

BOROUGH OF ELMWOOD PARK

**Financial Statements with
Supplementary Information
December 31, 2023**

(With Independent Auditor's Reports Thereon)

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BOROUGH OF ELMWOOD PARK
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BOROUGH OF ELMWOOD PARK

PART I

REPORT ON EXAMINATION OF FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Borough Council
Borough of Elmwood Park
Elmwood Park, NJ 07407

Report on the Financial Statements

Adverse Opinion on U.S. Generally Accepted Accounting Principles

We have audited the accompanying balance sheets – regulatory basis of the various funds and account group of the Borough of Elmwood Park, as of December 31, 2023 and 2022, the related statement of operations and changes in fund balance – regulatory basis for the years then ended, and the related statement of revenues -regulatory basis and the statement of expenditures – regulatory basis of the various funds for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough’s basic financial statements as listed in the table of contents.

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the accompanying financial statements referred to above do not present fairly the financial position of each fund of the Elmwood Park as of December 31, 2023 and 2022, or changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”) and Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Borough of Elmwood Park, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse audit opinion.



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

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Basis for Qualified Opinion on Regulatory Basis Accounting Principles

As described in Note 12 of the financial statement, the Borough of Elmwood Park participates in a Length of Service Award Program for its volunteer fire and rescue personnel. The amount reflected in the trust fund statements of \$589,120 and \$524,486 for 2023 and 2022, respectively, were not audited and, therefore, we express no opinion on the LOSAP program.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the “*Basis for Qualified Opinion on Regulatory Basis Accounting Principles*” paragraph, for the financial statements referred to above, present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2023 and 2022, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures and changes in fund balance for the year ended December 31, 2023 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above, present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2023 and 2022, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures and changes in fund balance for the year ended December 31, 2023 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, 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 misstatements, 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 Borough of Elmwood Park'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 statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgement 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 Borough'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough'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.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Elmwood Park's basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

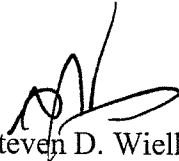
The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or any form of assurance thereon.

Other Reporting Required by Government Auditing Standards

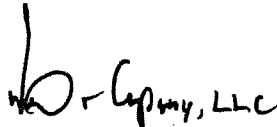
In accordance with *Government Auditing Standards*, we have also issued our report dated April 12, 2024 on our consideration of the Borough of Elmwood Park's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant 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

Honorable Mayor and
Members of the Borough Council
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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 Borough of Elmwood Park's internal control over financial reporting and compliance.



Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CR00413



WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

April 12, 2024

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BOROUGH OF ELMWOOD PARK, N.J.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2023 and 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	\$ 11,428,461	13,171,079
Change Fund	A-5	<u>200</u>	<u>200</u>
		<u>11,428,661</u>	<u>13,171,279</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes Receivable	A-12	846,738	504,469
Tax Title Liens Receivable	A-9	3,501	914
Property Acquired for Taxes - Assessed Valuation	A-13	23,450	23,450
Revenue Accounts Receivable	A-14	46,491	169,306
Interfund Accounts Receivable	A-17	<u>135,116</u>	<u>60,954</u>
		<u>1,055,296</u>	<u>759,093</u>
Deferred Charges:			
Over-expenditure of Appropriation Reserve	A-18	5,134	
Over-expenditure of Budget Appropriations	A-3	58,652	
Emergency Appropriations	A-16	1,063,296	
Special Emergency Authorizations	A-15	<u>330,793</u>	<u>441,058</u>
		<u>1,457,875</u>	<u>441,058</u>
		<u>13,941,832</u>	<u>14,371,430</u>
Federal and State Grant Fund:			
Due from Current Fund	A-10	134,807	1,237,639
Due from General Capital Fund	A-11	904	3,240
Due from Other Trust Fund	A-28	144,433	
Over-Expenditure of Grant Reserve	A-29	12,600	
Grants Receivable	A-8	<u>168,362</u>	<u>31,305</u>
		<u>461,106</u>	<u>1,272,184</u>
		<u>\$ 14,402,938</u>	<u>15,643,614</u>

BOROUGH OF ELMWOOD PARK, N.J.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2023 and 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3/A-18	\$ 819,459	362,476
Encumbrances Payable	A-3/A-19	273,036	816,315
Due to Federal and State Grant Fund	A-10	134,807	1,237,639
Due to State of New Jersey:			
Senior Citizens and Veterans Deductions	A-7	76,197	74,284
Interfunds Payable	A-17	264,596	8,569
Reserve for Municipal Relief Aid	A-20	152,485	76,259
Reserve for Other Expenditures	A-21	455,224	1,492,224
Tax Overpayments	A-22	12,518	55,403
Marriage License Fees Payable	A-24	675	75
County Taxes Payable	A-25	135,864	3,340
Prepaid Taxes	A-26	332,859	306,905
Due to LOSAP - Plan Assets	A-27	102,752	102,752
		<u>2,760,472</u>	<u>4,536,241</u>
Reserve for Receivables	Contra	1,055,296	759,093
Fund Balance	A-1	<u>10,126,064</u>	<u>9,076,096</u>
		<u>13,941,832</u>	<u>14,371,430</u>
Federal and State Grant Fund:			
Due to Other Trust Fund	A-28		1,800
Appropriated Reserve for Grants	A-29	275,307	125,611
Encumbrances Payable	A-29		310
Unappropriated Reserve for Grants	A-30	185,799	1,144,463
		<u>461,106</u>	<u>1,272,184</u>
		<u>\$ 14,402,938</u>	<u>15,643,614</u>

See accompanying notes to financial statements.

BOROUGH OF ELMWOOD PARK, N.J.

Comparative Statement of Operations and Changes in
Fund Balance - Regulatory Basis

Current Fund

Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenues and Other Income:		
Fund Balance Utilized	4,598,087	4,346,000
Miscellaneous Revenue Anticipated	8,805,075	6,820,897
Receipts from Delinquent Taxes	503,497	464,819
Receipts from Current Taxes	63,895,724	62,671,813
Non-Budget Revenue	508,547	899,639
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	450,192	605,977
Interfunds/Other Receivables Returned	60,954	30,704
Other Liabilities Cancelled	1,037,000	4,762
	<hr/>	<hr/>
Total Revenues and Other Income	79,859,076	75,844,611
	<hr/>	<hr/>
Expenditures:		
Budget and Emergency Appropriations:		
Operations:		
Salaries and Wages	11,637,102	10,723,377
Other Expenses	14,711,740	13,300,621
Capital Improvement Fund	296,296	150,000
Municipal Debt Service	1,812,904	1,614,879
Deferred Charges and Statutory Expenditures -		
Municipal	3,251,250	3,154,936
Local District School Tax	36,853,745	37,209,864
County Taxes Including Added Taxes	6,647,636	5,956,861
Refunds	32,749	727
Interfunds Advanced	89,547	7,768
	<hr/>	<hr/>
Total Expenditures	75,332,969	72,119,033
	<hr/>	<hr/>
Excess (Deficit) Revenue Over Expenditures	4,526,107	3,725,578
	<hr/>	<hr/>
Adjustments to Income before Surplus:		
Expenditures included above which are by Statute Deferred		
Charges to Budget of Succeeding Year:		
Over-expenditure of Budget Appropriations	58,652	
Emergency Appropriations	1,063,296	
	<hr/>	<hr/>
Statutory Excess to Surplus	5,648,055	3,725,578

BOROUGH OF ELMWOOD PARK, N.J.

**Comparative Statement of Operations and Changes in
Fund Balance - Regulatory Basis**

Current Fund

Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Fund Balance, January 1,	<u>9,076,096</u>	<u>9,696,518</u>
	14,724,151	13,422,096
Decreased by:		
Fund Balance Utilized as Budget Revenue	<u>4,598,087</u>	<u>4,346,000</u>
Fund Balance, December 31,	<u>\$ 10,126,064</u>	<u>9,076,096</u>

See accompanying notes to the financial statements.

BOROUGH OF ELMWOOD PARK, N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2023

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	\$ 4,598,087	4,598,087	
Miscellaneous Revenues:			
Licenses:			
Alcoholic Beverages	19,800	16,740	(3,060)
Other	17,000	22,385	5,385
Fees and Permits	250,000	271,436	21,436
Fines and Costs:			
Municipal Court	395,000	350,644	(44,356)
Interest and Costs on Taxes	90,000	121,824	31,824
Interest on Investments and Deposits	250,000	580,839	330,839
Energy Receipts Tax	1,472,009	1,472,009	
Consolidated Municipal Property Tax Relief Aid	76,259	76,259	
Board of Education - School Resource Officers	158,900	156,100	(2,800)
Uniform Construction Code Fees	480,000	889,070	409,070
Public and Private Revenues offset with Appropriations:			
Recycling Tonnage Grant	37,458	37,458	
Safe and Secure Communities	32,400	32,400	
Clean Communities	39,862	39,862	
Drunk Driving Enforcement Fund	14,000	14,000	
Spotted Lantern Fly Program	15,000	15,000	
Lead Based Paint Grant	41,800	41,800	
Workforce Grant - Recreation	146,233	146,233	
ARP Firefighter Assistance Grant	76,657	76,657	
DCA Recreation Grant	56,000	56,000	
Utility Operating Surplus	1,275,000	1,275,000	
Uniform Fire Safety Act	58,000	73,035	15,035
Trunk Sewer Revenue	1,465,282	1,465,486	204
Capital Fund Balance	3,340	3,340	
American Rescue Plan - Revenue Loss	1,044,906	1,044,906	
EMS Services	170,000	526,592	356,592
Total Miscellaneous Revenues	7,684,906	8,805,075	1,120,169
Receipts from Delinquent Taxes	490,000	503,497	13,497
Subtotal General Revenues	12,772,993	13,906,659	1,133,666
Amount to be raised by taxes for support of municipal purposes	20,049,897	22,594,342	2,544,445
Budget Totals	32,822,890	36,501,001	3,678,111
Non-Budget Revenue		508,547	508,547
	\$ 32,822,890	37,009,548	4,186,658

BOROUGH OF ELMWOOD PARK, N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2023

Analysis of Realized Revenues

Revenue from Current Tax Collections		\$ 63,895,724
Allocated to:		
Local District School Tax	36,853,745	
County Taxes	<u>6,647,637</u>	
		<u>43,501,382</u>
Balance for Support of Municipal Budget Appropriations		20,394,342
Add: Appropriation - Reserve for Uncollected Taxes		<u>2,200,000</u>
Amount for Support of Municipal Budget Appropriations		<u>\$ 22,594,342</u>
Receipts from Delinquent Taxes:		
Delinquent Taxes		<u>\$ 503,497</u>

Analysis of Non-budget Revenues

Verizon Franchise Fees	\$ 80,867
Cable Franchise Fees	119,352
Hotel Franchise Tax	101,411
Police Outside Duty Admin Fees	111,379
Insurance Refund	1,000
Other	41,004
Petty Cash	2,000
Premium on Bond Sale	27,650
Signal Reimbursement	9,222
FEMA - Tropical Storm Isaias	2,264
Polling	314
State Checks	303
Passaic Valley Water Commission	<u>11,781</u>

Due from General Capital Fund	27,650
Cash Receipts	<u>480,897</u>
	<u>\$ 508,547</u>

See accompanying notes to the financial statements.

BOROUGH OF ELMWOOD PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>	<u>Over- Expenditures</u>
General Government:						
Administration:						
Salaries and Wages	\$ 230,000	230,000	226,458	3,542		
Other Expenses	70,000	76,480	76,480			
Grant Consultant	20,000					
Codification	42,000	42,000	39,600	2,400		
Mayor and Council:						
Salaries and Wages	57,500	57,500	56,796	704		
Financial Administration:						
Salaries and Wages	300,000	325,000	322,496	2,504		
Other Expenses	65,000	65,000	61,859	3,141		
Other Expenses - ADS Payroll	35,000	63,767	63,767			
Audit Services	50,000	81,000	55,050	25,950		
Collection of Taxes:						
Salaries and Wages	135,000	120,000	115,130	4,870		
Other Expenses	30,000	30,000	29,864	136		
Postage	45,000	37,000	34,871	2,129		
Assessment of Taxes:						
Salaries and Wages	100,000	100,000	97,736	2,264		
Other Expenses	15,000	17,200	17,150	50		
Legal Services and Cost:						
Salaries and Wages	85,000	118,000	112,371	5,629		
Other Expenses	225,000	135,000	129,422	5,578		
Engineering Services and Costs:						
Other Expenses	85,000	88,000	87,306	694		
Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.)						
Planning Board:						
Salaries and Wages	9,800	9,800	9,730	70		
Other Expenses	8,000	8,000	6,748	1,252		
Zoning Board						
Salaries and Wages	25,000	25,000	23,760	1,240		
Other Expenses	10,000	10,000	3,910	6,090		

BOROUGH OF ELMWOOD PARK, N.J.
Statement of Expenditures - Regulatory Basis

	Current Fund					
	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>	<u>Over- Expenditures</u>
	Year Ended December 31, 2023					
Council on Affordable Housing						
Other Expenses	50,000	50,000	20,167	29,833		
Town Planner						
Other Expenses	65,000	10,000	3,351	6,649		
Insurance:						
General Liability	802,738	777,738	518,527	259,211		
Workers Compensation	443,552	468,552	466,808	1,744		
Employee Group Health	3,060,200	3,060,200	3,039,760	20,440		
Employee Group Health - Waiver	15,000	15,000	10,083	4,917		
Public Safety:						
Police:						
Salaries and Wages - Regular	5,000,010	5,563,010	5,585,452		22,442	
ARP Salaries and Wages	1,044,906	1,044,906	1,044,906			
Salaries and Wages - Crossing Guards	100,000	127,000	126,153	847		
Salaries and Wages - Other Police Person	400,000	540,000	557,644			17,644
Other Expenses - Regular/Specials	400,000	474,000	492,540			18,540
Purchase of Police Vehicles	30,000	30,000	8,171	21,829		
Police Dispatch/911:						
Salaries and Wages	200,000	267,000	266,365	635		
Emergency Management:						
Other Expenses	12,000	12,000	10,512	1,488		
First Aid Organization - Contribution:						
Contribution	225,000	485,000	475,232	9,768		
Fire Department						
Stipend Program	150,000	150,000	111,209	38,791		
Other Expenses - Miscellaneous	165,000	182,000	145,440	36,560		
Other Expenses - Clothing Allowance	58,000	2,000	175	1,825		
Other Expenses - Rental of Firehouse	75,000	75,000	75,000			
Uniform Fire Safety Act (Ch. 383, PL 1983)						
Salaries and Wages - Fire Official	140,000	159,000	158,844	156		
Other Expenses	50,000	20,000	16,824	3,176		

BOROUGH OF ELMWOOD PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>	<u>Over- Expenditures</u>
Municipal Prosecutor:						
Salaries and Wages	25,800	25,800	22,904	2,896		
Municipal Court						
Salaries and Wages	220,000	244,000	243,817	183		
Other Expenses	25,000	25,000	16,870	8,130		
Public Defender:						
Salaries and Wages	19,500	19,500	13,275	6,225		
Public Works:						
Road Repairs and Maintenance:						
Salaries and Wages	1,325,000	1,410,000	1,409,935	65		
Other Expenses	300,000	281,000	280,201	799		
Other Public Works Functions						
Other Expenses - Traffic Lights	25,000	15,000	5,373	9,627		
Shade Tree						
Other Expenses	6,000	15,000	15,000			
Solid Waste Collection						
Salaries and Wages	70,000	45,000	42,369	2,631		
Other Expenses - Recycling	310,000	385,730	385,730			
Other Expenses - Solid Waste/Tipping	1,397,613	1,315,171	1,249,263	65,908		
Rent Leveling						
Salaries and Wages	1,600	1,600	1,428	172		
Other Expenses	350	350		350		
Vehicle Maintenance:						
Other Expenses	95,000	95,000	89,925	5,075		
Health and Welfare:						
Public Health Services:						
Salaries and Wages	25,000	25,000	13,423	11,577		
Other Expenses	16,000	16,000	13,368	2,632		
Parks and Recreation:						
Recreation Services and Programs:						
Salaries and Wages	430,000	456,000	455,619	381		
Other Expenses	130,000	161,000	160,843	157		

BOROUGH OF ELMWOOD PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled	Over- Expenditures
Maintenance of Parks:						
Other Expenses	55,000	35,000	26,049	8,951		
Celebration of Public Events:						
Other Expenses	77,000	115,000	114,850	150		
Senior Citizen's:						
Other Expenses	15,000	15,000	7,484	7,516		
Utility Expenses and Bulk Purchases						
Electric and Gas	200,000	259,000	258,012	988		
Street Lighting	350,000	190,000	187,164	2,836		
Telephone	90,000	132,000	131,598	402		
Gasoline	215,000	195,000	191,146	3,854		
Compensated Absences						
Salaries and Wages	100,000	100,000	100,000			
Uniform Construction Code:						
Construction Code Official:						
Salaries and Wages	490,000	425,000	422,566	2,434		
Other Expenses	35,000	41,400	41,426			26
Total Operations within "CAPS"	20,177,569	21,194,704	20,603,305	650,051		58,652
B. Contingent	10,000	10,000		10,000		
Total Operations Including Contingent-within "CAPS"	20,187,569	21,204,704	20,603,305	660,051		58,652
Detail:						
Salaries & Wages	10,534,116	11,438,116	11,429,177	49,025		
Other Expenses (Including Contingent)	9,653,453	9,766,588	9,174,128	611,026		

BOROUGH OF ELMWOOD PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>	<u>Over- Expenditures</u>
(E) Deferred Charges and Statutory Expenditures- Municipal within "CAPS"	486,587	486,587	486,587			
(2) STATUTORY EXPENDITURES:	550,000	559,000	558,624	376		
Contribution to:	2,095,398	2,095,398	2,095,398			
Public Employees' Retirement System						
Social Security System (O.A.S.I.)						
Police and Firemen's Retirement System of NJ						
Total Deferred Charged and Statutory Expenditures-Municipal within "CAPS"	<u>3,131,985</u>	<u>3,140,985</u>	<u>3,140,609</u>	<u>376</u>		
Total General Appropriations for Municipal Purposes within "CAPS"	<u>23,319,554</u>	<u>24,345,689</u>	<u>23,743,914</u>	<u>660,427</u>		<u>58,652</u>
Operations - Excluded from "CAPS":						
Maintenance of Free Public Library	894,524	894,524	873,897	20,627		
Recycling Tax	60,000	60,000	36,830	23,170		
Sewerage Processing and Disposal						
Passaic Valley Sewer Commission						
Operating and Maintenance Costs	2,899,661	2,899,661	2,899,660	1		
Contribution to:						
Health Insurance	387,800	369,320	256,473	112,847		
Garbage and Trash	2,387	2,387		2,387		
Workers Compensation	49,134	49,134	49,134			
Public Employees' Retirement System	13,360	13,360	13,360			
Police and Firemen's Retirement System of NJ	59,205	59,205	59,205			
Total Other Operations - Excluded from "CAPS"	<u>4,366,071</u>	<u>4,347,591</u>	<u>4,188,559</u>	<u>159,032</u>		

BOROUGH OF ELMWOOD PARK, N.J.
Statement of Expenditures - Regulatory Basis

	Current Fund					
	Year Ended December 31, 2023					
	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>	<u>Over- Expenditures</u>
Interlocal Municipal Service Agreements:						
Elmwood Park BOE - School Resource Officers	158,900	158,900	158,900			
County of Bergen - Public Health Officer and Animal Control	100,000	108,245	108,245			
Total Interlocal Municipal Service Agreements	258,900	267,145	267,145			
Public and Private Programs Offset by Revenues						
Safe and Secure Communities Act - Police						
State Share	32,400	32,400	32,400			
Local Share	11,340	11,340	11,340			
Drunk Driving Enforcement Fund	14,000	14,000	14,000			
Lead Based Paint	41,800	41,800	41,800			
Recycling Tonnage Grant	37,458	37,458	37,458			
DCA ARP Grant	76,657	76,657	76,657			
NJ Workforce Stabilization Grant	146,233	146,233	146,233			
Latern Fly Program	15,000	15,000	15,000			
Local Recreation Improvement Grant	56,000	56,000	56,000			
Clean Communities Grant (N.J.S.A. 13:1e-99.2)	39,862	39,862	39,862			
Total Public and Private Programs Offset by Revenues	470,750	470,750	470,750			
Total Operations-Excluded from "CAPS"	5,095,721	5,085,486	4,926,454	159,032		
Detail:						
Salaries and Wages	158,900	158,900	158,900			
Other Expenses	4,936,821	4,926,586	4,767,554	159,032		

BOROUGH OF ELMWOOD PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled	Over- Expenditures
Capital Improvements - Excluded from "CAPS"						
Capital Improvement Fund	250,000	250,000	250,000			
Down Payments on Improvements		46,296	46,296			
Total Capital Improvements Excluded from "CAPS"	250,000	296,296	296,296			
Municipal Debt Service - Excluded from "CAPS"						
Payment of Bond Principal	1,150,000	1,150,000	1,150,000			
Interest on Bonds	215,000	215,000	215,000			
Interest on Notes	227,350	227,350	191,861		35,489	
New Jersey EIT Loans	255,000	256,100	256,043		57	
Total Municipal Debt Service-Excluded from "CAPS"	1,847,350	1,848,450	1,812,904		35,546	
Deferred Charges and Statutory Expenditures- Municipal excluded from "CAPS"						
(1) DEFERRED CHARGES:						
Special Emergency Authorization - 5 Years (N.J.S. 40A:4-55)	110,265	110,265	110,265			
Total Deferred Charged and Statutory Expenditures-Municipal excluded from "CAPS"	110,265	110,265	110,265			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	7,303,336	7,340,497	7,145,919	159,032	35,546	

BOROUGH OF ELMWOOD PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled	Over- Expenditures
Subtotal General Appropriations	30,622,890	31,686,186	30,889,833	819,459	35,546	58,652
Reserve for Uncollected Taxes	<u>2,200,000</u>	<u>2,200,000</u>	<u>2,200,000</u>			
Total General Appropriations	\$ <u>32,822,890</u>	\$ <u>33,886,186</u>	\$ <u>33,089,833</u>	<u>819,459</u>	<u>35,546</u>	<u>58,652</u>

Appropriation by NJSA 40:A4-87 \$ 166,662
 Adopted Budget \$ 32,656,228
\$ 32,822,890

Appropriation by NJSA 40:A4-87 166,662
 Emergency Appropriations by NJSA 40A:4-47 1,063,296
 Adopted Budget 32,656,228
\$ 33,886,186

Reserve for Uncollected Taxes \$ 2,200,000
 Federal and State Grants 470,750
 Deferred Charges 110,265
 Due to General Capital 46,296
 Encumbrances 273,036
 Cash 29,989,486
\$ 33,089,833

See accompanying notes to the financial statements.

