

**PARKING AUTHORITY OF THE  
TOWNSHIP OF TOMS RIVER**  
(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)

**Financial Statements and Supplementary Information**

**For the years ended December 31, 2021 and 2020**

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Financial Statements and Supplementary Information**  
**For the years ended December 31, 2021 and 2020**

CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
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 <i>Government Auditing Standards</i>	5
Management's Discussion and Analysis	7
Statements of Net Position	11
Statements of Revenues, Expenses and Changes in Net Position	13
Statements of Cash Flows	14
Notes to Financial Statements	16
<b>Required Supplementary Information:</b>	
Schedule I – Schedule of the Authority's Proportionate Share of the Net Pension Liability – Public Employee's Retirement System	38
Schedule II – Schedule of Authority Contributions – Public Employee's Retirement System	39
Schedule III – Schedule of Changes in the Net OPEB Liability and Related Ratios	40
Notes to the Required Supplementary Information	41
<b>Other Supplementary Information:</b>	
Schedule IV – Statements of Net Position – Restricted and Unrestricted	42
Schedule V – Revenues, Expenses and Changes in Net Position – Restricted and Unrestricted	44
Schedule VI – Operating Expenses – Restricted and Unrestricted	45
Schedule VII – Modified Revenues and Expenses – Unrestricted Budget to Actual, for the year ended December 31, 2021	46
Schedule VIII – Modified Revenues and Expenses – Unrestricted Budget to Actual, for the year ended December 31, 2020	47

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Financial Statements and Supplementary Information**  
**For the years ended December 31, 2021 and 2020**

CONTENTS

	<u>Page</u>
Board of Commissioners and Management	48
General Comments and Recommendations	49



## INDEPENDENT AUDITOR'S REPORT

The Chairman and Commissioners of the  
Parking Authority of the Township of Toms River  
33 Washington Street  
Toms River, NJ 08753

### Report on the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the business-type activities of the Parking Authority of the Township of Toms River (hereafter referred to as the Authority), a component unit of the Township of Toms River, County of Ocean, State of New Jersey, as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2021 and 2020, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *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 standards prescribed by the Local Finance Board and 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 Authority 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.

#### *Substantial Doubt about the Authority's Ability to Continue as a Going Concern*

The accompanying financial statements have been prepared assuming that the Authority will continue as a going concern. As discussed in Note 12 to the financial statements, the Authority's financial statements show a decrease in net position of \$838,786 during the year ended December 31, 2021 and the Authority's current liabilities exceeded current assets by \$825,549. The COVID-19 pandemic has negatively impacted the Authority's ability to generate revenue. Those factors, as well as the uncertain conditions that the Authority faces regarding its future liabilities owed to New Jersey Transit (as discussed in Note 12) and the ability to fund its current pension liability raise substantial doubt about its ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding those matters are also described in Note 12. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to that matter.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the 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 standards prescribed by the Local Finance Board and 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 standards prescribed by the Local Finance Board and 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 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 Authority'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 Authority'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.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and other required supplementary information as listed on the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying supplementary schedules of revenues, expenses and changes in net position – restricted and unrestricted and operating expenses – restricted and unrestricted, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of modified revenues and expenses – unrestricted budget to actual, 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 accompanying supplementary schedules, as listed in the table of contents, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2023, on our consideration of the Authority'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 Authority'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 Authority's internal control over financial reporting and compliance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2023 on our consideration of the Parking Authority of the Township of Toms River'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 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 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 Parking Authority of the Township of Toms River's internal control over financial reporting and compliance.

*Holman Frenia Allison, P.C.*

**HOLMAN FRENIA ALLISON, P.C.**  
*Certified Public Accountants*

March 24, 2023  
Lakewood, New Jersey



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

The Chairman and Commissioners of the  
Parking Authority of the Township of Toms River  
33 Washington Street  
Toms River, NJ 08753

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 as prescribed by Local Finance Board and by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the business-type activities of the Parking Authority of the Township of Toms River, a component unit of the Township of Toms River, County of Ocean, State of New Jersey, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Parking Authority of the Township of Toms River's basic financial statements, and have issued our report thereon dated March 24, 2023.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority'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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Authority'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Authority's financial statements are free of 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or audit requirements as prescribed by the Local Finance Board and by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

### **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 Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Audit Standards* and audit requirements as prescribed by the Local Finance Board and by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Holman Frenia Allison, P.C.*

**HOLMAN FRENIA ALLISON, P.C.**  
*Certified Public Accountants*

March 24, 2023  
Lakewood, New Jersey

**PARKING AUTHORITY**  
**of the Township of Toms River**  
33 Washington Street, P.O. Box 1269  
Toms River, NJ 08754  
732-240-2800



---

**OFFICE OF THE COMMISSIONERS**

*Tariq Siddiqui, Chairman*  
*William Beining, Vice Chairman*  
*Norvella Lighbody, Secretary*

*Richard J. Banach, Treasurer*  
*Brenda Tutela, Vice Treasurer*

March 24, 2023

The Management's Discussion and Analysis (MD&A) provides an overview and analysis of the Parking Authority of the Township of Toms River's (the "Parking Authority") financial activities for the fiscal year ended December 31, 2021 as compared to the prior years. It should be read in conjunction with the accompanying financial statements.

**Financial Statements**

The financial statement included in this report are the Statements of Net Position, Statements of Revenues, Expenses and Changes in Net Position and Statements of Cash Flows as of and for the years ended December 31, 2021 and 2020.

The Statements of Net Position shows the financial position of the Parking Authority at December 31<sup>st</sup> of 2021 and 2020. Assets are compared with liabilities and net position is the result.

The Statement of Revenues, Expenses and Changes in Net Position measure performance for each year and how this performance impacts the net assets of the Parking Authority.

Finally, the Statements of Cash Flows demonstrates why cash balances increased or decreased during the two years shown on this report.

**Financial Analysis**

The Parking Authority at December 31, 2021, has total assets and deferred outflows of resources of \$530,345 compared to \$1,518,527 at December 31, 2020. This decrease can be primarily attributed to the decrease in deferred outflows related to other postemployment benefits and the decrease in restricted cash and cash equivalents. The Parking Authority at December 31, 2020 had total assets and deferred outflows of resources of \$1,518,527 compared to \$1,720,163 at December 31, 2019. This decrease can be primarily attributed to the decrease in deferred inflows related to pension.

The Parking Authority at December 31, 2021 has total liabilities and deferred inflow of resources of \$6,351,198 compared to \$6,500,594 at December 31, 2020. The majority of this decrease is due to the increase in net other postemployment benefits liability. The Parking Authority at December 31, 2020 had total liabilities and deferred inflow of resources of \$6,500,594 compared to \$6,453,171 at December 31, 2019. The majority of this decrease is due to the in net pension liability.

The Parking Authority at December 31, 2021 has total net position of \$(5,820,853) compared to \$(4,982,067) at December 31, 2020. The decrease in net position is mainly due to operating expenses exceeding operating revenues resulting in an operating loss. The Parking Authority at December 31, 2020 has total net position of \$(4,982,067) compared to \$(4,733,008) at December 31, 2019. The decrease in net position is mainly due to operating expenses exceeding operating revenues resulting in an operating loss.

The Parking Authority has a net loss of \$838,786 for the year ended December 31, 2021. The majority of this loss is attributable to the continued effects of the COVID-19 pandemic and unbudgeted other postemployment benefit expense. The Parking Authority bus ticket commissions decreased by \$18,093 during 2021. Additionally, as of December 31, 2021 the Parking Authority incurred \$927,606 of unbudgeted other postemployment benefit expense as a result of the decrease in the net other postemployment benefits liability related to GASB Statement No. 75. The remaining part of the net loss is attributed to higher cost of providing services and administrative and general expenses, which exceed operating revenues. The Parking Authority has a net loss of \$249,059 for the year ended December 31, 2020. The majority of this loss is attributable to the effects of the COVID-19 pandemic on the Parking Authority as bus ticket commissions and meter revenue decreased by \$516,444. The Parking Authority has a net loss of \$260,256 for the year ended December 31, 2019. Part of this net loss is attributed to \$51,267 of unbudgeted pension expense and \$187,333 of unbudgeted other postemployment benefit expense as a result of the increase in the net other postemployment benefits liability related to GASB Statement No. 75. The remaining part of the net loss is attributed to higher cost of providing services and administrative and general expenses, which exceed operating revenues.

