exclusions from the two percent (2.00%) tax levy cap include: (i) increases required to be raised by taxation for capital expenditures, including debt service as defined by law; (ii) increases in pension contributions and accrued liability for pension contributions in excess of 2.00%; (iii) increases in health care costs equal to that portion of the actual increase in total health care costs for the budget year that is in excess of 2.00% of the total health care costs in the prior year, but is not in excess of the product of the total health care costs in the prior year and the average percentage increase of the State Health Benefits Program, P.L.1961, c.49 (*C.52:14-17.25 et seq.*), as annually determined by the Division of Pensions and Benefits in the Department of the Treasury; and (iv) and extraordinary costs incurred by a local unit directly related to a declared emergency, as defined by regulation promulgated by the Commissioner of the Department of Community Affairs, in consultation with the Commissioner of Education, as appropriate. The amendments to the tax levy sections of the “Cap Law” (specifically, *N.J.S.A. 40A:4-45-46*) in 2010 no longer permit municipalities, counties, fire districts and solid waste collection districts to request approval from the Local

Finance Board for a waiver to increase the amount to be raised by taxation in excess of the two percent (2.00%) cap. However, counties, municipalities, fire districts and solid waste collection districts may request, through a public question submitted to the voters, an increase in the amount to be raised by taxes above the two percent (2.00%) tax levy cap. Such approval must be achieved by an affirmative vote in excess of fifty percent (50%) of those voting on such public question.

Neither the tax levy limitation nor the “Cap Law” limits the obligation of the Township to levy *ad valorem* taxes upon all taxable real property within the Township to pay debt service on its bonds or notes, including the Bonds and the Notes.

### **Miscellaneous Revenues**

*N.J.S.A.* 40A:4-26 provides that: “No miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing, to the local unit.” Such determination may be made by the governing body and the chief financial officer in any year during which the local unit is subject to local examination.

No budget or amendment shall be adopted unless the Director has previously certified the approval of such anticipated revenues.

### **Real Estate Taxes**

**Receipts from Delinquent Taxes** - Revenues are permitted by *N.J.S.A.* 40A:4-29 to be anticipated in the annual budget for collection of delinquent taxes of prior years. The maximum amount permitted to be anticipated is determined by applying the collection rate of the prior year’s delinquent taxes to the total amount of delinquent taxes outstanding at the beginning of the current year.

**Current Year Tax Levy and Reserve for Uncollected Taxes** - The current year’s taxes to be levied are determined by adding the sums of the cash required from taxes to support the municipal, school, county and special district budgets, if any, together with the amount of an appropriation required to be included in the annual municipal budget entitled “Reserve for Uncollected Taxes”, less the total of anticipated revenues. The inclusion of the “Reserve for Uncollected Taxes” appropriation in the current year’s budget protects the municipality from taxes currently unpaid. The “Reserve for Uncollected Taxes” is required to be, at a minimum, an amount sufficient to provide for the same percentage of uncollected taxes in the current year as was experienced in the immediately preceding year, the average of the previous three years in accordance with P.L. 2000, c. 126, or the previous year collection percentage after reducing the previous year levy by tax appeal judgments of the county tax board pursuant to R.S.54:3-21 *et seq.*, or the State tax court pursuant to R.S.54:48-1 *et seq.* in accordance with Chapter 56 of P.L. 2010.

*N.J.S.A.* 40A:4-41 provides with regard to current taxes that: “Receipts from the collection of taxes levied or to be levied in the municipality, or in the case of a county for general county purposes and payable in the fiscal year, shall be anticipated in an amount which is not in excess of the percentage of taxes levied and payable during the next preceding fiscal year which was received in cash by the last day of such preceding fiscal year.”

Another provision requires that an additional amount (the “reserve for uncollected taxes”) be added to the tax levy required for all current budget appropriations and school and county taxes of the current fiscal year. The reserve requirement is calculated as follows:

$$\frac{\text{Levy Required for Current Budget, School and County Taxes}}{\text{Prior Year's Percentage of Current Tax Collections (or Lesser \%)}} = \text{Total Taxes to be Levied}$$

### **Deferral of Current Expenses**

Emergency appropriations (i.e., those made after the adoption of the budget and determination of the tax rate for an unforeseen event or purpose) may be authorized by the governing body of the local governmental units. With minor exceptions, however, such appropriations must be included in full in the following year's budget. When such appropriations exceed three percent (3.00%) of the adopted operating budget, consent of the Director of Local Government Services must be obtained.

The exceptions are certain enumerated projects to cover the cost of the extraordinary expense for the repair, or reconstruction of streets, roads or bridges, or other public property damaged by snow, ice, frost or flood, where such expense was not foreseen at the time of the adoption of the budget, which may be amortized over three years; and tax map preparations, revision of ordinances, revaluations, master plan preparation, studies and planning necessary for the installation and construction of a sanitary sewer system, and payments of accumulated sick and vacation time which may be amortized over five years.

### **Budget Transfers**

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between major appropriation accounts are prohibited until the last two months of the year and, although subaccounts within an appropriation are not subject to the same year-end transfer restriction, they are subject to internal review and approval.

### **Capital Budget**

In accordance with the Local Budget Law, each local unit shall prepare and adopt a capital budget, in conjunction with its annual operating budget, for any year in which it proposes to undertake a capital project. Every local unit which adopts a capital budget must also adopt a three (3) year capital program unless the local unit's population exceeds 10,000 where a six (6) year capital program is required.

### **Related Constitutional and Statutory Provisions**

In the general election of January 2, 1976, as amended by the general election of January 6, 1984, the following Article 8, Section 1, Paragraph 7, with respect to a state income tax, was added to the State Constitution:

No tax shall be levied on personal incomes of individuals, estates and trusts of this State unless the entire net receipts therefrom shall be received into the treasury, placed in a perpetual fund and be annually appropriated, pursuant to formulas established from time to time by the Legislature, to the several counties, municipalities and school districts of this State exclusively for the purpose of reducing or offsetting property taxes. In no event, however, shall a tax so levied on personal income be levied on payments received under the Federal Social Security Act, the Federal Railroad Retirement Act, or any federal law which substantially reenacts the provisions of either of those laws.

A progressive state income tax is currently in effect in the State.

The State Constitution may only be amended after: (i) approval of a proposed amendment by three-fifths (3/5) of all of the members of each house of the State Legislature and approval by a majority vote in a statewide referendum; or (ii) approval in two successive legislative years by a majority of all of the members of each house and approval by a majority vote in a statewide referendum. Amendments failing to receive voter approval may not be resubmitted for voter approval before the third succeeding general election after such disaffirmance.

### **The Municipal Finance Commission**

The Municipal Finance Commission (“Commission”) was created in 1931 to assist in the financial rehabilitation of municipalities, which had defaulted in their obligations. The powers of the Commission are exercised today by the Local Finance Board. The previously discussed elements of the local finance system are intended to prevent default on obligations or occurrence of severe fiscal difficulties in any local unit. Should extreme economic conditions adversely affect any local unit, the “Municipal Finance Commission Statutes” are available to assist in restoring the stability of the local unit.

Any holder of bonds or notes which are in default for over sixty (60) days (for payment of principal or interest) may bring action against such municipality in the State’s Superior Court. Any municipality may declare itself unable to meet its obligations and bring action in such court. In either case, the court’s determination that the municipality is in default or unable to meet its obligations causes the Commission to become operative in that municipality.

The Commission exercises direct supervision over the finances and accounts of any local unit under its jurisdiction. The Commission is authorized to appoint an auditor to examine and approve all claims against the municipality and to serve as comptroller for that community. The Commission is also directed to supervise tax collections and assessments, to approve the funding of municipal school district indebtedness, the adjustment or composition of the claims of creditors and the readjustment of debts under the Federal Municipal Bankruptcy Act. Such Act permits municipalities to have access to bankruptcy court for protection against suits by bondholders and creditors.

The Local Finance Board also serves as the “Funding Commission” to exercise supervision over the funding or refunding of local government debt. Any county or municipality seeking to adjust its debt service must apply to and receive the approval of such Funding Commission for the proposed reorganization of its debt.

### **Limitation of Remedies Under Federal Bankruptcy Code**

The rights and remedies of the registered owners of the Bonds and the Notes are subject to the provisions of Chapter 9 of the Federal Bankruptcy Code of the United States (“Bankruptcy Code”). In general, Chapter 9 permits, under prescribed circumstances, but only after an authorization by the applicable state legislature or by a governmental officer or organization empowered by state law to give such authorization, a political subdivision of a state to file a petition for relief in a bankruptcy court of the United States if it is insolvent or unable to meet its debts as they mature and desires to effect a plan to adjust its debts.

The State has authorized the political subdivisions thereof to file such petitions for relief under the Bankruptcy Code pursuant to and subject to Article 8 of the Act. The Act provides that such petitions may not be filed without the prior approval of the Commission and that no plan of readjustment of the local

unit's debts may be filed or accepted by the petitioner without express authority from the Commission to do so.

THE ABOVE REFERENCES TO THE BANKRUPTCY CODE ARE NOT TO BE CONSTRUED AS AN INDICATION THAT THE TOWNSHIP EXPECTS TO RESORT TO THE PROVISIONS OF SUCH BANKRUPTCY CODE OR THAT, IF IT DID, SUCH ACTION WOULD BE APPROVED BY THE COMMISSION, OR THAT ANY PROPOSED PLAN WOULD INCLUDE A DILUTION OF THE SOURCE OF PAYMENT OF AND SECURITY OF THE BONDS AND THE NOTES.

THE SUMMARIES OF AND REFERENCES TO THE STATE CONSTITUTION AND OTHER STATUTORY PROVISIONS ABOVE ARE NOT AND SHOULD NOT BE CONSTRUED AS COMPREHENSIVE OR DEFINITIVE. ALL REFERENCES TO SUCH DOCUMENTS ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PARTICULAR DOCUMENT, THE FULL TEXT OF WHICH MAY CONTAIN QUALIFICATIONS OF AND EXCEPTIONS TO STATEMENTS MADE HEREIN.

## **TAXATION**

### **Procedure for Assessment and Collection of Taxes**

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of maintaining new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the Township, the school district within the Township and the County of Ocean ("County"), the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in *N.J.S.A. 54:4-1 et seq.* Special taxing districts are permitted in the State for various special services rendered to the properties located within the special district.

Tax bills are due quarterly on February 1, May 1, August 1 and November 1. Installments not paid on or before the due date are subject to interest penalties of 8% per annum on the first \$1,500.00 of the delinquency and 18.00% per annum on any amounts in excess of \$1,500.00. These interest penalties are the maximum permitted under New Jersey Statutes. Additionally, a 6.00% penalty is charged on any delinquencies in excess of \$10,000.00 if not paid by the end of each year. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with New Jersey Statutes. Tax liens retained by the Township are periodically assigned to the Township Attorney for "in rem foreclosures" in order to acquire title to these properties.

### **Tax Appeals**

The State Statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. The taxpayer has a right to petition the New Jersey Board of Taxation ("Tax Board") on or before the first day of April of the current tax year for review. The Tax Board has the authority, after a hearing, to decrease, increase or reject the appeal petition. These adjustments are usually concluded within the current tax year and reductions are shown as canceled or remitted taxes for that year. If the taxpayer feels his petition was unsatisfactorily reviewed by the Tax Board, appeal may be made to the State Tax Court. State Tax Court appeals tend to take several years prior to settlement and any losses in tax collection from prior years are charged directly to operations.

## **CERTAIN RISK FACTORS**

### **Recent Healthcare Developments**

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. The national public health emergency and the State public health emergency have since ended, while the state of emergency declared by the State and several executive orders signed by the Governor remain to manage COVID-19 on an endemic level.

In an effort to provide relief to entities impacted by the COVID-19 pandemic, the American Rescue Plan Act of 2021, H.R. 1319 ("Plan") was signed into law on March 12, 2021 and provided \$1.9 trillion in financial assistance to businesses, individuals and governmental entities. The Plan provided funding for state and local governments to recoup and offset costs related to COVID-19 and to encourage and re-establish economic development and certain infrastructure improvements.

Pursuant to the funding methodology under the Plan, the Township received \$321,437.13 in funding ("Plan Funds"). The deadline to obligate the Plan Funds was December 31, 2024 and to spend Plan Funds is December 31, 2026. Such Plan Funds were received in two (2) equal payments; one (1) received within 60 days of enactment of the Plan, and the balance was received no earlier than 12 months from the initial payment.

While the effects of COVID-19 have abated significantly, the Township cannot predict, and does not predict, whether or if the Coronavirus or any similar viral disease (including any variants or sub-variants thereof) may reemerge in the future and, if such reemergence occurs, what the effects thereof may have upon global, State-wide and local economies and operations, including that of the Township.

### **Cyber Security**

The Township relies on a complex technology environment to conduct its various operations. As a result, the Township faces certain cyber security threats at various times including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and digital networks and systems. To mitigate the risks of business operations impact and/or damage from cybersecurity incidents or cyberattacks, the Township has invested in multiple forms of cybersecurity and operational safeguards.

### **Climate Change**

As a coastal community, the Township is susceptible to the effects of extreme weather events and natural disasters, including coastal storms and flooding, which could result in negative economic impacts. These effects may be amplified by a prolonged global temperature increase over the next several decades, which scientific studies indicate may be occurring. Scientific studies on climate change predict that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common, and extreme weather events like Superstorm Sandy will become more frequent. Coastal areas like the Township are at risk of substantial flood damage over time, potentially affecting private development and public infrastructure. The economic impacts resulting from such extreme weather events could include a loss of ad valorem tax revenue, interruption of municipal services, and escalated recovery costs. No assurance can be given as to whether future extreme weather events will occur that could materially adversely affect the financial condition of the Township.

## **TAX MATTERS**

### **Federal**

In the opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the Township, assuming continuing compliance by the Township with the tax covenants described below, under existing law, interest on the Bonds and the Notes is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (“Code”), and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the “dividend equivalent amount” for the taxable year. Interest on the Bonds and the Notes received or accrued by a foreign corporation subject to the branch profits tax will be included in computing the “dividend equivalent amount” of such corporation.

In addition, passive investment income, including interest on the Bonds and the Notes, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering this opinion, we have assumed continuing compliance by the Township with the applicable requirements of the Code, including requirements relating to, inter alia, the use and investment of proceeds of the Bonds and the Notes and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the Township to comply with such covenants could result in the interest on the Bonds and the Notes being subject to federal income tax from the date of issue. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date hereof that affect the tax-exempt status of the interest on the Bonds and the Notes.

Ownership of the Bonds and the Notes may result in collateral federal income tax consequences to certain taxpayers including, without limitation, certain holders of an interest in a financial asset securitization investment trust, property and casualty insurance companies, controlled foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit, and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the Bonds and the Notes will constitute disqualified income for this purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the Bonds and the Notes is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount of the premium assistance credit amount is in part determined by household income. Section 36B(d) of the Code provides that household income consists of the “modified adjusted gross income” of the taxpayer and certain other individuals. “Modified adjusted gross income” means adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the Bonds and the Notes.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions

and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The Township has designated the Bonds and the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. Eighty percent (80%) of the interest expense deemed incurred by banks, thrift institutions and other financial institutions to purchase or carry "qualified tax-exempt obligations" is deductible.

Owners of the Bonds and the Notes should consult their own tax advisers as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

## **New Jersey**

Bond Counsel is also of the opinion that interest on the Bonds and the Notes and any gain from the sale thereof are not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as presently enacted and construed.

## **Changes in Federal and State Tax Law**

From time to time, there are legislative proposals in the United States Congress and in New Jersey that, if enacted, could alter or amend the Federal and New Jersey tax matters referred to above or adversely affect the market value of the Bonds and the Notes. It cannot be predicted whether or in what form any such proposals might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds and the Notes.

**PROSPECTIVE PURCHASERS OF THE BONDS AND THE NOTES SHOULD CONSULT WITH THEIR OWN TAX ADVISORS REGARDING ANY FEDERAL AND STATE INCOME TAX LEGISLATION, WHETHER CURRENTLY PENDING OR PROPOSED, REGULATORY INITIATIVES OR LITIGATION. THE OPINIONS EXPRESSED BY BOND COUNSEL ARE BASED UPON EXISTING LEGISLATION AND REGULATIONS AS INTERPRETED BY RELEVANT JUDICIAL AND REGULATORY AUTHORITIES AS OF THE DATE OF ISSUANCE AND DELIVERY OF THE BONDS AND THE NOTES AND BOND COUNSEL HAS EXPRESSED NO OPINION AS OF ANY DATE SUBSEQUENT THERETO OR WITH RESPECT TO ANY PENDING LEGISLATION, REGULATORY INITIATIVES OR LITIGATION.**

## **LITIGATION**

To the knowledge of the Township Attorney, Tennant D. Magee, Sr., Esquire, of the firm Tennant Magee Law, Brielle, New Jersey ("Township Attorney"), there is no litigation of any nature now pending or threatened, restraining or enjoining the issuance or the delivery of the Bonds and the Notes, or the levy or the collection of any taxes to pay the principal of or the interest on the Bonds and the Notes, or in any manner questioning the authority or the proceedings for the issuance of the Bonds and the Notes or for the levy or the collection of taxes, or contesting the corporate existence or the boundaries of the Township or the title of any of the present officers. Moreover, to the knowledge of the Township Attorney, no litigation is presently pending or threatened that, in the opinion of the Township Attorney, would have a material adverse impact on the financial condition of the Township if adversely decided.



## **RATING**

S&P Global Ratings, acting through Standard & Poor's Financial Services LLC ("Rating Agency"), has assigned a rating of "AA+" to the Bonds based upon the creditworthiness of the Township.

The rating reflects only the views of the Rating Agency. Any desired explanation of the significance of such rating should be obtained directly from the Rating Agency. The Township furnished to the Rating Agency certain information and materials concerning the Bonds and the Township. There can be no assurance that the rating will be maintained for any given period of time or that they may not be raised, lowered or withdrawn entirely if, in the Rating Agency's judgment, circumstances so warrant. Any downward change in or withdrawal of such rating may have an adverse effect on the marketability or market price of the Bonds.

The Notes have not been rated.

## **PREPARATION OF OFFICIAL STATEMENT**

All of the information has been obtained from sources which the Township considers to be reliable and it makes no warranty, guaranty or other representation with respect to the accuracy and completeness of such information.

