

**CITY OF ENGLEWOOD**  
**BERGEN COUNTY, NEW JERSEY**  
**REPORT OF AUDIT**  
**YEAR ENDED DECEMBER 31, 2024**

**CITY OF ENGLEWOOD**

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**PART I**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULES  
YEAR ENDED DECEMBER 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and  
Members of the City Council  
2-10 North Van Brunt Street  
Englewood, New Jersey 07631

### Report on the Audit of Financial Statements

#### *Opinions*

We have audited the financial statements of the City of Englewood which comprise the balance sheets - regulatory basis of the various funds and account group as of December 31, 2024 and 2023, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year ended December 31, 2024, and the related notes to the financial statements.

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

In our opinion, except for the effects of the matter discussed in the Basis for Qualified Opinion on Regulatory Basis of Accounting section of our report, the accompanying financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and account group of the City of Englewood as of December 31, 2024 and 2023, and the results of operations and changes in fund balance – regulatory basis of such funds for the years then ended and the respective revenues – regulatory basis and expenditures – regulatory basis of the various funds for the year ended December 31, 2024 in accordance with the financial accounting and reporting provisions and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

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

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the City of Englewood as of December 31, 2024 and 2023, or changes in financial position for the years then ended.

#### *Basis for Opinions*

We conducted our audits 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 prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Englewood and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Basis for Qualified Opinion on Regulatory Basis of Accounting***

We were unable to audit the financial activities of the General Fixed Assets Account Group for the year ended December 31, 2024 because sufficient documentation was not available to support amounts reported in the financial statements – regulatory basis referred to above. We were unable to satisfy ourselves about the amounts reported by means of other auditing procedures.

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

As described in Note 1 of the financial statements, the financial statements are prepared by the City of Englewood on the basis of the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws 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 financial reporting requirements of the State of New Jersey for municipal government entities. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 City of Englewood'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 Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

- Exercise professional 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 City of Englewood's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.



- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Englewood's ability to continue as a going concern for a reasonable period of time.

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements of the City of Englewood as a whole. The supplementary schedules listed in the table of contents, 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 schedule of expenditures of state financial assistance are presented for purposes of additional analysis and are not a required part of the financial statements of the City of Englewood. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole on the basis of accounting described in Note 1.

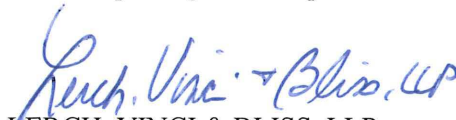
### ***Other Information***

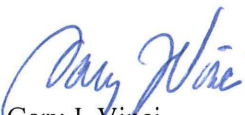
Management is responsible for the other information included in the report of audit. The other information comprises the supplementary data and letter of comments and recommendation section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with Government Auditing Standards, we have also issued our report dated August 12, 2025 on our consideration of the City of Englewood's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Englewood's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Englewood's internal control over financial reporting and compliance.

  
LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Registered Municipal Accountants

  
Gary J. Vinci  
Registered Municipal Accountant  
RMA Number CR000411

**CITY OF ENGLEWOOD**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**  
**CURRENT FUND**  
**AS OF DECEMBER 31, 2024 AND 2023**

<b>ASSETS</b>	<b>Ref</b>	<b>2024</b>	<b>2023</b>
<b>Regular Fund</b>			
Cash	A-4	\$ 28,985,239	\$ 25,662,875
Cash - Change Funds	A	400	400
Due From State of NJ - Senior Citizens and Veterans	A-6	47,159	31,426
		<u>29,032,798</u>	<u>25,694,701</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes	A-7	64,626	46,949
Tax Title Liens Receivable	A-8	309,355	289,197
Property Acquired for Taxes	A	70,979	70,979
Sewer User Charges	A-9	45,283	42,096
Prepaid School Tax	A-15		822,768
Revenue Accounts Receivable	A-10	35,065	21,591
Due from Animal Control Fund	B-11	5,840	5,010
Due from Other Trust Fund	B-18		291,437
Due from Assessment Trust Fund	B-19	14,196	23,029
Due from General Capital Fund	C-13	465,140	-
		<u>1,010,484</u>	<u>1,613,056</u>
Total Current Fund		<u>30,043,282</u>	<u>27,307,757</u>
<b>Grant Fund</b>			
Grants Receivable	A-5	1,254,057	1,396,914
Due from Current Fund	A-18	4,063,894	3,019,785
Due from General Capital Fund	C-14		579,260
Due from Other Trust Fund	B-20	307,290	307,290
Total State and Federal Grant Fund		<u>5,625,241</u>	<u>5,303,249</u>
Total		<u>\$ 35,668,523</u>	<u>\$ 32,611,006</u>

The Accompanying Notes are an Integral Part of these Financial Statements

**CITY OF ENGLEWOOD  
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS  
CURRENT FUND  
AS OF DECEMBER 31, 2024 AND 2023**

<b>LIABILITIES, RESERVES AND FUND BALANCE</b>	<b><u>Ref</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
<b>Regular Fund</b>			
Appropriation Reserves	A-3, A-11	\$ 2,814,682	\$ 3,845,292
Encumbrances Payable	A-19	2,318,680	3,255,804
Accounts Payable	A-19	833,670	25,515
Accrued Salaries and Wages	A-22	866,457	166,457
Prepaid Taxes	A-12	735,822	505,250
Tax Overpayments	A-13	19,346	217,423
Miscellaneous Reserves	A-20	7,234	295,523
Reserve for Tax Appeals	A-21	2,519,113	2,030,639
County Taxes Payable	A-14	36,807	29,560
School Taxes Payable	A-15	86,194	
Due to Grant Fund	A-18	4,063,894	3,019,785
Due to General Capital Fund	C-13		465,636
Due to Other Trust Fund	B-18	<u>1,481,523</u>	<u>-</u>
		15,783,422	13,856,884
Reserve for Receivables	A	1,010,484	1,613,056
Fund Balance	A-1	<u>13,249,376</u>	<u>11,837,817</u>
Total Current Fund		<u>30,043,282</u>	<u>27,307,757</u>
<b>Grant Fund</b>			
Due to General Capital Fund	C-14	2,390,125	
Appropriated Grant Reserve	A-16	1,922,167	1,700,383
Unappropriated Grant Reserves	A-17	1,243,580	3,434,496
Encumbrances Payable	A-19	<u>69,369</u>	<u>168,370</u>
Total State and Federal Grant Fund		<u>5,625,241</u>	<u>5,303,249</u>
		<u>\$ 35,668,523</u>	<u>\$ 32,611,006</u>

The Accompanying Notes are an Integral Part of these Financial Statements

**CITY OF ENGLEWOOD**  
**COMPARATIVE STATEMENTS OF OPERATIONS AND**  
**AND CHANGES IN FUND BALANCE - REGULATORY BASIS**  
**CURRENT FUND**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>REVENUES AND OTHER INCOME</b>		
Fund Balance Utilized	\$ 3,100,000	\$ 3,100,000
Miscellaneous Revenues	13,134,017	12,965,325
Receipts From Delinquent Taxes	10,348	7,318
Receipts from Current Taxes	140,288,521	135,695,051
Non-Budget Revenue	1,289,011	860,715
Other Credits to Income:		
Unexpended Balances of Appropriation Reserves	725,634	2,394,539
Prior Year School Taxes Payable	822,768	
Statutory Excess - Animal Control	382	4,756
Cancelled Encumbrances/Accounts Payable		27,140
Interfund Loans Returned	<u>319,476</u>	<u>23,814</u>
Total Revenues and Other Income	<u>159,690,157</u>	<u>155,078,658</u>
<b>EXPENDITURES</b>		
Budget Appropriations:		
Operations	61,518,990	60,598,819
Capital Improvements	620,000	520,000
Municipal Debt Service	6,862,095	6,632,789
Deferred Charges and Statutory Expenditures	8,503,756	7,852,159
County Taxes	15,021,923	14,332,406
Local School Taxes	62,165,155	59,740,886
Establish Reserve for Prepaid School Tax		822,768
Prior Year Senior Citizen Deductions Disallowed	1,503	4,250
Refund of Prior Year Revenues		
Interfund Advances	<u>485,176</u>	<u>319,476</u>
Total Expenditures	<u>155,178,598</u>	<u>150,823,553</u>
Excess in Revenues Over Expenditures	4,511,559	4,255,105
Balance, January 1	<u>11,837,817</u>	<u>10,682,712</u>
	16,349,376	14,937,817
Decreased by:		
Utilization as Anticipated Revenue	<u>3,100,000</u>	<u>3,100,000</u>
Balance, December 31	<u>\$ 13,249,376</u>	<u>\$ 11,837,817</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF ENGLEWOOD  
STATEMENT OF REVENUES - REGULATORY BASIS  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Budget</u>	<u>Added by NJS 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<b>FUND BALANCE ANTICIPATED</b>	<u>\$ 3,100,000</u>	<u>-</u>	<u>\$ 3,100,000</u>	<u>-</u>
<b>MISCELLANEOUS REVENUES</b>				
Licenses				
Alcoholic Beverages	53,500		54,849	\$ 1,349
Other	269,800		248,967	(20,833)
Fees and Permits				
Other	352,200		258,175	(94,025)
Fines and Costs				
Municipal Court	380,000		371,625	(8,375)
Interest and Costs on Taxes	200,000		209,370	9,370
Parking Meters	635,800		613,768	(22,032)
Interest on Investments and Deposits	325,500		1,488,957	1,163,457
Recreation Advisory Committee	725,800		869,169	143,369
Fire Prevention Fees	200,000		259,481	59,481
Kings Garden - PILOT	500,000		475,842	(24,158)
Greater Englewood - PILOT	280,000		312,422	32,422
One William Street - PILOT	590,000		663,090	73,090
Westmoor Gardens - PILOT	90,000		100,448	10,448
Exempt Sewer Charges	350,000		254,602	(95,398)
Parking Garage Fees	140,000		118,964	(21,036)
Hotel Occupancy Tax	190,000		228,383	38,383
Cable Franchise Fees	130,000		134,655	4,655
Cell Tower Agreement	113,000		109,162	(3,838)
Greater Englewood Annual Fee	100,000		100,000	-
Energy Receipts Tax	2,796,247		2,796,247	
Reserve for Municipal Relief Fund Aid	288,289		288,289	
Uniform Construction Code Fees	1,060,000		909,262	(150,738)
Public and Private Revenues Offset with Approp:				
Reach & Teach				
Municipal Alliance	5,754		5,754	
Drive Sober or Get Pulled Over	6,790		6,790	
DCA American Rescue Plan	45,000		45,000	
FEMA - Technical Rescue Training Grant		\$ 161,702	161,702	
FEMA - Fire Prevention and Safety Grant		85,714	85,714	
Hazardous Materials Emergency Grant	11,900		11,900	
Recycling Tonnage		20,017	20,017	
Junior Police Academy Expansion Grant	30,000		30,000	
Clean Communities		66,408	66,408	
Local Recreation Improvement		75,000	75,000	
Other Special Items:				
Uniform Fire Safety Act	50,000		163,364	113,364
Capital Surplus	500,000		500,000	-
Hospital Community Fee	578,000		590,308	12,308
Greater Englewood Cash Flow	200,000		75,000	(125,000)
Reserve for Payment of Debt	38,034			(38,034)
Extra Duty Fees	60,000		361,472	301,472
Sewer Charges	70,000	-	69,861	(139)
<b>Total Miscellaneous Revenues</b>	<u>11,365,614</u>	<u>408,841</u>	<u>13,134,017</u>	<u>1,359,562</u>
<b>RECEIPTS FROM DELINQUENT TAXES</b>	<u>7,300</u>	<u>-</u>	<u>10,348</u>	<u>3,048</u>
<b>Subtotal General Revenues</b>	<u>14,472,914</u>	<u>408,841</u>	<u>16,244,365</u>	<u>1,362,610</u>
<b>AMOUNT TO BE RAISED FOR SUPPORT OF MUNICIPAL BUDGET</b>				
Local Tax for Municipal Purposes	60,770,239		61,245,010	474,771
Minimum Library Tax	2,115,802	-	2,115,802	-
<b>Total Amount to be Raised by Taxes for Support of Municipal Budget</b>	<u>62,886,041</u>	<u>-</u>	<u>63,360,812</u>	<u>474,771</u>
<b>Total General Revenues</b>	<u>\$ 77,358,955</u>	<u>\$ 408,841</u>	<u>79,605,177</u>	<u>\$ 1,837,381</u>
<b>Non-Budget Revenues</b>			<u>1,289,011</u>	
			<u>80,894,188</u>	



**CITY OF ENGLEWOOD  
STATEMENT OF REVENUES - REGULATORY BASIS  
CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(Continued)**

**ANALYSIS OF REALIZED REVENUES**

Allocation of Current Tax Collection	
Revenue from Collections	\$ 140,288,521
Less: Allocated to School and County Taxes	<u>77,187,078</u>
Balance for Support of Municipal Budget Appropriations	63,101,443
Add Appropriation "Reserve for Uncollected Taxes"	<u>259,369</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 63,360,812</u></u>

Interest on Investments and Deposits	
Revenue Accounts Receivable	\$ 1,058,172
Due from General Capital Fund	402,074
Due from Animal Control Fund	399
Due from Assessment Trust Fund	<u>28,312</u>
	<u><u>\$ 1,488,957</u></u>

**ANALYSIS OF NON-BUDGET REVENUES**

Prior Year Refund	\$ 457,292
FEMA Reimbursement	163,974
Police Extra Duty Vehicle Fee	6,405
NJECC (New Jersey Educational Computing Cooperative)	4,959
West Street Improvement	150,000
Premium Turnover to the City	85,700
Board of Health Receipts	2,100
Building Dept Receipts	37,575
City Clerk Receipts	2,438
DPW Receipts	2,850
Engineerring	1,530
Misc Permits	9,869
Planning Bd Receipts	3,550
Police - Records and Firearms	29,161
Miscellaneous	<u>331,608</u>
	<u><u>\$ 1,289,011</u></u>

The Accompanying Notes are an Integral Part of these Financial Statements

**CITY OF ENGLEWOOD**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

GENERAL APPROPRIATIONS OPERATIONS WITHIN "CAPS"	Appropriations		Expended		Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserves	
General Government					
Mayor and Council					
Salaries and Wages	\$ 60,000	\$ 60,000	\$ 60,000		
Other Expenses	8,500	8,500	6,390	\$ 2,110	
City Manager					
Salaries and Wages	507,000	507,000	505,818	1,182	
Other Expenses	97,200	97,200	97,140	60	
City Clerk					
Salaries and Wages	273,000	243,000	230,580	12,420	
Overtime	3,000	3,000	1,242	1,758	
Other Expenses	92,750	117,750	106,241	11,509	
Human Resources					
Salaries and Wages	329,000	302,500	292,163	10,337	
Other Expenses	155,450	105,450	60,368	45,082	
Purchasing					
Other Expenses	4,000	6,500	5,537	963	
Finance					
Salaries and Wages	495,000	496,000	495,631	369	
Other Expenses	167,000	167,000	159,250	7,750	
Data Processing					
Other Expenses	185,000	185,000	153,696	31,304	
Collection of Taxes					
Salaries and Wages	201,000	201,000	200,198	802	
Other Expenses	39,800	39,800	39,583	217	
Assessment of Taxes					
Salaries and Wages	196,000	196,000	192,689	3,311	
Other Expenses	28,000	28,000	24,237	3,763	
Legal Service and Costs					
Salaries and Wages	87,344	87,344	71,474	15,870	
Other Expenses	850,000	875,000	867,019	7,981	
Engineering Services					
Salaries and Wages	455,000	335,000	333,283	1,717	
Other Expenses	34,000	34,000	16,585	17,415	
Community Development					
Other Expenses	240,000	240,000	239,973	27	
Municipal Court					
Salaries and Wages	447,000	437,000	421,892	15,108	
Overtime	17,500	17,500	3,414	14,086	
Other Expenses	166,000	201,000	195,527	5,473	
Public Defender					
Other Expenses	14,000	14,000	9,900	4,100	
Insurance					
Medical	7,566,502	7,116,502	6,851,004	265,498	
Health Benefit Waiver	110,000	110,000	103,344	6,656	
Other Insurance Premium	1,552,500	1,552,500	1,301,966	250,534	
Workers Compensation	1,000,000	1,000,000	835,990	164,010	
Land Use					
Planning and Land Use					
Other Expenses	87,500	87,500	70,799	16,701	
Master Plan	125,000	125,000	99,073	25,927	
Public Safety					
Fire Division					
Salaries and Wages	6,805,000	6,405,000	6,391,520	13,480	
Overtime	1,100,000	1,500,000	1,392,411	107,589	
Other Expenses	411,500	411,500	408,300	3,200	
Police					
Salaries and Wages	13,872,000	13,592,000	13,588,169	3,831	
Overtime	1,100,000	1,430,000	1,374,953	55,047	
Other Expenses	653,500	658,500	652,033	6,467	
Emergency Management Services					
Other Expenses	10,000	10,000	1,650	8,350	

**CITY OF ENGLEWOOD**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Appropriations		Expended		
	Budget	Budget After Modification	Paid or Charged	Reserves	Cancelled
GENERAL APPROPRIATIONS (Continued)					
OPERATIONS WITHIN "CAPS" (Continued)					
Public Works					
DPW Administration					
Salaries and Wages	\$ 687,000	\$ 537,000	\$ 521,659	\$ 15,341	
Overtime	8,000	8,000	798	7,202	
Other Expenses	67,900	67,900	55,556	12,344	
Public Building and Grounds					
Other Expenses	572,000	682,000	616,714	65,286	
Shade Tree					
Salaries and Wages	168,000	168,000	167,743	257	
Overtime	20,000	30,000	26,229	3,771	
Other Expenses	114,000	129,000	112,962	16,038	
Road Repairs and Maintenance					
Salaries and Wages	501,000	511,000	508,250	2,750	
Overtime	136,000	126,000	79,230	46,770	
Other Expenses	251,000	251,000	144,134	106,866	
Central Maintenance - Garage					
Salaries and Wages	327,000	247,000	234,860	12,140	
Overtime	37,000	67,000	54,301	12,699	
Other Expenses	933,500	956,500	828,132	128,368	
Construction and Facilities Maintenance					
Salaries and Wages	272,000	177,000	176,564	436	
Overtime	61,000	61,000	59,473	1,527	
Other Expenses	104,000	104,000	62,765	41,235	
Sanitation					
Salaries and Wages	1,222,000	1,222,000	1,208,136	13,864	
Overtime	187,000	217,000	204,588	12,412	
Other Expenses	58,500	58,500	33,703	24,797	
Sewer Department					
Salaries and Wages	237,000	278,000	277,127	873	
Overtime	56,000	71,000	60,981	10,019	
Other Expenses	85,300	85,300	61,599	23,701	
Parks Department					
Salaries and Wages	382,000	402,000	390,590	11,410	
Overtime	50,000	70,000	57,998	12,002	
Other Expenses	145,000	145,000	111,482	33,518	
Community Services Act					
Condominium Community Costs	240,000	270,000	256,656	13,344	
Health and Human Services					
Board of Health					
Salaries and Wages	758,500	728,500	712,355	16,145	
Overtime	13,000	13,000	11,348	1,652	
Other Expenses	91,800	91,800	77,335	14,465	
Recreation					
Recreation Department					
Salaries and Wages	898,000	878,000	855,609	22,391	
Overtime	10,000	20,000	18,259	1,741	
Other Expenses	799,200	799,200	629,055	170,145	
Uniform Construction Code					
Construction Code Official					
Salaries and Wages	1,281,000	1,281,000	1,097,464	183,536	
Overtime	24,000	24,000	2,300	21,700	
Other Expenses	188,000	188,000	164,731	23,269	

