CITY OF GARFIELD

BERGEN COUNTY, NEW JERSEY

REPORT OF AUDIT

YEAR ENDED DECEMBER 31, 2023

CITY OF GARFIELD

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS

AND SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2023

CITY OF GARFIELD
TABLE OF CONTENTS

Exhibits		Page
	PART I – Report on Audit of Financial Statements and Supplementary Schedules	
	Independent Auditor's Report	1-3
	Financial Statements	
A	Comparative Balance Sheets – Regulatory Basis - Current Fund	4-5
A-1	Comparative Statements of Operations and Changes in Fund Balance Regulatory Basis – Current Fund	6
A-2	Statement of Revenues – Regulatory Basis - Current Fund	7-9
A-3	Statement of Expenditures – Regulatory Basis - Current Fund	10-15
B	Comparative Balance Sheets – Regulatory Basis - Trust Funds	16
C	Comparative Balance Sheets – Regulatory Basis - General Capital Fund	17
C-1	Comparative Statements of Changes in Fund Balance – Regulatory Basis – General Capital Fund	18
D	Comparative Balance Sheets – Regulatory Basis - Water Utility Fund	19-20
D-1	Comparative Statements of Operations and Changes in Fund Balance - Regulatory Basis – Water Utility Operating Fund	21
D-2	Comparative Statements of Changes in Fund Balance - Regulatory Basis - Water Utility Capital Fund	22
D-3	Statement of Revenues – Regulatory Basis - Water Utility Operating Fund	22
D-4	Statement of Expenditures – Regulatory Basis - Water Utility Operating Fund	23
E	Comparative Balance Sheets – Regulatory Basis – General Fixed Assets Account Group	24
	Notes to Financial Statements	25-65
	Supplementary Schedules	
	Current Fund	
A-4	Statement of Cash - Collector/Treasurer	66
A-5	Statement of Change Funds	67
A-6	Statement of Amount Due To State of New Jersey - Senior Citizens' and Veterans' Deductions	67
A-7	Statement of Grants Receivable	68
A-8	Statement of Taxes Receivable and Analysis of Property Tax Levy	69
A-9	Statement of Tax Title Liens	70
A-10	Statement of Property Acquired for Taxes (At Assessed Valuation)	70
A-11	Statement of Revenue Accounts Receivable	71
A-12	Statement of 2022 Appropriation Reserves	72-74
A-13	Statement of Encumbrances Payable	75
A-14	Statement of Accounts Payable	75
A-15	Statement of Prepaid Taxes	75
A-16	Statement of Local School Taxes Payable	76
A-17	Statement of County Taxes Payable	76

CITY OF GARFIELD
TABLE OF CONTENTS

Exhibits		Page
	Supplementary Schedules (Continued)	
	Current Fund (Continued)	
A-18	Statement of Tax Overpayments	77
A-19	Statement of Due to State of New Jersey – Marriage Licenses Payable	77
A-20	Statement of Reserve for Tax Appeals Pending	78
A-21	Statement of Miscellaneous Reserves	78
A-22	Statement of Unappropriated Reserves for Federal and State Grants/Aid	78
A-23	Statement of Appropriated Reserves for Federal and State Grants	79
A-24	Statement of Deferred Charges	80
	Trust Funds	
B-1	Statement of Cash - Collector/Treasurer	81
B-2	Statement of Due to State of New Jersey – Animal Control Fund	82
B-3	Statement of Reserve for Animal Control Fund Expenditures	82
B-4	Statement of Reserve for Unemployment Compensation Insurance	83
B-5	Statement of Reserve for Escrow Deposits – Other Trust Fund	83
B-6	Statement of Miscellaneous Reserves – Other Trust Fund	84
B-7	Statement of Due from Current Fund – Other Trust Fund	85
B-8	Statement of Due to Current Fund – Animal Control Trust Fund	85
B-9	Statement of Payroll Deductions and Reserves – Other Trust Fund	86
B-10	Statement of Due to State of New Jersey – Unemployment Compensation Fund	86
	General Capital Fund	
C-2	Statement of General Capital Cash - Treasurer	87
C-3	Analysis of Capital Cash	88
C-4	Statement of Due to Current Fund	89
C-5	Statement of Grants Receivable	90
C-6	Statement of Deferred Charges to Future Taxation – Funded	91
C-7	Statement of Deferred Charges to Future Taxation – Unfunded	92
C-8	Statement of Improvement Authorizations	93
C-9	Statement of General Serial Bonds	94-95
C-10	Statement of Green Acres Loan Payable	96-97
C-11	Statement of Department of Community Affairs Loan Payable	98
C-12	Statement of Bond Anticipation Notes	99
C-13	Statement of Contracts Payable	100
C-14	Statement of Capital Improvement Fund	100

CITY OF GARFIELD
TABLE OF CONTENTS

Exhibits		Page
	Supplementary Schedules (Continued)	
	General Capital Fund (Continued)	
C-15	Statement of Reserve for Payment of Debt	101
C-16	Statement of Reserve for Future Improvements	102
C-17	Statement of Bonds and Notes Authorized But Not Issued	103
	Water Utility Fund	
D-5	Statement of Cash - Collector/Treasurer - Water Utility Cash	104
D-6	Analysis of Cash – Water Utility Capital Fund	105
D-7	Statement of Fixed Capital – Water Utility Capital Fund	106
D-8	Statement of Fixed Capital Authorized and Uncompleted – Water Utility Capital Fund	107
D-9	Statement of Reserve for Amortization – Water Utility Capital Fund	108
D-10	Statement of Reserve for Deferred Amortization – Water Utility Capital Fund	108
D-11	Statement of Reserve for Payment of Debt – Water Utility Capital Fund	108
D-12	Statement of Improvement Authorizations – Water Utility Capital Fund	109
D-13	Statement of Serial Bonds Payable – Water Utility Capital Fund	110
D-14	Statement of Bond Anticipation Notes – Water Utility Capital Fund	111
D-15	Statement of Environmental Infrastructure Trust Loan Payable – Water Utility Capital Fund	112
D-16	Statement of Accrued Interest on Bonds, Notes and Loans – Water Utility Operating Fund	113
D-17	Statement of Consumer Accounts Receivable – Water Utility Operating Fund	113
D-18	Statement of Capital Improvement Fund – Water Utility Capital Fund	114
D-19	Statement of Reserve for Preliminary Engineering Fees – Water Utility Capital Fund	114
D-20	Statement of 2022 Appropriation Reserves – Water Utility Operating Fund	115
D-21	Statement of Encumbrances Payable – Water Utility Operating Fund	115
D-22	Statement of Contracts Payable – Water Utility Capital Fund	116
D-23	Statement of Reserve for Infrastructure and Rate Stabilization – Water Utility Capital Fund	116
D-24	Statement of Due from Current Fund – Water Utility Capital Fund	116
D-25	Statement of Accounts Payable – Water Utility Operating Fund	117
D-26	Statement of Due from Current Fund – Water Utility Operating Fund	117
D-27	Statement of Reserve for Improvements – Lead Line Replacement – Water Utility Capital Fund	117
D-28	Schedule of Bonds and Notes Authorized but Not Issued – Water Utility Capital Fund	118
D-29	Statement of Emergency Note Payable	118

CITY OF GARFIELD
TABLE OF CONTENTS

Exhibits **Page**

Part II- Government Auditing Standards

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 119-120

Report on Compliance for Each Major Federal and State Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance as Required by New Jersey OMB Circular 15-08 - Independent Auditor's Report 121-123

Schedule of Expenditures of Federal Awards 124
Schedule of Expenditures of State Financial Assistance 125-126

Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance 127-128

Schedule of Findings and Questioned Costs 129-133

Part III – Supplementary Data and Letter of Comments and Recommendations

Comparative Statement of Operations and Changes in Fund Balance - Current Fund 134
Comparative Statement of Operations and Changes in Fund Balance - Water Utility Operating Fund 135
Comparative Schedule of Tax Rate Information 136
Comparison of Levies and Collection Currently 136
Delinquent Taxes and Tax Title Liens 137
Property Acquired by Tax Title Lien Liquidation 137
Comparison of Water Utility Levies 137
Comparative Schedule of Fund Balances 138
Officials in Office and Surety Bonds 139
General Comments 140-141
Recommendations 142

LERCH, VINCI & BLISS, LLP
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the City Council
City of Garfield
Garfield, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the City of Garfield, as of December 31, 2023 and 2022, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2023, 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 described in the Basis for Qualified Opinion on Regulatory Basis of Accounting section of our report, the 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 Garfield as of December 31, 2023 and 2022, 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, 2023 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 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 Garfield as of December 31, 2023 and 2022, or changes in financial position, or, where applicable, cash flows 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 Garfield 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

As discussed in Note 17 of the financial statements, the financial statements – regulatory basis of the Length of Service Awards Program (LOSAP) Trust Fund have not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the City's financial statements as of and for the years ended December 31, 2023 and 2022. The LOSAP Trust Fund financial activities are included in the City's Trust Funds, and represent 27 percent and 23 percent of the assets and liabilities of the City's Trust Funds as of December 31, 2023 and 2022, respectively.

The notes to the City of Garfield's financial statements do not disclose the net other post employment benefit liability ("net OPEB liability) and other required information related to post-retirement medical benefits provided to the City's eligible retirees and their dependents as required by Government Accounting Standards Board Statement No.75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions and the Division of Local Government Services, Department of Community Affairs, State of New Jersey. In our opinion, disclosure of that information is required to conform with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

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 Garfield 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 these 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 Garfield'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 Garfield'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 Garfield'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 Garfield 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 as required by NJ OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid are presented for purposes of additional analysis and are not a required part of the financial statements of the City of Garfield. Such 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 September 3, 2024 on our consideration of the City of Garfield'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 Garfield'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 Garfield's internal control over financial reporting and compliance.

Lerch Vinci & Bliss LLP

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

Dieter P. Lerch
Registered Municipal Accountant
RMA Number CR000398

Fair Lawn, New Jersey
September 3, 2024

CITY OF GARFIELD
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS -CURRENT FUND
AS OF DECEMBER 31, 2023 AND 2022

	Reference	2023	2022
ASSETS			
Cash	A-4	$ 11,609,206	$ 12,931,046
Cash - Change Fund	A-5	100	100
Grants Receivable	A-7	2,760,306	658,887
		14,369,612	13,590,033
Receivables with Full Reserves			
Delinquent Property Taxes Receivable	A-8	953,981	1,029,195
Tax Title Liens Receivable	A-9	555,272	663,666
Property Acquired for Taxes	A-10	436,870	436,870
Revenue Accounts Receivable	A-11	222,993	312,442
Interfunds Receivable:			
Animal Control Fund	B-8	6,867	-
General Capital Fund	C-4	-	336,094
		2,175,983	2,778,267
Deferred Charges			
Special Emergency Authorization (40A:4-55)	A-24	375,000	500,000
		375,000	500,000
Total Assets		$ 16,920,595	$ 16,868,300

CITY OF GARFIELD
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS -CURRENT FUND
AS OF DECEMBER 31, 2023 AND 2022

	Reference	2023	2022
LIABILITIES, RESERVES AND FUND BALANCE			
Appropriation Reserves	A-3,A-12	$ 686,435	$ 495,917
Encumbrances Payable	A-13	3,105,289	1,697,002
Accounts Payable	A-14	-	18,802
Due County for Added and Omitted Taxes	A-17	-	12,517
Prepaid Taxes	A-15	640,036	552,613
Tax Overpayments	A-18	-	42,716
Interfunds Payable:			
Due to Other Trust Fund	B-7		264,495
Due to Water Utility Operating Fund	D-28	199,006	500,000
Due to State of New Jersey:			
Senior Citizens' and Veterans' Deductions	A-6	21,820	29,552
Marriage Licenses Payable	A-19	1,675	25
Reserve for Tax Appeals Pending	A-20	509,484	474,484
Miscellaneous Reserves	A-21	173,382	66,482
Reserve for Municipal Relief Fund Aid	A-21	279,642	139,850
Unappropriated Grant Reserves	A-22	-	16,388
Appropriated Grant Reserves	A-23	1,540,018	1,659,146
		7,156,787	5,969,989
Reserve for Receivables	A	2,175,983	2,778,267
Fund Balance	A-1	7,587,825	8,120,044
Total Liabilities, Reserves and Fund Balance		$ 16,920,595	$ 16,868,300

Accompanying Notes are an Integral Part of these Financial Statements

CITY OF GARFIELD
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS - CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	Reference	2023	2022
REVENUE AND OTHER INCOME REALIZED			
Fund Balance Utilized	A-2	$ 4,949,006	$ 3,964,000
Miscellaneous Revenue Anticipated	A-2	15,074,071	11,101,198
Receipts from Delinquent Taxes	A-2	1,241,484	993,906
Receipts from Current Taxes	A-2	70,084,276	66,436,384
Non-Budget Revenues	A-2	517,603	1,916,848
Other Credits to Income			
Unexpended Balance of Appropriation Reserves	A-12	617,450	879,155
Statutory Excess - Animal Control Trust Fund	A-1	6,867	-
Interfunds Liquidated	A	336,094	1,012,981
Cancelled Prior Year Payables	A-1	18,802	5,500
Grant Reimbursements - P/Y	A-23	411,263	-
Total Income		93,256,916	86,309,972
Expenditures			
Budget Appropriations			
Salaries and Wages	A-3	13,682,729	13,361,058
Other Expenses	A-3	23,763,300	19,398,422
Deferred Charges and Statutory Expenditures	A-3	4,484,376	4,548,152
Capital Improvements	A-3	535,000	200,000
Municipal Debt Service	A-3	4,288,433	3,620,502
Local District School Tax	A-16	34,171,982	32,668,674
County Taxes	A-17	7,889,920	7,080,337
Amount Due County for Added and Omitted Taxes	A-17	15,349	12,517
Interfunds Advanced	A	6,867	336,094
Senior Citizens and Veterans Deductions Disallowed - Prior Year	A-8	2,173	250
Cancelled Grants	A-1	-	70,427
Total Expenditures		88,840,129	81,296,433
Excess in Revenue Over Expenditures		4,416,787	5,013,539
Fund Balance, January 1	A	8,120,044	7,070,505
		12,536,831	12,084,044
Decreased by Utilization as Anticipated Revenue	A-1	4,949,006	3,964,000
Fund Balance, December 31	A	$ 7,587,825	$ 8,120,044