The Township compiled Appendix "A" from information obtained from various sources they consider to be reliable and makes no warranty, guaranty or other representation with respect to the accuracy and completeness or fairness of the information contained herein and, accordingly, will express no opinion with respect thereto.

Parker McCay P.A. has not participated in the preparation of this Official Statement, nor has such firm verified the accuracy, completeness or fairness of the information contained herein (except under the heading "TAX MATTERS") and, accordingly, will express no opinion with respect thereto.

Suplee, Clooney & Company, Westfield, New Jersey, only takes responsibility for the financial statements, appearing in Appendix "B" hereto.

The Municipal Advisor (as hereinafter defined) has participated in the preparation and review of the information contained in this Official Statement, including the collection of financial, statistical and demographic information; however, it has not verified the accuracy, completeness or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto. Certain information set forth herein has been obtained from the Township and other sources, which are deemed reliable, but no warranty, guaranty or other representation as to the accuracy or completeness is made as to such information contained herein. There is no assurance that any of the assumptions or estimates contained herein will be realized.

## **UNDERWRITING**

### **Bonds**

The Bonds have been purchased from the Township at a public sale by \_\_\_\_\_, as underwriter ("Bond Underwriter") at a price of \$\_\_\_\_\_ ("Bond Purchase Price") in accordance with the Notice of Sale prepared in connection with the Bonds. The Bond Purchase Price reflects the principal amount

of the Bonds, plus a bid premium in the amount of \$ \_\_\_\_\_. The Bond Underwriter is obligated to purchase all of the Bonds if any of the Bonds are purchased.

The Bond Underwriter intends to offer the Bonds to the public initially at the offering yields set forth on the inside front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Bond Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing bonds and notes into investment trusts) at yields higher than the public offering yield set forth on the inside front cover page of this Official Statement, and such public offering yields may be changed, from time to time, by the Bond Underwriter without prior notice.

## **Notes**

The Notes have been purchased from the Township at a public sale by \_\_\_\_\_, as underwriter (“Note Underwriter”) at a price of \$ \_\_\_\_\_ (“Note Purchase Price”). The Note Purchase Price reflects the principal amount of the Notes, plus a bid premium in the amount of \$ \_\_\_\_\_. The Note Underwriter is obligated to purchase all of the Notes if any of the Notes are purchased.

The Note Underwriter intends to offer the Notes to the public initially at the offering yield set forth on the inside front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Note Underwriter may offer and sell the Notes to certain dealers (including dealers depositing bonds and notes into investment trusts) at a yield higher than the public offering yield set forth on the inside front cover page of this Official Statement, and such public offering yield may be changed, from time to time, by the Note Underwriter without prior notice.

## **LEGALITY FOR INVESTMENT**

The State and all public officers, municipalities, counties, political subdivisions and public bodies, and agencies thereof, all banks, bankers, trust companies, savings and loan associations, savings banks and institutions, building and loan associations, investment companies, and other persons carrying on banking business, all insurance companies, and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest any sinking funds, money or other funds belonging to them or within their control in any bonds and notes of the Township, including the Bonds and the Notes, and such bonds and notes are authorized security for any and all public deposits.

## **MUNICIPAL ADVISOR**

Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, has served as Municipal Advisor to the Township in connection with the issuance of the Notes (“Municipal Advisor”) and has assisted in matters related to the planning, structuring and terms of the Notes. The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of, or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement and the Appendices hereto. The Municipal Advisor is an Independent Registered Municipal Advisor pursuant to the Dodd-Frank Act and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

## **NO DEFAULT**

There is no record of default in the payment of the principal of or interest on the bonds or notes of the Township.

## **CONTINUING DISCLOSURE**

In accordance with the requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule”), the Township will, prior to the issuance of the Bonds and Notes, enter into separate agreements substantially in the forms set forth in Appendix “D” hereto, as required by the Rule.

The Township has previously entered into secondary market disclosure undertakings in accordance with the Rule. The Township appointed Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey to serve as continuing disclosure agent to assist in the timely filing of certain information on EMMA as required under its prior secondary market disclosure undertakings.

## **LEGAL MATTERS**

The legality of the Bonds and the Notes will be subject to the approving legal opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the Township (“Bond Counsel”). Such opinion will be printed on or accompany the Bonds and the Notes and provide, *inter alia*, that the Bonds and the Notes are valid and binding obligations of the Township, and the Township has the power and is obligated to levy *ad valorem* taxes upon all the taxable property within the Township without limitation as to rate or amount for the payment of the Bonds and the Notes and interest thereon. The enforceability of rights or remedies with respect to the Bonds and the Notes may be limited by bankruptcy, insolvency, or other law affecting creditors’ rights or remedies heretofore or hereinafter enacted. Certain legal matters will be passed upon for the Township by the Township Attorney.

Bond Counsel has not verified the accuracy, completeness or fairness of the statements contained in this Official Statement (except to the extent, if any, as specifically stated herein) and will express no opinion relating thereto.

The legal opinions to be delivered concurrently with the delivery of the Bonds and the Notes express the professional judgment of the attorneys rendering the opinion as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

## **ADDITIONAL INFORMATION**

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to Erica Nicholes, the Township Chief Financial Officer, Township of Long Beach, at (609) 361-6642, or to its Municipal Advisor, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., 2000 Waterview Drive, Suite 101, Hamilton, New Jersey 08691, telephone (609) 291-0130.

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth merely as opinions and not as representations of fact, and no representation is made that any such statements will be realized. Neither this Official Statement nor any statement, which may have been made verbally or in writing, is to be construed as a contract with, or a covenant for the benefit of, the holders of the Bonds and the Notes. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the Bonds and the Notes made hereunder shall, under any circumstances, create any implication that there has

been no change in the affairs of the Township since the date hereof. The information contained in the Official Statement is not guaranteed as to accuracy or completeness.

All quotations from and summaries and explanations of provisions of laws of the State herein do not purport to be complete and are qualified in their entirety by reference to the official compilation thereof.

This Official Statement has been duly executed and delivered by the Chief Financial Officer of the Township for and on behalf of the Township.

**TOWNSHIP OF LONG BEACH,  
COUNTY OF OCEAN, NEW JERSEY**

**By: \_\_\_\_\_  
ERICA NICHOLE, Chief Financial Officer**

Dated: October \_\_, 2025

## **APPENDIX A**

### **CERTAIN ECONOMIC, FINANCIAL AND DEMOGRAPHIC INFORMATION REGARDING THE TOWNSHIP OF LONG BEACH**

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## **INFORMATION REGARDING THE TOWNSHIP<sup>1</sup>**

The following material presents certain economic and demographic information of the Township of Long Beach ("Township"), in the County of Ocean ("County"), State of New Jersey ("State").

### **General Information**

The Township covers a land area of 5.5 square miles and is located on Long Beach Island, an island approximately 18 miles long and 1 mile wide, bounded by Barnegat Bay on the west and the Atlantic Ocean on the east. The Township is approximately 90 miles south of New York, New York, and 60 miles east of Philadelphia, Pennsylvania. The Township is a seashore residential community, noted for its beaches, boating and sport fishing. The Township's location and maritime flavor have served to attract residents from other parts the State, nearby Pennsylvania and the New York metropolitan area.

### **Form of Government**

The Township is governed by a Board of Commissioners composed of three members, all of whom are elected at-large. The Township employs a Township Administrator who has the responsibility of operating the Township government efficiently under the guidelines and provisions of the Board of Commissioners and the Township Administrative Code.

The general administration of the Township business, tax assessment and collection, zoning and planning, elections and Court is provided by a full-time staff.

### **Public Services**

The Township is protected by a police force, with a 24-hour police dispatching network. Volunteer fire companies provide fire protection. The Township provides once-a-week garbage collection, which is increased to twice-a-week during the summer tourist season.

Atlantic City Electric and New Jersey Natural Gas Company provide electric and gas service to the Township. The Township's Water & Sewer Department provides water and sewer services. The Township is a participant of the Ocean County Utilities Authority.

Over 12 miles of ocean and bay beaches are protected by beach patrol, which are on duty from June through Labor Day.

### **Education**

The Township is a constituent member of the Southern Regional High School District ("Regional School District"). There is presently one middle school and one high school for grades 7 through 12 operated by the Southern Regional Board of Education. The constituent municipalities of the Southern Regional High School District are the Boroughs of Barnegat

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<sup>1</sup> Source: The Township, unless otherwise indicated.

Light, Beach Haven, Harvey Cedars, Ship Bottom, Surf City and the Townships of Long Beach and Stafford.

Taxes used to support the Regional School District, as approved by the voters in the Regional School District, are levied on the assessed valuations in the seven constituent municipalities as equalized by the County.

The Regional School District functions through a ten-member board, elected by the voters to staggered three-year terms.

Legislation has provided for two additional members, with limited voting rights, to represent the sending districts of the Townships of Barnegat and Ocean. The new members were seated following school district elections in April 1995. The sending districts pay tuition on a per-pupil basis through their local board of education.

The Township is also a constituent member of the Long Beach Island Consolidated School District ("Consolidated School District"), which operates two schools for grades Pre-K through 6. The constituent municipalities of the Consolidated School District are the Boroughs of Barnegat Light, Harvey Cedars, Ship Bottom, Surf City and the Township.

Taxes used to support the Consolidated School District, as approved by the voters in the Consolidated School District, are levied on the assessed valuations of the five municipalities.

The Consolidated School District functions through a nine-member board, elected by the voters to staggered three-year terms.

### **Pension and Retirement Systems**

Substantially all eligible employees participate in the Public Employees' Retirement System ("PERS"), the Police and Firemen's Retirement System ("PFRS") or the Defined Contribution Retirement Program ("DCRP"), which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits ("Division"). Benefits, contributions, means of funding and the manner of administration are set by State statute. The Division annually charges municipalities and other participating governmental units for their respective contributions to the plans based upon actuarial calculations and employees contribute a portion of the cost. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 and is available online at [www.nj.gov/treasury/pensions/financial-reports.shtml](http://www.nj.gov/treasury/pensions/financial-reports.shtml).

PERS is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. Membership is mandatory for substantially all full-time employees of the State or any county, municipality, school district or public agency, provided the employee is not required to be a member of



another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

PFRS is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. to provide retirement, death, disability and medical benefits to certain qualified members. Membership is mandatory for substantially all full-time county and municipal police and firemen or officer employees with police powers appointed after June 30, 1944.

DCRP is a multiple-employer defined contribution pension fund which was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

Source: State of New Jersey Department of Treasury, Division of Pensions and Benefits

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## **Employment and Unemployment Comparisons**

For the following years, the New Jersey Department of Labor reported the following annual average employment information for the Township, the County, and the State:

	<b><u>Total Labor Force</u></b>	<b><u>Employed Labor Force</u></b>	<b><u>Total Unemployed</u></b>	<b><u>Unemployment Rate</u></b>
<b><u>Township</u></b>				
2024	1,235	1,176	59	4.8%
2023	1,240	1,175	65	5.2%
2022	1,223	1,162	61	5.0%
2021	1,197	1,112	85	7.1%
2020	1,194	1,079	115	9.6%
<b><u>County</u></b>				
2024	293,284	280,025	13,259	4.5%
2023	292,457	279,888	12,569	4.3%
2022	287,161	275,556	11,605	4.0%
2021	279,507	260,912	18,595	6.7%
2020	274,842	248,481	26,361	9.6%
<b><u>State</u></b>				
2024	4,898,008	4,676,064	221,944	4.5%
2023	4,867,113	4,659,779	207,334	4.3%
2022	4,756,002	4,572,879	183,123	3.9%
2021	4,654,243	4,342,075	312,168	6.7%
2020	4,643,700	4,204,301	439,399	9.5%

Source: New Jersey Department of Labor, Office of Research and Planning, Division of Labor Market and Demographic Research, Bureau of Labor Force Statistics, Local Area Unemployment Statistics

## **Income (as of 2023)**

	<b><u>Township</u></b>	<b><u>County</u></b>	<b><u>State</u></b>
Median Household Income	\$113,542	\$86,411	\$101,050
Median Family Income	159,875	108,905	123,892
Per Capita Income	100,398	43,900	53,118

Source: US Bureau of the Census, 2023 American Community Survey 5-Year Estimates

## **Population**

The following tables summarize population increases and the decreases for the Township, the County, and the State.

<b><u>Year</u></b>	<b><u>Township</u></b>		<b><u>County</u></b>		<b><u>State</u></b>	
	<b><u>Population</u></b>	<b><u>% Change</u></b>	<b><u>Population</u></b>	<b><u>% Change</u></b>	<b><u>Population</u></b>	<b><u>% Change</u></b>
2023 est.	3,145	-0.25%	666,434	4.58%	9,500,851	2.28%
2020	3,153	3.34	637,229	10.52	9,288,994	5.65
2010	3,051	-8.35	576,567	12.85	8,791,894	4.49
2000	3,329	-2.29	510,916	17.94	8,414,350	8.85
1990	3,407	-2.32	433,203	25.19	7,730,188	4.96

Source: United States Department of Commerce, Bureau of the Census

## **Largest Taxpayers**

The ten largest taxpayers in the Township and their assessed valuations are listed below:

<b><u>Taxpayers</u></b>	<b><u>2025</u></b>	<b><u>% of Total</u></b>
	<b><u>Assessed Valuation</u></b>	<b><u>Assessed Valuation</u></b>
37 Trust	\$20,255,600	0.18%
LaRacca Estates LLC	10,688,500	0.10%
High Dune Partners LP	10,674,400	0.10%
Pentium Investment LLC	10,411,100	0.09%
Francis Baron LLC	9,864,100	0.09%
1025 Employees Only LLC	9,666,100	0.09%
Peter, George and Pauline Triebenbacher	9,515,300	0.09%
208 24th Street LLC	8,690,900	0.08%
Dionne, Pierre & Dias, Sueli Trust	8,157,400	0.07%
Goldman, Robert & Carole	<u>7,793,900</u>	<u>0.07%</u>
<b>Total</b>	<b><u>\$105,717,300</u></b>	<b><u>0.96%</u></b>

Source: Annual Comprehensive Financial Report of the School District & Municipal Tax Assessor

### **Comparison of Tax Levies and Collections**

<b><u>Year</u></b>	<b><u>Tax Levy</u></b>	<b><u>Current Year Collection</u></b>	<b><u>Current Year % of Collection</u></b>
2024	\$98,146,456	\$97,641,886	99.49%
2023	96,064,217	95,590,592	99.51%
2022	88,435,395	87,987,100	99.49%
2021	84,595,849	84,020,433	99.32%
2020	80,708,378	80,084,736	99.23%

Source: Annual Audit Reports of the Township

### **Delinquent Taxes and Tax Title Liens**

<b><u>Year</u></b>	<b><u>Amount of Tax Title Liens</u></b>	<b><u>Amount of Delinquent Tax</u></b>	<b><u>Total Delinquent</u></b>	<b><u>% of Tax Levy</u></b>
2024	\$2,612	\$460,789	\$463,401	0.47%
2023	2,343	471,876	474,218	0.49%
2022	2,087	452,710	454,798	0.51%
2021	9,794	494,760	504,554	0.60%
2020	17,366	597,792	615,158	0.76%

Source: Annual Audit Reports of the Township

### **Property Acquired by Tax Lien Liquidation**

<b><u>Year</u></b>	<b><u>Amount</u></b>
2024	\$68,100
2023	68,100
2022	68,100
2021	29,000
2020	29,000

Source: Annual Audit Reports of the Township

### **Tax Rates per \$100 of Net Valuations Taxable and Allocations**

The table below lists the tax rates for Township residents for the past five (5) years.

<b><u>Year</u></b>	<b><u>Municipal</u></b>	<b><u>Municipal Open Space</u></b>	<b><u>Local School</u></b>	<b><u>Regional School</u></b>	<b><u>County</u></b>	<b><u>Total</u></b>
2025	\$0.210	\$0.010	\$0.041	\$0.212	\$0.440	\$0.913
2024	0.203	0.010	0.041	0.206	0.433	0.893
2023	0.213	0.010	0.042	0.210	0.422	0.897
2022	0.197	0.012	0.042	0.209	0.372	0.832
2021R	0.205	0.000	0.041	0.200	0.360	0.806

R=Revaluation

Source: Abstract of Ratables and State of New Jersey – Property Taxes

### **Valuation of Property**

<b><u>Year</u></b>	<b><u>Aggregate Assessed Valuation of Real Property</u></b>	<b><u>Aggregate True Value of Real Property</u></b>	<b><u>Ratio of Assessed to True Value</u></b>	<b><u>Assessed Value of Personal Property</u></b>	<b><u>Equalized Valuation</u></b>
2025	\$11,041,521,900	\$15,150,277,031	72.88%	\$0	\$15,150,277,031
2024	10,879,714,400	14,928,257,958	74.56	0	14,928,257,958
2023	10,698,037,300	14,348,225,992	74.56	0	14,348,225,992
2022	10,509,841,700	12,943,154,803	81.20	0	12,943,154,803
2021R	10,457,007,600	10,743,868,900	97.33	0	10,743,868,900

R=Revaluation

Source: Abstract of Ratables and State of New Jersey – Table of Equalized Valuations

### **Classification of Ratables**

The table below lists the comparative assessed valuation for each classification of real property within the Township for the past five (5) years.

<b><u>Year</u></b>	<b><u>Vacant Land</u></b>	<b><u>Residential</u></b>	<b><u>Farm</u></b>	<b><u>Commercial</u></b>	<b><u>Industrial</u></b>	<b><u>Apartments</u></b>	<b><u>Total</u></b>
2025	\$188,025,100	\$10,716,205,100	\$0	\$135,426,700	\$0	\$1,865,000	\$11,041,521,900
2024	223,609,700	10,519,993,100	0	134,246,600	0	1,865,000	10,879,714,400
2023	242,942,800	10,313,984,200	0	139,245,300	0	1,865,000	10,698,037,300
2022	290,510,700	10,077,612,600	0	139,853,400	0	1,865,000	10,509,841,700
2021R	215,393,500	10,090,886,400	0	148,862,700	0	1,865,000	10,457,007,600

R=Revaluation

Source: Abstract of Ratables and State of New Jersey – Property Value Classification

## **Financial Operations**

The following table summarizes the Township's Current Fund budget for the past five (5) fiscal years. This summary should be used in conjunction with the tables from which it is derived.