**CITY OF ENGLEWOOD**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Appropriations		Expended		
	Budget	Budget After Modification	Paid or Charged	Reserves	Cancelled
GENERAL APPROPRIATIONS (Continued)					
OPERATIONS WITHIN "CAPS" (Continued)					
Unclassified					
Terminal Leave					
Salaries and Wages	\$ 650,000	\$ 650,000	\$ 650,000		
Solid Waste Disposal (Dumping Fees)	1,000,000	1,400,000	1,139,352	\$ 260,648	
Leaf Disposal	350,000	380,000	135,400	244,600	
Contingent	6,000	6,000		6,000	
Celebration of Public Events	75,000	75,000	60,373	14,627	
Utilities					
Street Lighting	800,000	823,000	822,651	349	
Telephone	180,000	180,000	162,202	17,798	
Water	50,000	50,000	42,497	7,503	
Gas and Electric	390,000	485,000	482,882	2,118	
Fire Hydrant	360,000	370,000	369,024	976	-
Total Operations Within "CAPS"	54,392,746	54,386,746	51,606,109	2,780,637	-
Detail:					
Salaries and Wages	33,933,344	33,598,844	32,931,299	667,545	
Other Expenses (Including Contingent)	20,459,402	20,787,902	18,674,810	2,113,092	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"					
Statutory Expenditures					
Social Security System	1,200,000	1,197,200	1,184,318	12,882	
Defined Contribution Retirement Plan	25,000	25,000	18,189	6,811	
Police and Firemen's Retirement System	5,839,440	5,839,440	5,839,440		
Public Employees Retirement System	1,396,171	1,404,971	1,404,944	27	-
Total Deferred Charges & Statutory Expenditures - Municipal within "CAPS"	8,460,611	8,466,611	8,446,891	19,720	-
Total General Appropriations for Municipal Purposes within "CAPS"	62,853,357	62,853,357	60,053,000	2,800,357	-
OPERATIONS - EXCLUDED FROM "CAPS"					
Bergen County Utilities Authority					
Share of Operating Costs	2,442,817	2,442,817	2,442,817		
Share of Debt Service Costs	669,576	669,576	669,576		
Recycling Tax	36,000	36,000	29,585	6,415	
Maintenance of Free Public Library	2,115,802	2,115,802	2,107,892	7,910	
Police and Firemen's Retirement System	159,886	159,886	159,886		
Public Employees Retirement System	341	341	341		
Insurance - Medical	393,498	393,498	393,498		
Insurance - Other	204,600	204,600	204,600		
Reserve for Tax Appeals	600,000	600,000	600,000	-	-
Total Other Operations Excluded from "CAPS"	6,622,520	6,622,520	6,608,195	14,325	-
PUBLIC AND PRIVATE PROGRAMS OFFSET WITH REVENUES					
Municipal Alliance - State Share	5,754	5,754	5,754		
Municipal Alliance - Local Share	1,439	1,439	1,439		
Drive Sober or Get Pulled Over	6,790	6,790	6,790		
DCA American Rescue Plan	45,000	45,000	45,000		
FEMA - Technical Rescue Training Grant		161,702	161,702		
FEMA - Fire Prevention and Safety Grant		85,714	85,714		
Hazardous Materials Emergency Grant	11,900	11,900	11,900		
Junior Police Academy Expansion Grant	30,000	30,000	30,000		
Local Recreation Improvement		75,000	75,000		
Recycling Tonnage		20,017	20,017		
Clean Communities	-	66,408	66,408	-	

**CITY OF ENGLEWOOD  
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Appropriations</u>		<u>Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserves</u>	<u>Cancelled</u>
<b>PUBLIC AND PRIVATE PROGRAMS OFFSET WITH REVENUES</b>					
<b>(Continued)</b>					
Total Public and Private Programs Offset with Revenues	\$ 100,883	\$ 509,724	\$ 509,724	-	-
Total Operations Excluded from "CAPS"	6,723,403	7,132,244	7,117,919	\$ 14,325	-
Detail:					
Other Expenses	6,723,403	7,132,244	7,117,919	14,325	-
<b>CAPITAL IMPROVEMENTS</b>					
Capital Improvement Fund	620,000	620,000	620,000	-	-
Total Capital Improvements	620,000	620,000	620,000	-	-
<b>MUNICIPAL DEBT SERVICE</b>					
Payment of Bonds Principal	4,365,000	4,365,000	4,365,000		
Interest on Bonds	1,586,150	1,586,150	1,586,150		
Payment of Bond Anticipation Notes and Capital Notes	337,000	337,000	337,000		
Interest on Notes	576,642	576,642	573,945	-	\$ 2,697
Total Municipal Debt Service	6,864,792	6,864,792	6,862,095	-	2,697
<b>DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"</b>					
Deferred Charges - Assessment Trust Fund	38,034	38,034	37,145	-	889
Total Deferred Charges	38,034	38,034	37,145	-	889
Total General Appropriations Excluded from "CAPS"	14,246,229	14,655,070	14,637,159	14,325	3,586
Subtotal General Appropriations	77,099,586	77,508,427	74,690,159	2,814,682	3,586
Reserve for Uncollected Taxes	259,369	259,369	259,369	-	-
Total General Appropriations	\$ 77,358,955	\$ 77,767,796	\$ 74,949,528	\$ 2,814,682	\$ 3,586
Adopted Budget		\$ 77,358,955			
Added by NJS 40A:4-87		408,841			
		<u>\$ 77,767,796</u>			
Analysis of Paid or Charged					
Cash Disbursements			\$ 69,617,610		
Encumbrances Payable			2,318,680		
Due to General Capital Fund			957,000		
Due to Other Trust Fund			650,000		
Deferred Charges - Due to Assessment Trust Fund			37,145		
Reserve for Tax Appeals			600,000		
Appropriated Grant Reserves			509,724		
Reserve for Uncollected Taxes			259,369		
			<u>\$ 74,949,528</u>		

**CITY OF ENGLEWOOD  
COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
TRUST FUNDS  
AS OF DECEMBER 31, 2024 AND 2023**

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>			
<b>Assessment Trust Fund</b>			
Cash	B-4, B-5	\$ 14,199	\$ 569,998
Assessments Receivable	B-6	<u>-</u>	<u>38,034</u>
Total Assessment Trust Fund		<u>14,199</u>	<u>608,032</u>
<b>Animal Control Trust Fund</b>			
Cash	B-4	<u>15,173</u>	<u>13,023</u>
Total Animal Control Trust Fund		<u>15,173</u>	<u>13,023</u>
<b>Community Development Block Grant Fund</b>			
Due from General Capital Fund	C	<u>9,886</u>	<u>9,886</u>
Total Community Development Block Grant Fund		<u>9,886</u>	<u>9,886</u>
<b>Unemployment Compensation Trust Fund</b>			
Cash	B-4	243,962	316,735
Due from Other Trust Fund	B	<u>83,004</u>	<u>41,764</u>
Total Unemployment Compensation Trust Fund		<u>326,966</u>	<u>358,499</u>
<b>Other Trust Fund</b>			
Cash	B-4	10,858,851	11,185,868
Special Improvement District Taxes and Liens Receivable	B-17	86,183	109,269
Due from Current Fund	B-18	<u>1,481,523</u>	<u>-</u>
Total Other Trust Fund		<u>12,426,557</u>	<u>11,295,137</u>
		<u>\$ 12,792,781</u>	<u>\$ 12,284,577</u>

The Accompanying Notes are an Integral Part of these Financial Statements

**CITY OF ENGLEWOOD  
COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
TRUST FUNDS  
AS OF DECEMBER 31, 2024 AND 2023**

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
<b>Assessment Trust Fund</b>			
Due to Current Fund	B-19	\$ 14,196	\$ 23,029
Assessment Serial Bonds Payable	B-7		585,000
Fund Balance	B-1	<u>3</u>	<u>3</u>
Total Assessment Trust Fund		<u>14,199</u>	<u>608,032</u>
<b>Animal Control Trust Fund</b>			
Reserve for Animal Control Expenditures	B-9	9,324	8,013
Due to State of NJ	B-10	9	
Due to Current Fund	B-11	<u>5,840</u>	<u>5,010</u>
Total Animal Control Trust Fund		<u>15,173</u>	<u>13,023</u>
<b>Community Development Block Grant Fund</b>			
Reserve for Community Development Block Grant	B-16	<u>9,886</u>	<u>9,886</u>
Total Community Development Block Grant Fund		<u>9,886</u>	<u>9,886</u>
<b>Unemployment Compensation Trust Fund</b>			
Due to State of New Jersey	B-12	66,850	24,909
Reserve for Unemployment Insurance Claims	B-13	<u>260,116</u>	<u>333,590</u>
Total Unemployment Compensation Trust Fund		<u>326,966</u>	<u>358,499</u>
<b>Other Trust Fund</b>			
Miscellaneous Reserves and Deposits	B-8	11,585,920	9,521,329
Due to Current Fund	B-18		291,437
Due to Grant Fund	B-20	307,290	307,290
Due to Unemployment Compensation Fund	B	83,004	41,764
Payroll Deductions Payable	B-14	173,106	641,923
Encumbrances Payable	B-15	191,054	382,125
Reserve for SID Taxes and Liens Receivables	B-17	<u>86,183</u>	<u>109,269</u>
Total Other Trust Fund		<u>12,426,557</u>	<u>11,295,137</u>
		<u>\$ 12,792,781</u>	<u>\$ 12,284,577</u>

The Accompanying Notes are an Integral Part of these Financial Statements

**CITY OF ENGLEWOOD**  
**STATEMENT OF CHANGES IN FUND BALANCE - REGULATORY BASIS**  
**ASSESSMENT TRUST FUND**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
Balance, January 1	\$ 3	\$ 3
Balance, December 31	<u>\$ 3</u>	<u>\$ 3</u>

## EXHIBIT B-2

**STATEMENT OF REVENUES - REGULATORY BASIS**  
**ASSESSMENT TRUST FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Anticipated</u>	<u>Realized</u>	<u>Variance</u>
Assessment Cash	\$ 546,966	\$ 547,855	\$ (889)
Deficit (Current Budget)	<u>38,034</u>	<u>37,145</u>	<u>889</u>
	<u>\$ 585,000</u>	<u>\$ 585,000</u>	<u>\$ -</u>

## EXHIBIT B-3

**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**ASSESSMENT TRUST FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Appropriation</u>	<u>Actual</u>	<u>Variance</u>
Payment of Bond Principal	<u>\$ 585,000</u>	<u>\$ 585,000</u>	<u>\$ -</u>

The Accompanying Notes are an Integral Part of these Financial Statements



**CITY OF ENGLEWOOD**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**  
**GENERAL CAPITAL FUND**  
**AS OF DECEMBER 31, 2024 AND 2023**

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>			
Cash	C-2, C-3	\$ 8,242,145	\$ 1,666,388
Deferred Charges to Future Taxation			
Funded	C-4	51,685,000	56,050,000
Unfunded	C-5	50,824,896	39,761,782
Grants Receivable	C-7	9,028,359	5,157,333
Due from Library	C-17	545,193	
Due From Current Fund	C-13		465,636
Due From Grant Fund	C-14	2,390,125	-
		<u>\$ 122,715,718</u>	<u>\$ 103,101,139</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
Improvement Authorizations			
Funded	C-6	\$ 5,682,972	\$ 2,444,953
Unfunded	C-6	24,161,433	20,003,261
General Serial Bonds Payable	C-11	51,685,000	56,050,000
Bond Anticipation Notes Payable	C-12	27,320,000	10,932,004
Due to Current Fund	C-13	465,140	
Due to Community Development Block Grant Fund	C-15	9,886	9,886
Due to Grant Fund	C-14		579,260
Encumbrances Payable	C-9	10,221,960	9,564,412
Capital Improvement Fund	C-10	181,172	147,948
Reserve for Debt Service	C-16	2,191,949	2,191,949
Miscellaneous Reserves	C-8	68,759	68,759
Reserve for Grants Receivable	C-7	125,000	125,000
Fund Balance	C-1	602,447	983,707
		<u>\$ 122,715,718</u>	<u>\$ 103,101,139</u>

There were bonds and notes authorized but not issued of \$23,839,356 and \$28,829,778 at December 31, 2024 and 2023, respectively (Exhibit C-18).

The Accompanying Notes are an Integral Part of these Financial Statements

**CITY OF ENGLEWOOD**  
**COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - REGULATORY BASIS**  
**GENERAL CAPITAL FUND**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
Balance, January 1	\$ 983,707	\$ 1,943,627
Increased by:		
Grant Proceeds on Fully Funded Ordinances		231,710
Premium on Sale of Bonds and Notes	<u>118,740</u>	<u>133,370</u>
	<u>118,740</u>	<u>365,080</u>
	1,102,447	2,308,707
Decreased by:		
Anticipated As Current Fund Revenue	500,000	500,000
Deferred Charges - Unfunded	<u>-</u>	<u>825,000</u>
	<u>500,000</u>	<u>1,325,000</u>
Balance, December 31	<u>\$ 602,447</u>	<u>\$ 983,707</u>

The Accompanying Notes are an Integral Part of these Financial Statements

**CITY OF ENGLEWOOD**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**AS OF DECEMBER 31, 2024 AND 2023**

	<u>2024</u> (Unaudited)	<u>2023</u>
<b>ASSETS</b>		
Land	\$ 92,238,900	\$ 92,238,900
Buildings and Building Improvements	21,179,227	21,179,227
Construction in Progress		
Machinery and Equipment	<u>20,200,177</u>	<u>20,200,177</u>
	<u>\$ 133,618,304</u>	<u>\$ 133,618,304</u>
 <b>RESERVE</b>		
Investment in General Fixed Assets	<u>\$ 133,618,304</u>	<u>\$ 133,618,304</u>

## **NOTES TO FINANCIAL STATEMENTS**

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City of Englewood (the "City") was incorporated in 1899 and operates under an elected Council-Manager form of government. The Mayor and five Council members are elected for terms of three years. The City is divided into four wards which are approximately equal in population. Four Council members are elected by the individual wards in which they live and one Council member is elected by a city-wide vote as an at-large Council member. The City Council exercises all legislative powers including final adoption of the municipal budget and bond ordinances. A City Manager is appointed by the City Council and is responsible for the implementation of the policies of the City Council, for the administration of all City affairs and for the day to day operations of the City. The City Manager is the Chief Administrative Officer for the City. The City's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. The City is not includable in any other reporting entity as a component unit.

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 City do not include the municipal library, which is considered component units under GAAP. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

**B. Description of Regulatory Basis of Accounting**

The financial statements of the City of Englewood have been prepared on a basis of accounting in conformity with accounting principles and practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a regulatory basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). 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 City accounts for its financial transactions through separate funds, which differ from the fund structure required by GAAP.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. (GAAP). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. However under the regulatory basis of accounting municipalities are required to follow GASB pronouncements with regard to disclosure requirements for notes to the financial statements.

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements**

The City 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 City functions or activities. The City also uses an account group, which is designed to provide accountability for certain assets that are not recorded in those Funds.

The City has the following funds and account group:

Current Fund – This fund is used to account for the revenues and expenditures for governmental operations of a general nature and the assets and liabilities related to such activities, including Federal and State grants not accounted for in another fund.

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

Assessment Trust Fund - This fund is used to account for special benefit assessments levied against properties for specific purposes.

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

Community Development Block Grant Fund - This fund is used to account for grant proceeds, program income and related expenditures for Federal Block grant entitlements.

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.

Other Trust Fund - This fund is established to account for the assets and resources, which are held by the City as a trustee or agent for individuals, private organizations, other governments and/or other funds. These funds include dedicated fees/proceeds collected, developer deposits, payroll related deposits and funds deposited with the City as collateral.

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

General Fixed Assets Account Group - This account group is used to account for all general fixed assets of the City. The City's infrastructure is not reported in the account group.

**Comparative Data** - Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City'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.

**Reclassifications** - Certain reclassifications may have been made to the December 31, 2023 balances to conform to the December 31, 2024 presentation.

**Financial Statements – Regulatory Basis**

The GASB Codification also requires the financial statements of a governmental unit to be presented in the basic financial statements in accordance with GAAP. The City presents the regulatory basis financial statements listed in the table of contents which are required by the Division and which differ from the basic financial statements required by GAAP. In addition, the Division requires the regulatory basis financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from reporting requirements under GAAP.

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the accounting principles and practices prescribed by the Division in accordance with the regulatory basis of accounting. Measurement focus indicates the type of resources being measured. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The City of Englewood follows a modified accrual basis of accounting. 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 or permitted for municipalities by the Division ("regulatory basis of accounting") 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:

**Cash and Investments** - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Investments are reported at cost and are limited by N.J.S.A. 40A:5-15.1 et seq. GAAP requires that all investments be reported at fair value.

**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. GAAP requires inventories to be recorded as assets in proprietary-type funds.

**Property Tax Revenues/Receivables** - 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. A penalty of up to 6% of the delinquency may be imposed on a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the fiscal year in which the charges become delinquent. 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 December 31, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the City. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April first in the year following the 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 standard tax sale. The City also has the option when unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears on the 11<sup>th</sup> day of the eleventh month in the fiscal year when the taxes or lien became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing property on an accelerated tax sale, provided that the sale is conducted and completed no earlier than in the last month of the fiscal year. The City may institute annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property. 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 tax 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 (i.e., when they are both levied and available), reduced by an allowance for doubtful accounts.

CITY OF ENGLEWOOD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

**Miscellaneous Revenues/Receivables** - 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 City's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both measurable and available).

**Grant and Similar Award Revenues/Receivables** - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the City's budget. GAAP requires such revenues to be recognized as soon as all eligibility requirements imposed by the grantor or provider have been met.

**Property Acquired for Taxes** - Property acquired for taxes is recorded in the Current Fund at the assessed valuation when such property was acquired, and is fully reserved. GAAP requires such property to be recorded as a capital asset in the government-wide financial statements at fair 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 for interfunds and, therefore, does not recognize income in the year liquidated.

**Prepaid Items** - Certain payments to vendors or other governments reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items in the current fund, except for prepaid debt service, are offset by a reserve, created by a charge to operations. GAAP does not require the establishment of a reserve for prepaid items.

**Deferred Charges** - Certain expenditures, operating deficits and other items are required to be deferred to budgets of succeeding years. GAAP requires expenditures, operating deficits and certain other items generally to be recognized when incurred, if measurable.

Funded and unfunded debt authorizations for general capital projects are also recorded as deferred charges and represent permanent long-term debt issues outstanding (funded) and temporary debt issues outstanding or unissued debt authorizations (unfunded), respectively. GAAP does not permit the recording of deferred charges for funded and unfunded debt authorizations.

**Appropriation Reserves** - Appropriation reserves are recorded as liabilities and 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.



**CITY OF ENGLEWOOD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

**Expenditures** – 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 cancelled 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, as well as expenditures related to compensated absences and claims and judgements, which are recognized when due.

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

**Compensated Absences** - Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences. 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 are recorded as a long-term obligation in the proprietary funds and government-wide financial statements.

**Tax Appeals and Other Contingent Losses** - Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. GAAP requires such amounts to be recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

**Reserve for Uncollected Taxes** – Reserve for Uncollected Taxes is a non-spending budget appropriation account required to provide assurance that cash collected for property taxes levied in the current year will provide sufficient cash flow to meet expected budgetary obligations. The minimum amount required to be budgeted in Reserve for Uncollected Taxes is determined utilizing the actual percentage of property taxes collected in the immediate preceding budget year, unless allowable alternative methods are utilized with the approval of the Division. A Reserve for Uncollected Taxes is not established or required under GAAP.

**Pensions** – The City appropriates in its annual budget the amount required to be paid for pension contributions as determined by the State administered pension systems. Under the regulatory basis of accounting the City is only required to disclose in the Notes to the Financial Statements its share of the actuarially determined net pension liabilities, deferred outflow of resources, deferred inflow of resources and pension expense (benefit) related to the State administered pension system. GAAP requires these actuarially determined amounts to be reported in the proprietary funds and government-wide financial statements.

**Other Post-Employment Benefits (OPEB)** – The City funds its employer paid post-retirement medical benefits on a pay-as-you-go basis. Under the regulatory basis of accounting the City is only required to disclose in the Notes to the Financial Statements its actuarially determined net OPEB liability, deferred outflow of resources, deferred inflow of resources and OPEB expense (benefit). GAAP requires these actuarially determined amounts to be reported in the government-wide financial statements.

**General Fixed Assets** - In accordance with NJAC 5:30-5.6, Accounting for Governmental Fixed Assets, the City of Englewood has developed a fixed assets accounting and reporting system. Fixed assets are defined by the City as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years.

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 sewerage and drainage systems are not capitalized. General fixed assets acquired under capital financing agreements are capitalized at their acquisition cost. Intangible right-to-use leased assets and intangible right-to-use IT software (SBITAs) are not capitalized.

**CITY OF ENGLEWOOD  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

**General Fixed Assets (Continued)**

General Fixed Assets purchased are stated as follows:

Land and Buildings	Assessed Value
Machinery and Equipment	Historical Cost or Estimated Historical Cost

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and put into operation for general fixed assets.