Accompanying Notes are an Integral Part of these Financial Statements

CITY OF GARFIELD
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Reference	Budget	Added by NJS 40A;4-87	Realized	Excess or (Deficit)
Surplus Anticipated	A-1	$ 4,949,006	$ -	$ 4,949,006	-
Miscellaneous Revenues					
Licenses					
Alcoholic Beverages	A-11	47,000		53,780	$ 6,780
Other	A-2, A-11	11,000		19,970	8,970
Fees and Permits	A-2, A-11	432,200		516,893	84,693
Fines and Costs - Municipal Court	A-11	970,000		1,150,719	180,719
Interest and Costs on Taxes	A-11	220,000		230,168	10,168
Interest on Investments	A-11	221,000		718,671	497,671
Municipal Relief State Aid	A-21	139,850		139,850	-
Energy Receipts Tax	A-11	2,699,515		2,699,515	-
Uniform Construction Code Fees	A-11	455,000		572,304	117,304
Parking Enforcement Fees	A-11	400,000		835,915	435,915
Shared Service Agreement					-
Township of Saddle Brook - Tax Collection Services	A-11	15,000		15,000	-
Township of Wood Ridge - Tax Collection Services	A-11	85,750		85,750	-
Bergen County - Snow Services	A-11	1,500		1,500	-
Garfield Board of Education - Gas	A-11	35,000		59,407	24,407
Public and Private Programs					
Recycling Tonnage	A-7	43,974		43,974	-
Recreation Child care	A-7	120,000		120,000	-
Body Armor	A-7, A-21	3,991	4,723	8,714	-
Child Care	A-7	24,771		24,771	-
National Opioids Settlement	A-7, A-21	12,397	20,951	33,348	-
Summer food	A-7	1,278	141,504	142,782	-
LRIG - Splash Park	A-7	71,000		71,000	-
Bergen County Open Space	A-7		170,000	170,000	-
NJDOT Midland Ave Sidewalks	A-7		252,441	252,441	-
Click It or Ticket	A-7		7,000	7,000	-
Alcohol Education/Rehabilitation	A-7		1,687	1,687	-
ROID Grant	A-7		36,000	36,000	-
Spotted Lantern Fly	A-7		1,085	1,085	-
CDBG Rec Bld Façade	A-7		198,500	198,500	-
Clean Communities	A-7		55,940	55,940	-
National Fitness Campaign	A-7		30,000	30,000	-
Distracted Driving	A-7		10,500	10,500	-
Bergen - River Dr Shared Service	A-7		810,975	810,975	-
CDBG HVAC Rec Center	A-7		475,000	475,000	-
CDBG HVAC Firehouse	A-7		220,000	220,000	-
Stormwater Management	A-7		15,000	15,000	-
Division of Family Development Grant	A-7		210,000	210,000	-
NJ DOT 2023	A-7		675,000	675,000	-
US DOJ COPS Grant	A-7		375,000	375,000	-
Higher Education Grant	A-7		6,000	6,000	-
AAA Foundation for Highway Safety	A-7		1,120	1,120	-
Primex Plastics	A-7		500	500	-
PCB Monsanto Settlement	A-7		17,414	17,414	-

CITY OF GARFIELD
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Reference	Budget	Added by NJS 40A;4-87	Realized	Excess or (Deficit)
Other Special Items					-
Uniform Fire Safety Act Fees	A-11	65,000		63,678	(1,322)
Fire Prevention Fees	A-11	140,000		185,576	45,576
Sale of Assets	A-21	43,013		43,013	-
Cannabis Revenue	A-11	20,000		100,000	80,000
Sewer Charges	A-11	1,220,000		1,369,262	149,262
Host Community Fees (BCUA)	A-11	450,000		486,393	36,393
Anticipated Surplus - General Capital Surplus	A-11	500,000		500,000	-
Housing Authority - PILOT	A-11	180,000		178,955	(1,045)
Reserve for Payment of Debt	A-11	805,326		805,326	-
Reserve for Police Off Duty Admin Fees	A-11	320,000	-	228,675	(91,325)
Total Miscellaneous Revenues	A-2	9,753,565	3,736,340	15,074,071	1,584,166
Receipts from Delinquent Taxes	A-2	989,000	-	1,241,484	252,484
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes		27,883,520		28,515,367	631,847
Minimum Library Tax		1,091,658	-	1,091,658	-
Total Amount to be Raised by Taxes for Support of Municipal Budget	A-2	28,975,178	-	29,607,025	631,847
Budget Totals		$ 44,666,749	$ 3,736,340	$ 50,871,586	$ 2,468,497
Non-Budget Revenues	A-2			517,603	
				$ 51,389,189	

Accompanying Notes are an Integral Part of these Financial Statements

CITY OF GARFIELD
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Reference	
Analysis of Current Tax Collections		
Revenue from Collections	A-1,A-8	$ 70,084,276
Less		
Allocated to School and County Taxes	A-16, A-17	42,077,251
		28,007,025
Add Appropriation "Reserve for Uncollected Taxes	A-3	1,600,000
Balance for Support of Municipal Budget Appropriations	A-2	$ 29,607,025
Fees and Permits		
Board of Health	A-11	$ 68,421
City Clerk	A-11	13,855
Tax Collector	A-11	2,814
Recreation	A-11	322,700
Public Works	A-11	65,450
Police	A-11	31,711
Zoning Board of Adjustment	A-11	11,942
	A-2	$ 516,893
Non-Budget Revenue		
JIF Reimbursements		70,506
Tax Premiums		106,700
Sr Vets Admin Fee		61,550
Stale Checks		42,731
FEMA		205,755
Miscellaneous		30,361
	A-2	$ 517,603
Cash Receipts	A-4	$ 483,582
Due from General Capital Fund	C-4	34,021
		$ 517,603

Accompanying Notes are an Integral Part of these Financial Statements

CITY OF GARFIELD
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriation		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balances Cancelled
OPERATIONS - WITHIN "CAPS"					
General Government					
General Administration					
Salaries & Wages	$ 120,000	$ 120,000	$ 114,488	$ 5,512	
Other Expenses	138,000	138,000	71,243	66,757	
Mayor and Council					
Salaries & Wages	49,000	49,000	48,072	928	
Municipal Clerk's Office					
Salaries & Wages	315,000	315,000	308,219	6,781	
Other Expenses	40,000	40,000	37,879	2,121	
Elections					
Other Expenses	26,000	26,000	17,352	8,648	
Financial Administration					
Salaries & Wages	250,000	251,000	250,478	522	
Other Expenses	38,000	38,000	32,587	5,413	
Annual Audit	95,000	75,000	70,000	5,000	
ADP Services	68,000	63,000	48,155	14,845	
Tax Assessment Administration					
Salaries & Wages	126,000	126,000	125,268	732	
Other Expenses	55,000	55,000	52,673	2,327	
Revenue Administration					
Salaries & Wages	167,000	167,000	164,381	2,619	
Other Expenses	81,000	76,000	70,634	5,366	
Legal Services					
Other Expenses	225,000	213,000	185,125	27,875	
Tax Court Appeal Counsel	22,000	22,000	22,000	-	
Engineering Services					
Other Expenses	75,000	85,000	68,674	16,326	
Public Buildings & Grounds					
Other Expenses	150,000	200,000	184,981	15,019	
Municipal Land Use Law (NJS 40:55-1)					
Planning Board					
Salaries & Wages	14,000	14,000	13,029	971	
Other Expenses	23,000	13,000	9,120	3,880	
Zoning Board					
Salaries & Wages	14,000	14,000	12,061	1,939	
Other Expenses	9,000	11,000	9,437	1,563	

CITY OF GARFIELD
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriation		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balances Cancelled
OPERATIONS - WITHIN "CAPS" (Cont'd)					
Public Safety					
Fire					
Other Expenses	$ 470,000	$ 480,000	$ 473,201	$ 6,799	
Aid to Ambulance Corps					
Other Expenses	110,000	10,000	-	10,000	
Parking Enforcement Program					
Salaries & Wages	135,000	135,000	106,907	28,093	
Emergency Management					
Salaries & Wages	7,500	7,500	7,353	147	
Other Expenses	40,000	30,000	27,298	2,702	
Police					
Salaries & Wages	8,554,491	9,034,491	9,044,295	(9,804)	
Other Expenses	330,000	495,000	479,556	15,444	
Pension Pursuant to R.S. 43:12	4,000	4,000		4,000	
Purchase of Vehicles	90,000	-	-	-	
Traffic Division	45,000	15,000	12,571	2,429	
Uniform Fire Safety Fire Inspection Act					
Salaries & Wages	248,000	248,000	246,465	1,535	
Other Expenses	17,000	17,000	16,958	42	
Streets & Roads					
Road Repairs & Maintenance (Public Works)					
Salaries & Wages	1,660,000	1,705,000	1,644,218	60,782	
Other Expenses	300,000	315,000	296,303	18,697	
Snow Removal	140,000	140,000	140,000	-	
Recycling Program					
Other Expenses	4,000	4,000	4,000	-	
Health & Welfare					
Board of Health					
Salaries & Wages	180,000	170,000	163,516	6,484	
Other Expenses	44,000	44,000	41,557	2,443	
Health Officer					
Other Expenses	50,000	60,000	58,524	1,476	
Recreation & Education					
Parks & Playgrounds					
Salaries & Wages	750,000	423,000	394,781	28,219	
Other Expenses	245,000	172,000	161,965	10,035	
Historical Society					
Other Expenses	500	500		500	
Celebration of Public Events	37,000	17,000	9,175	7,825	
Tax Map	20,300	148,300	148,300	-	
Accumulated Absence	250,000	336,000	336,000	-	
Housing Inspection					
Salaries & Wages	160,000	173,000	166,003	6,997	
Other Expenses	35,000	23,000	17,330	5,670	

CITY OF GARFIELD
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriation		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balances Cancelled
OPERATIONS - WITHIN "CAPS" (Cont'd)					
Insurance					
Other Insurance	$ 1,615,000	$ 1,515,000	$ 1,478,405	$ 36,595	
Employee Group	6,400,000	6,280,000	6,252,122	27,878	
Health Benefit Waiver	165,000	155,000	150,192	4,808	
Garbage & Trash Removal (Waste Collection)					
Other Expenses	3,200,000	3,200,000	3,195,867	4,133	
Dispatch					
Other expenses	300,000	300,000	300,000	-	
Animal Control					
Other Expenses	53,000	53,000	27,445	25,555	
Contribution to Redevelopment Agency	10,000	10,000	9,909	91	
Municipal Court					
Salaries and Wages	365,000	365,000	358,588	6,412	
Other Expenses	40,000	41,000	40,121	879	
Public Defender					
Salaries and Wages	7,829	829		829	
Prosecutor					
Salaries & Wages	62,000	62,000	57,882	4,118	
Utilities					
Electricity	325,000	465,000	437,933	27,067	
Telephone	23,000	8,000	4,291	3,709	
Street Lighting	350,000	350,000	343,578	6,422	
Communications	660,000	580,000	540,113	39,887	
Gasoline	305,000	290,000	263,512	26,488	
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)					
State Uniform Construction Code					
Building Inspections					
Salaries & Wages	320,000	300,000	287,804	12,196	
Other Expenses	98,000	113,000	102,412	10,588	-
Total Operations Within "CAPS"	30,325,620	30,405,620	29,762,306	643,314	-
Total Operations Including Contingent - Within "CAPS"	30,325,620	30,405,620	29,762,306	643,314	-
Detail:					
Salaries & Wages	13,654,820	13,679,820	13,513,808	168,921	-
Other Expenses (Including Contingent)	16,670,800	16,725,800	16,248,498	474,393	-

CITY OF GARFIELD
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriation		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balances Cancelled
DEFERRED CHARGES AND STATUTORY EXPENDITURES					
Statutory Expenditures					
Contribution to:					
Social Security System (O.A.S.I.)	$ 575,000	$ 550,000	$ 538,687	$ 11,313	
State Unemployment Insurance Fund	55,000	5,000	5,000	-	
Pension Adjustment Fund	1,000	1,000		1,000	
Police and Fireman's Retirement System	2,761,101	2,786,101	2,782,780	3,321	
DCRP	20,000	20,000	17,012	2,988	
Public Employees Retirement System	828,269	798,269	794,941	3,328	-
Total Deferred Charges and Statutory expenditures - Municipal Within "CAPS"	4,240,370	4,160,370	4,138,420	21,950	-
Total General Appropriations within "CAPS"	34,565,990	34,565,990	33,900,726	665,264	-
OPERATIONS - EXCLUDED FROM "CAPS"					
Other Operations					
Passaic Valley Sewer Commission	1,870,000	1,870,000	1,869,029	971	
Maintenance of Free Public Library	1,091,658	1,091,658	1,091,658	-	
LOSAP	65,000	65,000	44,800	20,200	-
Total Other Operations-Excluded from CAPS	3,026,658	3,026,658	3,005,487	21,171	-
Additional Appropriations Offset by Revenues (N.J.S. 40A:4-45.3h)					
Recycling Tonnage	43,974	43,974	43,974		
Recreation Child care	120,000	120,000	120,000		
Body Armor	3,991	8,714	8,714		
Child Care	24,771	24,771	24,771		
National Opioids settlement	12,397	33,348	33,348		
Summer food	1,278	142,782	142,782		
LRIG - Splash Park	71,000	71,000	71,000		
Bergen County Open Space 2019		170,000	170,000		
NJDOT Midland Ave Sidewalks		252,441	252,441		
Click It or Ticket		7,000	7,000		
Alcohol Education/Rehabilitation		1,687	1,687		
ROID Grant		36,000	36,000		
Spotted Lantern Fly		1,085	1,085		
CDBG Rec Bld Façade		198,500	198,500		
Clean Communities		55,940	55,940		
National Fitness Campaign		30,000	30,000		
Distracted Driving		10,500	10,500		
Bergen - River Dr Shared Service		810,975	810,975		
CDBG HVAC Rec Center		475,000	475,000		
CDBG HVAC Firehouse		220,000	220,000		
Stormwater Management		15,000	15,000		
Division of Family Development Grant		210,000	210,000		
NJ DOT 2023		675,000	675,000		
US DOJ COPS Grant		375,000	375,000		
Higher Education Grant		6,000	6,000		
AAA Foundation for Highway Safety		1,120	1,120		
Primex Plastics		500	500		
PCB Monsanto Settlement	-	17,414	17,414	-	-
Total Appropriations Offset by Revenues (N.J.S. 40A:4-45.3h)	277,411	4,013,751	4,013,751	-	-
Total Operations - Excluded from "CAPS"	3,304,069	7,040,409	7,019,238	21,171	-
Detail:					
Salaries & Wages	-	-	-	-	-
Other Expenses	3,304,069	7,040,409	7,019,238	21,171	-