BOROUGH OF ELMWOOD PARK

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2023 and 2022

<u>Assets</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Animal Trust Fund:			
Cash	B-1	\$ 16,186	16,336
Due from Other Trust Fund	B-2	<u>13</u>	<u> </u>
		<u>16,199</u>	<u>16,336</u>
Other Trust Funds:			
Cash	B-1	4,004,664	2,641,789
Interfund - Current Fund	B-2	750	7,221
Interfund - General Capital Fund	B-2	17,514	17,514
Interfund - Federal and State Grant Fund	B-2	<u> </u>	<u>1,800</u>
		<u>4,022,928</u>	<u>2,668,324</u>
Unemployment Compensation Insurance Trust Fund:			
Cash	B-1	<u>194,344</u>	<u>194,031</u>
Emergency Services Volunteer Length of Services Award Program (Unaudited):			
Cash in Plan	B-1	495,936	431,302
Plan Assets Receivable	B-8	<u>93,184</u>	<u>93,184</u>
		<u>589,120</u>	<u>524,486</u>
		<u>\$ 4,822,591</u>	<u>3,403,177</u>

BOROUGH OF ELMWOOD PARK

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2023 and 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>Liabilities, Reserves & Fund Balance</u>			
Animal Trust Fund:			
Interfund - Current Fund	B-2	\$ 6,175	4,675
Due to State of New Jersey	B-3		1
Reserve for Animal Trust Fund Expenditures	B-5	<u>10,024</u>	<u>11,660</u>
		<u>16,199</u>	<u>16,336</u>
Other Trust Fund:			
Intrafund - Due to Animal License Trust Fund	B-2	13	
Interfund - Due to Federal and State Grant Fund	B-2	144,433	
Interfund - Current Fund	B-2	128,941	55,993
Due to Bergen County Prosecutor	B-4	26,325	
Reserve for Various Deposits	B-7	<u>3,723,216</u>	<u>2,612,331</u>
		<u>4,022,928</u>	<u>2,668,324</u>
Unemployment Compensation Insurance Trust Fund:			
Reserve for Expenditures	B-6	<u>194,344</u>	<u>194,031</u>
Emergency Services Volunteer Length of Services Award Program (Unaudited):			
Net Assets Available for Benefits	B-9	<u>589,120</u>	<u>524,486</u>
		<u>\$ 4,822,591</u>	<u>3,403,177</u>

See accompanying notes to financial statements.

BOROUGH OF ELMWOOD PARK

Comparative Balance Sheet - Regulatory Basis

General Capital Fund

December 31, 2023 and 2022

<u>Assets</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Cash	C-2/C-3	\$ 3,449,527	599,359
Grants Receivable:			
State Department of Transportation	C-7	155,138	488,888
Community Development Block Grant	C-8	459,702	458,484
Bergen County Open Space Grant	C-9	514,384	323,145
Green Acres Trust Fund	C-11	520,026	250,407
Infrastructure Loan Receivable	C-10	17,514	17,514
Contributions Receivable	C-12	5,355	5,355
Deferred Charges to Future Taxation:			
Funded	C-5	15,738,485	9,081,605
Unfunded	C-6	13,959,314	14,986,923
		<u>\$ 34,819,445</u>	<u>26,211,680</u>
<u>Liabilities, Reserves and Fund Balance</u>			
General Serial Bonds	C-13	\$ 14,800,000	7,925,000
Bond Anticipation Notes Payable	C-14	5,000,000	8,362,000
NJ Infrastructure Trust Loan Payable	C-18	522,000	636,000
NJ Infrastructure Fund Loan Payable	C-19	416,485	520,605
Contracts Payable	C-20	3,956,798	3,081,299
Interfunds Payable	C-4	55,920	20,940
Reserve for:			
Payment of Debt	C-21	322,025	144,027
Grants Receivable	C-22	1,576,105	1,447,779
Improvement Authorizations:			
Funded	C-15	1,811,017	266,555
Unfunded	C-15	6,242,029	3,749,531
Capital Improvement Fund	C-16		54,604
Fund Balance	C-1	117,066	3,341
		<u>\$ 34,819,445</u>	<u>26,211,681</u>

There were \$8,959,314 and \$6,624,923 of Bonds and Notes Authorized But Not Issued on December 31, 2023 and 2022 respectively (Exhibit C-23).

See accompanying notes to the financial statements.

BOROUGH OF ELMWOOD PARK

Comparative Statement of Changes in Fund Balance - Regulatory Basis

General Capital Fund

For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Balance - December 31,	\$ 3,341	493,341
Increased By:		
Cancellation of Funded		
Improvement Authorizations	108,750	
Premium received on Note Sale	<u>8,315</u>	<u> </u>
	120,406	493,341
Decreased By:		
Budget Revenue - Due to Current Fund	<u>3,340</u>	<u>490,000</u>
Balance - December 31,	<u>\$ 117,066</u>	<u>3,341</u>

See accompanying notes to the financial statements.

BOROUGH OF ELMWOOD PARK
Comparative Balance Sheet - Regulatory Basis

Water Utility Fund

December 31, 2023 and 2022

<u>Assets</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Water Utility Operating Fund:			
Cash - Treasurer	D-5	\$ 6,454,026	7,117,710
Interfunds Receivable	D-7	250,736	2,123
		6,704,762	7,119,833
Receivables with Full Reserves:			
Consumers' Accounts Receivable	D-9	118,117	110,365
Inventory - Materials and Supplies	D-10	500	500
		118,617	110,865
Total Water Utility Operating Fund		6,823,379	7,230,698
Capital Fund:			
Cash - Treasurer	D-5,D-6	1,756,753	1,819,786
Interfunds Accounts Receivable	D-8	51,348	1,348
Fixed Capital	D-11	8,652,408	8,652,408
Fixed Capital Authorized and Uncompleted	D-12	4,985,000	4,985,000
Total Capital Fund		15,445,509	15,458,542
		\$ 22,268,888	22,689,240

BOROUGH OF ELMWOOD PARK
Comparative Balance Sheet - Regulatory Basis

Water Utility Fund

December 31, 2023 and 2022

<u>Liabilities, Reserves and Fund Balance</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Water Utility Operating Fund:			
Appropriation Reserves	D-4,D-13	\$ 86,594	561,404
Reserve for Encumbrances	D-24	296,067	340,840
Interfund Accounts Payable	D-7		100
Accrued Interest on Loans	D-14	<u>25,873</u>	<u>12,742</u>
		408,534	915,086
Reserve for Receivables	Contra	118,117	110,365
Reserve for Inventory	Contra	500	500
Fund Balance	D-1	<u>6,296,228</u>	<u>6,204,747</u>
Total Water Utility Operating Fund		<u>6,823,379</u>	<u>7,230,698</u>
Capital Fund:			
Due to Water Utility Operating Fund	D-8	736	2,123
Serial Bonds Payable	D-19	1,365,000	1,415,000
Bond Anticipation Notes Payable	D-20		
Infrastructure Loans Payable	D-21	682,745	957,485
Improvement authorization:			
Funded	D-17	615,166	379,244
Unfunded	D-17	296,129	533,697
Capital Improvement Fund	D-16	1,418,000	1,418,000
Reserve for:			
Payment of Debt Service	D-18	205,269	205,269
Amortization	D-15	7,837,170	7,512,430
Deferred Reserve for Amortization	D-23	2,884,000	2,884,000
Contracts Payable	D-25		10,000
Downpayments on Improvements	D-22	9,000	9,000
Fund Balance	D-2	<u>132,294</u>	<u>132,294</u>
Total Capital Fund		<u>15,445,509</u>	<u>15,458,542</u>
		<u>\$ 22,268,888</u>	<u>22,689,240</u>

There were \$868,493 and \$868,493 of Bonds and Notes Authorized But Not Issued on December 31, 2023 and 2022 respectively (Exhibit D-26).

See accompanying notes to financial statements.

BOROUGH OF ELMWOOD PARK

Comparative Statement of Operations and Changes in
Fund Balance - Regulatory Basis

Water Utility Operating Fund

For the Years ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenue and other income:		
Water Rents	\$ 4,097,480	3,928,594
Miscellaneous Revenue	192,978	6,470
Liabilities Cancelled		2,259
Unexpended Balance Appropriation Reserve	573,314	242,590
	<hr/>	<hr/>
Total revenue and other income	4,863,772	4,179,913
	<hr/>	<hr/>
Expenditures:		
Operating	3,094,000	3,097,000
Debt Service	353,291	305,500
Deferred Charges and Statutory Expenditures	50,000	50,000
Refunds		
	<hr/>	<hr/>
Total expenditures	3,497,291	3,452,500
	<hr/>	<hr/>
Excess(Deficit) in revenues	1,366,481	727,413
Statutory Excess to Surplus	1,366,481	727,413
Fund Balance, January 1	6,204,747	6,052,334
	<hr/>	<hr/>
	7,571,228	6,779,747
Decreased by:		
Utilized as Current Budgeted Revenue	1,275,000	575,000
	<hr/>	<hr/>
Balance, December 31	\$ 6,296,228	6,204,747
	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to financial statements.

BOROUGH OF ELMWOOD PARK

Comparative Statement of Fund Balance - Regulatory Basis

Water Utility Capital Fund

For the Years ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Balance - December 31, 2022	\$ <u>132,294</u>	<u>132,294</u>
Balance - December 31, 2023	\$ <u><u>132,294</u></u>	<u><u>132,294</u></u>

See accompanying notes to financial statements.

BOROUGH OF ELMWOOD PARK

Statement of Revenues - Regulatory Basis

Water Utility Operating Fund

Year ended December 31, 2023

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Water Rents	\$ 3,452,500	4,097,480	644,980
Miscellaneous		<u>192,978</u>	<u>192,978</u>
	<u>\$ 3,452,500</u>	<u>4,290,458</u>	<u>837,958</u>

Analysis of Realized Revenue

	Rents \$	<u>4,097,480</u>
		185,365
Interest on Investments		7,213
Due from Water Capital Fund - Interest on Investments		<u>400</u>
Water Permits		<u>\$ 192,978</u>

See accompanying notes to financial statements.

BOROUGH OF ELMWOOD PARK

Statement of Expenditures - Regulatory Basis

Water Utility Operating Fund

Year ended December 31, 2023

	<u>Appropriations</u>				
	<u>Budget</u>	<u>Budget after modifi- cation</u>	<u>Paid or charged</u>	<u>Reserved</u>	<u>Canceled</u>
Operating:					
Salaries and Wages	\$ 497,000	492,234	435,078	57,156	
Other Expenses	<u>2,600,000</u>	<u>2,601,766</u>	<u>2,601,766</u>		
Total Operating	<u>3,097,000</u>	<u>3,094,000</u>	<u>3,036,844</u>	<u>57,156</u>	
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures - Contribution to:					
Social Security System (O.A.S.I.)	<u>50,000</u>	<u>50,000</u>	<u>20,562</u>	<u>29,438</u>	
Total Deferred Charges and Statutory Expenditures	<u>50,000</u>	<u>50,000</u>	<u>20,562</u>	<u>29,438</u>	
Debt Service:					
Payment of Bond Anticipation and Capital Notes	17,913	17,622			17,622
Interest on Bond Anticipation Notes	50,000	50,000	50,000		
Environmental Infrastructure Principal and Interest	<u>300,000</u>	<u>303,291</u>	<u>303,291</u>		
Total Debt Service	<u>367,913</u>	<u>370,913</u>	<u>353,291</u>		<u>17,622</u>
	<u>\$ 3,514,913</u>	<u>3,514,913</u>	<u>3,410,697</u>	<u>86,594</u>	<u>17,622</u>
Adopted Budget		<u>3,514,913</u>			
		<u>\$ 3,514,913</u>			
			Cash Disbursed \$ 3,043,279		
			Reserve for Encumbrances 296,067		
			Accrued Interest on Loans and Notes <u>71,351</u>		
			<u>\$ 3,410,697</u>		

See accompanying notes to financial statements.

BOROUGH OF ELMWOOD PARK

Comparative Statement of General Fixed Assets - Regulatory Basis

December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<u>General Fixed Assets:</u>		
Land	\$ 13,664,400	13,664,400
Land Improvements	932,525	923,675
Buildings	7,165,455	7,138,516
Machinery and Equipment	<u>15,725,445</u>	<u>14,448,187</u>
	<u>\$ 37,487,825</u>	<u>36,174,778</u>
Investment in Fixed Assets	<u>\$ 37,487,825</u>	<u>36,174,778</u>

See accompanying notes to financial statements.

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BOROUGH OF ELMWOOD PARK

Comparative Balance Sheet-Regulatory Basis

Payroll Account

December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<u>Assets</u>		
Cash - Net Payroll	\$ <u>21,423</u>	<u>22,415</u>
<u>Reserves</u>		
Reserve for Net Payroll	\$ <u>21,423</u>	<u>22,415</u>

See accompanying notes to financial statements.

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BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB Codification establishes seven fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP).

The financial statements of the Borough of Elmwood Park have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

A. Reporting Entity

The Borough of Elmwood Park (the "Elmwood Park") operates under a Mayor/Council form of government. The Borough's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, the municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Borough do not include the volunteer fire department which is considered a component unit under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The Borough uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Borough functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those Funds.

The Borough has the following funds and account group:

Current Fund - This fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grants.

Trust Funds - Trust Funds are used to account for assets held by the government in a trustee capacity. Funds held by the Borough as an agent for individual, private organizations, or other governments are recorded in the Trust Funds.

Other Trust Fund - This fund is established to account for the assets and resources which are also held by the Borough as a trustee or agent for individuals, private organizations, other governments and/or other funds.

Animal License Trust Fund - This fund is used to account for fees collected from dog licenses and expenditures which are regulated by NJS 4:19-15.11.

Community Development Block Grant Trust Fund - This fund is used to account for the award of and subsequent receipt and disbursements related to Community Development Block Grants.

Unemployment Compensation Trust Fund - This fund is used to account for employee and employer contributions for the purpose of providing unemployment benefits to former eligible employees.

General Capital Fund - This fund is used to account for the receipt and disbursement of funds used for acquisition or improvement of general capital facilities, other than those acquired in the Current Fund.

Water Utility Operating Fund - This fund is used to account for all revenues and expenditures applicable to the operations of the water department.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Water Utility Capital Fund – This fund is used to account for financial resources to be used for the acquisition or improvement of water capital facilities. The major resources are derived from the issuance of debt.

Payroll Account – This account is used for all net payroll checks distributed to employees.

General Fixed Assets Account Group - To account for all fixed assets of the Borough. The Borough's infrastructure is not reported in the group.

Basis of Accounting

A modified accrual basis of accounting is followed by the Borough of Elmwood Park. Under this method of accounting revenues, except State/Federal Aid, are recognized when received and expenditures are recorded, when incurred. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. Additionally, a 6% penalty is assessed for balances over \$10,000 if not paid by the end of the calendar year. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on the 11th day of the 11th month of the current calendar year levy when the same became in arrears, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

collection or acquisition of title to the property by the Borough. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Miscellaneous Revenues - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund and Water Utility Operating Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Grant Revenues - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Borough's budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Budgets and Budgetary Accounting - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures for the Current Fund and Water Utility Fund. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Borough and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

The Borough is not required to adopt budgets for the following funds:

- General Capital Fund
- Trust Fund
- Water Utility Capital Fund

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

The governing body shall introduce and approve the annual budget not later than March 31, of the fiscal year. The budget shall be adopted not later than April 28, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality.

During the years ended December 31, 2023 and 2022, the Governing Body approved additional revenues and appropriations of \$166,662 and \$-0-, respectively, in accordance with N.J.S.A. 40A:4-87. There were no increases to the water utility operating budget in 2023 and 2022. Emergency current fund appropriations totaling \$1,063,296 were approved for the year ended December 31, 2023. In addition, several budget transfers were approved by the Governing Body in 2023 and 2022.

Expenditures - Are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances - Contractual orders outstanding at December 31, are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves - Are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes - Is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at market value on the date of acquisition.

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

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at fair value which approximates cost and are limited by N.J.S.A. 40A:5-15.1(a).

Deferred Charges to Future Taxation Funded and Unfunded - Upon the authorization of capital projects, the Borough establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or nonfunding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the Borough may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Borough raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

General Fixed Assets - The Borough of Elmwood Park has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain (“infrastructure”) general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Fixed assets acquired by the Water Utility Fund are capitalized as Fixed Capital and not depreciated.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

No depreciation has been provided for in the financial statements.

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

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

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available.

Use of Estimates - The preparation of financial statements requires management of the Borough to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

Comparative Data - Comparative data for the prior year has been presented in the accompanying balance sheets and statements of operations in order to provide an understanding of changes in the Borough's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

Impact of Recently Issued Accounting Principles

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

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The Statement will become effective for the Borough's year ending December 31, 2023. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Borough.

The Governmental Accounting Standards Board (GASB) has issued the following statements that have effective dates that may affect future financial presentations:

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the Borough in the year ending December 31, 2024. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Borough, however, management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the Borough.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting, (continued)

In December 2023, the Government Accounting Standards Board issued GASB Statement No. 102, Certain Risk Disclosures. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Borough, however, management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the Borough.

C. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Borough presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

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BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Borough's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2023 and 2022, \$0 of the Borough's bank balance of \$27,335,090 and \$26,016,500, respectively, were exposed to custodial credit risk.

Investments

Investment Rate Risk

The Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the towns or bonds or other obligations of the local unit or units within which the town is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The Borough places no limit on the amount the Borough may invest in any one issuer.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Unaudited Investments

As more fully described in Note 12, the Borough has created a Length of Service Award Program (LOSAP) for emergency service volunteers. The LOSAP investments are similar to those allowed in a deferred compensation program as specified in NJSA 43:15B-1 et. seq. except that all investments are retained in the name of the Borough. All investments are valued at fair value. In accordance with NJAC 5:30-14.37, the investments are maintained by Lincoln Financial Group, which is an authorized provider approved by the Division of Local Government Services. The balance in the account on December 31, 2023 and 2022 amounted to \$495,936 and \$431,302, respectively.

The following investments represent 5% or more of the total invested with VALIC on December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
American Funds Growth	\$30,815	\$23,699
Delaware VIP SMID Cap Core Services	32,907	28,676
Fixed Account	120,900	119,167
LVIP SSGA S&P 500 Index	215,159	173,408
LVIP T. Rowe Price Mid Cap Growth	54,149	46,392
All Others	<u>42,006</u>	<u>39,960</u>
Total	<u>\$495,936</u>	<u>\$431,302</u>

NOTE 3. MUNICIPAL DEBT

Long-term debt as of December 31, 2023 and 2022 consisted of the following:

	Balance			Balance	Amounts Due
	Dec. 31, 2022	<u>Additions</u>	<u>Reductions</u>	Dec. 31, 2023	Within
					One Year
Bonds Payable:					
General Obligation Debt	\$7,925,000	\$8,025,000	\$1,150,000	\$14,800,000	\$1,520,000
General Obligation Debt - Water		<u>1,365,000</u>		<u>1,365,000</u>	<u>65,000</u>
Total Bonds Payable	<u>7,925,000</u>	<u>9,390,000</u>	<u>1,150,000</u>	<u>16,165,000</u>	<u>\$1,585,000</u>
Other Liabilities:					
New Jersey Environmental					
Infrastructure Trust:					
Wastewater Loans - General Capital	1,156,605		218,120	938,485	230,001
Wastewater Loans - Water Capital	957,485		274,740	682,745	246,540
Compensated Absences Payable	<u>3,568,022</u>	<u>883,838</u>	<u>99,368</u>	<u>4,352,492</u>	
Total Other Liabilities	<u>5,682,112</u>	<u>883,838</u>	<u>592,228</u>	<u>5,973,722</u>	<u>476,541</u>
	<u>\$13,607,112</u>	<u>\$10,273,838</u>	<u>\$1,742,228</u>	<u>\$22,138,722</u>	<u>\$2,061,541</u>

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

	Balance <u>Dec. 31, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>Dec. 31, 2022</u>	Amounts Due Within <u>One Year</u>
Bonds Payable:					
General Obligation Debt	<u>\$9,050,000</u>	<u>\$</u>	<u>\$1,125,000</u>	<u>\$7,925,000</u>	<u>\$1,150,000</u>
Total Bonds Payable	<u>9,050,000</u>	<u></u>	<u>1,125,000</u>	<u>7,925,000</u>	<u>1,150,000</u>
Other Liabilities:					
New Jersey Infrastructure Trust:					
Wastewater Loans - General Capital	1,370,530		213,925	1,156,605	218,120
Wastewater Loans - Water Capital	1,220,482		262,997	957,485	274,740
Compensated Absences Payable	<u>2,851,067</u>	<u>1,015,367</u>	<u>298,412</u>	<u>3,568,022</u>	<u></u>
Total Other Liabilities	<u>5,442,079</u>	<u>1,015,367</u>	<u>775,334</u>	<u>5,682,112</u>	<u>492,860</u>
	<u>\$14,492,079</u>	<u>\$1,015,367</u>	<u>\$1,900,334</u>	<u>\$13,607,112</u>	<u>\$1,642,860</u>

The Local Bond Law governs the issuance of bonds and notes to finance capital expenditures. General obligation bonds have been issued for the general capital fund. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and five months or retired by the issuance of bonds.

