

TOWNSHIP OF LAKEWOOD

**AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2024**

**TOWNSHIP OF LAKEWOOD
COUNTY OF OCEAN**

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**TOWNSHIP OF LAKEWOOD
COUNTY OF OCEAN**

PART I

**INDEPENDENT AUDITOR'S REPORTS
AND FINANCIAL STATEMENTS
ENDED DECEMBER 31, 2024**



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Council
Township of Lakewood
Lakewood, New Jersey

Opinions

We have audited the accompanying financial statements of the various funds and account group of the Township of Lakewood, which comprise the statements of assets, liabilities, reserves and fund balance – regulatory basis as of December 31, 2024 and 2023, and the related statements of operations and changes in fund balance – regulatory basis for the years then ended and the statement of revenues – regulatory basis and statement of expenditures – regulatory basis for the year ended December 31, 2024, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance – regulatory basis of the Township of Lakewood, as of December 31, 2024 and 2023, and the results of its operations and changes in fund balance – regulatory basis for the years then ended and the statements of revenues – regulatory basis, statements of expenditures – regulatory basis for the year ended December 31, 2024, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, 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 Township of Lakewood, as of December 31, 2024 and 2023, or the results of its operations and changes in fund balance for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 of Lakewood 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 audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by the Township of Lakewood, on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division of Local Government Services, Department of Community Affairs, State 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 and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 opinion. 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 generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey 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.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, 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(s) 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 of Lakewood'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 of Lakewood'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 of Lakewood's basic financial statements. The accompanying supplemental schedules presented for the various funds and letter of comments and recommendations section are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and are not a required part of the basic financial statements. The schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also 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 information is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

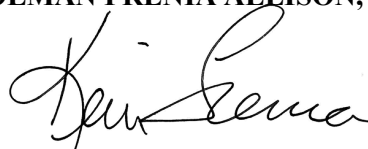
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2025, on our consideration of the Township of Lakewood'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 of Lakewood'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 the Township of Lakewood's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.



Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
RMA No. 435

November 4, 2025
Lakewood, New Jersey

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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**

Honorable Mayor and Members
of the Township Council
Township of Lakewood
County of Ocean
Lakewood, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Township of Lakewood, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated November 4, 2025. Our report indicated that the Township’s financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) to determine the 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 the Township’s internal control.

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 entity’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. We identified certain deficiencies in internal control, described in the accompanying schedule of financial statement findings and questioned costs that we consider to be significant deficiencies as Finding Nos. 2024-001, 2024-002 and 2024-003.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's 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 determination of financial statement amounts. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying schedule of financial statement findings and questioned costs as Finding Nos. 2024-001, 2024-002 and 2024-003.

Township of Lakewood's Response to Findings

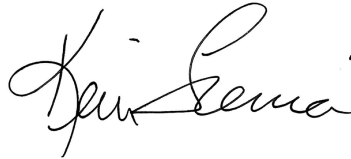
The Township of Lakewood's response to the findings identified in our audit is described in the accompanying schedule of financial statement findings and questioned costs. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.



Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
RMA No. 435

November 4, 2025
Lakewood, New Jersey

BASIC FINANCIAL STATEMENTS

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TOWNSHIP OF LAKEWOOD
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

ASSETS	REFERENCE	2024	2023
Regular Fund:			
Cash & Cash Equivalents	A-4	\$ 64,852,359	\$ 64,815,374
Cash - Change Fund	A	1,258	1,465
Due from State of NJ - Senior & Vets	A-9	134,770	133,865
Due from State of NJ - Public Health & Safety Revenue Receivable	A-7	7,000,000	-
Total Regular Fund		<u>71,988,387</u>	<u>64,950,704</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-5	6,887,029	5,929,829
Tax Title Liens Receivable	A-6	376,195	359,844
Property Acquired for Taxes	A-8	48,586,600	48,586,600
Revenue Accounts Receivable	A-10	60,251	35,435
Total Receivable & Other Assets With Full Reserves		<u>55,910,075</u>	<u>54,911,708</u>
Deferred Charges:			
Overexpenditure of Appropriation Reserves	A	1,185,459	1,185,459
Total Regular Fund		<u>129,083,921</u>	<u>121,047,871</u>
Federal & State Grants:			
Due From Current	A-22	9,713,162	6,333,420
Federal & State Grants Receivable	A-23	22,958,203	13,619,780
Total Federal & State Grants		<u>32,671,365</u>	<u>19,953,200</u>
Total Assets		<u>\$ 161,755,286</u>	<u>\$ 141,001,071</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

TOWNSHIP OF LAKEWOOD
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

LIABILITIES, RESERVES & FUND BALANCE	REFERENCE	2024	2023
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 13,539,620	\$ 6,860,775
Reserve for Encumbrances	A-3	2,318,899	7,526,282
Accounts Payable	A-12	3,185,322	2,659,833
Prepaid Taxes	A-13	1,957,706	1,747,503
Tax Overpayments	A-14	2,533,163	4,833,551
County Taxes Payable	A-15	1,394,153	728,024
School Taxes Payable	A-16	6,346,297	-
Due to State of New Jersey	A-19	49,408	49,408
Interfunds Payable	A-21	15,174,010	13,151,929
Deposits on Sale of Property	A-20	702,350	413,450
Due To Lakewood Township Rental Assistance Program	A	8,700	-
Various Reserves	A-18	2,034,153	5,554,964
Total Liabilities		<u>49,243,781</u>	<u>43,525,719</u>
Reserves for Receivables & Other Assets	A	55,910,075	54,911,708
Fund Balance	A-1	<u>23,930,065</u>	<u>22,610,444</u>
Total Regular Fund		<u>129,083,921</u>	<u>121,047,871</u>
State & Federal Grants:			
Reserve for State & Federal Grants:			
Encumbered	A-24	4,676,268	3,804,449
Reserved	A-24	22,856,749	13,054,787
HUD Funds Reimbursed	A	2,278,716	2,278,716
Unappropriated Reserves	A-25	2,357,329	815,248
Due to General Capital	C	502,303	-
Total State & Federal Grants		<u>32,671,365</u>	<u>19,953,200</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 161,755,286</u>	<u>\$ 141,001,071</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

TOWNSHIP OF LAKEWOOD
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES
IN FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	2024	2023
Revenue & Other Income Realized:		
Fund Balance Utilized	\$ 15,961,000	\$ 15,961,000
Miscellaneous Revenue Anticipated	50,814,799	31,387,462
Receipts from Delinquent Taxes	5,739,961	6,889,506
Receipts from Current Taxes	275,604,822	254,471,234
Nonbudget Revenues	8,164,919	3,674,955
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	3,076,510	4,545,837
Grant Reserve Cancelled	2,576,860	-
Excess from Dog Trust	2,054	6,913
Cancellation of Accounts Payable	295,090	614,986
	<u>362,236,015</u>	<u>317,551,893</u>
Total Income		
Expenditures:		
Budget & Emergency Appropriations:		
Appropriations Within "CAPS":		
Operations:		
Salaries & Wages	48,543,339	45,999,416
Other Expenses	39,992,062	38,323,273
Deferred Charges & Statutory Expenditures	12,068,311	11,123,680
Appropriations Excluded from "CAPS":		
Operations:		
Other Expenses	30,524,988	6,839,219
Capital Improvements	6,141,805	7,049,941
Municipal Debt Service	7,229,374	6,189,656
Deferred Charges	448,522	244,766
Transfer to Board of Education for Use of Local Schools	6,000,000	5,000,000
County Taxes Payable	63,892,476	55,954,335
Local School District Taxes	115,081,975	112,123,194
Fire District Taxes Payable	12,307,265	10,845,907
Prior Year Senior Citizens Disallowed	15,500	-
Grants Receivable Cancelled	2,709,777	-
	<u>344,955,394</u>	<u>299,693,387</u>
Total Expenditures		
Excess in Revenue	17,280,621	17,858,506
Fund Balance January 1,	22,610,444	20,712,938
Total	39,891,065	38,571,444
Less: Amount of Fund Balance Utilized as Revenue	15,961,000	15,961,000
Fund Balance December 31,	\$ 23,930,065	\$ 22,610,444

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	ANTICIPATED				
	ADOPTED BUDGET	SPECIAL N.J.S.40A:4-87	REALIZED	CANCELLED	EXCESS (DEFICIT)
Fund Balance Anticipated	\$ 15,961,000	\$ -	\$ 15,961,000	\$ -	\$ -
Miscellaneous Revenues Anticipated:					
Local Revenues:					
Licenses:					
Alcoholic Beverages	89,970	-	92,615	-	2,645
Other	110,987	-	102,741	-	(8,246)
Fees & Permits	494,950	-	514,575	-	19,625
Uniform Construction Code	3,991,795	-	3,376,539	-	(615,256)
Fines & Costs - Municipal Court	561,555	-	723,116	-	161,561
Interest & Costs on Taxes	1,402,587	-	1,257,976	-	(144,611)
Interest on Investments and Deposits	2,879,380	-	3,788,669	-	909,289
Police Identification Fees	107,138	-	98,226	-	(8,912)
Payment in Lieu of Taxes:					
Sons of Israel	97,406	-	97,406	-	-
Energy Receipts Tax	5,219,108	-	5,219,108	-	-
Supplemental Energy Receipts Tax	823,301	-	823,301	-	-
Township of Lakewood - Public Health and Safety (PTRF)	7,000,000	-	7,000,000	-	-
Tax Abatement Program Revenues	778,630	-	947,464	-	168,834
Emergency Medical Services	1,267,989	-	1,178,051	-	(89,938)
Municipal Hotel & Occupancy Tax	143,075	-	139,918	-	(3,157)
Police Off-Duty Funds	513,021	-	538,031	-	25,010
Cell Tower Lease	138,806	-	89,678	-	(49,128)
Cable TV Franchise Fees	132,647	-	132,647	-	-
General Capital Fund	351,977	-	351,977	-	-
Co-Gen Tax Overpayments	1,525,854	-	1,525,854	-	-
Lakewood Industrial Commission	4,982,522	-	5,175,370	-	192,848
Subtotal Local Revenues	32,612,698	-	33,173,262	-	560,564
Federal, State & Local Grants:					
Pedestrian Safety Grant	32,000	-	32,000	-	-
2024 Click It or Ticket Seat Belt Mobilization	10,500	-	10,500	-	-
HOPWA NJH 22F007	2,262,328	-	2,262,328	-	-
Community Development Block Grant - B-21-MC-34-0128	1,634,256	-	1,634,256	-	-
HUD - Cedarview Ave - Roads, Sidewalk, Water Improvements	2,000,000	1,061,469	3,061,469	-	-
2021 American Rescue Plan Act	390,666	-	390,666	-	-
National Opioid Settlement Fund	1,145,926	-	1,145,926	-	-
Ocean County Allocation of ARP - Lakewood Upgrades Arboretum Parkway	1,600,000	-	1,600,000	-	-
2024 Cops in Shops	960	-	960	-	-
Roadway Improvements to Rosebank Leonard Park	675,000	-	675,000	-	-
NJDOT LA-2024 MA Lakewood Township E 9th St. and 6th St. Improv.	557,628	-	557,628	-	-
LA-2023 MA Lakewood Twp Drake Rd Ridgeway Pl. August Dr. Brookfield Dr.	554,554	-	554,554	-	-
LA-2024 SST Lakewood Township Bus Terminal Pedestrian Route Improvements 15	542,000	-	542,000	-	-
LA-2019 LFIF Pavement Preservation of 3 Roads: Oak St., Towbin Ave., & Swathmore Ave.	1,000,000	-	-	1,000,000	-
Vermont Avenue Extension NJSH Route 70 Intersection LA 2021-MA	502,303	-	-	502,303	-
LA-2022 MA Lakewood Township Forest Ave Regent Dr Tanglewood Lane 15	525,119	-	-	525,119	-
LA-2024 BIKE Lakewood Township Lake Carasaljo Bike Path 15	1,000,000	-	1,000,000	-	-
Pine Street Roadway Improvements	-	507,408	507,408	-	-
Roadway Improvements to Sections 1st, 2nd, 3rd St.	750,000	-	750,000	-	-
UEZ Shuttle Bus Liaison	300,000	-	300,000	-	-
UEZ Shuttle Bus Liaison Extension	18,750	-	18,750	-	-
UEZ - Administration & Project Management	453,346	-	453,346	-	-
UEZ - NJDOT Airport Improvement Program	264,693	-	264,693	-	-
Body Armor Replacement	10,994	-	10,994	-	-
Municipal Alliance	30,539	-	30,539	-	-
Lakewood UEZ Emergency Medical Services:					
Lakewood 1st Aid EMS Ambulance	288,300	-	288,300	-	-
Hatzolah EMS Ambulance	370,000	-	370,000	-	-
Lakewood UEZ Success Project	50,000	-	50,000	-	-
Emergency Mobile Command Post Volunteer Service	150,000	-	150,000	-	-
2024 Drive Sober Or Get Pulled Over	7,000	-	7,000	-	-
Safe & Secure Communities Grant	45,150	45,150	90,300	-	-
Clean Communities Grant	-	185,804	185,804	-	-
2023 CJHIF Wellness Grant Program	17,000	-	17,000	-	-
Police OEM Drone Training	65,000	-	65,000	-	-
Police Special Response Trucks	100,000	-	100,000	-	-
Police Electric Bicycles	10,000	-	10,000	-	-
Police Motorcycles	60,000	-	60,000	-	-
Lakewood UEZ Police Trucks	250,000	-	250,000	-	-
Business Directory Outreach and Marketing	90,000	-	90,000	-	-
Strand Theater Security Cameras	18,000	-	18,000	-	-
Local Recreation Improvement	74,000	-	74,000	-	-
Alcohol Education/Rehabilitation Program	13,116	-	13,116	-	-
Subtotal Federal, State, & Local Grants Revenue	17,869,128	1,799,831	17,641,537	2,027,422	-
Total Miscellaneous Revenues Anticipated	66,442,826	1,799,831	66,775,799	2,027,422	560,564
Receipts From Delinquent Taxes	5,977,596	-	5,739,961	-	(237,635)
Amount to be Raised by Taxes	86,988,431	-	93,948,350	-	6,959,919
Nonbudget Revenues	-	-	8,164,919	-	8,164,919
Total	\$ 159,408,853	\$ 1,799,831	\$ 174,629,029	\$ 2,027,422	\$ 15,447,767

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

TOWNSHIP OF LAKEWOOD
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:	
Revenue From Collection	\$ 275,604,822
Net Revenue from Collections	275,604,822
Allocated to School, County & Fire District Taxes	<u>189,887,563</u>
Balance for Support of Municipal Budget Appropriations	85,717,259
Add: Reserve for Uncollected Taxes	<u>8,231,091</u>
Amount for Support of Municipal Budget Appropriations	<u>\$ 93,948,350</u>
Analysis of Delinquent Taxes:	
Delinquent Taxes	<u>\$ 5,739,961</u>
Total Receipts From Delinquent Taxes	<u>\$ 5,739,961</u>

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenue Not Anticipated:		
Ocean County JIF Dividend	\$	108,541
Tax Collector - Miscellaneous		133,868
Sale of Municipal Property	4,225,075	
Lease of Municipal Property		20,000
Miscellaneous	594,560	
Recycling	69,951	
Other Copies	3,586	
Cancelled Outstanding Checks	1,480	
Ocean County Polling Place Fees	2,800	
Co-Gen Host Community Fees	15,000	
Congregation Ahavas Chesed - Lease	17,062	
Lakewood Housing Authority - PILOT	3,383	
Lakewood Bd of Ed Fuel Usage Reimb	32,787	
Foreign Trade Zone Fees	8,500	
Vehicle Wash Reimbursement	1,260	
Police O/S Duty - Police Vehicle Fee	310,200	
Lakewood MUA - Fuel Reimbursement	27,171	
Congregation Spruce Street Inc - Lease	7,224	
Street Opening Administration Fee	17,175	
Verizon Franchise Fees	32,253	
Senior & Vets Admin Fee	5,775	
Bicycle Rental Program at Lake	1,100	
Township Auction Proceeds	105,459	
Lakewood Fire Commissioners - Fuel Reimb	52,286	
Vacation of Streets/Easements	7,750	
Inspection Department Misc. Fees	3	
EREZ Holding LLC - PILOT Payment	144,813	
Pilot Program Application Fees	14,000	
Ocean County - OT Reimb. - Gang/Gun/Narcotics	20,000	
Ocean County Reimb Police Car Seat Check	8,960	
Ave. of the States Urban Renew - PILOT Payment	174,753	
Ocean Care Realty Urban Renew - PILOT Payment	155,389	
Cedarbridge Office - PILOT Payment	117,849	
Cedarbridge Equity - PILOT Payment	209,493	
Community Service Contributions	210,326	
AOTSR Urban Renewal LLC - PILOT Payment	79,776	
Tax Sale Premium Forfeiture	1,200	
Lakeland Bank Kiosk	28,008	
CBRS Holdings Urban Renew	82,935	
Tower 2 Equity Urban Renew	208,184	
Cornerstone Equities Urban Renew	156,945	
Ave. of States Urban Renew	180,336	
Pine Holding Urban Renew	168,190	
Tower 3 Equity Urban Renew	<u>399,513</u>	
		<u>\$ 8,164,919</u>