Accompanying Notes are an Integral Part of these Financial Statements

CITY OF GARFIELD
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriation		Expended		Unexpended Balances
	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	$ 400,000	$ 400,000	$ 400,000	-	-
Reserve Tax Appeal	35,000	35,000	35,000	-	
Reserve for City Hall	30,000	30,000	30,000	-	
Reserve for sewer	20,000	20,000	20,000	-	
Reserve for DPW building	50,000	50,000	50,000	-	-
Total Capital Improvements	535,000	535,000	535,000	-	-
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Principal	2,545,000	2,545,000	2,545,000		$ -
Payment of BANs and Capital Notes	750,000	750,000	750,000		-
Interest on Bonds	695,000	696,500	647,366		49,134
Interest on Notes	285,000	283,500	283,391		109
Principal & Interest - DCA Loan	9,046	9,046	9,045		1
Green Trust Loan Program: Loan Repayments for Principal and Interest	53,638	53,638	53,631	-	7
Total Municipal Debt Service - Excluded from "CAPS"	4,337,684	4,337,684	4,288,433	-	49,251
DEFERRED CHARGES EXCLUDED FROM "CAPS"					
Emergency Appropriation - Covid	125,000	125,000	125,000		
Deficit in Water Utility	199,006	199,006	199,006	-	-
Deferred Charges-Excluded from "CAPS"	324,006	324,006	324,006	-	-
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	8,500,759	12,237,099	12,166,677	$ 21,171	49,251
Subtotal General Appropriations	43,066,749	46,803,089	46,067,403	686,435	49,251
Reserve for Uncollected Taxes	1,600,000	1,600,000	1,600,000	-	-
Total General Appropriations	$ 44,666,749	$ 48,403,089	$ 47,667,403	$ 686,435	$ 49,251

	Reference	A-2	A
Adopted Budget	A-2	$ 44,666,749	
Added by N.J.S. 40A:4-87	A-2	3,736,340	
		$ 48,403,089	

CITY OF GARFIELD
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Reference	Paid or Charged
Cash Disbursements	A-4	$ 40,371,416
Encumbrances Payable	A-13	1,195,230
Appropriated Grant Reserves	A-23	4,013,751
Deferred Charge	A-24	125,000
Reserve for Uncollected Taxes	A-2	1,600,000
Due to Water Operating - Anticipated Deficit	D-28	199,006
Reserve for Tax Maps	A-21	128,000
Reserve for Tax Appeals	A-20	35,000
		$ 47,667,403

CITY OF GARFIELD
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUNDS
AS OF DECEMBER 31, 2023 AND 2022

	Reference	2023	2022
ASSETS			
Animal Control Fund			
Cash	B-1	$ 19,878	$ 14,324
		19,878	14,324
Other Trust Fund			
Cash	B-1	3,323,509	3,294,922
Due from Current Fund	B-7	-	264,495
		3,323,509	3,559,417
Length of Service Award Program Fund (UNAUDITED)			
Investments	B	1,197,222	1,020,591
Contribution Receivable	B	38,440	50,840
		1,235,662	1,071,431
Total Assets		$ 4,579,049	$ 4,645,172
LIABILITIES AND RESERVES			
Animal Control Fund			
Reserve for Animal Control Expenditures	B-3	$ 13,000	$ 14,319
Due to State of New Jersey	B-2	11	5
Due to Current Fund	B-8	6,867	-
		19,878	14,324
Other Trust Fund			
N.J. Unemployment Compensation Insurance	B-4	162,373	121,881
Escrow Deposits	B-5	307,705	242,551
Miscellaneous Reserves	B-6	2,737,480	2,950,213
Payroll Deductions & Reserves	B-9	115,951	166,121
Due to State of New Jersey	B-10	-	78,651
		3,323,509	3,559,417
Length of Service Award Program Fund (UNAUDITED)			
Reserve for LOSAP Benefits	B	1,235,662	1,071,431
Total Liabilities and Reserves		$ 4,579,049	$ 4,645,172

Accompanying Notes are an Integral Part of these Financial Statements

CITY OF GARFIELD
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL CAPITAL FUND
AS OF DECEMBER 31, 2023 AND 2022

	Reference	2023	2022
ASSETS			
Cash	C-2,C-3	$ 3,963,999	$ 3,420,353
Grants Receivable	C-5	8,482,252	10,647,265
Deferred Charges to Future Taxation			
Funded	C-6	34,222,531	27,915,359
Unfunded	C-7	12,892,022	20,534,418
Total Assets		$ 59,560,804	$ 62,517,395
LIABILITIES, RESERVES AND FUND BALANCE			
Serial Bonds Payable	C-9	$ 33,772,000	$ 27,412,000
Green Acres Loan Payable	C-10	450,531	494,491
Department of Community Affairs Loan Payable	C-11	-	8,868
Bond Anticipation Notes Payable	C-12	6,237,700	6,267,850
Improvement Authorizations:			
Funded	C-8	1,033,532	2,473,533
Unfunded	C-8	821,757	5,339,228
Contracts Payable	C-13	11,571,274	13,133,437
Due to Current Fund	C-4		336,094
Capital Improvement Fund	C-14	602,312	396,155
Reserve for Grants Receivable	C-5	3,905,446	4,841,436
Reserve for Payment of Debt	C-15	237,376	777,240
Reserve for Future Improvements	C-16	280,108	217,982
Fund Balance	C-1	648,768	819,081
Total Liabilities, Reserves and Fund Balance		$ 59,560,804	$ 62,517,395

Bonds and Notes Authorized But Not Issued at December 31, 2023 and 2022 were $7,743,277 and $14,458,929 , respectively, (Exhibit C-17).

Accompanying Notes are an Integral Part of these Financial Statements

CITY OF GARFIELD
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE
REGULATORY BASIS - GENERAL CAPITAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	Reference	2023	2022
Balance, January 1	C	$ 819,081	$ 806,477
Increased by:			
Cancelled Improvement Authorizations	C-1	279,726	249,358
Premium on Sale of Bonds and Notes	C-2	49,961	63,246
		1,148,768	1,119,081
Decreased by:			
Current Fund Budgeted Revenue Realized	C-1	500,000	300,000
Balance, December 31	C	$ 648,768	$ 819,081

Accompanying Notes are an Integral Part of these Financial Statements

CITY OF GARFIELD
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - WATER UTILITY FUND
AS OF DECEMBER 31, 2023 AND 2022

	Reference	2023	2022
ASSETS			
Operating Fund			
Cash	D-5	$ 3,920,010	$ 2,530,196
Cash - Change Fund	D-5	100	100
Due from Current Fund	D-26	199,006	500,000
		4,119,116	3,030,296
Receivables and Other Assets With Full Reserves			
Consumer Accounts Receivable	D-17	659,442	1,123,826
		659,442	1,123,826
Deferred Charges			
Operating Deficit	D-1	-	727,319
Total Operating Fund		4,778,558	4,881,441
Capital Fund			
Cash	D-5, D-6	898,217	1,826,146
Fixed Capital	D-7	25,321,719	22,288,682
Fixed Capital Authorized and Uncompleted	D-8	6,090,000	8,400,000
Total Capital Fund		32,309,936	32,514,828
Total Assets		$ 37,088,494	$ 37,396,269

Accompanying Notes are an Integral Part of these Financial Statements

CITY OF GARFIELD
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - WATER UTILITY FUND
AS OF DECEMBER 31, 2023 AND 2022

	Reference	2023	2022
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund			
Appropriation Reserves	D-4, D-20	$ 36,606	$ 340,417
Encumbrances Payable	D-21	273,759	349,421
Accrued Interest on Bonds, Notes and Loans	D-16	82,159	75,145
Accounts Payable	D-25	1,960	7,000
Emergency Note Payable	D-31	-	500,000
		394,484	1,271,983
Reserve for Receivables	D	659,442	1,123,826
Fund Balance	D-1	3,724,632	2,485,632
Total Operating Fund		4,778,558	4,881,441
Capital Fund			
Serial Bonds Payable	D-13	2,043,000	2,403,000
Intergovernmental Loan Payable	D-15	374,798	748,712
Bond Anticipation Notes Payable	D-14	3,331,300	3,227,150
Improvement Authorizations			
Funded	D-12	195,924	228,556
Unfunded	D-12	606,870	966,434
Contracts Payable	D-22	1,960,666	2,968,659
Capital Improvement Fund	D-18	33,400	8,400
Reserve for:			
Amortization	D-9	18,822,925	17,038,161
Deferred Amortization	D-10	4,628,547	4,456,659
Payment of Debt	D-11		167,655
Preliminary Engineering Expenses	D-18		10,000
Infrastructure and Rate Stabilization	D-23	30,000	30,000
Lead Line Replacement	D-27	220,000	220,000
Fund Balance	D-2	62,506	41,442
Total Capital Fund		32,309,936	32,514,828
Total Liabilities, Reserves and Fund Balance		$ 37,088,494	$ 37,396,269

Bonds and notes authorized but not issued at December 31, 2023 and 2022 were $2,211,149 and $2,815,000, respectively. (Exhibit D-30)

CITY OF GARFIELD
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS - WATER UTILITY OPERATING FUND
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	Reference	2023	2022
Revenue and Other Income Realized			
Surplus Anticipated	D-3	$ 1,758,313	$ 1,338,000
Rents	D-3	4,752,355	1,981,177
Other Credits to Income			
Non-Budget Revenue	D-3	8,309	43,558
Cancelled Prior Year Accounts Payable	D-1	-	8,000
Unexpended Balance of Appropriation Reserves	D-22	368,317	126,902
		6,887,294	3,497,637
Expenditures			
Operating	D-4	1,326,705	2,172,860
Debt Service	D-4	2,010,963	1,903,096
Deferred Charges and Statutory Expenditures	D-4	751,319	149,000
		4,088,987	4,224,956
Excess (Deficit) of Revenues Over Expenditures		2,798,307	(727,319)
Adjustments to Income before Fund Balance:			
Realized from General Budget for Anticipated Deficit		199,006	
Expenditures Included Above which by Statute are Required to be Raised in Succeeding Year's Budget		-	727,319
Statutory Excess to Fund Balance		2,997,313	-
Fund Balance, January 1	D	2,485,632	3,823,632
		5,482,945	3,823,632
Decreased by Utilization as Anticipated Revenue	D-3	1,758,313	1,338,000
Fund Balance, December 31	D	$ 3,724,632	$ 2,485,632

Accompanying Notes are an Integral Part of these Financial Statements

EXHIBIT D-2

CITY OF GARFIELD
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE
REGULATORY BASIS - WATER UTILITY CAPITAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	Reference	2023	2022
Balance, January 1	D	$ 41,442	$ 91,095
Increased by:			
Cancelled Improvement Authorization Balance	D-14		180
Premium on Sale of Bonds and Notes	D-5	21,064	32,564
		62,506	123,839
Decreased by:			
Appropriated for Improvement Authorization	D-14		55,000
Cancelled Loan Receivable	D-8	-	27,397
Balance, December 31	D	$ 62,506	$ 41,442

EXHIBIT D-3

STATEMENT OF REVENUES - REGULATORY BASIS
WATER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Reference	Anticipated	Realized	Excess (Deficit)
Surplus Anticipated	D-1	$ 1,758,313	$ 1,758,313	
Rents	D-1,D-16	1,975,000	4,501,186	$ 2,526,186
Interest on Investments		40,000	83,514	43,514
Reserve to Pay Debt		167,655	167,655	-
Deficit (General Budget)		199,006	199,006	-
		$ 4,139,974	$ 6,709,674	$ 2,569,700
Non-Budget	D-1		8,309	
			$ 6,717,983	

Accompanying Notes are an Integral Part of these Financial Statements

CITY OF GARFIELD
STATEMENT OF EXPENDITURES - REGULATORY BASIS
WATER UTILITY OPERATING FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

	Appropriation		Expended		
	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
Operating					
Salaries and Wages	$ 280,000	$ 220,000	$ 211,388	$ 8,612	
Other Expenses	921,705	1,061,705	1,039,975	21,730	
Employee Group Insurance	100,000	20,000	16,986	3,014	
Capital Improvements Fund	25,000	25,000	25,000	-	
Debt Service					
Bond Principal	365,000	365,000	360,000		$ 5,000
Payment of Bond Anticipation Notes	1,050,850	1,050,850	1,050,850		-
Interest on Bonds	76,000	76,000	75,890		110
Interest on Notes	170,000	170,000	124,158		45,842
2004 EIT Loan	400,100	400,100	400,065		35
Deferred Charges					
Deficit in Operations	727,319	727,319	727,319	-	
Statutory Expenditures					
Social Security System (O.A.S.I.)	24,000	24,000	20,750	3,250	
Surplus (General Budget)	-	-	-	-	-
	$ 4,139,974	$ 4,139,974	$ 4,052,381	$ 36,606	$ 50,987

	Reference	
Cash Disbursed	D-5	$ 2,834,329
Encumbrances Payable	D-21	273,759
Deferred Charges	D-7	727,319
Accrued Interest on Bonds, Notes and Loans	D-16	216,974
		$ 4,052,381

CITY OF GARFIELD
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL FIXED ASSETS ACCOUNT GROUP
AS OF DECEMBER 31, 2023 AND 2022

	Reference	2023	2022
ASSETS			
Land		$ 20,973,979	$ 20,973,979
Buildings and Building Improvements		20,142,074	20,142,074
Machinery and Equipment		18,230,043	17,384,794
Total Assets	E	$ 59,346,096	$ 58,500,847
LIABILITIES AND RESERVES			
Investment in General Fixed Assets	E	$ 59,346,096	$ 58,500,847

Accompanying Notes are an Integral Part of these Financial Statements

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Garfield (the "City") was incorporated in 1917 and operates under a council-manager form of government. The City is governed by a five-member council, who are elected at-large in nonpartisan elections to serve four year terms on a concurrent basis. Upon each election, the Council selects one of its members to serve as Mayor and another to serve as Deputy Mayor A City Manager is appointed by the Mayor and Council and is responsible for the implementation of the policies of the governing body, for the administration of all City affairs and for the day to day operations of 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, volunteer fire department, volunteer ambulance squad, or redevelopment agency, which are 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 Garfield 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.

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.

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.

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.

Length of Service Award Program Fund (LOSAP) – This fund is established to account for the tax-deferred income benefits to active volunteer members of emergency service organizations of the City.

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.

Water Utility Fund - This fund is used to account for the revenues and expenditures for the operation of the City's water utility and the assets and liabilities relative to such activities. Acquisition or improvement of capital facilities and other capital assets for the water utility is accounted for in the capital section of the fund.

General Fixed Assets Account Group - This account group is used to account for all general fixed assets of the City, other than those accounted for in the water utility fund. 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

Reclassifications - Certain reclassifications have been made to the December 31, 2022 balances to conform to the December 31, 2023 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.

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 Garfield 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. with the exception of LOSAP Trust Fund investments which are reported at fair value and are limited by N.J.A.C. 5:30-14.19. 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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 June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the 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 11th 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.

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).