The Borough's debt is summarized as follows:

Summary of Municipal Debt (Excluding Current Operating Debt)

	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>Issued:</u>			
General - Bonds, Notes and Loans	\$20,738,485	\$17,443,606	\$18,782,530
Authorized but not Issued - General -			
Bonds and Notes	8,959,314	6,624,923	3,444,574
Water Utility - Bonds, Notes and Loans	2,047,745	2,372,485	2,635,482
Authorized but not Issued - Water -			
Bonds and Notes	<u>868,493</u>	<u>868,493</u>	<u>868,493</u>
Bonds, Notes and Loans Issued and			
Authorized not Issued	<u>32,614,037</u>	<u>27,309,507</u>	<u>25,731,079</u>
Less Deductions:			
Reserve for Payment of Debt	<u>527,294</u>	<u>349,296</u>	<u>205,269</u>
	<u>527,294</u>	<u>349,296</u>	<u>205,269</u>
Net Bonds and Notes Issued and			
Authorized But Not Issued	<u>\$32,086,743</u>	<u>\$26,960,211</u>	<u>\$25,525,810</u>

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.106% for 2023.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$16,080,000	\$16,080,000	\$0
General Debt	29,697,799	322,025	29,375,774
Water Utility	<u>2,916,238</u>	<u>2,916,238</u>	<u>0</u>
	<u>\$48,694,037</u>	<u>\$19,318,263</u>	<u>\$29,375,774</u>

Net debt of \$29,375,774 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$2,654,965,781 equals 1.106%.

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .954% for 2022.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$17,970,000	\$17,970,000	\$0
General Debt	24,068,529	144,027	23,924,502
Water Utility	<u>3,240,978</u>	<u>3,240,978</u>	<u>0</u>
	<u>\$45,279,507</u>	<u>\$21,355,005</u>	<u>\$23,924,502</u>

Net debt of \$23,924,502 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$2,507,919 equals 0.954%.

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

	<u>2023</u>	<u>2022</u>
3 ½% of Equalized Valuation Basis (Municipal)	\$92,923,802	\$87,762,602
Net Debt	<u>29,375,774</u>	<u>23,924,502</u>
Remaining Borrowing Power	<u>\$63,548,028</u>	<u>\$63,838,100</u>

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

Calculation of "Self-Liquidating Purpose", Water Utility Per N.J.S.A. 40A:2-45

	<u>2023</u>	<u>2022</u>
Cash receipts from fees, rents or other charges for year	\$4,290,458	\$3,935,064
Deductions:		
Operating and Maintenance Cost	3,144,000	3,147,000
Debt Service per Water Account	<u>353,291</u>	<u>305,500</u>
Total Deductions	<u>3,497,291</u>	<u>3,452,500</u>
Excess (Deficit) in Revenue - Self-Liquidating	<u>\$793,167</u>	<u>\$482,564</u>

Footnote: If there is an "excess in revenue", all such utility debt is deductible.

The Borough's long-term debt consisted of the following at December 31, 2023:

Paid by Current Fund:

<u>General Serial Bonds:</u>	<u>2023</u>	<u>2022</u>
\$6,830,000, 2013 General Improvement Bonds, due in annual installments of \$375,000 to \$720,000 through August 1, 2025 at 2.00% to 3.00%	\$1,440,000	\$2,155,000
\$6,950,000, 2019 General Improvement Bonds, due in annual installments of \$375,000 to \$750,000 through August 15, 2031 at 1.50% to 2.00%	5,335,000	5,770,000
\$8,025,000, 2023 General Improvement Bonds, due in annual installments of \$360,000 to \$725,000 through August 15, 2036 at 3.00% to 4.00%	<u>8,025,000</u>	<u> </u>
Total General Serial Bonds	<u>\$14,800,000</u>	<u>\$7,925,000</u>

<u>Paid by Water Utility Fund</u>	<u>2023</u>	<u>2022</u>
\$1,365,000, 2023 Water Utility Bonds, due in annual installments of \$65,000 to \$125,000 through August 15, 2036, at 3.00%-4.00%	<u>\$1,365,000</u>	<u>\$-0-</u>

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

Aggregate debt service requirements during the next five years and thereafter are as follows:

<u>Year</u>	<u>Principal</u>	<u>General Capital</u>	
		<u>Interest</u>	<u>Total</u>
2024	\$1,520,000	\$458,213	\$1,978,213
2025	1,545,000	413,412	1,958,412
2026	1,155,000	367,913	1,522,913
2027	1,225,000	335,712	1,560,712
2028	1,330,000	301,513	1,631,513
2029-2033	5,850,000	895,362	6,745,362
2034-2036	<u>2,175,000</u>	<u>155,875</u>	<u>2,330,875</u>
	<u>\$14,800,000</u>	<u>\$2,928,000</u>	<u>\$17,728,000</u>

<u>Year</u>	<u>Principal</u>	<u>Water Capital</u>	
		<u>Interest</u>	<u>Total</u>
2024	\$65,000	\$52,413	\$117,413
2025	75,000	49,813	124,813
2026	80,000	46,813	126,813
2027	95,000	43,613	138,613
2028	100,000	39,813	139,813
2029-2033	575,000	135,063	710,063
2034-2036	<u>375,000</u>	<u>26,875</u>	<u>401,875</u>
	<u>\$1,365,000</u>	<u>\$394,403</u>	<u>\$1,759,403</u>

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

General capital, water capital and assessment serial bonds are direct obligations of the Borough for which its full faith and credit are pledged, and are payable from taxes levied on all taxable property located within the Borough and/or water utilities revenues and special assessments.

At December 31, 2023 and 2022, the Borough had authorized but not issued debt as follows:

	<u>2023</u>	<u>2022</u>
General Capital Fund	\$8,959,314	\$6,624,923
Water Utility Capital Fund	<u>868,493</u>	<u>868,493</u>
	<u>\$9,827,807</u>	<u>\$7,493,416</u>

NOTE 4. INTERGOVERNMENTAL LOANS PAYABLE

General Intergovernmental Loans Payable

The Borough entered into a loan agreement(s) with the New Jersey Environmental Infrastructure Trust for the financing relating to the sewer main extension and de-icing material storage building. The Borough levies ad valorem taxes to pay debt service on general intergovernmental loans issued. General intergovernmental loans outstanding at December 31 are as follows:

<u>General Capital</u>	<u>2023</u>	<u>2022</u>
\$1,885,000, 2007 Trust Loan, due in annual installments of \$70,000 to \$138,000 through August 1, 2027, interest at 3.40%-5.00%	\$522,000	\$636,000
\$2,042,471, 2007 Fund Loan, due in annual installments of \$2,121 to \$101,934 through August 1, 2027, no interest	<u>416,485</u>	<u>520,605</u>
	<u>\$938,485</u>	<u>\$1,156,605</u>

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 4. INTERGOVERNMENTAL LOANS PAYABLE, (continued)

Water Utility Intergovernmental Loans Payable

The Borough has entered into a loan agreement with the New Jersey Environmental Infrastructure Trust for the financing relating to the water system improvements of the Borough's Water Utility. The Borough pledges revenue from operations to pay debt service on utility intergovernmental loans issued. Utility intergovernmental loans outstanding of the water utility at December 31 are as follows:

<u>Water Utility Capital</u>	<u>2023</u>	<u>2022</u>
\$2,300,814, 2006 Trust Loan, due in annual installments of \$85,000 to \$170,247 through August 1, 2026, interest at 4.00%-5.00%	\$461,134	\$613,177
\$2,222,699, 2006 Fund Loan, due in annual installments of \$4,868 to \$114,005 through August 1, 2025, no interest	<u>221,611</u>	<u>344,308</u>
	<u>\$682,745</u>	<u>\$957,485</u>

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST ON OUTSTANDING LOANS

<u>Year</u>	<u>General Capital Loans</u>			<u>Water Utility Loans</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$230,001	\$26,144	\$256,145	\$246,541	\$14,925	\$261,466
2025	234,164	20,012	254,176	265,957	13,445	279,402
2026	238,182	13,600	251,782	170,247	6,810	177,057
2027	<u>236,138</u>	<u>6,744</u>	<u>242,882</u>	<u> </u>	<u> </u>	<u>0</u>
	<u>\$938,485</u>	<u>\$66,500</u>	<u>\$1,004,985</u>	<u>\$682,745</u>	<u>\$35,180</u>	<u>\$717,925</u>

NOTE 5. BOND ANTICIPATION NOTES

The Borough issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally, such notes must be paid no later than the first day of the fifth month following the close of the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 5. BOND ANTICIPATION NOTES, (continued)

On December 31, 2023 and 2022, the Borough had \$5,000,000 and \$8,362,000, respectively, in outstanding General Capital bond anticipation notes. The Borough also had \$-0- and \$1,415,000 of Water Utility Capital Fund bond anticipation notes.

The following activity related to bond anticipation notes occurred during the periods ended December 31, 2023 and 2022:

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
General Capital Notes Payable:				
TD Securities (USA) LLC	\$ -	\$5,000,000	\$	\$5,000,000
Municipal Excess Liability Joint Insurance Fund - JCMI	8,362,000		8,362,000	0
Water Capital Notes Payable:				
Municipal Excess Liability Joint Insurance Fund - JCMI	<u>1,415,000</u>	<u> </u>	<u>1,415,000</u>	<u>0</u>
	<u>\$9,777,000</u>	<u>\$5,000,000</u>	<u>\$9,777,000</u>	<u>\$5,000,000</u>
	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
General Capital Notes Payable:				
Spencer Savings Bank	\$8,362,000	\$	\$8,362,000	\$
Municipal Excess Liability Joint Insurance Fund - JCMI		8,362,000		8,362,000
Water Capital Notes Payable:				
Spencer Savings Bank	1,415,000		1,415,000	
Municipal Excess Liability Joint Insurance Fund - JCMI	<u> </u>	<u>1,415,000</u>	<u> </u>	<u>1,415,000</u>
	<u>\$9,777,000</u>	<u>\$9,777,000</u>	<u>\$9,777,000</u>	<u>\$9,777,000</u>

NOTE 6. PENSION PLANS

Description of Plans

Borough employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employees' Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit 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.

Police and Firemens' Retirement System (PFRS)

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Plan Description

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

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after 4 years of service. The following represents the membership tiers for PFRS:

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

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

Defined Contribution Retirement Program

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Significant Legislation

On March 17, 2009, the legislative of the State of New Jersey enacted Public Laws 2009, c.19(S-21) the "Pension Deferral Program". This law allows the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying their full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the Public Employees' Retirement System and/or the Police and Firemen's Retirement System obligation for payment due to the State Fiscal Year ending June 30, 2009. The amount deferred will be repaid starting in April 2012 over a 15-year period at 8¼ percent. The amount will fluctuate based on pension system investment earnings on the deferred amount. The local employer is allowed to payoff the obligation at any time prior to April 2012.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS. This amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning 2012 and 8.5% for PFRS, which increased to 10% in October 2011, of the employee's annual compensation, as defined by law. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

The Borough's contribution to the various plans, equal to the required contributions for each year, were as follows:

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>	<u>DCRP</u>
2023	\$499,947	\$2,154,603	\$44,428
2022	470,132	2,024,530	38,824
2021	452,803	1,858,154	26,531

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Statement No's 68 and 71 require a state or local government employer to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. However, since the financial statements are prepared on another comprehensive basis of accounting, the net pension liability of the various pension systems is not recorded in the financial statements and is only required to be disclosed in the notes to the financial statements.

The following pension information is as of June 30, 2022 which is the latest information available. This information is eighteen months prior to December 31, 2023. GASB Statement No. 68 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since The Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current pension information is available.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Public Employees Retirement System (PERS)

At December 31, 2023, the Borough had a liability of \$5,983,030 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2022, the Borough's proportion was .0396453578 percent, which was a decrease of .0004985656 percent from its proportion measured as of June 30, 2021.

For the year ended December 31, 2023, the Borough recognized pension expense of \$499,947. At December 31, 2023, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Public Employees Retirement System (PERS), (continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between projected and actual experience	\$43,183	\$38,081
Changes of assumptions	18,537	895,896
Net difference between projected and actual earnings on pension plan investments	247,632	
Changes in proportion and differences between the Borough's contributions and proportionate share of contributions	<u>63,355</u>	<u>502,801</u>
Total	<u>\$372,707</u>	<u>\$1,436,778</u>

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2022) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$(513,218)
2024	(261,468)
2025	(127,513)
2026	278,184
2027	(610)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.04, 5.13, 5.16, 5.21, 5.63 and 5.48 years for 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2022 and June 30, 2021 are as follows:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Collective deferred outflows of resources	\$1,660,772,008	\$1,164,738,169
Collective deferred inflows of resources	3,236,303,935	8,339,123,762
Collective net pension liability	15,219,184,920	11,972,782,878
Borough's Proportion	.0396453578%	.0401439234%

Actuarial Assumptions

The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-6.55% (based on years of service)
Investment Rate of Return	7.00 Percent

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Mortality Rates

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 based on Scale MP-2021.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. 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 real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

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

	June 30, 2022		
	1% Decrease	At Current Discount Rate	1% Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Borough's proportionate share of the pension liability	\$7,700,867	\$5,983,030	\$4,521,082

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Police and Firemen's Retirement System (PFRS)

At December 31, 2023, the Borough had a liability of \$18,962,970 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2022, the Borough's proportion was .1656681800 percent, which was a decrease of .008041987 percent from its proportion measured as of June 30, 2021.

For the year ended December 31, 2023, the Borough recognized pension expense of \$2,154,603. At December 31, 2023, deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in actual and expected experience	\$858,315	\$1,161,740
Changes of assumptions	51,970	2,387,063
Net difference between projected and actual earnings on pension plan investments	1,736,451	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	<u>1,457,639</u>	<u>902,189</u>
Total	<u>\$4,104,375</u>	<u>\$4,450,992</u>

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2022) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Year ended June 30:	
2023	\$(948,451)
2024	(606,119)
2025	(577,396)
2026	1,206,090
2027	11,623
Thereafter	12,185

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 6.22, 6.17, 5.90, 5.92, 5.73 and 5.59 years for 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2022 and June 30, 2021 are as follows:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Collective deferred outflows of resources	\$2,136,793,985	\$817,271,932
Collective deferred inflows of resources	2,805,919,453	6,875,738,250
Collective net pension liability	13,483,472,009	9,364,849,587
Borough's Proportion	.1656681778%	.1737101665%

Actuarial Assumptions

The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Salary Increases:	
Through all Future Years	3.25-16.25% (based on years of service)
Investment Rate of Return	7.00%

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Mortality Rates

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

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. 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 real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2022 are summarized in the following table:

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

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

	June 30, 2022		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Borough's proportionate share of the pension liability	\$27,275,052	\$18,962,970	\$12,043,121

Special Funding Situation - PFRS

Under N.J.S.A. 43:16A-15, the Borough is responsible for their own PFRS contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the Borough by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Accordingly, the Borough's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PFRS under this legislation.

At December 31, 2022 and 2021, the State proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is \$3,374,853 and \$3,570,956, respectively. For the years ended December 31, 2022 and 2021, the pension system has determined the State's proportionate share of the pension expense attributable to the Borough for the PFRS special funding situation is \$389,369 and \$397,700, respectively, which is more than the actual contributions the State made on behalf of the Borough of \$420,153 and \$310,206, respectively. The State's proportionate share attributable to the Borough was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Borough's financial statements.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 6. PENSION PLANS, (continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

NOTE 7. OTHER POST EMPLOYMENT BENEFITS (OPEB)

In addition to the pension described in Note 6, the Borough provides post employment health care benefits as part of the State Health Benefits Local Government Retired Employments Plan.

General Information about the OPEB Plan

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 7. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A. 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

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

Total OPEB Liability

The following other postemployment benefit information is as of June 30, 2022 which is the latest information available. This information is eighteen months prior to December 31, 2023. GASB Statement No. 75 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis financial statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current pension information is available.

At December 31, 2023, the Borough had a liability of \$26,598,222 for its proportionate share of the non-special funding net OPEB liability. The net OPEB liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Borough's proportion of the net OPEB liability was based on a projection of the Borough's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers a in the plan. At June 30, 2022 the Borough's proportion was .1646990000 percent which was an increase of .002688000 from its proportion measured as of June 30, 2021.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 7. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

For the year ended December 31, 2023, the Borough recognized OPEB expense (Benefit) of \$(15,521). At December 31, 2023, 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>
Difference between expected and actual experience	\$1,373,561	\$4,930,180
Changes of assumptions	3,549,643	9,077,460
Net difference between projected and actual earnings on OPEB plan investments	7,002	
Changes in proportion	<u>2,383,820</u>	<u>1,932,927</u>
Total	<u>\$7,314,026</u>	<u>\$15,940,567</u>

Amounts reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB (excluding changes in proportion) will be recognized in OPEB expense as follows:

Year ended June 30:	
2023	\$(2,410,173)
2024	(2,412,301)
2025	(1,904,958)
2026	(850,765)
2027	(190,739)
Thereafter	(1,308,498)

Changes in Proportion

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

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 7. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Actual Assumptions and Other Inputs

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

Salary increases*:

Public Employees' Retirement System (PERS)	
Rate for all future years	2.75% to 6.55%
	based on years of service

Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 16.25%
	based on years of service

Mortality:

PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
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PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
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* Salary increases are based on years of service within the respective plan.

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

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 7. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Discount Rate

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Borough's proportionate share of the net OPEB liability as of June 30, as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1 percentage point higher than the current rate:

	June 30, 2022		
	1% Decrease	At Current Discount Rate	1% Increase
	<u>2.54%</u>	<u>3.54%</u>	<u>4.54%</u>
Borough's proportionate share of Net OPEB liability	\$30,832,694	\$26,598,222	\$23,191,193

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rates:

The following presents the Borough's proportionate share of the net OPEB liability as of June 30, as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using a healthcare trend rate that is 1-percentage point lower or 1 percentage point higher than the current rate:

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Borough's proportionate share of Net OPEB liability	\$22,564,073	\$26,598,222	\$31,764,832

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 8. FUND BALANCE APPROPRIATED

The fund balance at December 31, 2023 and 2022 which has been appropriated as revenue in the 2024 and 2023 budgets is as follows:

	<u>2024</u>	<u>2023</u>
Current Fund	\$5,670,149	\$4,899,260
Water Utility Operating Fund	396,665	-0-

NOTE 9. FIXED ASSETS

The following is a summary of General Fixed Assets Account Group as of December 31, 2023 and 2022:

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
Land	\$13,664,400	\$	\$	\$13,664,400
Land Improvements	923,675	8,850		932,525
Buildings and Improvements	7,138,516	26,939		7,165,455
Machinery and Equipment	<u>14,448,187</u>	<u>1,277,258</u>		<u>15,725,445</u>
	<u>\$36,174,778</u>	<u>\$1,313,047</u>	<u>\$0</u>	<u>\$37,487,825</u>
	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Land	\$13,664,400	\$	\$	\$13,664,400
Land Improvements	908,305	15,370		923,675
Buildings and Improvements	7,061,971	76,545		7,138,516
Machinery and Equipment	<u>14,106,434</u>	<u>341,753</u>		<u>14,448,187</u>
	<u>\$35,741,110</u>	<u>\$433,668</u>	<u>\$0</u>	<u>\$36,174,778</u>

NOTE 10. ACCRUED SICK AND VACATION BENEFITS

The Borough has permitted employees to accrue unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$4,352,492 as of December 31, 2023 and the estimated amount at December 31, 2022 was \$3,568,022. These amounts have not been reported either as an expenditure or liability. The Borough has started a plan to buy back accumulated days on an annual basis.