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

EXHIBIT A-3

	APPROPRIATIONS		EXPENDED			UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	
<u>OPERATIONS WITHIN "CAPS"</u>						
<u>GENERAL GOVERNMENT</u>						
Administrative & Executive:						
Office of the Manager:						
Salaries and Wages	\$ 1,027,000	\$ 1,057,000	\$ 1,057,000	\$ -	\$ -	\$ -
Other Expenses	115,500	115,500	37,574	6,636	71,290	-
Governing Body:						
Salaries and Wages	340,000	340,000	323,116	-	16,884	-
Other Expenses	180,300	149,500	111,124	17,158	21,218	-
Borough Clerk:						
Salaries and Wages	412,000	412,000	349,708	-	62,292	-
Other Expenses	95,100	95,100	36,993	8,601	49,506	-
Purchasing Department:						
Salaries and Wages	305,000	305,000	290,048	-	14,952	-
Other Expenses	189,960	189,960	154,519	8,193	27,248	-
Municipal Support Services:						
Other Expenses	50,000	50,000	50,000	-	-	-
Financial Administration:						
Salaries and Wages	512,000	512,000	363,140	-	148,860	-
Other Expenses	109,300	109,300	(3,995)	8,500	104,795	-
Audit Services:						
Other Expenses	91,000	91,000	-	-	91,000	-
Collection of Taxes:						
Salaries and Wages	390,000	390,000	343,329	-	46,671	-
Other Expenses	92,000	92,000	58,712	168	33,120	-
Assessment of Taxes:						
Salaries and Wages	561,000	561,000	441,466	-	119,534	-
Other Expenses	318,450	318,450	255,453	6,363	56,634	-
Legal Services & Costs:						
Other Expenses	918,250	918,250	710,523	7,136	200,591	-
Computer Center:						
Salaries and Wages	87,000	87,000	76,396	-	10,604	-
Other Expenses	637,000	587,000	498,573	70,842	17,585	-
Engineering Services & Costs:						
Salaries and Wages	750,000	750,000	312,212	-	437,788	-
Other Expenses	1,330,505	1,330,505	987,224	102,610	240,671	-
Economic Development:						
Salaries and Wages	220,500	220,500	214,921	-	5,579	-
Other Expenses	18,000	18,000	-	-	18,000	-
Liquidation of Tax Title Liens & Foreclosed Property:						
Other Expenses	35,000	35,000	-	-	35,000	-
Department of Human Resources:						
Salaries and Wages	580,000	580,000	439,191	-	140,809	-
Other Expenses	227,550	227,550	189,766	16,409	21,375	-
Veterans Advisory Committee:						
Other Expenses	30,000	30,000	30,000	-	-	-
<u>LAND USE ADMINISTRATION</u>						
Planning Board						
Other Expenses	64,200	64,200	39,196	-	25,004	-
Zoning Board						
Other Expenses	60,250	60,250	22,163	11,308	26,779	-
<u>PUBLIC SAFETY</u>						
Police:						
Salaries and Wages	26,541,302	26,541,302	25,081,071	-	1,460,231	-
Other Expenses	2,199,000	2,199,000	1,642,393	201,307	355,300	-
Emergency Management Services:						
Salaries and Wages	90,000	90,000	88,462	-	1,538	-
Other Expenses	100,000	100,000	46,312	53,556	132	-
Municipal Prosecutor:						
Other Expenses	105,000	105,000	105,000	-	-	-
Emergency Medical Technicians:						
Salaries and Wages	1,442,205	1,442,205	1,089,694	-	352,511	-
Other Expenses	131,330	131,330	73,252	31,552	26,526	-
<u>PUBLIC WORKS:</u>						
Road Repairs & Maintenance:						
Salaries and Wages	2,490,930	2,490,930	2,120,354	-	370,576	-
Other Expenses	628,500	628,500	306,165	101,248	221,087	-
Street Cleaning:						
Salaries and Wages	180,172	180,172	135,415	-	44,757	-
Other Expenses	31,000	31,000	8,332	8,712	13,956	-
Snow Removal	450,000	450,000	450,000	-	-	-
Department of Public Works:						
Salaries and Wages	1,122,000	1,122,000	979,302	-	142,698	-
Other Expenses	639,000	539,000	203,224	65,306	270,470	-
Shade Tree Commission:						
Salaries and Wages	132,200	132,200	59,110	-	73,090	-
Other Expenses	9,000	9,000	3,763	2,200	3,037	-
Cross Street Landfill Maintenance:						
Other Expenses	15,000	15,000	13,838	-	1,162	-

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

EXHIBIT A-3

Garbage & Trash Removal:						
Salaries and Wages	2,779,000	2,779,000	2,496,154	-	282,846	-
Other Expenses	421,500	421,500	308,585	33,816	79,099	-
Recycling:						
Salaries and Wages	944,224	944,224	721,755	-	222,469	-
Other Expenses	171,500	171,500	143,755	8,195	19,550	-
Public Buildings & Grounds:						
Salaries and Wages	795,000	795,000	639,797	-	155,203	-
Other Expenses	286,500	286,500	(181,899)	438,042	30,357	-
Apartment Trash Reimbursements:						
Other Expenses	626,000	626,000	224,878	123,574	277,548	-
Automotive Mechanics:						
Salaries and Wages	1,715,000	1,715,000	1,404,667	-	310,333	-
Municipal Garage:						
Other Expenses	293,064	293,064	139,117	43,930	110,017	-
Community Services Act:						
Other Expenses	900,000	900,000	727,489	-	172,511	-
<u>MUNICIPAL COURT FUNCTIONS:</u>						
Municipal Court:						
Salaries and Wages	625,000	625,000	510,694	-	114,306	-
Other Expenses	140,600	140,600	134,973	4,380	1,247	-
Public Defender:						
Other Expenses	95,350	95,350	84,908	-	10,442	-
<u>HEALTH & HUMAN SERVICES FUNCTIONS:</u>						
Board of Health:						
Other Expenses	2,750	2,750	-	-	2,750	-
Environmental Commission (N.J.S. 40:56-A-1, et seq.):						
Other Expenses	500	500	-	-	500	-
Animal Control:						
Salaries and Wages	237,000	237,000	156,455	-	80,545	-
Other Expenses	95,000	100,000	93,875	6,125	-	-
Relocation Assistance Program:						
Other Expenses	7,000	7,000	-	-	7,000	-
Senior & Social Services:						
Other Expenses	402,500	402,500	345,740	50,612	6,148	-
Solutions to End Poverty (N.J.S.A. 40:23-8.19):	120,000	120,000	-	-	120,000	-
Lakewood Search and Rescue (N.J.S.A. 40:5.2):	40,000	40,000	40,000	-	-	-
Lakewood Community Services Corporation (N.J.S.A. 40:23-8.17):	50,000	50,000	-	-	50,000	-
<u>PARKS & RECREATION FUNCTIONS:</u>						
Recreation:						
Other Expenses	66,500	38,500	21,696	-	16,804	-
Community Center:						
Salaries and Wages	40,000	40,000	-	-	40,000	-
Other Expenses	18,050	18,050	-	-	18,050	-
Parks & Playgrounds:						
Salaries and Wages	1,330,000	1,330,000	1,174,534	-	155,466	-
Other Expenses	177,500	177,500	152,107	19,129	6,264	-
<u>OTHER COMMON OPERATING FUNCTIONS:</u>						
Accumulated Leave Compensation	505,399	505,399	505,399	-	-	-
Celebration of Public Events:						
Other Expenses	16,068	16,068	16,068	-	-	-
Airport Appropriations	50,000	50,000	22,029	3,198	24,773	-
Lakewood Public Transportation:						
Salaries and Wages	736,569	736,569	477,708	-	258,861	-
Other Expenses	185,000	135,000	36,226	81,569	17,205	-
<u>CODE ENFORCEMENT & ADMINISTRATION:</u>						
State Uniform Construction Code Officials:						
Salaries and Wages	2,088,237	2,058,237	1,574,277	-	483,960	-
Other Expenses	404,300	404,300	157,160	57,355	189,785	-
Property Maintenance Code:						
Salaries and Wages	70,000	70,000	67,006	-	2,994	-
<u>INSURANCE:</u>						
Liability Insurance	1,266,840	1,266,840	1,055,125	2,896	208,819	-
Workers Compensation Insurance	1,300,643	1,300,643	1,300,643	-	-	-
Group Insurance Plan for Employees	13,077,219	13,330,219	12,273,958	216	1,056,045	-
Health Insurance Waivers	285,768	285,768	267,198	-	18,570	-
<u>UTILITY EXPENSES & BULK PURCHASES:</u>						
Electricity	532,000	532,000	475,633	309	56,058	-
Street Lighting	1,708,719	1,708,719	349,088	119,038	1,240,593	-
Telephone	195,800	195,800	169,733	4,402	21,665	-
Water	66,000	66,000	57,866	2,341	5,793	-
Natural Gas	133,000	133,000	96,343	-	36,657	-
Gasoline & Diesel	1,481,597	1,481,597	688,552	18,927	774,118	-
<u>LANDFILL/SOLID WASTE DISPOSAL COSTS:</u>						
Landfill Disposal Costs	6,000,000	6,000,000	5,095,280	400,000	504,720	-
Total Operations Within CAPS	88,536,201	88,535,401	73,818,611	2,145,859	12,570,931	-
Total Operations Including Contingent Within "CAPS"	88,536,201	88,535,401	73,818,611	2,145,859	12,570,931	-
Detail:						
Salaries and Wages	48,543,339	48,543,339	42,986,982	-	5,556,357	-
Other Expenses	39,992,862	39,992,062	30,831,629	2,145,859	7,014,574	-

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

EXHIBIT A-3

DEFERRED CHARGES & STATUTORY

EXPENDITURES WITHIN CAPS:

Statutory Expenditures:

Contributions to Employees Retirement System	2,908,147	2,908,147	2,908,146	-	1	-
Social Security System (O.A.S.I.)	2,250,000	2,250,000	1,963,842	-	286,158	-
NJ Police & Fireman's Retirement System	6,899,362	6,899,362	6,899,361	-	1	-
Unemployment Insurance	1	1	-	-	1	-
Defined Contribution Retirement Program	10,000	10,800	10,322	-	478	-

Deferred Charges & Statutory Expenditures

Within CAPS	12,067,510	12,068,310	11,781,671	-	286,639	-
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Total Deferred Charges and Statutory Expenditures Within CAPS

	100,603,711	100,603,711	85,600,282	2,145,859	12,857,570	-
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Judgements

	1	1	-	-	1	-
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Total Appropriations Within CAPS

	100,603,712	100,603,712	85,600,282	2,145,859	12,857,571	-
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OPERATIONS - EXCLUDED FROM CAPS

SMFP Fire District Payments	47,327	47,327	47,327	-	-	-
Appropriation Cap Exclusions per N.J.S.A. 40A:4-45.3d						
Recycling	199,705	199,705	199,705	-	-	-
Workers Compensation Insurance	196,428	196,428	196,428	-	-	-
Liability Insurance	333,160	333,160	333,160	-	-	-
Local Finance Board Aooroved CAP Waiver:						
Engineering Services & Costs Other Expenses	369,320	369,320	369,320	-	-	-
Group Insurance Plan For Employees	4,433,281	4,433,281	4,433,281	-	-	-
NJ UCC Construction Official Salaries & Wages	491,763	491,763	491,763	-	-	-
Lakewood Public Transportation Salaries & Wages	178,431	178,431	178,431	-	-	-
Public Safety Functions:						
Police Department Salries & Wages	3,633,698	3,633,698	3,633,698	-	-	-
Emergency Medical Technicians Salaries & Wages	467,795	467,795	467,795	-	-	-
Public Works Functions:						
Road Repairs & Maintenance Salaries & Wages	264,070	264,070	264,070	-	-	-
Street Cleaning Salaries & Wages	64,828	64,828	64,828	-	-	-
Recycling Salaries & Wages	271,071	271,071	271,071	-	-	-
Municipal Garage Other Expenses	182,936	182,936	182,936	-	-	-
Utility Expenses & Bulk Purchases:						
Street Lighting Other Expense	991,281	991,281	991,281	-	-	-
Gasoline & Diesel Other Expense	698,403	698,403	698,403	-	-	-

Total Operations Excluded from "CAPS"

	12,823,497	12,823,497	12,823,497	-	-	-
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Public & Private Programs Offset by Revenues:

Pedestrian Safety Grant	32,000	32,000	32,000	-	-	-
Click it or Ticket Seat Belt Mobilization	10,500	10,500	10,500	-	-	-
Body Armor Replacement	10,994	10,994	10,994	-	-	-
Municipal Alliance 2023	30,539	30,539	30,539	-	-	-
Drive Sober or Get Pulled Over	7,000	7,000	7,000	-	-	-
2024 Cops in Shops	960	960	960	-	-	-
Local Recreation Improvement	74,000	74,000	74,000	-	-	-
HOPWA NJH22F007	2,262,328	2,262,328	2,262,328	-	-	-
HUD Cedarview Ave - Roads, Sidewalk, Water Imp	2,000,000	3,061,469	3,061,469	-	-	-
Community Development Block Grant	1,634,256	1,634,256	1,634,256	-	-	-
2021 American Rescue Plan Act	390,666	390,666	390,666	-	-	-
National Opioid Settlement Fund	1,145,926	1,145,926	1,145,926	-	-	-
Ocean County Allocate ARPA - Arboretum Parkway	1,600,000	1,600,000	1,600,000	-	-	-
Safe & Secure Communities Grant	45,150	90,300	90,300	-	-	-
Clean Communities Grant	-	185,804	185,804	-	-	-
CJHIF Wellness Grant Program 2024	17,000	17,000	17,000	-	-	-
Roadway Improvements to Rosebank Leonard Park	675,000	675,000	675,000	-	-	-
NJDOT LA-2024 MA Lakewood Township E 9th St. and 6th St. Improv.	557,628	557,628	557,628	-	-	-
LA-2023 MA Lakewood Twp Drake Rd Ridgeway Pl. August Dr. Brookfield Dr.	554,554	554,554	554,554	-	-	-
LA-2024 SST Lakewood Township Bus Terminal Pedestrian Route Improvements 15	542,000	542,000	542,000	-	-	-
LA-2019 LFIF Pavement Preservation of 3 Roads: Oak St., Towbin Ave., & Swathmore Ave.	1,000,000	1,000,000	-	-	-	1,000,000
Vermont Avenue Extension NJSH Route 70 Intersection LA 2021-MA	502,303	502,303	-	-	-	502,303
LA-2022 MA Lakewood Township Forest Ave Regent Dr Tanglewood Lane 15	525,119	525,119	-	-	-	525,119
LA-2024 BIKE Lakewood Township Lake Carasaljo Bike Path 15	1,000,000	1,000,000	1,000,000	-	-	-
Pine Street Roadway Improvements	-	507,408	507,408	-	-	-
Roadway Improvements to Sections 1st, 2nd, 3rd St.	750,000	750,000	750,000	-	-	-
2024 Airport Improvement Fund	264,693	264,693	264,692	-	1	-
UEZ Shuttle Bus Liaison	300,000	300,000	300,000	-	-	-
UEZ Shuttle Bus Liaison Extension	18,750	18,750	18,750	-	-	-
UEZ - Administration & Project Management	453,346	453,346	453,346	-	-	-
Lakewood UEZ Success Project	50,000	50,000	50,000	-	-	-
Emergency Mobile Command Post Volunteer Service	150,000	150,000	150,000	-	-	-
Police/OEM Drone Training	65,000	65,000	65,000	-	-	-
Police Special Response Trucks	100,000	100,000	100,000	-	-	-
Police Electric Bicycles	10,000	10,000	10,000	-	-	-
Police Motorcycles	60,000	60,000	60,000	-	-	-
Alcohol Education/Rehabilitation Program	13,116	13,116	13,116	-	-	-
Lakewood 1st Aid EMS Ambulance	288,300	288,300	288,300	-	-	-
Hatzolah EMS Ambulance	370,000	370,000	370,000	-	-	-
Strand Theater Security Cameras	18,000	18,000	18,000	-	-	-
Lakewood UEZ Police Trucks	250,000	250,000	250,000	-	-	-
Business Directory Outreach and Marketing	90,000	90,000	90,000	-	-	-
Matching Funds for Grants	59,954	59,954	-	-	59,954	-

Total Public & Private Programs Offset by Revenues

	17,929,082	19,728,913	17,641,536	-	59,955	2,027,422
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The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

EXHIBIT A-3

Capital Improvements - Excluded from "CAPS":

Capital Improvement Fund	5,344,855	5,344,855	5,344,855	-	-	-
Purchase Garbage & Recycling Containers	689,700	689,700	1,816	173,040	514,844	-
Waste Containers	99,000	99,000	-	-	99,000	-
Renovate Current Inspections Bldg Server Room	8,250	8,250	-	-	8,250	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Capital Improvements - Excluded from CAPS	6,141,805	6,141,805	5,346,671	173,040	622,094	-

Municipal Debt Service - Excluded from "CAPS":

Payment of Bond Principal	4,805,002	4,805,002	4,805,000	-	-	2
Interest on Bonds	1,826,042	1,826,042	1,826,041	-	-	1
Interest on Notes	600,100	600,100	598,333	-	-	1,767
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Municipal Debt Service - Excluded from CAPS	7,231,144	7,231,144	7,229,374	-	-	1,770

Deferred Charges - Excluded from "CAPS":

Ord 2012-60 Various Improvements	2,642	2,642	2,642	-	-	-
Ord 2015-63 Various Equipment LPD/EMS/DPW	69,874	69,874	69,874	-	-	-
Ord 2018-10 Various Capital Improvements	2,223	2,223	2,223	-	-	-
Ord 2013-73 Various Capital Improvements	288,750	288,750	288,750	-	-	-
Ord 2017-04 Various Capital Improvements	84,799	84,799	84,799	-	-	-
Ord 2019-32 Various Capital Improvements	234	234	234	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Deferred Charges - Municipal - Excluded from CAPS:	448,522	448,522	448,522	-	-	-

Transferred to Board of Education for Use of Local Schools

	6,000,000	6,000,000	6,000,000	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Total General Appropriations Excluded from CAPS

	50,574,050	52,373,881	49,489,600	173,040	682,049	2,029,192
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Subtotal General Appropriations

	151,177,762	152,977,593	135,089,882	2,318,899	13,539,620	2,029,192
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Reserve For Uncollected Taxes

	8,231,091	8,231,091	8,231,091	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Total General Appropriations

	\$ 159,408,853	\$ 161,208,684	\$ 143,320,973	\$ 2,318,899	13,539,620	\$ 2,029,192
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Budget

	\$ 159,408,853
--	----------------

Added by N.J.A. 40A:4-87

	1,799,831
	<hr/>

Total

	\$ 161,208,684
	<hr/>

Disbursements

	\$ 117,448,346
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Appropriated Reserves for Federal & State Grants

	17,641,536
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Reserve for Uncollected Taxes

	8,231,091
	<hr/>

Total

	\$ 143,320,973
	<hr/>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF LAKEWOOD
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

ASSETS	REFERENCE	<u>2024</u>	<u>2023</u>
Animal Control Trust Fund:			
Interfund - Current Fund	B-4	\$ 16,228	\$ 13,567
Grant Trust Fund:			
Cash	B-1	228,356	219,928
General Trust Fund:			
Cash & Cash Equivalents	B-1	16,207,366	21,601,311
Investments	B-2	521,403	521,403
Interfund - Current Fund	B-7	5,444,620	6,804,942
Deferred Charge - Overexpenditure of Trust Fund	B-8	179,683	92,973
Total General Trust Fund		<u>22,353,072</u>	<u>29,020,629</u>
Total Assets		<u>\$ 22,597,656</u>	<u>\$ 29,254,124</u>
LIABILITIES, RESERVES & FUND BALANCE			
Animal Control Trust Fund:			
Due to State of New Jersey	B-5	\$ 291	\$ 291
Reserve for Expenditures	B-3	15,937	13,276
Total Animal Control Fund		<u>16,228</u>	<u>13,567</u>
Grant Trust Fund:			
Reserve for Revolving Loan Grant	B-6	228,356	219,928
General Trust Fund:			
Reserve for Various Trust Deposits	B-8	22,353,072	29,020,629
Total Liabilities, Reserves & Fund Balance		<u>\$ 22,597,656</u>	<u>\$ 29,254,124</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF LAKEWOOD
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	REFERENCE	<u>2024</u>	<u>2023</u>
ASSETS			
Cash & Cash Equivalents	C-2	\$ 23,161,753	\$ 17,611,619
Grant Receivable - NJDOT - Ord. 2024-002	C	3,831,485	-
Deferred Charges to Future Taxation:			
Funded	C-4	47,755,000	52,560,000
Unfunded	C-5	124,482,400	23,378,672
Due From Grant Fund	A	<u>502,303</u>	<u>-</u>
 Total Assets		 <u>\$ 199,732,941</u>	 <u>\$ 93,550,291</u>
 LIABILITIES, RESERVES & FUND BALANCE			
Improvement Authorizations:			
Encumbered	C-6	\$ 16,442,697	\$ 5,762,238
Funded	C-6	3,219,579	3,918,869
Unfunded	C-6	103,665,463	18,242,858
Serial Bonds	C-7	47,755,000	52,560,000
Bond Anticipation Notes	C-8	27,326,000	12,000,000
Capital Improvement Fund	C-9	563,317	563,317
Reserve for Improvements	C-10	9,716	9,716
Reserve for Renewal & Replacement	C-11	101,356	101,356
Fund Balance	C-1	<u>649,813</u>	<u>391,937</u>
 Total Liabilities, Reserves & Fund Balance		 <u>\$ 199,732,941</u>	 <u>\$ 93,550,291</u>

There were bonds and notes authorized but not issued on December 31, 2024 of \$97,156,400 and on December 31, 2023 was \$11,378,672.