Utility Revenues/Receivables - Utility charges are levied quarterly based upon a flat service charge and if applicable, an excess consumption or usage charge. Revenues from these sources are recognized on a cash basis. Receivables that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the City's Water Utility Operating Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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.

Deferred Charges – Certain expenditures 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.

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.

Operating Deficits – Deficits resulting from expenditures and other debits which exceed cash revenues, other realized revenues and credits to income in such fiscal year are recorded as deferred charges on the balance sheet of the respective operating fund at year end and are required to be funded in the succeeding year's budget. GAAP does not permit the deferral of operating deficits at year end.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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 it's 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 it's 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 Garfield 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.

General Fixed Assets purchased after December 31, 2008 are stated as cost. Donated fixed assets are recorded at acquisition value at the date of donation.

General Fixed Assets purchased prior to December 31, 2008 are stated as follows:

Land and Buildings	Assessed Value
Machinery and Equipment	Replacement 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.

Accounting for utility fund "fixed capital" remains unchanged under NJAC 5:30-5.6.

Property and equipment purchased by the water utility fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Fund represents charges to operations for the costs of acquisitions of property, equipment and improvements. The utility does not record depreciation on 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 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
General Capital Fund
Water Utility 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.

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.

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 2023 and 2021 the City Council increased the original current fund budget by $3,736,340 and $2,048,208. The increase for 2023 and 2022 was funded by additional aid allotted to the City. In addition, the governing body 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 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.

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, 2023 and 2022, the book value of the City's deposits were $23,735,020 and $24,017,187 and bank and brokerage firm balances of the City's deposits amounted to $24,372,604 and $25,796,686, respectively. The City's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

	Bank Balance	
Depository Account	2023	2022
Insured	$ 20,874,265	$ 22,361,047
Uninsured and Collateralized	3,498,339	3,435,639
	$ 24,372,604	$ 25,796,686

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, 2023 and 2022, the City's bank balances of $3,498,339 and $3,435,639 were exposed to custodial credit risk.

Depository Account	2023	2022
Uninsured and Collateralized		
Collateral held by pledging financial institution's trust department not in the Borough's name	$ 3,498,339	$ 3,435,639

NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)

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 Local Government Services in the Department of Community Affairs 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). In addition, the City is permitted to invest LOSAP Funds with the types of eligible investments authorized in NJAC 5:30-14.19. LOSAP investments include interest bearing accounts or securities, in which savings banks of New Jersey are authorized to invest their funds, New Jersey Cash Management Fund, fixed and variable individual or group annuity contracts, mutual fund shares or fixed and variable life insurance contracts.

As of December 31, 2023 and 2022 the City had the following investments:

	Valuation Basis	2023	2022
Investment:			
Lincoln Financial LOSAP Retirement Fund (Unaudited)	Fair Value	$ 1,197,222	$ 1,020,591

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, 2023 and 2022, $1,197,222 and $1,020,591 of the City's investments was exposed to custodial credit risk as follows:

	Fair Value (LOSAP) 2023	2022
Uninsured and Collateralized:		
Collateral held by pledging financial institution's trust department but not in the City's name (Unaudited)	$ 1,197,222	$ 1,020,591

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 N.J.A.C. 5:30-14.19). The City does not have an investment policy that would further limit its investment choices. As of December 31, 2023 and 2022, the City's investment in Lincoln Financial Group was rated A1 by Moody's Investor Services.

NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)

B. Investments (Continued)

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 Lincoln Financial Group. These investments are 100% of the City's total investments.

Fair Value of Investments. The City of Garfield 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 Lincoln Financial Group. Since the value is not obtained from a quoted price in an active market the investments held by the City at December 31, 2023 and 2022 are categorized as Level 2.

NOTE 4 TAXES AND UTILITY CHARGES AND FEES RECEIVABLE

Receivables at December 31, 2023 consisted of the following:

	Current	Water Utility	Total
2023			
Property Taxes	$ 953,981		$ 953,981
Tax Title Liens	555,272		555,272
Utility Rents	-	$ 659,442	659,442
	$ 1,509,253	$ 659,442	$ 2,168,695

In 2023, the City collected $1,241,454 and $1,123,826 from delinquent taxes and utility charges and fees, which represented 73% and 100% of the delinquent tax and water charges receivable at December 31, 2022.

Receivables at December 31, 2022 consisted of the following:

	Current	Water Utility	Total
2022			
Property Taxes	$ 1,029,195		$ 1,029,195
Tax Title Liens	663,666		663,666
Utility Rents	-	$ 1,123,826	1,123,826
	$ 1,692,861	$ 1,123,826	$ 2,816,687

In 2022, the City collected $993,906 and $546,700 from delinquent taxes and utility charges and fees, which represented 58% and 100% of the delinquent tax and water charges receivable at December 31, 2021.

NOTE 5 DUE TO/FROM OTHER FUNDS

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

	2023		2022	
	Due from Other Funds	Due to Other Funds	Due from Other Funds	Due to Other Funds
Current Fund	$ 6,867	$ 199,006	$ 336,094	$ 764,495
Trust Funds:				
Animal Control		6,867		
Other Trust			264,495	
General Capital Fund				336,094
Water Utility Fund:				
Operating	199,006		500,000	
Capital	-	-	-	-
Total	$ 205,873	$ 205,873	$ 1,100,589	$ 1,100,589

The above balances are the result of expenditures being paid by one fund on behalf of another.

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

NOTE 6 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Under the regulatory basis of accounting, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges are reported on the balance sheets of the following funds:

	Balance December 31,	Subsequent Year Budget Appropriation	Balance to Succeeding Budgets
2023			
Current Fund			
Special Emergency Authorization	$ 375,000	$ 125,000	$ 250,000
2022			
Current Fund			
Special Emergency Authorization	$ 500,000	$ 125,000	$ 375,000
Water Utility			
Operating Deficit	$ 727,319	$ 727,319	$ -

NOTE 7 FUND BALANCES APPROPRIATED

Under the regulatory basis of accounting, fund balances in the Current Fund and Utility Operating 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:

	2023		2022	
	Fund Balance December 31,	Utilized in Subsequent Year's Budget	Fund Balance December 31,	Utilized in Subsequent Year's Budget
Current Fund				
Cash Surplus	$ 4,452,519	$ 4,260,000	$ 6,961,157	$ 4,949,006
Non-Cash Surplus	3,135,306	-	1,158,887	-
	$ 7,587,825	$ 4,260,000	$ 8,120,044	$ 4,949,006
Water Utility Operating Fund				
Cash Surplus	$ 3,724,632	$ 1,499,850	$ 1,758,313	$ 1,758,313
Non-Cash Surplus	-	-	727,319	-
	$ 3,724,632	$ 1,499,850	$ 2,485,632	$ 1,758,313

NOTE 8 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, 2023 and 2022.

	Balance, December 31, 2022	Increases	Decreases	Balance, December 31, 2023
2023				
Land	$ 20,973,979			$ 20,973,979
Buildings and Building Improvements	20,142,074			20,142,074
Machinery and Equipment	17,384,794	$ 845,249	$ -	18,230,043
	$ 58,500,847	$ 845,249	$ -	$ 59,346,096

	Balance, December 31, 2021	Increases	Decreases	Balance, December 31, 2022
2022				
Land	$ 20,827,354	$ 146,625		$ 20,973,979
Buildings and Building Improvements	20,068,416	73,658		20,142,074
Machinery and Equipment	16,604,109	780,685	$ -	17,384,794
	$ 57,499,879	$ 1,000,968	$ -	$ 58,500,847

NOTE 8 FIXED ASSETS (Continued)

B. Water Utility Fund Fixed Assets (Continued)

The following is a summary of changes in the utility fund fixed assets for the years ended December 31, 2023 and 2022.

Water Utility Fund	Balance, December 31, 2022	Increases	Decreases	Balance, December 31, 2023
2023				
Fixed Capital				
System and System Improvements	$ 15,093,135	$ 3,033,037		$ 18,126,172
Building and Building Improvements	240,648			240,648
Vehicles and Equipment	224,899			224,899
Replacement of Pumping Station and Water Storage Tanks	6,730,000	-	-	6,730,000
	$ 22,288,682	$ 3,033,037	$ -	$ 25,321,719

Water Utility Fund	Balance, December 31, 2021	Increases	Decreases	Balance, December 31, 2022
2022				
Fixed Capital				
System and System Improvements	$ 14,513,135	$ 580,000		$ 15,093,135
Building and Building Improvements	240,648			240,648
Vehicles and Equipment	224,899			224,899
Replacement of Pumping Station and Water Storage Tanks	6,730,000	-	-	6,730,000
	$ 21,708,682	$ 580,000	$ -	$ 22,288,682

NOTE 9 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 both general capital and utility 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:

	2023	2022
Issued		
General		
Bonds, Notes and Loans	$ 40,460,231	$ 34,183,209
Water Utility		
Bonds, Notes and Loans	5,749,098	6,378,862
	46,209,329	40,562,071
Less Funds Temporarily Held to Pay Bonds and Notes	1,326,331	1,137,256
Net Debt Issued	44,882,998	39,424,815
Authorized But Not Issued		
General		
Bonds and Notes	7,743,277	14,458,929
Water Utility		
Bonds and Notes	2,211,149	2,815,000
Net Bonds and Notes Issued and Authorized But Not Issued	$ 54,837,424	$ 56,698,744

NOTE 9 MUNICIPAL DEBT (Continued)

Statutory Net Debt

The statement of debt condition that follows is in the format of the City's Annual Debt Statement and indicates a statutory net debt of 1.444% and 1.902% at December 31, 2023 and 2022, respectively.

	Gross Debt	Deductions	Net Debt
2023			
General Debt	$ 48,203,508	$ 1,326,331	$ 46,877,177
Utility Debt	7,960,247	7,960,247	-
Total	$ 56,163,755	$ 9,286,578	$ 46,877,177

	Gross Debt	Deductions	Net Debt
2022			
General Debt	$ 48,642,138	$ 969,601	$ 47,672,537
Utility Debt	9,193,862	167,655	9,026,207
Total	$ 57,836,000	$ 1,137,256	$ 56,698,744

Statutory Borrowing Power

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

	2023	2022
3-1/2% of Equalized Valuation Basis (Municipal)	$ 113,318,984	$ 104,285,921
Net Debt	46,877,177	56,698,744
Remaining Borrowing Power	$ 66,441,807	$ 47,587,177

NOTE 9 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:

	2023	2022
$7,287,000, 2013 Bonds, due in annual installments of $530,000 to $540,000 through October 15, 2028, interest at 3.00% to 3.50%	$ 2,677,000	$ 3,207,000
$6,830,000, 2016 Bonds, due in annual installments of $360,000 through August 15, 2036, interest at 2.00% to 2.75%	4,680,000	5,040,000
$5,415,000, 2017 Refunding Bonds, due in annual installments of $905,000 through March 1, 2024, interest at 4.00%	905,000	1,805,000
$9,250,000 2018 Bonds, due in annual installments of $390,000 to $630,000 through August 15, 2038, interest at 3.25%.	7,485,000	7,865,000
$9,860,000 2021 Bonds, due in annual installments of $375,000 to $730,000 through October 15, 2036, interest at 1.00% to 2.00%.	9,120,000	9,495,000
$8,905,000 2023 Bonds, due in annual installments of $185,000 to $370,000 through May 15, 2048, interest at 4.00% to 6.00%.	8,905,000	-
	$ 33,772,000	$ 27,412,000

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

General Intergovernmental Loans Payable

The City has entered into a loan agreements with the State of New Jersey for the financing relating to the 20th Century Field, Passaic River Historic Parks and Emergency Generator Projects. The City levies ad valorem taxes to pay debt service on general intergovernmental loans issued. General intergovernmental loans outstanding at December 31 are as follows:

	2023	2022
$422,500, 2007 Loan due in Semi-annual installments of $11,892 to $13,006 through October 4, 2027, interest at 2.0%	$ 100,513	$ 124,416
$400,000 2018 Loan due in semi-annual installments of $9,136 to $12,314 through February 10, 2038, interest at 2%	311,734	330,097
$39,978 2022 Loan due in semi-annual installments of $843 to $1,231 through February 4, 2042, interest at 2%	38,284	39,978
$88,680 2013 Loan due in annual installments of $8,868 through January 18, 2023, interest at 2%	-	8,868
	$ 450,531	$ 503,359

Utility Bonds

The City pledges revenue from operations to pay debt service on utility bonds issued. The water utility bonds outstanding at December 31 are as follows:

Water Utility

	2023	2022
$3,003,000, 2013 Bonds, due in annual installments of $220,000 to $260,000 through October 15, 2028, interest at 3.00% to 3.50%	$ 1,248,000	$ 1,468,000
$820,000 2015 Refunding Bonds, due in annual installments of $65,000 to $70,000 through July 15, 2026, interest at 2.00% to 3.00%	195,000	265,000
$975,000 2017 Refunding Bonds, due in annual installments of $70,000 to $410,000 through March 1, 2028, interest at 3.00% to 4.00%	600,000	670,000
	$ 2,043,000	$ 2,403,000

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Water Utility Intergovernmental Loans Payable

The City has entered into loan agreements with the State of New Jersey for the financing relating to the rehabilitation of the City's water supply system. The City pledges revenue from operations to pay debt service on utility intergovernmental loans issued. Utility intergovernmental loans outstanding of the water utility at December 31 are as follows:

Water Utility

	2023	2022
$3,075,000, 2004 Environmental Infrastructure Trust Loan due in annual installments of $213,594 through September, 2024, interest at 3.0% to 5.0%	$ 213,594	$ 423,167
$3,050,000, 2004 Environmental Infrastructure Fund Loan due in semi-annual installments of $161,204 through September, 2024, interest free.	161,204	325,545
	$ 374,798	$ 748,712

The City's principal and interest for long-term debt issued and outstanding as of December 31, 2023 is as follows:

Calendar	General Bonds		General Loans		Water Utility Bonds		Water Utility Loans		
Year	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
2024	$ 2,745,000	$ 1,037,251	$ 44,844	$ 8,786	$ 365,000	$ 64,343	$ 374,798	$ 8,544	$ 4,648,566
2025	2,305,000	963,802	45,745	7,886	435,000	52,099			3,809,532
2026	2,335,000	898,446	46,665	6,967	435,000	38,462			3,760,540
2027	2,425,000	829,396	47,603	6,029	405,000	24,655			3,737,683
2028	2,442,000	756,245	22,156	5,203	403,000	11,204			3,639,808
2029-2030	3,855,000	1,306,325	45,657	9,062	-	-			5,216,044
2031-2035	9,935,000	2,238,488	122,418	14,378					12,310,284
2036-2048	7,730,000	1,482,531	75,443	2,900	-	-	-	-	9,290,874
	$ 33,772,000	$ 9,512,484	$ 450,531	$ 61,211	$ 2,043,000	$ 190,763	$ 374,798	$ 8,544	$ 46,413,331