GAAP requires that capital assets, including intangible right-to-use leased assets and intangible right-to-use IT software (SBITAs), be recorded in proprietary-type funds as well as the government-wide financial statement at historical or estimated historical cost if actual historical cost is not available. In addition, GAAP requires depreciation on capital assets to be recorded in proprietary-type funds as well as in the government-wide financial statements.

**Use of Estimates** - The preparation of financial statements requires management of the City 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 accrued revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. 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. Budget amounts presented in the accompanying financial statements represent amounts adopted by the City and approved by the State Division of Local Government Services as per N.J.S.A. 40A:4 et seq.

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

Trust Funds (Except for Assessment Trust Fund)
General Capital Fund

The City must prepare its budget in compliance with applicable laws limiting or capping the amounts by which both the budget appropriations and the municipal tax levy can increase in the annual budget.

**1977 Appropriation "CAP":** The 1977 Appropriation Cap is calculated using the formulas and provisions of N.J.S.A 40A:4-45.1 through 4-45.43a. The law was originally adopted in 1976 and was most recently amended in 2003. Under this law, the City is permitted to increase its overall Current Fund appropriations (with certain exceptions) by 2.5% or the "cost of living adjustment" (COLA), whichever is less. The COLA is calculated based on the Implicit Price Deflator for Local Governments computed by the U.S. Department of Commerce. The City can, when the COLA is less than or equal to 2.5%, increase its allowable inside-the-cap appropriations to 3.5%, upon adoption of a COLA Rate Ordinance by the governing body and beyond 3.5% upon voter passage of a referendum. Additionally, municipalities can bank the unused appropriation increases for use in any of the next two (2) succeeding budget years.

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgets and Budgetary Accounting (Continued)**

**2010 Levy “CAP”:** The 2010 Levy Cap is calculated using the formulas and provisions of N.J.S.A. 40A:4-45.44 through 45.47. It established limits on the increase in the total amount to be raised by taxation for municipal purposes (municipal tax levy). The core of the levy cap formula is a 2% increase to the previous year’s amount to be raised by taxation for municipal purposes, exclusive of certain appropriations and allowable adjustments and extraordinary costs related to a declared emergency. Voter approval may be requested to increase the municipal tax levy by more than the allowable adjusted tax levy. Additionally, municipalities can bank the unused tax levy for use in any of the next three (3) succeeding budget years.

The governing body is required to introduce and approve the annual budget no later than February 10, of the fiscal year. The budget is required to be adopted no later than March 20, 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. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last two months of the fiscal year, the governing body may, by a 2/3 vote; amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the governing body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2024 and 2023 the City Council increased the original budget by \$408,841 and \$1,450,457. The increases were funded by additional grants allotted to the City. In addition, the City Council approved several budget transfers during 2023 and 2022.

**NOTE 3 CASH DEPOSITS AND INVESTMENTS**

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

**A. Cash Deposits**

The City’s deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The City is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for deposits in excess of the FDIC or NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, bail funds, withholdings from an employee’s salary or funds which may pass to the local government upon the happening of a future condition.

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)**

**A. Cash Deposits (Continued)**

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At December 31, 2024 and 2023, the book value of the City's deposits were \$48,083,743 and \$39,152,884 and bank and brokerage firm balances of the City's deposits amounted to \$50,497,518 and \$48,028,827 and \$43,335,915, respectively. The City's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2024</u>	<u>2023</u>
Insured	\$ 45,585,722	\$ 38,191,390
Uninsured and Collateralized	<u>4,911,796</u>	<u>5,144,525</u>
	<u>\$ 50,497,518</u>	<u>\$ 43,335,915</u>

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 City does not have a formal policy for custodial credit risk. As of December 31, 2024 and 2023, the City's bank balances of \$4,911,796 and \$5,144,525 were exposed to custodial credit risk as follows:

<u>Depository Account</u>	<u>2024</u>	<u>2024</u>
Uninsured and Collateralized		
Collateral held by pledging financial institution's trust department not in the City's name	<u>\$ 4,911,796</u>	<u>\$ 5,144,525</u>
	<u>\$ 4,911,796</u>	<u>\$ 5,144,525</u>

**B. Investments**

The City is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the City or bonds or other obligations of the school districts which are a part of the City or school districts located within the City, Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school district, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law, " (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investments in the Department of the Treasury for investment by local units; Local Government investment pools, deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with NJSA 40A:5-15.1 (8a-8e).

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)**

**B. Investments (Continued)**

As of December 31, 2024 and 2023, the City had the following investments which are reported as cash in the City's financial statements:

	<u>2024</u>	<u>2023</u>
N.J. Cash Management Fund	\$ 276,226	\$ 262,403

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are held by an outside party. The City does not have a policy for custodial credit risk. As of December 31, 2024 and 2023, \$276,226 and \$262,403 of the City's investments were exposed to custodial credit risk as follows:

	<u>2024</u>	<u>2023</u>
Uninsured and Collateralized:		
Collateral held by pledging financial institution's trust department but not in the City's name	\$ 276,226	\$ 262,403

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 40A:5-15.1 and NJAC 5:30-14.19). The City does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the City's investment in a single issuer. The City places no limit in the amount the City may invest in any one issuer. More than five (5) percent of the City's investments are in the New Jersey Cash Management Fund. These investments are 100% of the City's total investments.

Fair Value of Investments. The City of Englewood measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than those in Level 1; and
- *Level 3:* Unobservable inputs.

Investments are valued based on price data obtained from observed transactions and market price quotations provided by the N.J. Cash Management Fund. Since the value is not obtained from a quoted price in an active market the investments held by the City at December 31, 2024 and 2023 are categorized as Level 2.

Interest earned in the General Capital Fund, Assessment Trust Fund, Animal Control Fund and certain Other Trust Funds are assigned to the Current Fund in accordance with the regulatory basis of accounting.

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 4 TAXES RECEIVABLE**

Receivables at December 31, 2023 and 2022 consisted of the following:

	<u><b>2024</b></u>	<u><b>2023</b></u>
Property Taxes	\$ 64,626	\$ 46,949
Tax Title Liens	<u>309,355</u>	<u>289,197</u>
	<u><u>\$ 373,981</u></u>	<u><u>\$ 336,146</u></u>

In 2024 and 2023, the City collected \$10,348 and \$7,318 from delinquent taxes, which represented 3% and 6%, respectively of the prior year delinquent taxes receivable balance.

**NOTE 5 DUE TO/FROM OTHER FUNDS**

As of December 31, interfund receivables and payables that resulted from various interfund transactions were as follows:

	<u><b>2024</b></u>		<u><b>2023</b></u>	
	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund:				
Regular	\$ 485,176	\$ 5,545,417	\$ 319,476	\$ 3,485,421
Grant	4,371,184	2,390,125	3,906,335	
Trust Fund:				
Assessment Trust		14,196		23,029
Animal Control		5,840		5,010
Community Development				
Block Grant	9,886		9,886	
Unemployment Compensation	41,764		41,764	
Other Trust	1,481,523	349,054		640,491
General Capital Fund	<u>2,390,125</u>	<u>475,026</u>	<u>465,636</u>	<u>589,146</u>
Total	<u><u>\$ 8,779,658</u></u>	<u><u>\$ 8,779,658</u></u>	<u><u>\$ 4,743,097</u></u>	<u><u>\$ 4,743,097</u></u>

The above balances are the result of expenditures being paid by one fund on behalf of another and revenues on deposit in one fund but due to another.

The City expects all interfund balances to be liquidated within one year.

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 6 FUND BALANCES APPROPRIATED**

Under the regulatory basis of accounting, fund balances in the Current Fund are comprised of cash surplus (fund balance) and non-cash surplus (fund balance). All or part of cash surplus as of December 31 may be anticipated in the subsequent year's budget. The non-cash surplus portion of fund balance may be utilized in the subsequent year's budget with the prior written consent of the Director of the Division of Local Government Services if certain guidelines are met as to its availability. Fund balances at December 31, which were appropriated and included as anticipated revenue in their own respective fund's budget for the succeeding year were as follows:

	<b>2024</b>		<b>2023</b>	
	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget</u>	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget</u>
Current Fund				
Cash Surplus	\$ 13,202,217	\$ 3,300,000	\$ 11,806,391	\$ 3,100,000
Non-Cash Surplus	<u>47,159</u>	<u>-</u>	<u>31,426</u>	<u>-</u>
	<u>\$ 13,249,376</u>	<u>\$ 3,300,000</u>	<u>\$ 11,837,817</u>	<u>\$ 3,100,000</u>

**NOTE 7 FIXED ASSETS**

**A. General Fixed Assets**

The following is a summary of changes in the general fixed assets account group for the years ended December 31, 2024 and 2023.

	<u>Balance December 31, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, December 31, 2024 (Unaudited)</u>
<b>2024 (Unaudited)</b>				
Land	\$ 92,238,900			\$ 92,238,900
Buildings and Building Improvements	21,179,227			21,179,227
Construction in Progress				-
Machinery and Equipment	<u>20,200,177</u>	<u>-</u>	<u>-</u>	<u>20,200,177</u>
	<u>\$ 133,618,304</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 133,618,304</u>
	<u>Balance December 31, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, December 31, 2023</u>
<b>2023</b>				
Land	\$ 92,238,900			\$ 92,238,900
Buildings and Building Improvements	21,179,227			21,179,227
Construction in Progress	524,276		\$ 524,276	
Machinery and Equipment	<u>17,820,387</u>	<u>3,126,640</u>	<u>746,850</u>	<u>20,200,177</u>
	<u>\$ 131,762,790</u>	<u>\$ 3,126,640</u>	<u>\$ 1,271,126</u>	<u>\$ 133,618,304</u>

**CITY OF ENGLEWOOD**  
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**NOTE 8 MUNICIPAL DEBT**

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

The City's debt is summarized as follows:

	<u>2024</u>	<u>2023</u>
Issued		
General		
Bonds and Notes	\$ 79,005,000	\$ 66,982,004
Assessment		
Bonds	<u>-</u>	<u>585,000</u>
	79,005,000	67,567,004
Less Funds Temporarily Held to Pay Bonds and Notes	<u>2,526,409</u>	<u>2,738,916</u>
Net Debt Issued	76,478,591	64,828,088
Authorized But Not Issued		
General		
Bonds and Notes	<u>23,839,356</u>	<u>28,829,778</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 100,317,947</u>	<u>\$ 93,657,866</u>



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**NOTE 8 MUNICIPAL DEBT (Continued)**

**Statutory Net Debt**

The statement of debt condition that follows indicates a statutory net debt of 1.584% and 1.607% at December 31, 2024 and 2023, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<b><u>2024</u></b>			
General Debt	\$ 102,844,356	2,526,409	\$ 100,317,947
School Debt	-	-	-
Total	<u>\$ 102,844,356</u>	<u>\$ 2,526,409</u>	<u>\$ 100,317,947</u>

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<b><u>2023</u></b>			
General Debt	\$ 96,396,782	\$ 2,738,916	\$ 93,657,866
School Debt	<u>1,765,000</u>	<u>1,765,000</u>	-
Total	<u>\$ 98,161,782</u>	<u>\$ 4,503,916</u>	<u>\$ 93,657,866</u>

**Statutory Borrowing Power**

The City's remaining borrowing power under N.J.S. 40A:2-6, as amended, at December 31, was as follows:

	<u>2024</u>	<u>2023</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 221,620,975	\$ 207,329,700
Less: Net Debt	<u>100,317,947</u>	<u>93,657,866</u>
Remaining Borrowing Power	<u>\$ 121,303,028</u>	<u>\$ 113,671,834</u>

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 8 MUNICIPAL DEBT (Continued)**

**A. Long-Term Debt**

The City's long-term debt consisted of the following at December 31:

**General Obligation Bonds**

The City levies ad valorem taxes to pay debt service on general obligation bonds. General obligation bonds outstanding at December 31 are as follows:

	<u>2024</u>	<u>2023</u>
\$16,450,000, 2014 Bonds, due in annual installments of \$795,000 to \$1,010,000 through April 1, 2032 interest at 3.00% to 3.50%	\$ 7,270,000	\$ 8,035,000
\$14,285,000, 2017 Bonds, due in annual installments of \$1,095,000 to \$1,250,000 through April 2031, interest at 2.50% to 3.00%	8,335,000	9,395,000
\$15,260,000, 2019 Bonds, due in annual installments of \$545,000 to \$1,005,000 through April 2041, interest at 3.00% to 5.00%	12,700,000	13,230,000
\$27,105,000, 2022 Bonds, due in annual installments of \$1,565,000 to \$2,340,000 through February 2035, interest at 2.00% to 4.00%	21,750,000	23,515,000
\$2,380,000, 2023 Refunding Bonds, due in annual installments of \$255,000 to \$295,000 through August 2030, interest at 3.00%	<u>1,630,000</u>	<u>1,875,000</u>
Total	<u>\$ 51,685,000</u>	<u>\$ 56,050,000</u>

**Assessment Bonds**

The City pledges revenue from special benefit assessments to pay debt service on assessment bonds issued. The assessment bonds outstanding at December 31 are as follows:

	<u>2024</u>	<u>2023</u>
\$8,775,000, 2008 Bonds, due in an annual installment of \$585,000 on January 1, 2024, interest at 5.00%	<u>\$ -</u>	<u>\$ 585,000</u>

**CITY OF ENGLEWOOD**  
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**NOTE 8 MUNICIPAL DEBT (Continued)**

**A. Long-Term Debt (Continued)**

The City's principal and interest for long-term debt issued and outstanding as of December 31, 2024 is as follows:

Calendar Year	General		Total
	Principal	Interest	
2025	\$ 4,255,000	\$ 1,426,450	\$ 5,681,450
2026	4,390,000	1,269,875	5,659,875
2027	4,440,000	1,118,000	5,558,000
2028	4,575,000	979,200	5,554,200
2029	4,910,000	843,944	5,753,944
2030-2034	20,505,000	2,315,906	22,820,906
2035-2039	6,640,000	685,044	7,325,044
2040-2041	1,970,000	64,675	2,034,675
Total	<u>\$ 51,685,000</u>	<u>\$ 8,703,094</u>	<u>\$ 60,388,094</u>

**Prior Year Defeasance of Debt**

In prior years, the City defeased certain serial bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the City's financial statements. On December 31, 2024 and 2023, \$1,685,000 and \$1,930,000, respectively, of bonds outstanding are considered defeased.

**Changes in Long-Term Municipal Debt**

The City's long-term capital debt activity for the years ended December 31, 2024 and 2023 were as follows:

	Balance, December 31, 2023	Additions	Reductions	Balance, December 31, 2024	Due Within One Year
General Capital Fund Bonds Payable	<u>\$ 56,050,000</u>	<u>\$ -</u>	<u>\$ 4,365,000</u>	<u>\$ 51,685,000</u>	<u>\$ 4,255,000</u>
Assessment Trust Fund Bonds Payable	<u>\$ 585,000</u>	<u>\$ -</u>	<u>\$ 585,000</u>	<u>\$ -</u>	<u>\$ -</u>

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**NOTE 8 MUNICIPAL DEBT (Continued)**

**A. Long-Term Debt (Continued)**

**Changes in Long-Term Municipal Debt (Continued)**

	Balance, December 31, <u>2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2023</u>	Due Within <u>One Year</u>
General Capital Fund Bonds Payable	\$ 60,580,000	\$ -	\$ 4,530,000	\$ 56,050,000	\$ 4,365,000
Assessment Trust Fund Bonds Payable	\$ 1,215,000	\$ -	\$ 630,000	\$ 585,000	\$ 585,000

**B. Short-Term Debt**

The City's short-term debt activity for the years ended December 31, 2024 and 2023 was as follows:

**Bond Anticipation Notes**

<u>Purpose</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	Balance, December 31, <u>2023</u>	<u>Renewed/ Issued</u>	<u>Retired/ Redeemed</u>	Balance, December 31, <u>2024</u>
<b><u>2024</u></b>						
Various Capital Improvements	4.50%	5/28/2025		\$ 26,284,265		\$ 26,284,265
Acquisition of Real Property	4.50%	5/28/2025		708,000		708,000
Various Roadway Improvements and Equipment Acquisitions	4.50%	5/28/2025		327,735		327,735
Various Capital Improvements	3.25%	5/31/2024		12,320,000	\$ 12,320,000	
Various Capital Improvements	4.50%	3/15/2024	\$ 10,932,004	-	10,932,004	-
			<u>\$ 10,932,004</u>	<u>\$ 39,640,000</u>	<u>\$ 23,252,004</u>	<u>\$ 27,320,000</u>
<u>Purpose</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	Balance, December 31, <u>2022</u>	<u>Renewed/ Issued</u>	<u>Retired/ Redeemed</u>	Balance, December 31, <u>2023</u>
<b><u>2023</u></b>						
Various Capital Improvements	3.00%	3/21/2024	\$ 11,708,000		\$ 11,708,000	
Various Capital Improvements	4.50%	3/15/2024	-	\$ 10,932,004	-	\$ 10,932,004
			<u>\$ 11,708,000</u>	<u>\$ 10,932,004</u>	<u>\$ 11,708,000</u>	<u>\$ 10,932,004</u>

The purpose of these short-term borrowings was to provide resources for capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq. The amounts issued for governmental activities are accounted for in the General Capital Fund.

State law requires that notes are to be issued for a period not exceeding one year and may be renewed from time to time for additional periods, none of which shall exceed one year. All bond anticipation notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year following

**CITY OF ENGLEWOOD**  
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**NOTE 9 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS**

As of December 31, the City had the following commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Construction Commitment</u>	<u>Estimated Date of Completion</u>
<b><u>2024</u></b>		
Renovation of City Hall Basements	\$1,200,000	2025
Repair of 4 Culverts	709,215	2025
Emergency Repairs Mackay Park	354,300	2025
Reconstruction Project - Various	734,599	2025
Chassis and Leach – T480	408,916	2025
Truck and Accessories	491,259	2025
Fire Trucks	739,612	2025
2024 Road Program	100,039	2025
<b><u>2023</u></b>		
Cab & Chassis V Truck-Electric	\$982,518	2024
2 Bodies for EV Garbage Truck	353,626	2024
2023 Roads Program	301,884	2024
Hudson Ave. Culvert Replacement	249,447	2024
Lafayette Place Improvements	219,607	2024
Chestnut St./Court Improvements	326,502	2024
William St. Parking Lot	236,371	2024

**NOTE 10 OTHER LONG-TERM LIABILITIES**

**Compensated Absences**

Under the existing policies and labor agreements of the City, employees are allowed to accumulate (with certain restrictions) unused vacation benefits, sick leave, terminal leave and compensation time in lieu of overtime over the life of their working careers and to redeem such unused leave time in cash (with certain limitations) upon death, retirement or by extended absence immediately preceding retirement.

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$8,397,187 and \$8,464,609 at December 31, 2024 and 2023, respectively. These amounts which are considered material to the financial statements, are not reported either as an expenditure or liability. At December 31, 2024 and 2023, the City has reserved \$1,479,056 and \$2,092,639, respectively, to fund terminal leave payments.

**Changes in Other Long-Term Liabilities**

Under the regulatory basis of accounting, certain other long-term liabilities which may be considered material to the financial statements are not reported either as an expenditure or a liability. However, under the regulatory basis of accounting, these other long-term liabilities and related information are required to be disclosed in the notes to the financial statements in conformity with the disclosure requirements of the Governmental Accounting Standards Board.

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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 10 OTHER LONG-TERM LIABILITIES (Continued)**

**Changes in Other Long-Term Liabilities (Continued)**

The City's changes in other long-term liabilities for the years ended December 31, 2024 and 2023 were as follows:

	Balance, December 31, 2023	Additions	Reductions	Balance, December 31, 2024	Due Within One Year
Compensated Absences	\$ 8,464,609	\$ 996,161	\$ 1,063,583	\$ 8,397,187	
Net OPEB Liability (1)	57,905,584			57,905,584	
Net Pension Liability (1)					
PERS	16,412,862			16,412,862	
PFRS	49,793,567	-	-	49,793,567	-
Total Other Long-Term Liabilities	\$ 132,576,622	\$ 996,161	\$ 1,063,583	\$ 132,509,200	\$ -

- (1) GASB Statement Numbers 68 Pension and 75 OPEB financial information was not provided by the State's Division of Pensions and Benefits as of the date of audit.