EXHIBIT C-1

TOWNSHIP OF LAKEWOOD
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	\$	391,937
Increased by:		
Premium From Issuance of Debt		286,103
Improvement Authorizations Cancelled		<u>323,750</u>
		<u>609,853</u>
Decreased by:		
Recognized in Current Fund Budget		<u>351,977</u>
Balance, December 31, 2024	\$	<u><u>649,813</u></u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF LAKEWOOD
PAYROLL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023**

	2024	2023
ASSETS		
Cash	\$ 689,166	\$ 561,730
Total Assets	\$ 689,166	\$ 561,730
LIABILITIES & RESERVES		
Payroll Reserve	\$ 170,207	\$ 108,917
Due to Various Agencies	518,959	452,813
Total Liabilities & Reserves	\$ 689,166	\$ 561,730

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF LAKEWOOD
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF FIXED ASSETS AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023**

ASSETS	<u>2024</u>	<u>2023</u>
General Fixed Assets:		
Land	\$ 6,989,500	\$ 6,989,500
Buildings	25,225,305	25,225,305
Furniture & Fixtures, Equipment & Vehicles	<u>44,594,208</u>	<u>42,458,865</u>
Total	<u><u>\$ 76,809,013</u></u>	<u><u>\$ 74,673,670</u></u>
FUND BALANCE		
Total Investment in General Fixed Assets	<u><u>\$ 76,809,013</u></u>	<u><u>\$ 74,673,670</u></u>

**TOWNSHIP OF LAKEWOOD
COUNTY OF OCEAN**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Township of Lakewood, County of Ocean, New Jersey (hereafter referred to as the “Township is organized as a Committee-Manager municipality under the provisions of *N.J.S.40:69A-82* et seq. The Township is governed by an elected Committee and by an appointed Municipal Manager and by such other officers and employees as may be duly appointed. The Committee shall consist of five members elected at large by voters of the Municipality and shall service for a term of three years beginning on the first day of January next following their election and that the Mayor shall be elected by the members of the Committee. Each member of the Committee carries a legislative vote.

This report includes the financial statements of the Township of Lakewood (the “Township”), within the County of Ocean, in the State of New Jersey and reflects the activities of the Municipality which is under the control of the Mayor and Township Committee. The financial statements of the Board of Education and Fire District are reported separately since their activities are administered by separate boards.

Component Units - GASB Statement 14, as amended by GASB Statements 39, 61, 80, 90 and 97, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Borough are not presented in accordance with GAAP (as discussed below). Therefore, the Borough had no component units as defined by GASB Statement No. 14, as amended by GASB Statements 39, 61, 80, 90 and 97.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township contain all funds and account groups in accordance with the “Requirements of Audit” as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit 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. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these “Requirements”. In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United State of America applicable to local government units. The more significant differences are explained further in this note.

In accordance with the “Requirements”, the Township accounts for its financial transactions through the use of separate funds, which are described as follows:

Current Fund – This fund accounts for revenues and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

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

Payroll Fund – This fund accounts for the receipts and disbursements of funds used to meet obligations to employees and payroll tax liabilities.

TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1. Summary of Significant Accounting Policies (continued):

General Fixed Asset Account Group – The Fixed Asset Account Group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other funds of the Township.

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its Current Fund in accordance with *N.J.S.A.40A:4* et seq. *N.J.S.A.40A:4-5* requires the governing body to introduce and approve the annual municipal budget no later than February 10th of each year. At introduction, the governing body must fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with *N.J.S.A.40A:4-9*. Amendments to adopted budgets, if any are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements. Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

Cash, Cash Equivalents and Investments - Cash and Cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Under GAAP, investments are reported at fair value but under regulatory basis of accounting, investments are stated at cost. Therefore, unrealized gains or losses on investments have not been recorded.

New Jersey municipal units are required by *N.J.S.A.40A:5-14* to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. *N.J.S.A.40A:5-15.1* provides a list of investments, which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local utilities and other state agencies.

N.J.S.A.17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units. The cash management plan adopted by the Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1. Summary of Significant Accounting Policies (continued):

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. 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.

Inventories and Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

General Fixed Assets – Accounting for governmental fixed assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. All fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

Foreclosed property – Foreclosed Property or “Property Acquired for Taxes” is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the Township to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

Deferred Charges – The recognition of certain expenditures is deferred to future periods. These expenditures or deferred charges are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with *N.J.S.A.40A:4-46* et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1. Summary of Significant Accounting Policies (continued):

Fund Balance – Fund Balance included in the Current Fund represent the amount available for anticipation as revenue in future year’s budgets, with certain restrictions.

Revenues – are recorded when received in cash except for certain amounts, which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township’s budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance 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 revenues when received.

Property Tax Revenues – are collected in quarterly installments due February 1, May 1, August 1 and November 1. The amount of tax levied includes not only the amount required in support of the Township’s annual budget, but also the amounts required in support of the budgets of the County of Ocean and Township of Lakewood School District. Unpaid property taxes are subject to tax sale in accordance with statutes.

County Taxes – The municipality is responsible for levying, collecting and remitting County taxes for the County of Ocean. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10th of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10th of the current year and due to be paid to the County by February 15th of the following year.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Township of Lakewood School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district July 1 to June 30.

Fire District Taxes – The municipality is responsible for levying, collecting and remitting taxes for the Township of Lakewood Fire District No. 1.

Reserve for Uncollected Taxes – The inclusion of the “Reserve for Uncollected Taxes” appropriation in the Township’s annual budget protects the Township from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Expenditures – Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for “other expenses”, an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1. Summary of Significant Accounting Policies (continued):

Appropriation Reserves – Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts, which may be cancelled by the governing body. Appropriation reserves and reserve for encumbrances at current year end are available until December 31st of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding year. Any unspent balances at this time are lapsed appropriation reserves and recorded as income.

Long-Term Debt - Long-Term Debt relative to the acquisition of capital assets, is recorded as a liability in the General Capital Fund. Where an improvement is a “local improvement”, i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

Right to Use Leased Assets – The right to use leased assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The assets leased by the Township consist of vehicles. The right to use leased assets is not recorded on the various statements of assets, liabilities, reserves and fund balance in accordance with the regulatory basis of accounting.

Compensated Absences – Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences.

Recent Accounting Pronouncements – The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB adopts accounting statements (Statements) to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP). The municipalities in the State of New Jersey do not prepare their financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

Accounting Pronouncements Adopted in Current Year

The following GASB Statements became effective for the fiscal year ended December 31, 2024:

- Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. Management has determined that the implementation of these Statements did not have a significant impact on the Township’s financial statements
- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. Implementation of this Statement resulted in additional footnote disclosures on the Township’s financial statements. See Note 14 for further detail.

Management has determined that the implementation of these Statements did not have a significant impact on the Township’s financial statements.

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 1. Summary of Significant Accounting Policies (continued):

Accounting Pronouncements Effective in Future Reporting Periods

The following accounting pronouncements will become effective in future reporting periods:

- Statement No. 102, *Certain Risk Disclosures*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.
- Statement No. 103, *Financial Reporting Model Improvements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.
- Statement No. 104, *Disclosure of Certain Capital Assets*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

Management has not yet determined the potential impact on the Township’s financial statements.

Note 2. Deposits and Investments

The Township is governed by the deposit and investment limitations of New Jersey state law.

Deposits

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Borough’s deposits may not be returned. Although the Borough does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the

New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Borough in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Borough relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2024, the Township’s bank balance of \$103,164,459 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$	31,350,022
Uninsured and Uncollateralized		71,941,769
		71,941,769
	\$	103,164,459

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 2. Deposits and Investments (continued):

Investments

Fair Value Measurement – The fair value measurements of investments are required to be reported based on the hierarchy established by generally accepted accounting principles. Under GAAP, investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available.

Under regulatory basis of accounting, investments are measured at cost in the Township’s financial statements. However, had the financial statements been prepared in accordance with GAAP, the Township’s fair value, hierarchy level and maturities of its investments at December 31, 2024 would be as followed:

	Carrying Value	Fair Value as of December 31, 2024 Level 1	Investment Maturities (in Years)		
			Less Than 1 Year	1-5 Years	6-10 Years
<u>Investment type</u>					
U.S. Treasury Securities	\$ 517,296	\$ 514,296	\$ 45,274	\$ 319,997	\$ 149,025
Money Markets	4,107	1,478	1,478	-	-
	<u>\$ 521,403</u>	<u>\$ 515,774</u>	<u>\$ 46,752</u>	<u>\$ 319,997</u>	<u>\$ 149,025</u>
<u>Fund</u>					
Trust Fund - Other	\$ 521,403	\$ 515,774	\$ 46,752	\$ 319,997	\$ 149,025
	<u>\$ 521,403</u>	<u>\$ 515,774</u>	<u>\$ 46,752</u>	<u>\$ 319,997</u>	<u>\$ 149,025</u>

Custodial credit risk related to Investments - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Township will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Township has no investment policy to limit exposure to custodial credit risk.

Interest rate risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk - Credit risk is the risk that an issuer to an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 2. Deposits and Investments (continued):

As of December 31, 2024, the Township’s investments had the following ratings:

<u>Investment type</u>	<u>Standard & Poor's</u>	<u>Moody's</u>
Money Markets	AAA	Aaa
U.S. Treasury Securities	AAA	Aaa

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A; 5-15.1, the Township’s investment policies place no limit in the amount the Township may invest in any one issuer. More than 5% of the Township’s investments are in US Treasury Notes and Mutual Funds. These investments represent 100% of the Township’s total investments.

Note 3. Property Taxes

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years.

Comparison Schedule of Tax Rates

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Tax Rate	<u>\$ 2.485</u>	<u>\$ 2.364</u>	<u>\$ 2.282</u>
Apportionment of Tax Rate:			
Municipal	0.780	0.727	0.700
County General	0.561	0.507	0.464
Local School	1.033	1.030	1.035
Fire District	0.111	0.100	0.083

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2024	\$ 11,147,557,300
2023	10,889,326,700
2022	10,744,753,700

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 3. Property Taxes (continued):

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2024	\$ 283,208,548	\$ 275,604,822	97.32%
2023	260,829,977	254,471,234	97.56%
2022	247,511,241	239,830,662	96.89%

Number of Tax Title Liens

<u>Year</u>	<u>Number</u>
2024	32
2023	171
2022	177

The last tax sale was held on September 25, 2024.

Note 4. Property Acquired By Tax Title Lien Liquidation

The value of properties acquired by liquidation of tax title liens based on the last assessed valuation of such properties as of December 31, was as follows:

<u>Year</u>	<u>Amount</u>
2024	\$ 48,586,600
2023	48,586,600
2022	48,586,600

Note 5. Fund Balances Appropriated

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
Current Fund:			
2024	\$ 23,930,065	\$ 17,094,906	71.44%
2023	22,610,444	15,961,000	70.59%
2022	20,712,938	15,961,000	77.06%

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 6. Interfund Receivables, Payables and Transfers

The following interfund balances were recorded in the various statements of assets liabilities, reserves and fund balances at December 31, 2024:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ -	\$ 15,174,010
State and Federal Grant Fund	9,713,162	-
Animal Control Trust	16,228	-
Trust Other Fund	<u>5,444,620</u>	<u>-</u>
	<u>\$ 15,174,010</u>	<u>\$ 15,174,010</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

A summary of interfund transfers is as follows:

Fund	Transfers In	Transfers Out
Current Fund	\$ -	\$ 2,022,081
State and Federal Grant Fund	3,379,742	-
Animal Control Trust	2,661	-
Trust Other Fund	<u>-</u>	<u>1,360,322</u>
	<u>\$ 3,382,403</u>	<u>\$ 3,382,403</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them (i.e. interest earning), (2) provide cash flow to other funds to temporary finance expenditures that are on a reimbursable basis (i.e. grants), (3) when no bank account exists for a fund, and (4) utilizing surplus or fund balance from one fund as budgeted revenue in another.

Note 7. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2024:

	Balance December 31, <u>2023</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2024</u>
Land	\$ 6,989,500	\$ -	\$ -	\$ 6,989,500
Buildings and Improvements	25,225,305	-	-	25,225,305
Furniture & Fixtures, Equipment & Vehicles	42,458,865	2,184,426	49,083	44,594,208
	<u>\$ 74,673,670</u>	<u>\$ 2,184,426</u>	<u>\$ 49,083</u>	<u>\$ 76,809,013</u>

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's annual financial statements, which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 or more years of service credit before age 62 and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Basis of Presentation - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2024, the State's pension contribution was more than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2024, the Township's contractually required contribution to PERS plan was \$2,972,062.

Components of Net Pension Liability - At December 31, 2024, the Township's proportionate share of the PERS net pension liability was \$29,678,773. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The Township's proportion measured as of June 30, 2024, was 0.2184182617% which was an increase of 0.0052705701% from its proportion measured as of June 30, 2023.

Balances at December 31, 2024 and December 31, 2023

	<u>12/31/2024</u>	<u>12/31/2023</u>
Actuarial valuation date (including roll forward)	June 30, 2024	June 30, 2023
Deferred Outflows of Resources	\$ 2,959,579	\$ 3,878,789
Deferred Inflows of Resources	2,279,166	2,641,501
Net Pension Liability	29,678,773	30,873,109
Township's portion of the Plan's total Net Pension Liability	0.21842%	0.21315%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources – At December 31, 2024, the Township's proportionate share of the PERS expense/(credit), calculated by the plan as of the June 30, 2024 measurement date is \$2,334,599. This expense/(credit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$2,972,062 to the plan in 2024.

At December 31, 2024, the Township reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 594,520	\$ 79,013
Changes of Assumptions	36,870	337,676
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,376,124
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	2,328,189	486,353
	\$ 2,959,579	\$ 2,279,166

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

Year Ending December 31,	Amount
2025	\$ (891,721)
2026	1,343,386
2027	(192,582)
2028	44,536
2029	376,794
	\$ 680,413

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

Special Funding Situation – Under N.J.S.A. 43:15A-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, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers 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 local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the Township as of December 31, 2024. At December 31, 2024, the State's proportionate share of the PERS expense, associated with the Township, calculated by the plan as of the June 30, 2024 measurement date was \$95,685.

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with updated procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial 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%

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments 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 PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%
	<u>100.00%</u>	

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. 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 nonemployer 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 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 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 were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	<u>\$ 39,767,746</u>	<u>\$ 29,678,773</u>	<u>\$ 21,555,534</u>

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

B. Police and Firemen’s Retirement System (PFRS)

Plan Description – The State of New Jersey, Police and Firemen’s Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PFRS, please refer to the annual financial statements which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service.

The following represents the membership tiers for PFRS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to May 22, 2010.
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1 % for each year if creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Basis of Presentation - The schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PFRS, its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PFRS, the participating employers, or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PFRS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2024, the State contributed an amount more than the actuarially determined amount. The Local employers’ contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law.

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

B. Police and Firemen’s Retirement System (PFRS) (continued)

This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2024, the Township’s contractually required contribution to PFRS plan was \$7,476,289.

Components of Net Pension Liability - At December 31, 2024, the Township’s proportionate share of the PFRS net pension liability was \$55,814,375. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2023, to the measurement date of June 30, 2024. The Township’s proportion of the net pension liability was based on the Township’s actual contributions to the plan relative to the total of all participating employers’ contributions for the year ended June 30, 2024. The Township’s proportion measured as of June 30, 2024, was 0.5404913300%, which was an increase of 0.0365395200% from its proportion measured as of June 30, 2023.

Balances at December 31, 2024 and December 31, 2023

	<u>12/31/2024</u>	<u>12/31/2023</u>
Actuarial valuation date (including roll forward)	June 30, 2024	June 30, 2023
Deferred Outflows of Resources	\$ 11,502,468	\$ 11,687,284
Deferred Inflows of Resources	3,986,797	6,415,239
Net Pension Liability	55,814,375	55,680,541
Township's portion of the Plan's total net pension Liability	0.54049%	0.50395%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources – At December 31, 2024, the Township’s proportionate share of the PFRS expense/(credit), calculated by the plan as of the June 30, 2024 measurement date was \$5,367,549. This expense/(credit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$7,476,289 to the plan in 2024.

At December 31, 2024, the Township had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

B. Police and Firemen's Retirement System (PFRS) (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 3,516,262	\$ 1,910,772
Changes of Assumptions	88,232	1,639,176
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	436,849
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contribution:	7,897,974	-
	\$ 11,502,468	\$ 3,986,797

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PFRS that will be recognized in future periods:

Year Ending December 31,	Amount
2025	\$ (1,123,925)
2026	4,694,685
2027	797,745
2028	1,216,524
2029	1,902,588
Thereafter	28,054
	\$ 7,515,671

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

B. Police and Firemen’s Retirement System (PFRS) (continued)

Special Funding Situation – Under 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.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers 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 local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities’ total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the non-employer contributing entities’ total proportionate share of the collective pension expense associated with the local participating employer.

Additionally, the State’s proportionate share of the PFRS net pension liability attributable to the Township is \$11,003,685 as of December 31, 2024. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2023, to the measurement date of June 30, 2024. The State’s proportion of the net pension liability associated with the Township 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 members, actuarially determined. The State’s proportion measured as of June 30, 2024 was 0.5404913300%, which was an increase of 0.0365395200% from its proportion measured as of June 30, 2023, which is the same proportion as the Township’s. At December 31, 2024, the Township’s and the State of New Jersey’s proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 55,814,375
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>11,003,685</u>
	<u>\$ 66,818,060</u>

**TOWNSHIP OF LAKEWOOD
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

B. Police and Firemen’s Retirement System (PFRS) (continued)

At December 31, 2024, the State’s proportionate share of the PFRS expense, associated with the Township, calculated by the plan as of the June 30, 2024 measurement date was \$1,265,886.

