

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County of Ocean,
State of New Jersey)

Financial Statements and Supplementary Information

For the year ended December 31, 2023

(With Independent Auditor's Report Thereon)

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County of Ocean, State of New Jersey)
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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Ocean County Library Commission
Toms River, New Jersey 08754

Opinions

We have audited the accompanying balance sheet – regulatory basis of the Ocean County Library Commission, a component unit of the County of Ocean, State of New Jersey, as of December 31, 2023, and the related statement of revenues, expenditures, and changes in fund balances – regulatory basis for the year ended December 31, 2023 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 balance sheet – regulatory basis of the Ocean County Library Commission, as of December 31, 2023, and the results of its operations and changes in fund balance for the year ended December 31, 2023 in accordance with the financial reporting provisions of the New Jersey State Library, as described in Note 2.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

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 Ocean County Library Commission, a component unit of the County of Ocean, State of New Jersey, as of December 31, 2023, or the results of its operations and changes in fund balance for the year 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the New Jersey State Library. 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 Ocean County Library Commission, 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 2, the financial statements are prepared by the Ocean County Library Commission on the basis of the financial reporting provisions of the New Jersey State Library, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the New Jersey State Library. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 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 New Jersey State Library. 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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the New Jersey State Library 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 New Jersey State Library, 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 Ocean County Library Commission'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 Ocean County Library Commission'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 Ocean County Library Commission's basic financial statements. The accompanying supplementary schedules, such as the schedule of cash with fiscal agent - general account, schedule of cash - office account, and schedule of revenues and expenditures budget to actual - regulatory basis are presented for purposes of additional analysis and are not a required part of the 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 supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the comparative totals for December 31, 2022 and Board of Commissioners and Management 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 forms 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 material misstated. If, based on the work performed, we conclude that an uncorrected material misstatement to 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 May 13, 2024, on our consideration of the Ocean County Library Commission'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 Ocean County Library Commission'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 Ocean County Library Commission's internal control over financial reporting and compliance.

HOLMAN FRENIA ALLISON, P.C.
Certified Public Accountants

May 13, 2024
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***

To the Board of Commissioners
Ocean County Library Commission
Toms River, New Jersey 08754

We have audited, in accordance with the 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 audit requirements prescribed by the New Jersey State Library, the financial statements- regulatory basis of the Ocean County Library Commission, a component unit of the County of Ocean, State of New Jersey, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Ocean County Library Commission’s basic financial statements, and have issued our report thereon dated May 13, 2024. Our report indicated that the Ocean County Library Commission’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 New Jersey State Library.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Ocean County Library Commission’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Ocean County Library Commission’s internal control. Accordingly, we do not express an opinion on the effectiveness of Ocean County Library Commission’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. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ocean County Library Commission'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the New Jersey State Library.

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 entity'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 New Jersey State Library in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HOLMAN FRENIA ALLISON, P.C.
Certified Public Accountants

May 13, 2024
Lakewood, New Jersey

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County of Ocean, State of New Jersey)
Balance Sheet - Regulatory Basis
December 31, 2023
(With comparative totals for December 31, 2022)

	2023	2022 (Memorandum Only)
ASSETS		
Cash with fiscal agent - general	\$ 14,071,015	\$ 18,723,782
Cash - office account	16,916	16,867
Cash - petty	1,250	1,250
Other assets (Note 4)	751,649	741,892
 Total assets	 \$ 14,840,830	 \$ 19,483,791
LIABILITIES AND FUND BALANCE		
Unearned revenue	\$ 10,284	\$ 12,403
Compensated absences payable (Note 5)	688,081	685,371
 Total liabilities	 698,365	 697,774
Fund balance:		
Restricted general reserves (Note 7)	6,304,890	8,662,401
Unreserved	7,837,575	10,123,616
 Total fund balance	 14,142,465	 18,786,017
 Total liabilities and fund balance	 \$ 14,840,830	 \$ 19,483,791

The accompanying notes to financial statements are an integral part of this statement.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County of Ocean, State of New Jersey)
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Regulatory Basis
For the year ended December 31, 2023
(With comparative totals for December 31, 2022)