As of December 31, 2023 and 2022, the Borough has reserved in the Other Trust Fund \$350,649 and \$250,649, respectively, to fund compensated absences in accordance with N.J.S.A. 40A:4-39.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 11. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at December 31, 2023 consist of the following:

\$736	Due to the Water Utility Operating Fund from the Water Utility Capital Fund for interest earned on investments.
1,348	Due to the Water Utility Capital Fund from the Current Fund to correct the deposit of interest earned on investments in the prior year.
144,433	Due to the Federal and State Grant Fund from the Other Trust Fund for grant receipts deposited in Trust in error less prior year reimbursement owed.
6,175	Due to the Current Fund from the Animal License Trust Fund for the balance of interest earnings and the current year statutory excess surplus calculation.
12,498	Due to the General Capital Fund from the Current fund for the emergency appropriation - down payment on improvements less than accrued interest earned on the issuance of bonds, the premium received on the sale of notes and the balance of the current year interest earned.
5,365	Due to the Current Fund from the Escrow Trust Fund for interest earned on developer's deposits due to the Borough.
17,514	Due to the Other Trust Fund from the Capital Fund to correct a transfer made in error.
9,691	Due to the Current Fund from the Other Trust fund for current years' interest earned on investments.
24,338	Due to the Current Fund from the Fire Prevention Dedicated Penalties Trust for general revenue deposited to Trust in error.
904	Due to the Federal and State Grant Fund from the Capital Fund for grants deposited in error.
750	Due to the Public Defender Trust Fund from the current fund to correct deposit errors.
89,547	Due to the Current Fund from the Redemption Trust Fund for the 2023 tax sale proceeds deposited to Trust in error.
250,000	Due to the Water Utility Operating Fund from the Current Fund to correct the excess transfer of anticipated revenue.
<u>134,807</u>	Due to the Current Fund from the Federal and State Grant Fund for grant monies received less expenditures made.
<u>\$698,106</u>	

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 12. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP)

The Borough of Elmwood Park Length of Service Program (the Plan) was created by a Borough ordinance adopted on August 16, 2001 pursuant to 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the Borough of Elmwood Park approved the adoption of the Plan at the general election held on November 7, 2000.

The first year of eligibility for entrance into the Plan was calendar year 2001. The tax deferred income benefits for emergency services volunteers, consisting of the First Aid Organization, come from contributions made solely by the Borough of behalf of those volunteers who meet the criteria of a plan created by the governing body.

If an active member meets the year of active service requirement, a LOSAP must provide a benefit between the minimum contribution of \$100 and a maximum contribution of \$1,150 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-195(f)). The Division of Local Government Services issues the permitted maximum increase annually.

In accordance with the amendments to Section 457 of the Internal Revenue Code and the State Deferred Revenue Regulations, the Borough has placed the amounts deferred, including earnings, in a trust for the exclusive benefit of the plan participants and their beneficiaries.

Lincoln Financial Group is the administrator of the Plan. The Borough's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan administrator.

The Borough, with the adoption of Ordinance 2016-21, eliminated the Borough's contribution to its established LOSAP program and instead implemented a stipend program based on attendance. These stipends are paid on a quarterly basis to eligible members based on tier 1 or tier 2 attendance to emergency calls and are paid through payroll from direct charges to the current operating budget. Total borough contributions under the original LOSAP plan were \$-0- and \$-0- for 2023 and 2022, respectively. Future activity involving the Length of Service Award Program is limited to investment appreciation and/or depreciation with withdrawals of funds by vested members.

Vesting and Benefits

A volunteer is eligible to receive a distribution of funds upon completing 5 (five) cumulative years as an active member of the volunteer organization. Certain restrictions and tax implications may result in the event of a withdrawal of funds from the Plan.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 12. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP), (continued)

Vesting and Benefits, (continued)

If a volunteer member does not vest and terminates their association with the emergency service organization, the funds are returned to the sponsoring agency's surplus.

Reporting Requirements

The New Jersey Administrative Code NJAC 5:30-14.49 requires that the Borough perform a separate review report of the plan in accordance with the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Accounting and Auditing Review Services. Since a review does not constitute an audit, the financial statements pertaining to the Plan are presented as unaudited in this report as part of the Borough's Trust Fund.

We have reviewed the plan for the year ended December 31, 2022 in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Accounting and Review Services.

NOTE 13. RISK MANAGEMENT

The Borough is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur. During the 2022 calendar year, the Borough did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Borough of Elmwood Park is a member of the South Bergen Municipal Joint Insurance Fund (SBJIF) and Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance fund is an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The SBJIF and MEL coverage amounts are on file with the Borough.

The relationship between the Borough and the respective insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Borough is contractually obligated to make all annual and supplementary contributions to the insurance fund, to report claims on a timely basis, cooperate with the management of the Fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the insurance fund.

Members have a contractual obligation to fund any deficit of the insurance fund attributable to a membership year during which they were a member.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 13. RISK MANAGEMENT, (continued)

The fund provides its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages in any of the prior three years.

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State. The following is a summary of Borough contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's unemployment compensation trust fund for the current and previous two years:

<u>Year Ended</u> <u>December 31</u>	<u>Employees</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2023	\$18,424	\$18,111	\$194,344
2022	17,619	13,244	194,031
2021	14,730	401	189,656
2020	13,947	19,585	175,327

NOTE 14. TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Prepaid Taxes	<u>\$332,859</u>	<u>\$306,905</u>
Cash Liability for Taxes Collected in Advance	<u>\$332,859</u>	<u>\$306,905</u>

NOTE 15. CONTINGENT LIABILITIES

The Borough is a defendant in various legal proceedings. These cases, if decided against the Borough, would be raised by future taxation. The Borough's legal counsel estimate such amounts to be immaterial.

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 15. CONTINGENT LIABILITIES, (continued)

Pending Tax Appeals

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2023 and 2022. Amounts claimed have not yet been determined. The Borough is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the Borough does not recognize a liability, if any, until these cases have been adjudicated. The Borough expects such amounts, if any, could be material. As of December 31, 2023 and 2022, the Borough reserved \$455,224 and \$1,455,224, respectively, in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

NOTE 16. DEFERRED CHARGES

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2023, the following deferred charges are shown on the balance sheet of the various funds:

	<u>Balance</u> <u>Dec. 31,</u>	<u>Subsequent</u> <u>Year Budget</u> <u>Appropriation</u>	<u>Balance to</u> <u>Succeeding</u> <u>Year</u> <u>Budget</u>
<u>2023</u>			
Current Fund:			
Over-expenditure of Appropriation Reserves	\$5,134	\$	\$5,134
Over-expenditure of Budget Appropriations	58,652	58,652	
Emergency Appropriations	1,063,296	1,063,296	
Special Emergency - COVID			
Related Revenue Losses	<u>330,793</u>	<u>110,265</u>	<u>220,528</u>
Grant Fund:			
Over-expenditure of Appropriated Grant Reserves	<u>12,600</u>	<u>12,600</u>	
Total Deferred Charges	<u>\$1,470,475</u>	<u>\$1,244,813</u>	<u>\$225,662</u>
	<u>Balance</u> <u>Dec. 31,</u>	<u>Subsequent</u> <u>Year Budget</u> <u>Appropriation</u>	<u>Balance to</u> <u>Succeeding</u> <u>Year</u> <u>Budget</u>
<u>2022</u>			
Current Fund:			
Special Emergency - COVID			
Related Revenue Losses	<u>\$441,058</u>	<u>\$110,265</u>	<u>\$330,793</u>
Total Deferred Charges	<u>\$441,058</u>	<u>\$110,265</u>	<u>\$330,793</u>

BOROUGH OF ELMWOOD PARK
Notes to Financial Statements
Years Ended December 31, 2023 and 2022
(continued)

NOTE 17. OTHER MATTERS

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into effect. This plan, among other things, provides direct federal funding to aid county and municipal governments to help offset revenue losses, cover increased costs incurred during the coronavirus pandemic response and to make necessary investments in water, sewer or broadband infrastructure. The amount of federal aid available to the Borough of Elmwood Park is \$2,089,812 which will be available for use until December 31, 2024.

NOTE 18: SUBSEQUENT EVENTS

The Borough has evaluated subsequent events through April 12, 2024, the date which the financial statements were available to be issued and no other items were noted for disclosure.

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SUPPLEMENTARY DATA

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BOROUGH OF ELMWOOD PARK, N.J.

Supplementary Data

Officials in Office and Surety Bonds

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of bond</u>	<u>Type of Bond</u>
Robert Colleti	Mayor		
Sandra Balistrieri	Council President		
Tanisha Dennis	Councilmember		
Francesco Fasolo	Councilmember		
Theresa Sheridan	Councilmember		
Daniel Golabek	Councilmember		
Lorraine Pellegrine	Councilmember		
Michael Foligno	Administrator/Police Chief		
Shanee Morris	Borough Clerk		
Salvatore Ingrassia, Inc.	Borough Attorney		
Roy Riggitano	Chief Finance Officer/Treasurer/Utility Collector		
Lori Sproviero	Tax Collector	\$ 1,000,000	(A)
Kevin Esposito	Tax Assessor		
Scott Karcz	Superintendent of Public Works		
Anthony Ambrogio	Construction Official		
James DePadova	Plumbing Sub-Code Official		
Steve Kochik	Fire Official		
Joe Dymarczyk	Electrical Sub-Code Official		
Anthony Gallina	Magistrate	1,000,000	(A)
Debra Zafonte	Court Administrator	1,000,000	(A)
Enida Ciftja	Deputy Court Administrator	1,000,000	(A)
Kellie	Prosecutor		
Hansel Asmar	Health Officer - County		
Shanee Morris	Registrar		

(A) - There is a statutory bond limit in the Municipal Joint Insurance Fund that covers the Treasurer, Tax Collector, Library Treasurer and any assistant or deputy "in title to" these positions Magistrates, Court Administrators, and court clerk up to \$1,000,000 with a member deductible of \$1,000.

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BOROUGH OF ELMWOOD PARK

Supplementary Data

Comparative Schedule of Tax Rate Information

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Tax rate	\$ <u>2.992</u>	<u>3.012</u>	<u>3.026</u>
Apportionment of tax rate:			
Municipal *	0.945	0.952	0.953
County	0.308	0.285	0.292
Local school	<u>1.739</u>	<u>1.775</u>	<u>1.781</u>

* Includes Municipal Library

Assessed valuation

2023	\$ 2,120,011,389
2022	2,097,212,789
2021	2,082,338,189

Comparison of Tax Levies and Collections Currently

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collections could be an indication of a probable increase in future tax levies.

<u>Year</u>	<u>Tax levy</u>	<u>Currently</u>	
		<u>Cash collections</u>	<u>Percentage of collection</u>
2023	\$ 64,750,558	63,895,724	98.68%
2022	63,203,348	62,671,813	99.16%
2021	63,413,276	62,878,822	99.16%

Delinquent Taxes and Tax Title Liens

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens in relation to the tax levies of the last three years.

<u>Dec. 31.</u>	<u>Amount of tax title liens</u>	<u>Amount of delinquent taxes</u>	<u>Total delinquent</u>	<u>Percentage of tax levy</u>
2023	\$ 3,501	846,738	850,239	1.31%
2022	914	504,469	505,383	0.80%
2021	914	474,649	475,563	0.75%

BOROUGH OF ELMWOOD PARK

Supplementary Data

Property Acquired by Tax Title Lien Liquidation

No properties were acquired in 2023 by foreclosure or deed as a result of liquidation of tax title liens.

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

<u>Year</u>		<u>Amount</u>
2023	\$	23,450
2022		23,450
2021		23,450

Comparative Schedule of Fund Balances

	<u>Year</u>		<u>Balance, Dec. 31</u>	<u>Utilized in budget of succeeding year</u>
Current Fund:	2023	\$	10,126,064	5,670,149
	2022		9,076,096	4,598,087
	2021		9,696,518	4,346,000
	2020		7,465,741	3,975,000
	2019		7,617,877	3,975,000
Water Utility Fund:	2023	\$	6,296,228	396,665
	2022		6,204,747	
	2021		6,052,334	
	2020		5,992,700	
	2019		5,491,094	

Comparison of Water Utility Levies

<u>Year</u>		<u>Water Levy</u>	<u>Cash collection</u>
2023	\$	4,105,232	4,097,480
2022		3,531,240	3,928,594
2021		3,681,628	4,143,639
2020		4,837,574	4,003,709
2019		3,937,026	3,883,005

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Cash - Collector-Treasurer

Current Fund

Year Ended December 31, 2023

	<u>Current Fund</u>
Balance - December 31, 2022	\$ 13,171,079
Increased by Receipts:	
Petty Cash	1,500
Taxes Receivable	63,927,019
Miscellaneous Revenue Not Anticipated	480,897
Tax Overpayments	139,605
Due from State - Senior Citizen and Veteran Deductions	77,663
Revenue Accounts Receivable	7,215,113
Marriage License Fees Payable	1,450
Interfunds	314,194
Prepaid Taxes	332,859
Grants Receivable	176,120
Municipal Relief Aid	152,485
Unappropriated Reserves	86,242
Due from General Capital - Federal and State Grant Fund	2,336
	<hr/>
	72,907,483
	<hr/>
Decreased by Disbursements:	
Current Year Budget Appropriations	29,989,486
Petty Cash	1,500
Tax Overpayments	182,490
Appropriation Reserves	733,733
Interfunds	6,471
Refunds	32,749
Local District School Taxes	36,853,745
County Taxes Payable	6,515,113
Marriage License Fees Payable	850
Prior Year Grant Encumbrances Paid	310
Appropriated Grant Reserve Disbursements	333,654
	<hr/>
	74,650,101
	<hr/>
Balance - December 31, 2023	\$ <u><u>11,428,461</u></u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Cash - Change Fund

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ <u>200</u>
Balance - December 31, 2023	\$ <u><u>200</u></u>
<u>Analysis of Balance</u>	
Municipal Court	\$ <u><u>200</u></u>

Schedule of Cash - Petty Cash

Current Fund

Year Ended December 31, 2023

Increased by:	
Disbursed	\$ <u>1,500</u>
Decreased by:	
Returned to Treasurer	\$ <u><u>1,500</u></u>

BOROUGH OF ELMWOOD PARK, N.J.

**Schedule of Amount Due to/(from) State of New Jersey
for Senior Citizens' and Veterans' Deductions - CH. 129 P.L. 1976**

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$	74,284
Decreased by:			
Senior Citizens' Deductions Per Tax Billing	\$	16,500	
Veterans' Deductions Per Tax Billing		59,000	
Senior Citizen's and Veteran's Allowed - 2023		<u>250</u>	
			<u>75,750</u>
			(1,466)
Increased by:			
State Share of Senior Citizens and Veteran Deductions Received in Cash			<u>77,663</u>
Balance - December 31, 2023		\$	<u><u>76,197</u></u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2023

<u>Grant</u>	Balance, Dec. 31, <u>2022</u>	2023 Budget Revenue <u>Realized</u>	<u>Received</u>	Balance, Dec. 31, <u>2023</u>
Municipal Alliance on Alcoholism and Recycling Tonnage Grant	\$ 21,105	37,458	37,458	21,105
Safe and Secure Communities		32,400		32,400
Clean Communities		39,862	39,862	
Drunk Driving Enforcement Fund		14,000	14,000	
Spotted Lantern Fly Program		15,000		15,000
Lead Based Paint Grant		41,800	41,800	
Workforce Grant - Recreation		146,233	146,233	
ARP Firefighter Assistance Grant		76,657	43,000	33,657
DCA Recreation Grant		56,000		56,000
Senior Citizen COVID Project	<u>10,200</u>			<u>10,200</u>
	<u>\$ 31,305</u>	<u>459,410</u>	<u>322,353</u>	<u>168,362</u>
		Adopted Budget \$ <u>459,410</u>		

Cash Receipts	176,120
Due from Other Trust Fund	<u>146,233</u>
\$	<u><u>322,353</u></u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Municipal Tax Title Liens Receivable

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$ <u>914</u>
Increased by:		
Transferred from Taxes Receivable	\$ 972	
Interest and costs	91	
Subsequent Taxes	1,442	
Penalties and Fees	<u>82</u>	
		<u>2,587</u>
Balance - December 31, 2023		\$ <u><u>3,501</u></u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Amount Due to/(from) Federal and State Grant Fund

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$ 1,237,639
Increased by:		
Due from General Capital Fund	\$ 2,336	
Grants Received - Unappropriated Reserves	86,242	
Grants Received - Grants Receivable	<u>176,120</u>	
		<u>276,038</u>
		1,513,677
Decreased by:		
Appropriated Grants - Expenditures	333,654	
Unappropriated Grants - Utilized as Budget Revenue	1,044,906	
Prior Year Encumbrances Paid	<u>310</u>	
		<u>1,378,870</u>
Balance - December 31, 2023		<u><u>\$ 134,807</u></u>

Exhibit A-11

Schedule of Due from General Capital Fund

Federal and State Grant Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$ 3,240
Decreased by:		
Due from Current Fund		<u>2,336</u>
Balance - December 31, 2023		<u><u>\$ 904</u></u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2023

Year	Balance, Dec. 31, 2022	Levy	Collected 2022	Collected 2023	Senior Citizen and Veteran Deductions	Transferred to Tax Title Liens	Canceled	Balance, Dec. 31, 2023
2021	11,941			11,941				
2022	492,528			491,556		972		
	504,469			503,497		972		
2023		64,750,558	306,905	63,513,069	75,750	1,442	6,654	846,738
	\$ 504,469	64,750,558	306,905	64,016,566	75,750	2,414	6,654	846,738

Due from Redemption Trust Fund

Cash	89,547
	63,927,019
	<u>\$ 64,016,566</u>

Analysis of Tax Levy

Tax yield:	
General Purpose Tax	\$ 63,430,741
Added Tax (R.S. 54:4-63.1 et seq.)	<u>1,319,817</u>
	\$ 64,750,558

Tax Levy:

Local District School Tax	\$ 36,853,745
County Tax	\$ 6,238,858
County Open Space Preservation	272,915
County Added and Omitted Taxes	<u>135,864</u>
	<u>6,647,637</u>

Local Tax for Municipal Purposes	\$ 20,049,897
Add: Additional Taxes Levied	<u>1,199,279</u>

Local Tax for Municipal Purposes	<u>21,249,176</u>
	\$ 64,750,558

BOROUGH OF ELMWOOD PARK, N.J.

**Schedule of Property Acquired for Taxes -
Assessed Valuation**

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ <u>23,450</u>
Balance - December 31, 2023	\$ <u><u>23,450</u></u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2023

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Accrued</u>	<u>Collected</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
Clerk:				
Licenses:				
Alcoholic beverages		16,740	16,740	
Other		22,385	22,385	
Fees and Permits		271,436	271,436	
Municipal Court :				
Fines and Costs	37,356	334,101	350,644	20,813
Interest and Costs on Taxes		121,824	121,824	
Interest on Investments and Deposits		580,839	580,839	
Municipal Property Tax Relief		76,259	76,259	
Energy Receipts Tax		1,472,009	1,472,009	
Uniform Construction Code Fees	131,950	782,798	889,070	25,678
Interlocal Service Agreements				
Board of Education - School Resource Officer		156,100	156,100	
Utility Operating Surplus of Prior Year		1,275,000	1,275,000	
Uniform Fire Safety Act - Local		73,035	73,035	
Trunk Sewer Revenue		1,465,486	1,465,486	
EMS Services		526,592	526,592	
Capital Fund Balance		3,340	3,340	
American Rescue Plan - Revenue Loss		1,044,906	1,044,906	
	<u>\$ 169,306</u>	<u>8,222,850</u>	<u>8,345,665</u>	<u>46,491</u>

Interest on Investments	\$ 9,387
Reserve for Municipal Property Tax Relief	76,259
Unappropriated Grant	1,044,906
Cash Receipts	<u>7,215,113</u>
	<u>\$ 8,345,665</u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Deferred Charges N.J.S.A. 40A:4-53 Special Emergency

Current Fund

Year Ended December 31, 2023

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Amount</u> <u>Authorized</u>	<u>1/5 of Net</u> <u>Amount</u> <u>Authorized</u>	<u>Balance,</u> <u>Dec. 31,</u> <u>2022</u>	<u>Reduced</u> <u>in 2023</u>	<u>Balance,</u> <u>Dec. 31,</u> <u>2023</u>
12/17/2020	COVID-19 Revenue Losses	\$ 551,323	110,265	\$ 441,058	110,265	330,793

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Deferred Charges - Emergency Appropriations

Current Fund

Year Ended December 31, 2023

	<u>Authorized</u>	<u>Balance Dec. 31, 2023</u>
<u>Emergency Appropriations:</u>		
Down Payment on Improvements	\$ 46,296	46,296
Police - Salaries & Wages	563,000	563,000
Police - Other Expenses	54,000	54,000
Police - Other Personnel	140,000	140,000
Emergency Medical Services	<u>260,000</u>	<u>260,000</u>
	<u>\$ 1,063,296</u>	<u>1,063,296</u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Interfunds

Current Fund

Year Ended December 31, 2023

<u>Fund</u>	Due from/(to) Balance <u>Dec. 31, 2022</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance <u>Dec. 31, 2023</u>
Animal Control Trust Fund	4,675	6,175	4,675	6,175
Other Trust Fund				
Other Trust Fund	(6,471)	16,162		9,691
Escrow	1,468	5,365	1,468	5,365
Fire Prevention - Dedicated Penalties	54,525	24,338	54,525	24,338
Redemption Trust		89,547		89,547
Public Defender Trust	(750)			(750)
General Capital Fund	186	37,038	49,722	(12,498)
Water Utility Operating Fund	100		250,100	(250,000)
Water Utility Capital Fund	(1,348)			(1,348)
	<u>\$ 52,385</u>	<u>178,625</u>	<u>360,490</u>	<u>(129,480)</u>
Due to Current Fund	60,954	172,157	97,995	135,116
Due from Current Fund	(8,569)	6,468	262,495	(264,596)
	<u>\$ 52,385</u>	<u>178,625</u>	<u>360,490</u>	<u>(129,480)</u>