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation Rate:		
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 Pub-2010 amount-weighted mortality table (sex-specific) projected generationally from 2010 with Scale MP-2021 mortality projection. For healthy annuitants, mortality rates were based on the Pub-2010 Safety Retiree Below Median amount-weighted mortality table (sex-specific), projected generationally from 2010 with Scale MP-021 mortality projection. Disability rates were 144% of the Pub-2010 Safety Disabled Retiree amount-weighted mortality table for males and 100% of the Pub-2010 Safety Disabled Retiree amount-weighted mortality table for females, projected generationally from 2010 with Scale MP-2021 mortality projection.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments 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

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

B. Police and Firemen’s Retirement System (PFRS) (continued)

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, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Large Cap Equity	24.00%	6.90%
U.S. Small/Mid Cap Equity	4.00%	7.40%
Non-U.S. Developed Large-Cap Equity	9.50%	6.70%
Non-U.S. Developed Small-Cap Equity	2.00%	7.50%
Emerging Markets Large-Cap Equity	6.00%	9.60%
Emerging Markets Small-Cap Equity	1.50%	9.60%
U.S. Treasury Bond	7.00%	4.10%
U.S. Corporate Bond	5.00%	5.90%
U.S. Mortgage-Backed Securities	5.00%	4.40%
Global Multisector Fixed Income	6.00%	6.50%
Cash	2.00%	3.40%
Real Estate Core	3.00%	5.10%
Real Estate Non-Core	4.00%	6.50%
Infrastructure	3.00%	7.00%
Private Debt/Credit	8.00%	9.10%
Private Equity	10.00%	10.10%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. 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 nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the employers in the State Group and 100% of actuarially determined contributions for the employers in the Local Group. 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 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 were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

B. Police and Firemen's Retirement System (PFRS) (continued)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	\$ 79,746,324	\$ 55,814,375	\$ 35,884,306
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	15,721,817	11,003,685	7,074,514
	\$ 95,468,141	\$ 66,818,060	\$ 42,958,820

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

Note 9. Municipal Debt

The following schedule represents the Township's summary of debt, as filed in the Township's Annual Debt Statement required by the Local Bond Law of New Jersey for the current and two previous years:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 75,081,000	\$ 64,560,000	\$ 46,960,000
Total Debt Issued	75,081,000	64,560,000	46,960,000
Authorized but not issued:			
General:			
Bonds, Notes and Loans	97,156,400	11,378,672	15,634,438
Total Authorized But Not Issued	97,156,400	11,378,672	15,634,438
Total Gross Debt	\$ 172,237,400	\$ 75,938,672	\$ 62,594,438
Deductions:			
General:			
Bonds per N.J.S.A.40A:2-52	-	-	50,000
Total Net Debt	\$ 172,237,400	\$ 75,938,672	\$ 62,544,438

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 9. Municipal Debt (continued):

Summary of Statutory Debt Condition - Annual Debt Statement

The following schedule is a summary of the previous schedule and is prepared in accordance with the required method of setting up the Annual Debt Statement:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 21,435,000	\$ 21,435,000	\$ -
General Debt	172,237,400	-	172,237,400
Total	<u>\$ 193,672,400</u>	<u>\$ 21,435,000</u>	<u>\$ 172,237,400</u>

Net Debt \$172,237,400 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$17,625,252,179, equals 0.977%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2024 is calculated as follows:

Borrowing Power Under N.J.S. 40A:2-6 as Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 616,883,826
Net Debt	172,237,400
Remaining Borrowing Power	\$ 444,646,426

General Debt

A. Serial Bonds Payable

Total principal and interest due on all the outstanding bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 4,955,000	\$ 1,658,663	\$ 6,613,663
2026	4,975,000	1,454,263	6,429,263
2027	4,570,000	1,259,938	5,829,938
2028	4,420,000	1,063,738	5,483,738
2029	3,060,000	885,513	3,945,513
2030-2034	12,600,000	2,970,338	15,570,338
2035-2039	11,225,000	1,405,288	12,630,288
2040-2042	1,950,000	174,684	2,124,684
	<u>\$ 47,755,000</u>	<u>\$ 10,872,425</u>	<u>\$ 58,627,425</u>

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 9. Municipal Debt (continued):

B. Bond Anticipation Notes

As of December 31, 2024, the Township had \$27,326,000 in various General Capital Bond Anticipation Notes.

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2024, the Township had \$97,156,400 in various General Capital bonds and notes authorized but not issued.

Summary of Principal Debt

A summary of the changes in long-term and short-term debt of the Township is as follows:

	Balance December 31, <u>2023</u>	Accrued/ <u>Increases</u>	Retired/ <u>Decreases</u>	Balance December 31, <u>2024</u>	Balance Due Within <u>One Year</u>
General Capital:					
General Bonds	\$ 52,560,000	\$ -	\$ 4,805,000	\$ 47,755,000	\$ 4,955,000
Bond Anticipation Notes	12,000,000	27,326,000	12,000,000	27,326,000	27,326,000
Authorized But Not Issued	11,378,672	101,552,250	15,774,522	97,156,400	-
	<u>\$ 75,938,672</u>	<u>\$ 128,878,250</u>	<u>\$ 32,579,522</u>	<u>\$ 172,237,400</u>	<u>\$ 32,281,000</u>

Note 10. Deferred Compensation Salary Account

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full-time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency. Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

Note 11. Accrued Sick, Vacation and Compensation Time

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time. The Township permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absences amount is not reported as a liability in the accompanying financial statements. It is estimated that accrued benefits for compensated absences are valued at \$10,377,817 at December 31, 2024.

The Township has established a Trust Fund in accordance with NJSA 40A:4-39 to set aside funds for future payments of compensated absences. As of December 31, 2024, the Township has reserved in the Other Trust Fund \$1,229,245 to fund compensated absences in accordance with NJSA 40A:4-39.

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 12. 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.

Joint Insurance Pool

The Township is a member of the Ocean County Municipal Joint Insurance Fund (JIF). This public entity risk pool is both an insured and self-administered group of 29 municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen’s compensation. The JIF will be self-sustaining through member premiums. The JIF participates in the Municipal Excess Liability Insurance Program. There were no settlements in excess of insurance coverage in 2024, 2023 and 2022.

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the “Reimbursement Method”. Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund, dollar-for-dollar, for unemployment benefits paid to its former employees who were laid off or furloughed and charged to its account with the State. The Township is billed quarterly for amounts due to the State. The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township’s unemployment trust fund for the current and previous two years:

<u>Year</u>	<u>Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	\$ 4,707	\$ 67,259	\$ 189,144
2023	119,917	75,698	251,696
2022	900	11,101	207,477

Note 13. Contingencies

Grantor Agencies

The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2024 the Township estimates that no material liabilities will result from such audits.

Litigation

The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 13. Contingencies (continued):

Tax Appeals

Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. There are no significant pending tax appeals as of December 31, 2024.

Note 14. Tax Abatements

The Township is authorized by the New Jersey Housing and Mortgage Financing Act Law of 1983, N.J.S.A. 55:14K-1 et seq. (hereinafter “HMFA Law”), and a Resolution of the Council dated March 13, 2007, to enter into property tax abatement agreements for the purpose of attracting affordable housing. The exemption of the projects from real property taxation subject to this law shall not extend beyond the date on which the Agency Mortgage is paid in full, which according to the HMFA Law, may not exceed fifty (50) years.

For the year ended December 31, 2024, the Township abated property taxes totaling \$1,849,599 under this program, including the following tax abatement agreement that exceeded 10 percent of the total, which is the percentage the Township considers to be material for purposes of individual disclosure:

Recipient	Purpose	Amount Abated
Erez Holdings, LLC	Commercial/Indust.	\$ 108,994
Avenue of the States Office Urban Renewal	Commercial/Indust.	306,341
Ocean Care Realty Urban Renewal	Commercial/Indust.	164,493
Cedarbridge Equity Urban Renewal	Commercial/Indust.	163,481
Cedar Bridge Office Urban Renewal	Commercial/Indust.	135,074
Cornerstone Equities Urban Renewal	Commercial/Indust.	210,275
Tower 2 Equity Urban Renewal	Commercial/Indust.	152,074
Pine Holdings Urban Renewal	Commercial/Indust.	213,786
Elanor Levoitz Senior Apartments	Commercial/Indust.	211,854
Tower Five Equity	Commercial/Indust.	96,494
500 Blvd. Urban Renewal LLC	Commercial/Indust.	<u>86,733</u>
		<u>\$ 1,849,599</u>

Note 15. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2024, the following deferred charges are shown on the Statement of Assets, Liabilities, Reserves and Fund Balances of the following funds:

<u>Description</u>	Balance December 31, <u>2023</u>	Amount Resulting From <u>2024</u>	Balance to Succeeding <u>Budgets</u>
Current Fund:			
Overexpenditure of Appropriation Reserves	\$ 1,185,459	\$ -	\$ 1,185,459
Trust Fund:			
Overexpenditure of Trust Fund	92,973	86,710	179,683

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 16. Postemployment Benefits Other Than Pensions

A. State Plan

General Information about the OPEB Plan

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment 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. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) annual financial statements, which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement 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. 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.

Basis of Presentation

The schedule of employer and nonemployer allocations and the schedule of OPEB amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the participating employers or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles.

TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 16. Postemployment Benefits Other Than Pensions (continued):

Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense (benefit). The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense (benefit) are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2024 were \$4,833,833,875 and \$12,914,432,673, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers 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, 2023 through June 30, 2024. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

Special Funding Situation

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. 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.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

The participating employer allocations included in the supplemental schedule of employer special funding allocations and the supplemental schedule of special funding amounts by employer for each employer are provided as each employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the OPEB expense allocated to the State of New Jersey under the special funding situation and include their proportionate share of the collective net OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 16. Postemployment Benefits Other Than Pensions (continued):

Additionally, the State’s proportionate share of the OPEB liability attributable to the Township is \$38,673,404 as of December 31, 2024. The OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the OPEB liability was determined using update procedures to roll forward the total OPEB liability from an actuarial valuation as of July 1, 2023, to the measurement date of June 30, 2024. The State’s proportion of the OPEB liability associated with the Township was based on a projection of the Township’s long-term share of contributions to the OPEB plan relative to the projected contributions of all participating members, actuarially determined. The State’s proportion measured as of June 30, 2024 was 0.793033%, which was an increase of 0.005751% from its proportion measured as of June 30, 2023, which is the same proportion as the Township’s. At December 31, 2024, the Township’s and the State of New Jersey’s proportionate share of the OPEB liability were as follows:

State of New Jersey's	
Proportionate Share of OPEB Liability	
Associated with the Township	\$ 38,673,404.00

At December 31, 2024, the State’s proportionate share of the OPEB expense, associated with the Township, calculated by the plan as of the June 30, 2024 measurement date was \$(3,746,799).

B. Local Plan

General Information about the OPEB Plan

The financial statements of the Township are not prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. The following information is provided in accordance with the requirements of the Statement and has been implemented prospectively.

Employees and Retirees Covered – At December 31, 2023, the following employees were covered by the Township plan:

<u>Participant Data</u>	<u>Amount</u>
Active Employees	
Total	445
Average Age	43.0
Retired Employees	
Total	212
Average Age	67.0

Actuarial Assumptions and Other Inputs

This valuation has been conducted as of December 31, 2023 based on census, plan design and premium information provided by the Township. Census includes 212 retired participants (including spouses) and 445 active participants. The Measurement Date, for each fiscal year is as of the end of the prior year.

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 16. Postemployment Benefits Other Than Pensions (continued):

The values are determined in accordance with GASB 75 including the Individual Entry Age Normal Cost method with the normal cost determined as a percentage of pay. Standard roll forward and backward techniques were used to adjust valuation dates to measurement dates. The following assumptions and other inputs applied to all periods in the measurement, unless otherwise specified:

Assumed Retirement Age	Attainment of 25 years of service or age 62 with 15 years of service if earlier
Rates of Mortality	PUB 2010 "General" classification headcount weighted mortality with generational improvement using Scale MP-2021
Rates of Turnover	NJ State Pensions Ultimate Withdrawal Rates- prior to benefits eligibility
Full Attribution Period	Service to Assumed Retirement Age
Annual Discount Rate	3.72% Based on the Bond Buyer 20 Index as of December 31, 2022 3.26% Based on the Bond Buyer 20 Index as of December 31, 2023
Rate of Salary Increase	2.50%
Consumer Price Index	2.50%
Medical Trend	Medical: 5.1% in 2023, reducing by 0.2% per annum, leveling at 4.5% per annum in 2026 Drug: 6.0% in 2023, reducing by 0.5% per annum, leveling at 4.5% per annum in 2026 Medicare Advantage: 4.5% per annum Dental and Vision: 3.5% per annum
Medical Cost Aging Factor	NJ SHBP Medical Morbidity Rates

Discount Rate – The discount rate is the single rate that reflects (1) the long-term expected rate of return on the OPEB plan investments that are expected to be used to finance the payments of benefits, to the extent that the OPEB plan’s fiduciary net position is projected to be sufficient to make projected benefit payments and OPEB plan assets are expected to be invested using a strategy to achieve that return and (2) a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of Aa, to the extent that the conditions for use of the long-term expected rate of return are not met. For the total OPEB liability calculation as of December 31, 2023, the discount rate utilized was 3.26%.

Changes in the Total OPEB Liability – The changes to the total OPEB Liability during the year ending December 31, 2023 were as follows:

Changes in the Total OPEB Liability	
Total OPEB Liability	
Balance as of 12/31/2022	\$ 31,398,595
Changes for the Year:	
Service Cost	3,923,079
Interest Cost	1,255,152
Changes of Assumptions	157,436,840
Benefits Paid (implicit)	<u>(3,162,072)</u>
Net Changes	<u>159,452,999</u>
Balance as of 12/31/2023	<u>\$ 190,851,594</u>

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 16. Postemployment Benefits Other Than Pensions (continued):

Other Supplementary Information

	December 31, 2023		
	At 1% Decrease	At Discount Rate (3.26%)	At 1% Increase
Total OPEB Liability	\$ 215,911,779	\$ 190,851,594	\$ 170,538,790

	December 31, 2023		
	1% Decrease	Healthcare Cost Trend Rate*	1% Increase
Total OPEB Liability	\$ 174,286,637	\$ 190,851,594	\$ 211,262,839

* See Healthcare Cost Trend Assumptions for details of rates.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between Expected and Actual Experience	\$ -	\$ -
Changes of Assumptions or other inputs	145,397,623	-
Total	\$ 145,397,623	\$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB expense:

Year Ending December 31,	
2024	\$ 12,039,217
2025	12,039,217
2026	12,039,217
2027	12,039,217
2028	12,039,217
Thereafter	85,201,538
	\$ 145,397,623

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 16. Postemployment Benefits Other Than Pensions (continued):

Schedule of Funding Progress

Year Ended	December 31,	
	2023	2022
Total OPEB Liability	\$190,851,594	\$ 31,398,595
Fiduciary Net Position	<u>-</u>	<u>-</u>
Net OPEB Liability	<u>\$190,851,594</u>	<u>\$ 31,398,595</u>
Funded Ratio	0%	0%
Covered Payroll	N/A	N/A
Net OPEB Liability as a Percentage of Covered Payroll	N/A	N/A

Note 17. Reserve for Co-Gen Overpayments

A Tax Agreement was made by and between Lakewood Cogeneration, LP ("Co-Gen"), Ocean Peaking Power, L.L.C. ("OPP") and the Township of Lakewood, County of Ocean, State of New Jersey (the "Township") on January 2, 2003. The Agreement sets forth the handling of tax overpayments on the Co-Gen facility on Block 1160.01, Lot 384, which resulted in substantial overpayments of taxes for 2000 (\$540,880), 2001 (\$586,866) and 2002 (\$648,108) totaling \$1,775,854.

Co-Gen and OPP have agreed to pay taxes on Block 1160.01, Lots 384, 385.01 and 385.02. If the taxes combined on the properties are less than \$860,000, then Co-Gen or OPP will pay Host Community Benefit Fee for the difference between the taxes and the \$860,000. Once taxes on all properties exceed \$1,111,183 then the Township will cover such excess with the overpayments that exist from the 2001 and 2002 tax years until exhausted.

The credit for the 2000 taxes of \$540,880 will be waived by Co-Gen unless the Township refunds the taxes under the Agreement, and then all tax overpayments will be payable to Co-Gen. Legal counsel recommended maintaining such an amount for 2000 tax overpayments as a liability until the Agreement expires, and then at that time funds can be credited to surplus. According to the Agreement documents, the Agreement is either for 15 years or 20 years at the option of the Township. If the Agreement is for 15 years, all remaining credits for 2001 and 2002 are refunded to Co-Gen. If the Agreement is for 20 years, the Township retains any remaining credits.

Note 18. Lease Obligations

In accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's lease obligations and assets related to right to use leased assets. The right to use these leased assets and the corresponding lease obligation are not reported on the various statements of assets, liabilities, reserves and net position. At December 31, 2024, the Township did not have any lease obligations.