### **Summary of Current Fund Budget**

<b><u>Anticipated Revenues</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>
Fund Balance Utilized	\$3,585,621	\$3,397,914	\$4,623,072	\$4,777,951	\$4,731,042
Miscellaneous Revenues	5,042,525	5,706,643	5,726,888	6,401,718	8,190,349
Receipts from Delinquent Taxes	530,690	480,000	453,024	472,037	460,000
Amount to be Raised by Taxation	<u>20,391,165</u>	<u>20,908,443</u>	<u>21,717,016</u>	<u>22,085,795</u>	<u>23,191,163</u>
Total Revenue:	<u>\$29,550,000</u>	<u>\$30,493,000</u>	<u>\$32,520,000</u>	<u>\$33,737,500</u>	<u>\$36,572,554</u>
<b><u>Appropriations</u></b>					
General Appropriations	\$24,224,502	\$24,986,950	\$26,702,293	\$27,512,449	\$29,411,777
Operations (Excluded from CAPS)	1,947,042	2,026,573	2,542,462	2,774,569	3,035,957
Deferred Charges	203,151	200,000	0	0	0
Capital Improvement Fund	1,596,000	1,530,000	1,605,000	1,340,000	1,885,000
Municipal Debt Service	870,000	1,053,000	1,218,700	1,615,000	1,701,000
Reserve for Uncollected Taxes	<u>709,305</u>	<u>696,477</u>	<u>451,545</u>	<u>495,483</u>	<u>538,820</u>
Total Appropriations:	<u>\$29,550,000</u>	<u>\$30,493,000</u>	<u>\$32,520,000</u>	<u>\$33,737,500</u>	<u>\$36,572,554</u>

Source: Annual Adopted Budgets of the Township

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## **Fund Balance**

### **Current Fund**

The following table lists the Township's fund balance and the amount utilized in the succeeding year's budget for the Current Fund for the past five (5) fiscal years ending December 31.

<b><u>Year</u></b>	<b><u>Fund Balance - Current Fund</u></b>	
	<b><u>Balance</u></b>	<b><u>Utilized in Budget</u></b>
	<b><u>12/31</u></b>	<b><u>of Succeeding Year</u></b>
2024	\$7,569,459	\$4,731,042
2023	7,642,349	4,777,951
2022	7,556,864	4,623,072
2021	6,755,081	3,397,914
2020	6,299,983	3,585,621

Source: Annual Audit Reports of the Township

### **Water-Sewer Utility Operating Fund**

The following table lists the Township's fund balance and the amount utilized in the succeeding year's budget for the Water-Sewer Utility Operating Fund for the past five (5) fiscal years ending December 31.

<b><u>Year</u></b>	<b><u>Fund Balance - Water-Sewer Operating Fund</u></b>	
	<b><u>Balance</u></b>	<b><u>Utilized in Budget</u></b>
	<b><u>12/31</u></b>	<b><u>of Succeeding Year</u></b>
2024	\$5,629,196	\$2,963,288
2023	4,993,460	2,193,856
2022	4,450,687	2,088,524
2021	3,588,206	1,880,000
2020	4,418,261	1,733,760

Source: Annual Audit Reports of the Township

## **Township Indebtedness as of December 31, 2024**

### **General Purpose Debt**

Serial Bonds	\$17,392,000
Bond Anticipation Notes	916,750
Bonds and Notes Authorized but Not Issued	12,112,857
Other Bonds, Notes and Loans	<u>0</u>
Total:	\$30,421,607

### **Local School District Debt**

Serial Bonds	\$0
Temporary Notes Issued	0
Bonds and Notes Authorized but Not Issued	<u>0</u>
Total:	\$0

### **Self-Liquidating Debt**

Serial Bonds	\$14,260,000
Bond Anticipation Notes	235,000
Bonds and Notes Authorized but Not Issued	18,085,642
Other Bonds, Notes and Loans	<u>30,072,517</u>
Total:	\$62,653,159

### **TOTAL GROSS DEBT**

**\$93,074,766**

Less: Statutory Deductions	
General Purpose Debt	\$864,058
Local School District Debt	0
Self-Liquidating Debt	<u>62,653,159</u>
Total:	\$63,517,217

### **TOTAL NET DEBT**

**\$29,557,549**

Source: Annual Debt Statement of the Township



### **Overlapping Debt (as of December 31, 2024)<sup>2</sup>**

<b><u>Name of Related Entity</u></b>	<b><u>Related Entity Debt Outstanding</u></b>	<b><u>Township Percentage</u></b>	<b><u>Township Share</u></b>
Local School District	\$0	100.00%	\$0
Ocean County Utilities Authority (2023)	69,933,525	4.50%	3,147,009
County	562,210,826	8.55%	<u>48,078,460</u>
Net Indirect Debt			\$51,225,469
Net Direct Debt			<u>29,557,549</u>
Total Net Direct and Indirect Debt			<u><b>\$80,783,018</b></u>

### **Debt Limit**

Average Equalized Valuation Basis (2022, 2023, 2024)	\$14,073,212,918
Permitted Debt Limitation (3 1/2%)	492,562,452
Less: Net Debt	<u>29,557,549</u>
Remaining Borrowing Power	<u><b>\$463,004,903</b></u>
Percentage of Net Debt to Average Equalized Valuation	0.210%
 Gross Debt Per Capita based on 2020 population of 3,153	 \$29,519
Net Debt Per Capita based on 2020 population of 3,153	\$9,374

Source: Annual Debt Statement of the Township

### **Litigation**

The status of pending litigation is included in the Notes to Financial Statements of the Township's annual audit report.

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<sup>2</sup> Township percentage of County debt is based on the Township's share of total equalized valuation in the County and Township percentage of Authority debt is based on an estimate of the Township's share of total usage of the Authority.

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## **APPENDIX B**

### **FINANCIAL STATEMENTS OF THE TOWNSHIP OF LONG BEACH**

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*Report of Audit*

*on the*

*Financial Statements*  
*and Supplementary Schedules*

*of the*

***Township of Long Beach***

*in the*

*County of Ocean*  
*New Jersey*

*for the*

*Year Ended*  
*December 31, 2024*

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# SUPLEE, CLOONEY & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and Members  
of the Board of Commissioners  
Township of Long Beach  
County of Ocean  
Brant Beach, New Jersey 08008

### **Report on the Audit of the Financial Statements**

#### ***Adverse and Unmodified Opinions***

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account groups of the Township of Long Beach (the "Township"), as of and for the years ended December 31, 2024 and 2023, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements as listed in the table of contents.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Matter Giving Rise to Adverse Opinion" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account groups of the Township as of December 31, 2024 and 2023, or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2024.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the regulatory basis financial statements referred to above present fairly, in all material respects, the financial position of the various individual funds and account groups of the Township as of December 31, 2024 and 2023, the results of its operations and changes in fund balance for the years then ended and the revenues and expenditures for the year ended December 31, 2024 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") as described in Note 1.

***Basis for Adverse and Unmodified Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

***Matter Giving Rise to Adverse Opinion***

As described in Note 1 of the regulatory financial statements, the regulatory financial statements are prepared by the Township on the basis of the financial reporting provisions prescribed by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the regulatory financial statements in accordance with the regulatory basis of accounting prescribed by the Division, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of regulatory financial statements that are free from material misstatement, whether due to fraud or error. In preparing the regulatory financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the regulatory financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



## SUPLEE, CLOONEY & COMPANY LLC

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's regulatory financial statements. The supplementary information, and data listed in the table of contents as required by the Division are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information, and data listed in the table of contents, as required by the Division are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

## SUPLEE, CLOONEY & COMPANY LLC

### Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2025 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Township's internal control over financial reporting and compliance.

  
\_\_\_\_\_  
CERTIFIED PUBLIC ACCOUNTANTS

  
\_\_\_\_\_  
REGISTERED MUNICIPAL ACCOUNTANT NO. 439

June 23, 2025



**SUPLEE, CLOONEY & COMPANY LLC**  
CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor and Members  
of the Board of Commissioners  
Township of Long Beach  
County of Ocean  
Brant Beach, New Jersey 08008

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and account groups of the Township of Long Beach, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements, and have issued our report thereon dated June 23, 2025. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Long Beach prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the regulatory financial statements, we considered the Township's control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of Township's internal control.

## SUPLEE, CLOONEY & COMPANY LLC

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Township's regulatory financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 439

June 23, 2025

CURRENT FUND

TOWNSHIP OF LONG BEACH

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2024</u>	<u>BALANCE DECEMBER 31, 2023</u>
<u>ASSETS</u>			
Current Fund:			
Cash and Cash Equivalents	A-4	\$ 23,070,308.17	\$ 22,903,267.93
Change Funds	A-5	1,050.00	1,050.00
		<u>23,071,358.17</u>	<u>22,904,317.93</u>
Receivables with Full Reserves:			
Taxes Receivable	A-6	460,789.15	471,875.55
Tax Title Liens Receivable	A-7	2,611.92	2,342.73
Property Acquired for Taxes at Assessed Valuation	A-8	68,100.00	68,100.00
Revenue Accounts Receivable	A-9	6,559.12	4,972.50
Due from Municipal Court	A-10	100.00	100.00
Interfunds Receivable	A-20	76,559.26	182.80
		<u>614,719.45</u>	<u>547,573.58</u>
		<u>23,686,077.62</u>	<u>23,451,891.51</u>
Federal and State Grant Fund:			
Interfunds Receivable	A-21	631,434.80	226,774.50
Grants Receivable	A-22	1,518,594.82	1,264,151.11
		<u>2,150,029.62</u>	<u>1,490,925.61</u>
		<u>\$ 25,836,107.24</u>	<u>\$ 24,942,817.12</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2024</u>	<u>BALANCE DECEMBER 31, 2023</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Current Fund:			
Appropriation Reserves	A-3:A-17	\$ 2,924,673.01	\$ 2,957,321.52
Tax Appeals Pending		14,729.92	14,729.92
Deferred Revenue - Municipal Relief Fund Aid	A-4		70,452.06
Due to State of New Jersey (Ch. 20, P.L. 1971)	A-11		18,473.73
Due to State of New Jersey Other	A-11	19,512.00	69,914.00
Tax Overpayments	A-12	84,825.06	48,770.91
Prepaid Taxes	A-13	1,889,720.59	1,915,801.40
Due County - Added and Omitted Taxes	A-14	480,143.88	556,807.42
Local District School Tax Payable	A-15	929,784.18	950,265.66
Regional School District Tax Payable	A-16	7,927,872.00	7,960,768.50
Amounts Due Other Agencies	A-18	32,665.67	34,930.67
Reserve for Encumbrances	A-19	566,537.75	436,958.56
Interfunds Payable	A-20	631,434.80	226,774.50
		<u>15,501,898.86</u>	<u>15,261,968.85</u>
Reserve for Receivables		614,719.45	547,573.58
Fund Balance	A-1	7,569,459.31	7,642,349.08
		<u>23,686,077.62</u>	<u>23,451,891.51</u>
Federal and State Grant Fund:			
Reserve for Encumbrances	A-19	54,844.47	81,116.78
Interfunds Payable	A-21		1,000.00
Grants - Appropriated	A-23	2,092,268.76	1,401,129.27
Grants - Unappropriated	A-24	2,916.39	7,679.56
		<u>2,150,029.62</u>	<u>1,490,925.61</u>
		<u>\$ 25,836,107.24</u>	<u>\$ 24,942,817.12</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENTS OF OPERATIONS  
AND CHANGES IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2024</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2023</u>
<u>REVENUE AND OTHER INCOME</u>			
Fund Balance Utilized	A-2	\$ 4,777,951.28	\$ 4,623,072.20
Miscellaneous Revenue Anticipated	A-2	8,682,979.34	7,950,628.13
Receipts from Delinquent Taxes	A-2	432,790.01	452,960.29
Receipts from Current Taxes	A-2	97,641,885.52	95,590,591.86
Non-Budget Revenues	A-2	246,789.40	304,431.83
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves	A-17	2,712,827.10	2,218,151.59
Cancellation of Prior Year Senior			
Citizen Due to State of NJ	A-11	18,473.73	
Cancellation of Prior Year Encumbrances	A-19	3,282.59	
Canceled Grant Appropriated Reserves			3,328.00
Prior Year Interfunds Returned			158.00
<u>Total Income</u>		<u>114,516,978.97</u>	<u>111,143,322.41</u>
<u>EXPENDITURES</u>			
Budget Appropriations:			
Salaries and Wages		12,934,256.44	12,555,051.83
Other Expenses		15,031,950.22	14,230,365.99
Capital Improvements		1,340,000.00	1,605,000.00
Municipal Debt Service		1,614,661.25	1,213,541.32
Deferred Charges and Statutory Expenditures		3,332,703.40	3,119,235.73
	A-3	34,253,571.31	32,723,194.87
County Taxes	A-14	47,561,367.53	45,699,250.50
Local District School Taxes	A-15	4,452,336.00	4,493,299.00
Regional School District Taxes	A-16	22,379,846.00	22,445,639.00
Municipal Open Space Preservation	A-6	1,087,971.44	1,069,803.73
Senior Citizen Deductions Disallowed	A-11	250.00	250.00
Refund of Prior Year Revenue	A-4	198.72	
Interfund Advances	A-20	76,376.46	
Canceled Grant Receivables			3,328.00
<u>Total Expenditures</u>		<u>\$ 109,811,917.46</u>	<u>\$ 106,434,765.10</u>

The accompanying Notes to Financial Statements are an integral part of this statement.



TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENTS OF OPERATIONS  
AND CHANGES IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2024</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2023</u>
<u>EXPENDITURES (CONTINUED)</u>			
Excess/(Deficit) in Revenue		\$ 4,705,061.51	\$ 4,708,557.31
<u>Fund Balance</u>			
Balance, January 1	A	<u>7,642,349.08</u>	<u>7,556,863.97</u>
		12,347,410.59	12,265,421.28
Decreased by:			
Utilized as Anticipated Revenue	A-1	<u>4,777,951.28</u>	<u>4,623,072.20</u>
Fund Balance, December 31	A	\$ <u><u>7,569,459.31</u></u>	\$ <u><u>7,642,349.08</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	REF.	ANTICIPATED		EXCESS OR (DEFICIT)
		BUDGET	SPECIAL N.J.S.A. 40A:4-87 REALIZED	
Fund Balance Anticipated	A-1	\$ 4,777,951.28	\$ 4,777,951.28	\$
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	A-9	11,000.00	11,220.00	220.00
Other	A-9	68,750.00	85,410.00	16,660.00
Fees and Permits	A-9	30,500.00	35,507.00	5,007.00
Fines and Costs - Municipal Court	A-9	110,000.00	162,976.20	52,976.20
Interest and Costs on Taxes	A-9	130,000.00	156,873.55	26,873.55
Interest on Investments and Deposits	A-9	700,000.00	1,363,717.74	663,717.74
Beach Badge Fees	A-9	1,788,600.00	2,128,515.00	339,915.00
Antennae Rental	A-9	49,000.00	54,141.12	5,141.12
Bus Fares	A-9	190,000.00	273,072.00	83,072.00
Recreation Pass	A-9	50,000.00	71,020.00	21,020.00
Energy Receipts Tax	A-9	683,492.00	683,492.34	0.34
Municipal Relief Fund Aid	A-9	70,452.06	70,452.06	
Uniform Construction Code Fees	A-9	306,272.00	430,348.40	124,076.40
Additional Uniform Construction Code Fees	A-9	361,956.00	361,956.00	
Shared Services Agreements:				
Barnegat Light Police Protection	A-9	786,292.64	726,623.77	(59,668.87)
Police Dispatching Services	A-9	224,105.14	224,105.14	
Health Contracts	A-9	296,256.75	296,256.78	0.03
Enforsys	A-9	9,450.00	9,450.00	
Mobile Data Terminals	A-9	2,415.00	2,185.00	(230.00)
License Plate Recognition	A-9	2,800.00	2,800.00	
Municipal Transportation Contributions	A-9	100,000.00	100,000.00	
Ship Bottom Construction/Zoning Officers	A-9	80,000.00	80,000.00	
Fees for Board of Health Services	A-9	29,000.00	36,277.97	7,277.97

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	REF.	BUDGET	ANTICIPATED SPECIAL N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Trust Reserve for Police Off Duty (Vehicle Purchase)	A-9	\$ 75,000.00	\$	\$ 38,737.49	\$ (36,262.51)
Trust Reserve for Police Off Duty (Administrative Fees)	A-9	125,000.00		84,904.32	(40,095.68)
General Capital Fund Balance	A-9	75,000.00		75,000.00	
Alcohol Education and Rehabilitation Fund	A-20		3,677.51	3,677.51	
Body Armor Replacement Fund	A-20	2,803.57		2,803.57	
Bullet Proof Vest Partnership Program	A-20	5,572.56		5,572.56	
Clean Communities Program	A-20	38,000.00	52,858.82	52,858.82	
Community Development Block Grant	A-20		772,312.00	772,312.00	
National Fish and Wildlife Foundation	A-20		168,049.00	168,049.00	
New Jersey Health Officers Association	A-20		74,664.00	74,664.00	
Strengthening Local Public Health Capacity Program	A-1	6,401,717.72	1,071,561.33	8,682,979.34	1,209,700.29
Receipts from Delinquent Taxes	A-2	472,036.88		432,790.01	(39,246.87)
Amount to be Raised by Taxation for Support of Municipal Budget	A-2	22,085,794.56		22,655,847.37	570,052.81
<u>Budget Totals</u>		33,737,500.44	1,071,561.33	36,549,568.00	1,740,506.23
Non-Budget Revenues	A-1-A-2			246,789.40	246,789.40
	REF.	\$ 33,737,500.44	\$ 1,071,561.33	\$ 36,796,357.40	\$ 1,987,295.63
		A-3	A-3		

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

REF.