Cash Receipts - Interfunds Returned	\$	60,954
Budget Appropriation - Down Payment on Improvements		46,296
Cash Receipts		253,240
Deposit errors - Proceeds of 2023 Tax Sale	89,547	
Deposit errors - Fire Prevention Revenue	24,338	
Cash Disbursement	6,471	
Accrued Interest on Bond Sale	7,018	
Premium on Sale of Bond Anticipation Notes	27,650	
Interest on Investments	17,426	
Statutory Excess	6,175	
	<u>\$ 178,625</u>	<u>360,490</u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2023

	Balance, Dec. 31, <u>2022</u>	Balance after Transfers and <u>Encumbrances</u>	<u>Paid or Charged</u>	Balance <u>Lapsed</u>	<u>Over- Expenditure</u>
Salaries and Wages Within "CAPS":					
Administrative and Executive	\$ 4,561	4,561		4,561	
Mayor and Council	166	166		166	
Financial Administration	9	9		9	
Collection of Taxes	4,130	4,130		4,130	
Assessment of Taxes	667	667		667	
Legal Services and Costs	3,504	3,504	1,846	1,658	
Planning Board	1,735	1,735	(333)	2,068	
Zoning Board	217	217	(308)	525	
Police	1,321	1,321		1,321	
Crossing Guards	5	5		5	
Police Dispatch/911	217	217		217	
Emergency Medical Services		652		652	
Fire Officials	3,988	4,711		4,711	
Fire Department Stipend Program	62,922	62,922		62,922	
Municipal Prosecutor	42	42		42	
Municipal Court	1,543	1,543		1,543	
Public Defender	4,490	4,490		4,490	
Road Repairs and Maintenance	257	257		257	
Solid Waste Collection	54	54		54	
Rent Leveling	318	318		318	
Public Health Services	1,560	1,560		1,560	
Recreation Services and Programs	1,826	1,826		1,826	
Construction Code Official	1,403	1,403		1,403	
Total Salaries and Wages Within "CAPS"	94,935	96,310	1,205	95,105	
Other Expenses Within "CAPS":					
Administrative and Executive					
Other Expenses	2,825	2,825	245	2,580	
Grant Consultant	2,400	2,400		2,400	
Financial Administration:					
Other Expenses	827	14,906	3,666	11,240	
Payroll Service	4,721	12,494	11,115	1,379	
Audit Services		34,350		34,350	
Collection of Taxes	3,193	3,543	87	3,456	
Postage	434	434		434	
Assessment of Taxes:					
Other Expenses	455	4,148	9,186	59,535	5,038
Legal Services and Costs	6,471	102,338	42,803	22,700	
Planning Board	11,921	42,140	19,440	2,700	
Zoning Board	393	768	661	107	
Council on Affordable Housing	9,817	2,817	935	1,882	
Town Planner	1,645	1,645	1,741		96
Insurance:	1,793	6,954	1,369	5,585	
General Liability					
General Liability	18,642	123,529	121,977	1,552	
Group Insurance	3,541	124,429	121,977	2,452	
Worker's Compensation	3,956	4,106	620	3,486	
Health Waiver	1	1		1	
Police:					
Other Expenses - Regular	26,483	83,575	71,216	12,359	
Emergency Management Services	3,505	3,505	150	3,355	

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2023

	Balance, Dec. 31, <u>2022</u>	Balance after Transfers and <u>Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>	<u>Over- Expenditure</u>
Emergency Medical Services		4,583	2,643	1,940	
First Aid Organization Contribution	1,935				
Fire Department					
Other Expenses - Miscellaneous	1,673	69,083	51,205	17,878	
Other Expenses - Clothing Allowance	329	329		329	
Uniform Fire Code	23,041	23,193	2,196	20,997	
Municipal Court	6,580	6,755	768	5,987	
Road Repairs and Maintenance	1,278	17,614	8,398	9,216	
Traffic Lights	5,194	9,064	5,918	3,146	
Shade Tree	1,500	1,500		1,500	
Solid Waste Collection - Recycling	2,268	10,102	8,883	1,219	
Solid Waste Collection - Tipping Fees	188	114,810	112,133	2,677	
Rent Leveling	350	350		350	
Vehicle Maintenance	4,680	20,121	8,549	11,572	
Public Health Services	976	1,518	217	1,301	
Recreation	2,571	17,586	16,897	689	
Maintenance of Parks	3,778	3,778		3,778	
Celebration of Public Events					
Other Expenses	2,683	2,683	1,856	827	
Senior Citizen Expenses	3,839	3,844	5	3,839	
Gasoline	11,069	20,559	11,315	9,244	
Electric and Gas	3,334	42,728	39,994	2,734	
Telephone	2,366	3,985	3,985		
Street Lighting	5,655	53,555	45,831	7,724	
Construction Code Official	7,865	8,040	2,263	5,777	
Contingent	10,000	10,000		10,000	
Total Other expenses Within "CAPS"	<u>206,175</u>	<u>1,016,687</u>	<u>730,244</u>	<u>291,577</u>	<u>5,134</u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2023

	Balance, Dec. 31, <u>2022</u>	Balance after Transfers and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>	Over- <u>Expenditure</u>
Deferred Charges and Statutory Expenditures Within "CAPS":					
Social Security System (O.A.S.I.)	39,691	39,783	92	39,691	
Total Deferred Charges and Statutory Expenditures Within "CAPS"	<u>39,691</u>	<u>39,783</u>	<u>92</u>	<u>39,691</u>	
Other Expenses Excluded From "CAPS":					
Recycling Tax	13,533	17,868	2,194	15,674	
Sewerage Processing and Disposal: Passaic Valley Sewer Commission Operating and Maintenance Cost	<u>1</u>	<u>1</u>		<u>1</u>	
Total Other Expenses Excluded from "CAPS"	<u>13,534</u>	<u>17,869</u>	<u>2,194</u>	<u>15,675</u>	
Interlocal Municipal Service Agreements					
County of Bergen - Public Health Officer/Animal Control	<u>8,144</u>	<u>8,144</u>		<u>8,144</u>	
Total Interlocal Municipal Service Agreements	<u>8,144</u>	<u>8,144</u>		<u>8,144</u>	
 Total Reserves	 <u>\$ 362,479</u>	 <u>1,178,793</u>	 <u>733,735</u>	 <u>450,192</u>	 <u>5,134</u>
		Appropriation Reserves 362,478			
		Encumbrances <u>816,315</u>			
		<u>\$ 1,178,793</u>			
		Cash Disbursed <u>733,735</u>			
			<u>\$ 733,735</u>		

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Encumbrances Payable

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ 816,315
Increased by:	
Transferred from Current Year Budget	<u>273,036</u>
	1,089,351
Decreased by:	
Transferred to Appropriation Reserves	<u>816,315</u>
Balance - December 31, 2023	<u><u>\$ 273,036</u></u>

Schedule of Reserve for Municipal Relief Fund Aid

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ 76,259
Increased by:	
Cash Received	<u>152,485</u>
	228,744
Decreased by:	
Utilized as Budget Revenue	<u>76,259</u>
Balance - December 31, 2023	<u><u>\$ 152,485</u></u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Reserve for Other Expenditures

Current Fund

Year Ended December 31, 2023

	Pending Tax <u>Appeals</u>	<u>Revaluation</u>	<u>Total</u>
Balance - December 31, 2022	\$ 1,455,224	37,000	1,492,224
Decreased by:			
Cancelled to Operations	<u>1,000,000</u>	<u>37,000</u>	<u>1,037,000</u>
Balance - December 31, 2023	<u>\$ 455,224</u>	<u> </u>	<u>455,224</u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Tax Overpayments

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	55,403
Increased by:		
Collections		<u>139,605</u>
		195,008
Decreased by:		
Refunds		<u>182,490</u>
Balance - December 31, 2023	\$	<u><u>12,518</u></u>

BOROUGH OF ELMWOOD PARK, N.J.
Schedule of Local School District Tax Payable

Current Fund

Year Ended December 31, 2023

Increased by:		
2023 Levy	\$	<u>36,853,745</u>
Decreased by:		
Payments	\$	<u><u>36,853,745</u></u>

Schedule of Marriage License Fees Payable

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	75
Increased by:		
State Marriage License Fees Collected		<u>1,450</u>
		1,525
Decreased by:		
Cash Disbursements		<u>850</u>
Balance - December 31, 2023	\$	<u><u>675</u></u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of County Taxes Payable

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$	3,340
Increased by:			
2023 Levy	\$	6,238,858	
2023 Open Space		272,915	
2023 Added Assessments		<u>135,864</u>	
			<u>6,647,637</u>
Decreased by:			
Payments			<u>6,515,113</u>
Balance - December 31, 2023		\$	<u><u>135,864</u></u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Prepaid Taxes

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	306,905
Increased by:		
Collections		<u>332,859</u>
		639,764
Decreased by:		
Applied to 2023 Taxes Receivable		<u>306,905</u>
Balance - December 31, 2023	\$	<u><u>332,859</u></u>

BOROUGH OF ELMWOOD PARK, N.J.

Statement of Plan Assets Due to LOSAP

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ <u>102,752</u>
Balance - December 31, 2023	\$ <u><u>102,752</u></u>

Schedule of Due to/(from) Other Trust Fund

Federal and State Grant Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ 1,800
Decreased by:	
Deposit errors	<u>146,233</u>
Balance - December 31, 2023	\$ <u><u>(144,433)</u></u>

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2023

<u>Grant</u>	Balance, Dec. 31, 2022	Transfer From 2023 <u>Budget</u>	<u>Expended</u>	Over- <u>Expenditure</u>	Balance, Dec. 31, 2023
Municipal Alliance on Alcohol and Drug Abuse - 2017	\$ 1,201				1,201
Alcohol Education and Rehabilitation	27,468		14,935		12,533
Recycling Tonnage Grant	21,230		21,230		
Recycling Tonnage Grant	20,227		20,227		
Recycling Tonnage Grant		37,458			37,458
Safe and Secure Communities		32,400	45,000	(12,600)	
Safe and Secure Communities - Local Match		11,340	11,340		
Body Armor Replacement Fund	2,279		2,279		
Body Armor Replacement Fund	988				988
Body Armor Replacement Fund	3,201		2,962		239
Clean Communities	21,148		21,148		
Clean Communities		39,862	35,770		4,092
Lantern Fly Program		15,000			15,000
DCA - Recreation Grant		56,000			56,000
Drunk Driving Enforcement Fund	16,619		225		16,394
Drunk Driving Enforcement Fund		14,000			14,000
Highway Safety Grant - Click it or Ticket	960				960
Highway Safety Grant - Click it or Ticket	379				379
NJ Workforce Registry Stabilization Grant	16				16
Pedestrian Safety	2,200				2,200
Childcare NJ ARP Stabilization			(6,051)		6,051
ARP Firefighters Grant		76,657	18,356		58,301
Juvenile Justice Grant	2,309				2,309
Workforce Grant - Recreation		146,233	146,233		
Lead Based Paint Grant	3,400	41,800			45,200
Bergen Co. Stigma Free Grant	1,860				1,860
Bergen County - Historical Restoration Grant	126				126
	<u>\$ 125,611</u>	<u>470,750</u>	<u>333,654</u>	<u>(12,600)</u>	<u>275,307</u>
		Budget	459,410		
		Local Match	<u>11,340</u>		
		<u>\$ 470,750</u>			

Cash Disbursements \$ 333,654

BOROUGH OF ELMWOOD PARK, N.J.

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2023

<u>Grant</u>	Balance, Dec. 31, 2022	<u>Received</u>	Realized as Current Year <u>Revenue</u>	Balance, Dec. 31, 2023
Stormwater Assistance Grant	\$	15,000		15,000
Opioid Settlement	9,503	33,004		42,507
American Rescue Plan	1,044,906		(1,044,906)	
Occupant Protection - Click it or Ticket	6,440	7,000		13,440
Non-Motorized Safety Enforcement Grant		12,600		12,600
Body Armor Replacement Grant	3,240	3,763		7,003
Distracted Driving Enforcement	7,980	7,000		14,980
Alcohol Education and Rehabilitation	6,159	3,115		9,274
Impaired Driving		4,760		4,760
Clean Communities	35,539			35,539
Recycling Tonnage Grant	30,696			30,696
	\$ 1,144,463	86,242	(1,044,906)	185,799
		Cash Receipts 86,242		

BOROUGH OF ELMWOOD PARK

Schedule of Cash

Trust Funds

Year Ended December 31, 2023

	Animal Trust Fund	Other Trust Fund	Unemployment Compensation Trust Fund	Emergency Service LOSAP Fund
Balance - December 31, 2022	\$ 16,336	2,641,789	194,031	431,302
Increase by Receipts:				
Dog License Fees Collected	4,000			
Cat License Fees Collected	486			
Other Miscellaneous Fees	40			
Due to the State of New Jersey	830			
Interest on Investments		15,056		
Interfunds		266,602		
Various Reserves and Deposits		2,936,591		
Due to Bergen County Prosecutor		26,325		
Employee Payroll Deductions			18,424	
Appreciation in Investment Value				71,744
Total Receipts	<u>5,356</u>	<u>3,244,574</u>	<u>18,424</u>	<u>71,744</u>
	<u>21,692</u>	<u>5,886,363</u>	<u>212,455</u>	<u>503,046</u>
Decreased by Disbursements:				
Due to the State of New Jersey	831			
Interfunds	4,675	55,993		
Various Reserves and Deposits		1,825,706		
Unemployment Reserve Expenditures			18,111	
Account Charges/Tax				1,275
LOSAP Distributions				5,835
Total Disbursements	<u>5,506</u>	<u>1,881,699</u>	<u>18,111</u>	<u>7,110</u>
Balance - December 31, 2023	<u>\$ 16,186</u>	<u>4,004,664</u>	<u>194,344</u>	<u>495,936</u>

BOROUGH OF ELMWOOD PARK
Schedule of Interfunds Receivable/(Payable)

Trust Funds

Year Ended December 31, 2023

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
Other Trust Fund				
Federal and State Grant Fund	\$ 1,800	146,233		(144,433)
General Capital Fund	17,514			17,514
Current Fund:				
Escrow Trust Fund	(1,468)	5,365	1,468	(5,365)
Public Defender Trust Fund	750			750
Fire Prevention - Dedicated Penalties	(54,525)	24,338	54,525	(24,338)
Redemption Trust Fund		89,547		(89,547)
Other Trust Fund	6,471	16,162		(9,691)
	<u>(29,458)</u>	<u>281,645</u>	<u>55,993</u>	<u>(255,110)</u>
Animal License Trust Fund				
Current Fund	<u>(4,675)</u>	<u>6,175</u>	<u>4,675</u>	<u>(6,175)</u>
Intrafunds:				
Animal License Trust Fund			13	13
Other Trust Fund		<u>13</u>		<u>(13)</u>
		<u>13</u>	<u>13</u>	
	<u>\$ (34,133)</u>	<u>287,833</u>	<u>60,681</u>	<u>(261,285)</u>
Receipts		266,602		
Disbursements			60,668	
Deposits in Error			13	
Statutory Excess		6,175		
Interest on Investments		<u>15,056</u>		
		<u>\$ 287,833</u>	<u>60,681</u>	

BOROUGH OF ELMWOOD PARK

Schedule of Amount Due to/(from) State of New Jersey

Animal License Trust Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	1
Increased by:		
State Fees Collected		<u>830</u>
		831
Decreased by:		
Paid to State	\$	<u><u>831</u></u>

BOROUGH OF ELMWOOD PARK

Schedule of Amount Due to Bergen County Prosecutor

Year Ended December 31, 2023

Increased by:

Deposit errors - Equitable distributions
owed to Municipal Escrow Account

\$ 26,325

Balance - December 31, 2023

\$ 26,325

BOROUGH OF ELMWOOD PARK

Schedule of Reserve for Animal Trust Fund Expenditures

Trust Funds

Year Ended December 31, 2023

Balance - December 31, 2022		\$	11,660
Increased by:			
Dog License Fees	\$	4,000	
Due from Other Trust Fund		13	
Cat License Fees		486	
Miscellaneous Revenue:			
Late Fees - Dog		40	
			<u>4,539</u>
			16,199
Decreased by:			
Statutory Excess - Due Current Fund			<u>6,175</u>
Balance - December 31, 2023		\$	<u><u>10,024</u></u>

Animal License Fees Collected

	<u>Year</u>		
	2021	\$	5,856
	2022		<u>4,168</u>
Maximum Reserve	\$		<u><u>10,024</u></u>

BOROUGH OF ELMWOOD PARK
Schedule of Reserve for Unemployment
Compensation Insurance Fund
Trust Funds
Year Ended December 31, 2023

Balance - December 31, 2022	\$	194,031
Increased by:		
Employee Payroll Deductions		18,424
		212,455
Decreased by:		
Cash Disbursements		18,111
Balance - December 31, 2023	\$	194,344

BOROUGH OF ELMWOOD PARK

Schedule of Various Reserves and Deposits

Trust Funds

Year Ended December 31, 2023

	Balance <u>Dec. 31, 2022</u>	<u>Increased</u>	<u>Decreased</u>	Balance <u>Dec. 31, 2023</u>
Escrow Deposits	\$ 811,989	190,246	388,247	613,988
Public Defender	1,725	6,325		8,050
Multiple Dwelling Emergency Deposits	43,446	8		43,454
Recreation	604,139	628,934	824,524	408,549
Parking Offenses Adjudication Act	5,138	1,904	3,118	3,924
Lien Redemptions		286,892	286,892	
Tax Title Lien Premiums	176,300	161,000	156,600	180,700
Accrued Compensated Absences	250,649	100,000		350,649
Federal Equitable Sharing Program - Treasury	2,026	26,325	26,325	2,026
Federal Equitable Sharing Program - Justice	50,983			50,983
COAH	612,200	1,369,459		1,981,659
Fire Prevention - Dedicated Penalties	44,037	4,125		48,162
Drunk Driving	197			197
Miscellaneous	1,000			1,000
Police Outside Duty	8,502	161,373	140,000	29,875
	<u>\$ 2,612,331</u>	<u>2,936,591</u>	<u>1,825,706</u>	<u>3,723,216</u>

Cash Receipts	\$ 2,936,591	
Cash Disbursements		<u>1,825,706</u>
	<u>\$ 2,936,591</u>	<u>1,825,706</u>

BOROUGH OF ELMWOOD PARK

Schedule of Service Award Contributions Receivable

Trust Funds

Year Ended December 31, 2023

Balance - December 31, 2022	\$ <u>93,184</u>
Balance - December 31, 2023	\$ <u><u>93,184</u></u>

BOROUGH OF ELMWOOD PARK

Schedule of Net Assets Available for Benefits

Trust Funds

Year Ended December 31, 2023

Balance - December 31, 2022		\$	524,486
Increased by:			
Appreciation in Fair Value of Investments			<u>71,744</u>
			596,230
Decreased by:			
Account Charges/Tax	\$	1,275	
Distributions		<u>5,835</u>	
			<u>7,110</u>
Balance - December 31, 2023		\$	<u><u>589,120</u></u>

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BOROUGH OF ELMWOOD PARK

Schedule of Cash

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$	599,359
Increased by Receipts:			
Bond Anticipation Notes	\$	5,000,000	
Interfund		90,801	
Grants Received		845,313	
Contributions Receivable		350,000	
Bond Sale Proceeds		8,025,000	
Premium on Bond Sale		325,000	
Balance of Premium on Bond Sale		8,315	
Capital Improvement Fund		250,000	
Unappropriated Grant Received		<u>122,205</u>	
			<u>15,016,634</u>
			15,615,993
Decreased by Disbursements:			
Improvement Authorizations		710,302	
Contracts Payable		3,081,299	
Budget Revenue - Fund Balance		3,340	
Bond Anticipation Notes		8,362,000	
Interfund		<u>9,525</u>	
			<u>12,166,466</u>
Balance - December 31, 2023		\$	<u><u>3,449,527</u></u>

BOROUGH OF ELMWOOD PARK

Analysis of Cash

General Capital Fund

Year Ended December 31, 2023

Fund Balance	\$ 117,066
Due to Current Fund	(12,498)
Due to Federal and State Grant Fund	904
Due to Recreation Trust Fund	17,514
Due to Water Capital	50,000
Grants Receivable	(1,649,250)
Contributions Receivable	(5,355)
Environmental Infrastructure Loan Receivable	(17,514)
Contracts Payable	3,956,798
Reserve for Payment of Debt	322,025
Reserve for Grants Receivable	1,576,105

Improvement Authorizations:

<u>Ordinance</u>	<u>Improvement Description</u>	
<u>Number</u>		
2013-21	Streetscape Improvements	(118,977)
2014-12	Sanitary Sewer Pump Station	(62,692)
2015-17	Resurfacing of Iozia Terrace, Franklin & Court St.	(108,366)
2016-12	2016 Road Resurfacing Program	42,653
2017-13	Improvement of the Boulevard, Sec. 10, Phase 2	(31,890)
2017-20	UST Removal and Environmental Remediation	(40,468)
2018-05/2018-23	Resurfacing of Franklin, Orchard & Lee Street	(64,939)
2019-09	ADA Accessible Playground Equipment at Cherry Hill Park	99,359
2019-15/2020-34	Various Public Improvements	(47,787)
2019-23	Resurfacing of Portions of Miller & Summit Avenues, 1st, 2nd and 3rd Streets	(25,258)
2020-04	Various Public Improvements	109,050
2020-17	Improvements to Donor Place & Echo Place	(280,399)
2020-22	Elmwood Park Marina Improvements	949,050
2020-27	Various Public Improvements	34,353
2021-09/2022-12	Improvement of 13th and 14th Avenue	(159,268)
2021-11	Various Public Improvements	312,829
2021-23	Improvement of Mola Blvd, Phase 2	14,324
2021-25	2021 Curb & Gutter Replacement Program	76,762

BOROUGH OF ELMWOOD PARK

Analysis of Cash

General Capital Fund

Year Ended December 31, 2023

2021-27	2021 Road Improvement Program	310,605
2022-03	Acquisition of Pumper Fire Engine	55,059
2022-07	Design/Engineering Phase for Traffic Signalization Imps.	22,500
2022-16	Various Public Improvements	185,314
2022-22	Improvement of 15th Avenue	(35,269)
2022-27	Streetscape Improvements - Mola Blvd.	(330,750)
2022-28	Improvement of Grove Street	(170,500)
2023-07/2023-28	Synthetic Turf Athletic Field at Borough Park	1,525,008
2023-11	Supp. 2022-27: Streetscape Imps. to Mola Blvd	(205,824)
2023-12	Various Public Improvements	(473,210)
2023-23	2023 Road Resurfacing Program	(1,133,578)
2023-27	Storm and Sanitary Sewer Improvements	(4,800)
2023-29	Improvements to Elmwood Drive Park	(18,000)
2023-34	Various Public Improvements, supp. 22-03 & 20-04	35,000
2023-38	Imp. of 14th Ave, East 53rd and 16th Ave.	18,515
2023-39	Acquisition of new Pumper Fire Engine	<u>(1,384,674)</u>
		<u>\$ 3,449,527</u>

BOROUGH OF ELMWOOD PARK

Schedule of Interfunds

General Capital Fund

Year ended December 31, 2023

	Due from/(to) Balance <u>Dec. 31, 2022</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance <u>Dec. 31, 2023</u>
Current Fund	\$ (186)	49,722	37,038	12,498
Water Capital			50,000	(50,000)
Federal and State Grant Fund	(3,240)	6,099	3,763	(904)
Recreation Trust Fund	<u>(17,514)</u>			<u>(17,514)</u>
	<u>(20,940)</u>	<u>55,821</u>	<u>90,801</u>	<u>(55,920)</u>
			Cash Receipts \$ 3,763	
			Interest on Investments 2,370	
		9,525		
		46,296		
			Bond Sale Premium due Water Capital 50,000	
			Premium on Note Sale 27,650	
			Accrued Interest on Bond Sale 7,018	
		<u>\$ 55,821</u>	<u>90,801</u>	

BOROUGH OF ELMWOOD PARK

**Schedule of Deferred Charges to Future
Taxation - Funded**

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$	9,081,605
Increased by:			
Transferred from Deferred Charges - Unfunded			<u>8,025,000</u>
			17,106,605
Decreased by:			
Current year Budget Appropriations:			
Loan Principal	\$	218,120	
Serial Bond Principal		<u>1,150,000</u>	
			<u>1,368,120</u>
Balance - December 31, 2023	\$		<u><u>15,738,485</u></u>

BOROUGH OF ELMWOOD PARK

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2023

Ordinance Number	Improvement Description	Balance		Decreased By:	Balance Dec. 31, 2023	Analysis of Balance		
		Dec. 31, 2022	2023 Authorizations			Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
	General Improvements:	\$						
2013-21	Streetscape Improvements	118,977			118,977		118,977	
2014-12	Sanitary Sewer Pump Station	62,692			62,692		62,692	
2015-17	Resurfacing Iozia Terrace, Franklin & Court St.	108,366			108,366		108,366	
2016-12	2016 Road Resurfacing Program	57,000			57,000			57,000
2017-13	Improvement of Blvd. Section 10 Phase 2	65,988		34,098	31,890		31,890	
2017-20	Underground Storage Tank Removal & Environmental Remediation	174,000		133,532	40,468		40,468	
2018-05	Resurfacing of Franklin, Orchard and Lee Streets	103,649		42,260	61,389		61,389	
2018-23	Additional Appropriation: 2018-05	3,550			3,550		3,550	
2019-07	Rehabilitation of Veteran's Park	171,000		171,000				
2019-11	Acquisition of a new Aerial Tower Fire Truck & Mini Pumper Fire Engine	1,657,000		1,657,000				
2019-15	Various Public Improvements	1,509,000		1,509,000				
2019-23	Resurfacing of Portions of Miller & Summit Avenue, and 1st, 2nd and 3rd Streets	48,000			48,000		25,258	22,742
2020-04	Various Public Improvements	2,460,000		2,460,000				
2020-17	Improvements to Donor Avenue & Echo Place	290,000			290,000		280,399	9,601
2020-22	Elmwood Park Marina Improvements	1,400,000		1,150,000	250,000			250,000
2020-27	Various Public Improvements	313,000		313,000				
2020-34	Additional Appropriation: 2019-15	85,500			85,500		47,787	37,713
2021-09	Improvement of 13th Avenue	285,000		122,205	162,795		159,268	3,527
2021-11	Various Public Improvements	1,352,000		1,340,000	12,000			12,000
2021-23	Improvement of Mola Blvd, Phase 2	238,000			238,000	238,000		
2021-25	2021 Curb & Gutter Replacement Program	309,500			309,500	309,500		

BOROUGH OF ELMWOOD PARK

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2023

Ordinance Number	Improvement Description	Balance		Decreased By:	Balance Dec. 31, 2023	Analysis of Balance		
		Dec. 31, 2022	2023 Authorizations			Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
2021-27	2021 Road Improvement Program	793,001	177,999		971,000	971,000		
2022-03	Acquisition of Pumper Fire Engine	938,000			938,000	938,000		
2022-07	Design/Engineering Phase for Traffic Signalization Imps.	104,700			104,700	104,700		
2022-12	Imps. To 13th and 14th Avenue	190,000		124,587	65,413			65,413
2022-16	Various Public Improvements	972,000			972,000	972,000		
2022-20	Acquisition of equipment including Police Vehicles	152,000			152,000	152,000		
2022-22	Improvement of 15th Avenue	190,000		136,976	53,024		35,269	17,755
2022-27	Streetscape Improvements - Mola Blvd.	510,000		179,250	330,750		330,750	
2022-28	Improvement of Grove Street	325,000		154,500	170,500		170,500	
2023-07	Installation of synthetic turf athletic field at borough park		2,200,000.00		2,200,000	1,314,800		885,200
2023-12	Various Public Improvements		831,000.00		831,000		473,210	357,790
2023-11	Supp. 2022-27: Streetscape Imps. to Mola Blvd		230,000.00		230,000		205,824	24,176
2023-23	2023 Road Resurfacing Program		1,352,000.00		1,352,000		1,133,578	218,422
2023-27	Storm and Sanitary Sewer Improvements		123,800.00		123,800		4,800	119,000
2023-28	Supp. 2023-07: Synthetic Turf Athletic Field		500,000.00		500,000			500,000
2023-29	Improvements to Elmwood Drive Park		600,000.00		600,000		18,000	582,000
2023-34	Various Public Improvements, supp. 22-03 & 20-04		695,000.00		695,000			695,000
2023-38	Imp. of 14th Ave, East 53rd and 16th Ave.		371,000.00		371,000			371,000

BOROUGH OF ELMWOOD PARK

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2023

Ordinance Number	Improvement Description	Balance Dec. 31, 2022	2023 Authorizations	Decreased By:	Balance Dec. 31, 2023	Analysis of Balance		
						Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
2023-39	Acquisition of new Pumper Fire Engine	\$ 14,986,923	1,419,000.00		1,419,000	1,384,674	34,326	
			8,499,799	9,527,408	13,959,314	4,696,649	4,262,665	

Re-establish Deferred Charges - Unfunded - Ord. 2021-27
 2023 Authorizations \$ 8,321,800
 \$ 8,499,799

Bond Premium utilized as Paydown \$ 325,000
 Cancelled via Resolution 209,890
 Unappropriated Grant Proceeds Applied 967,518
 Transferred to Deferred Charges - Funded 8,025,000
 \$ 9,527,408

Improvement Authorizations - Unfunded \$ 6,242,029	
Less: Unexpended proceeds of Bond Anticipation Notes	
Ordinance:	
2021-23	14,324
2021-25	76,762
2021-27	310,605
2022-03	55,059
2022-07	22,500
2022-16	185,314
2023-07	1,314,800
	1,979,364

\$ 4,262,665

BOROUGH OF ELMWOOD PARK

Schedule of Grants Receivable - State Department of Transportation

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	488,888
Decreased by:		
Cash Receipts		<u>333,750</u>
Balance - December 31, 2023	\$	<u><u>155,138</u></u>
		<u>Analysis</u>
	Ord. 2017-13 \$	43,888
	Ord. 2022-27	59,750
	Ord. 2022-28	<u>51,500</u>
	\$	<u><u>155,138</u></u>

Schedule of Grants Receivable - Community Development Block Grant

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	458,484
Increased by:		
Grants Awards		<u>268,194</u>
		726,678
Decreased by:		
Cancelled	\$	5,413
Cash Receipts		<u>261,563</u>
		<u>266,976</u>
Balance - December 31, 2023	\$	<u><u>459,702</u></u>
		<u>Analysis</u>
	Ord. 2020-17	191,508
	Ord. 2023-07	144,447
	Ord. 2023-38	<u>123,747</u>
	\$	<u><u>459,702</u></u>

BOROUGH OF ELMWOOD PARK

Schedule of Grants Receivable - Bergen County Open Space Grant

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ 323,145
Increased by:	
Grant Awards	<u>441,239</u>
	764,384
Decreased by:	
Cash Receipts	<u>250,000</u>
Balance - December 31, 2023	<u><u>\$ 514,384</u></u>

<u>Analysis</u>	
Ord. 2019-09	73,145
Ord. 2023-07	<u>441,239</u>
	<u><u>\$ 514,384</u></u>

Schedule of Environmental Infrastructure Loan Receivable

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ <u>17,514</u>
Balance - December 31, 2023	<u><u>\$ 17,514</u></u>

BOROUGH OF ELMWOOD PARK

**Schedule of Grants Receivable - Green Acres Trust Fund
Ord. 2020-22 - Elmwood Park Marina Improvements**

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ 250,407
Increased by:	
Grant Award - Ord. 2023-29	269,619
Balance - December 31, 2023	\$ 520,026

**Schedule of Contributions Receivable - Recreation Trust Fund
and Elmwood Park Board of Education**

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ 5,355
Increased by:	
Contribution Pledged - Ord. 2023-28	350,000
	355,355
Decreased by:	
Cash Receipts	350,000
Balance - December 31, 2023	\$ 5,355
	<u>Analysis of Balance</u>
Elmwood Park Board of Education - Ord. 2018-27/2019-14	\$ 5,355

BOROUGH OF ELMWOOD PARK
Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2023

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2023		Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
			Date	Amount					
General Improvements	8/1/2013	6,830,000	08/01/24	720,000	2.75-3.00%	2,155,000		715,000	1,440,000
			08/01/25	720,000					
General Improvements	August 15, 2019	6,950,000	08/15/24	440,000	2.00%	5,770,000		435,000	5,335,000
			08/15/25	455,000					
			08/15/26	700,000					
			08/15/27	740,000					
			08/15/28	750,000					
			08/15/29	750,000					
			08/15/30	750,000					
			08/15/31	750,000					
General Improvements	August 15, 2024	8,025,000	08/15/24	360,000	4.00%		8,025,000		8,025,000
			08/15/25	370,000					
			08/15/26	455,000					
			08/15/27	485,000					
			08/15/28	580,000					
			08/15/29	705,000					
			08/15/30	720,000					
			08/15/31	725,000					
			08/15/32	725,000					
			08/15/33	725,000					
08/15/34	725,000	3.00%	725,000	3.25%	725,000				
08/15/35	725,000								
08/15/36	725,000	4.00%							
						\$ 7,925,000	8,025,000	1,150,000	14,800,000
								Budget Appropriations	1,150,000

BOROUGH OF ELMWOOD PARK

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year ended December 31, 2023

Ord. No.	Improvement Description	Date of issue of original notes	Date of issue	Date of Maturity	Interest rate	Balance Dec.31 2022	Increased	Decreased	Balance, Dec.31, 2023
2019-17	Rehabilitation of Veteran's Park	Dec. 3, 2020	Dec. 2, 2022	Aug. 23, 2023	3.75%	171,000		171,000	
2019-11	Acquisition of Fire Truck	Dec. 3, 2020	Dec. 2, 2022	Aug. 23, 2023	3.75%	1,657,000		1,657,000	
2019-15	Various Public Improvements	Dec. 3, 2020	Dec. 2, 2022	Aug. 23, 2023	3.75%	1,509,000		1,509,000	
2020-04	Various Public Improvements	Dec. 3, 2020	Dec. 2, 2022	Aug. 23, 2023	3.75%	2,210,000		2,210,000	
2020-22	Elmwood Park Marina Improvements	Dec. 3, 2020	Dec. 2, 2022	Aug. 23, 2023	3.75%	1,150,000		1,150,000	
2020-27	Various Public Improvements	Dec. 3, 2020	Dec. 2, 2022	Aug. 23, 2023	3.75%	313,000		313,000	
2021-11	Various Public Improvements	Dec. 3, 2021	Dec. 2, 2022	Aug. 23, 2023	3.75%	1,352,000		1,352,000	
2021-23	Imps to Mala Blvd, Phase 2	Nov. 9, 2023	Nov. 9, 2023	Oct. 9, 2024	5.00%		238,000		238,000
2021-25	2021 Curb & Gutter Replacement Program	Nov. 9, 2023	Nov. 9, 2023	Oct. 9, 2024	5.00%		309,500		309,500
2021-27	2021 Road Improvement Program	Nov. 9, 2023	Nov. 9, 2023	Oct. 9, 2024	5.00%		971,000		971,000
2022-03	Acquisition of new Pumper Fire Engine	Nov. 9, 2023	Nov. 9, 2023	Oct. 9, 2024	5.00%		938,000		938,000
2022-07	Design/Engineering Phase for Traffic Signalization Imps.	Nov. 9, 2023	Nov. 9, 2023	Oct. 9, 2024	5.00%		104,700		104,700
2022-16	Various Public Improvements	Nov. 9, 2023	Nov. 9, 2023	Oct. 9, 2024	5.00%		972,000		972,000
2022-20	Acq. Of Vehicles & Equipment for Police Dept.	Nov. 9, 2023	Nov. 9, 2023	Oct. 9, 2024	5.00%		152,000		152,000
2023-07	Installation of Synthetic Turf Field at Borough Park	Nov. 9, 2023	Nov. 9, 2023	Oct. 9, 2024	5.00%		1,314,800		1,314,800
						\$ 8,362,000	5,000,000	8,362,000	5,000,000

Cash \$	5,000,000
Bond Sale Proceeds	12,000
Premium Received	8,025,000
	325,000
	\$ 5,000,000
	\$ 8,362,000

Re-establish authorized not Issued - Ord. 2021-11

BOROUGH OF ELMWOOD PARK

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2023

Ordinance Number	Improvement Description	Adoption Date	Ordinance Amount	Balance Dec. 31, 2022		2023 Authorizations	Paid or Charged	Authorization Canceled	Balance Dec. 31, 2023	
				Funded	Unfunded				Funded	Unfunded
General Improvements:										
2016-12	2016 Road Resurfacing Program		480,000 \$	42,738	57,000	85		34,098	42,653	57,000
2017-13	Improvement of Blvd Sec 10 Phase 2		186,500		34,098			133,532		
2017-20	Underground Storage Tank Removal & Environmental Remediation		209,000		119,517	(14,015)				
2017-32	Various Improvements to Birchwood Park		175,000	455		(1,144)		1,599		
2017-33	New Pumper Fire Engine		542,500	21,225				21,225		
2018-05/2018-23	Resurfacing of Franklin, Orchard & Lee Street	Apr. 19, 2018/Oct. 18, 2018	357,500		42,260			42,260		
2018-09	Various Imps. to the Intersection of Market St. and Mola Boulevard	May 17, 2018	173,400					1,850		
2018-16	Replacement of Sewer Lines & Ejector Pumps	Jul. 19, 2018	290,000	1,850				4,500		
2018-17	Various Public Imps & New Additional and/or Replacement Machinery	Jul. 19, 2018	412,000	4,500				34,278		
2018-20	2018 Road Resurfacing Program	Aug. 2, 2018	1,130,000	34,278				19,407		
2018-21	Various Equipment & Machinery for the Fire Department	Aug. 2, 2018	72,000	19,407				10,708		
2018-27/2019-14	Imps. To Tennis Courts at the High School	Nov. 8, 2018	445,000	10,708					99,359	
2019-09	ADA Accessible Playground Equipment at Cherry Hill Park	Aug. 15, 2019	115,000							
2019-11	Acquisition of new Aerial Tower Fire Truck & Mini-Pumper Fire Engine	May 16, 2019	308,350	131,394						
2019-15/2020-34	Various Public Improvements	Jun. 20, 2019	1,740,000		15,183			15,183		
2019-23	Resurfacing of Portions of Miller & Summit Avenues, 1st, 2nd & 3rd Streets	Aug. 15, 2019/Nov. 12, 2020	1,675,000		37,713					37,713
2020-04	Various Public Improvements	Sept. 19, 2019	245,000		22,782	40				22,742
2020-17	Improvements to Donor Avenue & Echo Place	Mar. 19, 2020	2,585,000		548,592	439,542			109,050	
2020-22	Elmwood Park Marina Improvements	Jun. 18, 2020	305,000		81,301	71,700				9,601
2020-27	Various Public Improvements	Aug. 13, 2020	1,400,000		1,198,696	(354)			949,050	250,000
2021-09/2022-12	Improvement of 13th and 14th Avenue	Aug. 13, 2020	330,000		37,943	3,590			34,353	68,940
2021-11	Various Public Improvements	Sept. 17, 2020	300,000		52,892	(16,048)				
2021-23	Improvement of Mola Blvd, Phase 2	May 20, 2021	200,000		328,329	3,500			312,829	12,000
2021-25	2021 Curb & Gutter Replacement Program	May 19, 2022	1,520,000		50,658	36,334				14,324
2021-27	2021 Road Improvement Program	Oct. 14, 2021	250,000		79,188	2,426				76,762
2022-03	Acquisition of new Pumper Fire Engine	Nov. 10, 2021	325,000		322,299	11,694				310,605
		Feb. 17, 2022	985,000		55,059					55,059

BOROUGH OF ELMWOOD PARK

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2023

Ordinance Number	Improvement Description	Adoption Date	Ordinance Amount	Balance Dec. 31, 2022		2023 Authorizations	Paid or Charged	Authorization Canceled	Balance Dec. 31, 2023	
				Funded	Unfunded				Funded	Unfunded
2022-07	Design/Engineering Phase for Traffic Signalization Imps.	Apr. 21, 2022	110,000	22,500						22,500
2022-16	Various Public Improvements	May 19, 2022	1,156,500	531,795		346,481				185,314
2022-20	Acq. of Equipment including Police Vehicles	Aug. 18, 2022	160,000	653		653				17,755
2022-22	Improvement of 15th Avenue	Sept. 15, 2022	200,000	22,393		4,638				24,176
2022-27/2023-11	Streetscape Imps. To Moia Boulevard	Nov. 10, 2022	510,000	80,865	230,000	286,689				
		Apr. 20, 2023	230,000							
2022-28	Improvement of Grove Street	Nov. 10, 2022	325,000	7,815		7,815				2,700,000
2023-07/2023-28	Synthetic Turf Athletic Field at Borough Park	Mar. 16, 2023	3,160,000		3,160,000	249,792			210,208	
		Sept. 21, 2023								
2023-12	Various Public Improvements	Apr. 20, 2023	872,700	872,700		514,910				357,790
2023-23	2023 Road Resurfacing Program	Jul. 20, 2023	1,420,000	1,420,000		1,201,578				218,422
2023-27	Storm and Sanitary Sewer Improvements	Sept. 21, 2023	130,000	130,000		11,000				119,000
2023-29	Improvements to Elmwood Drive Park	Sept. 21, 2023	600,000	600,000		18,000				582,000
2023-34	Various Imps. Supp. To 2022-03 & 2020-04	Oct. 19, 2023	730,000	730,000					35,000	695,000
2023-38	Imp. Of 14th Ave, East 57rd & 16th Ave.	Nov. 9, 2023	390,000	390,000		485			18,515	371,000
2023-39	Acquisition of new Pumper Fire Engine	Nov. 9, 2023	1,490,000	1,490,000		1,455,674				34,326
			\$ 266,555	3,749,531	9,022,700	4,667,100		318,640	1,811,017	6,242,029

Capital Improvement Fund \$	304,604
Down Payments on Improvements	46,296
Contributions Receivable	350,000
Deferred Charges - Unfunded	8,321,800
	\$ 9,022,700
Cash \$	710,302
Contracts Payable	3,956,798
	\$ 4,667,100
Deferred Charges - Unfunded \$	209,890
Capital Surplus	108,750
	\$ 318,640