	General (Unreserved) Fund	General (Reserved) Fund	2023 Total	2022 Total (Memorandum Only)
Revenues:				
Per capita aid	\$ -	\$ 290,673	\$ 290,673	\$ 327,598
Dedicated tax	39,667,326	-	39,667,326	37,301,186
Fines and fees	190,414	-	190,414	169,118
Added assessment tax	232,142	-	232,142	358,987
Grant revenue	-	7,892	7,892	-
Donations	-	50,931	50,931	49,448
Appropriation reserves	-	2,835,454	2,835,454	4,318,797
Building improvement	-	431,305	431,305	288,726
Miscellaneous	122,467	785	123,252	355,156
	<u>40,212,349</u>	<u>3,617,040</u>	<u>43,829,389</u>	<u>43,169,016</u>
Total revenues				
Expenditures:				
Salaries	19,608,758	-	19,608,758	18,614,419
Fringe benefits	11,068,089	838,755	11,906,844	10,324,177
Automation	-	62,500	62,500	-
Materials	4,025,063	1,623,258	5,648,321	5,598,866
Donations	-	46,117	46,117	64,470
Programs and public relations	189,815	42,843	232,658	177,397
Professional expenses and seminars	83,610	11,238	94,848	68,270
Professional services	259,259	25,429	284,688	259,644
Administrative services	94,160	4,055	98,215	76,921
Equipment	124,794	87,776	212,570	236,579
Supplies	326,970	60,041	387,011	268,017
Maintenance - buildings and grounds	1,336,934	148,587	1,485,521	1,270,995
Maintenance - equipment and vehicles	137,428	18,776	156,204	141,627
Utilities	948,339	198,069	1,146,408	1,256,688
Technology	2,020,968	815,666	2,836,634	2,722,834
Building improvement fund	-	953,182	953,182	713,505
System Projects	-	473,426	473,426	28,246
Miscellaneous expense	-	3,582	3,582	-
Transfer to appropriation reserves	2,835,454	-	2,835,454	4,318,797
	<u>43,059,641</u>	<u>5,413,300</u>	<u>48,472,941</u>	<u>46,141,452</u>
Total expenditures				
Excess revenues over expenditures	(2,847,292)	(1,796,260)	(4,643,552)	(2,972,436)
Fund balance, January 1	10,123,616	8,662,401	18,786,017	21,758,453
Transfers from reserved funds to unreserved funds	779,251	(779,251)	-	-
Transfers from unreserved funds to reserved funds	(218,000)	218,000	-	-
	<u>7,837,575</u>	<u>6,304,890</u>	<u>14,142,465</u>	<u>18,786,017</u>
Fund balance, December 31				

The accompanying notes to financial statements are an integral part of this statement.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements

NOTE 1: ORGANIZATION

The financial statements are comprised of the financial transactions and records of the Ocean County Library Commission's (the "Commission") trust account maintained by the Treasurer of Ocean County and the cash receipts and disbursements of the Commission. The Ocean County Treasurer acts in a trust capacity and handles all funds and makes all disbursements on behalf of the Commission.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Commission uses the modified accrual method of accounting as prescribed by the New Jersey State Library.

Revenue Recognition

Revenues are recognized when they become available and measurable.

Expenditure Recognition

Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is paid for goods or services through issuance of a voucher. General reserves covering unexpended appropriation reserves are created on December 31 of each year and recorded as a reservation of fund balance, except for amounts which may be cancelled by the governing body. General reserves are available until lapsed at the close of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed general reserves are recorded as income.

Governmental Funds Used

General (Unreserved) Fund - Accounts for all resources except those required to be accounted for in other funds.
General (Reserved) Fund - Accounts for revenues that are Commissioner restricted to expenditures for specific purposes.

Inexhaustible Collections and Books

Because the values of the existing inexhaustible collections, including research books, are not readily determinable, the Commission has not capitalized them. Accessions and deaccessions during 2023, were not significant.

Cash and Cash Equivalents

N.J.S.A. 17:9-42 requires New Jersey governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the provision of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in the State of New Jersey. Public funds are defined as the funds of any governmental unit. Public depositories include savings and loan institutions, banks (both State and National banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value of five percent of its 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 full amount of their deposits to the governmental units.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Right to Use Leased Asset

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 Commission consists of office equipment. The right to used leased assets is not recorded on the balance sheet in accordance with the regulatory basis of accounting.

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 the GASB pronouncements.