### Condensed Financial Information

Key Parking Authority financial information for the years ended December 31, 2021, 2020 and 2019 includes the following balances:

<b>ASSETS</b>			
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Unrestricted current assets	\$ 148,586	\$ 94,858	\$ 57,709
Restricted current assets	15,514	28,101	88,675
Property, plant and equipment, net of depreciation	<u>337,901</u>	<u>419,044</u>	<u>469,013</u>
Total assets	<u>502,001</u>	<u>542,003</u>	<u>615,397</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>			
Deferred outflows related to pensions	28,344	123,201	251,443
Deferred outflows related to other postemployment benefits	-	<u>853,323</u>	<u>853,323</u>
Total deferred outflow of resources	<u>28,344</u>	<u>976,524</u>	<u>1,104,766</u>
Total assets and deferred outflow of resources	<u>\$ 530,345</u>	<u>\$ 1,518,527</u>	<u>\$ 1,720,163</u>
<b>LIABILITIES</b>			
Current liabilities payable from current unrestricted assets	\$ 879,413	\$ 806,542	\$ 525,539
Current liabilities payable from current restricted assets	110,236	55,647	57,621
Non-current liabilities	<u>754,391</u>	<u>5,030,345</u>	<u>5,363,865</u>
Total liabilities	<u>1,744,040</u>	<u>5,892,534</u>	<u>5,947,025</u>

**Condensed Financial Information (continued)**

**DEFERRED INFLOW OF RESOURCES**

Deferred inflows related to pensions	814,914	608,060	506,146
Deferred inflows related to other postemployment benefits	<u>3,792,244</u>	<u>-</u>	<u>-</u>
Total deferred inflow of resources	<u>4,607,158</u>	<u>608,060</u>	<u>506,146</u>

**NET POSITION**

Investments in capital assets, net of related debt	269,959	298,450	290,959
Reserved for New Jersey Transit contingency funds	(297,269)	(189,432)	(108,009)
Unrestricted	<u>(5,793,543)</u>	<u>(5,091,085)</u>	<u>(4,915,958)</u>
Total net position	<u>(5,820,853)</u>	<u>(4,982,067)</u>	<u>(4,733,008)</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 530,345</u>	<u>\$ 1,518,527</u>	<u>\$ 1,720,163</u>

**Other Financial Information**

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total operating and non-operating revenues	\$ 612,907	\$ 581,883	\$ 1,213,879
Total operating and non-operating expenses	<u>1,451,692</u>	<u>829,942</u>	<u>1,474,135</u>
Change in net position	<u>\$ (838,785)</u>	<u>\$ (248,059)</u>	<u>\$ (260,256)</u>
Meter revenues	\$ 299,936	\$ 220,695	\$ 535,915
Note principal paid	\$ 52,652	\$ 57,460	\$ 73,691


Parking Authority 2021 operating revenues had a unfavorable variance of \$89,636 when compared to the budget for 2021 due to lower than expected meters, decals, fines, and bus ticket commissions. Parking Authority 2020 operating revenues had an favorable variance of \$9,277 when compared to the budget for 2020 due to higher than expected meters, decals, and fines. Parking Authority 2019 operating revenues had an unfavorable variance of \$18,484 when compared to the budget for 2019 due to lower than expected meters, decals, fines and bus ticket commissions.

Parking Authority 2021 operating expenses had an unfavorable variance of \$56,814 when compared to the budget for 2021 due to lower expenses associated with providing services and lower general and administrative expenses than were budgeted for. Parking Authority 2020 operating expenses had an unfavorable variance of \$17,847 when compared to the budget for 2020 due to lower expenses associated with providing services and higher general and administrative expenses than were budgeted for. Parking Authority 2019 operating expenses had a favorable variance of \$3,571 when compared to the budget for 2019 due to higher expenses associated with providing services and lower general and administrative expenses than were budgeted for.

Parking Authority 2021 non-operating revenues had a unfavorable variance of \$553,596 when compared to the budget for 2021 mainly due to Parking Authority expecting the sale of equipment and land that did not materialize. Parking Authority 2020 non-operating revenues had an favorable variance of \$5,140 when compared to the budget for 2020 mainly due miscellaneous income. Parking Authority 2019 non-operating revenues had a unfavorable variance of \$718 when compared to the budget for 2019 mainly due to budgeted ATM surcharge revenue

The Parking Authority's financial report is designed to provide users of the financial statements with a general overview of the Parking Authority's finances and to show the Parking Authority's accountability for the money it receives. The financial statements of the Parking Authority are a matter of public record and may be examined at 33 Washington Street, Toms River, New Jersey, during the Parking Authority's business hours.

Respectfully submitted,



Pamela L. Piner  
Executive Director

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, State of New Jersey)**  
**Statements of Net Position**  
**December 31, 2021 and 2020**

<b>ASSETS</b>	<b>2021</b>	<b>2020</b>
Current unrestricted assets:		
Cash	\$ 133,220	\$ 80,268
Accounts receivable	5,172	10,589
Inventory	2,348	2,348
Prepaid expenses	7,846	1,653
Total current unrestricted assets	148,586	94,858
Current restricted assets:		
Cash	15,514	27,807
Prepaid expenses	-	294
Total current restricted assets	15,514	28,101
Capital assets, net	337,901	419,044
Total assets	502,001	542,003
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Deferred outflows related to pensions	28,344	123,201
Deferred outflows related to other postemployment benefits	-	853,323
Total deferred outflow of resources	28,344	976,524
Total assets and deferred outflow of resources	\$ 530,345	\$ 1,518,527

The accompanying notes are an integral part of these financial statements.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, State of New Jersey)**  
**Statements of Net Position (continued)**  
**December 31, 2021 and 2020**

<b>LIABILITIES</b>	<b>2021</b>	<b>2020</b>
<b>Current unrestricted liabilities:</b>		
Accounts payable and accrued expenses	\$ 81,147	\$ 81,297
Pensions payable	175,402	154,179
Unearned revenue	57,732	36,605
Bus fees payable	525,964	481,809
Current portion of notes payable	39,168	52,652
<b>Total current unrestricted liabilities</b>	<b>879,413</b>	<b>806,542</b>
<b>Current restricted liabilities:</b>		
Accounts payable and other accrued expenses	94,976	42,072
Unearned revenue	15,260	13,575
<b>Total current restricted liabilities</b>	<b>110,236</b>	<b>55,647</b>
<b>Long-term unrestricted liabilities:</b>		
Compensated absences	35,952	34,176
Notes payable, net of current portion	28,774	67,942
Net pension liability	301,452	822,053
Net other postemployment benefits liability	388,213	4,106,174
<b>Total long-term unrestricted liabilities</b>	<b>754,391</b>	<b>5,030,345</b>
<b>Total liabilities</b>	<b>1,744,040</b>	<b>5,892,534</b>
<b>DEFERRED INFLOW OF RESOURCES</b>		
Deferred inflows related to pensions	814,914	608,060
Deferred inflows related to other postemployment benefits	3,792,244	-
<b>Total deferred inflow of resources</b>	<b>4,607,158</b>	<b>608,060</b>
<b>NET POSITION</b>		
Net investment in capital assets	269,959	298,450
Restricted for New Jersey Transit contingency funds	(297,269)	(189,432)
Unrestricted net position	(5,793,543)	(5,091,085)
<b>Total net position</b>	<b>(5,820,853)</b>	<b>(4,982,067)</b>
<b>Total liabilities, deferred inflow of resources and net position</b>	<b>\$ 530,345</b>	<b>\$ 1,518,527</b>

The accompanying notes are an integral part of these financial statements.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, State of New Jersey)**  
**Statements of Revenues, Expenses and Changes in Net Position**  
**For the years ended December 31, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
Operating revenues:		
Meters	\$ 299,936	\$ 220,695
Bus ticket commissions	44,659	62,752
Decals	133,845	182,451
Fines	98,895	78,995
Contracts	16,000	16,000
Total operating revenues	593,335	560,893
Operating expenses:		
Cost of providing services	477,111	538,295
Administrative and general	207,688	269,892
Depreciation	54,419	56,522
Unbudgeted pension expense/(deficit)	(218,890)	(39,358)
Unbudgeted other postemployment benefit expense	927,606	-
Total operating expenses	1,447,934	825,351
Operating loss	(854,599)	(264,458)
Non-operating revenues/(expenses):		
Commissions - vending machines, telephone, ATM	8,889	10,539
Interest expense	(3,758)	(5,591)
Gain on sale of asset	6,244	-
Miscellaneous income	4,438	10,451
Total non-operating revenues/(expenses)	15,813	15,399
Change in net position	(838,786)	(249,059)
Net position, January 1	(4,982,067)	(4,733,008)
Net position, December 31	\$ (5,820,853)	\$ (4,982,067)

The accompanying notes are an integral part of these financial statements.