	Balance, December 31, 2022	Additions	Reductions	Balance, December 31, 2023	Due Within One Year
Compensated Absences	\$ 7,468,527	\$ 996,082		\$ 8,464,609	
Net OPEB Liability	53,652,348	4,253,236		57,905,584	
Net Pension Liability					
PERS	17,791,349		1,378,487	16,412,862	
PFRS	50,386,026	-	592,459	49,793,567	-
Total Other Long-Term Liabilities	\$ 129,298,250	\$ 5,249,318	\$ 1,970,946	\$ 132,576,622	\$ -

**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS**

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees which includes those City employees who are eligible for pension coverage.

**Police and Firemen's Retirement System (PFRS)** – established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after December 31, 1944. Membership is mandatory for such employees. PFRS is a cost-sharing multi-employer defined benefit pension plan with a special funding situation. For additional information about PFRS, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

The following represents the membership tiers for PFRS:

<b>Tier</b>	<b>Definition</b>
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% (tier 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.

**Public Employees' Retirement System (PERS)** – established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full-time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost-sharing multi-employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members 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 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 a least 25 years of service. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those City employees who are eligible for pension coverage.

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Defined Contribution Retirement Program (DCRP)** – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollment but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**Other Pension Funds**

The state established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The cost of living increase for PFRS and PERS are funded directly by each of the respective systems, but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

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 each of the above systems, funds, and trust. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Measurement Focus and Basis of Accounting**

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**Investment Valuation**

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Empower (formerly Prudential Retirement) is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290, or at [www.state.nj.us/treasury/doinvest](http://www.state.nj.us/treasury/doinvest).



**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2024 was not available and for June 30, 2023 is \$14.6 billion, and the plan fiduciary net position as a percentage of the total pension liability is 65.22% at June 30, 2023. The collective net pension liability of the participating employers for local PFRS at June 30, 2024 was not available and for June 30, 2023 is \$13.1 billion and the plan fiduciary net position as a percentage of total pension liability is 70.16% at June 30, 2023.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2022 which were rolled forward to June 30, 2023.

**Actuarial Methods and Assumptions**

In the July 1, 2022 PERS and PFRS actuarial valuations, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions for 2024 and 2023 based on 10.0% for PFRS, 7.50% for PERS and 5.50% for DCRP of employee's annual compensation.

For the years ended December 31, 2024 and 2023 for CPFPF, which is a single-employer defined benefit plan, the annual pension cost differs from the annual required contribution. For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All contributions made by the City for 2024, 2023 and 2022 were equal to the required contributions.

During the years ended December 31, 2024, 2023 and 2022, the City, was required to contribute for normal cost pension contributions, accrued liability pension contributions and non-contributory life insurance premiums the following amounts which equaled the required contributions for each respective year:

<u>Year Ended</u> <u>December 31</u>	<u>PFRS</u>	<u>PERS</u>	<u>DCRP</u>
2024	\$ 5,839,440	\$ 1,404,944	\$ 18,189
2023	5,724,941	1,368,773	20,743
2022	5,201,491	1,367,855	21,020

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

The regulatory basis of accounting requires participating employers in PERS and PFRS to disclose in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No.68) their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions.

Under GASB Statement No. 68 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer's prior fiscal year. The GASB No. 68 financial information from the State's Division of Pensions and Benefits to be reported for the year ended December 31, 2024 for the measurement date of June 30, 2024 was not available as of the date of audit. Accordingly, N.J.A.C. 5:30-6.1(c)2 authorized and permits New Jersey municipalities to present the most recent available audited GASB No. 68 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB No. 68 financial information for the year ended December 31, 2024 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the contributions made as an individual employer to the total contributions to the plan during the fiscal years ended June 30, 2023 and 2022. Employer allocation percentages have been rounded for presentation purposes.

**Public Employees Retirement System (PERS)**

At December 31, 2023, the City reported a liability of \$16,412,862, for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City's proportionate share of the net pension liability was based on the ratio of the City's contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2023, the City's proportionate share was .11331 percent, which was a decrease of .00458 percent from its proportionate share measured as of June 30, 2022 of .11789 percent.

For the year ended December 31, 2023, the pension system has determined the City's pension benefit to be \$837,576, for PERS based on the actuarial valuations which is less than the actual contribution reported in the City's financial statements of \$1,368,773. At December 31, 2023, the City's deferred outflows of resources and deferred inflows of resources related to PERS pension which are not reported on the City's financial statements are from the following sources:

	<b>2023</b>	
	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 156,928	\$ 67,091
Changes of Assumptions	36,056	994,690
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	75,583	
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	<u>209,696</u>	<u>1,177,298</u>
Total	<u>\$ 478,263</u>	<u>\$ 2,239,079</u>

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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

At December 31, 2023 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense (benefit) as follows:

Year Ending <u>December 31,</u>	<u>Total</u>
2024	\$ (1,159,357)
2025	(639,196)
2026	486,133
2027	(427,041)
2028	(21,355)
Thereafter	<u>-</u>
	<u>\$ (1,760,816)</u>

***Actuarial Assumptions***

The City's total pension liability reported for the year ended December 31, 2023 was based on the June 30, 2023 measurement date as determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	<u><b>2023</b></u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Rate for All Future Years	2.75 - 6.55%
	Based on Years of Service
Investment Rate of Return	7.00%

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

***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 generational basis. Mortality improvement is based on Scale MP-2021.

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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

***Long-Term Expected Rate of Return***

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the pension plans' target asset allocation as of June 30, 2023, as reported for the year ended December 31, 2023, are summarized in the following table:

<u>Asset Class</u>	<b>2023</b>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	6.21%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Investment Grade Credit	7.00%	5.19%
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
High Yield	4.50%	6.97%
Real Assets	3.00%	8.40%
Private Credit	8.00%	9.20%
Real Estate	8.00%	8.58%
Private Equity	13.00%	12.50%

***Discount Rate***

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the 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 in determining the total pension liability.

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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

***Sensitivity of Net Pension Liability***

The following presents the City's proportionate share of the PERS net pension liability as of December 31, 2023 calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

<b><u>2023</u></b>	<b><u>1% Decrease (6.00%)</u></b>	<b><u>Current Discount Rate (7.00%)</u></b>	<b><u>1% Increase (8.00%)</u></b>
City's Proportionate Share of the PERS Net Pension Liability	\$ <u>21,366,054</u>	\$ <u>16,412,862</u>	\$ <u>12,197,041</u>

The sensitivity analysis was based on the proportionate share of the City's net pension liability at December 31, 2023. A sensitivity analysis specific to the City's net pension liability was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

Detailed information about the PERS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

At December 31, 2023, the City reported a liability of \$49,793,567, for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City's proportionate share of the net pension liability was based on the ratio of the City's contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2023, the City's proportionate share was .45067 percent, which was an increase of .01049 percent from its proportionate share measured as of June 30, 2022 of .44018 percent.

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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

For the year ended December 31, 2023, the pension system has determined the City pension expense to be \$870,964 for PFRS based on the actuarial valuations which is less than the actual contribution reported in the City's financial statements of \$5,724,941. At December 31, 2023, the City's deferred outflows of resources and deferred inflows of resources related to PFRS pension which are not reported on the City's financial statements are from the following sources:

	<b>2023</b>	
	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 2,132,061	\$ 2,374,711
Changes of Assumptions	107,472	3,362,259
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,535,892	
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	<u>2,899,121</u>	<u>4,488,840</u>
Total	<u>\$ 7,674,546</u>	<u>\$ 10,225,810</u>

At December 31, 2023 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PFRS pension will be recognized in pension expense (benefit) as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2024	(3,342,268)
2025	(2,577,252)
2026	3,245,917
2027	(157,520)
2028	241,072
Thereafter	<u>38,787</u>
	<u>\$ (2,551,264)</u>

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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Police and Firemen’s Retirement System (PFRS) (Continued)**

*Actuarial Assumptions*

The City’s total pension liability reported for the year ended December 31, 2023 was based on the June 30, 2023 measurement date as determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	<u><b>2023</b></u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	
Rate for All Future Years	3.25%-16.25% Based on Years of Service
Investment Rate of Return	7.00%

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

*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.

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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

***Long-Term Expected Rate of Return***

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the pension plans' target asset allocation as of June 30, 2023, as reported for the year ended December 31, 2023, are summarized in the following table:

<u>Asset Class</u>	<b>2023</b>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	6.21%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Investment Grade Credit	7.00%	5.19%
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
High Yield	4.50%	6.97%
Real Assets	3.00%	8.40%
Private Credit	8.00%	9.20%
Real Estate	8.00%	8.58%
Private Equity	13.00%	12.50%

***Discount Rate***

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



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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

***Sensitivity of Net Pension Liability***

The following presents the City's proportionate share of the PFRS net pension liability as of December 31, 2023 calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the PFRS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
<b><u>2023</u></b>			
City's Proportionate Share of the PFRS Net Pension Liability	<u>\$ 69,378,617</u>	<u>\$ 49,793,567</u>	<u>\$ 33,483,900</u>

The sensitivity analysis was based on the proportionate share of the City's net pension liability at December 31, 2023. A sensitivity analysis specific to the City's net pension liability was not provided by the pension system.

***Special Funding Situation – PFRS***

Under N.J.S.A. 43:16A-15, the City 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 City 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 City'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, 2023, the State's proportionate share of the net pension liability attributable to the City for the PFRS special funding situation is \$9,175,043. For the year ended December 31, 2023, the pension system has determined the State's proportionate share of the pension expense attributable to the City for the PFRS special funding situation is \$1,043,643, which is less than the actual contribution the State made on behalf of the City of \$1,049,292. At December 31, 2023 (measurement date June 30, 2023) the State's share of the PFRS net pension liability attributable to the City was .45067 percent, which was an increase of .01049 percent from its proportionate share measured as of December 31, 2022 (measurement date June 30, 2022) of .44018 percent. The State's proportionate share attributable to the City 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 City's financial statements.

***Pension Plan Fiduciary Net Position***

Detailed information about the PFRS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**CITY OF ENGLEWOOD**  
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**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS**

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for participating municipalities including the City.

**Plan Description and Benefits Provided**

The State of New Jersey sponsors and administers the following post-retirement health benefit program covering substantially all eligible local government employees from local participating employers.

**State Health Benefit Program Fund – Local Government Retired (the Plan)** (including Prescription Drug Program Fund) – The Plan is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual 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 participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retires 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) retires and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

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

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

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 above Fund. The financial reports may be assessed via, the New Jersey, Division of Pensions and Benefits website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**CITY OF ENGLEWOOD**  
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**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**Plan Membership and Contributing Employers**

Membership and contributing employers/nonemployers of the defined benefit OPEB plan consisted of the following at June 30, 2023:

Active Plan Members	65,613
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>34,771</u>
Total	<u>100,384</u>
Contributing Employers	574
Contributing Nonemployers	1

**Measurement Focus and Basis of Accounting**

The financial statements of the OPEB plan are prepared in accordance with U.S. generally accepted accounting principles as applicable to government organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the other postemployment benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**Collective Net OPEB Liability**

The collective net OPEB liability of the participating employers and the State, as the non-employer contributing entity, of the Plan at June 30, 2024 was not available and for June 30, 2023 is \$15.0 billion, and the plan fiduciary net (deficit) as a percentage of the total OPEB liability is (0.79)% at June 30, 2023.

The total OPEB liabilities were determined based on actuarial valuations as of July 1, 2022 which was rolled forward to June 30, 2023.

**Actuarial Methods and Assumptions**

In the July 1, 2022 OPEB actuarial valuation, the actuarial assumptions and methods used in this valuation were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Post-Retirement Medical Benefits Contribution**

The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there can be a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members. The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1967, as disclosed previously. Local employers remit employer contributions on a monthly basis. Retired member contributions are generally received on a monthly basis.

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**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**Post-Retirement Medical Benefits Contribution (Continued)**

The employers participating in the OPEB plan made contributions of \$431.4 million and the State of New Jersey, as the non-employer contributing entity, contributed \$55.6 million for fiscal year 2023.

The State sets the employer contribution rate based on a pay-as-you-go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The City's contributions to the State Health Benefits Program Fund-Local Government Retired Plan for post-retirement benefits for the years ended December 31, 2024, 2023 and 2022 were \$2,619,393, \$2,295,975 and \$1,968,905, respectively, which equaled the required contributions for each year.

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The regulatory basis of accounting requires participating employers in the State Health Benefit Program Fund – Local Government Retired Plan to disclose in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pension (GASB No. 75)* their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense excluding that attributable to retiree-paid member contributions.

Under GASB Statement No. 75 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer's prior fiscal year. The GASB No. 75 financial information from the State's Division of Pensions and Benefits to be reported for the year ended December 31, 2024 for the measurement date of June 30, 2024 was not available as of the date of audit. Accordingly, N.J.A.C. 5:30-6.1(c)2 authorizes and permits New Jersey municipalities to present the most recent available audited GASB No. 75 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB No. 75 financial information for the year ended December 31, 2024 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the plan members as an individual employer to the total plan members to the plan during the fiscal years ended June 30, 2023 and 2022. Employer allocation percentages have been rounded for presentation purposes.

At December 31, 2023, the City reported a liability of \$57,905,584 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2022. The City's proportionate share of the net OPEB liability was based on the ratio of the City's proportionate share of the OPEB liability attributable to the City at June 30, 2023 to the total OPEB liability for the State Health Benefit Program Fund – Local Government Retired Plan at June 30, 2023. As of the measurement date of June 30, 2023 the City's proportionate share was .38587 percent, which was an increase of .05365 percent from its proportionate share measured as of June 30, 2022 of .33222 percent.

**CITY OF ENGLEWOOD**  
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**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

For the year ended December 31, 2023, the Plan has determined the City's OPEB expense to be \$3,022,688, based on the actuarial valuation which is more than the actual contributions reported in the City's financial statements of \$2,295,975. At December 31, 2023, the City's deferred outflows of resources and deferred inflows of resources related to the OPEB plan which are not reported on the City's financial statements are from the following sources:

	<b>2023</b>	
	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 2,670,307	\$ 15,725,264
Changes of Assumptions	7,500,946	16,368,055
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments		9,555
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	28,101,343	618,756
Contributions made Subsequent to the Measurement Date	-	-
Total	<u>\$ 38,272,596</u>	<u>\$ 32,721,630</u>

At December 31, 2023 the amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in OPEB expense (benefit) as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2024	\$ (81,725)
2025	1,488,626
2026	301,135
2027	2,637,781
2028	1,267,614
Thereafter	<u>(62,465)</u>
	<u>\$ 5,550,966</u>

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

***Actuarial Assumptions***

The City's total OPEB liability reported for the year ended December 31, 2023 was based on the June 30, 2023 measurement date as determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. 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 date:

	<u><b>2023</b></u>
Inflation Rate	2.50%
Salary Increases*	
PERS:	
Rate For All Future Years	2.75% to 6.55%
	Based on Years of Service
PFRS:	
Rate For All Future Years	3.25% to 16.25%
	Based on Years of Service

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

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

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

***Mortality Rates***

Pre-retirement and post-retirement mortality rates were based on the Pub-2010 Healthy "Safety" for PFRS and Healthy "General" for PERS classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality rates were based on the Pub-2010 Disabled "Safety" for PFRS and Disabled "General" for PERS classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

***Health Care Trends***

The trend rate for pre-Medicare medical benefits is initially 6.50% and decreases to a 4.50% long-term trend rate after 9 years. For post-65 medical benefits PPO, the trend is, increasing to 14.80% in Fiscal Year 2026 and decreasing to 4.50% in Fiscal Year 2033. For HMO the trend is increasing to 17.40% in Fiscal Year 2026 and decreasing to 4.50% in Fiscal Year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after 7 years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

***Discount Rate***

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

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**

**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

***Sensitivity of Net OPEB Liability to Changes in the Discounts Rate***

The following presents the City's proportionate share of the net OPEB liability as of December 31, 2023 calculated using the discount rate of 3.65% as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate:

<b><u>2023</u></b>	<b><u>1% Decrease 2.65%</u></b>	<b><u>Current Discount Rate 3.65%</u></b>	<b><u>1% Increase 4.65%</u></b>
City's Proportionate Share of the Net OPEB Liability	\$ <u>67,073,123</u>	\$ <u>57,905,584</u>	\$ <u>50,531,713</u>

The sensitivity analysis was based on the proportionate share of the City's net OPEB liability at December 31, 2023. A sensitivity analysis specific to the City's net OPEB liability was not provided by the Plan.

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

The following presents the City's proportionate share of the net OPEB liability as of December 31, 2023 calculated using the healthcare trend rates as disclosed above as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

<b><u>2023</u></b>	<b><u>1% Decrease</u></b>	<b><u>Healthcare Cost Trend Rates</u></b>	<b><u>1% Increase</u></b>
City's Proportionate Share of the Net OPEB Liability	\$ <u>49,212,933</u>	\$ <u>57,905,584</u>	\$ <u>69,034,834</u>

The sensitivity analysis was based on the proportionate share of the City's net OPEB liability at December 31, 2023. A sensitivity analysis specific to the City's net OPEB liability was not provided by the pension system.

***Special Funding Situation***

Under N.J.S.A. 43:3C-24 the City is responsible for their own OPEB 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 330, P.L. 1997 and Chapter 271, P.L., 1989. Under Chapter 330, P.L. 1997, the State pays the premiums or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989. The amounts contributed on behalf of the City by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Accordingly, the City's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 75 is zero percent and the State's proportionate share is 100% of OPEB under this legislation.

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

***Special Funding Situation (Continued)***

At December 31, 2023, the State's proportionate share of the net OPEB liability attributable to the City for the OPEB special funding situation is \$8,152,092. For the year ended December 31, 2023 the plan has determined the State's proportionate share of the OPEB expense attributable to the City for the OPEB special funding situation is \$1,478,134. At December 31, 2023, (measurement date June 30, 2023), the State's share of the OPEB liability attributable to the City was .23365 percent, which was a decrease of .03399 percent from its proportionate share measured as of December 31, 2022 (measurement date June 30, 2022) of .26764 percent. The State's proportionate share attributable to the City was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits. These on-behalf contributions have not been reported in the City's financial statements.

***OPEB Plan Fiduciary Net Position***

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**NOTE 13 RISK MANAGEMENT**

The City is exposed to various risks of loss related to general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; termination of employees and natural disasters. The City has obtained insurance coverage to guard against these events to minimize the exposure to the City should they occur.

The City of Englewood is a member of the Garden State Municipal Joint Insurance Fund (the "GSMJIF" or Fund). The Fund is both an insured and self-administered group of municipalities established for the purpose of insurance against property damage, general liability, motor vehicles and equipment liability and workers' compensation. The Fund is a risk-sharing public entity pool. The GSMJIF coverage amounts are on file with the City.

The relationship between the City and GSMJIF is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The City is contractually obligated to make all annual and supplementary contributions to the insurance fund, to report claims on a timely basis, to 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 fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which the municipality was a member.

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. Complete financial statements of the fund can be obtained by contacting the Fund's Treasurer.

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



**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 13 RISK MANAGEMENT (Continued)**

The City has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the City 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 City is billed quarterly for amounts due to the State. The following is a summary of City contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the City’s unemployment compensation trust fund for the current and previous two years:

<u>Year Ended</u> <u>December 31</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2024	\$ 41,240	\$ 125,018	\$ 260,116
2023	39,446	18,773	333,590
2022	32,343	25,935	282,151

**NOTE 14 CONTINGENT LIABILITIES**

The City is a party defendant in some lawsuits, none of a kind unusual for a municipality of its size and scope of operation. In the opinion of the City’s Attorney, the potential claims against the City not covered by insurance policies would not materially affect the financial condition of the City.

**Pending Tax Appeals** - Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2024 and 2023. Amounts claimed have not yet been determined. The City 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 City does not recognize a liability, if any, until these cases have been adjudicated. The City expects such amounts, if any, could be material. As of December 31, 2024 and 2023, the City reserved \$2,519,113 and \$2,030,639, 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.

**Federal and State Awards** - The City participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of December 31, 2024 and 2023, significant amounts of grant expenditure have not been audited by the various grantor agencies but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the City.

**NOTE 15 FEDERAL ARBITRAGE REGULATIONS**

The City is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At December 31, 2024 and 2023 the City has not estimated its estimated arbitrage earnings due to the IRS, if any.

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 16 LEASES RECEIVABLE**

In September, 1990 the City began leasing space on its cell tower to a third party. The initial lease term was for ten years, commencing September 1, 1990 with an option to renew the lease for two successive periods of five years each. The lease expired in 2010, however, the lease agreement has continued to be extended. The City receives monthly lease payments. The City recognized \$39,844 and \$32,600 in lease revenue for 2024 and 2023, which includes interest earnings.