**TOWNSHIP OF LAKEWOOD
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 19. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2024 and November 4, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023	\$	64,815,374
Increased by Receipts:		
Tax Collector	\$	277,984,546
Nonbudget Revenue		8,164,919
State of New Jersey (Ch. 20, P.L. 1971)		288,740
Revenue Accounts Receivable		20,824,022
Various Reserves		1,048,837
Tax Overpayments		129,539
Prepaid Taxes		1,957,706
Due to State of New Jersey		208,965
Deposits on Sale of Property		288,900
Interfund - Animal Control		8,534
Interfund - General Trust		9,941,517
Interfund - Grant Fund		502,303
Reserve for Grants Receivable		6,815,951
Reserve for Grant Appropriated		1,393,782
Reserve for Unappropriated Grants		2,346,889
Due To Lakewood Township Rental Assistance		19,210,582
		<u>351,115,732</u>
Subtotal		415,931,106
Decreased by Disbursements:		
2024 Appropriations	117,448,346	
2023 Appropriations	8,983,175	
Accounts Payable	1,506,793	
County Taxes Payable	63,226,347	
Local School District Tax	108,735,678	
Fire District Tax	12,307,265	
Tax Overpayments	1,121,838	
Various Reserves	43,794	
Change Fund	207	
Due to State of New Jersey	208,965	
Interfund - Animal Control	3,819	
Interfund - General Trust	10,478,538	
Reserve for Grant Appropriated	7,812,100	
Due To Lakewood Township Rental Assistance	19,201,882	
		<u>351,078,747</u>
Balance, December 31, 2024	\$	<u>64,852,359</u>

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
YEAR ENDED DECEMBER 31, 2024**

YEAR	BALANCE DECEMBER 31, 2023	2024 TAX LEVY	2024 TAXES ADDED & OMITTED	COLLECTED 2023	COLLECTED 2024	TRANSFERRED TO TAX TITLE LIENS	OVERPAYMENTS CREATED	OVERPAYMENTS APPLIED	CHAPTER 20, P.L. 1971 SENIOR CITIZENS & VETERANS	CANCELLED, REMITTED OR ABATED	BALANCE DECEMBER 31, 2024
2012	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2
2014	1,361	-	-	-	-	-	-	-	-	-	1,361
2016	3,535	-	-	-	20	-	-	(20)	-	-	3,535
2017	414	-	-	-	-	-	-	-	-	-	414
2018	3,132	-	-	-	-	-	-	(20,051)	-	20,051	3,132
2019	134	-	-	-	-	-	-	(20,291)	-	20,291	134
2021	20	-	-	-	-	-	-	(89,177)	-	89,177	20
2022	28,084	-	-	-	8,455	-	-	(184,950)	-	178,082	26,497
2023	5,893,147	-	-	-	5,731,486	-	-	(232,229)	15,000	396,872	12,018
Total	5,929,829	274,438,614	8,769,934	1,747,503	5,739,961	16,351	(129,539)	(546,718)	15,000	704,473	47,113
2024	-	-	-	272,244,585	-	-	-	1,308,089	304,645	876,998	6,839,916
Balance	\$ 5,929,829	\$ 274,438,614	\$ 8,769,934	\$ 1,747,503	\$ 277,984,546	\$ 16,351	\$ (129,539)	\$ 761,371	\$ 319,645	\$ 1,581,471	\$ 6,887,029

Analysis of 2024 Property Tax Levy

Tax Yield:	
General Purpose Tax	\$ 262,131,349
Fire District Tax	12,307,265
Added & Omitted Tax	8,769,934
Total	<u>\$ 283,208,548</u>
Tax Levy:	
Local District School Tax	\$ 115,081,975
County Taxes:	
County Taxes	\$ 51,968,069
County Library Tax	5,263,343
County Health Tax	3,055,825
County Open Space Tax	2,211,086
Due County for Added & Omitted Taxes	1,394,153
Total County Taxes	<u>63,892,476</u>
Fire District Taxes	12,307,265
Local Tax for Municipal Purposes	86,988,431
Add: Additional Tax Levied	4,938,401
Total	<u>\$ 283,208,548</u>

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023		\$	359,844
Increased by:			
Interest & Costs	\$	2,077	
Transfer from Taxes Receivable		14,274	16,351
			<hr/>
Balance, December 31, 2024		\$	<u>376,195</u>

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF PUBLIC HEALTH & SAFETY REVENUE RECEIVABLE
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023	\$ -
Increased by:	
Public Health Revenue Award	<u>7,000,000</u>
Balance, December 31, 2024	<u><u>\$ 7,000,000</u></u>

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2024 & 2023

\$ 48,586,600

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF DUE FROM STATE - P.L. 1971, C.20
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023	\$	133,865
Increased by:		
Deductions Per Tax Duplicate:		
Senior Citizens	\$	69,250
Veterans		215,250
Disabled		10,000
Deductions Allowed by Collector - Current Year Taxes		12,750
		307,250
Subtotal		441,115
Decreased by:		
Received from State of New Jersey	\$	288,740
Deductions Disallowed - Current Year Taxes		2,605
Deductions Disallowed - Prior Year Taxes		15,000
		306,345
Balance, December 31, 2024	\$	134,770

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2024**

	BALANCE		COLLECTION		BALANCE
	DECEMBER 31, 2023	ACCRUED	TREASURER	COLLECTOR	DECEMBER 31, 2024
Clerk:					
Alcoholic Beverages Licenses	\$ -	\$ 92,615	\$ 92,615	\$ -	\$ -
Other Licenses	-	102,741	102,741.00	-	-
Division of Inspections:					
Construction Code Official	-	3,376,539	3,376,539	-	-
Other Fees & Permits	-	514,575	514,575	-	-
Department of Police:					
Police Identification Fees	-	98,226	98,226	-	-
Municipal Court:					
Fines & Costs	35,435	747,932	723,116	-	60,251
Emergency Medical Services	-	1,178,051	1,178,051	-	-
Interest on Investments and Deposits	-	3,788,669	3,788,669	-	-
Police Off-Duty Employment Funds	-	538,031	538,031	-	-
Cell Tower Lease	-	89,678	89,678	-	-
Municipal Hotel & Occupancy Tax	-	139,918	139,918	-	-
Township of Lakewood - Public Health and Safety (PTRF)	-	7,000,000	7,000,000	-	-
Tax Collector:					
Tax Abatement Program Revenue	-	947,464	-	947,464	-
Payment in Lieu of Taxes:					
Sons of Israel	-	97,406	-	97,406	-
Interest & Costs on Taxes	-	1,257,976	-	1,257,976	-
State of New Jersey:					
Energy Receipts Tax	-	5,219,108	5,219,108	-	-
Cable TV Franchise Fees	-	132,647	132,647	-	-
General Capital Fund	-	351,977	351,977	-	-
C-Genn Tax Overpayments	-	1,525,854	1,525,854	-	-
Lakewood Industrial Commission	-	5,175,370	5,175,370	-	-
	<u>\$ 35,435</u>	<u>\$ 32,374,777</u>	<u>\$ 30,047,115</u>	<u>\$ 2,302,846</u>	<u>\$ 60,251</u>

Cash Receipts	\$ 20,824,022
Receivable	7,000,000
Reserve	4,525,854
Interfund	85.00
	<u>\$ 32,349,961</u>

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024**

EXHIBIT A-11

	YEAR ENDED DECEMBER 31, 2023		BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
	RESERVED	ENCUMBERED			
Administrative & Executive:					
Office of the Manager:					
Other Expenses	\$ 3,978	\$ 99	\$ 4,077	\$ 301	\$ 3,776
Governing Body:					
Other Expenses	11,520	15,685	27,205	16,141	11,064
Department of Human Resources:					
Other Expenses	12,059	613	12,672	8,580	4,092
Office of the Clerk:					
Other Expenses	27,499	26,851	54,350	42,423	11,927
Purchasing Department:					
Other Expenses	29,423	38,348	67,771	67,771	-
Municipal Support Services:					
Other Expenses	50,000	-	50,000	-	50,000
Financial Administration:					
Other Expenses	26,554	-	26,554	26,553	1
Audit Services:					
Other Expenses	82,050	-	82,050	81,810	240
Computer Center:					
Other Expenses	15,943	27,211	43,154	37,504	5,650
Collection of Taxes:					
Other Expenses	11,489	329	11,818	9,921	1,897
Assessment of Taxes:					
Salaries and Wages	1	-	1	-	1
Other Expenses	27,301	40,200	67,501	66,804	697
Liquidation of Tax Liens & Foreclosed Property:					
Other Expenses	15,000	-	15,000	15,000	-
Legal Services & Costs:					
Other Expenses	120,215	261	120,476	109,384	11,092
Engineering Services & Costs:					
Other Expenses	293,815	155,719	449,534	431,011	18,523
Department of Economic Development:					
Salaries and Wages	14,194	-	14,194	-	14,194
Other Expenses	18,000	-	18,000	-	18,000
<u>LAND USE ADMINISTRATION</u>					
Planning Board:					
Other Expenses	14,804	-	14,804	6,032	8,772
Zoning Board:					
Other Expenses	4,094	10,525	14,619	10,525	4,094
<u>PUBLIC SAFETY</u>					
Police:					
Salaries and Wages	15,418	-	15,418	-	15,418
Other Expenses	78,016	646,824	724,840	723,082	1,758
Emergency Management Services:					
Salaries and Wages	1	-	1	-	1
Other Expenses	323	39,541	39,864	39,841	23
Emergency Medical Technicians:					
Salaries and Wages	1	-	1	-	1
Other Expenses	26,788	33,246	60,034	39,476	20,558
Municipal Prosecutor:					
Other Expenses	-	261	261	261	-
<u>PUBLIC WORKS:</u>					
Road Repairs & Maintenance:					
Other Expenses	58,115	264,562	322,677	320,126	2,551
Street Cleaning:					
Other Expenses	16,667	5,741	22,408	20,741	1,667
Snow Removal Services:					
Other Expenses	-	239,700	239,700	239,700	-
Department of Public Works:					
Salaries and Wages	1	-	1	-	1
Other Expenses	19,010	104,215	123,225	117,984	5,241
Shade Tree Commission:					
Salaries and Wages	1	-	1	-	1
Other Expenses	2,537	3,463	6,000	3,463	2,537

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024**

EXHIBIT A-11

Cross Street Landfill Maintenance:					
Other Expenses	-	3,000	3,000	3,000	-
Garbage & Trash Removal:					
Salaries and Wages	1	-	1	-	1
Other Expenses	3,718	61,930	65,648	65,411	237
Recycling:					
Salaries and Wages	1	-	1	-	1
Other Expenses	24,252	15,949	40,201	17,594	22,607
Public Buildings & Grounds:					
Salaries and Wages	57,856	-	57,856	-	57,856
Other Expenses	35,444	60,642	96,086	85,706	10,380
Apartment Trash Reimbursement:					
Other Expenses	369,181	6,948	376,129	376,129	-
Automotive Mechanics:					
Salaries and Wages	85,604	-	85,604	-	85,604
Municipal Garage:					
Other Expenses	30,033	22,275	52,308	51,928	380
Community Services Act:					
Other Expenses	292,565	2,428	294,993	294,969	24
<u>MUNICIPAL COURT FUNCTIONS:</u>					
Municipal Court:					
Salaries and Wages	145,795	-	145,795	-	145,795
Other Expenses	15,438	3,823	19,261	10,581	8,680
Public Defender:					
Other Expenses	92	7,076	7,168	7,076	92
<u>HEALTH & HUMAN SERVICES FUNCTIONS:</u>					
Board of Health:					
Other Expenses	1,474	-	1,474	-	1,474
Environmental Commission (N.J.S. 40:56-A-1, et seq.):					
Other Expenses	500	-	500	-	500
Animal Control:					
Salaries and Wages	10,762	-	10,762	-	10,762
Other Expenses	11,366	11,044	22,410	18,013	4,397
Relocation Assistance Program:					
Other Expenses	7,000	-	7,000	-	7,000
Senior & Social Services:					
Other Expenses	12,519	221,061	233,580	221,061	12,519
Solutions to End Poverty (N.J.S.A. 40:23-8.19):	120,000	-	120,000	-	120,000
<u>PARKS & RECREATION FUNCTIONS:</u>					
Recreation:					
Other Expenses	10,950	15,050	26,000	15,050	10,950
Community Center:					
Other Expenses	6,924	-	6,924	-	6,924
Parks & Playgrounds					
Other Expenses	9	21,536	21,545	21,246	299
<u>OTHER COMMON OPERATING FUNCTIONS:</u>					
Celebration of Public Events:					
Other Expenses	14,450	-	14,450	-	14,450
Transfer to Lakewood Airport Authority	47,791	-	47,791	6,524	41,267
Lakewood Public Transportation					
Salaries and Wages	105,252	-	105,252	-	105,252
Other Expenses	100,866	1,426	102,292	4,699	97,593
<u>CODE ENFORCEMENT & ADMINISTRATION:</u>					
State Uniform Construction Code Officials:					
Other Expenses	26,582	93,563	120,145	117,244	2,901
<u>INSURANCE:</u>					
Liability Insurance	11,779	7,218	18,997	7,812	11,185
Workers Compensation Insurance	3	-	3	-	3
Group Insurance Plan for Employees	945,616	-	945,616	1,105	944,511
Health Insurance Plan Waivers	9,284	-	9,284	-	9,284
Utility Expenses & Bulk Purchases:					
Electricity	91,963	119	92,082	91,342	740
Street Lighting	310,536	274,732	585,268	585,268	-
Telephone	27,458	2,620	30,078	27,852	2,226
Water	14,205	5,021	19,226	19,226	-
Natural Gas	48,073	-	48,073	48,073	-
Gasoline	25,102	-	25,102	23,000	2,102

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024**

EXHIBIT A-11

LANDFILL/SOLID WASTE DISPOSAL COSTS:

Landfill Disposal Costs	800,000	800,000	1,600,000	800,000	800,000
<hr/>					
Total Operations Including Contingent Within "CAPS"	4,815,261	3,290,855	8,106,116	5,354,343	2,751,773
<hr/>					

Deferred Charges & Statutory Expenditures Within "CAPS":

Statutory Expenditures:					
Contributions to Employee Retirement Systems	9	-	9	-	9
Social Security System (O.A.S.I.)	24,454	-	24,454	24,451	3
NJ Police & Fireman's Retirement System	1	-	1	-	1
Unemployment Insurance	1,000	-	1,000	-	1,000
Defined Contribution Retirement Program	2,263	-	2,263	-	2,263
<hr/>					
Total Appropriations Within "CAPS"	27,727	-	27,727	24,451	3,276
<hr/>					

Operations - Excluded from "CAPS"

Recycling Tax:					
Other Expenses	240,000	-	240,000	-	240,000
<hr/>					
Total Public & Private Programs Offset by Revenue	240,000	-	240,000	-	240,000
<hr/>					

Public & Private Programs Offset by Revenue:

Matching Funds for Grants	59,684	-	59,684	-	59,684
<hr/>					

Total Public & Private Programs Offset by Revenue

	59,684	-	59,684	-	59,684
<hr/>					

Capital Improvements - Excluded from "CAPS":

Playground Equipment	1,060,185	250,247	1,310,432	1,310,431	1
DPW Automated Trucks	20,094	837,906	858,000	858,000	-
DPW Rolloff Truck	55,000	-	55,000	55,000	-
Purchase Garbage & Recycling Containers	-	678,272	678,272	678,272	-
DPW Light/Medium Vehicles	11,884	143,368	155,252	155,252	-
Police Patrol Protective Gear	176,463	213,315	389,778	389,492	286
Computer Software/Hardware Upgrades	63,388	175,966	239,354	239,354	-
DPW Street Sweeper Purchase	27,175	-	27,175	23,578	3,597
EMT upgrade communications & computer equipment	17,254	66,746	84,000	66,746	17,254
EMT Safety Equipment	14,400	-	14,400	14,234	166
Waste Containers	69,017	29,983	99,000	99,000	-
DPW Dump Trucks/Rear Load Trash Trucks	148,952	-	148,952	148,952	-
DPW Walking Floor Trailer	6,113	-	6,113	5,697	416
4 Vehciles Purchases for Various Depts.	16,245	66,557	82,802	82,745	57
Patch Truck	31,933	303,067	335,000	335,000	-
<hr/>					
Total Capital Improvements - Excluded from "CAPS":	1,718,103	2,765,427	4,483,530	4,461,753	21,777
<hr/>					

All Other Accounts

	-	1,470,000	1,470,000	1,470,000	-
<hr/>					

Total General Appropriations

	\$ 6,860,775	\$ 7,526,282	\$ 14,387,057	\$ 11,310,547	\$ 3,076,510
<hr/>					

Cash Disbursements	\$ 8,983,175
Accounts Payable	<u>2,327,372</u>
Total	<u>\$ 11,310,547</u>

TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		\$	2,659,833
Increased by:			
Transfer From Appropriation Reserves			<u>2,327,372</u>
Subtotal			4,987,205
Decreased by:			
Cancellation of Accounts Payable	\$	295,090	
Cash Disbursed		<u>1,506,793</u>	<u>1,801,883</u>
Balance, December 31, 2024		\$	<u><u>3,185,322</u></u>

TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF PREPAID TAXES
YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	\$ 1,747,503
Increased by:	
2024 Taxes Collected	<u>1,957,706</u>
Subtotal	3,705,209
Decreased by:	
Applied to Taxes Receivable	<u>1,747,503</u>
Balance, December 31, 2024	<u><u>\$ 1,957,706</u></u>

TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		\$	4,833,551
Increased by:			
Overpayments Created			<u>129,539</u>
Subtotal			4,963,090
Decreased by:			
Cash Disbursements	\$	1,121,838	
Overpayments Applied		<u>1,308,089</u>	<u>2,429,927</u>
Balance, December 31, 2024		\$	<u><u>2,533,163</u></u>

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023	\$	728,024
Increased by:		
County Tax	\$	51,968,069
County Library Tax		5,263,343
County Health Tax		3,055,825
County Open Space Preservation		2,211,086
Due County for Added & Omitted Taxes		1,394,153
		63,892,476
Subtotal		64,620,500
Decreased by:		
Payments		62,498,323
Payments - Added & Omitted		728,024
		63,226,347
Balance, December 31, 2024	\$	1,394,153

TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE
YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	\$ -
Increased by:	
Levy - Calendar Year	<u>115,081,975</u>
Subtotal	115,081,975
Decreased by:	
Payments	<u>108,735,678</u>
Balance, December 31, 2024	<u><u>\$ 6,346,297.00</u></u>

TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF FIRE DISTRICT TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	\$	-
Increased by:		
Levy - Calendar Year		<u>12,307,265</u>
Subtotal		12,307,265
Decreased by:		
Payments		<u>12,307,265</u>
Balance, December 31, 2024	\$	<u><u>-</u></u>

TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF VARIOUS RESERVES
YEAR ENDED DECEMBER 31, 2024

	BALANCE DECEMBER 31, 2023	INCREASED	DECREASED	BALANCE DECEMBER 31, 2024
Reserve For:				
Industrial Commission	\$ 3,183,122	\$ 3,064,570	\$ 5,175,370	\$ 1,072,322
Co-Gen Overpayments	1,775,854	-	1,525,854	250,000
Strand Theater	169,695	-	43,794	125,901
LIC Airport	82,161	57,072	-	139,233
Superstorm Sandy	100,569	-	-	100,569
5% Pilot Revenue	243,563	102,565	-	346,128
	<hr/>			
	\$ 5,554,964	\$ 3,224,207	\$ 6,745,018	\$ 2,034,153
	<hr/>			<hr/>

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2024**

	TOTAL	UCC TRAINING FEES	MARRIAGE/ DOMESTIC PARTNERSHIP FEES	BURIAL PERMIT FEES
Balance, December 31, 2023	\$ 49,408	\$ 49,408	\$ -	\$ -
Increased by:				
Cash Receipts	208,965	170,850	38,100	15.00
Subtotal	258,373	220,258	38,100	15
Decreased by:				
Cash Disbursed	208,965	170,850	38,100	15
Balance, December 31, 2024	<u>\$ 49,408</u>	<u>\$ 49,408</u>	<u>\$ -</u>	<u>\$ -</u>

TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF DEPOSITS ON SALE OF PROPERTY
YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	\$	413,450
Increased by:		
Cash Receipts		<u>288,900</u>
Balance, December 31, 2024	\$	<u><u>702,350</u></u>