ANALYSIS OF REALIZED REVENUE

AMOUNT TO BE RAISED BY TAXATION  
FOR SUPPORT OF MUNICIPAL BUDGET

Current Tax Collections	A-1:A-6	\$ 97,641,885.52
Appropriation "Reserve for Uncollected Taxes"	A-3	<u>495,482.82</u>
		98,137,368.34
Less: Allocated to School and County Taxes	A-6	<u>75,481,520.97</u>
	A-2	<u>\$ 22,655,847.37</u>

RECEIPTS FROM DELINQUENT TAXES

Delinquent Tax Collections	A-6	\$ <u>432,790.01</u>
	A-1:A-2	<u>\$ 432,790.01</u>

MISCELLANEOUS REVENUES

Revenue Accounts Receivable	A-9	\$ 7,565,041.88
Interfund - Federal and State Grant Fund	A-20	<u>1,117,937.46</u>
	A-1:A-2	<u>\$ 8,682,979.34</u>

ANALYSIS OF NON-BUDGET REVENUE

Bid Specs		\$ 2,150.00
Cable TV Franchise Fee		85,227.45
Certified Lists		950.00
Chargepoint		7,968.51
Copies		845.99
Duplicate Bill Fee		400.00
Firearm Permit		5,100.00
Fish and Wild Life		3,328.00
Gathering Fee		500.00
Gov Deals		13,928.00
Home Depot Rebate		10,708.57
Insurance Certificate Filing Fees		10,400.00
Kayak/Canoe Rentals		1,000.00
Lifeguard Housing Rent		36,200.00
NSF Fee Finance		40.00
Police Reports		800.85
Refund of Prior Year Expenditures		37,219.92
SC/Vet 2% Administrative Fee		840.00
Site Plan Application		20,075.00
Tax Collector		1,226.34
Vital Statistics		5,033.00
Unclassified		<u>2,630.77</u>
	A-4	246,572.40
Statutory Excess in Animal Control Reserve	A-20	<u>217.00</u>
	A-1:A-2	<u>\$ 246,789.40</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	APPROPRIATED		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED	
OPERATIONS WITHIN CAPS						
Administrative and Executive						
Revenue and Finance Director						
Salaries and Wages	\$ 14,500.00	\$ 14,500.00	\$ 14,444.04	\$	\$ 55.96	\$
Other Expenses	500.00	500.00			500.00	
Human Resources						
Salaries and Wages	220,000.00	223,000.00	221,020.40		1,979.60	
Other Expenses	12,500.00	12,500.00	2,857.65		9,642.35	
Municipal Clerk						
Salaries and Wages	240,000.00	240,000.00	205,922.81		34,077.19	
Other Expenses	125,000.00	125,000.00	107,644.88	33.00	17,322.12	
Upgrade General Code	9,500.00	9,500.00			9,500.00	
Advertising						
Other Expenses	25,000.00	25,000.00	13,684.07		11,315.93	
Election						
Other Expenses	3,500.00	3,500.00	1,306.11		2,193.89	
Financial Administration						
Salaries and Wages	245,000.00	245,000.00	202,737.30		42,262.70	
Other Expenses	24,500.00	24,500.00	15,465.48	102.23	7,932.29	
Audit Services						
Other Expenses	55,000.00	55,000.00	55,000.00			
Purchasing						
Salaries and Wages	20,000.00	20,000.00	20,000.00		1,030.80	
Other Expenses	2,500.00	2,500.00	1,469.20		3,911.03	
Other Expenses Centralized Purchasing	25,000.00	25,000.00	20,861.79	227.18		
Tax Collection						
Salaries and Wages	160,000.00	110,000.00	89,932.62		20,067.38	
Other Expenses	24,000.00	74,000.00	56,200.46		17,798.54	
Tax Assessment						
Salaries and Wages	255,000.00	255,000.00	249,608.12		5,391.88	
Other Expenses	70,000.00	70,000.00	63,931.36	122.50	5,946.14	
Legal Services						
Other Expenses	460,000.00	460,000.00	295,375.75		164,624.25	
Feasibility Study						
Other Expenses	15,000.00					

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	APPROPRIATED		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED	
<b>\$</b>	<b>140,000.00</b>	<b>\$ 140,000.00</b>	<b>\$ 78,777.74</b>	<b>\$</b>	<b>\$ 61,222.26</b>	<b>\$</b>
Administrative and Executive (Continued)						
Engineering Services						
Other Expenses						
Land Use Administration	65,000.00	65,000.00	61,125.24		3,874.76	
Planning Board	20,000.00	20,000.00	3,664.48		16,335.52	
Salaries and Wages						
Other Expenses						
Insurance	265,121.20	265,121.20	265,121.20			
Liability Insurance						
Other Insurance	4,200.00	6,300.00	6,228.00		72.00	
Worker Compensation	302,995.80	302,995.80	302,995.80			
Employee Group Insurance	4,100,000.00	4,135,000.00	3,877,533.70		257,466.30	
Unemployment Insurance	60,000.00	60,000.00	51,430.16		8,569.84	
Public Safety Functions						
Public Affairs/Public Safety Director						
Salaries and Wages	15,740.00	16,050.00	16,045.90		4.10	
Other Expenses	2,500.00	2,500.00	1,434.24		1,065.76	
Police						
Salaries and Wages	4,985,204.97	4,865,204.97	4,801,489.29		63,715.68	
Other Expenses	472,056.50	592,056.50	447,762.96	144,169.55	123.99	
Emergency Management						
Salaries and Wages	30,000.00	30,000.00	30,000.00			
Other Expenses	26,700.00	26,700.00	12,993.45		13,706.55	
Aid to Volunteer Fire Company	363,479.00	363,479.00	363,479.00			
Aid to Volunteer Ambulance Company	134,850.00	134,850.00	134,850.00			
Municipal Court						
Salaries and Wages	250,000.00	250,000.00	246,842.90		3,357.10	
Other Expenses	18,000.00	18,000.00	9,123.24	613.00	8,263.76	
Public Defender						
Other Expenses	9,200.00	9,200.00	1,600.00		7,600.00	
Municipal Prosecutor						
Other Expenses	23,000.00	23,000.00	20,503.67	2,496.33		

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	APPROPRIATED		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED	
<u>Public Works Functions</u>						
Public Works and Property Director						
Salaries and Wages	\$ 14,500.00	\$ 14,500.00	\$ 14,444.04	\$	\$ 55.96	\$
Other Expenses	500.00	500.00	205.25		294.75	
Streets and Roads Maintenance						
Salaries and Wages	570,000.00	570,000.00	450,114.59		119,885.41	
Other Expenses	140,000.00	140,000.00	101,905.95	9,304.42	28,789.63	
Schedule C Public Works						
Other Expenses	486,000.00	486,000.00	316,223.13		169,776.87	
<u>Public Works</u>						
Salaries and Wages	1,175,000.00	1,175,000.00	981,935.70		193,064.30	
Other Expenses	270,000.00	270,000.00	162,318.12	104,351.38	3,330.50	
Garbage and Trash Removal						
Other Expenses	1,476,850.00	1,476,850.00	1,411,500.06	65,349.94	88,364.84	
Garbage and Recycling Collection	500,000.00	500,000.00	411,635.16			
Sanitary Landfill Fees						
Recycling						
Salaries and Wages	190,000.00	190,000.00	184,164.64		5,835.36	
Other Expenses	12,860.00	12,860.00	3,325.27		9,534.73	
Public Building and Grounds						
Salaries and Wages	485,000.00	485,000.00	432,721.03		32,278.97	
Other Expenses	244,000.00	244,000.00	213,679.64	7,312.23	23,008.13	
<u>Health and Human Services</u>						
Board of Health						
Salaries and Wages	233,743.25	233,743.25	109,103.13		124,640.12	
Other Expenses	95,000.00	95,000.00	69,300.73	899.74	24,799.53	
Animal Control Services						
Other Expenses	28,000.00	28,000.00	22,857.50		5,142.50	
Aid to Domestic Violence						
Other Expenses	1,200.00	1,200.00	1,200.00			
Aid to Senior Citizens Center						
Other Expenses	14,420.00	14,420.00	14,420.00			
Aid to Museum						
Other Expenses	3,125.00	3,125.00	3,125.00			

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	APPROPRIATED		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED	
<u>Parks and Recreation Functions</u>						
Recreation						
Other Expenses	\$ 1,500.00	\$ 1,500.00	\$ 1,364.82	\$	\$ 135.18	\$
Parks and Playgrounds						
Salaries and Wages	165,000.00	165,000.00	141,139.43		23,860.57	
Other Expenses	45,000.00	45,000.00	16,342.92		28,657.08	
Lifeguards						
Salaries and Wages	1,650,000.00	1,605,000.00	1,558,149.18		46,850.82	
Other Expenses	168,000.00	168,000.00	89,362.67	30,600.20	48,037.13	
Beach Badges						
Salaries and Wages	345,000.00	345,000.00	339,263.90		5,736.10	
Other Expenses	50,000.00	50,000.00	46,755.14	1,424.07	1,820.79	
Accumulated Absence Liability						
Other Expenses	150,000.00	150,000.00	150,000.00			
Celebration of Public Events						
Other Expenses	60,000.00	60,000.00	41,856.68	3,042.98	15,100.34	
Transportation						
Salaries and Wages	390,000.00	380,000.00	62,475.35		317,524.65	
Other Expenses	60,000.00	70,000.00	7,042.53	48,951.53	14,005.94	
<u>Uniform Construction Code Appropriations</u>						
<u>Offset by Dedicated Revenues</u>						
(N.J.A.C. 5:23-4.17)						
Construction Code Official						
Salaries and Wages	385,000.00	350,000.00	264,907.28		85,092.72	
Other Expenses	60,000.00	95,000.00	59,594.80	446.00	34,959.20	
Unclassified						
Electricity	290,000.00	300,000.00	269,252.47		30,747.53	
Street Lighting	380,000.00	465,000.00	416,609.98		48,390.02	
Telephone	230,000.00	230,000.00	191,746.61		38,253.39	
Natural Gas	50,000.00	30,000.00	14,590.43		15,409.57	
Gasoline	270,000.00	234,590.00	200,388.78	161.61	34,039.61	
Shared Equipment						
Other Expenses	210,000.00	190,000.00	151,401.78	350.00	38,248.22	\$
Community Rating System						
Salaries and Wages	3,000.00	3,000.00	3,000.00			
Other Expenses	2,500.00	2,500.00	118.59			
Total Operations within Caps	\$ 24,179,745.72	\$ 24,179,745.72	\$ 21,300,605.29	\$ 433,664.44	\$ 2,445,475.99	\$
Detail:						
Salaries and Wages	12,086,688.22	11,829,998.22	10,700,386.89		1,129,611.33	
Other Expenses	12,093,057.50	12,349,747.50	10,600,218.40	433,664.44	1,315,864.66	

The accompanying Notes to Financial Statements are an integral part of this statement.



TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

DEFERRED CHARGES AND STATUTORY EXPENDITURES WITHIN CAPS	APPROPRIATED		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	
Statutory Expenditures					
Contribution to:					
Public Employees Retirement System	\$ 697,978.40	\$ 697,978.40	\$ 697,978.40	\$	\$
Social Security System (O.A.S.I.)	975,000.00	975,000.00	939,184.80		35,815.20
Police & Firemen's Retirement System of New Jersey	1,652,725.00	1,652,725.00	1,652,725.00		
Defined Contribution Retirement Program	7,000.00	7,000.00	6,796.71		203.29
Total Deferred Charges and Statutory Expenditures within Caps	3,332,703.40	3,332,703.40	3,296,684.91		36,018.49
Total Appropriations within Caps	27,512,449.12	27,512,449.12	24,597,290.20	433,664.44	2,481,494.48
OPERATIONS EXCLUDED FROM CAPS					
911 Emergency Phone					
Salaries and Wages	40,940.00	40,940.00	40,940.00		
Other Expenses	8,550.00	8,550.00	8,550.00		
Uniform Construction Code					
Salaries and Wages	255,000.00	255,000.00	207,927.27		47,072.73
Other Expenses	106,956.00	106,956.00	106,956.00		
Length of Service Awards Program	299,715.00	299,715.00			299,715.00
One Year Appropriation CAP Exclusions Approved by the Local Finance Board (LFN 2023-19):					
Workers Compensation	35,657.00	35,657.00	35,657.00		
Garbage and Trash Removal and Disposal	405,150.00	405,150.00	313,666.68	91,483.32	
Recycling Fees	2,140.00	2,140.00	2,140.00		
Liability Insurance	31,200.00	31,200.00	31,200.00		
Interlocal Municipal Service Agreements					
Barnegat Light Police Protection	629,034.11	629,034.11	629,034.11		
Salaries and Wages	157,258.53	157,258.53	78,638.21	18,951.43	59,668.89
Other Expenses					
Police Dispatching Services					
Salaries and Wages	179,284.11	179,284.11	179,284.11		
Other Expenses	44,821.03	44,821.03	25,892.61	18,776.13	152.29
Health Contracts	296,256.75	296,256.75	275,704.79		20,551.96
Enforsys	2,415.00	2,415.00	2,415.00		
Mobile Data Terminals	9,450.00	9,450.00	9,450.00		
License Plate Recognition	2,800.00	2,800.00	2,800.00		
Ship Bottom Tax Collector					
Other Expenses	41,564.84	41,564.84	41,564.84		

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	APPROPRIATED		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED	
Interlocal Muni. Service Agreements (Continued)						
Ship Bottom Construction/Zoning Officers						
Other Expenses	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$	\$	\$
Transportation	100,000.00	100,000.00	20,651.02	3,662.43	75,686.55	
Other Expenses						
Public and Private Programs Offset by						
Revenues						
Alcohol Education and Rehabilitation Fund		3,677.51	3,677.51			
Body Armor Replacement Fund	2,803.57	2,803.57	2,803.57			
Bullet Proof Vest Partnership Program	5,572.56	5,572.56	5,572.56			
Clean Communities Program		52,858.82	52,858.82			
Community Development Block Grant	38,000.00	38,000.00	38,000.00			
National Fish and Wildlife Foundation		772,312.00	772,312.00			
New Jersey Health Officers Association		168,049.00	168,049.00			
Strengthening Local Public Health Capacity Program		74,664.00	74,664.00			
Total Operations excluded from Caps	\$ 2,774,568.50	\$ 3,846,129.83	\$ 3,210,409.10	\$ 132,873.31	\$ 443,178.53	\$ 59,668.89
Detail:						
Salaries and Wages	1,104,258.22	1,104,258.22	1,057,185.49		47,072.73	
Other Expenses	1,670,310.28	2,741,871.61	2,153,223.61	132,873.31	396,105.80	59,668.89

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	APPROPRIATED		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED	
CAPITAL IMPROVEMENTS EXCLUDED FROM CAPS						
Capital Improvement Fund	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$	\$	\$
Various Drainage Projects	50,000.00	50,000.00	50,000.00			
Purchase of Computers	50,000.00	50,000.00	50,000.00			
Beach Replenishment	300,000.00	300,000.00	300,000.00			
Purchase of Bulldozer	50,000.00	50,000.00	50,000.00			
Purchase of Playground Equipment	35,000.00	35,000.00	35,000.00			
Purchase of Stage Trailer	50,000.00	50,000.00	50,000.00			
Heating and A/C Upgrades	100,000.00	100,000.00	100,000.00			
Purchase of Surf Rake	25,000.00	25,000.00	25,000.00			
Sign Acquisition Beach/Streets & Roads	60,000.00	60,000.00	60,000.00			
Purchase of Various Equipment	50,000.00	50,000.00	50,000.00			
Garage Repair	50,000.00	50,000.00	50,000.00			
Construction/Renovation of Fly Traps	5,000.00	5,000.00	5,000.00			
Repair/Replacement of Various Bulkheads	100,000.00	100,000.00	100,000.00			
Purchase of Dump Truck	50,000.00	50,000.00	50,000.00			
Purchase of Roll Off Truck	50,000.00	50,000.00	50,000.00			
Purchase of Various Trucks	15,000.00	15,000.00	15,000.00			
Crossover Handrails & Materials	25,000.00	25,000.00	25,000.00			
Recreation Projects	25,000.00	25,000.00	25,000.00			
Various Technology	50,000.00	50,000.00	50,000.00			
Hotel Repairs	25,000.00	25,000.00	25,000.00			
Street Sweeper	25,000.00	25,000.00	25,000.00			
Total Capital Improvements excluded from Caps	\$ 1,340,000.00	\$ 1,340,000.00	\$ 1,340,000.00	\$	\$	\$

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	APPROPRIATED		PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED	
MUNICIPAL DEBT SERVICE EXCLUDED						
FROM CAPS						
Payment of Bond Principal	\$ 1,035,000.00	\$ 1,035,000.00	\$ 1,035,000.00	\$	\$	\$ 338.75
Interest on Bonds	580,000.00	580,000.00	579,661.25			
Total Municipal Debt Service excluded from Caps	1,615,000.00	1,615,000.00	1,614,661.25			338.75
Total General Appropriations excluded from Caps	5,729,568.50	6,801,129.83	6,165,070.35	132,873.31	443,178.53	60,007.64
Subtotal General Appropriations Reserve for Uncollected Taxes	33,242,017.62	34,313,578.95	30,762,360.55	566,537.75	2,924,673.01	60,007.64
	495,482.82	495,482.82	495,482.82			
	\$ 33,737,500.44	\$ 34,809,061.77	\$ 31,257,843.37	\$ 566,537.75	\$ 2,924,673.01	\$ 60,007.64
REF.	A-2	A-3	A1:A-3	A-1:A19	A, A-1	A-1

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>REF.</u>	<u>APPROPRIATED BUDGET AFTER MODIFICATION</u>
Appropriation by 40A:4-87	A-2	\$ 1,071,561.33
Budget	A-2	<u>33,737,500.44</u>
	A-3	<u>\$ 34,809,061.77</u>
		<u>EXPENDED PAID OR CHARGED</u>
Reserve for Uncollected Taxes	A-2	\$ 495,482.82
Disbursements	A-4	29,644,423.09
Interfund - Federal and State Grant Fund	A-20	<u>1,117,937.46</u>
	A-3	<u>\$ 31,257,843.37</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

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TRUST FUND

"B"

TOWNSHIP OF LONG BEACH

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2024</u>	<u>BALANCE DECEMBER 31, 2023</u>
Assessment Fund:			
Assessments Receivable	B-2	\$ <u>289,287.12</u>	\$ <u>                    </u>
Animal Control Trust Fund:			
Cash and Cash Equivalents	B-1	<u>1,583.80</u>	<u>1,432.80</u>
Trust - Other:			
Cash and Cash Equivalents	B-1	5,880,322.70	5,150,422.88
Interfund Receivable	B-5	<u>5,880,322.70</u>	<u>1,000.00</u>
		<u>\$ 6,171,193.62</u>	<u>\$ 5,151,422.88</u>
			<u>\$ 5,152,855.68</u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Assessment Fund:			
Interfunds Payable	B-5	\$ <u>289,287.12</u>	\$ <u>                    </u>
Animal Control Trust Fund:			
Reserve for Animal Control Trust Fund Expenditures	B-3	1,184.00	1,250.00
Interfunds Payable	B-5	<u>399.80</u>	<u>182.80</u>
		<u>1,583.80</u>	<u>1,432.80</u>
Trust - Other:			
Reserve for Encumbrances	B-6	7,579.27	33,145.00
Miscellaneous Reserves	B-7	<u>5,872,743.43</u>	<u>5,118,277.88</u>
		<u>5,880,322.70</u>	<u>5,151,422.88</u>
		<u>\$ 6,171,193.62</u>	<u>\$ 5,152,855.68</u>

The accompanying Notes to Financial Statements are an integral part of this statement.