The City leases space on its cell tower to a third party. The City receives monthly lease payments. The City recognized \$69,318 and \$72,918 in lease revenue for 2024 and 2023, respectively, which includes interest earnings.

On December 20, 2018, the City entered into a ground lease with Greater Englewood Housing Partners, LP. The lease term is seventy-five years. The lessee has paid the City \$11,000,000 as consideration for entering into the lease. In addition, the lessee paid \$100,000 at the commencement of the lease and will pay \$100,000 on each succeeding anniversary thereafter. The City recognized \$100,000 in lease revenue for 2024 and 2023, which includes interest earnings of \$79,592 and \$80,057, respectively. As of December 31, 2024 and 2023 the City's receivable for lease payments, exclusive of future interest earnings is \$3,395,570 and \$3,415,977, respectively.

The future lease revenue principal and interest payments as of December 31, 2024 were as follows:

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 20,883	\$ 79,117	\$ 100,000
2026	21,370	78,630	100,000
2027	21,868	78,132	100,000
2028	22,377	77,623	100,000
2029	22,899	77,101	100,000
2030-2034	122,749	377,251	500,000
2035-2039	137,732	362,268	500,000
2040-2044	154,543	345,457	500,000
2045-2049	173,406	326,594	500,000
2050-2054	194,571	305,429	500,000
2055-2059	218,320	281,680	500,000
2060-2064	244,967	255,033	500,000
2065-2069	274,867	225,133	500,000
2070-2074	308,417	191,583	500,000
2075-2079	346,061	153,939	500,000
2080-2084	388,300	111,700	500,000
2085-2089	435,695	64,305	500,000
2090-2092	286,545	13,455	300,000
Total	<u>\$ 3,395,570</u>	<u>\$ 3,404,430</u>	<u>\$ 6,800,000</u>

**CITY OF ENGLEWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 17 TAX ABATEMENTS**

For the years ended December 31, 2024 and 2023, the City provided property tax abatements through a program authorized under State statutes. The program is the Long Term Tax Exemption Law (the "LTTE Law").

The Long Term Tax Exemption Law (NJSA 40A:20 et.seq.) is focused on broad areas of redevelopment. It allows for a longer abatement term to carry out a larger development plan through declaring an area as being "in need of redevelopment". These long-term property abatements may last up to 30 years from completion of a project or 35 years from execution of the financial agreement. The process is initiated when the municipality passes a resolution calling for the municipal planning board to study the need for designating an area "in need of redevelopment". Upon adopting the planning board's recommendations and formalizing the redevelopment area designation, a municipality adopts a redevelopment plan, engages redevelopment entities to carry out the plan, and may authorize long-term tax abatements in the process. Developers submit abatement applications to the governing body for review. The financial agreement is approved through adoption of a local ordinance. The agreement exempts a project from taxation, but requires a payment in lieu of taxes (PILOTs) in an amount based generally on a percentage of project costs or revenue generated by the project, depending on the type of project. For the years ended December 31, 2024 and 2023 the City abated property taxes totaling \$2,526,719 and \$2,450,251, respectively under the LTTE program. The City received \$1,551,802 and \$1,599,946 in PILOT payments under this program for the years ended December 31, 2024 and 2023, respectively.

**NOTE 18 SUBSEQUENT EVENTS**

**Debt Authorized**

On March 4, 2025 the City adopted a bond ordinance authorizing the issuance \$10,100,000 in Bonds or bond anticipation notes to fund certain capital projects. As of the date of this report the City has not issued nor awarded the sale of said bonds or notes.

**BCIA Note**

On May 22, 2025, the City entered into a note purchase agreement with the Bergen County Improvement Authority (BCIA) in the amount of \$41,861,000 to temporarily finance expenditures related to various capital projects. The notes dated May 22, 2025, will mature on May 21, 2026 and bear an interest rate of 4.00%.

**CURRENT FUND**

**CITY OF ENGLEWOOD  
STATEMENT OF CASH  
CURRENT FUND**

Balance, December 31, 2023		\$ 25,662,875
Increased by Receipts:		
Taxes Receivable	\$ 139,729,020	
Non Budget Revenue	1,289,011	
Due From State of NJ - Senior Citizens and Veterans	47,363	
Revenue Accounts Receivable	11,152,056	
Prepaid Taxes	735,822	
Sewer User Charges	254,602	
Tax Overpayments	19,346	
Grant Fund Receipts Deposited in Current Fund		
Grants Receivable	651,142	
Unappropriated Grant Reserves	<u>781,880</u>	
		<u>154,660,242</u>
		180,323,117
Decreased by Disbursements:		
2024 Budget Appropriations	69,617,610	
Appropriation Reserves	3,019,177	
Accounts Payable	48,130	
Grant Fund Expenditures Paid by Current Fund		
Appropriated Grant Reserves	218,892	
Encumbrances Payable	168,049	
Payments to Grant Fund	3,411	
Payments to Animal Trust Fund	49	
Payments to Other Trust Fund	677,040	
Payments to General Capital Fund	985,702	
Reserve for Tax Appeals	111,526	
Tax Overpayments	217,423	
Local School Taxes Payable	61,256,193	
County Taxes Payable	<u>15,014,676</u>	
		<u>151,337,878</u>
Balance, December 31, 2024		<u>\$ 28,985,239</u>

**CITY OF ENGLEWOOD**  
**STATEMENT OF STATE AND FEDERAL GRANTS RECEIVABLE**  
**GRANT FUND**

<u>Program</u>	Balance December 31, <u>2023</u>	Budget <u>Revenue</u>	Cash <u>Receipts</u>	Balance December 31, <u>2024</u>
ANJAC-Smart Growth Grant	\$ 4,066			\$ 4,066
Reach & Teach	82,000			82,000
Municipal Alliance	78,981	\$ 5,754	\$ 8,105	76,630
Open Space Stewardship Project (ANJEC)	500			500
Recycling Tonnage Grant		20,017	20,017	-
Drive Sober or Get Pulled Over		6,790	6,790	-
FDA Foodborne Illness Grant	4,321			4,321
Clean Communities Grant		66,408	66,408	-
FDA Retail Standards	1,189			1,189
FDA Mentorship Grant (NACCHO)	290			290
Strengthening Local Public Health Capacity	212,704		212,704	-
Covid-19 Vaccination	100,000		23,626	76,374
Historic Preservation Grant - Mackay Gate House	20,590			20,590
Assistance to FF Grant	169,599		33,008	136,591
DCA American Recovery Rescue Plan		45,000	11,781	33,219
FEMA Driver Training	170,870		15,334	155,536
FEMA Vehicle Extraction	55,484		2,062	53,422
Hazardous Materials Emergency Grant	11,900	11,900	11,900	11,900
FEMA Training Trailer Grant	94,100		85,627	8,473
NJ Emergency Prep Grant (NJACCHO)	390,320		153,780	236,540
Junior Police Academy Expansion Grant		30,000		30,000
FEMA - Technical Rescue Training Grant		161,702		161,702
FEMA - Fire Prevention and Safety Grant		85,714		85,714
Local Recreation Improvement	-	75,000	-	75,000
	<u>\$ 1,396,914</u>	<u>\$ 508,285</u>	<u>\$ 651,142</u>	<u>\$ 1,254,057</u>

**CITY OF ENGLEWOOD**  
**STATEMENT OF DUE FROM STATE OF NEW JERSEY FOR**  
**SENIOR CITIZENS AND VETERANS DEDUCTIONS**

Balance, December 31, 2023		\$	31,426
Increased by:			
Deductions Allowed Per Tax Duplicate	\$	47,250	
Deductions Allowed by Tax Collector		<u>17,349</u>	
			<u>64,599</u>
			96,025
Decreased by:			
Prior Year Deductions Disallowed by Tax Collector		1,503	
Cash Received from State of NJ		<u>47,363</u>	
			<u>48,866</u>
Balance, December 31, 2024		\$	<u>47,159</u>

**CITY OF ENGLEWOOD**  
**STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

<u>Year</u>	<u>Balance,</u> <u>December 31,</u> <u>2023</u>	<u>Levy</u>	<u>Senior</u> <u>Citizens'</u> <u>and Veterans'</u> <u>Deductions</u> <u>Disallowed</u>	<u>Collected In</u>		<u>Senior</u> <u>Citizens'</u> <u>and Veterans'</u> <u>Deductions</u> <u>Allowed</u>	<u>Cancelled</u>	<u>Transferred</u> <u>to Tax</u> <u>Title Liens</u>	<u>Balance,</u> <u>December 31,</u> <u>2024</u>
				<u>2023</u>	<u>2024</u>				
2021	3,343								\$ 3,343
2022	14,023				\$ 4,463				9,560
2023	<u>29,583</u>	<u>-</u>	<u>\$ 1,503</u>	<u>-</u>	<u>5,885</u>	<u>-</u>	<u>\$ 7,545</u>	<u>-</u>	<u>17,656</u>
	46,949	-	1,503	-	10,348	-	7,545	-	30,559
2024	<u>-</u>	<u>\$ 140,421,342</u>	<u>-</u>	<u>\$ 505,250</u>	<u>139,718,672</u>	<u>\$ 64,599</u>	<u>78,596</u>	<u>\$ 20,158</u>	<u>34,067</u>
	<u>\$ 46,949</u>	<u>\$ 140,421,342</u>	<u>\$ 1,503</u>	<u>\$ 505,250</u>	<u>\$ 139,729,020</u>	<u>\$ 64,599</u>	<u>\$ 86,141</u>	<u>\$ 20,158</u>	<u>\$ 64,626</u>

Analysis of Property Tax Levy

TAX YIELD

General Purpose Tax	\$ 140,078,590
Added Taxes (RS 54:4-36.1 et seq.)	<u>342,752</u>

\$ 140,421,342

TAX LEVY

Local District School Tax	\$ 62,165,155
County Tax	14,340,110
County Open Space Tax	645,006
Added County Taxes	<u>36,807</u>
	\$ 77,187,078

Local Tax for

Municipal Purposes	60,770,239
Minimum Library Tax	2,115,802
Add Additional Tax Levied	<u>348,223</u>
	<u>63,234,264</u>

\$ 140,421,342



**CITY OF ENGLEWOOD  
STATEMENT OF TAX TITLE LIENS RECEIVABLE**

Balance, December 31, 2023	\$ 289,197
Increased by:	
Transfers from Taxes Receivable	<u>20,158</u>
Balance, December 31, 2024	<u><u>\$ 309,355</u></u>

**STATEMENT OF SEWER USER CHARGES RECEIVABLE**

Balance, December 31, 2023	\$ 42,096
Increased by:	
Billings	<u>257,789</u>
	299,885
Decreased By:	
Cash Receipts	<u>254,602</u>
Balance, December 31, 2024	<u><u>\$ 45,283</u></u>

**CITY OF ENGLEWOOD**  
**STATEMENT OF REVENUE ACCOUNTS RECEIVABLE**

	Balance, December 31, <u>2023</u>	<u>Accrued</u>	<u>Collected</u>	Balance, December 31, <u>2024</u>
Licenses				
Alcoholic Beverages		\$ 54,849	\$ 54,849	
Other		248,967	248,967	
Fees and Permits		258,175	258,175	
Municipal Court	\$ 21,591	385,099	371,625	\$ 35,065
Interest and Costs on Taxes		209,370	209,370	
Parking Meters		613,768	613,768	
Interest on Investments and Deposits		1,058,172	1,058,172	
Recreation Advisory Committee		869,169	869,169	
Fire Prevention Fees		259,481	259,481	
Kings Garden - PILOT		475,842	475,842	
Greater Englewood - PILOT		312,422	312,422	
One William Street - PILOT		663,090	663,090	
Westmoor Gardens - PILOT		100,448	100,448	
Parking Garage Fees		118,964	118,964	
Hotel Occupancy Tax		228,383	228,383	
Cable Franchise Fees		134,655	134,655	
Cell Tower Agreement		109,162	109,162	
Energy Receipts Tax		2,796,247	2,796,247	
Uniform Construction Code Fees		909,262	909,262	
Uniform Fire Safety Act		163,364	163,364	
Hospital Community Fee		590,308	590,308	
Sewer Charges		69,861	69,861	
Greater Englewood Annual Fee		100,000	100,000	
Greater Englewood Cash Flow		75,000	75,000	
Extra Duty Fees	-	361,472	361,472	-
	<u>\$ 21,591</u>	<u>\$ 11,165,530</u>	<u>\$ 11,152,056</u>	<u>\$ 35,065</u>

**CITY OF ENGLEWOOD**  
**STATEMENT OF APPROPRIATION RESERVES**

	Balance, December 31, <u>2023</u>	Prior Year Encumbrances <u>Restored</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
City Council					
Salaries and Wages	\$ 3,333		\$ 3,333	\$ 3,333	
Other Expenses	2,382		2,382		\$ 2,382
City Manager					
Salaries and Wages	15,187		15,187		15,187
Other Expenses	42,914	\$ 8,693	55,607	55,351	256
City Clerk					
Salaries and Wages	12,230		12,230		12,230
Overtime	2,030		2,030		2,030
Other Expenses	561	8,019	11,080	6,078	5,002
Human Resources					
Salaries and Wages	4,790		4,790		4,790
Other Expenses	33,147	4,783	37,930	37,907	23
Purchasing					
Other Expenses	63	522	585	521	64
Finance					
Salaries and Wages	13,816		13,816		13,816
Other Expenses	25,942	40,467	66,409	40,781	25,628
Computerized Data Processing Center					
Other Expenses	508	63,611	104,119	96,162	7,957
Collection of Taxes					
Salaries and Wages	638		638		638
Other Expenses	2,037	155	6,692	6,530	162
Assessment of Taxes					
Salaries and Wages	4,525		4,525		4,525
Other Expenses	33,423	122	33,545	33,122	423
Legal Service and Costs					
Salaries and Wages	16,761		16,761		16,761
Other Expenses	358,154	44,426	402,580	397,707	4,873
Engineering Services					
Salaries and Wages	18,806		18,806		18,806
Other Expenses	14,534	3,560	18,094	3,560	14,534
Community Development					
Other Expenses	1,910	30,652	34,562	32,155	2,407
Municipal Court					
Salaries and Wages	1,610		1,610		1,610
Overtime	15,168		15,168		15,168
Other Expenses	11,750	25,923	37,673	21,393	16,280
Public Defender					
Other Expenses	4,100		4,100	900	3,200
Insurance					
Medical	707,135	1,021,244	1,599,379	1,599,244	135
Health Benefit Waiver	94		94		94
Other Insurance Premium	23,819	29,312	53,131	52,826	305
Workers Compensation	9,307	155,660	204,967	201,093	3,874
Land Use					
Other Expenses	22,523	16,590	69,113	68,591	522
Fire Division					
Salaries and Wages	111		70,111	70,000	111
Overtime	33,386		33,386		33,386
Other Expenses	385	49,645	50,030	49,697	333
Police					
Salaries and Wages	530,208		460,208	460,000	208
Overtime	38,409		38,409	38,000	409
Other Expenses	28,721	80,776	109,497	103,669	5,828
Emergency Management Technicians					
Aid to Volunteer Ambulance	40,000		40,000	40,000	-
Emergency Management Services					
Other Expenses	10,000		10,000		10,000

**CITY OF ENGLEWOOD  
STATEMENT OF APPROPRIATION RESERVES**

	Balance, December 31, <u>2023</u>	Prior Year Encumbrances <u>Restored</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
DPW Administration					
Salaries and Wages	\$ 9,385		\$ 9,385		\$ 9,385
Overtime	7,921		7,921		7,921
Other Expenses	1,779	\$ 14,760	16,539	\$ 9,192	7,347
Public Building and Grounds					
Other Expenses	92	139,498	144,590	117,605	26,985
Shade Tree					
Salaries and Wages	57		57		57
Overtime	28		28		28
Other Expenses	28,724	4,487	33,211	14,136	19,075
Roads					
Salaries and Wages	75		75		75
Overtime	39,764		39,764	39,500	264
Other Expenses	87,047	48,401	135,448	129,604	5,844
Central Maintenance - Garage					
Salaries and Wages	17,723		17,723		17,723
Overtime	10,368		10,368		10,368
Other Expenses	109,017	90,634	199,651	172,477	27,174
Construction and Facilities Maintenance					
Salaries and Wages	3,307		3,307		3,307
Overtime	5,736		5,736		5,736
Other Expenses	1,411	18,775	20,186	20,127	59
Sanitation					
Salaries and Wages	16,959		16,959		16,959
Overtime	19,938		19,938		19,938
Other Expenses	2,391	27,860	30,251	27,860	2,391
Sewer Maintenance					
Salaries and Wages	1,891		1,891		1,891
Overtime	4,722		4,722		4,722
Other Expenses	24,759	18,637	43,396	23,730	19,666
Park Maintenance					
Salaries and Wages	24,578		24,578	24,500	78
Overtime	14,327		14,327	14,000	327
Other Expenses	45,058	9,617	54,675	26,944	27,731
Condominium Services Act					
Other Expenses	75,370		75,370	73,124	2,246
Board of Health					
Salaries and Wages	1,901		1,901		1,901
Overtime	2,289		2,289		2,289
Other Expenses	15,790	9,936	25,726	8,622	17,104
Animal Control Regulation					
Other Expenses	22,786		22,786		22,786
Contribution to Child Dev. & Teen Program					
Other Expenses	59,000		59,000	59,000	-
Recreation Services and Programs					
Salaries and Wages	22,416		22,416		22,416
Overtime	15,000		15,000		15,000
Other Expenses	79,077	39,123	118,200	42,410	75,790
Construction Code Official					
Salaries and Wages	122,477		122,477	122,000	477
Overtime	16,787		16,787		16,787
Other Expenses	9,509	17,245	26,754	3,094	23,660
Contingency	6,000		6,000		6,000
Solid Waste Disposal	196,952	88,260	285,212	285,212	-
Leaf Disposal Site	52,769	86,770	139,539	131,650	7,889

	Balance, December 31, 2023	Prior Year Encumbrances Restored	Balance After Modification	Paid or Charged	Balance Lapsed
Utilities					
Street Lighting	\$ 69,519	67,250	\$ 136,769	\$ 136,249	\$ 520
Telephone / Communications	22,852		22,852	22,000	852
Water	4,621		4,621		4,621
Gas and Electric	50,943		50,943	50,900	43
Fire Hydrant	15,029		15,029		15,029
Statutory Expenditures:					
Contribution to:					
Public Employee's Retirement System	22		22		22
Social Security System	2		1,002	255	747
Defined Contribution Retirement Program	4,257		4,257	135	4,122
BCUA					
Recycling Tax	10,004	3,028	13,032	8,492	4,540
Maintenance of Free Public Library					
Salaries and Wages	408,446	131,078	539,524	537,739	1,785
	\$ 3,845,292	\$ 2,399,519	\$ 6,244,811	5,519,177	\$ 725,634

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**CITY OF ENGLEWOOD  
STATEMENT OF PREPAID TAXES**

Balance, December 31, 2023	\$ 505,250
Increased by:	
Collection of 2025 Taxes	<u>735,822</u>
	1,241,072
Decreased by:	
Applied to 2024 Taxes Receivable	<u>505,250</u>
Balance, December 31, 2024	<u><u>\$ 735,822</u></u>

**STATEMENT OF TAX OVERPAYMENTS**

Balance, December 31, 2023	\$ 217,423
Increased by:	
Cash Receipts	<u>19,346</u>
	236,769
Decreased by:	
Refunds	<u>217,423</u>
Balance, December 31, 2024	<u><u>\$ 19,346</u></u>

**CITY OF ENGLEWOOD  
STATEMENT OF COUNTY TAXES PAYABLE**

Balance, December 31, 2023	\$ 29,560
Increased by:	
Levy, Calendar Year	
County Taxes	\$ 14,340,110
County Open Space Taxes	645,006
Added and Omitted Taxes	<u>36,807</u>
	<u>15,021,923</u>
	15,051,483
Decreased by:	
Cash Disbursements	<u>15,014,676</u>
Balance, December 31, 2024	<u>\$ 36,807</u>

**SCHEDULE OF LOCAL SCHOOL TAXES PAYABLE (PREPAID)**

Balance, December 31, 2023 (Prepaid)	\$ 822,768
Increased by:	
Levy, Calendar Year	<u>62,165,155</u>
	61,342,387
Decreased by:	
Cash Disbursements	<u>61,256,193</u>
Balance, December 31, 2024 (Payable)	<u>\$ 86,194</u>