Accounting Pronouncements Adopted in Current Year

The following GASB Statements became effective for the fiscal year ended December 31, 2023:

- Statement No. 96, *Subscription-Based Information Technology Arrangements*.
- Statement No. 99, *Omnibus 2022*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

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

Accounting Pronouncements Effective in Future Reporting Periods

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

- Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement 62*. The requirements of this statement are effective for fiscal years beginning after June 15, 2023.
- Statement No. 101, *Compensated Absences*. The requirements of this statement are effective for fiscal years beginning after December 15, 2023.
- Statement No. 102, *Certain Risk Disclosures*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.

Management has not yet determined the potential impact these Statements will have on the Commission's financial statements.

Subsequent Events

The Commission has evaluated subsequent events occurring after December 31, 2023, through the date of May 13, 2024, which is the date the financial statements were available to be issued.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 3: CASH

The Commission is governed by the deposit limitations of New Jersey state law. The deposits held at December 31, 2023, and reported at fair value are as follows:

Type	Carrying Value
Deposits:	
Demand deposits	\$ 14,089,181
Total deposits	\$ 14,089,181
Reconciliation to the Balance Sheet – Regulatory Basis	
Current assets:	
Cash with fiscal agent – general	\$ 14,071,015
Cash – office account	16,916
Cash – petty	1,250
Total	\$ 14,089,181

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Commission’s deposits may not be returned. The Commission does not have a deposit policy for custodial credit risk. As of December 31, 2023, the Commission’s bank balance of \$14,086,666 was exposed to custodial credit risk as follows:

Insured	\$ 265,651
Collateralized under GUDPA	13,821,015
Total	\$ 14,086,666

NOTE 4: OTHER ASSETS

Other assets represent funds paid in advance for goods or services to be received in future periods. As of December 31, 2023, the Commission has made a cash payment in advance for payroll expenses relation to the subsequent year in the amount of \$751,649.

NOTE 5: COMPENSATED ABSENCES PAYABLE

Employees of the Commission are entitled to payment for unpaid vacation, sick days, unpaid compensatory time upon retirement. Employees are entitled to a maximum payment of \$15,000 for accrued sick days. Vacation time must be used in the year it is earned or carried forward to the next year. After the succeeding year, vacation time is lost. Compensatory time can be carried over at a maximum amount of 28 hours a year and unused time shall be paid out upon termination. Compensated absences are accrued if the obligation relating to employees’ rights to receive compensation for future absences is attributable to services already rendered by employees, the rights vest or accumulate, payment of compensation is probable, and the amount can be reasonably estimated. The Commission adopted GASB No. 16 in 1995. The amount of compensated absences payable at December 31, 2023, is \$688,081.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 6: TRANSFERS

The following transfers were approved to (from) the unreserved fund balance to the reserved fund balance during the year ending December 31, 2023:

Automation	\$ (250,000)
Salaries	47,000
Sick pay for retirement	<u>(15,000)</u>
Total	<u>\$ (218,000)</u>

The following transfers were approved from the reserved fund balance to the unreserved fund balance during the year ending December 31, 2023:

From reserves for appropriations	\$ <u>779,251</u>
Total	<u>\$ 779,251</u>

NOTE 7: GENERAL RESERVE FUND BALANCE

General reserve fund balance at December 31, 2023, consisted of the following:

Automation	\$ 785,064
Brick expansion account	47,810
Building improvement account	554,555
Donations	240,198
Endowment fund	490,324
Project 2020	57,145
Reserve	2,835,454
Sick pay at retirement	322,319
Library System projects	661,327
Per capita aid	290,673
Major repairs and equipment	<u>20,021</u>
	<u>\$ 6,304,890</u>

NOTE 8: PENSION OBLIGATIONS

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the year ended June 30, 2022. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2022.

The Commission's employees are participants in the Public Employees' Retirement System through the County of Ocean. The Commission's liability for the pension plan is not reported separately from the County; therefore the following information is the pension obligation related to the County of Ocean.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 8: PENSION OBLIGATIONS (continued)

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 Comprehensive Financial Report (ACFR), which can be found at <http://www.nj.gov/treasury/pensions/financial-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:

Tier Definition

- 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.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 8: PENSION OBLIGATIONS (continued)

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 2022, the State's pension contribution was less than the actuarial 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 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, 2023, the County's contractually required contribution to PERS plan was \$15,687,618.