**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, State of New Jersey)**  
**Statements of Cash Flows**  
**For the years ended December 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities:</b>		
Cash received from customers	\$ 641,135	\$ 543,016
Cash paid to suppliers and employees	(577,034)	(495,380)
Interest paid	(3,758)	(5,591)
	<u>60,343</u>	<u>42,045</u>
Net cash flows from operating activities		
<b>Cash flows from investing activities:</b>		
Disposal of property and equipment	40,000	-
Purchases of property and equipment	(7,031)	(6,553)
	<u>32,969</u>	<u>(6,553)</u>
Net cash flows from investing activities		
<b>Cash flows from financing activities:</b>		
Repayment of long-term debt	(52,653)	(57,460)
	<u>(52,653)</u>	<u>(57,460)</u>
Net cash flows from financing activities		
Net change in cash	40,659	(21,968)
Cash, January 1	108,075	130,043
Cash, December 31	<u>\$ 148,734</u>	<u>\$ 108,075</u>
 <b>Per Statements of Net Position:</b>		
Cash - unrestricted	\$ 133,220	\$ 80,268
Cash - restricted	15,514	27,807
Cash, December 31	<u>\$ 148,734</u>	<u>\$ 108,075</u>

The accompanying notes are an integral part of these financial statements.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, State of New Jersey)**  
**Statements of Cash Flows (continued)**  
**For the years ended December 31, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b>Reconciliation of change in net position to net cash flows from operating activities:</b>		
Change in net position	\$ (838,786)	\$ (249,059)
Items which did not use/(provide) cash:		
Depreciation	54,419	56,522
Gain on sale of asset	(6,244)	-
Unbudgeted pension (credit)/expense	(218,890)	(39,358)
Unbudgeted other postretirement benefit expense	927,606	-
Working capital changes which (used)/provided cash:		
Accounts receivable	5,417	(1,808)
Inventory	-	345
Prepaid expenses	(5,899)	2,920
Accounts payable and accrued expenses	52,754	88,490
Pension payable	21,223	37,073
Unearned revenue	22,812	(37,059)
Bus fees payable	44,155	202,880
Compensated absences	1,776	(18,901)
Net cash flows from operating activities	\$ 60,343	\$ 42,045

The accompanying notes are an integral part of these financial statements.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements**

**NOTE 1: CREATION OF THE PARKING AUTHORITY AND NATURE OF ACTIVITIES**

The Parking Authority of the Township of Toms River (the "Parking Authority") is a special governmental unit constituting an instrumentality and component unit of the Township of Toms River. The Parking Authority was created by an ordinance of the Township of Toms River and adopted by the governing body in 1973. The Parking Authority is a public body politic and corporate organized pursuant to Chapter 198, P.L. 1948 (Revised Statutes 40:11A).

The Parking Authority is authorized and empowered, among other things, to own, install, maintain, operate, and manage parking meters and parking lot projects within any nonresidential zone of the Township of Toms River. Additionally, the Parking Authority is authorized to maintain and operate a bus terminal facility at the Toms River Bus Park and Ride Facility. The Parking Authority operates municipal lots and parking garages in the Township of Toms River.

The Parking Authority is a component unit of the primary government of the Township of Toms River. The Township Committee appoints the Commissioners of the Parking Authority for staggering terms of five years. The Parking Authority is also required to seek formal approval of the Township of Toms River to change any meter rates on roads maintained by the Township.

**Toms River Bus Park and Ride Facility**

Under an agreement with the New Jersey Transit Corporation and the New Jersey Department of Transportation, the Parking Authority is to operate and maintain a Park and Ride Facility, which began operations on January 5, 1983. The Park and Ride Facility maintains a separate set of accounting books for the purpose of reporting to the New Jersey Transit Corporation. The terms of this agreement require the books of the Park and Ride Facility to be maintained on a contractual basis, which prescribes that fixed assets are expensed in the year purchased. The adjustments required to conform the Park and Ride Facility's fund balances to net assets in accordance with accounting principles generally accepted in the United States of America are reflected in the statement of financial position. Therefore, on a combined basis, the net assets of the Parking Authority are stated in accordance with accounting principles generally accepted in the United States of America.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The financial statements of the Parking Authority are presented on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The Parking Authority applies all Governmental Accounting Standards Board ("GASB") pronouncements as well as Financial Accounting Standards Board statements and interpretations.

All activities of the Parking Authority are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Basis of Presentation (continued)**

The accounting and financial reporting treatment applied to the Parking Authority is determined by its measurement focus. The transactions of the Parking Authority are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, liabilities and deferred inflow or outflow of resources associated with the operations are included on the statement of net position. Net position (i.e., total assets net of total liabilities) are segregated into invested capital assets, net of related debt; restricted for capital activity; restricted for debt service; and unrestricted components.

**Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Enterprise funds are accounted for using the accrual basis of accounting.

**Revenues - Exchange and Non-Exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Non-exchange transactions, in which the Parking Authority receives value without directly giving equal value in return are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Parking Authority must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Parking Authority on a reimbursement basis.

**Expenses** - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Budgetary Accounting**

Each year the Parking Authority adopts a budget which is approved by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The budget may be amended by resolution of the Board of Commissioners of the Parking Authority. The budgetary basis of accounting is utilized to determine the Parking Authority has sufficient cash to operate and pay debt service. As such, certain items such as bond payments are included in budgetary expenses while depreciation is not included.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Accounts Receivable**

A portion of the Parking Authority's revenues consists of fines and penalties, parking permits, and ATM surcharges. The related accounts receivable is based on revenue that has been earned but not yet collected. The Parking Authority believes that an allowance for doubtful accounts is not necessary due to its past history of collecting all accounts.

**Operating Revenues and Revenue and Cost Recognition**

Enterprise fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity to the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as investment earnings, result from non-exchange transactions or ancillary activities. The Parking Authority recognized meter revenues as they are collected and recognizes all over revenues in accordance with customer agreements. The costs of such services are accrued as incurred.

**Cash**

New Jersey Authorities 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 the New Jersey Cash Management Fund. *N.J.S.A. 40A:5-15.1* provides a list of securities which may be purchased by New Jersey authorities. The Parking Authority is required to deposit funds in a public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect government units from a loss of funds on deposit with a failed banking institution in New Jersey. *N.J.S.A. 17:9-42* requires government units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

Public Funds are defined as the funds of any government unit. Public depositories include banks (both state and national banks), savings and loan institutions and savings banks, the deposits of which are federally insured. All public depositories pledge collateral, having a market value of five percent of the average daily balance of collected public funds, to secure the deposits of government units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories in the collateral pool, is available to pay the full amount of their deposits to the government units.

For the Statement of Cash Flows, the Parking Authority combines the unrestricted cash and cash equivalents with the restricted cash and cash equivalents. The Parking Authority considers investments with maturities of three months or less at the time of purchase to be cash equivalents.

**Inventory**

Inventory consists principally of packaged food and beverages utilized for resale in the vending machines. Inventory is valued at cost, and determined on a first-in, first-out basis. Inventories, which benefit future periods, are recorded as an expenditure during the year of purchase.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Property and Equipment**

Property and equipment are stated at cost. The Parking Authority considers all assets with a cost exceeding \$3,000 and a useful life of more than one year to be capital assets. Depreciation is provided by the straight-line method over the estimated economic useful lives of the assets. Depreciation for the years ended December 31, 2021 and 2020 was \$54,419 and \$56,522, respectively.

The estimated lives of depreciable assets are:

Meters	7-12 years
Machinery and equipment	5-15 years
Furniture and fixtures	3-10 years
Transportation equipment	5-10 years
Facility improvements	5-40 years

**Accrued Sick Time**

It is the Parking Authority's policy to permit employees to accumulate a limited amount of earned but unused sick time benefits, which will be paid to the employees upon separation from service. The amount of accrued sick time earned but unused and the anticipated payroll tax expense associated with the earned but unused sick time benefits is \$35,952 and \$34,176 at December 31, 2021 and 2020, respectively. This long-term unrestricted liability is included in the financial statements as "compensated absences."

**Unearned Revenue**

Unearned revenue consists of parking decals purchased in the current year that are to be used in the following year. The revenue will be recognized in the year the parking decal is to be used.

**Income Tax Status**

The Parking Authority is exempt from Federal income tax under Section 501(c)(1) of the Internal Revenue Code since it was created by virtue of a Township of Toms River ordinance. In addition, the Parking Authority is exempt from State income taxes as a government unit.

**Pension & OPEB Section**

For purposes of measuring the net pension and other post-employment benefits liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and other post-employment benefits, and pension and other post-employment benefits expenses, information about the fiduciary net position of the Public Employees' Retirement System ("PERS"), the Other Post-Employment Benefits ("OPEB") and additions to/deductions from the PERS's and OPEB's fiduciary net position have been determined on the same basis as they are reported by the plan. For these purposes, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Net Position**

Net position, represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified in the following three components:

Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Parking Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

**Deferred Inflows/Outflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

**Impact of Recently Issued Accounting Pronouncements**

*Recently Issued Accounting Pronouncements Not Yet Adopted*

The GASB has issued the following Statements which will become effective in future fiscal years as shown below:

Statement No. 87, *Leases*. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after June 15, 2021. Management has not yet determined the potential impact on the Authority's financial statements.