**CITY OF ENGLEWOOD**  
**STATEMENT OF APPROPRIATED GRANT RESERVES**  
**GRANT FUND**

<u>Program</u>	Balance December 31, <u>2023</u>	Transferred from 2024 <u>Budget</u>	Cancelled <u>Encumbrance</u>	Paid or <u>Charged</u>	Balance December 31, <u>2024</u>
Municipal Alliance Program	\$ 40,041	\$ 5,754		\$ 2,248	\$ 43,547
Municipal Alliance Program-Local Match	12,668	1,439	321		14,428
State Forestry Services Green Communities	3,000				3,000
Bio-Terrorism Sub-Grant	369				369
Alcohol Education & Rehabilitation Fund	11,626	6,790			18,416
Reach & Teach	90,000				90,000
Drunk Driving Enforcement Fund	85,031			19,271	65,760
Take Me Fishing Grant	44				44
Hepatitis B Grant	13				13
BC/US Dept of Justice Grant	7,711			2,407	5,304
Public Health Grant	35				35
Adolescent Health Grant	22,098				22,098
H1N1 Emergency Preparedness	267				267
H1N1 Corrective Action Mini Grant	340				340
Louis La Salle Tomorrow Fund	23,203			23,203	-
ANJAC-Smart Growth Grant-Local Match	252				252
Open Space Stewardship Project	1,500				1,500
Emergency Prep Grant (NJACCHO)	400,408			61,106	339,302
FEMA-Firefighters Grant	4				4
Body Armor Replacement	26,984			6,831	20,153
Hurricane Irene Relief Employment Fund	8,625				8,625
Historic Preservation Grant - Mackay Gate House	20,590				20,590
Recycling Tonnage	126,957	20,017			146,974
Clean Communities Program	144,130	66,408		24,970	185,568
Community Chest of Englewood	5,102				5,102
Drunk Driving Prevention	7,797				7,797
NJ Healthy Communities Network	12,538				12,538
Strengthening Local Public Health Capacity	121,417			39,672	81,745
Sustainable Energy Grant	5,000				5,000
USA Swimming Foundation Grant	33,676				33,676
Covid-19 Vaccination	93,004			14,539	78,465
Assistance to FF Grant	245,455			23,485	221,970
DCA American Rescue Plan		45,000		25,591	19,409
FEMA Driver Training	95,014			10,650	84,364
FEMA Vehicle Extraction	55,484			4,404	51,080
Hazardous Materials Emergency		11,900		11,900	-
Junior Police Academy Expansion Grant		30,000			30,000
FEMA - Technical Rescue Training Grant		161,702			161,702
FEMA - Fire Prevention and Safety Grant		85,714			85,714
Local Recreation Improvement	-	75,000	-	17,984	57,016
	<u>\$ 1,700,383</u>	<u>\$ 509,724</u>	<u>\$ 321</u>	<u>\$ 288,261</u>	<u>\$ 1,922,167</u>
Cash Disbursements				\$ 218,892	
Encumbrances Payable				<u>69,369</u>	
Due to Current Fund					
				<u>\$ 288,261</u>	



**CITY OF ENGLEWOOD  
STATEMENT OF UNAPPROPRIATED GRANT RESERVES  
GRANT FUND**

	Balance December 31, <u>2023</u>	<u>Cash Receipts</u>	Due to General <u>Capital Fund</u>	Balance December 31, <u>2024</u>
Drunk Driving Enforcement Fund	\$ 600	\$ 600		\$ 1,200
Body Armor Replacement Grant	10,288	5,690		15,978
New Jersey State Police - Special Data Collections	76,797			76,797
American Rescue Plan Grant	2,972,796		\$ 2,972,796	-
Bergen County	640			640
Opioid Assistance Grant	348,889	677,953		1,026,842
Stormwater assistance Grant	15,000			15,000
NACCHO / HIV Grant	9,486			9,486
Drive Sober or Get Pulled Over		613		613
Strengthening Local Public Health Capacity		60,574		60,574
Local Public Health	-	36,450	-	36,450
	<u>\$ 3,434,496</u>	<u>\$ 781,880</u>	<u>\$ 2,972,796</u>	<u>\$ 1,243,580</u>

**STATEMENT OF DUE FROM CURRENT FUND  
GRANT FUND**

Balance, December 31, 2023		\$ 3,019,785
Increased by:		
Grant Fund Receipts Deposited in Current Fund		
Grants Receivable	\$ 651,142	
Unappropriated Grant Reserves	781,880	
Matching Funds for Grants	<u>1,439</u>	
		<u>1,434,461</u>
		4,454,246
Decreased by:		
Grant Fund Expenditures Paid by Current Fund		
Encumbrances Payable	168,049	
Appropriated Grant Reserves	218,892	
Receipts from Current Fund	<u>3,411</u>	
		<u>390,352</u>
Balance, December 31, 2024		<u>\$ 4,063,894</u>

**CITY OF ENGLEWOOD**  
**STATEMENT OF ENCUMBRANCES / ACCOUNTS PAYABLE**

	Regular Fund	Grant Fund
Balance, December 31, 2023	\$ 3,281,319	\$ 168,370
Increased by:		
Charges to:		
Budget Appropriations	2,318,680	
Appropriated Grants Reserves	<u>-</u>	<u>69,369</u>
	<u>2,318,680</u>	<u>69,369</u>
	<u>5,599,999</u>	<u>237,739</u>
Decreased by:		
Encumbrances Restored to		
Appropriation Reserves	2,399,519	321
Cash Disbursements	<u>48,130</u>	<u>168,049</u>
	<u>2,447,649</u>	<u>168,370</u>
Balance, December 31, 2024	<u>\$ 3,152,350</u>	<u>\$ 69,369</u>
Encumbrances Payable	\$ 2,318,680	\$ 69,369
Accounts Payable	<u>833,670</u>	<u>-</u>
	<u>\$ 3,152,350</u>	<u>\$ 69,369</u>

**CITY OF ENGLEWOOD  
STATEMENT OF MISCELLANEOUS RESERVES**

	Balance December 31, <u>2023</u>	<u>Cash Receipts</u>	Anticipated as <u>Budgeted Revenue</u>	Balance, December 31, <u>2024</u>
Reassessment	\$ 5,000			\$ 5,000
Codification of Ordinances	2,234			2,234
Municipal Relief Fund	<u>288,289</u>	<u>-</u>	<u>\$ 288,289</u>	<u>-</u>
	<u>\$ 295,523</u>	<u>\$ -</u>	<u>\$ 288,289</u>	<u>\$ 7,234</u>

EXHIBIT A-21

**STATEMENT OF RESERVE FOR TAX APPEALS**

Balance, December 31, 2023	\$ 2,030,639
Increased by:	
Transferred from 2024 Budget Appropriations	<u>600,000</u>
	2,630,639
Decreased by:	
Cash Disbursements	<u>111,526</u>
Balance, December 31, 2024	<u>\$ 2,519,113</u>

EXHIBIT A-22

**STATEMENT OF ACCRUED SALARIES AND WAGES PAYABLE**

Balance, December 31, 2023	\$ 166,457
Increased by:	
Restored from Other Trust Fund	
Miscellaneous Reserves and Deposits - Terminal Leave	<u>700,000</u>
Balance, December 31, 2024	<u>\$ 866,457</u>

## **TRUST FUNDS**

**CITY OF ENGLEWOOD  
STATEMENT OF CASH**

	<u>Assessment Trust Fund</u>		<u>Animal Control Fund</u>		<u>Unemployment Compensation Fund</u>		<u>Other Trust Fund</u>	
Balance, December 31, 2023	\$	569,998	\$	13,023	\$	316,735	\$	11,185,868
Increased by Receipts:								
Interest on Deposits	\$	28,312	\$	399	\$	10,304		
Animal Control Fees				3,420				
State Dog License Fees				581				
Assessments Receivable		889						
Employee Payroll Deductions							38,591,451	
SID Taxes and Liens Receivable							273,086	
Miscellaneous Reserve and Deposits							6,673,205	
Cash Received from Current Fund		-		49		-	677,040	
		<u>29,201</u>		<u>4,449</u>		<u>10,304</u>		<u>46,214,782</u>
		599,199		17,472		327,039		57,400,650
Decreased by Disbursements:								
Encumbrances Payable							382,125	
Animal Control Expenditures				1,727				
Payments to State of New Jersey				572		83,077		
Payroll Deductions Payable							39,019,028	
Various Reserves and Deposits							7,140,646	
Assessments Serial Bonds		585,000		-		-	-	
		<u>585,000</u>		<u>2,299</u>		<u>83,077</u>		<u>46,541,799</u>
Balance, December 31, 2024	\$	<u>14,199</u>	\$	<u>15,173</u>	\$	<u>243,962</u>	\$	<u>10,858,851</u>

**CITY OF ENGLEWOOD  
ANALYSIS OF ASSESSMENT TRUST CASH**

	Balance December 31, <u>2023</u>	<u>Receipts</u>		<u>Transfer</u>	<u>Disbursements</u>	Balance December 31, <u>2024</u>
		<u>Assessments</u>	<u>Interest</u>			
Assessment Serial Bonds	\$ 546,966	\$ 889		\$ 37,145	\$ 585,000	
Due To Current Fund	23,029		\$ 28,312	(37,145)		\$ 14,196
Assessment Trust Surplus	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
	<u>\$ 569,998</u>	<u>\$ 889</u>	<u>\$ 28,312</u>	<u>\$ -</u>	<u>\$ 585,000</u>	<u>\$ 14,199</u>

EXHIBIT B-6

**STATEMENT OF ASSESSMENTS RECEIVABLE**

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Confirmation</u>	Balance December 31, <u>2023</u>	Cash <u>Receipts</u>	Current Fund Budget <u>Appropriation</u>	Balance December 31, <u>2024</u>
08-07, 03-18, 05-18	Route 4 Access	4/24/2012	<u>\$ 38,034</u>	<u>\$ 889</u>	<u>\$ 37,145</u>	<u>\$ -</u>

EXHIBIT B-7

**STATEMENT OF ASSESSMENT SERIAL BONDS PAYABLE**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance December, 31 2023</u>	<u>Decreased</u>	<u>Balance December 31, 2024</u>
			<u>Outstanding-December 31, 2024</u>					
			<u>Date</u>	<u>Amount</u>				
Assessment Bonds	12/16/08	\$ 8,775,000	01/01/24	\$ 585,000	5.000%	<u>\$ 585,000</u>	<u>\$ 585,000</u>	<u>\$ -</u>

**CITY OF ENGLEWOOD**  
**STATEMENT OF MISCELLANEOUS RESERVES AND DEPOSITS**  
**OTHER TRUST FUND**

<u>Improvement Description</u>	Balance, December 31, <u>2023</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2024</u>
Police Vests	\$ 1,282			\$ 1,282
Confiscated Funds (DEA)	126,791	\$ 1,000	\$ (4,062)	131,853
Confiscated Funds (DHS)	23,830	14,455	(21,340)	59,625
Misc Bank Transactions	114,731	168,399	24,519	258,611
Charitable Causes	74,052	14,300	7,205	81,147
Honor Guard	1,208			1,208
DARE	600			600
Uniform Fire Safety	37,397	8,241	4,187	41,451
Dedicated Uniform Fire Safety Penalties	23,220	5,220		28,440
COAH	1,894,013	760,582	111,067	2,543,528
POLICE	26,331	11,170	16,086	21,415
POAA	23,447	3,014		26,461
Police Confiscated Funds	34,338			34,338
Ice Arena	13,702			13,702
Tree Fund Donations	75,050	9,650		84,700
Other	25,748	41		25,789
Tax Sale Redemption	69,060	1,283,214	1,209,498	142,776
Environmental Commission	5,439	608	1,699	4,348
Tax Sale Premiums	1,727,700	1,336,900	1,412,600	1,652,000
Special Improvement District	17,017	273,087	268,618	21,486
Developers Trust	2,464,309	496,558	681,004	2,279,863
Police Off Duty	12,275	2,489,552	2,305,065	196,762
4th of July Fireworks	1,042	20,000		21,042
Englewood Day	5,626		(700)	6,326
Englewood Commemorative Council	1,045	50,000		51,045
Storm Recovery	624,737	2,000,000	252,501	2,372,236
Miscellaneous	1,500			1,500
Terminal Leave	2,092,639	1,150,000	1,763,583	1,479,056
Stigma Free	3,200	300	170	3,330
	<u>\$ 9,521,329</u>	<u>\$ 10,096,291</u>	<u>\$ 8,031,700</u>	<u>\$ 11,585,920</u>
Cash Receipts		\$ 6,673,204		
SID Taxes and Liens		273,087		
Due From Current Fund				
Storm Recovery		2,000,000		
Terminal Leave		<u>1,150,000</u>		
		<u>\$ 10,096,291</u>		
Cash Disbursements			\$ 7,140,646	
Encumbrances Payable			191,054	
Due to Current Fund			<u>700,000</u>	
			<u>\$ 8,031,700</u>	

**CITY OF ENGLEWOOD  
STATEMENT OF RESERVE FOR ANIMAL CONTROL EXPENDITURES  
ANIMAL CONTROL TRUST FUND**

Balance, December 31, 2023	\$ 8,013
Increased by:	
Animal Control Fees Received	<u>3,420</u>
	11,433
Decreased by:	
Cash Disbursements	\$ 1,727
Statutory Excess Due to Current Fund	<u>382</u>
	<u>2,109</u>
Balance, December 31, 2024	<u><u>\$ 9,324</u></u>

EXHIBIT B-10

**STATEMENT OF DUE TO STATE DEPARTMENT OF HEALTH  
ANIMAL CONTROL TRUST FUND**

Increased by:	
State Fees Collected	\$ 581
Decreased by:	
Payments to State of New Jersey	<u>572</u>
Balance, December 31, 2024	<u><u>\$ 9</u></u>

EXHIBIT B-11

**STATEMENT OF DUE TO CURRENT FUND  
ANIMAL CONTROL TRUST FUND**

Balance, December 31, 2023	\$ 5,010
Increased by:	
Interest on Deposits	\$ 399
Receipts from Current Fund	49
Statutory Excess Due to Current Fund	<u>382</u>
	<u>830</u>
Balances, December 31, 2024	<u><u>\$ 5,840</u></u>



**CITY OF ENGLEWOOD  
STATEMENT OF DUE TO STATE OF NEW JERSEY  
UNEMPLOYMENT COMPENSATION TRUST FUND**

Balance, December 31, 2023	\$ 24,909
Increased by:	
Unemployment Claims and Other Charges	<u>125,018</u>
	149,927
Decreased by:	
Payments to State of New Jersey	<u>83,077</u>
Balances, December 31, 2024	<u><u>\$ 66,850</u></u>

**STATEMENT OF RESERVE FOR UNEMPLOYMENT COMPENSATION INSURANCE CLAIMS  
UNEMPLOYMENT COMPENSATION TRUST FUND**

Balance, December 31, 2023	\$ 333,590
Increased by:	
Employee Payroll Deductions Due from Other Trust Fund	\$ 41,240
Interest on Deposits	<u>10,304</u>
	<u>51,544</u>
	385,134
Decreased by:	
Unemployment Claims and Other Charges - State of NJ	<u>125,018</u>
Balance, December 31, 2024	<u><u>\$ 260,116</u></u>

**CITY OF ENGLEWOOD  
STATEMENT OF PAYROLL DEDUCTIONS PAYABLE  
OTHER TRUST FUND**

Balance, December 31, 2023		\$ 641,923
Increased by:		
Cash Receipts		<u>38,591,451</u>
		39,233,374
Decreased by:		
Cash Disbursements	\$ 39,019,028	
Unemployment Withholdings Due from Other Trust Fund	<u>41,240</u>	
		<u>39,060,268</u>
Balance, December 31, 2024		<u>\$ 173,106</u>

**STATEMENT OF ENCUMBRANCES PAYABLE  
OTHER TRUST FUND**

Balance, December 31, 2023		\$ 382,125
Increased by:		
Charges to Miscellaneous Reserves and Deposits		<u>191,054</u>
		573,179
Decreased by:		
Cash Disbursements		<u>382,125</u>
Balances, December 31, 2024		<u>\$ 191,054</u>

**RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT  
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, December 31, 2023	\$ 9,886
Balance, December 31, 2024	<u>\$ 9,886</u>

**CITY OF ENGLEWOOD  
STATEMENT OF SPECIAL IMPROVEMENT DISTRICT TAXES AND LIENS RECEIVABLE  
OTHER TRUST FUND**

Balance, December 31, 2023	\$ 109,269
Increased by:	
Billings	<u>250,000</u>
	359,269
Decreased by:	
Cash Receipts	<u>273,086</u>
Balance, December 31, 2024	<u>\$ 86,183</u>

**STATEMENT OF DUE FROM / TO CURRENT FUND  
OTHER TRUST FUND**

Balance, December 31, 2023 (Due to)	\$ 291,437
Increased by:	
Transferred from Current Fund	
2024 Budget Appropriation	\$ 650,000
2023 Budget Appropriation Reserves	<u>2,500,000</u>
	<u>3,150,000</u>
	2,858,563
Decreased by:	
Cash Receipts from Current Fund	677,040
Restored to Current Fund Accrued Salaries and Wages	<u>700,000</u>
	<u>1,377,040</u>
Balances, December 31, 2024 (Due from)	<u>\$ 1,481,523</u>

**STATEMENT OF DUE TO CURRENT FUND  
ASSESSMENT TRUST FUND**

Balance, December 31, 2023	\$ 23,029
Increased by:	
Interest on Deposits	<u>28,312</u>
	51,341
Decreased by:	
Budget Appropriation	<u>37,145</u>
Balances, December 31, 2024	<u>\$ 14,196</u>

**CITY OF ENGLEWOOD  
STATEMENT OF DUE TO GRANT FUND  
OTHER TRUST FUND**

Balance, December 31, 2023	<u>\$ 307,290</u>
Balance, December 31, 2024	<u>\$ 307,290</u>

**GENERAL CAPITAL FUND**

**CITY OF ENGLEWOOD  
STATEMENT OF CASH**

Balance, December 31, 2023		\$ 1,666,388
Increased by Receipts:		
Grant Proceeds		
Grants Receivable	\$ 155,878	
Deferred Charges Unfunded	335,314	
Proceeds from Bond Anticipation Notes	16,725,000	
Premiums on Sale of Bonds and Notes	118,740	
Cash Receipts from Current Fund	985,702	
Interest on Deposits	402,074	
		<u>18,722,708</u>
		20,389,096
Decreased by Disbursements:		
Improvement Authorizations	6,129,575	
Encumbrances Payable	5,680,372	
Bond Anticipation Notes	337,004	
		<u>12,146,951</u>
Balance, December 31, 2024		<u>\$ 8,242,145</u>

**CITY OF ENGLEWOOD  
STATEMENT OF CAPITAL CASH  
AS OF DECEMBER 31, 2024**

Fund Balance	\$ 602,447
Capital Improvement Fund	181,172
Miscellaneous Reserves	68,759
Reserve for Debt Service	2,191,949
Encumbrances Payable	10,221,960
Due from Library	(545,193)
Due to Current Fund	465,140
Due to Community Development Block Grant Fund	9,886
Due from Grant Fund	(2,390,125)
Grants Receivable	(8,903,359)
Excess Note Proceeds	334,460

<u>Ord</u> <u>No.</u>	<u>Improvement Authorizations</u>	
03-15	Various Capital Improvements	7,693
10-18	Various Capital Improvements	860
12-15	Various Capital Improvements	7,557
13-01, 14-25	Various Capital Improvements	105,500
13-06	Various Capital Improvements	46,222
13-11a	Ice Arena Improvements	2,950
13-15	Overpeck Creek Channel Wall Replacements	3,393
14-16	Various Capital Improvements	4,867
15-03, 15-12	Various Equipment and Capital Improvements	803,254
16-07	Various Equipment and Capital Projects	233,912
17-03	Various Equipment and Capital Improvements	15,337
18-09	Various Capital Improvements	919,742
19-10, 22-09	Various Capital Improvements	814,246
20-02	Various Capital Improvements	1,520,487
21-05, 22-15	Various Capital Improvements	(542,200)
22-06	Various Capital Improvements	(1,247,250)
22-19	Acquisition of Real Property	339,206
23-01	Various Roadway Improvements and Equipment Acquisition	8,408
23-12	Various Capital Improvements	3,446,053
24-05/24-12	Various Capital Improvements	(485,188)
		\$ 8,242,145