BOROUGH OF ELMWOOD PARK
Schedule of Capital Improvement Fund
General Capital Fund
Year Ended December 31, 2023

Balance - December 31, 2022	\$	54,604
Increased by:		
Budget Appropriation		<u>250,000</u>
		304,604
Decreased by:		
Appropriated to Finance Improvement Authorizations	\$	<u><u>304,604</u></u>

Schedule of Down Payments on Improvements
General Capital Fund
Year Ended December 31, 2023

Increased by:		
2023 Emergency Budget Appropriation	\$	<u>46,296</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations	\$	<u><u>46,296</u></u>

BOROUGH OF ELMWOOD PARK

Schedule of NJ Infrastructure Loan Payable

General Capital Fund

Year Ended December 31, 2023

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2023		Interest Rate	Balance Dec. 31, 2022	Decreased	Balance Dec. 31, 2023
			Date	Amount				
Sewer Main Extension De-icing Material Storage Bldg.	November 8, 2007	1,885,000	08/01/24	123,000	4.50%	636,000	114,000	522,000
			08/01/25	128,000	4.50%			
			08/01/26	133,000	4.50%			
			08/01/27	138,000	4.25%			
						\$ 636,000	114,000	522,000
							Budget Appropriations \$	114,000

BOROUGH OF ELMWOOD PARK

Schedule of NJ Infrastructure Loan Payable

General Capital Fund

Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding, December 31, 2023</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2022</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2023</u>
			<u>Date</u>	<u>Amount</u>				
Sewer Main Extension	November 8, 2007	2,042,471	08/01/24	107,001	0.00%	520,605	104,120	416,485
De-icing Material Storage Bldg.			08/01/25	106,164				
			08/01/26	105,182				
			08/01/27	98,138				
						\$ 520,605	104,120	416,485
						Budget Appropriations \$		104,120

BOROUGH OF ELMWOOD PARK

Schedule of Contracts Payable

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ 3,081,299
Increased by:	
Charges to Improvement Authorizations	<u>3,956,798</u>
	7,038,097
Decreased by:	
Cash Disbursements	<u>3,081,299</u>
Balance - December 31, 2023	<u>\$ 3,956,798</u>

Schedule of Reserve for Payment of Debt

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ 144,027
Increased by:	
Prior year grant proceeds - reclassified	<u>177,998</u>
Balance - December 31, 2023	<u>\$ 322,025</u>

BOROUGH OF ELMWOOD PARK
Schedule of Reserve for Grants Receivable
General Capital Fund
Year Ended December 31, 2023

Balance - December 31, 2022	\$	1,447,779
Increased by:		
Grant Awards		979,052
		2,426,831
Decreased by:		
Cancelled	\$	5,413
Grant Received - Applied to Authorized Not Issued		845,313
		850,726
Balance - December 31, 2023	\$	1,576,105

<u>Analysis</u>	
Ord. 2017-13: Department of Transportation	43,888
Ord. 2022-27: Department of Transportation	59,750
Ord. 2022-28: Department of Transportation	51,500
Ord. 2020-22: Green Acres Trust Fund	250,407
Ord. 2020-17: Community Development Block Grant	191,508
Ord. 2023-07 Bergen County	144,447
Ord. 2023-38: Community Development Block Grant	123,747
Ord. 2023-07 Open Space	441,239
Ord. 2023-29 Green Acres	269,619
	\$ 1,576,105

BOROUGH OF ELMWOOD PARK

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2023

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2022</u>	<u>2023 Authorizations</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2023</u>
2013-21	Streetscape Improvements	\$ 118,977			118,977
2014-12	Rehabilitation of Sanitary Sewer Pump Station	62,692			62,692
2015-17	Resurfacing Iozia Terrace, Franklin and Court St	108,366			108,366
2016-12	2016 Road Resurfacing Program	57,000			57,000
2017-13	Improvement of Blvd Section 10 Phase 2	65,988		34,098	31,890
2017-20	Removal of Underground Storage Tank & Remediation	174,000		133,532	40,468
2018-05	Resurfacing of Franklin, Orchard and Lee Streets	103,649		42,260	61,389
2018-23	Additional Appropriation: 2018-05	3,550			3,550
2019-23	Resurfacing Portions of Miller/Summit/1st/2nd/3rd Ave	48,000			48,000
2020-04	Various Public Improvements	250,000		250,000	
2020-17	Imp Donor Ave/Echo Pl	290,000			290,000
2020-22	Elmwood Park Marina Imp	250,000			250,000
2020-34	Amend 2019-15: Various Public Improvements	85,500			85,500
2021-09	Improvement of 13th Avenue	285,000		122,205	162,795
2021-11	Various Public Improvements		12,000		12,000
2021-23	Improvement of Mola Blvd, Phase 2	238,000		238,000	
2021-25	2021 Curb & Gutter Replacement	309,500		309,500	
2021-27	2021 Road Improvement Program	793,001	177,999	971,000	
2022-03	Acquisition of Pumper Fire Engine	938,000		938,000	
2022-07	Design/Engineering Phase for Traffic Signalization Imps.	104,700		104,700	
2022-12	Imps. To 13th and 14th Avenue	190,000		124,587	65,413
2022-16	Various Public Improvements	972,000		972,000	
2022-20	Acquisition of equipment including Police Vehicles	152,000		152,000	
2022-22	Improvement of 15th Avenue	190,000		136,976	53,024
2022-27	Streetscape Improvements - Mola Blvd.	510,000		179,250	330,750
2022-28	Improvement of Grove Street	325,000		154,500	170,500
2023-07	Installation of synthetic turf athletic field at borough park		2,200,000	1,314,800	885,200
2023-12	Various Public Improvements		831,000		831,000
2023-11	Supp. 2022-27: Streetscape Imps. to Mola Blvd		230,000		230,000
2023-23	2023 Road Resurfacing Program		1,352,000		1,352,000
2023-27	Storm and Sanitary Sewer Improvements		123,800		123,800
2023-28	Supp. 2023-07: Synthetic Turf Athletic Field		500,000		500,000
2023-29	Improvements to Elmwood Drive Park		600,000		600,000
2023-34	Various Public Improvements, supp. 22-03 & 20-04		695,000		695,000
2023-38	Imp. of 14th Ave, East 53rd and 16th Ave.		371,000		371,000
2023-39	Acquisition of new Pumper Fire Engine		1,419,000		1,419,000
		<u>\$ 6,624,923</u>	<u>8,511,799</u>	<u>6,177,408</u>	<u>8,959,314</u>

Re-establish Authorized not Issued	12,000
Prior Year Grant Proceeds Applied to Reserve for Payment of Notes	177,999
2023 Authorizations	<u>8,321,800</u>
	<u>\$ 8,511,799</u>

Bond Anticipation Note Issued	5,000,000
Grant Proceeds Applied	967,518
Cancelled via Resolution	<u>209,890</u>
	<u>\$ 6,177,408</u>

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BOROUGH OF ELMWOOD PARK

Schedule of Cash - Treasurer

Water Utility Fund

Year ended December 31, 2023

	<u>Operating</u>	<u>Capital</u>
Balance - December 31, 2022	\$ <u>7,117,710</u>	<u>1,819,786</u>
Increased by Receipts:		
Water Collector	4,097,480	
Interest on Investments	185,365	7,213
Other Miscellaneous	400	
Interfunds	<u>8,600</u>	
	<u>4,291,845</u>	<u>7,213</u>
	11,409,555	1,826,999
Decreased by Disbursements:		
2023 Appropriations	3,043,279	
2022 Appropriation Reserves	328,930	
Interfunds	250,100	8,600
Accrued Interest on Notes	58,220	
Current Fund Revenue	1,275,000	
Bond Anticipation Notes		50,000
Contracts Payable		10,000
Improvement Authorizations		<u>1,646</u>
	<u>4,955,529</u>	<u>70,246</u>
Balance - December 31, 2023	\$ <u><u>6,454,026</u></u>	<u><u>1,756,753</u></u>

BOROUGH OF ELMWOOD PARK

Analysis of Cash

Water Utility Capital Fund

Year ended December 31, 2023

	Balance, Dec. 31, <u>2023</u>
Fund Balance	\$ 132,294
Down Payments on Improvements	9,000
Reserve for Payment of Debt Service	205,269
Capital Improvement Fund	1,418,000
Interfund Payable	736
Interfund Receivable	(51,348)

Improvement authorizations:

<u>Ordinance number</u>	<u>General improvements</u>	
2005-30	Water Main Replacement	(15,027)
2005-39	Water Meters	77,513
2006-07	Water Improvements	(2,030)
2006-29	Water Improvements	(167,466)
2011-17	Various Water Main Improvements	(293,252)
2017-35/2018-14	Water Tank Replacement	102,179
2018-15	Replacement of Water Lines	(94,589)
2019-24/2019-28	Water Main Replacement - Tuella Avenue	45,159
2020-05	Replacement/Rehabilitation of Water Mains & Lines	190,763
2022-15	Various upgrades to the Pump Station at the Gilbert Avenue Well Field	199,552
		<u>\$ 1,756,753</u>

BOROUGH OF ELMWOOD PARK

Schedule of Interfunds

Water Utility Operating Fund

Year ended December 31, 2023

	Due from/(to) Balance <u>Dec. 31, 2022</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance <u>Dec. 31, 2023</u>
Water Utility Capital Fund	\$ 2,123	7,213	8,600	736
Current Fund	<u>(100)</u>	<u>250,100</u>	<u> </u>	<u>250,000</u>
	<u>\$ 2,023</u>	<u>257,313</u>	<u>8,600</u>	<u>250,736</u>
Interest earned on Investments		\$ 7,213		
Cash Receipts			8,600	
Cash Disbursements		<u>250,100</u>	<u> </u>	
		<u>\$ 257,313</u>	<u>8,600</u>	

BOROUGH OF ELMWOOD PARK

Schedule of Interfunds

Water Utility Capital Fund

Year ended December 31, 2023

	Due from/(to) Balance <u>Dec. 31, 2022</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance <u>Dec. 31, 2023</u>
Water Utility Operating Fund	\$ (2,123)	8,600	7,213	(736)
Current Fund	1,348			1,348
General Capital Fund		<u>50,000</u>		<u>50,000</u>
	<u>\$ (775)</u>	<u>58,600</u>	<u>7,213</u>	<u>50,612</u>
Interest earned on Investments	\$		7,213	
Premium received on Bond Sale		50,000		
Cash Disbursements		<u>8,600</u>		
		<u>\$ 58,600</u>	<u>7,213</u>	

BOROUGH OF ELMWOOD PARK

**Schedule of Consumers' Accounts Receivable -
Operating Fund**

Water Utility Operating Fund

Year ended December 31, 2023

Balance - December 31, 2022		\$	110,365
Increased by:			
Water Rents Levied			<u>4,105,232</u>
			4,215,597
Decreased by:			
Cash receipts	\$	4,090,315	
Collections - ARP low income household water assistance program		<u>7,165</u>	
			<u>4,097,480</u>
Balance - December 31, 2023		\$	<u><u>118,117</u></u>

Inventory - Material and Supplies

Water Utility Operating Fund

Year ended December 31, 2023

Balance - December 31, 2022		\$	<u>500</u>
Balance - December 31, 2023		\$	<u><u>500</u></u>

BOROUGH OF ELMWOOD PARK

Schedule of Fixed Capital

Water Utility Capital Fund

Year ended December 31, 2023

<u>Account</u>	Balance, Dec. 31, <u>2022</u>	Balance, Dec. 31, <u>2023</u>
Distribution Mains and Appurtenances	\$ 2,006,452	2,006,452
Emergency Booster Pumping Station	32,569	32,569
Labor	6,861	6,861
Miscellaneous Construction Expense	2,449	2,449
Engineering and Supervision	19,095	19,095
Interest	21,571	21,571
Legal	1,301	1,301
Hydrants	16,267	16,267
Truck - Water Utility Share	1,268	1,268
Meters & Hydrants	266,967	266,967
Accounting Equipment	5,444	5,444
Land - Pumping Station	670	670
Appraisal - Garfield Water Works	2,500	2,500
Acquisition of Land to Erect Water Tank	74,689	74,689
Acquisition of Lease Rights	9,800	9,800
Improvements of Water Infrastructure	4,640,331	4,640,331
Various System Improvements and Computer Mapping	755,104	755,104
Replacement of Water Meters	789,070	789,070
	<u>789,070</u>	<u>789,070</u>
	\$ <u>8,652,408</u>	<u>8,652,408</u>

BOROUGH OF ELMWOOD PARK

Schedule of Fixed Capital Authorized and Uncompleted

Water Utility Capital Fund

Year ended December 31, 2023

Ordinance number	Improvement description	Ordinance		Balance, Dec. 31, 2022	Balance, Dec. 31, 2023
		Date	Amount		
2005-39	Water Meters	12/29/05	140,000	140,000	140,000
2006-07	Water Improvements	02/16/06	76,000	80,000	80,000
2011-17	Various Water Main Projects	10/20/12	340,000	340,000	340,000
2017-35	Water Tank Replacement	12/21/17	2,330,000	2,330,000	2,330,000
2018-14	Water Tank Replacement	07/19/18	210,000	210,000	210,000
2018-15	Replacement of Water Lines	07/19/18	270,000	270,000	270,000
2019-24	Water Main Replacement at Tuella Avenue	09/20/19	1,050,000	1,050,000	1,050,000
2019-28	Water Main Replacement at Tuella Avenue	11/15/2019	125,000	125,000	125,000
2020-05	Rehabilitation/Replacement of Water Mains & Lines	3/19/2020	240,000	240,000	240,000
2022-15	Various upgrades to the Pump Station at the Gilbert Avenue Well Field	5/19/2022	200,000	200,000	200,000
				<u>\$ 4,985,000</u>	<u>4,985,000</u>

BOROUGH OF ELMWOOD PARK
Schedule of 2022 Appropriation Reserves
Water Utility Operating Fund
Year ended December 31, 2023

	Balance, Dec. 31, <u>2022</u>	Balance after transfers and <u>encumbrances</u>	Paid or <u>charged</u>	Balance <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 119,487	119,487		119,487
Other Expenses	<u>409,731</u>	<u>750,571</u>	<u>328,930</u>	<u>421,641</u>
Total Operating	<u>529,218</u>	<u>870,058</u>	<u>328,930</u>	<u>541,128</u>
Deferred Charges and Statutory Expenditures:				
Statutory Expenditures - Contribution to: Social Security System (O.A.S.I.)	<u>32,186</u>	<u>32,186</u>		<u>32,186</u>
Total Deferred Charges and Statutory Expenditures	<u>32,186</u>	<u>32,186</u>		<u>32,186</u>
Total Operating	<u>\$ 561,404</u>	<u>902,244</u>	<u>328,930</u>	<u>573,314</u>
Appropriation Reserves	\$ 561,404			
Encumbrances		<u>340,840</u>		
		<u>\$ 902,244</u>		

BOROUGH OF ELMWOOD PARK

Schedule of Accrued Interest on Bonds, Notes and Loans

Water Utility Operating Fund

Year ended December 31, 2023

Balance, December 31, 2022	\$ 12,742
Increased by:	
Budget Appropriation	<u>71,351</u>
	84,093
Decreased by:	
Payments	<u>58,220</u>
Balance, December 31, 2023	<u><u>\$ 25,873</u></u>

Analysis of Balance

<u>Principal Outstanding Dec. 31, 2023</u>	<u>From</u>	<u>To</u>	<u>Interest Rate</u>	<u>Required Amount</u>
\$ 461,134	8/1/2023	12/31/2023	4.00-5.00%	6,218
1,365,000	8/15/2023	12/31/2023	3.00-4.00%	<u>19,655</u>
				<u><u>\$ 25,873</u></u>

BOROUGH OF ELMWOOD PARK

Schedule of Reserve for Amortization

Water Utility Capital Fund

Year ended December 31, 2023

Balance, December 31, 2022		\$	7,512,430
Increased by:			
Paid by Operating Budget			
NJ EIT Loan Payable	\$	274,740	
Paydown on Bond Anticipation Notes		<u>50,000</u>	
			<u>324,740</u>
Balance, December 31, 2023		\$	<u><u>7,837,170</u></u>

Schedule of Capital Improvement Fund

Water Utility Capital Fund

Year ended December 31, 2023

Balance- December 31, 2022		\$	<u>1,418,000</u>
Balance- December 31, 2023		\$	<u><u>1,418,000</u></u>

BOROUGH OF ELMWOOD PARK

Schedule of Improvement Authorizations

Water Utility Capital Fund

Year ended December 31, 2023

Ordinance number	Improvement description	Ordinance Date	Amount	Balance, Dec. 31, 2022		Balance, Dec. 31, 2023	
				Funded	Unfunded	Funded	Unfunded
05-39	Water Meters	12/29/2005	140,000	77,513	77,513	73,970	73,970
06-07	Water Improvements	2/16/2006	80,000			46,748	46,748
11-17	Various Water Main Improvements	10/20/2012	340,000				
2017-35/2018-14	Water Tank Replacement	12/21/2017	2,330,000				
		7/19/2018	210,000	102,179	102,179		175,411
2018-15	Replacement of Water Lines	7/19/2018	270,000				
2019-24/2019-28	Water Main Replacement - Tuella Avenue	9/19/2019	1,050,000				
		11/14/2019	125,000			45,159	45,159
2020-05	Replacement/Rehabilitation of Water Mains & Lines	3/19/2020	240,000			1,646	190,763
2022-15	Various upgrades to the Pump Station at the Gilbert Avenue Well Field	5/19/222	200,000	199,552	199,552		
				\$ 379,244	533,697	1,646	615,166
							296,129

Cash Disbursements \$ 1,646

BOROUGH OF ELMWOOD PARK
Schedule of Reserve for Payment of Debt
Water Utility Capital Fund
Year ended December 31, 2023

Balance - December 31, 2022	\$	<u>205,269</u>
Balance - December 31, 2023	\$	<u><u>205,269</u></u>
<u>Analysis of Balance</u>		
Ord. 2005-12		<u>205,269</u>
	\$	<u><u>205,269</u></u>

BOROUGH OF ELMWOOD PARK

Schedule of Water Utility Serial Bonds

Water and Sewer Utility Capital Fund

Year ended December 31, 2023

<u>Purpose</u>	<u>Date of issue</u>	<u>Original issue</u>	Maturities of		<u>Interest rate</u>	<u>Issued</u>	<u>Balance, Dec. 31, 2023</u>
			<u>Date</u>	<u>Amount</u>			
Water Utility Bonds	Aug. 15, 2023	1,365,000	Aug. 15, 2024	65,000	4.000	1,365,000	1,365,000
			Aug. 15, 2025	75,000	4.000		
			Aug. 15, 2026	80,000	4.000		
			Aug. 15, 2027	95,000	4.000		
			Aug. 15, 2028	100,000	4.000		
			Aug. 15, 2029	105,000	4.000		
			Aug. 15, 2030	110,000	4.000		
			Aug. 15, 2031	115,000	4.000		
			Aug. 15, 2032	120,000	4.000		
			Aug. 15, 2033	125,000	4.000		
		Aug. 15, 2034	125,000	3.000			
		Aug. 15, 2035	125,000	3.250			
		Aug. 15, 2036	125,000	4.000			

\$ 1,365,000 1,365,000

BOROUGH OF ELMWOOD PARK

Schedule of Bond Anticipation Notes Payable

Water Utility Capital Fund

Year ended December 31, 2023

Ord. No.	Improvement Description	Date of issue of original notes	Date of issue	Date of Maturity	rate	Balance	
						Dec.31 2022	Decreased
2019-24	Replacement of Water Main - Tuella Avenue	Dec. 3, 2020	Dec. 2, 2022	Aug. 23, 2023	3.75%	\$ 1,050,000	1,050,000
2019-28	Supplemental Appropriation: 2019-28	Dec. 3, 2020	Dec. 2, 2022	Aug. 23, 2023	3.75%	125,000	125,000
2020-05	Replacement/Rehabilitation of Water Mains & Lines	Dec. 3, 2020	Dec. 2, 2022	Aug. 23, 2023	3.75%	240,000	240,000
						\$ 1,415,000	1,415,000

Bond Sale Proceeds	1,365,000
Premium Utilized as Paydown	50,000
\$	1,415,000

BOROUGH OF ELMWOOD PARK

Schedule of Environmental Infrastructure Trust Fund Loans Payable

Water Utility Capital Fund

Year ended December 31, 2023

<u>Purpose</u>	<u>Date of issue of original loan</u>	<u>Original issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest rate</u>	<u>Balance Dec. 31 2022</u>	<u>Decreased</u>	<u>Balance, Dec. 31 2023</u>
Water System Improvements	11/9/2006	4,523,513	2/1/2024	7,529	4.00-5.00%	957,485	274,740	682,745
			8/1/2024	239,011				
			2/1/2025	4,868				
			8/1/2025	261,090				
			2/1/2026	170,247				
			8/1/2026					
						<u>\$ 957,485</u>	<u>274,740</u>	<u>682,745</u>
						Budget Appropriations	<u>274,740</u>	
						\$	<u>274,740</u>	

BOROUGH OF ELMWOOD PARK

Schedule of Down Payments on Improvements

Water Utility Capital Fund

Year ended December 31, 2023

Balance - December 31, 2022	\$ <u>9,000</u>
Balance - December 31, 2023	\$ <u><u>9,000</u></u>

BOROUGH OF ELMWOOD PARK
Schedule of Deferred Reserve for Amortization
Water Utility Capital Fund
Year ended December 31, 2023

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Date of Ordinance</u>	Balance, Dec. 31, <u>2022</u>	Balance, Dec. 31, <u>2023</u>
05-39	Water Meters	12/29/2005	\$ 140,000	140,000
06-07	Water Improvements	2/16/2006	4,000	4,000
2017-35/2018-14	Water Tank Replacement	12/21/2017	2,540,000	2,540,000
2022-15	Various upgrades to the Pump Station at the Gilbert Avenue Well Field	5/19/2022	<u>200,000</u>	<u>200,000</u>
			<u>\$ 2,884,000</u>	<u>2,884,000</u>

Exhibit D-24

BOROUGH OF ELMWOOD PARK

Schedule of Encumbrances Payable

Water Utility Operating Fund

Year ended December 31, 2023

Balance - December 31, 2022	\$ <u>340,840</u>
Increased by:	
Transferred from 2023 Budget	<u>296,067</u>
	636,907
Decreased by:	
Transferred to Appropriation Reserves	<u>340,840</u>
Balance - December 31, 2023	\$ <u><u>296,067</u></u>

Exhibit D-25

Schedule of Contracts Payable

Water Utility Capital Fund

Year ended December 31, 2023

Balance - December 31, 2022	\$ <u>10,000</u>
Decreased by:	
Cash Disbursed	\$ <u><u>10,000</u></u>

BOROUGH OF ELMWOOD PARK

Schedule of Bonds and Notes Authorized But Not Issued

Water Utility Capital Fund

Year ended December 31, 2023

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2022</u>	<u>Balance Dec. 31, 2023</u>
05-30	Water Main Replacement	15,027	15,027
06-07	Water Improvements	76,000	76,000
06-29	Water Improvements	167,466	167,466
2011-17	Various Water Main Replacement	340,000	340,000
2018-15	Replacement of Water Lines	270,000	270,000
		<u>868,493</u>	<u>868,493</u>
		<u>\$ 868,493</u>	<u>868,493</u>

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BOROUGH OF ELMWOOD PARK

PART II

**LETTER ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS**

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023

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

Honorable Mayor and
Members of the Borough Council
Borough of Elmwood Park
County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements-regulatory basis of the Borough of Elmwood Park in the County of Bergen as of and for the year ended December 31, 2023 and the related notes to the financial statements, and have issued our report thereon dated April 12, 2024, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting. The regulatory basis opinion was qualified for the Length of Service Awards Program not being audited.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements-regulatory basis, we considered the Borough of Elmwood Park's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements-regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Elmwood Park's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Elmwood Park'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement



Honorable Mayor and
Members of the Borough Council
Page 2.

of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

We did identify certain immaterial deficiencies in internal control that we have reported to management of the Borough of Elmwood Park in the accompany comments and recommendations section of this report.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Elmwood Park's financial statements-regulatory basis 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*.