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Changes in Long-Term Municipal Debt

The City's long-term capital debt activity for the years ended December 31, 2023 and 2022 were as follows:

	Balance, December 31, 2022	Additions	Reductions	Balance, December 31, 2023	Due Within One Year
2023					
General Capital Fund					
Bonds Payable	$ 27,412,000	$ 8,905,000	$ 2,545,000	$ 33,772,000	$ 2,745,000
Intergovernmental Loans	503,359	-	52,828	450,531	44,844
General Capital Fund Long-Term Liabilities	$ 27,915,359	$ 8,905,000	$ 2,597,828	$ 34,222,531	$ 2,789,844
Water Utility Capital Fund					
Bonds Payable	$ 2,403,000		$ 360,000	$ 2,043,000	$ 365,000
Intergovernmental Loans	748,712	-	373,914	374,798	374,798
Water Utility Capital Fund Long Term Liabilities	$ 3,151,712	-	$ 733,914	$ 2,417,798	$ 739,798

	Balance, December 31, 2021	Additions	Reductions	Balance, December 31, 2022	Due Within One Year
2022					
General Capital Fund					
Bonds Payable	$ 29,932,000		$ 2,520,000	$ 27,412,000	$ 2,545,000
Intergovernmental Loans	513,683	$ 39,978	50,302	503,359	52,829
General Capital Fund Long-Term Liabilities	$ 30,445,683	$ 39,978	$ 2,570,302	$ 27,915,359	$ 2,597,829
Water Utility Capital Fund					
Bonds Payable	$ 2,753,000		$ 350,000	$ 2,403,000	$ 360,000
Intergovernmental Loans	1,087,572	-	338,860	748,712	373,913
Water Utility Capital Fund Long Term Liabilities	$ 3,840,572	-	$ 688,860	$ 3,151,712	$ 733,913

NOTE 9 MUNICIPAL DEBT (Continued)

B. Short-Term Debt

The City's short-term debt activity for the years ended December 31, 2023 and 2022 was as follows:

Bond Anticipation Notes

	Rate (%)	Maturity Date	Balance, December 31, 2022	Renewed/ Issued	Retired/ Redeemed	Balance, December 31, 2023
2023						
General Capital Fund						
Suppl. - Elevator at Library	4.50%	5/31/2024		$ 216,646		$ 216,646
	3.75%	8/4/2023	$ 216,646		$ 216,646	-
Construction of Passaic River Park & Bikeway Project	4.50%	5/31/2024		1,273,807		1,273,807
	3.75%	8/4/2023	1,893,871		1,893,871	-
Various Improvements to Grand Street	4.50%	5/31/2024		355,262		355,262
	3.75%	8/4/2023	402,631		402,631	-
Replacement of the Synthetic Turf Athletic Field at Lafaso Fielc	3.75%	8/4/2023	192,361		192,361	-
Monroe Street Improvements and Midland Avenue Curb and Sic	4.50%	5/31/2024		532,024		532,024
	3.75%	8/4/2023	592,024		592,024	-
Rehabilitation of Jewell Street Playground	4.50%	5/31/2024		570,740		570,740
	3.75%	8/4/2023	458,620		458,620	-
Improvements to the Library	4.50%	5/31/2024		157,420		157,420
	3.75%	8/4/2023	163,607		163,607	-
Installation of a Special Needs Playground	3.75%	8/4/2023	11,090		11,090	-
Acquisition of the Rights to Rail Line on Monroe Street	4.50%	5/31/2024		100,000		100,000
	3.75%	8/4/2023	100,000		100,000	-
2021 Road Improvement Program	4.50%	5/31/2024		1,280,000		1,280,000
	3.75%	8/4/2023	1,280,000		1,280,000	-
Basketball Court Improvements at Fire House #3	4.50%	5/31/2024		57,000		57,000
	3.75%	8/4/2023	57,000		57,000	-
Various Improvements to Semel Avenue	4.50%	5/31/2024		760,000		760,000
	3.75%	8/4/2023	500,000		500,000	-
2022 Road Improvement Program	4.50%	5/31/2024		934,801		934,801
	3.75%	8/4/2023	400,000	-	400,000	-
Total General Capital Fund			$ 6,267,850	$ 6,237,700	$ 6,267,850	$ 6,237,700
Water Utility Capital Fund						
Improvements to Wells 1, 1A and 2	3.75%	8/4/2023	154,304		$ 154,304	
Various Improvements to Reactivate Well No.8C	3.75%	8/4/2023	229,050		229,050	
Installation and Activation of Well No.2R	3.75%	8/4/2023	238,796		238,796	
Various Well Improvement	4.50%	5/31/2024		604,300		$ 604,300
	3.75%	8/4/2023	900,000		900,000	-
Various Public Improv., New Equip and Vehicle	4.50%	5/31/2024		675,000		675,000
	3.75%	8/4/2023	750,000		750,000	-
Various Public Improvements	4.50%	5/31/2024		522,000		522,000
	3.75%	8/4/2023	580,000		580,000	-
Water Infrastructure Improvements	4.50%	5/31/2024		375,000		375,000
	3.75%	8/4/2023	375,000	-	375,000	-
Installation of Water Treatment Facilities	4.50%	5/31/2024		160,000		160,000
Installation of Water Treatment Facilities - Elmwood Park	4.50%	5/31/2024	-	995,000	-	995,000
Total Water Utility Capital Fund			$ 3,227,150	$ 3,331,300	$ 3,227,150	$ 3,331,300

NOTE 9 MUNICIPAL DEBT (Continued)

B. Short-Term Debt (Continued)

Bond Anticipation Notes (Continued)

	Rate (%)	Maturity Date	Balance, December 31, 2021	Renewed/ Issued	Retired/ Redeemed	Balance, December 31, 2022
2022						
General Capital Fund						
Suppl. - Elevator at Library	3.75%	8/4/2023		$ 216,646		$ 216,646
Construction of Passaic River Park & Bikeway Project	1.00%	8/5/2022	$ 1,988,900		$ 1,988,900	-
	3.75%	8/4/2023	-	1,893,871		1,893,871
Various Improvements to Grand Street	1.00%	8/5/2022	450,000		450,000	-
	3.75%	8/4/2022	-	402,631		402,631
Replacement of the Synthetic Turf Athletic Field at Lafaso	1.00%	8/5/2022	217,888		217,888	-
	3.75%	8/4/2023	-	192,361		192,361
Monroe Street Improvements and Midland Avenue Curb an	1.00%	8/5/2022	624,915		624,915	-
	3.75%	8/4/2023		592,024		592,024
Rehabilitation of Jewell Street Playground	1.00%	8/5/2022	475,000		475,000	-
	3.75%	8/4/2023		458,620		458,620
Improvements to the Library	1.00%	8/5/2022	168,297		168,297	-
	3.75%	8/4/2023		163,607		163,607
Installation of a Special Needs Playground	3.75%	8/4/2023		11,090		11,090
Acquisition of the Rights to Rail Line on Monroe Street	3.75%	8/4/2023		100,000		100,000
2021 Road Improvement Program	3.75%	8/4/2023		1,280,000		1,280,000
Basketball Court Improvements at Fire House #3	3.75%	8/4/2023		57,000		57,000
Various Improvements to Semel Avenue	3.75%	8/4/2023		500,000		500,000
2022 Road Improvement Program	3.75%	8/4/2023	-	400,000	-	400,000
Total General Capital Fund			$ 3,925,000	$ 6,267,850	$ 3,925,000	$ 6,267,850
Water Utility Capital Fund						
Water Utility Improvements	1.00%	8/5/2022	$ 861,974		$ 861,974	
Improvements to Wells 1, 1A and 2	1.00%	8/5/2022	230,886		230,886	
	3.75%	8/4/2023		154,304		$ 154,304
Repair and Replace Water Meters and Acqusition of Fire Hydrants	1.00%	8/5/2022	106,217		106,217	-
Various Improvements to Reactivate Well No.8C	1.00%	8/5/2022	232,025		232,025	-
	3.75%	8/4/2023		229,050		229,050
Installation and Activation of Well No.2R	1.00%	8/5/2022	241,898		241,898	-
	3.75%	8/4/2023		238,796		238,796
Various Well Improvement	1.00%	8/5/2022	900,000		900,000	-
	3.75%	8/4/2023		900,000		900,000
Various Public Improv., New Equip and Vehicle	1.00%	8/5/2022	750,000		750,000	-
	3.75%	8/4/2023		750,000		750,000
Various Public Improvements	1.00%	8/5/2022	580,000		580,000	-
	3.75%	8/4/2023		580,000		580,000
Water Infrastructure Improvements	1.00%	8/5/2022	375,000		375,000	-
	3.75%	8/4/2023	-	375,000	-	375,000
Total Water Utility Capital Fund			$ 4,278,000	$ 3,227,150	$ 4,278,000	$ 3,227,150

NOTE 9 MUNICIPAL DEBT (Continued)

B. Short-Term Debt (Continued)

Bond Anticipation Notes (Continued)

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. The amounts issued for the water utility activities are accounting for in the Water Utility 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 the date of the original notes. In addition any note renewed beyond the third anniversary date of the original note, requires one legally payable installment to be paid.

NOTE 10 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

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

Capital Project	Construction Commitment	Estimated Date of Completion
2023		
HVAC Upgrades	$411,160	2024
Midland Ave. Sidewalks	348,868	2024
Columbus Park Improvements	5,137,783	2024
2022		
Water Meter Replacement	$1,519,021	2023
2022 Road Program	898,478	2023
River Drive Improvements	9,148,909	2023

NOTE 11 OTHER LONG-TERM LIABILITIES

A. Compensated Absences

Under the existing policies and labor agreements of the City, employees are allowed to accumulate (with certain restrictions) unused vacation benefits, personal, sick 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 $3,438,619 and $2,296,010 at December 31, 2023 and 2022, respectively. These amounts which is are considered material to the financial statements, are not reported either as an expenditure or liability.

As of December 31, 2023 and 2022, the City has reserved in the Other Trust Fund $400,982 and $289,569 to fund compensated absences in accordance with NJSA 40A:4-39.

NOTE 11 OTHER LONG-TERM LIABILITIES (Continued)

B. Deferred Pension Obligation

During the year ended December 31, 2009 the City elected to contribute 50% of its normal and accrued liability components of the PFRS and PERS obligations and deferred the remaining 50% in accordance with P.L. 2009, c.19. The deferred amount totaled $868,088 and will be paid back with interest over 15 years beginning in the 2012 year. The City is permitted to payoff the deferred PFRS and PERS pension obligations at any time. It is estimated that the total deferred liability including accrued interest (7.00% effective July 1, 2017) at December 31, 2023 and 2022 is $-0- for PERS and $0 for PFRS.

During the years ended December 31, 2023, 2022 and 2021 the City was required to contribute for the deferred pension obligation the following amounts which equaled the required contribution for each year.

Years Ended December 31,	PERS	PFRS
2023	$ -	$ 269,794
2022	124,959	109,911
2021	27,611	107,890

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.

The City's changes in other long-term liabilities for the years ended December 31, 2023 and 2022 were as follows:

	Balance, December 31, 2022	Additions	Reductions	Balance, December 31, 2023	Due Within One Year
2023					
Compensated Absences	$ 2,296,010	$ 1,142,609		$ 3,438,619	
Deferred Pension Obligation	269,794		269,794	-	
Net Pension Liability - PERS (1)	9,912,168		-	9,912,168	
Net Pension Liability - PFRS (1)	23,370,037	-	-	23,370,037	-
Other Long-Term Liabilities	$ 35,848,009	$ 1,142,609	$ 269,794	$ 36,720,824	$ -

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

NOTE 11 OTHER LONG-TERM LIABILITIES (Continued)

Changes in Other Long-Term Liabilities

	Balance, December 31, 2021	Additions	Reductions	Balance, December 31, 2022	Due Within One Year
2022					
Compensated Absences	$ 2,854,769		$ 558,759	$ 2,296,010	
Deferred Pension Obligation	420,259		150,465	269,794	$ 269,794
Net Pension Liability - PERS	7,552,380	$ 2,359,788		9,912,168	
Net Pension Liability - PFRS	14,524,065	8,845,972	-	23,370,037	-
Other Long-Term Liabilities	$ 25,351,473	$ 11,205,760	$ 709,224	$ 35,848,009	$ 269,794

NOTE 12 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.

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.

The following represents the membership tiers for PFRS:

Tier	Definition
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.

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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.

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to 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.

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.

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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.

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. 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/treasury/doinvest.

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2023 was not available and for June 30, 2022 is $13.5 billion, and the plan fiduciary net position as a percentage of the total pension liability is 68.33% at June 30, 2022. The collective net pension liability of the participating employers for local PFRS at June 30, 2023 was not available and for June 30, 2022 is $15.2 billion and the plan fiduciary net position as a percentage of total pension liability is 62.91% at June 30, 2022.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2021 which were rolled forward to June 30, 2022.

Actuarial Methods and Assumptions

In the July 1, 2021 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 2023 and 2022 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, 2023 and 2022 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 2023, 2022 and 2021 were equal to the required contributions.

During the years ended December 31, 2023, 2022 and 2021, 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:

Year Ended December 31	PFRS	PERS
2023	$ 2,782,780	$ 794,941
2022	2,436,737	875,214
2021	2,205,444	744,298

NOTE 12 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, 2023 for the measurement date of June 30, 2023 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, 2023 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, 2022 and 2021. Employer allocation percentages have been rounded for presentation purposes.

Public Employees Retirement System (PERS)

At December 31, 2022, the City reported a liability of $9,912,168 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. 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, 2022, the City's proportionate share was .06568 percent, which was an increase of .00193 percent from its proportionate share measured as of June 30, 2021 of .06375 percent.

For the year ended December 31, 2022, the pension system has determined the City's pension benefit to be $639,526 for PERS based on the actuarial valuations which is less than the actual contributions reported in the City's financial statements of $794,941. At December 31, 2022, 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:

	2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 71,541	$ 63,089
Changes of Assumptions	30,711	1,484,244
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	410,256	
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	471,886	649,785
Total	$ 984,394	$ 2,197,118

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS) (Continued)

At December 31, 2022 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 December 31,	Total
2023	$ (856,091)
2024	(549,980)
2025	(296,328)
2026	488,443
2027	1,232
Thereafter	-
	$ (1,212,724)

Actuarial Assumptions

The City's total pension liability reported for the year ended December 31, 2022 was based on the June 30, 2022 measurement date as determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2022
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%

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.