**CITY OF ENGLEWOOD**  
**STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED**

Balance, December 31, 2023	\$ 56,050,000
Decreased by:	
Current Fund Budget Appropriations	
Serial Bond Principal	<u>4,365,000</u>
Balance, December 31, 2024	<u><u>\$ 51,685,000</u></u>



**CITY OF ENGLEWOOD**  
**STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

		Analysis of Balance December 31, 2024						
Ord. No.	Improvement Description	Balance, December 31, 2023	2024 Authorizations	Notes Paid by Budget Appropriations	Grant Proceeds	Balance, December 31, 2024	Bond Anticipation Notes	Unexpended Balance of Improvement Authorizations
09-13	Various Capital Improvements	\$ 50				\$ 50		\$ 50
13-01,14-25	Various Capital Improvements	104,500				104,500	\$ 100,000	4,500
16-07	Various Equipment and Capital Projects	290,004		\$ 11,000		279,004	279,000	4
18-09	Various Capital Improvements	775				775		775
19-10, 22-09	Various Capital Improvements	4,642,854		198,000	\$ 199,000	4,245,854	4,245,854	
20-02	Various Capital Improvements	7,404,365		128,000		7,276,365	4,372,000	2,904,365
21-05, 22-15	Various Capital Improvements	5,595,334				5,595,334	4,500,000	553,134
22-06	Various Capital Improvements	11,115,425				11,115,425	6,525,000	3,343,175
22-19	Acquisition of Real Property	708,000				708,000	708,000	
23-01	Various Roadway Improvements and Equipment Acquisition	327,735			136,314	191,421	191,421	
23-12	Various Capital Improvements	9,572,740				9,572,740	6,064,265	3,508,475
24-05/24-12	Various Improvements	-	\$ 11,735,428	-	-	11,735,428	-	7,384,643
		<u>\$ 39,761,782</u>	<u>\$ 11,735,428</u>	<u>\$ 337,000</u>	<u>\$ 335,314</u>	<u>\$ 50,824,896</u>	<u>\$ 26,985,540</u>	<u>\$ 17,699,121</u>
Improvement Authorizations - Unfunded								\$ 24,161,433
Bond Anticipation Notes							\$ 27,320,000	
Less: Excess Note Proceeds								
Ordinance 19-10							\$ 198,146	
Ordinance 23-01							<u>136,314</u>	
							<u>334,460</u>	
							<u>\$ 26,985,540</u>	
Less: Unexpended Note Proceeds								
Ordinance 13-01/14-25							\$ 100,000	
Ordinance 16-07							233,912	
Ordinance 19-10/22-09							814,246	
Ordinance 20-02							1,520,487	
Ordinance 22-19							339,206	
Ordinance 23-01							8,408	
Ordinance 23-12							<u>3,446,053</u>	
								<u>6,462,312</u>
								<u>\$ 17,699,121</u>

**CITY OF ENGLEWOOD**  
**STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

Ord. No.	Improvement Description	Balance, December 31, 2023		2024 Authorizations			Paid or Charged	Balance, December 31, 2024	
		Funded	Unfunded	Capital Improvement Fund	Deferred Charges Unfunded	Grants Awards		Funded	Unfunded
General Improvements									
03-15	Various Capital Improvements	\$ 7,693						\$ 7,693	
10-18	Various Capital Improvements	860	\$ 50					860	\$ 50
12-15	Various Capital Improvements	7,557						7,557	
13-01,14-25	Various Capital Improvements	5,500	104,500					5,500	104,500
13-06	Various Capital Improvements	93,685					\$ 47,463	46,222	
13-11a	Ice Arena Improvements	77,200					74,250	2,950	
13-15	Overpeck Creek Channel Wall Replacements	3,393						3,393	
14-16	Various Capital Improvements	12,567					7,700	4,867	
15-03,15-12	Various Equipment and Capital Improvements	935,645					132,391	803,254	
16-07	Various Equipment and Capital Projects		283,351				49,435		233,916
17-03	Various Equipment and Capital Improvements	90,110					74,773	15,337	
18-09	Various Capital Improvements	1,210,743	775				291,001	919,742	775
19-10, 22-09	Various Capital Improvements		1,194,327				380,081		814,246
20-02	Various Capital Improvements		5,006,340				581,488		4,424,852
21-05, 22-15	Various Capital Improvements		840,297				287,163		553,134
22-06	Various Capital Improvements		4,401,603				1,058,428		3,343,175
22-19	Acquisition of Real Property		339,206						339,206
23-01	Various Roadway Improvements and Equipment Acquisition		17,539				9,131		8,408
23-12	Various Capital Improvements		7,815,273				860,745		6,954,528
24-05/24-12	Various Improvements	-	-	\$ 586,776	\$ 11,735,428	\$ 7,626,502	8,698,466	3,865,597	7,384,643
		\$ 2,444,953	\$ 20,003,261	\$ 586,776	\$ 11,735,428	\$ 7,626,502	\$ 12,552,515	\$ 5,682,972	\$ 24,161,433
				2024 Grant Awards		\$ 4,653,706			
				Due from Current Fund		2,972,796			
						\$ 7,626,502			
						Cash Disbursements	\$ 6,129,575		
						Encumbrances Payable	6,341,331		
						Due to Library	81,609		
							\$ 12,470,906		

**CITY OF ENGLEWOOD**  
**STATEMENT OF GRANTS RECEIVABLE**

<u>Grantor</u>	<u>Balance</u> <u>December 31, 2023</u>	<u>Grant</u> <u>Awards</u>	<u>Cash</u> <u>Receipts</u>	<u>Balance</u> <u>December 31, 2024</u>
Bergen County				
Ord. No. 19-10	\$ 125,000			\$ 125,000
Ord. No. 21-05	115,000			115,000
N.J. Dept. of Transportation				
Ord. No. 20-02	435,000			435,000
Ord. No. 21-05	61,081			61,081
Ord. No. 23-12	417,870			417,870
Community Development Block Grant				
Ord. No. 20-02	150,000			150,000
Ord. No. 23-01	155,878		\$ 155,878	
Ord. No. 23-12	207,810			207,810
Ord. No. 24-05		\$ 156,500		156,500
N.J. Department of Environmental Protection				
Ord. No. 21-05	1,301,065			1,301,065
Ord. No. 23-12	100,000			100,000
Ord. No. 24-05		550,000		550,000
U.S. Department of Justice				
Ord. No. 23-12	1,750,000			1,750,000
Urban Community Forestry Grant				
Ord. No. 23-12	66,830			66,830
Federal Emergency Management Agency				
Ord. No. 22-06	271,799			271,799
Other				
Ord. No. 24-05		1,440,000		1,440,000
Library Capital Projects				
Ord. No. 24-05	-	2,507,206	626,802	1,880,404
	<u>\$ 5,157,333</u>	<u>\$ 4,653,706</u>	<u>\$ 782,680</u>	<u>\$ 9,028,359</u>
		Cash Received	\$ 155,878	
		Due from Library	626,802	
			<u>\$ 782,680</u>	

**CITY OF ENGLEWOOD  
STATEMENT OF MISCELLANEOUS RESERVES**

Balance, December 31, 2023	\$ 68,759
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Balance, December 31, 2024	\$ 68,759
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Analysis of Balance at December 31, 2024

Road Repairs	\$ 28,800
Underground Storage Tanks	3,002
Parking Lot	7,453
Culvert Repairs	20,730
Police Technology Center	8,691
Library/Rink	83

\$ 68,759

EXHIBIT C-9

**STATEMENT OF ENCUMBRANCES PAYABLE**

Balance, December 31, 2023	\$ 9,564,412
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Increased by:

Charges to Improvement Authorizations	6,341,331
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15,905,743

Decreased by:

Cash Disbursements	\$ 5,680,372	
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Due from Grant Fund	3,411	
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5,683,783

Balance, December 31, 2024	\$ 10,221,960
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EXHIBIT C-10

**STATEMENT OF CAPITAL IMPROVEMENT FUND**

Balance, December 31, 2023	\$ 147,948
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Increased by:

Current Fund Budget Appropriation	620,000
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767,948

Decreased by:

Appropriated to Finance Improvement Authorizations	586,776
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Balances, December 31, 2024	\$ 181,172
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**CITY OF ENGLEWOOD  
STATEMENT OF GENERAL SERIAL BONDS PAYABLE**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding-Dec 31, 2024</u>		<u>Interest Rate</u>	<u>Balance December 31, 2023</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2024</u>
			<u>Date</u>	<u>Amount</u>					
General Improvement Bonds	4/2/2014	\$ 16,450,000	04/1/25	\$ 795,000	3.000%				
			04/1/26	825,000	3.000%				
			04/1/27	855,000	3.000%				
			04/1/28	885,000	3.000%				
			04/1/29	925,000	3.250%				
			04/1/30	965,000	3.250%				
			04/1/31	1,010,000	3.500%				
			04/1/32	1,010,000	3.500%	\$ 8,035,000		\$ 765,000	\$ 7,270,000
General Obligation Bonds	4/1/2017	14,285,000	04/01/25	1,095,000	3.000%				
			04/01/26	1,125,000	3.000%				
			04/01/27	1,165,000	3.000%				
			04/01/28	1,200,000	3.000%				
			04/01/29-31	1,250,000	3.000%	9,395,000		1,060,000	8,335,000
General Obligation Bonds	3/28/2019	15,260,000	04/01/25	545,000	5.000%				
			04/01/26	560,000	5.000%				
			04/01/27	580,000	5.000%				
			04/01/28	600,000	5.000%				
			04/01/29	625,000	4.000%				
			04/01/30	650,000	4.000%				
			04/01/31	675,000	4.000%				
			04/01/32	705,000	3.000%				
			04/01/33	730,000	3.000%				
			04/01/34	760,000	3.000%				
			04/01/35	795,000	3.000%				
			04/01/36	825,000	3.000%				
			04/01/37	860,000	3.000%				
			04/01/38	895,000	3.125%				
			04/01/39	925,000	3.125%				
			04/01/40	965,000	3.125%				
			04/01/41	1,005,000	3.125%	13,230,000		530,000	12,700,000

**CITY OF ENGLEWOOD  
STATEMENT OF GENERAL SERIAL BONDS PAYABLE**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding-Dec 31, 2024</u>			<u>Balance December 31, 2023</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2024</u>
			<u>Date</u>	<u>Amount</u>	<u>InterestRate</u>				
General Obligation Bonds	3/24/2021	\$ 27,105,000	02/01/25	\$ 1,565,000	4.000%				
			02/01/26	1,620,000	4.000%				
			02/01/27	1,575,000	3.000%				
			02/01/28	1,615,000	2.000%				
			02/01/29	1,830,000	2.000%				
			02/01/30	1,905,000	2.000%				
			02/01/31	2,280,000	2.000%				
			02/01/32-35	2,340,000	2.000%	\$ 23,515,000		\$ 1,765,000	\$ 21,750,000
2023 General Improvement Refunding Bonds	1/27/2023	2,380,000	8/15/2025	255,000	3.000%				
			8/15/2026	260,000	3.000%				
			8/15/2027	265,000	3.000%				
			8/15/2028	275,000	3.000%				
			8/15/2029	280,000	3.000%				
			8/15/2030	295,000	3.000%	1,875,000	-	245,000	1,630,000
						<u>\$ 56,050,000</u>	<u>\$ -</u>	<u>\$ 4,365,000</u>	<u>\$ 51,685,000</u>

**CITY OF ENGLEWOOD  
STATEMENT OF BOND ANTICIPATION NOTES PAYABLE**

Ord. No.	Improvement Description	Date of Original Note	Issue	Date of Maturity	Interest Rate	Balance, December 31, 2023	Increased	Decreased	Balance, December 31, 2024
16-07	Various Capital Improvements	12/12/2019	3/16/2023	3/15/2024	4.50%	\$ 290,004		\$ 290,004	
			3/16/2024	5/31/2024	3.25%		\$ 279,000	279,000	
			5/29/2024	5/28/2025	4.50%		279,000		\$ 279,000
19-10	Various Capital Improvements	3/24/2021	3/16/2023	3/15/2024	4.50%	4,642,000		4,642,000	
			3/16/2024	5/31/2024	3.25%		4,444,000	4,444,000	
			5/29/2024	5/28/2025	4.50%		4,444,000		4,444,000
20-02	Various Capital Improvements	3/24/2021	3/16/2023	3/15/2024	4.50%	3,000,000		3,000,000	
			3/16/2024	5/31/2024	3.25%		2,872,000	2,872,000	
			5/29/2024	5/28/2025	4.50%		2,872,000		2,872,000
			5/29/2024	5/28/2025	4.50%		1,500,000		1,500,000
21-05	Various Capital Improvements	3/10/2023	3/16/2023	3/15/2024	4.50%	3,000,000		3,000,000	
			3/16/2024	5/31/2024	3.25%		3,000,000	3,000,000	
			5/29/2024	5/28/2025	4.50%		3,000,000		3,000,000
			5/29/2024	5/28/2025	4.50%		1,500,000		1,500,000
22-06	Various Capital Improvements	3/16/2024	3/16/2024	5/31/2024	3.25%		1,725,000	1,725,000	
			5/29/2024	5/28/2025	4.50%		1,725,000		1,725,000
			5/29/2024	5/28/2025	4.50%		4,800,000		4,800,000
13-01/14-05	Various Capital Improvements	5/29/2024	5/29/2024	5/28/2025	4.50%		100,000		100,000
22-19	Acquisition of Real Property	5/29/2024	5/29/2024	5/28/2025	4.50%		708,000		708,000
23-01	Various Roadway Imprvts. and Equipment Acq.	5/29/2024	5/29/2024	5/28/2025	4.50%		327,735		327,735
23-12	Various Capital Improvements	5/29/2024	5/29/2024	5/28/2025	4.50%	-	6,064,265	-	6,064,265
						<u>\$ 10,932,004</u>	<u>\$ 39,640,000</u>	<u>\$ 23,252,004</u>	<u>\$ 27,320,000</u>
							\$ 22,915,000	\$ 22,915,000	
							16,725,000		
								4	
							-	337,000	
							<u>\$ 39,640,000</u>	<u>\$ 23,252,004</u>	
						Renewals			
						Notes Issued			
						Paid with Capital Cash			
						Paid by Budget Appropriation			

**CITY OF ENGLEWOOD**  
**STATEMENT OF DUE FROM / TO CURRENT FUND**

Balance, December 31, 2023 (Due from)		\$ 465,636
Increased by:		
Budget Appropriations		
Capital Improvement Fund	\$ 620,000	
Payment of Bond Anticipation Note Principal	<u>337,000</u>	
		<u>957,000</u>
		1,422,636
Decreased by:		
Cash Received from Other Funds	985,702	
Current Fund Realized Revenue:		
Fund Balance	500,000	
Interest on Deposits	<u>402,074</u>	
		<u>1,887,776</u>
Balance, December 31, 2024 (Due to)		<u>\$ 465,140</u>

EXHIBIT C-14

**STATEMENT OF DUE FROM / TO GRANT FUND**

Balance, December 31, 2023 (Due to)	\$ 579,260
Increased by:	
Transferred from Grant Fund - Unappropriated Grant Reserves	<u>2,972,796</u>
	2,393,536
Decreased by:	
Cash Disbursed by Grant Fund on Behalf of General Capital Fund	<u>3,411</u>
Balance, December 31, 2024 (Due from)	<u>\$ 2,390,125</u>

EXHIBIT C-15

**STATEMENT OF DUE TO COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, December 31, 2023	\$ 9,886
Balance, December 31, 2024	<u>\$ 9,886</u>

EXHIBIT C-16

**STATEMENT OF RESERVE FOR DEBT SERVICE**

Balance, December 31, 2023	\$ 2,191,949
Balance, December 31, 2024	<u>\$ 2,191,949</u>

EXHIBIT C-17

**STATEMENT OF DUE FROM LIBRARY**

Increased by:		
Grant Proceeds Received by Library On-Behalf of City	\$ 626,802	
Decreased by:		
Cash Disbursed by Library on Behalf of City	<u>81,609</u>	
Balance, December 31, 2024 (Due from)		<u>\$ 545,193</u>



**CITY OF ENGLEWOOD**  
**STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

<u>Cap No.</u>	<u>Improvement Description</u>	Balance, December 31, <u>2023</u>	2024 <u>Authorizations</u>	Cash <u>Receipts</u>	Notes <u>Issued</u>	Notes Paid with Capital <u>Cash</u>	Balance, December 31, <u>2024</u>
09-13	Various Capital Improvements	\$ 50					\$ 50
13-01,14-25	Various Capital Improvements	104,500			\$ 100,000		4,500
16-07	Various Equipment and Capital Projects					\$ 4	4
18-09	Various Capital Improvements	775					775
19-10	Various Capital Improvements	854		\$ 854			
20-02	Various Capital Improvements	4,404,365			1,500,000		2,904,365
21-05, 22-15	Various Capital Improvements	2,595,334			1,500,000		1,095,334
22-06	Various Capital Improvements	11,115,425			6,525,000		4,590,425
22-19	Acquisition of Real Property	708,000			708,000		
23-01	Various Roadway Imprvts. and Equipment Acq.	327,735			327,735		
23-12	Various Capital Improvements	9,572,740			6,064,265		3,508,475
24-05,24-12	Various Improvements	-	\$ 11,735,428	-	-	-	11,735,428
		<u>\$ 28,829,778</u>	<u>\$ 11,735,428</u>	<u>\$ 854</u>	<u>\$ 16,725,000</u>	<u>\$ 4</u>	<u>\$ 23,839,356</u>

**CITY OF ENGLEWOOD**

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**PART II**

**GOVERNMENT AUDITING STANDARDS**

**AND**

**SINGLE AUDIT**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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## 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

### INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members  
of the City Council  
2-10 North Van Brunt Street  
Englewood, New Jersey 07631

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of the City of Englewood which comprise the balance sheets – regulatory basis of the various funds and account group as of December 31, 2024, and the related statements of operations and changes in fund balance – regulatory basis, statements of revenues – regulatory basis and statements of expenditures – regulatory basis of the various funds for the year then ended and the related notes to the financial statements, and have issued our report thereon dated August 12, 2025. Our report on the financial statements – regulatory basis was modified to indicate that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the financial reporting requirements of the State of New Jersey for municipal government entities as described in Note 1. In addition, our report on the financial statements – regulatory basis was qualified on the regulatory basis of accounting because of the presentation of the unaudited General Fixed Assets Account Group financial statements.

### Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be a significant deficiency.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Englewood's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under Government Auditing Standards and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which is described in the accompanying schedule of findings and responses as item 2024-001.

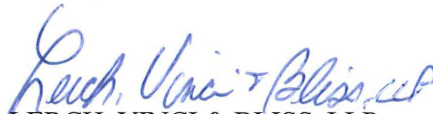
We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the City of Englewood in Part III of this report of audit entitled, "General Comments and Recommendations".

### **City of Englewood's Responses to Findings**

Government Auditing Standards requires the auditor to perform limited procedures on the City of Englewood's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The City of Englewood's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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 City of Englewood'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 City of Englewood's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Registered Municipal Accountants

  
Gary J. Vinci  
Registered Municipal Accountant  
RMA Number CR000411

Fair Lawn, New Jersey  
August 12, 2025





LERCH, VINCI & BLISS, LLP

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT  
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY  
U.S. UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and Members  
of the City Council  
2-10 North Van Brunt Street  
Englewood, New Jersey 07631

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Englewood's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the City of Englewood's major federal programs for the year ended December 31, 2024. The City of Englewood's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Englewood complied, in all material respects, with the 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, 2024.

***Basis for Opinion on Each Major Federal 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; audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; 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). Our responsibilities under those standards and U.S. 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 the City of Englewood 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 program. Our audit does not provide a legal determination of the City of Englewood'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, regulation, rules, and provisions of contracts or grant agreements applicable to the City of Englewood's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Englewood'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, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and U.S. Uniform Guidance 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 omission, misrepresentation, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Englewood's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and U.S. Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Englewood's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Englewood'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 U.S. Uniform Guidance but not for the purpose of expressing an opinion on the effectiveness of the City of Englewood's internal control over compliance. Accordingly, no such opinion is expressed.