GENERAL CAPITAL FUND

TOWNSHIP OF LONG BEACH

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2024</u>	<u>BALANCE DECEMBER 31, 2023</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 7,232,594.41	\$ 8,914,592.40
Deferred Charges to Future Taxation:			
Funded	C-4	17,392,000.00	18,427,000.00
Unfunded	C-5	13,029,606.87	6,140,557.16
Grants Receivable	C-6	525,113.35	299,738.72
Interfund Receivable	C-14	289,287.12	
		<u>\$ 38,468,601.75</u>	<u>\$ 33,781,888.28</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Improvement Authorizations:			
Funded	C-7	\$ 3,070,291.34	\$ 2,947,974.22
Unfunded	C-7	7,352,436.56	5,505,853.80
Capital Improvement Fund	C-8	88,960.50	812,210.50
Serial Bonds Payable	C-9	17,392,000.00	18,427,000.00
Bond Anticipation Notes Payable	C-10	916,750.00	
Reserve for:			
Encumbrances	C-11	6,049,367.40	2,443,613.97
Retirement of Debt	C-12	864,057.94	864,057.94
Miscellaneous Reserves	C-13	2,095,292.42	2,142,891.72
Interfunds Payable	C-14	76,652.62	493.16
Fund Balance	C-1	562,792.97	637,792.97
		<u>\$ 38,468,601.75</u>	<u>\$ 33,781,888.28</u>

There were bonds and notes authorized but not issued on December 31, 2024 of \$ 12,112,856.87 and \$6,140,557.16 on December 31, 2023 (Schedule C-15).

The accompanying Notes to Financial statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

GENERAL CAPITAL FUND

STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2023	C	\$ 637,792.97
Decreased by:		
Payment to Current Fund as Anticipated Revenue	C-2	<u>75,000.00</u>
Balance, December 31, 2024	C	\$ <u>562,792.97</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

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WATER - SEWER UTILITY FUND

TOWNSHIP OF LONG BEACH  
WATER - SEWER UTILITY FUND  
BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2024</u>	<u>BALANCE DECEMBER 31, 2023</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	D-5	\$ 7,020,383.85	\$ 7,533,144.13
Change Fund		500.00	500.00
Interfunds Receivable	D-5	500,798.61	798.61
		<u>7,521,682.46</u>	<u>7,534,442.74</u>
Receivables with Full Reserves:			
Water Rents Receivable	D-7	165,515.81	160,205.93
Sewer Rents Receivable	D-8	117,824.58	110,498.55
		<u>283,340.39</u>	<u>270,704.48</u>
<u>Total Operating Fund</u>		<u>7,805,022.85</u>	<u>7,805,147.22</u>
Capital Fund:			
Cash and Cash Equivalents	D-5	3,389,547.01	3,324,507.21
Interfunds Receivable	D-5	493.16	493.16
Fixed Capital	D-13	104,346,735.80	97,872,814.57
Fixed Capital Authorized and Uncompleted	D-14	13,629,177.49	16,368,098.72
New Jersey Infrastructure Loan Receivable	D-19		100,119.00
<u>Total Capital Fund</u>		<u>121,365,953.46</u>	<u>117,666,032.66</u>
		<u>\$ 129,170,976.31</u>	<u>\$ 125,471,179.88</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

WATER - SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2024</u>	<u>BALANCE DECEMBER 31, 2023</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves	D-4:D-9	\$ 1,273,603.27	\$ 2,024,354.14
Overpayments	D-10	36,123.87	38,164.10
Accrued Interest on Bonds, Notes and Loans	D-11	273,866.43	266,271.75
Reserve for Encumbrances	D-12	224,011.88	169,581.79
Reserve for Retirement of Debt	D-5	84,881.00	42,611.00
		<u>1,892,486.45</u>	<u>2,540,982.78</u>
Reserve for Receivables		283,340.39	270,704.48
Fund Balance	D-1	5,629,196.01	4,993,459.96
<u>Total Operating Fund</u>		<u>7,805,022.85</u>	<u>7,805,147.22</u>
Capital Fund:			
Interfunds Payable	D-5	500,798.61	798.61
Reserve for Encumbrances	D-12	6,266,270.95	371,934.92
Reserve for Various Drainage Projects	D-15	134,700.00	84,700.00
Improvement Authorizations:			
Funded	D-16	2,434,249.29	2,097,602.77
Unfunded	D-16	11,194,928.20	14,270,495.95
Capital Improvement Fund	D-17	743,456.97	743,456.97
Serial Bonds Payable	D-18	14,260,000.00	14,970,000.00
New Jersey Environmental Infrastructure Trust:			
Loans Payable	D-20	30,072,516.93	31,864,365.03
Bond Anticipation Notes Payable	D-21	235,000.00	
Reserve for Payment of Debt Issuance Costs	D-22	22,051.97	22,051.97
Reserve for Amortization	D-23	52,888,504.89	50,222,303.31
Deferred Reserve for Amortization	D-24	2,434,249.29	2,097,602.77
Reserve for Asset Management Water Storage Tanks	D-25	64,584.50	306,078.50
Fund Balance	D-2	114,641.86	614,641.86
<u>Total Capital Fund</u>		<u>121,365,953.46</u>	<u>117,666,032.66</u>
		<u>\$ 129,170,976.31</u>	<u>\$ 125,471,179.88</u>

There were bonds and notes authorized but not issued on December 31, 2024 of \$ 18,085,642.18 and \$15,086,642.18 on December 31, 2023 (Schedule D-26).

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

WATER - SEWER UTILITY OPERATING FUND

STATEMENTS OF OPERATIONS  
AND CHANGES IN OPERATING FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2024</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2023</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	D-3	\$ 2,193,855.60	\$ 2,088,524.39
Water Rents	D-3	6,390,496.41	6,371,739.85
Sewer Rents	D-3	5,637,261.35	5,716,766.84
Miscellaneous	D-3	692,581.53	698,301.48
Reserve for Retirement of Debt - Capital Fund	D-3		798.61
Reserve for Retirement of Debt - Operating Fund	D-3		346,462.00
Water - Sewer Utility Capital Fund Balance	D-3	500,000.00	
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-9	<u>1,351,360.96</u>	<u>1,047,924.24</u>
<u>TOTAL INCOME</u>		<u>16,765,555.85</u>	<u>16,270,517.41</u>
<u>EXPENDITURES</u>			
Operating	D-4	9,166,722.00	9,207,998.00
Capital Improvements	D-4	1,051,000.00	550,000.00
Debt Service	D-4	3,290,108.60	3,111,035.60
Deferred Charges	D-4		346,462.00
Statutory Expenditures	D-4	428,133.60	421,425.00
Refund of Prior Year Revenue			<u>2,299.87</u>
		<u>13,935,964.20</u>	<u>13,639,220.47</u>
		<u>13,935,964.20</u>	<u>13,639,220.47</u>
Regulatory Excess to Fund Balance		2,829,591.65	2,631,296.94
Fund Balance January 1	D	<u>4,993,459.96</u>	<u>4,450,687.41</u>
		7,823,051.61	7,081,984.35
Less: Utilized as Anticipated Revenue	D-1	<u>2,193,855.60</u>	<u>2,088,524.39</u>
Fund Balance December 31	D	\$ <u><u>5,629,196.01</u></u>	\$ <u><u>4,993,459.96</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.



"D-2"

TOWNSHIP OF LONG BEACH  
WATER - SEWER UTILITY CAPITAL FUND  
STATEMENT OF UTILITY CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	
Balance December 31, 2023	D	\$ 614,641.86
Decreased by:		
Payment to Water Operating Fund as Anticipated Revenue	D-5	<u>500,000.00</u>
Balance December 31, 2024	D	<u>\$ 114,641.86</u>

"D-3"

WATER - SEWER UTILITY OPERATING FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance Anticipated	D-1	\$ <u>2,193,855.60</u>	\$ <u>2,193,855.60</u>	\$ _____
Rents - Water	D-1:D-7	5,374,000.00	6,390,496.41	1,016,496.41
Rents - Sewer	D-1:D-8	5,666,000.00	5,637,261.35	(28,738.65)
Miscellaneous	D-1:D-3	217,000.00	692,581.53	475,581.53
Utility Capital Surplus	D-1:D-5	<u>500,000.00</u>	<u>500,000.00</u>	_____
		<u>\$ 13,950,855.60</u>	<u>\$ 15,414,194.89</u>	<u>\$ 1,463,339.29</u>

REF. D-4

ANALYSIS OF MISCELLANEOUS REVENUE

Interest on Delinquent User Charges	\$ 16,515.22
Interest on Investments	383,861.84
Sewer Connection Permits	3,876.00
Sewer Cut & Cap	7,062.00
Shut-offs	7,508.57
Water Connection Permits	52,570.00
Water Tower	219,787.90
Miscellaneous	<u>1,400.00</u>
D-3:D-5	<u>\$ 692,581.53</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF LONG BEACH

WATER - SEWER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED RESERVED	
Operating:					
Salaries and Wages	\$ 1,650,000.00	\$ 1,756,000.00	\$ 1,754,610.44	\$ 1,389.56	\$
Other Expenses	3,000,000.00	2,894,000.00	2,259,480.93	410,507.19	
OCUA	3,140,600.00	3,140,600.00	2,302,350.74	838,249.26	
Shared Service Agreements:					
Water - Barnegat Light	450,000.00	450,000.00	448,775.82	1,224.18	
Water - Harvey Cedars	508,122.00	508,122.00	493,121.32	15,000.68	
Water - Surf City	400,000.00	400,000.00	400,000.00		
Water - Ship Bottom	3,000.00	3,000.00	2,400.00	600.00	
Sewer - Beach Haven	15,000.00	15,000.00	10,575.00	4,425.00	
Capital Improvements:					
Asset Management Water Storage Tanks	500,000.00	500,000.00	500,000.00		
Reserve for Various Drainage Projects	50,000.00	50,000.00	50,000.00		
Replacement of Various Water Mains (46th-58th Streets)	501,000.00	501,000.00	501,000.00		
Debt Service:					
Payment of Bond Principal	710,000.00	710,000.00	710,000.00		6,739.50
Interest on Bonds	360,000.00	360,000.00	353,260.50		8,151.90
Infrastructure Loan Principal	1,800,000.00	1,800,000.00	1,791,848.10		
Infrastructure Loan Interest	435,000.00	435,000.00	435,000.00		
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	299,133.60	299,133.60	299,133.60		
Social Security System (O.A.S.I.)	120,000.00	120,000.00	120,000.00		
Unemployment Compensation Insurance	9,000.00	9,000.00	6,792.60	2,207.40	
	\$ 13,950,855.60	\$ 13,950,855.60	\$ 12,438,349.05	\$ 224,011.88	\$ 1,273,603.27
REF.	D-3		D-1	D-1-D-12	D-1
D-5					
D-11					
Disbursements			\$ 11,650,088.55		
Accrued Interest on Bonds, Notes and Loans			788,260.50		
			\$ 12,438,349.05		

The accompanying Notes to Financial Statements are an integral part of this statement.

PAYROLL FUND

TOWNSHIP OF LONG BEACH  
PAYROLL FUND  
BALANCE SHEETS - REGULATORY BASIS

	<u>BALANCE DECEMBER 31, 2024</u>	<u>BALANCE DECEMBER 31, 2023</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ <u>140,006.22</u>	\$ <u>141,188.96</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Payroll Liabilities	\$ <u>140,006.22</u>	\$ <u>141,188.96</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

GENERAL FIXED ASSETS ACCOUNT GROUP

TOWNSHIP OF LONG BEACH  
GENERAL FIXED ASSETS ACCOUNT GROUP  
BALANCE SHEETS - REGULATORY BASIS

	<u>BALANCE DECEMBER 31, 2024</u>	<u>BALANCE DECEMBER 31, 2023</u>
<u>GENERAL FIXED ASSETS</u>		
Land and Easements	\$ 63,991,900.00	\$ 63,991,900.00
Buildings	11,861,800.00	11,861,800.00
Furniture, Fixtures, Vehicles and Equipment	<u>10,559,324.00</u>	<u>10,314,569.87</u>
	<u>\$ 86,413,024.00</u>	<u>\$ 86,168,269.87</u>

INVESTMENT IN GENERAL FIXED ASSETS

Investment in General Fixed Assets	<u>\$ 86,413,024.00</u>	<u>\$ 86,168,269.87</u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF LONG BEACH

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024 AND 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Long Beach is an instrumentality of the State of New Jersey established to function as a municipality. The Township Board of Commissioners consists of elected officials and is responsible for the fiscal control of the Township.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Township is obligated for the debt of the organization.

Except as noted below, the financial statements of the Township of Long Beach include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Township of Long Beach, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township of Long Beach do not include the operations of any libraries, first aid organizations, volunteer fire companies, the consolidated school district or the regional school district, in as much as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the governmental, proprietary and fiduciary funds as well as government-wide financial reporting that must be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).



NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

The accounting policies of the Township of Long Beach conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Township of Long Beach are organized on the basis of funds and account groups which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific governmental activity. As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account groups:

Current Fund - resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Funds - receipts, custodianship and disbursement of funds in accordance with the purpose of which each reserve was created.

General Capital Fund - receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Water - Sewer Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally owned water - sewer utility.

Payroll Fund - Receipt and disbursement of funds for payroll costs and payroll taxes.

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenue when anticipated in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System.

Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments, or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - the proceeds from the sale of municipal assets can be held in a reserve until anticipated as revenue in a future budget. GAAP requires such proceeds to be recorded as revenue in the year of sale.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Interfunds - interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

General Fixed Assets - N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

No depreciation has been provided on general fixed assets or reported in the financial statements.

The Township has developed a fixed assets accounting and reporting system based upon an inspection and historical cost analysis except for land and buildings acquired prior to December 31, 1985 which are stated at current replacement values as permitted by N.J.A.C. 5:30-5.6. Except for land and buildings, fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Account Group rather than in a governmental fund.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capitals have not been accounted for separately.

Inventories of Supplies - the cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Water - Sewer Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Water - Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization account in the utility capital fund represents charges to operations for the cost of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

Accounting and Financial Reporting for Pensions

Under GAAP, municipalities are required to recognize their distributive shares of the net pension liability, deferred outflows of resources and deferred inflows of resources in the Statement of Net Position and the total pension related expense in the Statement of Revenues, Expenses and Changes in Net Position and in the Notes to the Financial Statements in accordance with GASB 68.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 68 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 68 however, local units are permitted to disclose the most recently available information as it relates to the New Jersey Division of Pensions and Benefits reporting on GASB 68. As of the date of this report the information for the period ended June 30, 2024 was not available, therefore the information dated June 30, 2023 is disclosed.

Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)

Under GAAP, municipalities are required to recognize their distributive shares of the net OPEB liability, deferred outflows of resources and deferred inflows of resources in the Statement of Net Position and the total OPEB related expense in the Statement of Revenues, Expenses and Changes in Net Position and in the Notes to the Financial Statements in accordance with GASB 75.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB) (Continued)

recording the net OPEB liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 75 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 75 however, local units are permitted to disclose the most recently available information as it relates to the New Jersey Division of Pensions and Benefits reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2024 was not available, therefore the information dated June 30, 2023 is disclosed.

Leases

Under GAAP, lease receivables are measured at the present value of the lease payments expected to be received during the lease term. Payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized in a systematic and rational manner over the lease term.

Lease liabilities represent obligations to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Payments for short-term leases with a term of 12 months or less are expensed as incurred and these leases are not included as lease liabilities or right-to-use assets on the statements of net position.

New Jersey's municipalities do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording lease receivables, deferred outflows, lease liabilities or deferred inflows on their balance sheets.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general-purpose financial statements to be held in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers petty cash, change funds, cash in banks, deposits in the New Jersey Cash Management Fund and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey, and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation (FDIC). The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The Township of Long Beach had the following cash and cash equivalents at December 31, 2024:

	CHANGE FUNDS	CASH IN BANK	DEPOSITS IN TRANSIT	OUTSTANDING CHECKS	RECONCILED BALANCE
Current Fund	\$1,050.00	\$23,268,112.51	\$73,447.38	\$271,251.72	\$23,071,358.17
Animal Control Trust Fund		1,583.80			1,583.80
Trust Other Fund		5,890,578.08		10,255.38	5,880,322.70
General Capital Fund		7,609,369.39		376,774.98	7,232,594.41
Water-Sewer Operating Fund	500.00	7,072,792.59	15,417.43	67,826.17	7,020,883.85
Water-Sewer Capital Fund		3,477,739.61		88,192.60	3,389,547.01
Payroll Fund		149,325.51		9,319.29	140,006.22
	<u>\$1,550.00</u>	<u>\$47,469,501.49</u>	<u>\$88,864.81</u>	<u>\$823,620.14</u>	<u>\$47,736,296.16</u>

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2024, based upon the coverage provided by FDIC and NJ GUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on deposit in the bank, \$250,000.00 was covered by FDIC insurance and a collateral pool under NJ GUDPA covered \$39,873,311.99. An amount of \$179,622.25 was on deposit in the name of various developers for escrow and is insured by FDIC insurance or uninsured depending on the deposits of the individual developer in the escrow depository. In addition, \$7,166,567.25 was deposited with NJ/ARM, which is not insured.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

The purchase of investments by the Township is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units.
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or the New Jersey Asset and Rebate Management Program (NJ/ARM) established in 1989; or

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

8. Agreements for the repurchase of fully collateralized securities if:
- a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The Township of Long Beach had investments with the NJ/ARM in the amount of \$7,166,567.25 at December 31, 2024.

Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices, the Township is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risk for its investments nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: MUNICIPAL DEBT

The Local Bond Law, Title 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

SUMMARY OF STATUTORY DEBT CONDITION ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.210%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Water - Sewer Utility Debt	\$ 62,653,159.11	\$ 62,653,159.11	\$
General Debt	<u>30,421,606.87</u>	<u>864,057.94</u>	<u>29,557,548.93</u>
	<u>\$ 93,074,765.98</u>	<u>\$ 63,517,217.05</u>	<u>\$ 29,557,548.93</u>



NOTE 3: MUNICIPAL DEBT (CONTINUED)

SUMMARY OF STATUTORY DEBT CONDITION ANNUAL DEBT STATEMENT  
(CONTINUED)

Net debt of \$29,557,548.93 divided by equalized valuation basis per N.J.S.40A:2-2, as amended, of \$14,073,212,917.67 equals 0.210%.

SUMMARY OF MUNICIPAL DEBT

	<u>YEAR 2024</u>	<u>YEAR 2023</u>	<u>YEAR 2022</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 18,308,750.00	\$ 18,427,000.00	\$ 11,377,000.00
Water - Sewer Utility:			
Bonds, Notes and Loans	<u>44,567,516.93</u>	<u>46,834,365.03</u>	<u>45,095,488.71</u>
Total Issued	<u>\$ 62,876,266.93</u>	<u>\$ 65,261,365.03</u>	<u>\$ 56,472,488.71</u>
Less:			
Funds Temporarily Held to Pay			
Bonds, Notes and Loans,			
Accounts Receivable and			
Self Liquidating Purpose	<u>\$ 63,517,217.05</u>	<u>\$ 62,785,065.15</u>	<u>\$ 59,101,236.57</u>
Net Debt Issued	<u>\$ (640,950.12)</u>	<u>\$ 2,476,299.88</u>	<u>\$ (2,628,747.86)</u>
Authorized But Not Issued:			
General:			
Bonds, Notes and Loans	\$ 12,112,856.87	\$ 6,140,557.16	\$ 13,052,937.66
Water - Sewer Utility:			
Bonds, Notes and Loans	<u>18,085,642.18</u>	<u>15,086,642.18</u>	<u>12,796,400.18</u>
Total Authorized But Not Issued	<u>\$ 30,198,499.05</u>	<u>\$ 21,227,199.34</u>	<u>\$ 25,849,337.84</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 29,557,548.93</u>	<u>\$ 23,703,499.22</u>	<u>\$ 23,220,589.98</u>

BORROWING POWER UNDER N.J.S.A. 40A:2-6 AS AMENDED

Equalized Valuation Basis* - December 31, 2024	\$ <u>14,073,212,917.67</u>
3-1/2 of Equalized Valuation Basis (Municipal)	\$ 492,562,452.12
Net Debt	<u>29,557,548.93</u>
Remaining Borrowing Power	\$ <u>463,004,903.19</u>

\*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Railroad Property of the Township of Long Beach for the last three (3) preceding years.

NOTE 3: MUNICIPAL DEBT (CONTINUED)

CALCULATION OF "SELF-LIQUIDATING PURPOSE"  
WATER-SEWER UTILITY PER N.J.S. 40A:2-45

Revenue from Fees, Rents, and Other Charges for Year and Fund Balance		\$ 14,914,194.89
Deductions:		
Operating and Maintenance Cost	\$ 9,594,855.60	
Debt Service per Water - Sewer Account	<u>3,290,108.60</u>	
Total Deductions		<u>12,884,964.20</u>
Excess in Revenue		<u>\$ 2,029,230.69</u>

LONG TERM DEBT OBLIGATIONS:

General Capital Fund:

Serial Bonds:

Various % General Obligation Bonds Series 2014 issued May 29, 2014, installment maturities to March 1, 2027	\$ 1,092,000.00
Various % General Improvement Bonds Series 2019 Issued March 13, 2019, installment maturities to March 1, 2039	5,410,000.00
Various % General Improvement Bonds Series 2021 Issued February 15, 2021, installment maturities to February 15, 2041	3,295,000.00
Various % General Improvement Bonds Series 2023 Issued May 9, 2023, installment maturities to May 1, 2043	<u>7,595,000.00</u>
	<u>\$17,392,000.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG TERM DEBT OBLIGATIONS (CONTINUED)

General Capital Fund (Continued):

Serial Bonds (Continued):

The General Capital Fund bonds mature serially in installments to the year 2043. Aggregate debt service requirements during the next five fiscal years and thereafter are as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 1,095,000.00	\$ 547,992.50
2026	1,135,000.00	513,967.50
2027	1,147,000.00	478,515.00
2028	815,000.00	446,737.50
2029	845,000.00	418,837.50
2030-34	4,680,000.00	1,665,793.75
2035-39	5,330,000.00	869,500.00
2040-43	<u>2,345,000.00</u>	<u>160,950.00</u>
Total	<u>\$17,392,000.00</u>	<u>\$ 5,102,293.75</u>

Water - Sewer Utility Capital Fund:

Serial Bonds:

Various % Water & Sewer Utility Bonds Series 2019 Issued March 13, 2019, installment maturities to March 1, 2039	\$ 5,650,000.00
Various % Water & Sewer Utility Bonds Series 2021 Issued February 15, 2021, installment maturities to February 15, 2041	6,965,000.00
Various % Water & Sewer Utility Bonds Series 2023 Issued May 9, 2023, installment maturities to May 1, 2043	<u>1,645,000.00</u>
	<u>\$14,260,000.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG TERM DEBT OBLIGATIONS (CONTINUED):

Water - Sewer Utility Capital Fund (Continued)

Serial Bonds (Continued):

The Utility Capital Fund bonds mature serially in installments to the year 2043. Aggregate debt service requirements during the next five fiscal years and thereafter are as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 740,000.00	\$ 336,050.00
2026	765,000.00	319,625.00
2027	785,000.00	302,575.00
2028	815,000.00	284,825.00
2029	830,000.00	266,500.00
2030-34	4,480,000.00	1,040,662.50
2035-39	4,600,000.00	476,000.00
2040-43	<u>1,245,000.00</u>	<u>48,900.00</u>
Total	<u>\$ 14,260,000.00</u>	<u>\$3,075,137.50</u>

New Jersey Environmental Infrastructure Loans:

The Township received various low interest loans (variable rate) under the New Jersey Environmental Infrastructure Trust Loan Program. The respective loan balances at December 31, 2024 are enumerated below. Loan payments are due in semi-annual installments over twenty to thirty years. Loan payments are due through the year 2052.

New Jersey Environmental Infrastructure Trust - 2005A	\$ 55,261.09
New Jersey Environmental Infrastructure Trust - 2005A	39,475.05
New Jersey Environmental Infrastructure Trust - 2006A	82,504.97
New Jersey Environmental Infrastructure Trust - 2009A	108,669.61
New Jersey Environmental Infrastructure Trust - 2010A	542,371.12
New Jersey Environmental Infrastructure Trust - 2010A	536,356.17
New Jersey Environmental Infrastructure Trust - 2010B	614,531.52

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG TERM DEBT OBLIGATIONS (CONTINUED):

Water - Sewer Utility Capital Fund (Continued)

New Jersey Environmental Infrastructure Loans (Continued)

New Jersey Environmental Infrastructure Trust - 2010B	733,928.55
New Jersey Environmental Infrastructure Trust - 2012A	743,398.23
New Jersey Environmental Infrastructure Trust - 2012A	823,535.77
New Jersey Environmental Infrastructure Trust - 2014A	1,197,665.84
New Jersey Environmental Infrastructure Trust - 2014A	905,877.53
New Jersey Environmental Infrastructure Trust - 2017A-2	2,703,294.80
New Jersey Environmental Infrastructure Trust - 2017A-2	5,239,395.13
New Jersey Environmental Infrastructure Trust - 2019A-1	280,000.00
New Jersey Environmental Infrastructure Fund - 2019A-1	351,269.42
New Jersey Environmental Infrastructure Trust - 2020A-1	2,010,000.00
New Jersey Environmental Infrastructure Fund - 2020A-1	5,237,376.43
New Jersey Environmental Infrastructure Trust - 2022A-2	1,605,000.00
New Jersey Environmental Infrastructure Fund - 2022A-2	1,676,910.90
New Jersey Environmental Infrastructure Trust/Fund - 2023A-W1	<u>4,585,694.80</u>
	<u>\$30,072,516.93</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG TERM DEBT OBLIGATIONS (CONTINUED):

Water - Sewer Utility Capital Fund (Continued)

New Jersey Environmental Infrastructure Loans (Continued)

Debt Service requirements during the next five fiscal years and thereafter are as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 1,932,440.49	\$ 433,346.36
2026	1,870,649.28	402,959.98
2027	1,862,388.33	373,177.54
2028	1,890,072.33	347,023.70
2029	1,887,581.25	319,519.32
2030-34	6,507,243.17	1,245,578.86
2035-39	5,263,154.70	867,666.34
2040-44	5,098,275.70	526,848.66
2045-49	3,286,042.28	213,000.00
2050-52	<u>474,669.40</u>	<u>29,750.00</u>
Total	\$ <u>30,072,516.93</u>	\$ <u>4,758,870.76</u>

SHORT-TERM OBLIGATIONS:

Bond Anticipation Notes:

	<u>DATE OR ORDINANCE NUMBER</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>AMOUNT</u>
<u>General Capital Fund:</u>						
	24-03	05/02/24	05/02/24	01/31/25	4.12%	\$ 916,750.00
<u>Utility Capital Fund</u>						
	24-02	05/02/24	05/02/24	01/31/25	4.12%	235,000.00

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED:

At December 31, 2024, the Township had bonds and notes authorized but not issued as follows:

General Capital Fund	\$ 12,112,856.87
Water - Sewer Utility Capital Fund	\$ 18,085,642.18

NOTE 4: COMPENSATED ABSENCES

Under the terms of various contracts, Township employees are allowed to accumulate unused vacation and sick pay over the life or their working careers which may be taken as time off or paid at a later date. It is estimated that the current cost of such unpaid compensation would approximate \$2,562,976.41. Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community affairs, State of New Jersey, the accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented and any amounts required to be paid are raised in that year's budget and no liability is accrued on December 31, 2024. The Township has accumulated \$588,618.88 for this purpose in the Trust Other Fund and has budgeted \$250,000.00 in 2025 and continues to budget funds to provide for these liabilities as they arise.

NOTE 5: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2024 which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2025, as adopted were as follows:

Current Fund	\$4,731,042.02
Water - Sewer Utility Fund	\$2,963,288.30

NOTE 6: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Township bills and collects its own property taxes and also the taxes for the County, the Local School District and the Regional School District. The collections and remittances of county and school taxes are accounted for in the Current Fund. Township property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Township's Current Fund.

NOTE 7: TAXES AND WATER - SEWER CHARGES COLLECTED IN ADVANCE

Taxes and water - sewer charges collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER <u>31, 2024</u>	BALANCE DECEMBER <u>31, 2023</u>
Prepaid Taxes	\$1,889,721	\$1,915,801
Tax Overpayments	84,825	48,771
Water - Sewer Overpayments	36,124	38,164

NOTE 8: CONTINGENT LIABILITIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2024, the Township does not believe that any material liabilities will result from such audits.

NOTE 9: LITIGATION

The Township is a member of the Ocean County Municipal Joint Insurance Fund, and any and all claims for damages under the New Jersey Tort Claims Act are covered by the self-insurance pool provided by the Fund. There is no anticipated or pending tort claim litigation which will result in any direct and uninsured liability of the Township. Rather, all matters of tort claim have adequate insurance protection.

It is the opinion of the Township officials that there is no litigation threatened or pending that would materially affect the financial position of the Township or adversely affect the Township's ability to levy, collect and enforce the collection of taxes or other revenue for the payment of its bonds or other obligations.

NOTE 10: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township is a member of the Ocean County Municipal Joint Insurance Fund, and the Municipal Excess Liability Fund, public entity risk pools currently operating as a common risk management and insurance program for municipalities within the State. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded insurance coverage in any of the past three fiscal years.

New Jersey Unemployment Compensation Insurance - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this plan, the Township is required to remit an employer's match to the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State.



NOTE 11: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at December 31, 2024:

<u>FUND</u>	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLE</u>
Current Fund	\$ 76,559.26	\$ 631,434.80
Federal and State Grant Fund	631,434.80	
Assessment Trust Fund		289,287.12
Animal Control Trust Fund		399.80
General Capital Fund	289,287.12	76,652.62
Water-Sewer Operating Fund	500,798.61	
Water-Sewer Capital Fund	493.16	500,798.61
	<u>\$ 1,498,572.95</u>	<u>\$ 1,498,572.95</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

NOTE 12: PENSION PLANS

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS) or the Defined Contribution Retirement System (DCRP), which have been established by state statute and are administered by the New Jersey Division of Pensions and Benefits. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System, the Police and Firemen's Retirement System and the Consolidated Police and Firemen's Pension Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at [www.nj.gov/treasury/pensions/annrpts.shtml](http://www.nj.gov/treasury/pensions/annrpts.shtml).

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple employer plan. Membership is mandatory for substantially, all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

NOTE 12: PENSION PLANS (CONTINUED)

*Police and Firemen's Retirement System (PFRS)* - The Police and Firemen's Retirement System (PFRS) was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. to provide retirement, death, and disability benefits to its members. The PFRS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially, all full-time county and municipal police or firemen or officer employees with police powers appointed after June 30, 1944.

*Defined Contribution Retirement Program (DCRP)* - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:3B. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit, in which case, benefits would begin the first day of the month after the member attains normal retirement age.

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A and 43:3B. All benefits vest after ten years of service, except for disability benefits, which vest after four years of service. Retirement benefits for age and service are available at age 55. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service.

Newly elected or appointed officials that have an existing DCRP account or are a member of another State-administered retirement system are immediately vested in the DCRP. For newly elected or appointed officials that do not qualify for immediate vesting in the DCRP, employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully vested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer. Employees are required to contribute 5.5% of their base salary and employers contribute 3.0%.

NOTE 12: PENSION PLANS (CONTINUED)

Funding Policy

The contribution policy for PERS is set by N.J.S.A. 43:15A and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provides for employee contributions of 7.50% of base salary. Employers are required to contribute at an actuarially determined rate. The actuarially determined contribution includes funding for cost-of-living adjustments, non-contributory death benefits and post-retirement medical premiums.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Employers are required to contribute at an actuarially determined rate. The annual employer contribution includes funding for basic retirement allowances, cost-of-living adjustments and non-contributory death benefits. PFRS members contributed at a uniform rate of 10.00% of base salary.

The Township's share of pension, which is based upon the annual billings received from the state, amounted to \$2,649,837.00 for 2024, \$2,552,345.00 for 2023 and \$2,299,739.00 for 2022.

Certain Township employees are also covered by the Federal Insurance Contribution Act.

Accounting and Financial Reporting for Pensions – GASB 68

As discussed in Note 1, as of the date of this report, the information for the period ended June 30, 2024 for PERS was not available. Therefore, the information dated June 30, 2023 is disclosed.

At June 30, 2023, the State reported a net pension liability of \$10,806,022.00 for the Township's proportionate share of the total net pension liability. The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the Township's proportion was 0.0746046886 percent, which was a decrease of 0.0026919712 percent from its proportion measured as of June 30, 2022.

NOTE 12: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS)

For the year ended June 30, 2023, the State recognized an actuarially determined pension expense of \$36,187.00 for the Township's proportionate share of the total pension expense. The pension expense recognized in the Township's financial statements based on the April 1, 2023 billing was \$974,748.00.

At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 103,319.00	\$ 44,172.00
Changes of assumptions	23,739.00	654,891.00
Net difference between projected and actual earnings on pension plan investments	49,763.00	
Changes in proportion and differences between Township contributions and proportionate share of contributions	<u>515,893.00</u>	<u>510,203.00</u>
	<u>\$ 692,714.00</u>	<u>\$ 1,209,266.00</u>

NOTE 12: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Other local amounts reported by the State as the Township's proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the State's actuarially calculated pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2024	(\$569,380.00)
2025	(317,303.00)
2026	446,138.00
2027	(78,499.00)
2028	2,492.00
	<u>(\$516,552.00)</u>

Actuarial Assumptions

The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. These actuarial valuations used the following assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	2.75-6.55%
	Based on
	Years of Service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

NOTE 12: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major assets class included in PERS's target assets allocation as of June 30, 2023 asset are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Market Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasury's	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the non-employer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

NOTE 12: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Sensitivity of the Township's proportionate share of net pension liability to changes in the discount rate

The following presents the Township's proportionate share of the net pension liability of the participating employers as of June 30, 2023 respectively, calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2023		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Township's proportionate share of the pension liability	\$14,067,142.00	\$10,806,022.00	\$8,030,378.00

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. For PERS, the legislation which legally obligates the State is found in Chapter 133, P.L. 2001. This special funding situation is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2023, there is no net pension liability associated with this special funding situation as there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date.

The amounts contributed by the State on behalf of the Township under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a non-employer contributing entity. Since the Township does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the Township related to this legislation.

NOTE 12: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Special Funding Situation (Continued)

The non-employer contributing entities' total proportionate share of the non-employer contribution that is associated with the Township as of June 30, 2023 was 0.0748879404% which was a decrease of 0.0027175318 percent from its proportion measured as of June 30, 2022. The non-employer contributing entities' contribution and employer pension expense and related revenue for the years ended June 30, 2023 and June 30, 2022 was \$33,700.00 and \$24,544.00, respectively.

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>

Police and Firemen's Retirement System (PFRS)

At June 30, 2023, the State reported a net pension liability of \$13,717,386.00 for the Township's proportionate share of the total PFRS net pension liability. The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2023, the Township's proportion was 0.1241529200 percent, which was an increase of 0.0028509400 percent from its proportion measured as of June 30, 2022.



NOTE 12: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

For the year ended June 30, 2023, the State recognized an actuarially determined pension expense of \$845,762.00. The pension expense recognized in the Township's financial statements based on the April 1, 2023, billing was \$1,577,597.00.