Components of Net Pension Liability

At December 31, 2023, the County's proportionate share of the PERS net pension liability was \$187,738,886. The net pension liability was measured as of June 30, 2022. 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, 2021, which was rolled forward to June 30, 2022. The County's proportion of the net pension liability was based on the County's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The County's proportion measured as of June 30, 2022, was 1.2440143219 % which was an increase of 0.0603900407% from its proportion measured as of June 30, 2021.

	Balance December 31,	
	2022	2021
	June 30, 2022	June 30, 2021
Actuarial valuation date (including roll forward)		
Deferred Outflows of Resources	\$ 19,526,664	\$ 4,072,945
Deferred Inflows of Resources	30,552,497	90,014,062
Net Pension Liability	187,738,886	140,218,041
County's portion of the plan's total Net Pension Liability	1.24401%	1.18362%

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 8: PENSION OBLIGATIONS (continued)

Pension (Benefit) Expense and Deferred Outflows/Inflows of Resources

At December 31, 2022, the County's proportionate share of the PERS (benefit) expense, calculated by the plan as of the June 30, 2022, measurement date is \$(11,677,969) At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,355,013	\$ 1,194,929
Changes of assumptions	581,674	28,111,944
Net difference between projected and actual earnings on pension plan investments	7,770,343	-
Changes in proportion and differences between the County's contributions and proportion share of contributions	9,819,634	1,245,624
	<u>\$ 19,526,664</u>	<u>\$ 30,552,497</u>

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,	<u>Amount</u>
2023	\$ (14,389,252)
2024	(6,489,673)
2025	(2,286,361)
2026	10,443,825
2027	1,695,628
Total	<u>\$ (11,025,833)</u>

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 to report in the financial statements of the local participating employers related to this legislation. At December 31, 2022, the State's proportionate share of the PERS expense, associated with the County, calculated by the plan as of the June 30, 2022, measurement date was \$395,010.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 8: PENSION OBLIGATIONS (continued)

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:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75% - 6.55%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010 General Below – Median Income Employee Mortality table fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021

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, 2021, 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, 2022) 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.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 8: PENSION OBLIGATIONS (continued)

Long-Term Expected Rate of Return (continued)

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, 2022, 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	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. 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 County's proportionate share of the Net Pension Liability to Changes in the Discount Rate

The following presents the County's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the County'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:

	<u>1 % Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
County's proportionate share of the Net Pension Liability	<u>\$ 243,232,100</u>	<u>\$ 187,738,886</u>	<u>\$ 143,454,996</u>

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 9: OTHER POSTEMPLOYMENT BENEFITS

General Information about the Other Postemployment Benefits (OPEB) Plan

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for other post-employment benefits obligations for the year ended June 30, 2023. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2022.

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.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 9: OTHER POSTEMPLOYMENT BENEFITS (continued)

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. 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 (benefit) expense 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, 2022 were \$3,361,552,823 and \$12,729,372,321, 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, 2021 through June 30, 2022. 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.

Net OPEB Liability

The components of the collective net OPEB liability of the plan as of June 30, 2022, is as follows:

Total OPEB liability	\$ 16,090,925,144
Plan fiduciary net position	<u>(58,670,334)</u>
Net OPEB liability	<u>\$ 16,149,595,478</u>

The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases*:

PERS:

Rate for all future years 2.75% to 6.55%

Police and Firemen's Retirement System (PFRS):

Rate of all future years 3.25% to 16.25%

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 9: OTHER POSTEMPLOYMENT BENEFITS (continued)

Net OPEB Liability (continued)

Mortality Rate Table:

PERS

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

PFRS

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

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

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

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

OPEB Obligation and OPEB (Benefit) Expense

The Commission's proportionate share of the total Other Post-Employment Benefits Obligations was \$58,667,927. The OPEB Obligation was measured as of June 30, 2022, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the OPEB Obligation associated with the Commission was based on projection of the State's long-term contributions to the OPEB plan associated with the Commission relative to the projected contributions by the State associated with all participating entities, actuarially determined. At June 30, 2022, the State proportionate share of the OPEB Obligation attributable to the Commission was 0.363278%, which was a decrease of 0.022327% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB (benefit) expense in the amount of \$258,793 for the State's proportionate share of the OPEB (benefit) expense attributable to the Commission. This OPEB (benefit) expense was based on the OPEB plans June 30, 2022, measurement date.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the trend rate is initially (1.89%) for PPO plans and (1.99%) for HMO plans with both increasing to a 4.5% long-term trend rate after seven years. For prescription drug benefits, the initial trend rate is 8% decreasing to a 4.5% long-term trend rate after seven years.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 9: OTHER POSTEMPLOYMENT BENEFITS (continued)