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

NOTE 12 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, 2022) 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, 2022, as reported for the year ended December 31, 2022, are summarized in the following table:

	2022	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Risk Mitigation Strategies	3.00%	4.91%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Investment Grade Credit	7.00%	3.38%
US Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
High Yield	4.00%	4.95%
Real Assets	3.00%	7.60%
Private Credit	8.00%	8.10%
Real Estate	8.00%	11.19%
Private Equity	13.00%	11.80%

Discount Rate

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

NOTE 12 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, 2022 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:

2022	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's Proportionate Share of the PERS Net Pension Liability	$ 12,734,232	$ 9,912,168	$ 7,510,478

The sensitivity analysis was based on the proportionate share of the City's net pension liability at December 31, 2022. 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.

Police and Firemen's Retirement System (PFRS)

At December 31, 2022, the City reported a liability of $23,370,037, for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. 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, 2022, the City's proportionate share was 0.20417 percent, which was an increase of 0.00546 percent from its proportionate share measured as of June 30, 2021 of 0.19871 percent.

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

For the year ended December 31, 2022, the pension system has determined the City pension benefit to be $454,749 for PFRS based on the actuarial valuations which is less than the actual contributions reported in the City's financial statements of $2,782,780. At December 31, 2022, 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:

	2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 1,057,790	$ 1,431,732
Changes of Assumptions	64,048	2,941,826
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,140,009	
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	748,472	747,113
Total	$ 4,010,319	$ 5,120,671

At December 31, 2022 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:

Year Ending December 31,	Total
2023	$ (1,260,687)
2024	(821,378)
2025	(740,252)
2026	1,569,941
2027	107,507
Thereafter	34,517
	$ (1,110,352)

NOTE 12 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, 2022 was based on the June 30, 2022 measurement date as determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2022
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%

Mortality Rates

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

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

NOTE 12 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, 2022) 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, 2022, as reported for the year ended December 31, 2022, are summarized in the following table:

	2022	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Risk Mitigation Strategies	3.00%	4.91%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Investment Grade Credit	7.00%	3.38%
US Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
High Yield	4.00%	4.95%
Real Assets	3.00%	7.60%
Private Credit	8.00%	8.10%
Real Estate	8.00%	11.19%
Private Equity	13.00%	11.80%

Discount Rate

The discount rate used to measure the total pension liability for PFRS was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers 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.

NOTE 12 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, 2022 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:

2022	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's Proportionate Share of the PFRS Net Pension Liability	$ 32,066,215	$ 23,370,037	$ 16,130,427

The sensitivity analysis was based on the proportionate share of the City's net pension liability at December 31, 2022. 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, 2022, the State's proportionate share of the net pension liability attributable to the City for the PFRS special funding situation is $4,159,181. For the year ended December 31, 2022, 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 $479,860, which is less than the actual contributions the State made on behalf of the City of $517,798. At December 31, 2022 (measurement date June 30, 2022) the State's share of the PFRS net pension liability attributable to the City was 0.20417 percent, which was an increase of 0.00546 percent from its proportionate share measured as of December 31, 2020 (measurement date June 30, 2021) of 0.19871 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.

NOTE 13 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.

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 75 financial information from the State's Division of Pensions and Benefits to be reported for the year ended December 31, 2022 for the measurement date of June 30, 2022 was not available as of the date of audit. Accordingly, the State's Division of Local Government Services issued Local Finance Notice 2023-10 which authorizes and permits New Jersey municipalities to present the most recent available audited GASB 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 75 financial information for the year ended December 31, 2022 is not presented in the notes to the financial statements.

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 of 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.

The non-employer special funding allocation percentages presented as the State's proportion share was based on eligible plan members subject to the special fund situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

At December 31, 2022, the State's proportionate share of the net OPEB liability attributable to the City for the OPEB special funding situation is $12,313,190. For the year ended December 31, 2022 the plan has determined the State's proportionate share of the OPEB expense attributable to the City for the OPEB special funding situation is $(2,019,622). At December 31, 2022, (measurement date June 30, 2022), the State's share of the OPEB liability attributable to the City was 0.32847 percent, which was a decrease of 0.04694 percent from its proportionate share measured as of December 31, 2021 (measurement date June 30, 2021) of 0.37541 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.

NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)

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.

The City provides a post employment healthcare plan for its eligible retirees and their dependents.

Plan Description

The plan is a single-employer defined benefit healthcare plan administered by the City. In accordance with City ordinances, contracts and/or policies, the City provides health and prescription benefits to retirees who meet the eligibility requirements of their respective contracts.

GASB 75 – Other Post-Employment Benefits

The City of Garfield has elected to omit the required disclosure regarding the unfunded liability related to other Post-Employment Medical Benefits. The City has not completed an actuarial calculation to determine its OPEB Liability at December 31, 2023 and 2022 in accordance with GASB Statement No. 75.

NOTE 14 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 commercial insurance coverage to guard against these events to minimize the exposure to the City should they occur.

The City of Garfield is a member of the South Bergen Municipal Joint Insurance Fund (SBJIF) and Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance funds are both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The Funds are risk-sharing public entity pools. The SBJIF and MEL coverage amounts are on file with the City.

The relationship between the City and respective insurance funds 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 funds, to report claims on a timely basis, to cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which the municipality was a member.

The funds provide 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 funds can be obtained by contacting the respective 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.

NOTE 14 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:

Year Ended December 31	Employee Contributions	City Contributions	Amount Reimbursed	Ending Balance
2023	$ 6,514	$ 55,000	$ 21,022	$ 162,373
2022	-	35,000	-	121,881
2021	20,219	25,000	-	29,068

NOTE 15 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, 2023 and 2022. 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, 2023 and 2022, the City reserved $509,484 and $474,484, 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, 2023 and 2022, 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 16 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, 2023 and 2022, the City has not estimated its estimated arbitrage earnings due to the IRS, if any.

NOTE 17 LENGTH OF SERVICE AWARD PROGRAM (LOSAP)-UNAUDITED

The City of Garfield Length of Service Award Program (the Plan) was created by a City ordinance adopted in 2002 pursuant to 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the City of Garfield approved the adoption of the Plan at the general election held on November 5, 2002.

NOTE 17 LENGTH OF SERVICE AWARD PROGRAM (LOSAP)-UNAUDITED (Continued)

The first year of eligibility for entrance into the Plan was calendar year 2003. The tax deferred income benefits for emergency services volunteers, consisting of the Volunteer Fire Department, come from contributions made solely by the City on behalf of those volunteers who meet the criteria of a plan created by the governing body.

If an active member meets the year of active service requirement, a LOSAP must provide a benefit between the minimum contribution of $100 and a maximum contribution of $1,150 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f). The Division of Local Government Services issues the permitted maximum increase annually.

The City of Garfield has contributed $1,150 for both 2023 and 2022, respectively, for each eligible volunteer fire department member into the Plan. The total City contributions were $38,440 and $50,840 for 2023 and 2022 respectively.

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

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

Vesting and Benefits

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

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

Reporting Requirements

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

NOTE 18 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC

The World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus. On March 13, 2020, the President of the United States declared a national emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. Governor Phil Murphy, of the State of New Jersey, also declared a public health emergency on March 9, 2020 and instituted mandatory measures via various executive orders to contain the spread of the virus, including closing schools and nonessential businesses and limiting social gatherings. These measures, which altered the behaviors of businesses and people, had negative impacts on regional, state and local economies. The Governor, pursuant to various executive orders, then implemented a multi-stage approach to restarting New Jersey's economy. The declaration of the state of emergency and of a public health emergency was terminated by the Governor, by executive order, on June 4, 2021. Also, on June 4, 2021, the Governor signed into law Assembly Bill No. 5820 which terminates most of the Governor's pandemic-related executive orders on July 4, 2021. The remaining executive orders (dealing with coronavirus testing and vaccinations, moratoriums on evictions and utility shutoffs and various other matters) terminated on January 1, 2022. On January 11, 2022, the Governor reinstated, via Executive Order No. 280, the state of emergency and declared a new public health emergency in response to a surge in cases tied to new variants of COVID-19, in particular the Omicron variant. Such public health emergency was set to expire 30 days from January 11, 2022, but was later extended, via Executive Order No. 288, for an additional 30 days on February 10, 2022. On March 4, 2022, the Governor declared, via Executive Order No. 292, an end to the reinstated public health emergency, effective March 7, 2022. In the event of substantial increases in COVID-19 hospitalizations, spot positivity or rates of transmission, the Governor is empowered to impose more restrictive measures than currently in place.

NOTE 18 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC (Continued)

In order to provide additional means for local governmental units to address the financial impact of the COVID-19 outbreak, the Governor signed into law P.L. 2020 c. 74 ("Chapter 74") on August 31, 2020. Chapter 74, which took effect immediately, adds two new purposes to the list of special emergency appropriations which may be raised by municipalities or counties over a five year period (either through the issuance of special emergency notes or raised internally without borrowing): (1) direct COVID-19 response expenses; and (2) deficits in prior year's operations attributable to COVID-19 (the beginning of the five year repayment schedule is delayed by one year for these new purposes). Upon approval by the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, in cases of significant fiscal distress, the five year period may be extended to up to ten years. In addition, the statute permits school districts and public authorities to issue debt with a maximum five year maturity schedule for direct COVID-19 expenses. Chapter 74 provides for State supervision of all local government unit borrowings. The statute also grants the Director the authority to modify municipal budgeting rules concerning anticipated revenues in order to lessen the impact of revenue reductions due to COVID-19.

The City of Garfield's finances and operations may be materially and adversely affected as a result of the continued spread of COVID-19 through reduced or delayed revenue streams, which include the collection of property taxes, which are the City of Garfield's primary revenue source for supporting its budget. The City of Garfield cannot predict costs associated with a potential infectious disease outbreak like COVID-19 such as operational costs to clean, sanitize and maintain its facilities, or costs to operate remotely and support City functions and critical government actions during an outbreak or any resulting impact such costs could have on the operations of the City. However, as of the date of audit, even though the City finances and operations had certain reduced revenue streams due to the COVID-19 outbreak, the overall finances and operations of the City have not been materially and adversely affected due to the COVID-19 outbreak.

The degree of any such impact on the operations and finances of the City cannot be predicted due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the City and its economy. The City is monitoring the situation and will take such proactive measures as may be required to maintain its functionality and meet its obligations.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by President Biden on March 11, 2021, comprises $1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic.

The Plan includes various forms of financial relief including up to a $1,400 increase in direct stimulus payment to individuals and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes $350 billion in relief funds to public entities, such as the City.

Generally, according to the Plan and implementing regulations, the allowable use of the funds to be provided to the City include the following categories:

- Replacing lost public sector revenue;
- Investing in water, sewer, broadband and other infrastructure;
- Providing premium pay for essential workers;
- Supporting public health expenditures;
- Addressing COVID-19 related negative economic impacts; and
- Addressing the disproportionate public health and economic impacts of the crisis on the hardest-hit communities, populations, and households.

NOTE 18 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC (Continued)

However, such funds may not be used to directly or indirectly offset a reduction in net tax revenue resulting from a change in law, regulation or administrative interpretation during the covered period reducing or delaying any tax or tax increase. Additionally, such funds may not be used for deposit in any pension fund. Such funds may be used to offset the amounts required to be raised in budgets for special emergency appropriations for COVID-19 deficits authorized by Chapter 74 discussed above. The City will be required to provide periodic reports detailing the accounting of the use of funds.

The City will receive $3,328,670 from the Plan in two equal payments. The City has received the full amount of its relief funds under the plan as of December 31, 2022. The City utilized $2,053,826 of the funds for Water Utility Capital Improvements and $864,335 in the 2022 budget to replace lost public sector revenue. The City utilized $410,509 for lost public sector revenue in the 2023 budget. The deadline to obligate the funds is December 31, 2024 and to spend them is December 31, 2026.

CURRENT FUND

CITY OF GARFIELD
STATEMENT OF CASH - COLLECTOR/TREASURER

Balance, December 31, 2022		$ 12,931,046
Increased by Receipts:		
Taxes Receivable	$ 70,471,590	
Miscellaneous Revenue Not Anticipated	517,603	
Due from State of NJ - Senior Citizens' and Veterans' Deductions	60,343	
Grants Receivable	1,821,184	
Prepaid Taxes	640,036	
Revenue Accounts Receivable	10,843,436	
Receipts from General Capital	370,115	
Miscellaneous Reserves	304,955	
Tax Title Leins	231,309	
Due to State of New Jersey - Marriage License Fees	3,325	
		85,263,896
		98,194,942
Decreased by Disbursements:		
2023 Budget Appropriations	40,371,416	
2022 Appropriation Reserves	1,174,127	
Encumbrances Payable	385,888	
Appropriated Reserves for Federal and State Grants	1,580,363	
County Taxes	7,917,786	
Local School Taxes	34,171,982	
Tax Overpayments Refunded	42,716	
Due to State of New Jersey Uniform Construction Code Fees Marriage License Fees	1,675	
Payments to Other Trust Fund	264,495	
Payments to Water Operating	500,000	
Payments to Water Capital	171,888	
Miscellaneous Reserves	3,400	
		86,585,736
Balance, December 31, 2023		$ 11,609,206

EXHIBIT A-5

CITY OF GARFIELD
STATEMENT OF CHANGE FUNDS

Balance, December 31, 2022	$ 100
Balance, December 31, 2023	$ 100

EXHIBIT A-6

STATEMENT OF AMOUNT DUE TO STATE OF NEW JERSEY - SENIOR CITIZENS' AND VETERANS' DEDUCTIONS

Balance, December 31, 2022		$ 29,552
Increased by:		
Cash Receipts from State of New Jersey	$ 60,343	
Senior Citizen's and Veteran's Deductions Disallowed by Tax Collector Prior Year	2,173	
		62,516
		92,068
Decreased by:		
Senior Citizen's and Veteran's Deductions Allowed per Tax Collector		
Current Year	750	
Prior Year	5,998	
Senior Citizen's and Veteran's Deductions per Tax Duplicate	63,500	
		70,248
Balance, December 31, 2023		$ 21,820