**Subsequent Events**

The Parking Authority has evaluated subsequent events occurring after the Statement of Net Position date and through March 24, 2023, which is the date the financial statements were available to be issued. See Note 13 for additional information.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 3: CASH**

The Parking Authority is governed by the deposit and investment limitations of New Jersey state law. The deposits held at December 31, 2021 and 2020, and reported at fair value, are as follows:

<b>Deposits:</b>	<u><b>2021</b></u>	<u><b>2020</b></u>
Demand deposits	\$ 148,734	\$ 108,075
Total deposits	<u>\$ 148,734</u>	<u>\$ 108,075</u>

**Reconciliation to Statements of Net Position:**

Current assets:		
Cash	\$ 133,220	\$ 80,268
Current restricted assets:		
Cash	15,514	27,807
Total deposits	<u>\$ 148,734</u>	<u>\$ 108,075</u>

**Restricted Cash**

Restricted cash consisted of the following:

	<u><b>2021</b></u>	<u><b>2020</b></u>
New Jersey Transit Park & Ride facility	\$ 15,514	\$ 16,245
Funds held with trustee	-	11,562
Total	<u>\$ 15,514</u>	<u>\$ 27,807</u>

**Custodial Credit Risk Related to Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the Parking Authority's deposits might not be recovered. Although the Parking Authority does not have a formal policy regarding custodial credit risk, *N.J.S.A. 17:9-41* et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Parking Authority in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings or funds that may pass to the Parking Authority relative to the happening of a future condition. If the Parking Authority had any such funds, they would be shown as Uninsured and Uncollateralized in the schedule below. As of December 31, 2021 and 2020, the Parking Authority's bank balances were insured or exposed to credit risk as follows:

	<u><b>2021</b></u>	<u><b>2020</b></u>
Insured by FDIC	\$ 122,419	\$ 82,206
Uninsured and Collateralized with securities held by the pledging bank's trust department	-	-
Total	<u>\$ 122,419</u>	<u>\$ 82,206</u>



**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 4: CAPITAL ASSETS**

Capital assets at December 31, 2021 consisted of the following:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets that are not being depreciated:				
Land	\$ 153,250	\$ -	\$ -	\$ 153,250
Total capital assets not being depreciated	<u>153,250</u>	<u>-</u>	<u>-</u>	<u>153,250</u>
Meters	503,585	7,032	-	510,617
Machinery and equipment	179,714	-	(51,932)	127,782
Furniture and fixtures	25,594	-	-	25,594
Transportation equipment	155,952	-	-	155,952
Facility improvements	338,073	-	-	338,073
Totals at historical cost	<u>1,202,918</u>	<u>7,032</u>	<u>(51,932)</u>	<u>1,158,018</u>
Less accumulated depreciation:	<u>(937,124)</u>	<u>(54,419)</u>	<u>18,176</u>	<u>(973,367)</u>
Total capital assets being depreciated net of accumulated depreciation	<u>265,794</u>	<u>(47,387)</u>	<u>(33,756)</u>	<u>184,651</u>
Government activities capital assets, net	<u>\$ 419,044</u>	<u>\$ (47,387)</u>	<u>\$ (33,756)</u>	<u>\$ 337,901</u>

Capital assets at December 31, 2020 consisted of the following:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets that are not being depreciated:				
Land	\$ 153,250	\$ -	\$ -	\$ 153,250
Total capital assets not being depreciated	<u>153,250</u>	<u>-</u>	<u>-</u>	<u>153,250</u>
Meters	503,585	-	-	503,585
Machinery and equipment	173,161	6,553	-	179,714
Furniture and fixtures	25,594	-	-	25,594
Transportation equipment	155,952	-	-	155,952
Facility improvements	338,073	-	-	338,073
Totals at historical cost	<u>1,196,365</u>	<u>6,553</u>	<u>-</u>	<u>1,202,918</u>
Less accumulated depreciation:	<u>(880,602)</u>	<u>(56,522)</u>	<u>-</u>	<u>(937,124)</u>
Total capital assets being depreciated net of accumulated depreciation	<u>315,763</u>	<u>(49,969)</u>	<u>-</u>	<u>265,794</u>
Government activities capital assets, net	<u>\$ 469,013</u>	<u>\$ (49,969)</u>	<u>\$ -</u>	<u>\$ 419,044</u>

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 4: CAPITAL ASSETS (continued)**

Depreciation expense for the years ended December 31, 2021 and 2020 was \$54,419 and \$56,522, respectively.

**NOTE 5: LONG-TERM DEBT**

During the years ended December 31, 2021 and 2020, the following changes occurred in long-term obligations:

	Balance <u>December 31, 2020</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>December 31, 2021</u>	Balance Due Within <u>One Year</u>
Notes Payable	\$ 120,594	\$ -	\$ 52,652	\$ 67,942	\$ 39,168
Compensated Absences	34,176	1,776	-	35,952	-
Net Pension Liability	822,053	-	520,601	301,452	-
Net Other Postemployment Benefits Liability	4,106,174	-	3,717,961	388,213	-
	<u>\$ 5,082,997</u>	<u>\$ 1,776</u>	<u>\$ 4,291,214</u>	<u>\$ 793,559</u>	<u>\$ 39,168</u>

	Balance <u>December 31, 2019</u>	Balance Due Within <u>One Year</u>	<u>Reductions</u>	Balance <u>December 31, 2020</u>	Balance Due Within <u>One Year</u>
Notes Payable	\$ 178,054	\$ -	\$ 57,460	\$ 120,594	\$ 52,652
Compensated Absences	53,077	-	18,901	34,176	-
Net Pension Liability	1,091,567	-	269,514	822,053	-
Net Other Postemployment Benefits Liability	4,106,174	-	-	4,106,174	-
	<u>\$ 5,428,872</u>	<u>\$ -</u>	<u>\$ 345,875</u>	<u>\$ 5,082,997</u>	<u>\$ 52,652</u>

Long-term debt consisted of the following as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Mortgage payable to Sovereign Bank, secured by the land purchased, with an interest rate of 5.10% with monthly principal and interest payments of \$1,004.	\$ -	\$ 3,554
Capital lease payable to Garden State Bobcat Inc., secured by the equipment purchased, with an interest rate of 5.95% with monthly principal and interest payments of \$978.	-	11,428
Capital lease payable to First Capital Equipment Leasing Corporation, secured by the equipment purchased, with an interest rate of 3.94% with monthly principal and interest payments of \$3,421 for 84 months, maturing in August 2023	<u>67,942</u>	<u>105,612</u>
Total debt	67,942	120,594
Less: current portion	<u>(39,168)</u>	<u>(52,652)</u>
Long-term debt, net of current portion	<u>\$ 28,774</u>	<u>\$ 67,942</u>

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 5: LONG-TERM DEBT (continued)**

Future maturities of long-term debt are as follows:

2022	\$ 39,168
2023	<u>28,774</u>
Total	<u>\$ 67,942</u>

**NOTE 6: NET POSITION – RESTRICTED FOR NEW JERSEY TRANSIT CONTINGENCY FUNDS**

Under the terms of an agreement with the New Jersey Transit Corporation, parking fees generated at the Toms River Bus Park and Ride Facility shall be sufficient to meet operating and normal maintenance costs and provide a contingency fund equal to ten percent of gross monthly revenues. Beginning on January 1, 2004, the annual ten percent contingency capital fund reserve requirement was replaced with a flat contingency fund reserve amount of \$2,500 per quarter, or \$10,000 annually.

Monies accumulated in the contingency fund must be retained for major repairs of the Facility or for construction, purchases, or lease of additional commuter parking facilities. Should there be any excess revenue after these costs and the reserve for contingency capital fund, these excesses will be deposited into the contingency fund and is payable to the New Jersey Transit Corporation within thirty-one (31) days of the end of each calendar year. As of December 31, 2021 and 2020, there was a cumulative balance in this fund of \$(462,514) and \$(344,677), respectively. The contingency capital fund set aside for future major repairs as of December 31, 2021 and 2020 was \$165,245 and \$155,245, respectively. Combined, this resulted in net asset balances reserved for the New Jersey Transit contingency funds as of December 31, 2021 and 2020 of \$(297,269) and \$(189,432), respectively.

**NOTE 7: RELATED PARTY COMMITMENTS**

**Parking Lot**

The Parking Authority leases property from the Township of Toms River for use as a parking lot on a monthly basis. There is no rental cost to the Parking Authority, providing that a tax exemption for tax-exempt use can be maintained. Otherwise, the Parking Authority will assume payments for the real estate taxes on the property. The Parking Authority provides for all maintenance and insurance costs.