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the net OPEB liability as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>1 % Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
State's proportionate share of the Net OPEB Liability associated with the Commission	<u>\$ 49,769,769</u>	<u>\$ 58,667,927</u>	<u>\$ 70,063,963</u>
State's Total Nonemployer OPEB Liability	<u>\$ 13,700,188,049</u>	<u>\$ 16,149,595,478</u>	<u>\$ 19,286,596,671</u>

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the collective net OPEB liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	<u>1 % Decrease (2.54%)</u>	<u>Current Discount Rate (3.54%)</u>	<u>1% Increase (4.54%)</u>
State's proportionate share of the Net OPEB Liability associated with the Commission	<u>\$ 68,007,938</u>	<u>\$ 58,667,927</u>	<u>\$ 51,153,015</u>
State's Total Nonemployer OPEB Liability	<u>\$ 18,720,632,230</u>	<u>\$ 16,149,595,478</u>	<u>\$ 14,080,955,857</u>

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 9: OTHER POSTEMPLOYMENT BENEFITS (continued)

Additional Information

The following is a summary of the deferred outflows of resources, deferred inflows of resources, and net OPEB liability balances as of June 30, 2022:

	Balance December 31,	
	2023	2022
	June 30, 2022	June 30, 2021
Actuarial valuation date (including roll forward)		
Deferred Outflows of Resources	\$ 20,418,867	\$ 22,655,566
Deferred Inflows of Resources	40,136,761	32,898,807
Net OPEB Liability	58,667,927	69,408,056
Commission's portion of the plan's total Net Pension Liability	0.36328%	0.38561%

OPEB Deferred Outflows/Inflows of Resources

At December 31, 2022, the Commission's proportionate share of the OPEB outflows and inflows, calculated by the plan as of the June 30, 2022, measurement date is \$20,418,867 and \$40,136,761, respectively. At December 31, 2022, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,029,674	\$ 10,874,540
Changes of assumptions	7,829,478	20,022,233
Net difference between projected and actual earnings on pension plan investments	15,445	-
Changes in proportion	9,544,270	9,239,988
	<u>\$ 20,418,867</u>	<u>\$ 40,136,761</u>

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

Year Ending December 31,	Amount
2023	\$ (5,272,671)
2024	(5,277,364)
2025	(4,158,314)
2026	(1,833,072)
2027	(377,245)
2028 – 2029	(2,799,228)
Total	<u>\$ (19,717,894)</u>

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County Ocean, State of New Jersey)
Notes to Financial Statements (continued)

NOTE 9: OTHER POSTEMPLOYMENT BENEFITS (continued)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflow of resources related to the changes in proportion. These amounts should be recognized (amortized) by each employer over the average remaining service lives of all plan members, which is 7.82, 7.82, 7.87, 8.05, 8.14 and 8.04 years for the 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

Plan Membership

At July 1, 2021, the Program membership consisted of the following:

Active plan members	65,360
Retirees currently receiving benefits	<u>33,684</u>
Total plan members	<u>99,044</u>

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the measurement date June 30, 2022, is as follows:

Service cost	\$ 796,654,029
Interest on Total OPEB Liability	401,372,615
Changes in benefit terms	402,474,416
Differences in expected and actual experience	572,046,963
Changes in assumptions	(3,599,550,175)
Contributions from the employer	(389,490,003)
Contributions from non-employer contributing entities	(45,792,081)
Net investment income	(235,962)
Administrative expenses	<u>12,334,441</u>
Net changes	(1,850,185,757)
 Total OPEB Liability (Beginning)	 <u>17,999,781,235</u>
 Total OPEB Liability (Ending)	 <u>\$ 16,149,595,478</u>

NOTE: 10: CONCENTRATIONS

A significant source of revenue for the Commission comes the County of Ocean dedicated tax. The ability to levy property taxes, and the limits to which property taxes can be levied, are promulgated by State statute. As a result of this dependency, the Commission operations are significantly reliant and impacted by State laws and regulations regarding property taxes.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County of Ocean, State of New Jersey)
Schedule of Cash with Fiscal Agent- General Account
For the year ended December 31, 2023