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

### ***Report on Internal Control Over Compliance***

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. 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 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 U.S. Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance**

We have audited the financial statements - regulatory basis of the City of Englewood, which comprise the balance sheets - regulatory basis of the various funds and account group as of December 31, 2024, and the related statements of operations and changes in fund balance - regulatory basis, statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year then ended and the related notes to the financial statements and have issued our report thereon dated August 12, 2025, which contained a modified opinion on those financial statements prepared in accordance with the regulatory basis of accounting because of the presentation of the unaudited General Fund Assets Account Group financial statements and also contained a modified opinion on those financial statements because they were not prepared in accordance with accounting principles generally accepted in the United States of America. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards as required by U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.



LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Registered Municipal Accountants



Gary J. Vinci  
Registered Municipal Accountant  
RMA Number CR000411

Fair Lawn, New Jersey  
August 12, 2025

**CITY OF ENGLEWOOD**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>Federal Program</u>	<u>CFDA Number</u>	<u>Grant Year</u>	<u>Grant Receipts</u>	<u>Balance, December 31, 2023</u>	<u>Revenue</u>	<u>Expended</u>	<u>Balance, December 31, 2024</u>	<u>(Memo Only) Cumulative Expenditures</u>
Department of Homeland Security								
FEMA - Assistance to Firefighters Grants	97.044							
Firefighters Grant				\$ 4			\$ 4	
Firefighters Grant		2023	\$ 33,008	245,455		\$ 23,485	221,970	\$ 23,485
Fire Prevention and Safety Grant		2024			\$ 85,714		85,714	
Technical Rescue Training		2024			161,702		161,702	
Driver Training Grant		2023	15,334	95,014		10,650	84,364	86,506
Vehicle Extrication Grant		2023	2,062	55,484		4,404	51,080	4,404
Training Trailer Grant		2023	85,627	-	-	-	-	94,100
				<u>395,957</u>	<u>247,416</u>	<u>38,539</u>	<u>604,834</u>	<u>208,495</u>
Department of Treasury								
American Rescue Plan	21.027	2024						
Ordinance 24-05/24-12								
Sanitary Sewer Improvements					1,477,796	1,477,796		1,477,796
Improvements to Traffic Signals					910,390	910,390		910,390
LED Signage					240,973	240,973		240,973
Improvements to Municipal Building and Facilities					343,638	343,638		343,638
Firefighter Grant			11,781	-	45,000	25,591	19,409	25,591
				<u>-</u>	<u>3,017,797</u>	<u>2,998,388</u>	<u>19,409</u>	<u>2,998,388</u>
OTHER								
Overpeck Creek Improvements - Ordinance 24-05		2024		-	1,440,000	-	1,440,000	-
Department of Housing and Urban Development								
Community Development Block Grant/Entitlement Grants	14.218	2024			156,500	156,500		156,500
Department of Justice								
Community Oriented Police Services Grant (COPS) - Ordinance 23-12	16.710	2023		1,750,000		837,721	912,279	
Department of Health and Human Services								
Public Health Emergency Preparedness Grant	93.069	2023	212,704	400,408		61,106	339,302	87,830
Immunization Cooperative Agreements	93.268	2021		607			607	
Immunization Cooperative Agreements	93.268	2022		819	-	-	819	
				<u>\$ 2,547,791</u>	<u>\$ 4,861,713</u>	<u>\$ 4,092,254</u>	<u>\$ 3,317,250</u>	

See Accompanying Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance



**CITY OF ENGLEWOOD**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>State Grant Program</u>	<u>Grant Number</u>	<u>Grant Year</u>	<u>2024 Grant Receipts</u>	<u>Balance, December 31, 2023</u>	<u>Revenue Realized</u>	<u>Expended</u>	<u>Balance, December 31, 2024</u>	<u>(Memo Only) Cumulative Expenditures</u>
Recycling Tonnage Grant		2020		\$ 12,917			\$ 12,917	
		2021		39,400			39,400	
		2022		35,705			35,705	
		2023		38,935			38,935	
		2024	\$ 20,017		\$ 20,017		20,017	
Drunk Driving Enforcement Fund	1110-448-031020-22	Prior		57,984		\$ 19,271	38,713	\$ 19,411
		2017		13,596			13,596	
		2018		3,775			3,775	
		2019		956			956	
		2020		200			200	
		2022		140			140	
		2023		8,380			8,380	
Clean Communities Program	4900-765-178900	2021		30,534		24,970	5,564	40,986
		2022		55,130			55,130	
		2023		58,466			58,466	
		2024	66,408		66,408		66,408	
Police Body Armor - State Share	N/A	2020		2,163			2,163	4,632
		2021		8,364			8,364	
		Prior		16,457		\$ 6,831	9,626	
Hazardous Materials Emergency Grant		2024	11,900		11,900	11,900		11,900
Local Recreation Improvement Grant		2024			75,000	17,984	57,016	17,984
State Library Capital Projects (Ordinance 24-05)		2024			2,507,206	81,609	2,425,597	81,609
New Jersey Division of Criminal Justice Public Health Priority Funding	N/A	Prior		35			35	
Adolescent Health Grant	N/A	Prior		22,098			22,098	
H1N1 Emergency Preparedness	N/A	Prior		267			267	
		2021		340			340	
Alcohol Education	N/A	Prior		3,537			3,537	
		2019		5,465			5,465	
		2020		1,834			1,834	
		2022		790			790	
		2024	6,790		6,790		6,790	
New Jersey Department of Environmental Protection Green Acres Grant								
Mackay Park Pool and Splash Park Improvements (Ordinance 23-12)	N/A	2023		100,000			100,000	
Improvements to Municipal Parks and Facilities - Mackay Park (Ordinance 24-12)	N/A	2024			550,000	16,716	533,284	16,716
Urban and Community Forestry Grant								
Tree Replacement Program (Ordinance 23-12)	N/A	2023		66,830			66,830	
New Jersey Department of Transportation Lafayette Place Road Reconstruction (Ordinance 23-12)	N/A	2023		167,870			167,870	
ADA Improvement Program (Ordinance 23-12)	N/A	2023		250,000			250,000	
New Jersey Department of Health Strengthening Local Public Health Capacity	N/A	2023		121,417		39,672	81,745	165,990
Covid 19 Vaccinations	N/A	2021		43,004		14,539	28,465	21,535
		2023		50,000			50,000	
Municipal Alliance	N/A	2020	2,351	8,533		2,248	6,285	13,715
		2021		20,000			20,000	
		2022		5,754			5,754	
		2023		5,754			5,754	
		2024	5,754	-	5,754	-	5,754	
Total State Financial Assistance				\$ 1,256,630	\$ 3,243,075	\$ 235,740	\$ 4,263,965	

\* Not Available

This schedule is not subject to Single Audit in accordance with New Jersey OMB Circular 15-08.

**CITY OF ENGLEWOOD**  
**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 REPORTING ENTITY**

The City of Englewood (the “City”) received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The City is the reporting entity for these programs. The City is defined in Note 1 (A) to the City’s Financial Statements.

**NOTE 2 BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance (the “Schedules”) present the activity of all federal and state programs of the City. All federal awards received directly from federal agencies or passed through other government agencies are included on the schedule of expenditures of federal awards. All state awards received directly from state agencies or passed through other government agencies are included in the schedule of expenditures of state financial assistance. The information in these Schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principals, and audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular Letter 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

**NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the City conform to the 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 regulatory basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). 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 City accounts for federal awards and state financial assistances through separate funds and accounts which differ from those required by accounting principles generally accepted in the United States of America. The City’s summary of significant accounting policies are described in Note 1 to the City’s Financial Statements.

**NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedules agree with amounts reported in the City’s financial statements. Financial assistance revenues are reported in the City’s financial statements on a basis of accounting described above as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current Fund			
Grant Fund	\$ 292,416	\$ 185,869	\$ 478,285
General Capital Fund	<u>4,569,297</u>	<u>3,057,206</u>	<u>7,626,503</u>
Total Financial Awards	<u>\$ 4,861,713</u>	<u>\$ 3,243,075</u>	<u>\$ 8,104,788</u>

**CITY OF ENGLEWOOD**  
**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the City's fiscal year and grant program year.

**NOTE 6 INDIRECT COST RATE**

The City has not elected to use the 10 percent de minimis indirect cost rate allowed under the U.S. Uniform Guidance.

**CITY OF ENGLEWOOD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

*Part I – Summary of Auditor’s Results*

**Financial Statements**

Type of auditors' report issued on financial statements	<u>Modified-Regulatory Basis</u>
Internal control over financial reporting:	
1) Material weakness(es) identified	<u>          </u> yes <u>  X  </u> no
2) Significant deficiency(ies) that are not considered to be material weakness(es)?	<u>      X      </u> yes <u>          </u> none reported
Noncompliance material to the financial statements noted?	<u>          </u> yes <u>      X      </u> no

**Federal Awards Section**

Dollar threshold used to determine Type A programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>      X      </u> yes <u>          </u> no
Type of auditors' report on compliance for major programs:	<u>Unmodified</u>
Internal Control over compliance:	
1) Significant Deficiencies identified?	<u>          </u> yes <u>      X      </u> no
2) Were significant deficiencies identified that were not considered to be material weaknesses?	<u>          </u> yes <u>      X      </u> no
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	<u>          </u> yes <u>      X      </u> no

**Identification of major programs:**

<u>AL Number</u>	<u>Name of Federal Program</u>
<u>21.027</u>	<u>American Rescue Plan</u>
<u>16.710</u>	<u>Community Oriented Police Services</u>

**CITY OF ENGLEWOOD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2024**

*Part I – Summary of Auditor's Results*

**State Awards Section**

Not Applicable.

**CITY OF ENGLEWOOD  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

*Part 2 – Schedule of Financial Statement Findings*

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

**Finding 2024-001**

Our audit revealed that the City’s General Fixed Assets Account Group internal accounting records were not updated for the 2024 additions and deletions.

**Criteria or Specific Requirement**

Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets.

**Condition**

Additions and deletions to the fixed asset accounting inventory were not recorded. A December 31, 2024 fixed asset inventory listing was not available for audit.

**Cause**

Unknown.

**Effect**

Fixed assets may be acquired or disposed of and not be reported.

**Recommendation**

A fixed asset inventory be completed and updated in a timely manner and available for audit.

**Views of Responsible Officials and Planned Corrective Action**

The administration has prepared a Request for Qualifications (RFQ) for the purpose of hiring a consultant to provide management with a list of fixed assets. It is anticipated the subsequent additions and deletions will be maintained by the Finance Department.

**CITY OF ENGLEWOOD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of the major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**CITY OF ENGLEWOOD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of the major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**CURRENT YEAR STATE AWARDS**

Not applicable



**CITY OF ENGLEWOOD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

This section identified the status of prior-year findings related to the financial statements – regulatory basis and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB’s Circular 15-08.

**STATUS OF PRIOR YEAR FINDINGS**

There were none.

**CITY OF ENGLEWOOD**

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**PART III**

**SUPPLEMENTARY DATA**

**GENERAL COMMENTS AND RECOMMENDATIONS**

**YEAR ENDED DECEMBER 31, 2024**

**CITY OF ENGLEWOOD  
SUPPLEMENTARY DATA**

**Comparative Schedule of Tax Rate Information**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<u>Tax Rate</u>	<u>\$3.073</u>	<u>\$2.980</u>	<u>\$2.949</u>
<u>Apportionment of Tax Rate</u>			
Municipal	1.333	1.307	1.282
Library	.046	.043	0.040
County	.315	.302	0.286
County Open Space	.015	.014	0.012
Local School	1.364	1.314	1.329

Assessed Valuation

2024	<u>\$4,558,366,000</u>	
2023	<u>\$4,546,651,800</u>	
2022		<u>\$4,529,617,800</u>

**Comparison of Tax Levies and Collection Currently**

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2024	\$ 140,421,342	\$ 140,288,521	99.91%
2023	135,768,986	135,695,051	99.95%
2022	133,747,150	133,493,296	99.81%

**CITY OF ENGLEWOOD  
SUPPLEMENTARY DATA**

**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.

December 31 <u>Year</u>	Amount of Delinquent <u>Taxes</u>	Taxes <u>Title Lien</u>	<u>Total</u>	Percentage of <u>Tax Levy</u>
2024	\$ 64,626	\$ 309,355	\$ 373,981	0.27%
2023	46,949	289,197	336,146	0.25%
2022	26,529	269,632	296,161	0.22%

**Property Acquired by Tax Title Lien Liquidation**

The value of property 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>
2024	\$70,979
2023	70,979
2022	70,979

**Comparative Schedule of Fund Balance**

	<u>Year</u>	Balance, <u>December 31</u>	Utilized In Budget of <u>Succeeding Year</u>
Current Fund	2024	\$13,249,376	\$3,300,000
	2023	11,837,817	3,100,000
	2022	10,682,712	3,100,000

**CITY OF ENGLEWOOD  
SUPPLEMENTARY DATA**

**OFFICIALS IN OFFICE**

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

<u>Name</u>	<u>Title</u>
Michael Wildes	Mayor
Charles Cobb	Councilmember (At Large Member)
Kenneth Rosenzweig	Councilmember (Ward 1)
Lisa Wisotsky	Councilmember (Ward 2)
Angela David	Councilmember (Ward 3)
Kevin A. Wilson	Councilmember (Ward 4)
Robert Hoffmann	City Manager
Michael Kaufmann	Chief Financial Officer
Jodi DeMaio	Tax Collector
Diana Patino-Valle	Treasurer
Yancy Wazimas	City Clerk
Francis J. Leddy, Jr.	Judge
Debbian Barr	Court Administrator

## **CITY OF ENGLEWOOD**

### **GENERAL COMMENTS**

Our comments with respect to the examination and any error, omission, irregularity, violation of law, discrepancy or other nonconformity to the law or regulation fraud during the examination are herewith set forth.

#### **Current Year**

Our audit indicated old and/or invalid reconciling items were reported on the reconciliations of the City's various bank accounts. It is recommended that reconciling items on the City's bank account reconciliations be reviewed and cleared of record, where applicable.

Our audit indicated balances related to purchase orders from prior years remain outstanding on the City's records. It is recommended that prior year purchase order balances be reviewed for cancellation.

Our audit of the City's Unemployment Trust Fund indicated that quarterly claims bills were not always remitted to the State of New Jersey Department of Labor on a timely basis, resulting in interest in penalties being assessed by the State. In addition, duplicate payments of certain quarterly claims bills were made. It is recommended that payment of unemployment claims bills be promptly remitted by the required due date to the State of New Jersey Department of Labor. In addition, the City seek refund and/or credit of payments made in duplicate.

Our audit revealed that contracts were not always encumbered upon award. It is recommended that vendor contracts be encumbered promptly upon award by the City Council.

Our audit noted that certain grant fund expenditures relating to capital projects were not always charged to the proper ordinance and were not always accounted for separately from non-grant expenditures. It is recommended that the expenditure of grant funds for capital projects be applied to the proper ordinance and be accounted for separately from non-grant related expenditures.

Our audit noted that collections reported within the Uniform Construction Code department's internal records were not reconciled with amounts transferred to and reported by the City's Finance Department. It is recommended that revenues collected by the Uniform Construction Code department and reported in the department's internal accounting records be reconciled with amounts transferred to the City's Finance Department.

#### **Prior Year**

Our audit of Trust Fund reserves revealed that balances reported on the City's general ledger were not always in agreement with available balances reflected on the trust account status report. It is recommended that the Trust Fund account status report be reviewed and adjusted to ensure balances are in agreement with the audit.

Our audit of the municipal court noted 718 tickets in excess of six (6) months in age have been assigned to police officers but have not been issued. It is recommended that traffic tickets assigned but not issued in excess of six (6) months in age be recalled and re-assigned in the ATS system.

## **CITY OF ENGLEWOOD**

### **GENERAL COMMENTS**

#### **Prior Year (Continued)**

With respect to purchasing:

- Political contribution disclosure forms (PCD) were not obtained for certain vendors paid in excess of \$17,500.
- Certain goods were obtained, the cost of which exceeded the quote threshold, without proof of obtaining multiple such quotes.
- The City procured certain goods/services through the use of a national cooperative purchasing agreement; however, the required procedures for awarding a contract through the use of such agreement were not adhered to.

It is recommended that the City adhere to all purchasing requirements contained in the New Jersey Local Public Contracts Law and Division of Local Government Service Local Finance Notices.

Our audit of expenditures revealed that several purchase orders were dated subsequent to the invoice date, or the date services were rendered. It is recommended that purchase orders be encumbered prior to the ordering of goods and/or services.

## CITY OF ENGLEWOOD

### GENERAL COMMENTS

#### Contracts and Agreements Required to be Advertised for N.J.S. 40A:11-4

N.J.S. 40A:11-4 states "Every contract or agreement, for the performance of work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$17,500 except by contract or agreement." If the municipality has a qualifying purchasing agent ("QPA"), the bid threshold can be increased to \$44,000. The City has approved an individual to serve as its QPA.

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 City Attorney's opinion should be sought before a commitment is made.

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

Infield Maintenance	Traffic Signal Upgrades and Improvement -
Fire Department Kitchens	Knickerbocker Ave. and Liberty Road
Improvements to 2nd and 4th Streets	Renovation to City Hall 1st Floor Restroom
Tree Trimming and Removal Services	City Hall Jail Cell Demolition
Steel Top Trailer	Sunset Avenue Improvements
Fencing Repair and Improvements	Design and Installation of Trash Rack - Overpeck Park
Rescue Truck Repair and Upgrade	Leaf Composting and Brush Grinding Services
2024 Roads Program	2024 CDBG Milling and Paving Program
Everett Place, Marlboro Road and	Emergency Repairs - Mackay Park
Windsor Road Reconstruction Project	Repair of Four (4) Culverts
Drop Screen Repair – Mackay Ice Rink	Renovation of City Hall Basement
2024 Crosswalk Program	Roofing at DPW
Mackay Ice Rink Netting Repair	Landscape Plantings at DPW Yard
Traffic Signal Upgrades and Improvement -	City Hall Clerk's Office Relocation
Broad Ave. and Van Nostrand Ave.	

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per 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 furnishings or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear violations existed.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the bid 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 NJS 40A:11-6.



## **CITY OF ENGLEWOOD**

### **GENERAL COMMENTS**

#### **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 non-payment of taxes or assessments on or before the date when they would become delinquent.

The Governing Body on January 2, 2024, adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED BY THE CITY COUNCIL, of the City of Englewood that, pursuant to the provisions of NJSA 54:4-67, the rate of interest to be charged for the non-payment of taxes, sewer taxes, or assessments shall be 8% on the first \$1,500 and 18% on any amount in excess of \$1,500 to be calculated from the statutory due date until actual payment.

BE IT FURTHER RESOLVED BY THE CITY COUNCIL, that in addition to the interest provided above, on all delinquencies in excess of ten thousand (\$10,000) dollars and which are not paid prior to the end of the fiscal year, the Tax Collector shall also collect a penalty of six (6) percent of the amount of the delinquency in excess of ten thousand (\$10,000) dollars.

#### **Suggestions to Management**

- Grant receivable balances in the Current and General Capital Funds be reviewed and action taken to collect or clear them of record.
- Interfunds be liquidated prior to year-end.

## **CITY OF ENGLEWOOD**

### **RECOMMENDATIONS**

It is recommended that:

1. Reconciling items on the City's bank account reconciliations be reviewed and cleared of record, where applicable.
2. Payment of unemployment claims bills be remitted by the required due date to the State of New Jersey Department of Labor. In addition, the City seek refund and/or credit of payments made in duplicate.
3. An update to the City's fixed asset appraisal report be obtained in a timely manner and available for audit.
4. Vendor contracts be encumbered promptly upon award by the City Council.
5. Prior year purchase order balances be reviewed for cancellation.
6. The expenditure of grant funds for capital projects be applied to the proper ordinance and be accounted for separately from non-grant related expenditures.
- \* 7. The City adhere to all purchasing requirements contained in the New Jersey Local Public Contracts Law and Division of Local Government Service Local Finance Notices.
- \* 8. Purchase orders be encumbered prior to the ordering of goods and/or services. In addition, all monthly or recurring expenditures be encumbered in a timely manner.
9. With regards to City's Departments:
  - Revenues collected by the Uniform Construction Code department and reported in the department's internal accounting records be reconciled with amounts transferred to the City's Finance Department.
  - Traffic Tickets assigned but not issued in excess of six (6) months in age be recalled and re-assigned in the ATS system.
- \* 10. The Trust Fund account status report be reviewed and adjusted to ensure balances are in agreement with the audit.

\* \* \* \* \*

A review was performed on all prior year's recommendations. The City has taken corrective action on all prior year recommendations except those denoted with an asterisk (\*).