EXHIBIT A-7

CITY OF GARFIELD
STATEMENT OF GRANTS RECEIVABLE

	Balance, December 31, 2022	Revenue Realized	Cash Receipts	Cancelled	Balance, December 31, 2023
Municipal Alliance on Alcoholism and Drug Abuse	$ 6,809		$ 2,637	$ 4,172	$ -
Click It or Ticket	-	7,000	7,000		-
Recycling Tonnage	-	43,974	43,974		-
Clean Communities		55,940	55,940		-
Distracted Driving		10,500	10,500		-
COPS in School	82,780		41,390		41,390
Body Worn Cameras	119,768		119,768		-
Alcohol Education and Rehabilitation	-	1,687	1,687		-
Other ARP Grants	22,326		22,326		-
NPP Year 2	12,500		12,500		-
CDBG Seniors	268,789		198,201	70,588	-
Community Energy Plan Grant	10,000		10,000		-
ROID Grant	11,715	36,000	31,715		16,000
Summer Food	-	142,782	142,782		-
Body Armor	-	4,723	4,723		-
UCF Trees	49,200		49,200		-
LRIG	75,000		75,000		-
LRIG Splash Park		71,000			71,000
National Opioids Settlement		20,951	20,951		-
NJDOT Midland Ave Sidewalks		252,441			252,441
NJDOT Harrison Ave		675,000			675,000
CDBG Rec Bld Façade		198,500			198,500
CDBG HVAC Rec		475,000			475,000
CDBG HVAC Firehouse		220,000			220,000
Recreation Child Care		330,000	330,000		-
Child Care		24,771	24,771		-
PCB Monsanto		17,414	17,414		-
Primex Plastics		500	500		-
AAA Highway Safety		1,120	1,120		-
OSHE		6,000	6,000		-
COPS Hiring 2020		375,000	375,000		-
Stormwater Management		15,000	15,000		-
Bergen - River Dr		810,975			810,975
National Fitness Campaign		30,000	30,000		-
BCOS 2019		170,000	170,000		-
Spotted Lantern Fly	-	1,085	1,085	-	-
	$ 658,887	$ 3,997,363	$ 1,821,184	$ 74,760	$ 2,760,306

CITY OF GARFIELD
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance, December 31, 2022	2023 Levy	Added Taxes	Senior Citizens' and Veterans' Deductions Disallowed	Collected In 2022	Collected In 2023	Senior Citizens' and Veterans' Deductions Allowed	Transfer to Tax Title Liens	Cancelled	Balance, December 31, 2023
2019	$ 2,744									$ 2,744
2020	3,703									3,703
2021	10,730					$ 7,523				3,207
2022	1,012,018	$ -	$ -	$ 2,173	$ -	996,654	$ 5,998	-	$ 8,198	3,341
	1,029,195	-	-	2,173	-	1,004,177	5,998	-	8,198	12,995
2023	-	$ 71,043,821	$ 137,665	-	$ 552,613	69,467,413	64,250	$ 122,915	33,309	940,986
	$ 1,029,195	$ 71,043,821	$ 137,665	$ 2,173	$ 552,613	$ 70,471,590	$ 70,248	$ 122,915	$ 41,507	$ 953,981

Analysis of 2023 Tax Levy

Tax Yield			
General Purpose Tax		$ 71,043,821	
Added Taxes (54:4-63.1 et seq.)		137,665	
			$ 71,181,486
Tax Levy			
Local District School Tax (Abstract)		$ 34,171,982	
County Tax	$ 7,558,982		
County Open Space Tax	330,938		
County Share of Added Taxes	15,349		
		7,905,269	
Local Tax for Municipal Purposes	27,883,520		
Minimum Library Tax	1,091,658		
Add: Additional Tax Levied	129,057		
		29,104,235	
			$ 71,181,486

EXHIBIT A-9

CITY OF GARFIELD
STATEMENT OF TAX TITLE LIENS

Balance, December 31, 2022	$ 663,666
Increased by:	
Transferred from Taxes Receivable	122,915
	786,581
Decreased By:	
Tax Title Liens Redeemed	231,309
Balance, December 31, 2023	$ 555,272

EXHIBIT A-10

STATEMENT OF PROPERTY ACQUIRED FOR TAXES (AT ASSESSED VALUATION)

Balance, December 31, 2022	$ 436,870
Balance, December 31, 2023	$ 436,870

CITY OF GARFIELD
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE

	Balance, December 31, 2022	Accrued 2023	Collected	Balance, December 31, 2023
City Clerk				
Licenses				
Alcoholic Beverage		$ 53,780	$ 53,780	
Other		19,970	19,970	
Fees and Permits		13,855	13,855	
Board of Health				
Fees and Permits		68,421	68,421	
Tax Collector				
Fees and Permits		2,814	2,814	
Recreation				
Fees and Permits		322,700	322,700	
Police				
Fees and Permits		31,711	31,711	
Zoning Board of Adjustment				
Fees and Permits		11,942	11,942	
Public Works				
Fees and Permits		65,450	65,450	
Municipal Court - Fines and Costs	$ 88,502	1,138,974	1,150,719	$ 76,757
Uniform Construction Code Fees		572,304	572,304	
Parking Enforcement Fees		835,915	835,915	
Interest and Costs on Taxes		230,168	230,168	
Interest on Investments		718,671	718,671	
Energy Receipts Tax		2,699,515	2,699,515	
Sewer Charges	223,940	1,291,558	1,369,262	146,236
Host Community Fees - Transfer Station		486,393	486,393	
Uniform Fire Safety Fees		63,678	63,678	
Fire Prevention Fees		185,576	185,576	
Cannabis Revenue		100,000	100,000	
Township of Saddle Brook - Tax Collection		15,000	15,000	
Township of Wood Ridge - Tax Collection		85,750	85,750	
Bergen County - Snow Services		1,500	1,500	
Garfield Board of Education - Gas		59,407	59,407	
Housing Authority - PILOT	-	178,955	178,955	-
Reserve for Payment of Debt		805,326	805,326	
Reserve for Police Off Duty Admin Fees		228,675	228,675	
Anticipated Surplus - General Capital	-	500,000	500,000	-
	$ 312,442	$ 10,788,008	$ 10,877,457	$ 222,993
			Cash Receipts	$ 10,843,436
			Due from General Capital	34,021
				$ 10,877,457

CITY OF GARFIELD
STATEMENT OF 2022 APPROPRIATION RESERVES

	Balance, December 31, 2022	Encumbrances Restored	Balance After Modifications	Paid or Charged	Balance Lapsed
General Government					
General Administration					
Salaries & Wages	$ 6,180	$ 4,165	$ 5,345	$ 2,818	$ 2,527
Other Expenses	17,277	4,250	21,527	5,100	16,427
Mayor and Council					
Salaries & Wages	1,665	-	1,665		1,665
Municipal Clerk's Office					
Salaries & Wages	4,756	-	756		756
Other Expenses	5,356	8,125	13,481	2,263	11,218
Elections					
Other Expenses	844	-	844		844
Financial Administration					
Salaries & Wages	12,252	-	252		252
Other Expenses	730	-	730	100	631
Annual Audit	-	13,519	13,519	1,500	12,019
ADP Services	7,000	7,030	14,030	5,896	8,134
Tax Assessment Administration					
Salaries & Wages	-	-	-	-	-
Other Expenses	1,625	5	1,630	7	1,623
Revenue Administration					
Salaries & Wages	722	-	722	-	722
Other Expenses	4,638	150	4,788	191	4,597
Legal Services & Costs					
Salaries & Wages	6,213	3,613	9,826	6,810	3,016
Other Expenses	3,481	3,000	6,481	262	6,219
Tax Court Appeal Counsel	3,094	6,475	9,569	9,569	-
Engineering Services & Costs					
Salaries & Wages			-		-
Other Expenses	13,200	12,943	26,143	11,754	14,389
Public Buildings & Grounds					
Salaries & Wages	-		-	-	-
Other Expenses	8,702	14,676	23,378	13,250	10,128
Municipal Land Use Law (NJSA 40:55D-1)					
Planning Board					
Salaries & Wages	1,162		1,162	-	1,162
Other Expenses	3,929	4,910	8,839	6,629	2,210
Zoning Board					
Salaries & Wages	1,691	-	1,691	-	1,691
Other Expenses	1,591	1,200	2,791	2,655	136

CITY OF GARFIELD
STATEMENT OF 2022 APPROPRIATION RESERVES

	Balance, December 31, 2022	Encumbrances Restored	Balance After Modifications	Paid or Charged	Balance Lapsed
General Government (Continued)					
Insurance					
General Liability	$ 20,743	$ 340,106	$ 360,849	$ 340,065	$ 20,785
Employee Group	26,462	5,697	32,159	18,650	13,509
Heath Benefit Waiver	6,120	-	6,120	-	6,120
Public Safety					
Fire - Other Expenses	7,276	211,747	219,023	218,055	968
Aid to Ambulance Corps	5,000	105,000	110,000	-	110,000
Police					
Salaries & Wages	39,743		19,743	-	19,743
Other Expenses	13,007	108,479	121,486	105,943	15,543
Pension Pursuant to R.S. 43:12	4,000		4,000		4,000
Purchase of Vehicles	7,605	27,656	35,261	27,189	8,072
Traffic Division	2,728	13	2,741	566	2,175
Uniform Fire Inspection					
Salaries & Wages	2,113	-	2,113	-	2,113
Other Expenses	2,045	-	2,045	1,617	428
Streets & Roads					
Road Repairs and Maintenance					
Salaries & Wages	2,180		2,180	90	2,090
Other Expenses	12,673	68,145	80,818	10,050	70,767
Snow Removal	-	19,977	19,977	1,650	18,327
Recycling	114	-	114	-	114
Emergency Management Services					
Salaries & Wages	-	-	-		-
Other Expenses	2,292	3,872	6,164	5,396	767
Health & Welfare					
Board of Health					
Salaries & Wages	1,956	-	1,956	-	1,956
Other Expenses	8,212	1,738	9,950	9,950	(0)
Health Officer					
Other Expenses	580	13,121	13,701	13,121	580
Recreation Department					
Salaries & Wages	3,373		3,373		3,373
Other Expenses	522	15,506	25,028	16,663	8,365
Historical Society					
Other Expenses	1,000		1,000		1,000
Celebration of Public Events					
Anniversary & Holiday					
Other Expenses	6,527		6,527	200	6,327
Housing Inspection					
Salaries & Wages	5,335	-	5,335	-	5,335
Other Expenses	1,514	215	1,729	-	1,729

CITY OF GARFIELD
STATEMENT OF 2022 APPROPRIATION RESERVES

	Balance, December 31, 2022	Encumbrances Restored	Balance After Modifications	Paid or Charged	Balance Lapsed
Garbage & Trash Removal					
Other Expenses	$ 2,796	$ 242,543	$ 245,339	$ 156,494	$ 88,845
Animal Control					
Other Expenses	26,830		26,830	23,170	3,660
Contribution of Redevelopment Agency	435		435		435
Utilities					
Electricity	49,008		61,008	54,225	6,783
Telephone	8,480	3,846	12,326	-	12,326
Street Lighting	49,367		67,367	60,727	6,640
Communications	30,603	21,016	51,619	8,331	43,288
Gasoline	5,496	24,407	29,903	21,359	8,543
Passaic Valley Sewer Commission	703	-	703	-	703
Maintenance of Free Public Library	-		-		-
LOSAP	16,700		16,700	16,120	580
State Uniform Construction Code					
Building Inspections					
Salaries & Wages	1,568	-	1,568	-	1,568
Other Expenses	2,995	7,713	10,708	9,088	1,620
Capital Improvement - Special Needs Playground			-		-
Social Security System (O.A.S.I.)	2,018		2,018	-	2,018
State Unemployment Insurance Fund	-		-	-	-
Pension Adjustment Fund	2,000		2,000	10	1,990
Police and Fireman's Retirement System	-		-	-	-
Public Employees Retirement System	201		201	-	201
Deferred Charges - Emergency Approp			-		-
Municipal Court					
Salaries & Wages	3,641	-	3,641		3,641
Other Expenses	494	6,258	8,752	2,047	6,705
Public Defender					
Salaries & Wages	479		479	-	479
Prosecutor					
Salaries & Wages	2,875	-	2,875	-	2,875
Total General Appropriations	$ 495,917	$ 1,311,114	$ 1,807,031	$ 1,189,581	$ 617,450

Cash Disbursements	$ 1,174,127
Encumbrances Payable	15,454
	$ 1,189,581

EXHIBIT A-13

CITY OF GARFIELD
STATEMENT OF ENCUMBRANCES PAYABLE

Balance, December 31, 2022		$ 1,697,002
Increased by:		
Charged to 2022 Budget Reserves	$ 15,454	
Charged to 2023 Budget Appropriations	1,195,230	
Charges to 2023 Appropriated Grants	1,894,605	
		3,105,289
		4,802,291
Decreased by:		
Cash Disbursements	385,888	
Restored to Appropriation Reserves	1,311,114	
		1,697,002
Balance, December 31, 2023		$ 3,105,289

EXHIBIT A-14

STATEMENT OF ACCOUNTS PAYABLE

Balance, December 31, 2022	$ 18,802
Decreased by:	
Cancelled	18,802
Balance, December 31, 2023	$ -

EXHIBIT A-15

STATEMENT OF PREPAID TAXES

Balance, December 31, 2022	$ 552,613
Increased by:	
Collection of 2024 Taxes	640,036
	1,192,649
Decreased by:	
Applied to 2023 Taxes Receivable	552,613
Balance, December 31, 2023	$ 640,036

EXHIBIT A-16

CITY OF GARFIELD
STATEMENT OF LOCAL SCHOOL TAXES PAYABLE

Increased by:	
2023 Levy	$ 34,171,982
Decreased by:	
Cash Disbursements	$ 34,171,982

EXHIBIT A-17

STATEMENT OF COUNTY TAXES PAYABLE

Balance, December 31, 2022		$ 12,517
Increased by:		
2023 Levy		
General County	$ 7,558,982	
County Open Space	330,938	
Added and Omitted County Taxes	15,349	
		7,905,269
		7,917,786
Decreased by:		
Cash Disbursements		7,917,786
Balance, December 31, 2023		$ -

EXHIBIT A-18

CITY OF GARFIELD
STATEMENT OF TAX OVERPAYMENTS

Balance, December 31, 2022	$ 42,716
Decreased by:	
Overpayments Refunded	42,716
Balance, December 31, 2023	$ -

EXHIBIT A-19

STATEMENT OF DUE TO STATE OF NEW JERSEY - MARRIAGE LICENSES PAYABLE

Balance, December 31, 2022	$ 25
Increased by:	
Cash Receipts	3,325
	3,350
Decreased by:	
Cash Disbursements	1,675
Balance, December 31, 2023	$ 1,675

EXHIBIT A-20

CITY OF GARFIELD
STATEMENT OF RESERVE FOR TAX APPEALS PENDING

Balance, December 31, 2022	$ 474,484
Increase by:	
Budget Appropriation	35,000
Balance, December 31, 2023	$ 509,484

EXHIBIT A-21

STATEMENT OF MISCELLANEOUS RESERVES

	Balance, December 31, 2022	Increase	Cash Disbursements	Realized as Budgeted Revenue	Balance, December 31, 2023
Revaluation	$ 14,715				$ 14,715
LOSAP	8,754	$ 20,000	$ 1,900		26,854
Municipal Relief State Aid	139,850	279,642		$ 139,850	279,642
Sale of Assets	43,013	5,313	1,500	43,013	3,813
Tax Maps	-	128,000	-	-	128,000
	$ 206,332	$ 432,955	$ 3,400	$ 182,863	$ 453,024
Cash Receipts		$ 304,955			
Budget		128,000			
		$ 432,955			