**Parking Garage**

Under an agreement with the Township of Toms River, the Parking Authority is to operate and maintain a municipal parking garage. The Parking Authority is responsible for the operating expenses of the facility including insurance, repairs and maintenance, utilities, and personnel salaries. The second level of the garage is reserved for use by the Township of Toms River.

**Office Space**

The Township of Toms River also allows the Parking Authority to occupy space as an office within the Township's administration building.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 8: PENSION OBLIGATIONS**

**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 Comprehensive Annual Financial Report (CAFR), 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, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

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 1/55<sup>th</sup> 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 1/60<sup>th</sup> 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.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 8: PENSION OBLIGATIONS (continued)**

**Public Employees' Retirement System (PERS) (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 2019, 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, 2021, the Parking Authority's contractually required contribution to PERS plan was \$29,801.

**Components of Net Pension Liability**

At December 31, 2021, the Parking Authority's proportionate share of the PERS net pension liability was \$301,454. The net pension liability was measured as of June 30, 2021. 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 June 30, 2020, which was rolled forward to June 30, 2021. The Parking Authority's proportion of the net pension liability was based on the Parking Authority's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The Parking Authority's proportion measured as of June 30, 2021, was 0.0025446663% which was a decrease of 0.0024963339% from its proportion measured as of June 30, 2021.

**Balances at December 31, 2021 and December 31, 2020**

	<u>12/31/2021</u>	<u>12/30/2020</u>
	June 30, 2021	June 30, 2020
Actuarial valuation date (including roll forward)		
Deferred Outflows of Resources	\$ 28,344	\$ 123,201
Deferred Inflows of Resources	814,914	608,060
Net Pension Liability	301,454	822,055
 Parking Authority's portion of the Plan's total Net Pension Liability	 0.00254%	 0.00504%

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 8: PENSION OBLIGATIONS (continued)**

**Public Employees' Retirement System (PERS) (continued)**

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

At December 31, 2021, the Parking Authority's proportionate share of the PERS (benefit) expense, calculated by the plan as of the June 30, 2021 measurement date is (\$189,091). At December 31, 2021, the Parking Authority reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 4,754	\$ 2,158
Changes of Assumptions	1,570	107,320
Net Difference between Projected and Actual Earnings on Pension		
Plan Investments	-	79,411
Changes in Proportion and Differences between Parking Authority Contributions and Proportionate Share of Contributions	22,020	626,025
	\$ 28,344	\$ 814,914

The Parking Authority will amortize the above sources of deferred outflows and inflows related to PERS over the following number of years:

	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	5.13	-

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 8: PENSION OBLIGATIONS (continued)**

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

Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	-	5.13
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 8: PENSION OBLIGATIONS (continued)**

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

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:

<u>Year Ending</u> <u>June 30,</u>	<u>Amount</u>
2022	\$ (297,698)
2023	(248,860)
2024	(203,660)
2025	(25,240)
2026	(11,112)
	\$ (786,570)
	\$ (786,570)

**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:	
Through 2026	2.00 - 6.00% Based on Years of Service
Thereafter	3.00 - 7.00% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PERS	Pub-2010 General Below-Median Income Employee mortality table with 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, 2014 - June 30, 2018



**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 8: PENSION OBLIGATIONS (continued)**

**Actuarial Assumptions (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, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

**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, 2021) 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, 2021 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%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 8: PENSION OBLIGATIONS (continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2021 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. 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 will be based on 70% 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 through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the Parking Authority's proportionate share of the Net Pension Liability to Changes in the Discount Rate**

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

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Parking Authority's Proportionate Share of the Net Pension Liability	<u>\$ 414,895</u>	<u>\$ 301,454</u>	<u>\$ 211,123</u>

**NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**General Information about the OPEB Plan**

The financial statements of the Authority 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.

Parking Authority of the Township of Toms River provides post-employment medical and prescription drug coverage to eligible retired employees and their spouses and additionally dental, and vision benefits to eligible retired employees and their spouses. The Parking Authority Plan is a single employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. The Parking Authority Plan does not issue a separate financial report.

Parking Authority of the Township of Toms River pays 100% of the insurance cost for the retiree.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
 (A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)

**Notes to Financial Statements (continued)**

**NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)**

**General Information about the OPEB Plan (continued)**

**Employees and Retirees Covered**

At December 31, 2021, the following employees were covered by the Parking Authority plan:

<b>Participant Data</b>	<b><u>Amount</u></b>
Retired Employees	
Retirees	1
Spouses	-
Total	<u>1</u>
Average Age	66

**Actuarial Assumptions and Other Inputs**

This valuation has been conducted as of December 31, 2020 based on census, plan design and premium information provided by the Parking Authority. Census includes 1 retired participants (including spouses). The Measurement Date, for each fiscal year is as of the end of the prior year. Thus, the Total OPEB Liability for fiscal year ending December 31, 2021 of \$388,213 is measured at December 31, 2020 as allowed under GASB 75.

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:

Actuarial Cost Method	Entry Age Normal as a level percentage of payroll				
Discount Rate	Based on average of 20 year bond indices (e.g., Bond Buyer-20 Bond GO - 2.12%, S&P Municipal Bond 20 Year High Grade Rate Index - 1.93%, and Fidelity GA AA 20 Years - 2.00%) 2.02% at December 31, 2020				
Salary Increases	Not applicable for the valuation since a closed group of retirees				
Health Care Cost Trend	8.00% for 2018-2019 grading down to 5.00% (by 0.5% increments) in 2026.				
Per Capita Claims Costs and Premiums	Annual per capita cost for retiree and spouse at age 64 and 65. <table border="0" style="margin-left: 40px;"> <tr> <td>Age 64</td> <td style="text-align: right;">\$ 23,052</td> </tr> <tr> <td>Age 65</td> <td style="text-align: right;">\$ 18,180</td> </tr> </table>	Age 64	\$ 23,052	Age 65	\$ 18,180
Age 64	\$ 23,052				
Age 65	\$ 18,180				
Rates of Mortality	RP 2014 Healthy Male and Female (as applicable) Tables projected to 2037 with scale MP-2020				

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**  
**NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)**

**Actuarial Assumptions and Other Inputs (continued)**

Rates of Turnover	Ultimate termination rates vary by age and years of turnover based on the NJ PERS
Rates of Retirement	Annual rates varying by age and years of service based on the NJ PERS
Rates of Disability	Rates varying by age based on the NJ PERS
Spouse Assumption	Marrital status is assumed not to change prior to or after retirement
Retiree Participation	100% of eligible retirees are assumed to elect to participate in the plan
Funding Policy	Pay as you go
Investment Rate of Return	Not applicable
Asset Valuation Method	Not applicable

**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, 2020, the discount rate utilized was 2.02%

**Changes in the Total OPEB Liability**

The changes to the total OPEB Liability during the year ending December 31, 2020 were as follows:

<b>Total OPEB Liability</b>	
Balance, January 1, 2020	\$ 4,106,174
Changes for the Year:	
Service Cost	-
Interest Cost	82,858
Changes of Assumptions	(3,792,244)
Difference between Actual and Expected	-
Benefits Paid (implicit)	(8,575)
Net Changes	(3,717,961)
Balance, December 31, 2020	\$ 388,213

The following presents the total OPEB liability of the Parking Authority, as well as what the Parking Authority's total OPEB liability would be, if it were calculated using a discount rate that is 1-percentage-point lower (1.02 percent) or 1-percentage pointer higher (3.02 percent) that the current discount rate:

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)**

**Changes in the Total OPEB Liability (continued)**

	December 31, 2020		
	At 1% Decrease (1.02%)	At Discount Rate (2.02%)	At 1% Increase (3.02%)
Total OPEB Liability	\$ 451,633	\$ 388,213	\$ 336,517

The following presents the total OPEB liability of the Parking Authority, as well as what the Parking Authority's total OPEB liability would be, if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage pointer higher that the current healthcare cost trend rate:

	December 31, 2020		
	1% Decrease	Healthcare Cost Trend Rate*	1% Increase
Total OPEB Liability	\$ 336,683	\$ 388,213	\$ 449,971

\* See Healthcare Cost Trend Assumptions for details of rates.

**OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2020, the Parking Authority's OPEB expense (benefit) was estimated to be (\$3,717,961). At December 31, 2020, the Parking Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ -	\$ -
Changes of Assumptions	-	(3,792,244)
Total	\$ -	\$ (3,792,244)

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)**

**Other Supplementary Information**

**Schedule of Changes in the Parking Authority's Total OPEB Liability and Related Ratios**

	Fiscal Year Ending December 31,			
	2020	2019	2018	2017
Service Cost	\$ -	\$ 93,880	\$ 75,972	N/A
Interest Cost	82,858	113,358	109,942	
Changes of Assumptions	(3,792,244)	853,323	-	
Difference between Actual and Expected	-	-	-	
Benefits Paid (implicit)	(8,575)	(19,905)	(27,237)	
Net Change in Total OPEB Liability	(3,717,961)	1,040,656	158,677	
Total OPEB Liability (Beginning)	4,106,174	3,065,518	2,906,841	
Total OPEB Liability (Ending)	<u>\$ 388,213</u>	<u>\$ 4,106,174</u>	<u>\$ 3,065,518</u>	
Total Covered Employee Payroll	-	331,743	331,743	
Net OPEB Liability as a Percentage	0%	1238%	924%	

**Schedule of Funding Progress**

Year Ended	December 31,	
	2020	2019
Total OPEB Liability	\$ 388,213	\$ 4,106,174
Fiduciary Net Position	-	-
Net OPEB Liability	<u>\$ 388,213</u>	<u>\$ 4,106,174</u>
Funded Ratio	0%	0%
Covered Payroll	-	331,743
Net OPEB Liability as a Percentage of Covered Payroll	0%	1238%

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)**

**Other Supplementary Information (continued)**

**Schedule of Employer Contributions**

Year Ended December 31,	Actuarial Determined Contribution	Actual Contribution	Contribution Deficiency	Covered Payroll	Contributions Percentage Covered Payroll
2020	\$ 17,417	\$ 8,575	\$ 8,842	\$ -	0%
2019	291,240	19,905	271,335	331,743	6%

**NOTE 10: LEASE AGREEMENT**

During the year ended December 31, 2004, the Parking Authority and New Jersey Transit Corporation entered into a five year operating agreement that required the Parking Authority to remit monthly rental payments for the Park and Ride Facility. The agreement expired on December 31, 2008. The Facility is currently operating on a month-to-month basis until the agreement is approved and a new, up-to-date agreement is entered into. The annual rental payments are set at \$48,000, payable in twelve monthly payments of \$4,000. Rent expense was \$48,000 for the years ended December 31, 2021 and 2020.

**NOTE 11: DEFICIT UNRESTRICTED NET POSITION**

As reflected on the statements of net position, a deficit in unrestricted net position of \$(5,793,543) and \$(5,091,085) existed as of December 31, 2021 and 2020, respectively, for governmental activities. The primary cause of this deficit is the recording of the long-term liability and deferred inflows for net pension and other postemployment benefits. In accordance with full accrual accounting, which is the basis of accounting for the statement of net position, such liabilities are required to be recorded in the period in which they are incurred. However, in accordance with the rules and regulations that govern the Parking Authority in the formulation of their annual budget (see Note 1), pension liabilities and other postemployment benefits liabilities that relate to future services, or that are contingent on a specific event outside the control of the Parking Authority and its employees, are funded in the period in which such services are rendered or in which such events take place.

**NOTE 12: GOING CONCERN**

As indicated in the accompanying financial statements, the Parking Authority showed a decrease in net position of \$838,786 during the year ended December 31, 2021. As of that date, the Parking Authority's current liabilities exceeded its current assets by \$825,549. Revenues increased by 6% for the year ended December 31 2021 due to recovery from the COVID-19 pandemic. However, the Parking Authority had an net operating loss (excluding unbudgeted pension and other past employment benefits) of \$145,883. Those factors, as well as the uncertain conditions that the Parking Authority faces regarding its future liabilities owed to New Jersey Transit and New Jersey Public Employees' Retirement System (as discussed below) create an uncertainty about the Parking Authority's ability to continue as a going concern. Management of the Parking Authority is developing a plan to reduce its liabilities with funds raised from future rate increases for decals. Additionally, the Parking Authority sold one of its parking lots to the Township of Toms River, see Note 13 for additional information.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to Financial Statements (continued)**

**NOTE 12: GOING CONCERN (continued)**

The ability of the Parking Authority to continue as a going concern is dependent on acceptance of the plan by its governing powers and is dependent on the plan's success. The financial statements do not include any adjustments that might be necessary if the Parking Authority is unable to continue as a going concern.

As of the date of this audit report, the Parking Authority has an outstanding payable balance with New Jersey Transit pertaining to the months of January 2020 to December 2021 totaling approximately \$525,000.

Additionally, as of the date of this audit report the Parking Authority has an outstanding payable with the New Jersey Public Employees' Retirement System as of December 31, 2021 totaling approximately \$175,400.

The Authority was not eligible for any Federal, State or Local COVID-19 pandemic aid programs.

**NOTE 13: SUBSEQUENT EVENT**

On December 28, 2022, the Parking Authority sold a vacant lot to the Township of Toms River in the amount of \$700,000.



**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**Schedule of the Authority's Proportionate Share of the Net Pension Liability**  
**Public Employee's Retirement System**  
**Last Eight Fiscal Years \***

	Measurement Date Ended June 30,							
	2021	2020	2019	2018	2017	2016	2015	2014
Authority's proportion of the net pension liability (asset)	0.00254%	0.00504%	0.00606%	0.00651%	0.00617%	0.00640%	0.00552%	0.00496%
Authority's proportionate share of the net pension liability (asset)	\$ 301,452	\$ 822,053	\$ 1,091,567	\$ 1,280,825	\$ 1,435,786	\$ 1,896,940	\$ 1,239,699	\$ 928,999
Authority's covered-employee payroll	\$ 202,891	\$ 231,450	\$ 346,972	\$ 381,442	\$ 465,609	\$ 444,702	\$ 419,996	\$ 366,970
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	148.58%	355.18%	286.17%	275.09%	322.86%	451.66%	337.82%	274.54%
Plan fiduciary net position as a percentage of the total pension liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
 Schedule of Authority Contributions  
 Public Employee's Retirement System  
 Last Eight Fiscal Years \*

	Year Ended December 31,							
	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 29,801	\$ 55,146	\$ 58,927	\$ 64,705	\$ 57,139	\$ 56,900	\$ 47,479	\$ 40,905
Contributions in relation to the contractually required contribution	(29,801)	(55,146)	(58,927)	(64,705)	(57,139)	(56,900)	(47,479)	(40,905)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's covered-employee payroll	\$ 202,891	\$ 231,450	\$ 346,972	\$ 381,442	\$ 465,609	\$ 444,702	\$ 419,996	\$ 366,970
Contributions as a percentage of covered-employee payroll	14.69%	23.83%	16.98%	16.96%	12.27%	12.80%	11.30%	11.15%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, State of New Jersey)**  
**Schedule of Changes in the Net OPEB Liability and Related Ratios**  
**Other Postemployment Benefits Plan (OPEB)**  
**Last Three Fiscal Years\***

<b>Authority's Total OPEB Liability</b>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Service Cost	\$ -	\$ -	\$ 93,880
Interest Cost	82,858	-	113,358
Changes in Assumptions	(3,792,244)	-	853,323
Contributions: Members	-	-	-
Gross Benefit Payments	<u>(8,575)</u>	<u>-</u>	<u>(19,905)</u>
<b>Net Changes in the Authority's Total OPEB Liability</b>	<u>(3,717,961)</u>	<u>-</u>	<u>1,040,656</u>
Authority's Total OPEB Liability (Beginning)	4,106,174	4,106,174	3,065,518
Authority's Total OPEB Liability (Ending)	<u>\$ 388,213</u>	<u>\$ 4,106,174</u>	<u>\$ 4,106,174</u>
Authority's Covered Payroll	\$ -	\$ 331,743	\$ 331,743
Authority's Net OPEB Liability as a Percentage of Payroll	0%	1238%	1238%

Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date)

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10- year trend is compiled, governments should present information for those years for which information is available.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Notes to the Required Supplementary Information**  
**For the year ended December 31, 2020**

**Public Employees' Retirement System (PERS)**

***Changes of Benefit Terms***

The June 30, 2021 measurement date includes one change in plan provisions as Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the Defined Contribution Retirement Program (DCRP) and regular part of PERS into the WCJ Part of PERS.

***Changes of Assumptions***

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	5.66%	2015	4.90%
2020	7.00%	2017	5.00%	2014	5.39%
2019	6.28%	2016	3.98%		

The long-term expected rate of return used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.00%	2017	7.00%	2014	7.90%
2019	7.00%	2016	7.65%		

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

**Other Post-Employment Benefits (OPEB)**

***Changes of Benefit Terms***

None.

***Changes of Assumptions***

The discount rate changed from 2.90% as of December 31, 2019, to 2.02% as of December 31, 2020.