**TOWNSHIP OF LAKEWOOD
CURRENT FUND
SCHEDULE OF INTERFUNDS - OTHER FUNDS
YEAR ENDED DECEMBER 31, 2024**

	TOTAL	FEDERAL & STATE GRANT FUND	GENERAL TRUST	ANIMAL CONTROL TRUST
Balance, December 31, 2023				
Interfund Receivable	\$ -	\$ -	\$ -	\$ -
(Interfund Payable)	(13,151,929)	(6,333,420)	(6,804,942)	(13,567)
Increased by:				
Disbursements	17,723,976	6,418,318	11,301,839	3,819
Grant Reserves Canceled	2,576,860	2,576,860	-	-
Statutory Excess in Reserve	2,054	-	-	2,054
Total Increased by	20,302,890	8,995,178	11,301,839	5,873
Subtotal	7,150,961	2,661,758	4,496,897	(7,694)
Decreased by:				
Grants Receivable Canceled	2,709,777	2,709,777	-	-
Collections - Treasurer:				
Animal Control Receipts	8,534	-	-	8,534
General Capital Grant Expenditures	502,303	502,303	-	-
Various Reserves	9,941,517	-	9,941,517	-
Grants Receivable	6,815,951	6,815,951	-	-
Unappropriated Funds	2,346,889	2,346,889	-	-
Total Decreased by	22,324,971	12,374,920	9,941,517	8,534
Balance, December 31, 2024				
Interfund Receivable	\$ -	\$ -	\$ -	\$ -
(Interfund Payable)	\$ (15,174,010)	\$ (9,713,162)	\$ (5,444,620)	\$ (16,228)

**TOWNSHIP OF LAKEWOOD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023	\$	(6,333,420)
Increased by:		
Disbursed by Current Fund:		
Appropriated Reserves	\$ 6,418,318	
Cancellation of Grant Appropriated Reserve	2,576,860	8,995,178
		2,661,758
Decreased by:		
Deposited in Current Fund:		
Unappropriated Reserves	2,346,889	
General Capital Grant Expenditures	502,303	
Grants Receivable	6,815,951	
Cancellation of Grant Receivables	2,709,777	12,374,920
		12,374,920
Balance, December 31, 2024	\$	<u><u>(9,713,162)</u></u>

**TOWNSHIP OF LAKEWOOD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2024**

EXHIBIT A-23

	BALANCE DECEMBER 31, 2023	2024 ANTICIPATED REVENUE	CASH RECEIVED	RESERVES REALIZED AS REVENUE	CANCELLED	BALANCE DECEMBER 31, 2024
Community Development Block Grant - 2019	\$ 14,690	\$ -	\$ -	\$ -	\$ -	\$ 14,690
Community Development Block Grant - B-20-MC-34-0128	759,559	-	-	-	-	759,559
Community Development Block Grant - B-21-MC-34-0128	1,160,218	-	-	-	-	1,160,218
Community Development Block Grant - 2024	-	1,634,256	210,190	-	-	1,424,066
Edward Byrne Memorial Justice Assistance Grant - 2019	1,007	-	-	-	1,007	-
Edward Byrne Memorial Justice Assistance Grant - 2020	15,572	-	-	-	15,572	-
US HUD CARES Grant	60,554	-	-	-	-	60,554
Department of Transportation:						
Highway Safety Fund - 2015	13,603	-	-	-	-	13,603
Highway Safety Fund	181,146	-	-	-	-	181,146
US DOT Taxiway Construction Phase II	1,335	-	-	-	-	1,335
USDOT - FAA - Airport Coronavirus Relief Grant	13,000	-	-	-	-	13,000
USDOT - FAA - Airport Rescue Grant	32,000	-	-	-	-	32,000
Aircraft Apron Phase I - Federal	120,199	-	-	-	-	120,199
Federal Transit CIP Parking Lot Project	3,747,429	-	-	-	-	3,747,429
HUD Cedarview Ave - Roads, Sidewalk, Water Improvement 2024	-	2,000,000	-	-	-	2,000,000
HUD - B-24-CP-NJ-1440 Water/Sewer/Road Improvements - 2024	-	1,061,469	-	-	-	1,061,469
Housing Opportunities for Persons with AIDS (HOPWA) 2024	-	2,262,328	-	-	-	2,262,328
American Rescue Plan 2021 - 2024	-	390,666	-	390,666	-	-
National Opioid Settlement Fund 2024	-	1,145,926	742,778	403,148	-	-
Ocean County Allocation of ARP - Arboretum Pkwy - 2024	-	1,600,000	-	-	-	1,600,000
Sub-Total Federal	6,120,312	10,094,645	952,968	793,814	16,579	14,451,596
Alcohol Education & Rehabilitation Fund 2024	-	13,116	13,116	-	-	-
Clean Communities Program 2024	-	185,804	185,804	-	-	-
HOPWA NJH 22F007	2,023,965	-	2,023,965	-	-	-
Pedestrian Safety Grant	37,000	-	-	-	-	37,000
Pedestrian Safety Grant 2024	-	32,000	-	-	-	32,000
Construct Taxiway to Runway 24 End - State Share	1,818	-	-	-	-	1,818
Click It or Ticket Seat Belt Mobilization	10,500.00	-	10,500	-	-	-
Click It or Ticket Seat Belt Mobilization 2024	-	10,500	-	-	-	10,500
Drive Sober or Get Pulled Over	10,850	-	-	-	4,290	6,560
Drive Sober or Get Pulled Over 2024	-	7,000	-	-	-	7,000
Body Worn Camera	289,396	-	-	-	-	289,396
Body Armor Replacement	-	10,994	-	10,994	-	-
NJDEP Stormwater Assistance Grant	10,000	-	(500)	-	-	10,500
Distracted Driving Statewide Crackdown Grant	4,200	-	-	-	-	4,200
Municipal Alliance Grant	61,078	-	3,267	-	-	57,811
Municipal Alliance Grant 2024	-	30,539	7,000	-	-	23,539
New Jersey Department of Transportation :						
Municipal Aid Program 2015	124,909	-	-	-	124,909	-
Municipal Aid Program 2016	79,696	-	-	-	-	79,696
Municipal Aid Program 2017- Clifton Ave	84,248	-	-	-	84,248	-
Municipal Aid Program 2018	152,135	-	-	-	152,136	(1)
Municipal Aid Program 2020	491,645	-	-	-	-	491,645
Municipal Aid Program 2021	131,280	-	-	-	-	131,280
Municipal Aid Program 2022	221,045	-	-	-	-	221,045
NJDOT - Obstruction Tree Removal	203	-	-	-	-	203
NJDOT 2020 Bikeway Program	179,086	-	-	-	-	179,086
Local Freight Impact Fund	214,829	-	-	-	214,829	-
Runway 6 Safety Improvements	649,558	-	-	-	-	649,558
Clifton Ave	372,809	-	370,480	-	-	2,329
FAAA Obstruction	178,967	-	178,963	-	-	4
Electronic Bus	62,567	-	-	-	-	62,567
Highway Safety Fund	81,400	-	-	-	-	81,400
Road Improvements to Sections 1st, 2nd, 3rd St 2024	-	750,000	244,986	-	-	505,014
Roadway Improvements to Rosebank Leonard Park 2024	-	675,000	-	-	-	675,000
E 9th St, E 7th St, & 6th St Improvements 2024	-	557,628	-	-	-	557,628
Drake Rd, Ridgeway Pl, August Dr, Brookfield Dr 2024	-	554,554	-	-	-	554,554
Bus Terminal Pedestrian Route Improvements 2024	-	542,000	-	-	-	542,000
Pavement Preservation of Oak St, Towbin Ave, & Swarthmore Ave 2024	-	1,000,000	-	-	1,000,000	-
Vermont Ave Extension NJSH Route 70 Intersection 2024	-	502,303	376,727	-	-	125,576
Forest Ave Regent Dr, Tanglewood Ln 2024	-	525,119	-	-	525,119	-
BIKE Lake Carasaljo Bike Path 2024	-	1,000,000	-	-	-	1,000,000
Airport Improvement Program 2024	-	264,693	26,397	-	-	238,296
Pine Street Roadway Program 2024	-	507,408	-	-	-	507,408
Safe & Secure Communities Program - 2022	12,400	-	-	-	-	12,400
Safe & Secure Communities Program - 2023	90	-	-	-	-	90
Safe & Secure Communities Program - 2024	-	90,300	18,290	-	-	72,010
State of NJ No Net Loss Reforestation Grant FS14-013	11,132	-	-	-	-	11,132
US DOT - State Share:						
Aircraft Apron Phase I - State	14,216	-	-	-	-	14,216

**TOWNSHIP OF LAKEWOOD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2024**

EXHIBIT A-23

Urban Enterprise Zone:						
Revolving Loan Program	25,962	-	-	-	-	25,962
NJDOT - 2020 Municipal Aid Program Vine Ave.	502,303	-	-	-	502,303	-
2018 Zone Project Management	72,032	-	-	-	-	72,032
Revolving Loan Programs Consulting Services	75,000	-	-	-	-	75,000
2019-3 SCF Urban Enterprise Zone Advertising Marketing	22,371	-	-	-	-	22,371
NJDOT Lakewood Airport Tree Trimming	269,585	-	41,135	-	-	228,450
Project Management and Administration	751,536	-	26,397	-	-	725,139
Strand Theater Capital Improvements & Renovations - Phase III	214,554	-	97,776	-	-	116,778
Shuttle Liaison & Extension - 2024	-	318,750	318,750	-	-	-
Success Project 2024	-	50,000	50,000	-	-	-
Emergency Mobile Command Post 2024	-	150,000	150,000	-	-	-
Admin & Project Management 2024	-	453,346	453,346	-	-	-
Strand Theater Security Cameras 2024	-	18,000	18,000	-	-	-
OEM Drones & Training 2024	-	65,000	65,000	-	-	-
Police Safety Initiative Phase II:						
Lakewood UEZ Police Trucks	-	250,000	250,000	-	-	-
Lakewood Emergency Medical Services:						
Lakewood 1st Aid EMS Ambulance	-	288,300	288,300	-	-	-
Hatzolah Ambulances 2024	-	370,000	370,000	-	-	-
Business Direct Outreach 2024	-	90,000	90,000	-	-	-
Police Safety Initiative:						
Police Special Response Team Trucks	-	100,000	100,000	-	-	-
Police Electric Bicycles	-	10,000	10,000	-	-	-
Police Motorcycles	-	60,000	60,000	-	-	-
Cops in Shops 2024	-	960	-	-	-	960
Local Recreation Improvement 2024	-	74,000	-	-	-	74,000
Sub-Total State	7,444,365	9,557,314	5,847,699	10,994	2,687,530	8,455,456
CJHIF - Wellness Grant Program - 2020	5,452	-	-	-	5,452	-
CJHIF - Wellness Grant Program - 2021	17,000	-	-	-	-	17,000
CJHIF - Wellness Grant Program - 2022	15,500	-	15,284	-	216	-
CJHIF - Wellness Grant Program - 2023	17,000	-	-	-	-	17,000
CJHIF - Wellness Grant Program - 2024	-	17,000	-	-	-	17,000
Ocean County Planning Board County Census	151	-	-	-	-	151
Sub-Total Local	55,103	17,000	15,284	-	5,668	51,151
\$	13,619,780	\$ 19,668,959	\$ 6,815,951	\$ 804,808	\$ 2,709,777	\$ 22,958,203.00
Original Budget	\$ 17,869,128					
Ch. 159 Budget Amendments	1,799,831					
	<u>\$ 19,668,959</u>					

TOWNSHIP OF LAKEWOOD
 FEDERAL AND STATE GRANT FUND
 SCHEDULE OF APPROPRIATED RESERVES
 YEAR ENDED DECEMBER 31, 2024

	BALANCE		TRANSFERS		BALANCE			
	YEAR ENDED DECEMBER 31, 2023		2024		YEAR ENDED DECEMBER 31, 2024			
	ENCUMBERED	RESERVED	BUDGET APPROPRIATIONS	EXPENDED	REIMBURSED	CANCELLED	ENCUMBERED	RESERVED
Federal:	\$	\$	\$	\$	\$	\$	\$	\$
Community Development Block Grant - 2008	-	51	-	-	-	-	-	51
Community Development Block Grant - 2009	41,869	44	-	-	-	-	-	41,913
Community Development Block Grant - 2010	-	2,764	-	-	-	-	-	2,764
Community Development Block Grant - 2011	5,857	-	-	-	-	-	-	5,857
Community Development Block Grant - 2012	21,275	-	-	-	-	-	-	21,275
Community Development Block Grant - 2013	41,000	-	-	-	-	-	-	41,000
Community Development Block Grant - 2014	31,678	-	-	-	-	-	-	31,678
Community Development Block Grant - 2015	1,512	-	-	-	-	-	-	1,512
Community Development Block Grant - 2016	102,438	-	-	-	-	-	-	32,938
Community Development Block Grant - 2017	21,707	-	-	-	-	-	-	21,707
Community Development Block Grant - 2018	19,566	-	-	-	-	-	-	7,803
Community Development Block Grant - 2019	48,521	-	-	-	-	-	-	9,397
Community Development Block Grant - Title I Assistance	31,720	-	-	-	-	-	-	-
Community Development Block Grant - 2020	214,926	-	-	-	-	-	-	11,763
Community Development Block Grant - 2021	30,500	-	-	-	-	-	-	39,124
Community Development Block Grant - 2022	625,256	-	-	-	-	-	-	43,146
Community Development Block Grant - 2023	-	-	-	-	-	-	-	-
Community Development Block Grant - 2024	-	-	1,634,256	1,078,330	1,393,782	-	935	314,517
Edward Byrne Memorial Justice Assistance Grant - 2017/2018	-	-	-	957,657	-	-	353,666	322,933
Edward Byrne Memorial Justice Assistance Grant - 2019	-	-	-	-	-	1,007	-	-
Energy Efficiency Grant	-	1,007	-	-	-	15,572	-	-
FEMA - Hazard Mitigation Grant	-	15,572	-	-	-	-	-	-
Federal Transit CIP Parking Lot Project	-	72,860	-	-	-	-	-	72,860
USDOT Acquire Land for Approaches - Runway 6	-	22,159	-	-	-	-	-	22,159
USDOT Taxiway Construction-Phase II	-	3,688,671	-	-	-	-	-	3,688,671
USDOT/NJDOT Construct Aircraft Apron - Fed Share	237	3,268	-	-	-	-	-	3,268
USDOT - FAA - Airport Coronavirus Relief Grant	-	119,424	-	55,137	-	-	237	64,287
USDOT - FAA - Airport Rescue Grant	-	13,000	-	187	-	-	-	12,813
NJDOT - CARES Act	-	30,000	-	-	-	-	-	32,000
American Rescue Plan Act - Federal	350	565,200	-	343,805	-	-	221,745	30,000
American Rescue Plan Act - Federal - 2024	-	-	390,666	390,666	-	-	-	-
HUD Cedarview Ave - Roads, Sidewalk, Water Improvements - 2024	-	-	2,000,000	-	-	-	-	2,000,000
HUD - B-24-CP-NJ-1440 Water/Sewer/Road Improvements - 2024	-	-	1,061,469	-	-	-	-	1,061,469
Housing Opportunities for Persons w/ AIDS (HOPWA) - 2024	-	2,023,965	2,262,328	1,586,984	-	-	48,521	2,650,788
National Opioid Settlement - 2024	-	-	1,145,926	-	-	-	-	1,145,926
Ocean County American Rescue Plan Act - Arboretum Pkwy - 2024	-	-	1,600,000	-	-	-	-	1,600,000
Sub-Total Federal	1,238,412	6,592,617	10,094,645	4,412,766	1,393,782	16,579,000	820,357	14,069,754

TOWNSHIP OF LAKEWOOD
 FEDERAL AND STATE GRANT FUND
 SCHEDULE OF APPROPRIATED RESERVES
 YEAR ENDED DECEMBER 31, 2024

Lake Curasajlo Bike Path - 2024	-	-	-	-	-	1,000,000	-	-	-	1,000,000
Roadway Improvements to Sections 1st, 2nd, 3rd St. - 2024	-	-	-	-	-	750,000	-	-	-	750,000
2024 Airport Improvement Program	-	-	-	-	-	264,693	-	-	19,214	215,815
NJ State Police - Emergency Management Grant	-	-	-	-	-	-	29,664	-	-	5,000
NJ Emergency Assistance Grant	-	-	-	-	-	-	-	-	-	5,000
Pedestrian Safety Grant	-	-	-	-	-	-	-	-	-	37,000
Pedestrian Safety Grant - 2024	-	-	-	-	-	-	-	-	-	32,000
Recycling Mini-Grant - Ocean County	-	-	-	-	-	32,000	-	-	-	4,132
Recycling Tonnage Grant	-	-	-	-	-	-	-	-	-	21,838
Recycling Tonnage Grant - 2019	33,232	-	-	-	-	-	-	32,702	530	-
Recycling Tonnage Grant - 2020	23,370	-	-	-	-	-	-	40,820	-	46,384
Recycling Tonnage Grant - 2021	-	-	-	-	-	-	-	12,817	-	123,645
Recycling Tonnage Grant - 2022	-	-	-	-	-	-	-	6,062	-	142,386
Recycling Tonnage Grant - 2023	-	-	-	-	-	-	-	2,044	9,424	155,911
Safe & Secure Communities Programs - State 2022	-	-	-	-	-	-	-	-	-	32,400
Safe & Secure Communities Programs - State 2023	-	-	-	-	-	-	-	-	-	32,400
Safe & Secure Communities Programs - State 2024	-	-	-	-	-	90,300	-	-	-	90,300
State Homeland Security	-	-	-	-	-	-	-	-	-	5,000
State Forestry Serv.-Community Forestry	-	-	-	-	-	-	-	-	-	3,000
State of NJ - No Net Loss Reforestation	-	-	-	-	-	-	-	-	-	-
Project Grant FS14-013	-	-	-	-	-	-	-	-	-	163,545
Urban Enterprise Zone:	-	-	-	-	-	-	-	-	-	-
Project Management and Administration	23,731	-	-	-	-	-	26,397	-	-	246,395
NJDOT Lakewood Airport Tree Trimming	-	-	-	-	-	-	148,622	-	9,565	83,758
2023 Lakewood UEZ Downtown Corridor Holiday Lighting	-	-	-	-	-	-	-	-	-	40,000
2023 Police Drones and Training	2,400	-	-	-	-	-	2,400	-	-	1,150
Revolving Loan Program	193,304	-	-	-	-	-	111,248	-	-	-
Business Attraction Initiative VIII	-	-	-	-	-	-	-	-	-	1,262
2023 Transportation Bus Expansion Program	1,549,899	-	-	-	-	-	-	-	1,580,373	99,627
Business to Business Networking V	135,000	-	-	-	-	-	-	-	751	-
2019-3 SCF Urban Enterprise Zone Advertising Marketing	-	-	-	-	-	-	-	-	-	8
NJDOT - 2020 Municipal Aid Program Vine Ave.	-	-	-	-	-	-	-	-	29,449	436,146
Financial Assistance Program	30,000	-	-	-	-	-	570,420	-	-	183,042
2021-2022 - Advertising, Marketing and Special Events Consulting	-	-	-	-	-	-	-	-	-	375,104
Strand Theater - Capital Improvements	-	-	-	-	-	-	97,776	-	-	5
Administration and Zone Project	-	-	-	-	-	-	-	-	-	116,776
Consumer Web Portal	-	-	-	-	-	-	-	-	-	485,966
Shuttle Bus Liason - 2024	-	-	-	-	-	300,000	-	-	-	5,000
Administration & Project Management - 2024	-	-	-	-	-	18,750	-	-	162,500	-
Success Project - 2024	-	-	-	-	-	453,346	-	-	9,604	41,642
Emergency Mobile Command Post Volunteer Service - 2024	-	-	-	-	-	50,000	-	-	40,000	-
Police/OEM Drone Training - 2024	-	-	-	-	-	150,000	-	-	-	-
Police Safety Initiative:	-	-	-	-	-	65,000	-	-	-	1,650
Police Special Response Team Trucks	-	-	-	-	-	-	-	-	-	52,488
Police Electric Bicycles	-	-	-	-	-	10,000	-	-	47,512	-
Police Motorcycles	-	-	-	-	-	60,000	-	-	-	60,000
Emergency Medical Services:	-	-	-	-	-	-	-	-	-	-
1st Aid EMS Ambulance - 2024	-	-	-	-	-	288,300	-	-	-	-
Hatzolah EMS Ambulance - 2024	-	-	-	-	-	370,000	-	-	-	-
Strand Theater Security Cameras - 2024	-	-	-	-	-	18,000	-	-	-	1,545
Police Safety Initiative Phase II:	-	-	-	-	-	-	-	-	-	-
Police Trucks	-	-	-	-	-	250,000	-	-	157,990	92,010
Business Directory Outreach & Marketing	-	-	-	-	-	90,000	-	-	69,814	-
Cops in Shops - 2024	-	-	-	-	-	960	-	-	-	960
Local Recreation Improvement Grant - 2024	-	-	-	-	-	74,000	-	-	-	13,419
Sub-Total State	2,563,706	6,367,253	9,557,314	3,568,805	2,556,991	3,855,675	8,706,802			