At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 587,351.00	\$ 654,198.00
Changes of assumptions	29,607.00	926,252.00
Net difference between projected and actual earnings on pension plan investments	698,601.00	
Changes in proportion and differences between Township contributions and proportionate share of contributions	<u>574,005.00</u>	<u>92,117.00</u>
	<u>\$ 1,889,564.00</u>	<u>\$ 1,672,567.00</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended <u>June 30</u>	<u>Amount</u>
2024	\$ (437,455.40)
2025	(415,929.40)
2026	920,627.60
2027	25,485.60
2028	121,681.60
Thereafter	<u>2,587.00</u>
	<u>\$ 216,997.00</u>

NOTE 12: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. This actuarial valuation used the following assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	All future years 3.25-16.25% Based on years of Service
Investment Rate of Return	7.00%

Employee mortality rates were based on the Pubs-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the Pubs-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

NOTE 12: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00 percent at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2023 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	28.00%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Market Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasury's	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

NOTE 12: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of both June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the non-employer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Township's proportionate share of the net pension liability to changes in the discount rate

The following presents the Township's proportionate share of the net pension liability of the participating employers as of June 30, 2023, calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1- percentage point higher than the current rate:

	June 30, 2023		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Township's proportionate share of the PFRS pension liability	\$19,112,776.00	\$13,717,386.00	\$9,224,316.00

NOTE 12: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.c. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.c. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed by the State on behalf of the Township under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a non-employer contributing entity. Since the Township does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the Township related to this legislation.

The non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Township as of December 31, 2023 and 2022 is 0.1241530500% and 0.1213019200% respectively, the non-employer contributing entities' contribution for the year ended June 30, 2023 and 2022 was \$289,059.00 and \$307,635.00, respectively and the employer pension expense and related revenue for the year ended June 30, 2023 and 2022 was \$287,508.00 and \$285,095.00, respectively.

At June 30, 2023 and 2022, the State's proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is \$2,527,588.00 and \$2,471,062.00, respectively.

At June 30, 2023, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$13,717,386.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the Township	<u>2,527,588.00</u>
	<u>\$16,244,974.00</u>

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 13: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75

As of the date of this report, the New Jersey Division of Pensions and Benefits has not provided updated actuarial valuations for other post-employment obligations for the year ended June 30, 2024. The New Jersey Division of Pensions and Benefits will post these reports on their web site as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2023.

Plan Description and Benefits Provided

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other post-employment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*; therefore, assets are accumulated to pay associated benefits.

The Plan provides medical and prescription drug coverage to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide post-retirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations' agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52: 14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330.

NOTE 13: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided (Continued)

The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Total Net OPEB Liability

At June 30, 2023, the Plan reported a Liability of \$35,368,463.00 for the Township's proportionate share of the collective Net OPEB liability. The total Net OPEB Liability measured as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023.

The Township's proportion of the Net OPEB Liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2022 through June 30, 2023.

At June 30, 2023, the Township's proportion was 0.235687 percent, which was an increase of 0.035225 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the State reported OPEB benefit of \$203,592.00. This OPEB benefit was based on the OPEB plans June 30, 2023 measurement date.

NOTE 13: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT  
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Total Net OPEB Liability (Continued)

At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$1,631,011.00	\$9,604,919.00
Changes of assumptions	4,581,543.00	9,997,532.00
Net difference between projected and actual earnings on OPEB plan investments		5,836.00
Changes in proportion	<u>9,301,626.00</u>	<u>1,825,369.00</u>
	<u>\$15,514,180.00</u>	<u>\$21,433,656.00</u>

Other local amounts reported by the State as the Township's proportionate share of deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the State's actuarially calculated OPEB (benefit)/expense as follows:

Year Ended <u>June 30,</u>	<u>Amount</u>
2024	(\$2,517,279.60)
2025	(1,791,264.60)
2026	(282,696.60)
2027	661,812.40
2028	(187,082.60)
Thereafter	<u>(1,802,965.00)</u>
	<u>(\$5,919,476.00)</u>



NOTE 13: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases:

Public Employees Retirement System (PERS):

Initial fiscal year applied

Rate for all future years 2.75% to 6.55%

Police and Firemen's Retirement System (PFRS):

Rate for all future years 3.25% to 16.25%

Mortality

PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2021
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2021

\*Salary increases are based on years of service within the respective plan.

Actuarial assumptions used in the July 1, 2022 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021.

100% of active members are considered to participate in the Plan upon retirement.

NOTE 13: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Discount Rate

The discount rate for June 30, 2023 was 3.65%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Health Care Trend Assumption

For Pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend rate is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend rate is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Sensitivity of the Township's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Net OPEB Liability associated with the Township as of June 30, 2023, calculated using the discount rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2023		
	1.00% <u>Decrease (2.65%)</u>	At Discount <u>Rate (3.65%)</u>	1.00% <u>Increase (4.65%)</u>
Township's proportionate share of the Net OPEB Liability	\$40,967,950.00	\$35,368,463.00	\$30,864,540.00

NOTE 13: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Sensitivity of the Township's Proportionate Share of the Net OPEB Liability to Changes in Healthcare Trends

The following presents the total Net OPEB Liability associated with the Township as of June 30, 2023, calculated using the healthcare trend rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2023		
	1.00% <u>Decrease</u>	Healthcare Cost <u>Trend Rate</u>	1.00% <u>Increase</u>
Township's proportionate share of the Net OPEB Liability	\$30,059,030.00	\$35,368,463.00	\$42,166,160.00

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey State Health Benefits Local Government Retired Employees Plan. The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 14: SCHOOL TAXES

Local District School Taxes and Regional School District Taxes have been raised and liabilities deferred by statute resulting in the school taxes payable as set forth in the Current Fund liabilities as follows:

	LOCAL DISTRICT SCHOOL TAX		REGIONAL SCHOOL DISTRICT TAX	
	BALANCE DECEMBER 31, 2024	BALANCE DECEMBER 31, 2023	BALANCE DECEMBER 31, 2024	BALANCE DECEMBER 31, 2023
Balance of Tax Deferred	\$ 2,226,167.18 1,296,383.00	\$ 2,246,648.66 1,296,383.00	\$ 11,189,923.00 3,262,051.00	\$ 11,222,819.50 3,262,051.00
Tax Payable	\$ <u>929,784.18</u>	\$ <u>950,265.66</u>	\$ <u>7,927,872.00</u>	\$ <u>7,960,768.50</u>

NOTE 15: LENGTH OF SERVICE AWARD PROGRAM

On November 7, 2006 the voters of the Township of Long Beach approved by public referendum the creation of a Length of Service Award Program ("LOSAP"). The Township Commissioners had deemed it appropriate, necessary, and in the best interest of the public health, safety, and welfare to act to ensure retention of existing firefighters and emergency medical technicians and to provide incentives for recruiting those volunteer members.

The Township of Long Beach is non-contiguous; approximately twelve-mile-long municipality serviced by five volunteer fire companies and three volunteer first aid squads located in adjacent municipalities and is wholly without any volunteer emergency services within its own borders. The provisions of N.J.S.A. 40A:14-183, et seq., and N.J.A.C. 5:30-14.2, et seq., in some respects literally restrict and impact the Township's ability to implement a LOSAP due to its unique circumstance of being serviced by multiple volunteer fire companies and first aid squads located in adjacent municipalities.

In advance of the referendum the State of New Jersey, Department of Community Affairs, Division of Local Government Services, had advised the Township that the State of New Jersey would waive certain literal requirements in order that the Township may proceed to implement a single Township-wide LOSAP that adopts the separate point systems and LOSAP's implemented in the adjacent municipalities for volunteer fire and first aid services. As a result, the Township was authorized to negotiate shared services agreements with the Boroughs of Barnegat Light, Beach Haven, Harvey Cedars, Ship Bottom, and Surf City in accordance with and pursuant to the law in order to adopt the point systems of those municipalities and establish the legally required administrative responsibilities for a single Township-wide LOSAP for the Township and the members of the Barnegat Light, Beach Haven, High Point (Harvey Cedars), and Ship Bottom volunteer fire companies in addition to the Surf City Fire and EMS, Barnegat Light First Aid Squad, and Beach Haven Volunteer First Aid Squad. Shared services agreements have been executed with all five of the municipalities. The Township shall retain all legal rights, dominion, control, and powers over all decisions of whether to increase the Township's contributions and funding to the single Township-wide LOSAP pursuant to N.J.S.A. 40A: 14-185 and all other applicable statutory and administrative code provisions and same shall be reflected and included in all shared services agreements entered into between the Township of Long Beach and the Boroughs of Barnegat Light, Harvey Cedars, Ship Bottom, Beach Haven, and Surf City.

Unlike the LOSAP's in the adjacent municipalities, all amounts awarded under a length of service award program shall not remain the asset of the Township. Such money shall not be subject to the claims of the Township's general creditors.

NOTE 15: LENGTH OF SERVICE AWARD PROGRAM (CONTINUED)

As of the audit date, amounts due which were paid in 2024, were as follows:

Barnegat Light	\$24,686.00
Beach Haven	67,068.32
Harvey Cedars	9,360.00
Ship Bottom	6,193.00
Surf City	<u>5,544.00</u>
Total Contributions	<u>\$112,851.32</u>

The above information is presented as reflected in the Township's records as of the date of audit.

NOTE 16: FIXED ASSETS

Below is a summary of the General Fixed Assets Account Group for the year ended December 31, 2024:

	Balance December <u>31, 2023</u>	<u>Additions</u>	<u>Deletions</u>	Balance December <u>31, 2024</u>
Land and Easements	\$63,991,900.00	\$	\$	\$63,991,900.00
Buildings	11,861,800.00			11,861,800.00
Furniture/Fixtures/ Vehicles & Equip.	<u>10,314,569.87</u>	<u>1,395,266.40</u>	<u>1,150,512.27</u>	<u>10,559,324.00</u>
	<u>\$86,168,269.87</u>	<u>\$1,395,266.40</u>	<u>\$1,150,512.27</u>	<u>\$86,413,024.00</u>

NOTE 17: LEASES

The Township has entered into six (6) cell tower leases; one (1) with Cingular (now AT&T) and five (5) with Verizon which commenced in the years 2004, 2006, 2011 and 2019. The agreements have five (5) to ten (10) year lease terms with the option to renew for four (4) additional five (5) year lease terms. Payments received by the Township during 2024 totaled \$54,141.12 in the current fund and \$219,787.90 in the utility operating fund.

The Township entered into a lease agreement with Shackelton Law Center for the use of office space for the Long Beach Island Health Department. Commencing on January 1, 2016, the lease has a term of five (5) years with an option to renew for two (2) additional five (5) year lease terms. Payments made by the Township during the period under audit amounted to \$44,694.80 for this lease.

The Township has entered into a leasing agreement dated June 14, 2023 with Konica Minolta for the leasing of copiers at various locations within the

NOTE 17: LEASES (CONTINUED)

Township's offices. The lease term is for a period of 60 months. The lease contains three end of lease options: purchase the equipment at fair market value, renew the lease or return the equipment. No decision has yet been made as to the purchase of the equipment at the end of the lease term. Payments made by the Township during 2024 totaled \$31,676.87.

NOTE 18: SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after the financial statement date through June 23, 2025 which is the date the financial statements were available to be issued. Based upon this evaluation, the Township has determined that the following subsequent events should be disclosed:

The Township adopted capital ordinances through June 23, 2025 as follows:

<u>ORDINANCE NUMBER</u>	<u>PROJECT</u>	<u>AMOUNT OF DEBT AUTHORIZED</u>
<u>General Capital Fund</u>		
	Acquisition of and Improvements to Real Property	\$1,520,000.00

## **APPENDIX C**

### **FORM OF BOND COUNSEL OPINIONS**

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October 29, 2025

Board of Commissioners  
of the Township of Long Beach  
6805 Long Beach Boulevard  
Brant Beach, New Jersey

**RE: \$8,743,000 TOWNSHIP OF LONG BEACH, COUNTY OF OCEAN, NEW JERSEY, GENERAL OBLIGATION BONDS, SERIES 2025**

Board of Commissioners:

We have served as Bond Counsel in connection with the authorization, issuance, sale and delivery of the above-referenced obligations ("Bonds") by the Township of Long Beach, County of Ocean, New Jersey ("Township"). The Bonds consist of: (i) \$7,944,000 General Improvement Bonds; and (ii) \$799,000 Water & Sewer Utility Bonds.

The Bonds are authorized pursuant to and in accordance with: (i) the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) the bond ordinances set forth in the Resolution (hereinafter defined), each duly and finally adopted by the Board of Commissioners and published in accordance with the Local Bond Law (collectively, the "Bond Ordinances"); (iii) a resolution adopted by the Board of Commissioners on October 6, 2025 ("Resolution"); and (iv) a Certificate of Determination and Award executed by the Temporary Chief Financial Officer of the Township on October 16, 2025 ("Award Certificate").

The Bonds are dated their date of delivery, mature on October 1 in each of the years and in the respective principal amounts set opposite each such year in the table below and bear interest at the interest rates per annum in the table below, payable semi-annually on April 1 and October 1, commencing April 1, 2026, in each year until maturity or earlier redemption.

<u>Year</u>	<u>General Improvement Bonds</u>	<u>Water and Sewer Utility Bonds</u>	<u>Total Principal Amount</u>	<u>Interest Rate</u>
2026	\$254,000	\$29,000	\$283,000	%
2027	265,000	30,000	295,000	
2028	300,000	30,000	330,000	
2029	315,000	30,000	345,000	
2030	325,000	30,000	355,000	
2031	360,000	30,000	390,000	
2032	370,000	35,000	405,000	
2033	375,000	35,000	410,000	
2034	390,000	35,000	425,000	

**COUNSEL WHEN IT MATTERS.<sup>SM</sup>**

Mount Laurel, New Jersey | Hamilton, New Jersey | Camden, New Jersey



<u>Year</u>	<u>General Improvement Bonds</u>	<u>Water and Sewer Utility Bonds</u>	<u>Total Principal Amount</u>	<u>Interest Rate</u>
2035	\$395,000	\$40,000	\$435,000	%
2036	400,000	40,000	440,000	
2037	415,000	40,000	455,000	
2038	425,000	45,000	470,000	
2039	450,000	45,000	495,000	
2040	470,000	50,000	520,000	
2041	475,000	50,000	525,000	
2042	480,000	50,000	530,000	
2043	485,000	50,000	535,000	
2044	495,000	50,000	545,000	
2045	500,000	55,000	555,000	

The Bonds are issued in fully registered book-entry-only form without coupons, and are subject to redemption prior to maturity on the terms and conditions stated therein.

The Bonds are being issued to provide funds which will be used to: (i) permanently finance the costs of various capital improvements and the acquisition of various capital equipment in and for the Township for which obligations have been authorized but not yet issued; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Bonds.

As the basis for the opinions set forth below, we have examined such matters of law as we have deemed necessary including, *inter alia*, the Constitution of the State of New Jersey, the Internal Revenue Code of 1986, as amended ("Code"), and the Local Bond Law. We have also examined such documents, certifications and instruments as we have deemed necessary including, without limitation, the Bond Ordinances, the Resolution, the Award Certificate, the representations and covenants of the Township given pursuant to the Code as set forth in the Certificate as to Nonarbitrage and other Tax Matters ("Nonarbitrage Certificate"), and the other certifications, opinions and instruments listed in the closing agenda prepared in connection with the settlement for the Bonds.

In rendering the following opinion, we have relied upon the authenticity, truthfulness and completeness of all documents, instruments, certifications and opinions examined including, without limiting the generality of the foregoing, the Nonarbitrage Certificate.

Based upon and subject to the foregoing, we are of the following opinion:

1. The Bonds are legal, valid and binding obligations of the Township enforceable in accordance with the terms thereof, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally ("Creditors' Rights Limitations").

2. For the payment of principal and interest on the Bonds, the Township has the power and is obligated, to the extent payment is not otherwise provided, to levy *ad valorem* taxes upon all



taxable real property within the Township without limitation as to rate or amount, except to the extent that enforcement thereof may be affected by Creditors' Rights Limitations.

3. Interest on the Bonds is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Code and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the "dividend equivalent amount" for the taxable year. Interest on the Bonds received or accrued by a foreign corporation subject to the branch profits tax will be included in computing the "dividend equivalent amount" of such corporation.

In addition, passive investment income, including interest on the Bonds, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering this opinion, we have assumed continuing compliance by the Township that it will comply with the applicable requirements of the Code, including requirements relating to, *inter alia*, the use and investment of proceeds of the Bonds and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the Township to comply with such covenants could result in the interest on the Bonds being subject to federal income tax from the date of issue. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date hereof that affect the tax-exempt status of the interest on the Bonds.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers including, without limitation, certain holders of an interest in a financial asset securitization investment trust, property and casualty insurance companies, controlled foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit, and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the Bonds will constitute disqualified income for this purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the Bonds is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount of the premium assistance credit amount is in part determined by household income. Section 36B(d) of the Code provides that household income consists of the "modified adjusted gross income" of the taxpayer and certain other individuals. "Modified adjusted gross income" means



adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the Bonds.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The Township has designated the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. Eighty percent (80%) of the interest expense deemed incurred by banks, thrift institutions and other financial institutions to purchase or carry "qualified tax-exempt obligations" is deductible.

Owners of the Bonds should consult their own tax advisers as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

4. Interest on the Bonds and any gain from the sale thereof are not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof.

We express no opinion as to any matter not set forth in the numbered paragraphs above including, without limitation, any financial or other information which has been or may be supplied to purchasers of the Bonds.

The opinions expressed in the numbered paragraphs above are being rendered on the basis of federal law and the laws of the State of New Jersey, as presently enacted and construed, and we assume no responsibility to advise any party as to any changes in law or fact subsequent to the date hereof.

This is only an opinion letter and not a warranty or guaranty of the matters discussed above.

This letter is being provided solely for the benefit of the Township and may not be relied upon by any other person, party, firm or organization without our prior written consent.

Very truly yours,



October \_\_, 2025

Mayor and Board of Commissioners  
of the Township of Long Beach  
6805 Long Beach Boulevard  
Brant Beach, New Jersey

**RE: \$1,151,750 TOWNSHIP OF LONG BEACH, COUNTY OF OCEAN, NEW JERSEY,  
BOND ANTICIPATION NOTES OF 2025, SERIES B**

Mayor and Board of Commissioners:

We have served as Bond Counsel to the Township of Long Beach, County of Ocean, New Jersey ("Township"), in connection with the authorization, issuance, sale and delivery of the above-referenced obligations ("Notes").

The Notes are authorized to be issued pursuant to: (i) the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) bond ordinances 24-02 and 24-03, each duly and finally adopted by the Board of Commissioners (collectively, the "Bond Ordinances"), and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on October 16, 2025 ("Award Certificate").

The Notes are issued to temporarily finance the costs of certain improvements described in the Bond Ordinances. The Notes are dated October 29, 2025 and mature on October 28, 2026. The Notes are issued in [registered book-entry only] [bearer] form without coupons and are not subject to redemption prior to maturity.