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
(A Component Unit of the Township of Toms River, State of New Jersey)  
**Statements of Net Position - Restricted and Unrestricted**  
For the year ended December 31, 2021 (With Comparative Totals for 2020)

Schedule IV

	2021				2020
	Parking Authority of the Township of Toms River	Toms River Bus Park and Ride Facility	Elimination	Combined	(Memorandum Only)
	Unrestricted	Restricted			Total
<b>ASSETS</b>					
Current unrestricted assets:					
Cash	\$ 133,220	\$ 15,514	\$ -	\$ 148,734	\$ 96,513
Accounts receivable	5,172	-	-	5,172	10,589
Inventory	2,348	-	-	2,348	2,348
Prepaid expenses	7,846	-	-	7,846	1,947
Due from Park and Ride	202,549	-	(202,549)	-	-
Total current unrestricted assets	351,135	15,514	(202,549)	164,100	111,397
Current restricted assets:					
Cash	-	-	-	-	11,562
Total current restricted assets	-	-	-	-	11,562
Capital assets, net	337,901	-	-	337,901	419,044
Total assets	689,036	15,514	(202,549)	502,001	542,003
<b>DEFERRED OUTFLOW OF RESOURCES</b>					
Deferred outflows related to pensions	28,344	-	-	28,344	123,201
Deferred outflows related to other postemployment benefits	-	-	-	-	853,323
Total deferred outflow of resources	28,344	-	-	28,344	976,524
Total assets and deferred outflow of resources	\$ 717,380	\$ 15,514	\$ (202,549)	\$ 530,345	\$ 1,518,527

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, State of New Jersey)**  
**Statements of Net Position - Restricted and Unrestricted (continued)**  
**For the year ended December 31, 2021 (With Comparative Totals for 2020)**

Schedule IV

	2021				2020
	Parking Authority of the Township of Toms River	Toms River Bus Park and Ride Facility			(Memorandum Only)
	Unrestricted	Restricted	Elimination	Combined	Total
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and accrued expenses	\$ 81,149	\$ 94,974	\$ -	\$ 176,123	\$ 123,369
Pensions payable	175,402	-	-	175,402	154,179
Unearned revenue	57,732	15,260	-	72,992	50,180
Bus fees payable	525,964	-	-	525,964	481,809
Current portion of notes payable	39,168	-	-	39,168	52,652
Due to Parking Authority	-	202,549	(202,549)	-	-
Total current unrestricted liabilities	<u>879,415</u>	<u>312,783</u>	<u>-</u>	<u>989,649</u>	<u>862,189</u>
Long-term liabilities:					
Compensated absences	35,952	-	-	35,952	34,176
Notes payable, net of current portion	28,774	-	-	28,774	67,942
Net pension liability	301,452	-	-	301,452	822,053
Net other postemployment benefits liability	388,213	-	-	388,213	4,106,174
Total long-term unrestricted liabilities	<u>754,391</u>	<u>-</u>	<u>-</u>	<u>754,391</u>	<u>5,030,345</u>
Total liabilities	<u>1,633,806</u>	<u>312,783</u>	<u>-</u>	<u>1,744,040</u>	<u>5,892,534</u>
<b>DEFERRED INFLOW OF RESOURCES</b>					
Deferred inflows related to pensions	814,914	-	-	814,914	608,060
Deferred inflows related to other postemployment benefits	3,792,244	-	-	3,792,244	-
Total deferred inflow of resources	<u>4,607,158</u>	<u>-</u>	<u>-</u>	<u>4,607,158</u>	<u>608,060</u>
<b>NET POSITION</b>					
Net investment in capital assets	269,959	-	-	269,959	298,450
Restricted for New Jersey Transit contingency fund reserve	-	165,245	-	165,245	155,245
Restricted for New Jersey Transit contingency funds	-	(462,514)	-	(462,514)	(344,677)
Unrestricted net position	<u>(5,793,543)</u>	<u>-</u>	<u>-</u>	<u>(5,793,543)</u>	<u>(5,091,085)</u>
Total net position	<u>(5,523,584)</u>	<u>(297,269)</u>	<u>-</u>	<u>(5,820,853)</u>	<u>(4,982,067)</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 717,380</u>	<u>\$ 15,514</u>	<u>\$ -</u>	<u>\$ 530,345</u>	<u>\$ 1,518,527</u>

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, State of New Jersey)**  
**Revenues, Expenses and Changes in Net Position - Restricted and Unrestricted**  
**For the year ended December 31, 2021 (With Comparative Totals for 2020)**

Schedule V

	2021			2020	
	Parking Authority of the Township of Toms River	Toms River Bus Park and Ride Facility		Combined  Total	(Memorandum Only)  Total
	Unrestricted	Restricted			
	General Fund	Contingency Capital Fund	Contingency Fund Reserve		
Operating revenues:					
Meters					
Bus ticket commissions	\$ 201,569	\$ 7,500	\$ 90,867	\$ 299,936	\$ 220,695
Decals	44,659	-	-	44,659	62,752
Fines	109,035	2,500	22,310	133,845	182,451
Contracts	98,895	-	-	98,895	78,995
	16,000	-	-	16,000	16,000
Total operating revenues	<u>470,158</u>	<u>10,000</u>	<u>113,177</u>	<u>593,335</u>	<u>560,893</u>
Operating expenses:					
Cost of providing services	272,602	-	204,509	477,111	
General and administrative	181,183	-	26,505	207,688	538,295
Depreciation	54,419	-	-	54,419	269,892
Unbudgeted pension credit	(218,890)	-	-	(218,890)	56,522
Unbudgeted other postemployment benefit expense	927,606	-	-	(218,890)	(39,358)
Total operating expenses	<u>1,216,920</u>	<u>-</u>	<u>231,014</u>	<u>1,447,934</u>	<u>825,351</u>
Net operating (loss) income	<u>(746,762)</u>	<u>10,000</u>	<u>(117,837)</u>	<u>(854,599)</u>	<u>(264,458)</u>
Non-operating revenue (expenses):					
Vending commissions	8,889	-	-	8,889	10,539
Interest expense	(3,758)	-	-	(3,758)	(5,591)
Gain on sale of asset	6,244	-	-	6,244	-
Miscellaneous	4,438	-	-	4,438	10,451
Total non-operating revenues (expenses)	<u>15,813</u>	<u>-</u>	<u>-</u>	<u>15,813</u>	<u>15,399</u>
Change in net position	<u>(730,949)</u>	<u>10,000</u>	<u>(117,837)</u>	<u>(838,786)</u>	<u>(249,059)</u>
Net position, January 1	<u>(4,792,635)</u>	<u>155,245</u>	<u>(344,677)</u>	<u>(4,982,067)</u>	<u>(4,733,008)</u>
Net position, December 31	<u>\$ (5,523,584)</u>	<u>\$ 165,245</u>	<u>\$ (462,514)</u>	<u>\$ (5,820,853)</u>	<u>\$ (4,982,067)</u>

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, State of New Jersey)**  
**Operating Expenses - Restricted and Unrestricted**  
**For the year ended December 31, 2021 (With Comparative Totals for 2020)**

Schedule VI

	2021				<u>2020</u>
	Parking Authority of the Township of Toms River	Toms River Bus Park and Ride Facility		Combined	(Memorandum Only) Total
	<u>Unrestricted</u>	<u>Restricted</u>			
	General Fund	Contingency Capital Fund	Contingency Fund Reserve	Total	
Cost of providing services:					
Salaries	\$ 110,632	\$ -	\$ 65,593	\$ 176,225	\$ 152,961
Insurance	53,979	-	20,375	74,354	124,156
Utilities	26,913	-	38,220	65,133	53,599
Rent	-	-	48,000	48,000	48,000
Repairs and maintenance	963	-	5,432	6,395	18,433
Vending	3,571	-	-	3,571	4,887
Pension expense	15,323	-	9,055	24,378	42,281
Payroll taxes	8,246	-	5,309	13,555	22,702
Automotive expense	11,234	-	-	11,234	-
Janitorial expense	-	-	1,948	1,948	5,456
Meter parts and supplies	25,288	-	596	25,884	40,808
Miscellaneous	153	-	661	814	5,740
Security	-	-	1,645	1,645	660
Uniforms	-	-	-	-	390
Snow removal costs	4,000	-	6,005	10,005	-
Signs	-	-	-	-	441
Ticketing	4,536	-	-	4,536	5,166
Lot lease	7,764	-	-	7,764	2,879
Equipment expense	-	-	1,670	1,670	9,736
<b>Total cost of providing services</b>	<u>272,602</u>	<u>-</u>	<u>204,509</u>	<u>477,111</u>	<u>538,295</u>
General and administrative expenses:					
Insurance	44,152	-	10,000	54,152	76,695
Salaries	52,596	-	-	52,596	68,744
Professional fees	26,428	-	15,670	42,098	50,313
Office supplies and expense	5,878	-	835	6,713	12,228
Telephone	6,818	-	-	6,818	10,753
Hospitalization	12,962	-	-	12,962	12,701
Bank charges	18,148	-	-	18,148	16,108
Data processing	2,524	-	-	2,524	2,953
Payroll taxes	3,474	-	-	3,474	4,131
Education expense	-	-	-	-	-
Pension expense	8,203	-	-	8,203	15,266
<b>Total general and administrative expenses</b>	<u>181,183</u>	<u>-</u>	<u>26,505</u>	<u>207,688</u>	<u>269,892</u>
Depreciation	54,419	-	-	54,419	56,522
Unbudgeted pension credit	(218,890)	-	-	(218,890)	(39,358)
Unbudgeted other postretirement benefit expense	927,606	-	-	927,606	-
<b>Total operating expenses</b>	<u>\$ 1,216,920</u>	<u>\$ -</u>	<u>\$ 231,014</u>	<u>\$ 1,447,934</u>	<u>\$ 825,351</u>