**TOWNSHIP OF LAKEWOOD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2024**

	BALANCE DECEMBER 31, 2023	CASH RECEIPTS	ANTICIPATED IN BUDGET	BALANCE DECEMBER 31, 2024
American Rescue Plan Act - Federal	\$ 390,666	\$ -	\$ 390,666	\$ -
National Opioid Settlement	403,148	38,723	403,148	38,723
Body Armor Replacement	10,994	11,844	10,994	11,844
Financial Assistance Grant	-	1,000,000	-	1,000,000
Recycling Tonnage	-	191,461	-	191,461
Admin & Project Management 2024	-	87,619	-	87,619
Admin & Project Management 2025	-	689,338	-	689,338
Lakewood UEZ 220 3rd Street Parking Lot	-	275,000	-	275,000
Stormwater Assistance	-	500.00	-	500
FAA Per Fence PhII	-	52,404.00	-	52,404
UEZ Lakewood Shuttle	10,440	-	-	10,440
	<u>\$ 815,248</u>	<u>\$ 2,346,889</u>	<u>\$ 804,808</u>	<u>\$ 2,357,329</u>

TRUST FUND

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**TOWNSHIP OF LAKEWOOD
TRUST FUND
SCHEDULE OF CASH AND CASH EQUIVALENTS
YEAR ENDED DECEMBER 31, 2024**

	GRANT TRUST FUND	GENERAL TRUST FUND
Balance, December 31, 2023	\$ 219,928	\$ 21,601,311
Increased by Receipts:		
Interest Earnings	\$ 8,428	\$ -
Various Reserves	-	2,883,272
Total Receipts	8,428	2,883,272
Subtotal	228,356	24,484,583
Decreased by Disbursements:		
Various Reserves	-	8,277,217
Total Disbursements	-	8,277,217
Balance, December 31, 2024	\$ 228,356	\$ 16,207,366

**TOWNSHIP OF LAKEWOOD
TRUST FUND
SCHEDULE OF INVESTMENTS
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2024 & 2023

\$ 521,403

**TOWNSHIP OF LAKEWOOD
ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023	\$	13,276
Increased by:		
Dog License Fees Collected		8,014
Subtotal		21,290
Decreased by:		
Expenditures Under R.S. 4:19-15.11	\$	3,298
Due to Current Fund		2,055
		5,353.00
Balance, December 31, 2024	\$	15,937

LICENSE FEES COLLECTED

YEAR	AMOUNT
2023	\$ 9,364
2022	6,573
	\$ 15,937

**TOWNSHIP OF LAKEWOOD
ANIMAL CONTROL TRUST FUND
SCHEDULE OF INTERFUND - CURRENT FUND
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023	\$	13,567
Increased by:		
Dog License Fees Collected		8,014
Subtotal		21,581
Decreased by:		
Reserve for Animal Control Expenditures	3,298	
Excess in Reserve	2,055	5,353
Balance, December 31, 2024	\$	16,228

TOWNSHIP OF LAKEWOOD
SCHEDULE OF DUE (TO) FROM STATE OF NEW JERSEY
ANIMAL CONTROL FEES
YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	\$	(291)
Increased by:		
Remitted to State of New Jersey		<u>1,064</u>
Subtotal		773
Decreased by:		
State Fees		<u>1,064</u>
Balance, December 31, 2024	\$	<u><u>(291)</u></u>

TOWNSHIP OF LAKEWOOD
GRANT TRUST FUND
SCHEDULE OF RESERVE FOR REVOLVING LOAN GRANT
YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	\$	219,928
Increased by:		
Interest Earnings		<u>8,428</u>
Balance, December 31, 2024	\$	<u><u>228,356</u></u>

**TOWNSHIP OF LAKEWOOD
GENERAL TRUST FUND
SCHEDULE OF INTERFUND - CURRENT FUND
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023		\$	6,804,942
Increased by:			
Various Reserves			9,941,517
Subtotal			16,746,459
Decreased by:			
Various Reserves			11,301,839
Balance, December 31, 2024		\$	5,444,620

**TOWNSHIP OF LAKEWOOD
GENERAL TRUST FUND
SCHEDULE OF VARIOUS RESERVES
YEAR ENDED DECEMBER 31, 2024**

	BALANCE DECEMBER 31, 2023	INCREASED	DECREASED	OVER-EXPENDITURES	BALANCE DECEMBER 31, 2024
Unemployment Compensation Insurance	\$ 251,696	\$ 4,707	\$ 67,259	\$ -	\$ 189,144
Escrow Performance	10,588,618	798,622	2,078,236	-	9,309,004
Sanitary Landfill Escrow	521,404	-	-	-	521,404
Outside Off-Duty Police Employment	936,199	3,896,698	3,776,378	-	1,056,519
Redemption of Tax Sale Certificates	1,633,726	-	-	-	1,633,726
Premium at Tax Sale	5,667,390	837,000	5,269,958	-	1,234,432
Law Enforcement	414,276	94,720	16,063	-	492,933
Law Enforcement Confiscation	89,025	2,597	213	-	91,409
Planning & Zoning Fees	1,232,918	1,122,903	1,325,322	-	1,030,499
Inspection Fees	1,741,698	1,296,208	1,302,064	-	1,735,842
Street Opening Permits	-	113,250	199,960	(86,710)	-
Council on Affordable Housing	912,277	3,848,670	3,256,992	-	1,503,955
Parking Offenses Adjudication Act	1,096	1,556	-	-	2,652
Public Defender	27,480	28,110	-	-	55,590
Accumulated Absences	891,798	506,690	169,243	-	1,229,245
Snow Removal	868,197	252,984	-	-	1,121,181
Recreation	6,216	-	-	-	6,216
Pine Park Deposits	286,714	10,049	25	-	296,738
Garbage Pail Deposits	556,994	-	-	-	556,994
Reserve for Medical Benefits	1,529,481	-	1,287,987	-	241,494
Reserve for Route 9 Widening Study Donation	-	7,550	5,911	-	1,639
Reserve for Law Enforcement Eshare	40,125	2,475	144	-	42,456
Reserve for Municipal Relief Fund	823,301	-	823,301	-	-
	<u>\$ 29,020,629</u>	<u>\$ 12,824,789</u>	<u>\$ 19,579,056</u>	<u>\$ (86,710)</u>	<u>\$ 22,353,072</u>
Interfund - Current Fund		\$ 9,941,517			
Cash Receipts		<u>2,883,272</u>			
Total		<u>\$ 12,824,789</u>			
Interfund - Current Fund			\$ 11,301,839		
Cash Disbursed			<u>8,277,217</u>		
Total			<u>\$ 19,579,056</u>		

GENERAL CAPITAL FUND

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**TOWNSHIP OF LAKEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF CASH, CASH EQUIVALENTS AND INVESTMENTS
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023		\$	17,611,619
Increased by Receipts:			
Budget Appropriation:			
Capital Improvement Fund	\$		5,344,855
Budget Funded Improvement Authorizations			448,522
BAN Proceeds			27,326,000
Premiums on Debt Issuance			286,103
			33,405,480
Subtotal			51,017,099
Decreased by Disbursements:			
Improvement Authorizations			15,001,066
Due From Grant Fund			502,303
Capital Fund Balance			351,977
BAN Disbursements			12,000,000
			27,855,346
Balance, December 31, 2024		\$	23,161,753

**TOWNSHIP OF LAKEWOOD
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH, CASH
EQUIVALENTS & INVESTMENTS
YEAR ENDED DECEMBER 31, 2024**

Fund Balance		\$ 649,813
Capital Improvement Fund		563,317
Due From Grant Fund		(502,303)
Reserve for Capital Improvements		9,716
Reserve for Renewal & Replacements		101,356
Reserve for Encumbrances		16,442,697
 Improvement Authorizations:		
Ordinance Number		
15-63	Various Equipment LPD/EMS/DPW	182,345
17-04	Various Capital Improvements	859,127
18-10	Improvements to Various Roads & Sidewalks	1
19-32	Solid Waste Transfer Station and Radio Tower	2,178,106
20-25	Various Improvements & Acquisition of Various Capital Equipment	2,045,482
23-10	Various Capital Improvements and Aquisition of Equipment	11,952,705
24-002	Various Improvements	(12,849,153)
24-028	Various Improvements	1,528,544
		\$ 23,161,753

**TOWNSHIP OF LAKEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023	\$	52,560,000
Decreased by:		
Budget Appropriation to Pay Bonds		<u>4,805,000</u>
Balance, December 31, 2024	\$	<u><u>47,755,000</u></u>

**TOWNSHIP OF LAKEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2024**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ANALYSIS OF BALANCE					UNEXPENDED IMPROVEMENT AUTHORIZATIONS
		BALANCE DECEMBER 31, 2023	2024 AUTHORIZED	PAID BY BUDGET	BALANCE DECEMBER 31, 2024	FINANCED BY BOND ANTICIPATION NOTES	
12-60	Various Improvements	\$ 2,642	\$ -	\$ 2,642	\$ -	\$ -	\$ -
13-73	Various Improvements	288,750	-	288,750,000	-	-	-
15-63	Various Equipment LPD/EMS/DPW	69,874	-	69,874	-	-	-
17-04	Various Capital Improvements	84,799	-	84,799	-	-	-
18-10	Improvements to Various Roads & Sidewalks	2,223	-	2,223	-	-	-
19-32	Solid Waste Transfer Station and Radio Tower	234	-	234,000	-	-	-
20-25/23-11	Various Improvements & Acquisition of Various Capital Equipment	4,861,150	-	-	4,861,150	4,861,000,000	150
23-10	Various Capital Improvements and Acquisition of Equipment	18,069,000	-	-	18,069,000	18,069,000	-
2024-002	Various Capital Improvements	-	97,155,650	-	97,155,650	-	88,137,982
2024-028	Various Capital Improvements	-	4,396,600	-	4,396,600	4,396,000	600
		\$ 23,378,672	\$ 101,552,250	\$ 448,522	\$ 124,482,400	\$ 27,326,000	\$ 9,017,668
							\$ 88,138,732
							\$ 103,665,463
							2,045,482.00
							11,952,705.00
							1,528,544
							\$ 88,138,732

Improvement Authorizations - Unfunded

Less - Unexpended Proceeds of Bond Anticipation Notes:

Ordinance 20-25/23-11

Ordinance 23-010

Ordinance 24-028

TOWNSHIP OF LAKEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2024

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2023		CAPITAL IMPROVEMENT FUND	GRANT RECEIVABLE	DEFERRED CHARGES TO FUTURE TAXATION UNFUNDED	TRANSFERRED FROM ENCUMBRANCES	EXPENDED	CANCELLED	TRANSFERRED TO ENCUMBRANCES	BALANCE DECEMBER 31, 2024	
		FUNDED	UNFUNDED								FUNDED	UNFUNDED
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
13-73	Various Improvements	45,752	288,750	-	-	-	15,300	15,806	-	-	-	-
14-17	911 Call Handling System Upgrades	112,471	60,874	-	-	-	4,450	25,252	323,750	-	-	-
15-08	Various Capital Improvements	1,407,453	84,799	-	-	-	32,428	714,640	-	239,913	183,245	-
17-04	Various Capital Improvements	-	-	-	-	-	12,173	12,172	-	-	859,127	-
18-10	Various Capital Improvements	-	-	-	-	-	47,393	178,576	-	44,138	-	-
19-32	Solid Waste Transfer Station and Radio Tower	-	234	-	-	-	-	-	-	-	2,178,106	-
20-25/23-11	Various Improvements & Acquisition of Various Capital Equipment	-	2,662,327	-	-	-	3,150,207	2,666,130	-	1,601,812	-	2,045,632
23-10	Various Capital Improvements	-	15,236,328	-	-	-	2,198,853	620,188	-	1,099,238	-	11,052,205
2024-002	Various Capital Improvements and Acquisition of Equipment	-	-	5,113,455	3,831,485	97,155,650	-	6,427,567	-	11,535,041	-	88,137,982
2024-028	Various Capital Improvements	-	-	231,400	-	4,396,600	-	1,136,351	-	1,962,505	-	1,529,144
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
		3,918,869	18,242,838	5,344,855	3,831,485	101,552,250	5,762,238	15,001,066	323,750	16,442,697	3,219,579	103,665,463

**TOWNSHIP OF LAKEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
YEAR ENDED DECEMBER 31, 2024**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2023	PAID BY BUDGET	BALANCE DECEMBER 31, 2024
			DATE	AMOUNT				
General Improvement Bonds	3/1/2014	\$ 7,980,000	3/1/2025	\$ 725,000	3.000%	\$ 2,175,000	\$ 725,000	\$ 1,450,000
			3/1/2026	725,000	3.000%			
Series 2014 Bonds	11/1/2014	14,060,000	11/1/2025	1,020,000	5.000%	8,010,000	1,050,000	6,960,000
			11/1/2026	1,020,000	5.000%			
			11/1/2027	1,015,000	5.000%			
			11/1/2028	1,010,000	3.250%			
			11/1/2029	990,000	3.250%			
			11/1/2030	965,000	3.380%			
			11/1/2031	940,000	3.380%			
Series 2016 Bonds	3/23/2016	4,690,000	11/1/2025	475,000	4.000%	1,690,000	475,000	1,215,000
			11/1/2026	470,000	4.000%			
			11/1/2027	270,000	4.000%			
Series 2017 Bonds	11/14/2017	1,260,000	11/1/2025	1,350,000	4.000%	6,695,000	1,295,000	5,400,000
			11/1/2026	1,350,000	4.000%			
			11/1/2027	1,350,000	4.000%			
			11/1/2028	1,350,000	4.000%			
Series 2021 Bonds	10/27/2021	25,620,000	11/1/2025	1,060,000	4.000%	24,010,000	935,000	23,075,000
			11/1/2026	1,085,000	4.000%			
			11/1/2027	1,610,000	4.000%			
			11/1/2028	1,610,000	4.000%			
			11/1/2029	1,610,000	4.000%			
			11/1/2030	1,610,000	3.000%			
			11/1/2031	1,610,000	2.000%			
			11/1/2032	1,610,000	2.000%			
			11/1/2033	1,610,000	2.000%			
			11/1/2034	1,610,000	2.000%			
			11/1/2035	1,610,000	2.125%			
			11/1/2036	1,610,000	2.250%			
			11/1/2037	1,610,000	2.250%			
			11/1/2038	1,610,000	2.375%			
			11/1/2039	1,610,000	2.375%			
			Series 2023 Bonds	10/5/2023	9,980,000			
10/15/2026	325,000	5.000%						
10/15/2027	325,000	5.000%						
10/15/2028	450,000	6.000%						
10/15/2029	460,000	5.000%						
10/15/2030	485,000	5.000%						
10/15/2031	500,000	5.000%						
10/15/2032	535,000	5.000%						
10/15/2033	550,000	4.000%						
10/15/2034	575,000	4.000%						
10/15/2035	600,000	4.000%						
10/15/2036	625,000	4.130%						
10/15/2037	650,000	4.250%						
10/15/2038	650,000	4.250%						
10/15/2039	650,000	4.380%						
10/15/2040	650,000	4.380%						
10/15/2041	650,000	4.500%						
10/15/2042	650,000	4.500%						
						\$ 52,560,000	\$ 4,805,000	\$ 47,755,000

TOWNSHIP OF LAKEWOOD
 GENERAL CAPITAL FUND
 SCHEDULE OF BOND ANTICIPATION NOTES
 YEAR ENDED DECEMBER 31, 2024

ORDINANCE NUMBER/DATE	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL NOTE	AMOUNT OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2023	INCREASED	DECREASED	BALANCE DECEMBER 31, 2024
2020-025	Various Capital Improvements	1/25/2023	\$ 9,000,000	12/5/2024	12/18/2025	4.000%	\$ -	4,861,000	\$ -	4,861,000
2023-010	Various Capital Improvements and Acquisition of Eq	12/7/2023	12,000,000	12/5/2024	12/18/2025	4.000%	12,000,000	18,069,000	12,000,000	18,069,000
2024-028	Various Capital Improvements	12/5/2024	4,396,000	12/5/2024	12/18/2025	4.000%	-	4,396,000	-	4,396,000
							\$ 12,000,000	\$ 27,326,000	\$ 12,000,000	\$ 27,326,000

**TOWNSHIP OF LAKEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023	\$	563,317
Increased by:		
Budget Appropriation		5,344,855
Subtotal		5,908,172
Decreased by:		
Adopted Ordinances		5,344,855
Balance, December 31, 2024	\$	563,317

**TOWNSHIP OF LAKEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR IMPROVEMENTS
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2024 & 2023

\$ 9,716

**TOWNSHIP OF LAKEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR RENEWAL AND REPLACEMENT
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2024 & 2023