Schedule I

Balance, January 1, 2023	\$	18,723,782
Increased by receipts:		
Grant reserves		7,892
General reserves		773,694
Budget revenues		<u>42,835,065</u>
Total receipts		<u>43,616,651</u>
Decreased by disbursements:		
General reserves		5,413,300
General budget		<u>42,856,118</u>
Total disbursements		<u>48,269,418</u>
Balance, December 31, 2023	\$	<u><u>14,071,015</u></u>

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County of Ocean, State of New Jersey)
Schedule of Cash - Office Account
For the year ended December 31, 2023

Schedule II

Balance, January 1, 2023	\$	16,867
Increased by receipts:		
Fines and fees		52,433
Printer		101,407
Copier fees		28,612
Donations		12,701
Miscellaneous		17,585
		212,738
Total receipts		212,738
Decreased by disbursements:		
Paid County Treasurer		188,148
Refunds and miscellaneous		24,541
		212,689
Total disbursements		212,689
Balance, December 31, 2023	\$	16,916

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County of Ocean, State of New Jersey)
Schedule of Revenues and Expenditures
Budget to Actual - Regulatory Basis
For the year ended December 31, 2023

	<u>Adopted Budget</u>	<u>From (Cancelled) to Reserves</u>	<u>Transfer to Appropriation Reserves</u>	<u>Actual</u>	<u>Variance</u>
Revenues:					
Dedicated tax	\$ 39,667,326	\$ -	\$ -	\$ 39,667,326	\$ -
Fines, fees, and photocopier charges	150,000	-	-	190,414	40,414
Added assessment tax	-	-	-	232,142	232,142
Miscellaneous	-	779,251	-	122,467	(656,784)
Budgeted fund balance	<u>6,810,575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,810,575)</u>
 Total revenues	 <u>\$ 46,627,901</u>	 <u>\$ 779,251</u>	 <u>\$ -</u>	 <u>\$ 40,212,349</u>	 <u>\$ (7,194,803)</u>
Expenditures:					
Salaries	\$ 20,950,000	\$ 47,000	\$ -	\$ 19,608,758	\$ 1,388,242
Fringe benefits	12,537,901	-	1,080,333	11,068,089	389,479
Materials	5,000,000	-	774,938	4,025,063	199,999
Programs and public relations	230,000	-	20,148	189,815	20,037
Professional expenses and seminars	115,000	-	1,807	83,610	29,583
Professional services	355,000	-	87,416	259,259	8,325
Administrative services	115,000	-	4,892	94,160	15,948
Equipment	320,000	-	192,147	124,794	3,059
Supplies	360,000	-	27,493	326,970	5,537
Maintenance - buildings and grounds	1,500,000	-	158,028	1,336,934	5,038
Maintenance - equipment and vehicles	240,000	-	44,169	137,428	58,403
Utilities	1,700,000	-	250,000	948,339	501,661
Technology	2,575,000	(250,000)	194,083	2,020,968	109,949
Contingency	415,000	-	-	-	415,000
Rate stabilization fund	200,000	-	-	-	200,000
Sick pay	<u>15,000</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total expenditures	 <u>\$ 46,627,901</u>	 <u>\$ (218,000)</u>	 <u>\$ 2,835,454</u>	 <u>\$ 40,224,187</u>	 <u>\$ 3,350,260</u>

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County of Ocean, State of New Jersey)
Board of Commissioners and Management

Timothy McDonald	_____	Chairperson
Paul Wolleon	_____	Vice-Chairperson
Susan L. Hutler	_____	Commissioner
Henry J. Mancini	_____	Commissioner
Christopher J. Mullins	_____	Commissioner
Bonnie R. Peterson	_____	Commissioner
Ruthane Scatturo	_____	Commissioner
Susan Quinn	_____	Director

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County of Ocean, State of New Jersey)
General Comments and Recommendations

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 New Jersey State Library.

Financial Statement Findings

There are no current year findings.

OCEAN COUNTY LIBRARY COMMISSION
(A Component Unit of the County of Ocean, State of New Jersey)
Summary Schedule of Prior Year Audit Findings

This section identifies the status of prior year findings related to the financial statements in accordance with *Government Auditing Standards* and with audit requirements prescribed by the New Jersey State Library.

Financial Statement Findings

There were no prior year findings.