**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, State of New Jersey)**  
**Modified Revenues and Expenses - Unrestricted Budget to Actual**  
**For the year ended December 31, 2021**

Schedule VII

	<u>Original Budget</u>	<u>Modified Budget</u>	<u>Unrestricted Actual</u>	<u>Variance</u>
<b>Operating revenues:</b>				
Meters, decals, and fines	\$ 464,594	\$ 464,594	\$ 409,499	\$ (55,095)
Bus ticket commissions	79,200	79,200	44,659	(34,541)
Contracts	16,000	16,000	16,000	-
<b>Total operating revenues</b>	<u>559,794</u>	<u>559,794</u>	<u>470,158</u>	<u>(89,636)</u>
<b>Operating expenses:</b>				
Cost of providing services	329,191	329,191	272,602	56,589
General and administrative expenses	181,408	181,408	181,183	225
<b>Total operating expenses</b>	<u>510,599</u>	<u>510,599</u>	<u>453,785</u>	<u>56,814</u>
<b>Modified net operating income (loss)</b>	<u>49,195</u>	<u>49,195</u>	<u>16,373</u>	<u>(32,822)</u>
<b>Non-operating revenues (expenses):</b>				
Vending commissions	38,100	38,100	8,889	(29,211)
ATM surcharges	8,176	8,176	-	(8,176)
Interest expense	(5,367)	(5,367)	(3,758)	1,609
Equipment sale	46,000	46,000	6,244	(39,756)
Property sales	480,000	480,000	-	(480,000)
Miscellaneous	2,500	2,500	4,438	1,938
<b>Total non-operating revenues (expenses)</b>	<u>569,409</u>	<u>569,409</u>	<u>15,813</u>	<u>(553,596)</u>
<b>Debt service:</b>				
Debt service - principal payments	(363,790)	(363,790)	(52,652)	311,138
<b>Total debt service</b>	<u>(363,790)</u>	<u>(363,790)</u>	<u>(52,652)</u>	<u>311,138</u>
<b>Net budgeted income - modified basis</b>	<u>\$ 254,814</u>	<u>\$ 254,814</u>	<u>\$ (20,466)</u>	<u>\$ (275,280)</u>
<b>Reconciliation to change in net position:</b>				
Net budgeted loss - modified basis			\$ (20,466)	
Plus: debt service			52,652	
Less: depreciation			(54,419)	
Less: unbudgeted pension credit			218,890	
<b>Change in unrestricted net position</b>			(730,949)	
<b>Change in restricted net position</b>			(107,837)	
<b>Change in net position</b>			<u>\$ (838,786)</u>	

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, State of New Jersey)**  
**Modified Revenues and Expenses - Unrestricted Budget to Actual**  
**For the year ended December 31, 2020**

Schedule VIII

	<u>Original Budget</u>	<u>Modified Budget</u>	<u>Unrestricted Actual</u>	<u>Variance</u>
<b>Operating revenues:</b>				
Meters, decals, and fines	\$ 607,000	\$ 320,260	\$ 336,897	\$ 16,637
Bus ticket commissions	263,000	70,112	62,752	(7,360)
Contracts	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>
 Total operating revenues	 <u>886,000</u>	 <u>406,372</u>	 <u>415,649</u>	 <u>9,277</u>
 <b>Operating expenses:</b>				
Cost of providing services	661,380	362,063	336,869	25,194
General and administrative expenses	<u>222,870</u>	<u>201,610</u>	<u>244,651</u>	<u>(43,041)</u>
 Total operating expenses	 <u>884,250</u>	 <u>563,673</u>	 <u>581,520</u>	 <u>(17,847)</u>
 Modified net operating income (loss)	 <u>1,750</u>	 <u>(157,301)</u>	 <u>(165,871)</u>	 <u>(8,570)</u>
 <b>Non-operating revenues (expenses):</b>				
Vending commissions	57,452	9,691	10,539	848
ATM surcharges	11,672	2,560	-	(2,560)
Interest expense	(5,867)	(1,992)	(5,591)	(3,599)
Miscellaneous	<u>-</u>	<u>-</u>	<u>10,451</u>	<u>10,451</u>
 Total non-operating revenues (expenses)	 <u>63,257</u>	 <u>10,259</u>	 <u>15,399</u>	 <u>5,140</u>
 <b>Debt service:</b>				
Debt service - principal payments	<u>(65,007)</u>	<u>(29,318)</u>	<u>(57,460)</u>	<u>(28,142)</u>
 Total debt service	 <u>(65,007)</u>	 <u>(29,318)</u>	 <u>(57,460)</u>	 <u>(28,142)</u>
 Net budgeted income - modified basis	 <u>\$ -</u>	 <u>\$ (176,360)</u>	 <u>\$ (207,932)</u>	 <u>\$ (31,572)</u>
 <b>Reconciliation to change in net position:</b>				
Net budgeted loss - modified basis			\$ (207,932)	
Add back: capital expenditures			57,460	
Plus: debt service			(56,522)	
Less: depreciation			<u>39,358</u>	
Less: unbudgeted pension expense				
 Change in unrestricted net position			 (167,636)	
 Change in restricted net position			 <u>(81,423)</u>	
 Change in net position			 <u>\$ (249,059)</u>	

**PARKING AUTHORITY OF THE TOWNSHIP OF TOMS RIVER**  
**(A Component Unit of the Township of Toms River, County of Ocean, State of New Jersey)**  
**Board of Commissioners and Management**  
**December 31, 2021**

BOARD OF COMMISSIONERS

Tariq M.S. Siddiqui	Chairman
Bill Beining	Vice Chairman
Norvella Lightbody	Secretary
Richard J. Banach	Treasurer
Brenda Tutela	Vice Treasurer
Michael Sutton	Commissioner

MANAGEMENT

Pamela Piner	Executive Director
--------------	--------------------



The Chairman and Commissioners of the  
Parking Authority of the Township of Toms River  
33 Washington Street  
Toms River, NJ 08753

We have audited the financial accounts and transactions of the Parking Authority of the Township of Toms River, a component unit of the Township of Toms River, County of Ocean, State of New Jersey for the year ended December 31, 2021. In accordance with requirements prescribed by the Local Finance Board and 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 then ended.

### GENERAL COMMENTS AND RECOMMENDATIONS

#### **Contracts and Agreements Required to be Advertised by (N.J.S.A.40A:11-4)**

*N.J.S.A.40A:11-4* - 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 \$17,500 except by contract or agreement.

It is pointed out that the Members of the Parking Authority have 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.

Review of the minutes and financial transactions did not identify any bid request by public advertising.

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per *N.J.S.A.40A:11-5*.

In as much 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. The results of our examination did not disclose any discrepancies.

### **Contracts and Agreements Requiring Solicitation of Quotations**

The examination of expenditures revealed individual payments, contracts or agreements in excess of \$2,625 "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of (N.J.S.A.40A:11-6.1). The results of our examination did not disclose any discrepancies.

### **Examination of Bills**

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate. The results of the examination did not disclose any discrepancies with respect to signatures, certification or supporting documentation.

### **Payroll Fund**

The examination of the payroll account included the detailed computation of various deductions or other credits from the payroll of the Authority employees and ascertained that the accumulated withholdings were disbursed to the proper agencies. The results of the examination did not disclose any discrepancies.

### **Current Year Findings**

There were no current year findings.

### **Follow-Up of Prior Year's Findings**

In accordance with *Government Auditing Standards*, and audit requirements prescribed by the Local Finance Board and by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, our procedures included a review of prior year findings. We noted Comment 2020-001 was corrected in the current year.

### **Acknowledgment**

We received the complete cooperation of all the Parking Authority officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

Should you have any questions concerning our comments, please call us.

*Holman Frenia Allison, P.C.*

**HOLMAN FRENIA ALLISON, P.C.**  
*Certified Public Accountants*

March 24, 2023  
Lakewood, New Jersey