\$ 101,356

**TOWNSHIP OF LAKEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2024**

ORDINANCE NUMBER/DATE	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2023	2024 AUTHORIZATIONS	PAID BY BUDGET	BANS ISSUED	BALANCE DECEMBER 31, 2024
		\$	\$	\$	\$	\$
1-Dec	Various Capital Improvements	2,642	-	2,642	-	-
13-73	Various Capital Improvements	288,750	-	288,750	-	-
15-63	Various Equipment LPD/EMS/DPW	69,874	-	69,874	-	-
17-04	Various Capital Improvements	84,799	-	84,799	-	-
18-10	Improvements to Various Roads & Sidewalks	2,223	-	2,223	-	-
19-32	Solid Waste Transfer Station &* Radio Tower	234	-	234	-	-
20-25/23-11	Various Improvements & Acquisition of Various Capital Eq	4,861,150	-	-	4,861,000	150
23-10	Various Capital Improvements	6,069,000	-	-	6,069,000	-
24-002	Various Capital Improvements	-	97,155,650	-	-	97,155,650
24-028	Various Capital Improvements	-	4,396,600	-	4,396,000	600
		\$ 11,378,672	\$ 101,552,250	\$ 448,522	\$ 15,326,000	\$ 97,156,400

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PAYROLL FUND

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**TOWNSHIP OF LAKEWOOD
PAYROLL FUND
SCHEDULE OF CASH - TREASURER
YEAR ENDED DECEMBER 31, 2024**

Balance December 31, 2022		\$ 729,467
Increased by Receipts:		
Payroll Reserve	\$ 1,703,948	
Due to Various Agencies	30,322,706	
		32,026,654
Subtotal		32,756,121
Decreased by Disbursements:		
Payroll Reserve	1,641,971	
Due to Various Agencies	30,424,984	
		32,066,955
Balance December 31, 2023		\$ 689,166

**ANALYSIS OF PAYROLL CASH
YEAR ENDED DECEMBER 31, 2024**

	BALANCE DECEMBER 31, 2023	ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 2024
Payroll Reserve	\$ 108,230	\$ 1,703,948	\$ 1,641,971	\$ 170,207
Due to Various Agencies	621,237	30,322,706	30,424,984	518,959
Total	\$ 592,908	\$ 32,026,654	\$ 32,066,955	\$ 689,166

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GENERAL FIXED ASSET ACCOUNT GROUP

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**TOWNSHIP OF LAKEWOOD
GENERAL FIXED ASSET ACCOUNT GROUP
SCHEDULE OF INVESTMENTS IN GENERAL FIXED ASSETS
YEAR ENDED DECEMBER 31, 2024**

	BALANCE DECEMBER 31, 2023	ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 2024
General Fixed Assets:				
Land	\$ 6,989,500	\$ -	\$ -	\$ 6,989,500
Buildings	25,225,305	-	-	25,225,305
Furniture & Fixtures, Equipment & Vehicles	42,458,865	2,184,426	49,083	44,594,208
	<hr/>			
Total	\$ 74,673,670	\$ 2,184,426	\$ 49,083	\$ 76,809,013
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TOWNSHIP OF LAKEWOOD

PART II

SINGLE AUDIT SECTION

FOR THE YEAR ENDED DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08

Honorable Mayor and Members
of the Township Council
Township of Lakewood
County of Ocean
Lakewood, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Township of Lakewood's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and New Jersey OMB Circular 15-08 that could have a direct and material effect on each of the Township of Lakewood's major federal and state programs for the year ended December 31, 2024. The Township of Lakewood's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Township of Lakewood complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular 15-08. Our responsibilities under those standards, the Uniform Guidance and New Jersey OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Township of Lakewood and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Township of Lakewood's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Township of Lakewood's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Township of Lakewood's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Township of Lakewood's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Township of Lakewood's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Township of Lakewood's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Township of Lakewood's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control

over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

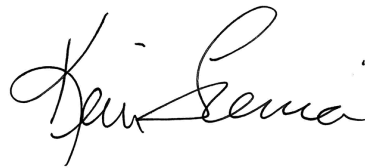
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read "Kevin Frenia", written in a cursive style.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
RMA No. 435

November 4, 2025
Lakewood, New Jersey

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TOWNSHIP OF LAKEWOOD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

<u>Federal Grantor/ Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Agency or Pass-Through Number</u>	<u>Program Expenditures</u>
<u>U.S. Department of Housing and Urban Development</u>			
Passed-Through County of Ocean:			
CDBG - Entitlement Grants Cluster:			
CDBG Entitlement Grant - 2023	14.218	Not Available	\$ 1,078,330
CDBG Entitlement Grant - 2024	14.218	Not Available	<u>957,657</u>
Total CDBG - Entitlement Grants Cluster			<u>2,035,987</u>
Housing Opportunities for Persons w/AIDS - 2024	14.241		<u>1,586,984</u>
Total U.S. Department of Housing and Urban Development			<u>3,622,971</u>
<u>U.S. Department of Transportation</u>			
Direct Programs:			
Airport Improvement Program - Airport Apron	20.106	3-34-0076-020-2019	<u>55,324</u>
Total Federal Transit Cluster			<u>55,324</u>
Total U.S. Department of Transportation			<u>55,324</u>
U.S. Department of Treasury			
Direct Programs:			
American Rescue Plan - Coronavirus State and Local Fiscal Recovery Fund	21.027	Not Applicable	<u>734,471</u>
Total U.S. Department of Treasury			<u>734,471</u>
Total Expenditures of Federal Awards			<u><u>\$ 4,412,766</u></u>

TOWNSHIP OF LAKEWOOD
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

<u>State Grantor/Pass-Through Grantor/Program Title</u>	<u>State Account Number</u>	<u>Grant Period</u>	<u>Program Expenditures</u>	<u>Cumulative Expenditures</u>
<u>New Jersey Department of Transportation</u>				
New Jersey Transportation Trust Fund Act:				
Municipal Aid Program	480-078-6320	Open	\$ 650	\$ 3,235,902
Obstruction Tree Removal	100-015-6130	Open	34,122	34,122
Runway Safety Improvement Program	480-HQ6-7310	Open	15,446	129,183
Bikeway Program	Not Available	Open	4,905	33,197
Airport Safety Fund - Airport Apron	3-34-0076-020-2019	Open	2,741	2,741
Roadway Improvements - 2024	Not Available	Open	308,939	308,939
Airport Improvement Program - 2024	3-34-0076-020-2024	Open	29,664	29,664
Total New Jersey Department of Transportation			396,467	3,773,748
<u>New Jersey Department of Environmental Protection and Energy</u>				
Clean Communities Act	765-042-4900-004	Various	222,149	858,142
Recycling Tonnage Grant	100-042-4910-224	Various	94,445	301,291
Stormwater Assistance Grant	Not Available	Various	16,425	16,425
Total New Jersey Department of Environmental Protection and Energy			333,019	1,175,858
<u>New Jersey Department of Law and Public Safety</u>				
Body Armor Grant	718-066-1020-001	Various	8,880	204,095
Click It or Ticket	Not Available	Various	10,500	10,500
Total New Jersey Department of Law and Public Safety			19,380	214,595
<u>New Jersey Department of Health and Human Services</u>				
Alcohol, Education & Rehabilitation Grant	760-046-4240-001	Various	10,303	92,272
Total New Jersey Department of Health and Human Services			10,303	92,272
<u>New Jersey Department of Community Affairs</u>				
Local Recreation Grant - 2024	Not Available	Various	60,581	60,581
Total New Jersey Department of Community Affairs			60,581	60,581
<u>New Jersey Department of Commerce & Economic Development</u>				
Urban Enterprise Zone Assistance Fund:				
Project Management and Administration	763-020-2830-034	Various	26,397	171,505
NJDOT Lakewood Airport Tree Trimming	763-020-2830-034	Various	148,622	176,262
2023 Police Drones and Training	763-020-2830-034	Various	65,750	92,200
Public Safety Initiative - Electric Bikes	763-020-2830-034	Various	10,000	10,000
Revolving Loan Program	763-020-2830-034	Various	111,248	135,411
Strand Theatre - Capital Improvements	763-020-2830-034	Various	114,231	126,810
Marketing and Public Relations	763-020-2830-034	Various	125,737	273,103
Financial Assistance Program	763-020-2830-034	Various	570,420	1,084,896
Emergency Medical Services - 1st Aid EMS Ambulance	763-020-2830-034	Various	288,300	288,300
Emergency Medical Services - Hatzolah EMS Ambulance	763-020-2830-034	Various	370,000	370,000
Shuttle Liason	763-020-2830-034	Various	156,250	231,250
Success Project - 2024	763-020-2830-034	Various	10,000	10,000
Emergency Mobile Command Post Volunteer Service - 2024	763-020-2830-034	Various	150,000	150,000
Administrative Zone Program	763-020-2830-034	Various	402,100	975,122
Total Urban Enterprise Zone Assistance Fund			2,549,055	4,094,859
Total New Jersey Department of Commerce & Economic Development			2,549,055	4,094,859
Total Expenditures of State Financial Assistance			\$ 3,368,805	\$ 9,411,913

The Accompanying Notes to the Schedule of Expenditures of State Financial Assistance are an integral part of this Statement.

TOWNSHIP OF LAKEWOOD
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Township of Lakewood. The Township is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of federal awards and state financial assistance are presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

The amounts shown as current year expenditures represent only the federal or state grant portion of the program costs. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and State of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Township did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Note 3. Relationship to Basic Financial Statements

Amounts reported in the accompanying schedules agree with amounts reported in the Township's financial statements. Expenditures from awards are reported in the Township’s financial statements as follows:

	State	Federal	Total
State & Federal Grant Fund	<u>\$ 3,368,805</u>	<u>\$ 4,412,766</u>	<u>\$ 7,781,571</u>
Total	<u><u>\$ 3,368,805</u></u>	<u><u>\$ 4,412,766</u></u>	<u><u>\$ 7,781,571</u></u>

TOWNSHIP OF LAKEWOOD
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 4. Relationship to Federal and State Financial Reports

The regulations and guidelines governing the preparation of federal and state financial reports vary by federal and state agency and among programs administered by the same agencies. Accordingly, the amounts reported in the federal and state financial reports do not necessarily agree with the amounts reported in the accompanying Schedules, which is prepared on the modified accrual basis of accounting as explained in Note 2.

Note 5. Federal and State Loans Outstanding

The Township had no loan balances outstanding at December 31, 2024.

Note 6. Contingencies

Each of the grantor agencies reserves the right to conduct additional audits of the Township's grant program for economy, efficiency and program results. However, the Township administration does not believe such audits would result in material amounts of disallowed costs.

Note 7. Major Programs

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

**TOWNSHIP OF LAKEWOOD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Section I - Summary of Auditor's Results

Financial Statements

	Adverse - GAAP;	
Type of auditor's report issued	<u>Unmodified - Regulatory Basis</u>	
Internal control over financial reporting:		
1) Material weakness(es) identified?	_____ yes	<u>X</u> no
2) Significant deficiency(ies) identified?	<u>X</u> yes	_____ none reported
Noncompliance material to financial statements noted?	_____ yes	<u>X</u> no

Federal Awards

Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	<u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	<u>X</u> none reported
Type of auditor's report issued on compliance for major programs	<u>Unmodified - Regulatory Basis</u>	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	_____ yes	<u>X</u> no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.218	Community Development Block Grants/Entitlement Grants
14.241	Housing Opportunities for Persons with AIDS

Dollar threshold used to determine Type A programs	<u>\$ 750,000</u>	
Auditee qualified as low-risk auditee?	_____ yes	<u>X</u> no

**TOWNSHIP OF LAKEWOOD
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED DECEMBER 31, 2024**

Section I - Summary of Auditor's Results (continued)

State Financial Assistance

Dollar threshold used to determine Type A programs \$ 750,000

Auditee qualified as low-risk auditee? yes X no

Internal control over major programs:

1) Material weakness(es) identified? yes X no

2) Significant deficiency(ies) identified? yes X no

Type of auditor's report issued on compliance for major programs Unmodified - Regulatory Basis

Any audit findings disclosed that are required to be reported
 in accordance with New Jersey OMB's Circular 15-08? yes X no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
763-020-2830	Urban Enterprise Zone Assistance Fund

**TOWNSHIP OF LAKEWOOD
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Finding No. 2024-001

Criteria or specific requirement:

N.J.S.A. 40A:4-57 states that no officer, board, body or commission shall, during any fiscal year, expend any money, incur any liability, or enter into any contract which by its terms involves the expenditure of money for any purpose for which no appropriation is provided, or in excess of the amount appropriated for such service.

Condition:

The Township's Trust Funds reflect over expenditures.

Cause:

Management oversight.

Effect or potential effect:

Non-compliance with N.J.S.A. 40:4-57.

Recommendation:

That the Township raise the deferred charges in the respective funds.

View of responsible official:

The responsible official agrees with this finding and will address the matter as part of their corrective action plan.

Finding No. 2024-002

Criteria or specific requirement:

In accordance with maintaining an internal control environment that is effective in the prevention and/or identification of potential financial statement misstatement and/or misclassification, the Township should timely maintain a complete and accurate general ledger and subsidiary ledger system.

Condition:

The general ledger was not timely maintained in the Township's financial reporting system.

Cause:

The Township did not timely maintain accurate subsidiary records.

**TOWNSHIP OF LAKEWOOD
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Section II – Financial Statement Findings (continued)

Finding No. 2024-002 (continued)

Effect or potential effect:

The Township did not have timely support for general ledger balances and transactions.

Recommendation:

That the internal control policies and procedures should be developed to properly maintain a timely and accurate general ledger and subsidiary ledger system.

View of responsible official:

The responsible official agrees with this finding and will address the matter as part of their corrective action plan.

Finding No. 2024-003

Criteria or specific requirement:

In accordance with maintaining an internal control environment that is effective in the prevention and/or identification of potential financial statement misstatement and/or misclassification, the Township should timely and accurately complete bank reconciliations.

Condition:

The bank reconciliations were not timely or accurately maintained.

Cause:

Internal control policies and procedures are not in place to properly maintain the bank reconciliations.

Effect or potential effect:

Potential material misstatement of financial statements and weakening of internal control over financial reporting.

Recommendation:

That the internal control policies and procedures should be developed to properly maintain timely and accurate bank reconciliations.

View of responsible official:

The responsible official agrees with this finding and will address the matter as part of their corrective action plan.

**TOWNSHIP OF LAKEWOOD
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None

STATE FINANCIAL ASSISTANCE

None

**TOWNSHIP OF LAKEWOOD
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024**

This section identifies the status of prior year findings related to the financial statements.

FINANCIAL STATEMENT FINDINGS

Finding No. 2023-001

Condition:

The Township's Current and Trust Funds reflect over expenditures.

Status:

This finding has been partially addressed in the current year.

Finding No. 2023-002

Condition:

The general ledger was not timely maintained in the Township's financial reporting system.

Status:

This finding has not been addressed in the Current year.

Finding No. 2023-003

Condition:

The Fixed Asset subledger was not timely maintained in the Township's financial reporting system.

Status:

This finding has been addressed in the current year.

Finding No. 2023-004

Condition:

The Foreclosed Property subledger was not timely maintained in the Township's financial reporting system.

Status:

This finding has been addressed in the current year.

FEDERAL AWARDS

No Prior Year Findings.

STATE FINANCIAL ASSISTANCE

No Prior Year Findings.

TOWNSHIP OF LAKEWOOD

PART III

**LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2024:

<u>Name</u>	<u>Title</u>
Raymond G. Coles	Mayor
Menashe P. Miller	Deputy Mayor
Albert D. Akerman	Councilmember
Deborah Fuentes	Councilmember
Meir Lichtenstein	Councilmember
Patrick Donnelly	Municipal Manager
Peter O'Reilly	Treasurer, Chief Financial Officer
Lauren Kirkman	Municipal Clerk
Effie Pressley	Tax Collector, Tax Search Officer
Scott J. Basen	Magistrate
Rachel S. Carmichael	Court Administrator
Steven Secare	Township Attorney
Remington Vernick & Vena	Township Engineer

All employees not covered by specific bonds listed above are covered by a public employee dishonesty bond in the amount of \$50,000 by the Ocean County Municipal Joint Insurance Fund.

There are blanket bonds for secondary coverage with the Municipal Excess Liability Joint Insurance Fund in the amount of \$950,000 for Public Employees and \$1,000,000 for Public Officials. Both of these bonds are subject to deductibles based upon other required coverages.

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www.hfacpas.com

Honorable Mayor and Members
of the Township Council
Township of Lakewood
County of Ocean
Lakewood, New Jersey

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year ended December 31, 2024.

GENERAL COMMENTS:

Contracts and Agreements required to be advertised by (N.J.S.A.40A:11-4)

N.J.S.A.40A:11-4 states every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the bid threshold, except by contract or agreement.

The bid threshold in accordance with N.J.S.A. 40A:11-4 was \$ \$44,000 for the year ended December 31, 2024.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

Our examination of expenditures did not reveal any individual payments or contracts in excess of the bid threshold “for the performance of any work, or the furnishing of any materials, supplies or labor” other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A.40A:11-6*.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 1, 2024 adopted the following resolution authorizing interest to be charged on delinquent taxes:

NOW THEREFORE, BE IT RESOLVED, that if said taxes are deemed to be delinquent for non-payment of taxes, the Tax Collector shall charge eight (8%) percent per annum on the first \$1,500.00 of the delinquency, and eighteen (18%) percent per annum on any amount in excess of \$1,500.00; and

BE IT FURTHER RESOLVED, by the Township Council of the Township of Lakewood, that the Tax Collector shall allow that no interest will be charged on payments received and made by the tenth calendar day following the date upon which the same became payable; and

BE IT FURTHER RESOLVED, by the Township Council of the Township of Lakewood, that the Tax Collector shall charge, in addition to the interest for delinquent taxes, as noted above, a penalty of six (6%) percent of the amount of the delinquency in taxes in excess of \$10,000.00 to a taxpayer who fails to pay the delinquency prior to the end of the calendar year.

It appears from an examination of the Collector's record that interest was collected in accordance with the foregoing resolution.

OTHER COMMENTS (FINDINGS):

Finding 2024-001

The Township's Trust Funds reflect over expenditures.

Finding 2024-002

The general ledger was not timely maintained in the Township's financial reporting system.

Finding 2024-003

The bank reconciliations were not timely maintained.

RECOMMENDATIONS:

Finding 2024-001

That the Township raise the deferred charges in the respective funds.

Finding 2024-002

That the internal control policies and procedures should be developed to properly maintain a timely and accurate general ledger and subsidiary ledger system.

Finding 2024-003

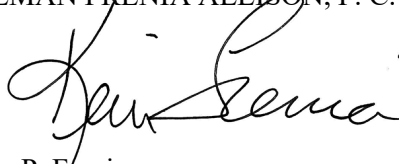
That the internal control policies and procedures should be developed to properly maintain timely and accurate bank reconciliations.

Appreciation

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

A handwritten signature in black ink, appearing to read "Kevin Frenia", written in a cursive style.

Kevin P. Frenia
Certified Public Accountant
Registered Municipal Accountant
RMA No. 435

November 4, 2025
Lakewood, New Jersey