As the basis for the opinions set forth below, we have examined such matters of law as we have deemed necessary including, *inter alia*, the Constitution of the State of New Jersey, the Internal Revenue Code of 1986, as amended ("Code"), and the Local Bond Law. We have also examined such documents, certifications and instruments as we have deemed necessary including, without limitation, the Bond Ordinances, the Award Certificate, the representations and covenants of the Township given pursuant to the Code as set forth in the Certificate as to Nonarbitrage and other Tax Matters ("Nonarbitrage Certificate"), and the other certifications, opinions and instruments listed in the closing agenda prepared in connection with the settlement for the Notes.

In rendering the following opinion, we have relied upon the authenticity, truthfulness and completeness of all documents, certifications, instruments and opinions examined including, without limiting the generality of the foregoing, the Nonarbitrage Certificate.



Based upon and subject to the foregoing, we are of the following opinion:

1. The Notes are legal, valid and binding obligations of the Township enforceable in accordance with the terms thereof, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally ("Creditors' Rights Limitations").
2. For the payment of principal of and interest on the Notes, the Township has the power and is obligated, to the extent payment is not otherwise provided, to levy *ad valorem* taxes upon all taxable real property within the Township without limitation as to rate or amount, except to the extent that enforcement thereof may be affected by Creditors' Rights Limitations.
3. Interest on the Notes is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Code and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the "dividend equivalent amount" for the taxable year. Interest on the Notes received or accrued by a foreign corporation subject to the branch profits tax will be included in computing the "dividend equivalent amount" of such corporation.

In addition, passive investment income, including interest on the Notes, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering this opinion, we have assumed continuing compliance by the Township with the applicable requirements of the Code, including requirements relating to, inter alia, the use and investment of proceeds of the Notes and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the Township to comply with such covenants could result in the interest on the Notes being subject to federal income tax from the date of issue. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date hereof that affect the tax-exempt status of the interest on the Notes.

Ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers including, without limitation, certain holders of an interest in a financial asset securitization investment trust, property and casualty insurance companies, controlled foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit, and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the Notes will constitute disqualified income for this





purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the Notes is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount of the premium assistance credit amount is in part determined by household income. Section 36B(d) of the Code provides that household income consists of the "modified adjusted gross income" of the taxpayer and certain other individuals. "Modified adjusted gross income" means adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the Notes.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The Township has designated the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. Eighty percent (80%) of the interest expense deemed incurred by banks, thrift institutions and other financial institutions to purchase or carry "qualified tax-exempt obligations" is deductible.

Owners of the Notes should consult their own tax advisers as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

4. Interest on the Notes and any gain from the sale thereof are not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof.

We express no opinion as to any matter not set forth in the numbered paragraphs above including, without limitation, any financial or other information which has been or may be supplied to purchasers of the Notes.

This is only an opinion letter and not a warranty or guaranty of the matters discussed above.

The opinions expressed in the numbered paragraphs above are being rendered on the basis of federal law and the laws of the State of New Jersey, as presently enacted and construed, and we assume no responsibility to advise any party as to any changes in law or fact subsequent to the date hereof.

This letter is being provided solely for the benefit of the Township and may not be relied upon by any other person, party, firm or organization without our prior written consent.

Very truly yours,

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## **APPENDIX D**

### **FORM OF CONTINUING DISCLOSURE AGREEMENT AND FORM OF INFORMATION REPORTING UNDERTAKING AGREEMENT**

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## CONTINUING DISCLOSURE AGREEMENT

**THIS CONTINUING DISCLOSURE AGREEMENT** ("Disclosure Agreement") is made on this \_\_\_th day of October, 2025, between the Township of Long Beach, County of Ocean, New Jersey ("Township") and the Dissemination Agent (hereinafter defined). This Disclosure Agreement is entered into in connection with the issuance and sale by the Township of its General Obligation Bonds, Series 2025, in the principal amount of \$\_\_\_\_\_ ("Bonds"). The Bonds consist of: (i) \$\_\_\_\_\_ General Improvement Bonds; and (ii) \$\_\_\_\_\_ Water & Sewer Utility Bonds.

**SECTION 1. Purpose of the Disclosure Agreement.** This Disclosure Agreement is being executed and delivered for the benefit of the holders and beneficial owners of the Bonds (collectively, the "Bondholders") and in compliance with the provisions of Rule 15c2-12(b)(5), promulgated by the Securities and Exchange Commission ("Commission") pursuant to the Securities Exchange Act of 1934, as it may be amended from time to time, including administrative or judicial interpretations thereof, as it applies to the Bonds ("Rule").

**SECTION 2. Definitions.** Capitalized terms, not otherwise defined herein, shall, for purposes of this Disclosure Agreement, have the following meanings:

**"Annual Report"** shall mean, the Township's Annual Report provided pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

**"Commission"** shall have the meaning set forth in Section 1 of this Disclosure Agreement

**"Business Day"** shall mean any day other than a Saturday, Sunday or a day on which the Township or the Dissemination Agent is authorized by law or contract to remain closed.

**"Continuing Disclosure Information"** shall mean: (i) the Annual Report; (ii) any notice required to be filed with the National Repository pursuant to Section 5 hereof; and (iii) any notice of an event required to be filed with the National Repository pursuant to Section 3(c) hereof.

**"Dissemination Agent"** shall mean Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, or any successor Dissemination Agent designated in writing by the Township and which has filed with the Township a written acceptance of such designation.

**"EMMA"** shall mean the Electronic Municipal Market Access System, an internet based filing system created and maintained by the MSRB in accordance with Release No. 34-59062 of the Commission, dated December 5, 2008, pursuant to which issuers of tax-exempt bonds, including the Bonds, and other filers on behalf of such issuers shall upload Continuing Disclosure Information to assist underwriters in complying with the Rule and to provide the general public with access to such Continuing Disclosure Information.

**"Listed Events"** shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

**"MSRB"** shall mean the Municipal Securities Rulemaking Board.

**"National Repository"** shall mean the MSRB, through the internet facilities of EMMA, or any other public or private repository or entity that shall hereafter be designated by the Commission as a repository for purposes of the Rule.

**"Official Statement"** shall mean the Official Statement of the Township, dated October \_\_, 2025, relating to the Bonds.

**"Opinion of Counsel"** shall mean a written opinion of counsel expert in federal securities law acceptable to the Township.

**"Rule"** shall have the meaning set forth in Section 1 of this Disclosure Agreement.

### **SECTION 3. Provision of Annual Report.**

(a) The Township shall not later than two hundred seventy (270) days after the end of its fiscal year (currently December 31) for each fiscal year until termination of the Township's reporting obligations under this Disclosure Agreement pursuant to the provisions of Section 6 hereof provide to the Dissemination Agent the Annual Report prepared for the preceding fiscal year of the Township (commencing for the fiscal year ending December 31, 2025). Each Annual Report provided to the Dissemination Agent by the Township shall comply with the requirements of Section 4 of this Disclosure Agreement but may be submitted as a single document or as separate documents comprising a package and may cross-reference other information submitted to the National Repository. Any and all items that must be included in the Annual Report may be incorporated by reference from other information that is available to the public on EMMA, or that has been filed with the Commission.

(b) The Dissemination Agent, promptly (within fifteen (15) Business Days) after receiving the Annual Report from the Township, shall submit each Annual Report received by it to the National Repository and thereafter shall file a written report with the Township certifying that the Annual Report has been provided pursuant to this Disclosure Agreement to the National Repository and stating the date it was provided to the National Repository.

(c) If the Township fails to provide the Annual Report to the Dissemination Agent by the date required in subsection (a) of this Section 3, the Dissemination Agent shall send a notice to the Township advising of such failure. Whether or not such notice is given or received, if the Township thereafter fails to submit the Annual Report to the Dissemination Agent within fifteen (15) Business Days after the Annual Report was due pursuant to the provisions of subsection (a) of this Section 3, the Dissemination Agent shall promptly send a notice (with a copy of said notice to the Township) to the National Repository in substantially the form attached as EXHIBIT "A" hereto.

**SECTION 4. Contents of Annual Report.** Annual Report shall mean: (i) the Township's annual financial statements, substantially in the form set forth in Appendix B to the Official Statement, audited by an independent certified public accountant, provided that the annual audited financial statements of the Township may be submitted separately from the balance of the Annual Report and later than the date required in Section 3(a) hereof for the filing of the Annual Report if the annual audited financial statements are not available by that date, but only if the unaudited financial statements of the Township are included in the Annual Report; and (ii) certain financial information and operating data of the Township consisting of Township indebtedness,

property valuation information, and tax rate, levy and collection data. Each annual audited financial statements will conform to generally accepted accounting principles applicable to governmental units or will be prepared in accordance with the standards of the Governmental Accounting Standards Board and requirements of the Division of Local Government Services in the New Jersey Department of Community Affairs as such principles, standards and requirements exist at the time of the filing of the particular annual audited financial statements.

## **SECTION 5. Reporting of Significant Events.**

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following listed events ("Listed Events"):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to the rights of Bondholders, if material;
- (8) Bond calls (excluding mandatory sinking fund redemptions), if material, or tender offers;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) incurrence of a financial obligation<sup>1</sup> of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

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<sup>1</sup> The term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with Rule 15c2-12.

(b) The Township shall within ten (10) Business Days of the occurrence of any of the Listed Events, notify the Dissemination Agent in writing to report the event pursuant to subsection (c) of this Section 5. In determining the materiality of a Listed Event specified clauses (2), (7), (8), (10), (13), (14) or (15) of subsection (a) of this Section 5, the Township may, but shall not be required to, rely conclusively on an Opinion of Counsel.

(c) If the Dissemination Agent has been instructed by the Township to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the National Repository within two (2) Business Days of the receipt of such instruction, with a copy of such notice provided by the Dissemination Agent to the Township.

**SECTION 6. Termination of Reporting Obligations.** The reporting obligations of the Township under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds or when the Township is no longer an Obligated Person (as defined in the Rule) with respect to the Bonds.

**SECTION 7. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Township may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an Opinion of Counsel to the effect that such amendment or waiver will not, in and of itself, cause the undertakings herein to violate the Rule. No amendment to this Disclosure Agreement shall change or modify the rights or obligations of the Dissemination Agent without its written assent thereto. The Township shall give notice of such amendment or waiver to this Disclosure Agreement to the Dissemination Agent and the Dissemination Agent shall file such notice with the National Repository.

**SECTION 8. Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the Township from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Township chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, it shall not have any obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

**SECTION 9. Default and Remedies.** In the event of a failure of the Township to comply with any provision of this Disclosure Agreement, the Dissemination Agent may (and, at the request of the Bondholders of at least twenty-five percent (25%) in aggregate principal amount of the outstanding Bonds and provision of indemnity and security for expenses satisfactory to it, shall), or any beneficial owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Township to comply with its obligations under this Disclosure Agreement. A failure of the Township to comply with any provision of this Disclosure Agreement shall not be deemed to be a default under the Bonds. The sole remedy under this Disclosure Agreement in the event of any failure of the Township to comply with this Disclosure Agreement shall be an action to compel performance.

**SECTION 10. Notices.** All notices and other communications required or permitted under this Disclosure Agreement shall be in writing and shall be deemed to have been duly given, made

and received only when delivered (personally, by recognized national or regional courier service, or by other messenger, for delivery to the intended addressee) or when deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, addressed as set forth below:

(i) If to the Township:

Township of Long Beach  
6805 Long Beach Boulevard  
Brant Beach, New Jersey 08008  
Attention: Chief Financial Officer

(ii) If to the Dissemination Agent:

Phoenix Advisors,  
a division of First Security Municipal Advisors, Inc.  
2000 Waterview Drive, Suite 101  
Hamilton, New Jersey 08691  
Attention: Bryan Morris, Managing Director

Any party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provision of this Section 10 for the giving of notice.

**SECTION 11. Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Township, the Dissemination Agent and the Bondholders and nothing herein contained shall confer any right upon any other person.

**SECTION 12. Submission of Information to MSRB.** Any Continuing Disclosure Information filed with the MSRB in accordance with this Disclosure Agreement shall be in electronic format as shall be prescribed by the MSRB or such other format as the Rule may require or permit, and shall be accompanied by such identifying information as shall be prescribed by the MSRB or as may otherwise be required by the Rule.

**SECTION 13. Compensation.** The Township shall pay the Dissemination Agent from time to time reasonable compensation for all services rendered under this Disclosure Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of its powers and duties under this Disclosure Agreement.

**SECTION 14. Successors and Assigns.** All of the covenants, promises and agreements contained in this Disclosure Agreement by or on behalf of the Township or by or on behalf of the Dissemination Agent shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

**SECTION 15. Headings for Convenience Only.** The descriptive headings in this Disclosure Agreement are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

**SECTION 16. Counterparts.** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**SECTION 17. Severability.** If any provision of this Disclosure Agreement, or the application of any such provision in any jurisdiction or to any person or circumstance, shall be held invalid or unenforceable, the remaining provisions of this Disclosure Agreement, or the application of such provision as is held invalid or unenforceable in jurisdictions or to persons or circumstances other than those in or as to which it is held invalid or unenforceable, shall not be affected thereby.

**SECTION 18. Governing Law.** This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

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**IN WITNESS WHEREOF**, the parties hereto have executed this Disclosure Agreement as of the date first above written.

**TOWNSHIP OF LONG BEACH, NEW JERSEY**

By: \_\_\_\_\_  
**ERICA NICHOLS, Chief Financial Officer**

**PHOENIX ADVISORS,  
as Dissemination Agent**

By: \_\_\_\_\_  
**BRYAN MORRIS, Managing Director**

**EXHIBIT A**

**NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE AN ANNUAL REPORT**

Name of Issuer: Township of Long Beach, County of Ocean, New Jersey

Name of Bond Issues Affected: General Obligation Bonds, Series 2025

Date of Issuance of the Affected  
Bond Issue: October \_\_, 2025

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above named Bond issue as required by Section 3 of the Continuing Disclosure Agreement, dated October \_\_, 2025, between the Township and the Dissemination Agent. [TO BE INCLUDED ONLY IF THE DISSEMINATION AGENT HAS BEEN ADVISED OF THE EXPECTED FILING DATE - The Issuer anticipates that such Annual Report will be filed by \_\_\_\_\_.]

Dated: \_\_\_\_\_

PHOENIX ADVISORS,  
as Dissemination Agent

cc: Township of Long Beach, New Jersey

## INFORMATION REPORTING UNDERTAKING AGREEMENT

ISSUER: Township of Long Beach, County of Ocean, New Jersey ("Issuer")

ISSUE: \$1,151,750 Bond Anticipation Notes of 2025, Series B  
(Non-Callable) ("Notes")

DATED: October 29, 2025

CUSIP: 542552\_\_\_\_

This Information Reporting Undertaking Agreement ("Agreement") is executed and delivered by the Issuer as of the date set forth below for the purpose of providing continuing disclosure with respect to the Issuer in order to comply with the provisions of Rule 15c2-12 ("Rule"), promulgated by the Securities and Exchange Commission ("Commission") pursuant to the Securities Exchange Act of 1934, as it may be amended and supplemented from time to time.

Section 1. (a) The Issuer, as an obligated person for purposes of and as defined in the Rule ("Obligated Person"), hereby agrees, in accordance with the provisions of the Rule, so long as any of the Notes are outstanding to provide or cause to be provided to the Municipal Securities Rulemaking Board ("MSRB"), through the internet facilities of the Electronic Municipal Market Access System ("EMMA")<sup>1</sup>, or any other public or private repository or entity that shall hereafter be designated by the Commission as a repository for purposes of the Rule (each a "National Repository") and any public or private repository or entity designated by the State of New Jersey as a state information repository for purpose of the Rule ("State Repository" and together with each National Repository, the "Repository" or "Repositories"), as applicable, notice of the occurrence of any of the following listed events (each a "Listed Event" or "Listed Events") with respect to the Notes:

- i. Principal and interest payment delinquencies;
- ii. Non-payment related defaults, if material
- iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
- iv. Unscheduled draws on credit enhancements reflecting financial difficulties;
- v. Substitution of credit or liquidity providers, or their failure to perform;
- vi. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes;

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<sup>1</sup> An internet based filing system created and maintained by the MSRB in accordance with Release No. 34-59062, of the Commission, dated December 5, 2008, pursuant to which issuers of tax-exempt bonds, including the Notes, and other filers on behalf of such issuers shall upload certain information and notices to assist underwriters in complying with the Rule and to provide the general public with access thereto.

- vii. Modifications to the rights of Noteholders, if material;
- viii. Note calls (excluding mandatory sinking fund redemptions), if material, or tender offers;
- ix. Defeasances;
- x. Release, substitution, or sale of property securing repayment of the Notes, if material;
- xi. Rating changes;
- xii. Bankruptcy, insolvency, receivership or similar event of the Issuer;
- xiii. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- xv. Incurrence of a financial obligation<sup>2</sup> of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- xvi. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) The Issuer shall, within ten (10) business days of the occurrence of any of the Listed Events, report the event to the MSRB, through the internet facilities of EMMA, or any other Repositories, as applicable, pursuant to the provisions of Section 1(a) hereof. In determining the materiality of a Listed Event specified in subsections (a)(ii), (vii), (viii), (x), (xiii), (xiv) and (xv) of this Section 1, the Issuer may, but shall not be required to, rely conclusively on a written opinion of counsel expert in federal securities law acceptable to the Issuer.

Section 2. The Issuer reserves the right to terminate its obligation to provide notices of Listed Events, if material, as set forth above, if and when the Issuer no longer remains an Obligated Person with respect to the Notes within the meaning of the Rule. The Issuer will provide notice of such termination to the MSRB via the internet facilities of EMMA and the State Repository, if any.

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<sup>2</sup> The term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with Rule 15c2-12.

Section 3. The Issuer agrees that its undertaking pursuant to the Rule set forth in Section 1 of this Agreement is intended to be for the benefit of the holders of the Notes and shall be enforceable by such Noteholders; provided that, the Noteholder's right to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Obligated Person's obligations hereunder.

Section 4. This Agreement shall be governed by the laws of the State of New Jersey.

**IN WITNESS WHEREOF**, the Issuer has executed and delivered this Agreement as of this 29th day of October, 2025.

ISSUER:

**TOWNSHIP OF LONG BEACH, COUNTY  
OF OCEAN, NEW JERSEY**

By: \_\_\_\_\_  
**ERICA NICHOLS,**  
**Chief Financial Officer**

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