However, we noted certain immaterial instances of noncompliance that we have reported to the management of the Borough of Elmwood Park in the accompanying comments and recommendations section of this report.

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 Borough of Elmwood Park's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Elmwood Park's internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.



Steven D. Wielkocz, C.P.A.
Registered Municipal Accountant
No. CR00413



WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

April 12, 2024





WIELKOTZ & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable Mayor and
Members of the Borough Council
Borough of Elmwood Park
Elmwood Park, NJ 07407

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Borough of Elmwood Park's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the N.J. Office of Management and Budget Circular 15-08 Compliance Supplement that could have a direct and material effect on each of Borough of Elmwood Park's major federal and state programs for the year ended December 31, 2023. Borough of Elmwood Park's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Borough of Elmwood Park complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal and State Program

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



We are required to be independent of Borough of Elmwood Park and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of Borough of Elmwood Park's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance, and N.J. OMB Circular 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Borough of Elmwood Park's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Borough of Elmwood Park's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Borough of Elmwood Park's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and N.J. OMB Circular 15-08.

Government Auditing Standards requires the auditor to perform limited procedures on Borough of Elmwood Park's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Borough of Elmwood Park's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

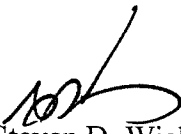
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

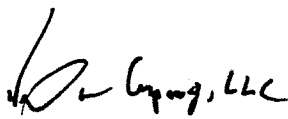
Honorable Mayor and
Members of the Borough Council
Page 4.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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


Steven D. Wielkocz, C.P.A.
Registered Municipal Accountant
No. CR00413


WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

April 12, 2024

BOROUGH OF ELMWOOD PARK

Schedule of Expenditures of Federal Awards

Year ended December 31, 2023

Federal Grantor	Federal Program	Assistance Listing Number	Grant Year	Grant Award Amount	Receipts	Expended	Adjustment	MEMO Cumulative Total Expenditures
General Capital Fund:								
(1) Department of Housing and Urban Development								
	Community Development Block Grant	14.218						
	Ord. 2023-07 - Turf Athletic Field at Borough Park		2023	144,447 \$				*
	Ord. 2023-38 - 14th Avenue, East 53rd & 16th Avenue		2023	123,747				*
	Ord. 2022-12 - Improvements to 13 & 14th Avenues		2022	130,000	124,587		5,413	*
	Ord. 2021-09 - Improvements to 17th Avenue		2022	122,205	122,205			*
	Ord. 2022-22 - Improvements to 15th Avenue		2022	136,976	136,976			*
	Ord 2020-17 - ADA Sidewalk Imp. - Donor Ave & Echo Pl		2020	191,508				*
Total Federal Financial Assistance - General Capital Fund					383,768		5,413	377,333
Federal and State Grant Fund:								
(2) U.S. Department of the Treasury								
	Coronavirus State and Local Fiscal Recovery Funds	21.027		80,000		(6,051)		73,949
	Childcare NJ ARP Stabilization ARP Firefighter			76,657	43,000	18,356		*
(1) Department of Housing and Urban Development								
	Community Development Block Grant	14.218	2022	10,200				10,200
(2) U.S. Department of Transportation								
	National Highway Traffic Safety Administration							
	Non-Motorized Safety	20.616	2021	2,200				*
	Non-Motorized Safety	20.616	5/23/22-6/5/22	6,440				*
	Non-Motorized - Pedestrian Safety	20.616	8/18/23-10/13/23	12,600	12,600			*
	Occupant Protection Program - Click it or Ticket	20.616	5/24/21-6/6/21	960				*
	Occupant Protection Program - Click it or Ticket	20.616	2023	7,000	7,000			*
	Distracted Driving - U Drive, U Text, U Pay	20.616	4/1/22-4/30/22	7,980	7,000			*
	Distracted Driving - U Drive, U Text, U Pay	20.616	2019	5,253				*
	Impaired Driving	20.616	2023	4,760	4,760			*
(2) U.S. Department of Health and Human Services								
	National Opioid Settlement	93.788	2022		33,004			*
U.S. Department of Justice								
	Juvenile Justice and Delinquency Prevention Grant	16.540	2020	9,000				2,309
Total Federal Financial Assistance - Federal and State Grant Fund					107,364	12,305		*

BOROUGH OF ELMWOOD PARK

Schedule of Expenditures of Federal Awards

Year ended December 31, 2023

Federal Grantor	Federal Program	Assistance Listing Number	Grant Year	Grant Award Amount	Receipts	Expended	Adjustment	MEMO Cumulative Total Expenditures
<i>Current Fund:</i>								
(2) Department of Homeland Security Disaster Grants - Public Assistance (Presidentially Declared Disasters) Tropical Storm Isaias	DR4574PA	97.036	2021	15,985	2,264	2,264		18,249
U.S Department of the Treasury Coronavirus Aid, Relief and Economic Security Act	American Rescue Plan	21.017	2023	2,089,812		1,044,906		2,089,812
<i>Total Federal Financial Assistance - Current Fund</i>								
					2,264	1,047,170		
<i>Trust Funds:</i>								
U.S. Department of the Treasury U.S. Department of Justice	Equitable Sharing Program Equitable Sharing Program	21.016 16.922	2021 2021					42,575
<i>Total Federal Financial Assistance - Trust Funds</i>								
<i>Water Utility:</i>								
(2) U.S. Department of Health and Human Services Low Income Household Water Assistance Program		93.499	2023	7,165	7,165	7,165		7,165
					\$ 500,561	1,066,640	5,413	

(1) Passed through the County of Bergen
(2) Passed through the State of New Jersey

Note: This schedule was subject to an audit in accordance with the Uniform Guidance.

BOROUGH OF ELMWOOD PARK

Schedule of Expenditures of State Awards

Year ended December 31, 2023

State funding department	State program	Grant number	Grant year	Allocation or grant award amount	Revenue Realized/ Receipts	Expended	MEMO Cumulative Total Expenditures	
<u>Federal and State Grant Fund:</u>								
Department of Environmental Protection Agency	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y	2023	37,458 \$	37,458		*	
			2022	30,696		1	*	
			2021	17,439		17,439		*
			2020	24,017		24,017		*
Clean Communities	4900-765-042-4900-004-V42Y	2023	39,862	39,862	35,770	*		
		2022	35,539			*		
		2021	33,887		21,148	*		
Stormwater Assistance Grant		2023	15,000	15,000		*		
			77,320	98,375		*		
Administrative Offices of the Courts	Alcohol Education and Rehabilitation Fund	9735-760-098-Y900-001-X100	2022	6,159	3,115		*	
			2021	7,270			*	
			various	31,941		14,935	*	
Department of Law and Public Safety	Division of Criminal Justice Safe and Secure Grant		2022	32,400	32,400		32,400	
Department of Law and Public Safety	Drunk Driving Enforcement Fund	6400-100-078-6400	2023	14,000	14,000		*	
			2018	6,627			*	
			2018	19,952		225	*	
Department of Law and Public Safety	Division of Criminal Justice Body Armor Fund	1020-718-066-1020-001-YCJS-6120	2022	5,519	3,763	2,279	*	
			2021	3,201	2,962		*	
			2020	4,277	17,763	37,866	*	
Department of Human Services	Division of Family Development NJ Workforce Grant - Recreation NJ Workforce Registry - Stabilization NJ Workforce Registry - Stabilization		2023	146,233	146,233	146,233	*	
			2021	4,000			*	
			2020	4,000	146,233	146,233	*	
Department of Community Affairs	Lead Assistance Grant Recreation Grant	23-100-022-8020-304	2023	41,800	41,800		*	
			2023	56,000	41,800		*	
Department of Agriculture	Spotted Lantern Fly Program		2023	15,000			*	
								*

BOROUGH OF ELMWOOD PARK

Schedule of Expenditures of State Awards

Year ended December 31, 2023

State funding department	State program	Grant number	Grant year	Allocation or grant award amount	Revenue Realized/ Receipts	Expended	MEMO Cumulative Total Expenditures
Municipal Alliance for Alcohol & Drug Abuse (Passed through Bergen County)			2013		286,231	297,409	*
Total State Financial Assistance - Federal and State Grant Fund							
General Capital Fund:							*
Department of Transportation	Imp. Of the Boulevard, Sec. 10, Phase 2	Ord. 2017-13	2017	155,500			155,500
Department of Transportation	Streetscape Imps. To Mola Blvd.	Ord. 2022-27	2022	239,000	179,250	239,000	239,000
Department of Transportation	Improvements to Grove St	Ord. 2022-28	2022	206,000	154,500	206,000	206,000
Department of Environmental Protection	Green Acres	Imps. To Elmwood Drive Park	2023	269,619			*
Department of Environmental Protection	Green Acres	Elmwood Park Marina - Ord 2020-22	2020	250,407			*
Total State Financial Assistance - General Capital Fund							
					333,750	445,000	*
					\$ 619,981	742,409	*
Other Financial Assistance							*
County of Bergen	Stigma Free Grant		2018	1,860			1,000
	Historical Grant for Restoration		2019	1,126			*
	Open Space Trust Fund						*
	Turf Athletic Field at Borough Park	Ord. 2023-07	2023	441,239			*
	ADA Accessible Playground Equipment	Cherry Hill Park - Ord. 2019-09	2019	129,175			*
	Rosemont Park Improvement - Ord 2020-04		2020	250,000	250,000		73,145
Total Other Financial Assistance							
					250,000		250,000
					\$ 869,981	742,409	*

Note: This schedule was subject to an audit in accordance with N.J. OMB Circular 15-08.

**BOROUGH OF ELMWOOD PARK
NOTES TO THE SCHEDULES OF EXPENDITURES
OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

NOTE 1. GENERAL

The accompanying schedules of expenditures of awards present the activity of all federal and state financial assistance programs of the Borough of Elmwood Park, County of Bergen. The Borough is defined in Note 1A to the Borough’s financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies is included on the schedule of expenditures of awards.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards are presented using the modified accrual basis of accounting as prescribed for counties by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. This basis of accounting is described in Note 1(B) to the Borough’s financial statements.

NOTE 3. RELATIONSHIP TO FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules do not agree with amounts reported in the Borough’s financial statements because encumbrances are not reported in the accompanying schedules. Financial assistance awards are reported in the Borough’s financial statements on a basis of accounting described above as follows:

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
Current Fund	\$1,047,170	\$	\$	\$1,047,170
Federal and State Grant Fund	12,305	297,409		309,714
General Capital Fund		445,000		445,000
Water Operating Fund	<u>7,165</u>	<u> </u>	<u> </u>	<u>7,165</u>
Total Current Fund	<u>\$1,066,640</u>	<u>\$742,409</u>	<u>\$0</u>	<u>\$1,809,049</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree, in all material respect, with the amounts reported in the related federal and state financial reports.

**BOROUGH OF ELMWOOD PARK
NOTES TO THE SCHEDULES OF EXPENDITURES
OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023
(continued)**

NOTE 5. INDIRECT COST RATE

The Borough of Elmwood Park has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**BOROUGH OF ELMWOOD PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

adverse - USGAAP
qualified - regulatory

Internal control over financial reporting:

1. Significant deficiencies identified that are not considered to be material weaknesses?

_____ yes X no

2. Material weakness(es) identified?

_____ yes X no

Noncompliance material to financial statements noted?

_____ yes X no

Federal Awards Section

Dollar threshold used to determine type A programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ yes X no

Type of auditors' report on compliance for major programs:

unmodified

Internal Control over compliance:

1. Significant deficiencies identified that are not considered to be material weaknesses?

_____ yes X none

2. Material weakness(es) identified?

_____ yes X no

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?

_____ yes X no

Identification of major programs:

CFDA Number(s)

Name of Federal Program

 21.027 (A)

 Coronavirus State and Local Fiscal Recovery Funds

(A) Tested as a major Type A Program

**BOROUGH OF ELMWOOD PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(continued)**

State Awards Section

Not Applicable

**BOROUGH OF ELMWOOD PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(continued)**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of General Auditing Standards.

NONE

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

NONE

BOROUGH OF ELMWOOD PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(continued)

STATUS OF PRIOR YEAR FINDINGS

This section identifies the status of prior year audit findings related to the general purpose financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. OMB Circular A-133 (Section .315 (a)(b)) and New Jersey OMB's Circular 15-08, as amended.

BOROUGH OF ELMWOOD PARK

GENERAL COMMENTS

Contracts and Agreements

N.J.S.A. 40A:11-3 states:

- a. When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to 25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.
- b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.
- c. The Governor, in consultation with the Department of the Treasury, shall no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c.198(C.40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made.

N.J.S.A. 40A:11-4 states:

- a. Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder.

BOROUGH OF ELMWOOD PARK
GENERAL COMMENTS, CONTINUED

Effective July 1, 2010, the bid threshold, in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is \$17,500 and with a qualified purchasing agent the threshold may be up to \$36,000. On May 7, 2009, the Borough increased the bid threshold to \$36,000 as allowed by law for having a qualified purchasing agent. On July 1, 2020, the threshold with a qualified purchasing agent was increased to \$44,000.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Borough Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

Orchard Street Drainage
Computer Cable Wire Services
Lighting Improvements of Rosemont Park
2022 Borough Road Program
Curbside Recycling

Resolutions were adopted authorizing the awarding of contracts and agreements for "Professional Services" N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any material or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violation existed. No violations were disclosed.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory threshold "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 provisions of N.J.S. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 5, 2023, adopted the following resolution authorizing interest to be charged on delinquent taxes:

BOROUGH OF ELMWOOD PARK
GENERAL COMMENTS, CONTINUED

“NOW THEREFORE BE IT RESOLVED by the Mayor and Council of the Borough of Elmwood Park, that taxes due to the Borough shall be payable February 1st, May 1st, August 1st, and November 1st each year, after which dates, if unpaid, shall become delinquent and from and after the respective dates herein before provided for taxes to become delinquent, the tax payer or property assessed shall be subject to interest at 8% per annum on the first \$1,500 and 18% thereafter and a 6% additional penalty for a delinquency over \$10,000 if not paid by the end of the calendar year. Delinquent water bills over \$100 shall be subject to interest at 1% per month thirty days after the due date.

ALSO, BE IT RESOLVED, that in the event said taxes shall be paid within ten days from the due date the interest shall be waived except in the office of the Tax Collector is closed on the tenth day of February, May, August or November then the grace period shall be extended to include the first business day thereafter; and,

BE IT FURTHER RESOLVED that the interest rates so stated will revert back to the due date of any installment of taxes or assessments received after the expiration of the ten-day grace period or as otherwise provided in the Resolution.”

It appears from an examination of the Collector's records that interest was collected in accordance with the above.

Delinquent Taxes and Tax Title Liens

A tax sale was held on November 29, 2023, and was complete.

Inspection of the sale certificates on file revealed that all tax sale certificates were available for audit.

The following comparison is made of the number of tax title liens receivable on December 31 of the last three years:

<u>Year</u>	<u>Number of liens</u>
2023	4
2022	1
2021	1

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**BOROUGH OF ELMWOOD PARK
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2023**

COMMENTS

Administration/Clerk

1. There were multiple instances where Mayor and Council meeting minutes were not approved in a timely manner.
2. A review of various professional services contracts and award procedures revealed that the Borough did not properly use the 'fair and open' process set forth in the State's "Pay-to-Play" statute (P.L. 2005, c.51)
 - a. The advertisement did not contain a statement that the proposal is being solicited through a fair and open process in accordance with N.J.S.A. 19:44A-20.5.
 - b. The awarding resolution did not provide justification and/or rationale underlying the Borough's award.

Finance/Treasurer/Accounts Payable

1. *There are Capital Fund Improvement Authorizations greater than five years old that have unfunded portions outstanding.
2. *Outside Duty/Outside Employment of borough police officers is not being accounted for in accordance with Local Finance Notice 2000-14.
3. *Cash receipts/revenues, other than tax collections, are not being recorded through the Borough's accounting software, but are rather being compiled manually through the use of an excel spreadsheet. This makes it difficult to tie out revenues to departments and subsequent postings to the client's manual general ledger.
4. There were over-expenditures in the federal and state grant fund as well as the 2022 and 2023 budget appropriations resulting in deferred charges.
5. The 2023 current fund temporary budget exceeded 26.25% of the prior years' final budget appropriations.
6. There were multiple instances where goods and services are being ordered prior to the execution of a purchase order in violation of Technical Accounting Directive #1.
7. There were instances in which payments for goods and/or services were not made in a timely manner.

**BOROUGH OF ELMWOOD PARK
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2023**

RECOMMENDATIONS

Administration/Clerk:

1. That all meeting minutes be approved by Mayor and Council in a timely manner.
2. Borough officials develop and implement policies and procedures concerning the award of professional service contracts to ensure compliance with N.J.S.A. 19:44A-20.4.

Finance/Treasurer/Accounts Payable:

1. Unfunded improvement authorizations that are over five years old, where projects have been completed, be funded through either a budget appropriation or through the issuance of temporary or permanent debt.
2. Accounting practices be updated to account for the receipt and payment of Off-Duty/Outside employment of police officers to comply with the requirements as set forth in Local Finance Notice 2000-14.
3. All cash receipts/revenue collections be properly recorded within the accounting software to facilitate a more accurate reflection of departmental revenue and subsequent postings to the general ledger.
4. A more thorough review of available budgetary appropriation balances be made prior to the payment of expenditures to ensure there are sufficient funds.
5. The temporary budget be calculated and presented for approval in accordance with N.J.S.A. 40A:4-19.
6. That all goods/services be encumbered prior to being ordered in accordance with Technical Accounting Directive #1.
7. Payment for goods and/or services be made in a timely manner.

BOROUGH OF ELMWOOD PARK

Suggestions to Management:

1. The Payroll department review personnel records and obtain updated W-4's for all current employees.
2. Outstanding checks greater than 180 days old be voided via resolution in all borough accounts.
3. The Municipal Court Change fund should be authorized by resolution.

STATUS OF PRIOR YEAR AUDIT FINDINGS/RECOMMENDATIONS

A review was performed on all prior year recommendations and corrective action was taken on all except for the Findings/Recommendations marked with an "*".

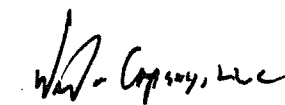
ACKNOWLEDGMENT

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

Respectfully submitted,



Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CR00413



WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

April 12, 2024

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