EXHIBIT A-22

STATEMENT OF UNAPPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS/AID

	Balance, December 31, 2022	Realized as Budgeted Revenue	Balance, December 31, 2023
Opioid Settlement - Unapprop Portion	$ 12,397	$ 12,397	$ -
Body Armor Replacement Program	3,991	3,991	-
	$ 16,388	$ 16,388	$ -

EXHIBIT A-23

CITY OF GARFIELD
STATEMENT OF APPROPRIATED RESERVES
FOR FEDERAL AND STATE GRANTS

	Balance, December 31, 2022	Transfer from Budget Appropriations	Cash Disbursements	Adjustments	Balance, December 31, 2023
Alcohol Education and Rehabilitation	$ 57,382	$ 1,687			$ 59,069
Clean Communities	48,518	55,940	$ 7,526	$ 51,853	45,079
Historical Society	325		325		-
Spotted Lanternfly Grant		1,085	1,085		-
Body Armor Replacement Fund	747	8,714	8,600	747	114
BCUA Recycling Grant	44,593		44,593		-
Recycling Tonnage Grant	61,058	43,974	105,032		-
Click It or Ticket		7,000	7,000		-
Hepatitis B Inoculation Fund	1,083		-	1,083	-
Public Health Priority Funding	7,792		7,792		-
DDEF	40,990		1,987		39,003
COPS in School	45,780		45,780		-
COPS Hiring Grant		375,000	375,000		-
Child Care	-	24,771	24,771		-
Sustainable Jersey	601			601	-
Rec Youth Soccer Grant	17,000		17,000		-
Recreation Child Care		120,000	120,000		-
Division of Family Development		210,000	210,000		-
National Fitness Campaign		30,000	30,000		-
Mid Bergen Regional COVID Health Grant	3,417		3,417		-
BCOS 2019 Grant		170,000	170,000		-
Community Energy Plan	10,000		10,000		-
Distracted Driving	10,500	10,500	10,500	10,500	-
Municipal Alliance	11,508		1,968	9,540	-
ROID Grant	11,715	36,000	44,733		2,982
CDBG Senior	317,000		246,412	70,588	-
CDBG Vaccination Support	17,968			17,968	-
CDBG Rec Bld Façade		198,500			198,500
CDBG HVAC (Rec and Firehouse)		695,000	411,160		283,840
DOT Midland Ave Sidewalks		252,441	252,441		-
DOT Harrison		675,000	90,253		584,747
County River Drive		810,975	810,975		-
AAA Highway Safety		1,120	1,120		-
OSHE		6,000	6,000		-
Stormwater Management DEP		15,000			15,000
Summer Food	109,380	142,782	53,025		199,137
National Opioid Settlement	20,327	33,348	12,628		41,047
LRIG - Splash Park		71,000			71,000
LRIG	2,090		2,090		-
PCB Monsanto		17,414	17,414		-
Primex Plastics		500			500
Board of Education Beautification Grant	373		373		-
AARP Health Grant	4,006			4,006	-
Body Worn Cameras	83,680		69,202	14,478	-
Berrie Grant	3,645		3,645		-
NPP Year 2	125,000		12,500	112,500	-
ARP - Recreation Family Development	192,159			192,159	-
American Rescue Plan	410,509	-	410,509	-	-
	$ 1,659,146	$ 4,013,751	$ 3,646,856	$ 486,023	$ 1,540,018

ARPA Due to Water Capital	$ 171,888
Cash Disbursed:	1,580,363
Encumbered:	1,894,605
	$ 3,646,856

Grant Received:	$ 74,760
PY Reimbursement:	411,263
	$ 486,023

EXHIBIT A-24

CITY OF GARFIELD
STATEMENT OF DEFERRED CHARGES

Description	Balance, December 31, 2022	Decreases	Balance, December 31, 2023
Special Emergency Authorization - COVID Revenue Shortfalls	$ 500,000	$ 125,000	$ 375,000
	500,000	125,000	375,000
	Budget Appropriation	$ 125,000	

TRUST FUND

EXHIBIT B-1

CITY OF GARFIELD
STATEMENT OF CASH - COLLECTOR/TREASURER

	Animal Control Fund		Other Trust Fund	
Balance, December 31, 2022		$ 14,324		$ 3,294,922
Increased by Receipts:				
Escrow Deposits			$ 178,199	
Current Fund Budget Appropriation - Unemployment			55,000	
Animal License Fees	$ 8,190			
State Fees - Animal Licenses	1,077			
Statutory Excess - Animal Control	6,867			
Receipts from Current Fund			264,495	
Payroll Deductions			12,595,234	
Contributions - Unemployment			6,514	
Miscellaneous Reserves	-		2,897,231	
		16,134		15,996,673
		30,458		19,291,595
Decreased by:				
Escrow Deposits			113,045	
Employee Benefits Paid - Unemployment Claims			99,673	
Due to State of New Jersey	1,071			
Animal Control Fund Expenditures	9,509			
Payroll Deductions Payable			12,645,404	
Miscellaneous Reserves	-		3,109,964	
		10,580		15,968,086
Balance, December 31, 2023		$ 19,878		$ 3,323,509

EXHIBIT B-2

CITY OF GARFIELD
STATEMENT OF DUE TO STATE OF NEW JERSEY
ANIMAL CONTROL FUND

Balance, December 31, 2022		$ 5
Increased by:		
State Fees Collected		1,077
		1,082
Decreased by:		
Payments Made to State of New Jersey		1,071
Balance, December 31, 2023		$ 11

EXHIBIT B-3

STATEMENT OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

Balance, December 31, 2022		$ 14,319
Increased by:		
Animal License Fees Collected		8,190
		22,509
Decreased by:		
Cash Disbursements	2,642	
Statutory Excess	6,867	
		9,509
Balance, December 31, 2023		$ 13,000

Licenses Collected		
2022	$	6,520
2021		6,480
	$	13,000

EXHIBIT B-4

CITY OF GARFIELD
STATEMENT OF RESERVE FOR UNEMPLOYMENT COMPENSATION INSURANCE

Balance (Deficit), December 31, 2022		$ 121,881
Increased by:		
Other Contributions	$ 6,514	
Current Fund Budget Appropriation	55,000	
		61,514
		183,395
Decreased by:		
Unemployment Claims Due to State of New Jersey		21,022
Balance, December 31, 2023		$ 162,373

EXHIBIT B-5

STATEMENT OF RESERVE FOR ESCROW DEPOSITS
OTHER TRUST FUND

Balance, December 31, 2022	$ 242,551
Increased by:	
Cash Receipts	178,199
	420,750
Decreased by:	
Cash Disbursements	113,045
Balance, December 31, 2023	$ 307,705

CITY OF GARFIELD
STATEMENT OF MISCELLANEOUS RESERVES
OTHER TRUST FUND

	Balance, December 31, 2022	Cash Receipts	Cash Disbursements	Balance, December 31, 2023
Performance Bonds	$ 107,500	$ 2,500	$ 2,500	$ 107,500
Police Car Trust - DDEF	7,646		7,646	-
Fire Prevention Fees	26,122	10,089	9,850	26,361
Police Overtime	11,100	705,380	716,480	-
Summer Food Program	75,548	213,487	268,612	20,423
Uncollected Redemptions	-	113,841	113,841	-
Park Benches	2,764	5,749	8,513	-
Police Outside Vehicles	59,581	239,012	34,293	264,300
Municipal Court POAA	95,929	10,207	9,130	97,006
Public Defender	38,036	3,530	7,487	34,079
Building Department	31,342	6,250		37,592
Affordable Housing	150,065	9,456	18,875	140,646
Community Policing	8,435	15,770	10,364	13,841
OEM	45,099		13,871	31,228
Dedicated Penalty Trust	32,336	19,401	9,807	41,930
Multiple Housing Inspections	111,229		18,249	92,980
Relocation Housing Fee	30,273			30,273
Tax Sale Premium	523,600	256,800	380,600	399,800
Recycling		1,571		1,571
Animal Rescue	311	1,000		1,311
Street Bond	35,000	15,000	25,000	25,000
Police Ice Trust	132,700		31,839	100,861
Civic Event Donations	2,950	9,190	9,690	2,450
Insurance	355,104			355,104
JIF Reimbursements		7,816		7,816
Storm Recovery	251,831	129,646		381,477
Wall of Mayors	2,771			2,771
ICE Funds	118,748			118,748
Parking Enforcement Fund	404,618	539,093	942,281	1,430
Terminal Leave	289,575	582,443	471,036	400,982
	$ 2,950,213	$ 2,897,231	$ 3,109,964	$ 2,737,480

Cash Receipts	$ 2,897,231	
Due from Current Fund	-	
	$ 2,897,231	
Cash Disbursements		$ 3,109,964

EXHIBIT B-7

CITY OF GARFIELD
STATEMENT OF DUE FROM CURRENT FUND
OTHER TRUST FUND

Balance, December 31, 2022 - Due From	$ 264,495
Decreased by:	
Interest Earned	
Receipts from Current Fund	264,495
Balance, December 31, 2023	$ -

EXHIBIT B-8

STATEMENT OF DUE TO CURRENT FUND
ANIMAL CONTROL TRUST FUND

Increased by:	
Statutory Excess	$ 6,867
Balance, December 31, 2023	$ 6,867

EXHIBIT B-9

CITY OF GARFIELD
STATEMENT OF PAYROLL DEDUCTIONS AND RESERVES
OTHER TRUST FUND

Balance, December 31, 2022		$ 166,121
Increased by:		
Cash Receipts		12,595,234
		12,761,355
Decreased by:		
Cash Disbursements		12,645,404
Balance, December 31, 2023		$ 115,951
	Analysis of Balance:	
	Payroll Deductions Payable	$ 111,678
	Accrued Salaries and Wages	4,273
		$ 115,951

EXHIBIT B-10

STATEMENT OF DUE TO STATE OF NEW JERSEY
UNEMPLOYMENT COMPENSATION FUND

Balance, December 31, 2022	$ 78,651
Increased by:	
Unemployment Claims Due to State of New Jersey	21,022
	99,673
Decreased by:	
Payments to State of New Jersey	99,673
Balance, December 31, 2023	$ -

GENERAL CAPITAL FUND

CITY OF GARFIELD
STATEMENT OF GENERAL CAPITAL CASH - TREASURER

Balance, December 31, 2022		$ 3,420,353
Increased by Receipts:		
Interest Earned on Investments	$ 34,021	
Bond Anticipation Notes	923,301	
Premium on Bonds	279,961	
Grant Proceeds	3,950,090	
Bond Proceeds	8,905,000	
Reserve for Future Capital Improvements	100,000	
Reserve for Payment of Debt	265,462	
Current Fund Budget Appropriation:		
Capital Improvement Fund	400,000	
		14,857,835
		18,278,188
Decreased by Disbursements:		
Improvement Authorizations	4,093,393	
Contracts Payable	8,304,030	
Bond Anticipation Notes	203,451	
Payment to Current Fund	370,115	
Current Fund Anticipated Revenue		
General Capital Fund Balance	500,000	
Reserve for Payment of Debt	805,326	
Reserve for Future Capital Improvements	37,874	
		14,314,189
Balance, December 31, 2023		$ 3,963,999

CITY OF GARFIELD
ANALYSIS OF CAPITAL CASH

		Balance, December 31, 2023
Grants Receivable		$ (8,482,252)
Contracts Payable		11,571,274
Capital Improvement Fund		602,312
Reserve for Payment of Debt		237,376
Reserve for Future Improvements		280,108
Reserve for Grants Receivable		3,905,446
Fund Balance		648,768
Excess Note Proceeds		1,088,955
Improvement Authorizations		
Ord. No.		
2463	Tax Appeal Funding	39,694
2664	Kipp Ave Sewer Pump Station	(183,522)
2712/2717	2015 Road Improvement Program	(231,225)
2730	Passaic River De-Snagging Project	(52,095)
2738/2850/2885	Neighborhood Revitalization Streetscape and Pedestrian Safety Project (Phase I)	(454,037)
2740	School Pedestrian Safety Improvements at Various Locations (Phase II)	5,523
2754	Construction of Hobart Place Dog Park	(4,671)
2762	Acquisition Phases of the River Drive Roadway and Park Imp Project	1,720
2778/2799	Authorize the Installation of an Elevator at the Garfield Library	(35,000)
2809	Authorize Continuation of Passaic River Park and Bikeway Project	(942,984)
2824	Various Public Improvements and the Acquisition of New Auto Vehicles	147,048
2835	2020 Road Improvement Program	201,827
2844	Various Improvements to Public Buildings and Facilities	77,243
2846	Installation of a Special Needs Playground Area at 20th Century Field	(20,022)
2889	Acquisition of the Rights to Rail Line on Monroe Street	5,753
2908	2021 Road Improvement Program	(148,000)
2915	Improvements to Columbus Park	(1,620,625)
2916	Stormwater Drainage Improvements	(131,408)
2917	Neighborhood Preservation Program Along the Passaic Street Corridor (Phase II)	(27,375)
2925	2022 Road Improvement Program	(17,199)
2926	Acquisition of New Equipment and Various Public Improvements	(639,050)
2958	River Drive Improvement Project	(950)
2968	Upgrading of Communications Systems and Equipment	497,442
2974	Semel Ave Drainage Project (Phase I)	63,035
2977	New Pumper Fire Engine	(1,264,636)
2989	Neighborhood Preservation Program Improvements	25,526
3019	Improvements to Parks	(1,180,000)
		$ 3,963,999

CITY OF GARFIELD
STATEMENT OF DUE TO CURRENT FUND

Balance, December 31, 2022		$ 336,094
Increased By:		
Interest on Investments	$ 34,021	
Receipt from Current		
General Capital Fund Expenditures Paid by Current Fund	-	
		34,021
		370,115
Decreased by:		
Payments to Current Fund		370,115
Balance, December 31, 2023		$ -

CITY OF GARFIELD
STATEMENT OF GRANTS RECEIVABLE

	Balance, December 31, 2022	Increased by: 2023 Grant Awards	Decreased by: Cash Receipts	Decreased by: Cancelled	Balance, December 31, 2023
Community Development Block Grants					
Ord. 2777 - Playground Equipment at 20th Century	$ 28,352			$ 28,352	$ -
Ord. 2845 - Monroe St. Improvements	378,811				378,811
Ord. 2974 - Semel Ave Drainage		$ 395,157	$ 395,157		
Ord. 2921 - Semel Ave Drainage (PY)	-	301,678	301,678	-	-
Sub-Total - Community Development Block Grants	407,163	696,835	696,835	28,352	378,811
Department of Transportation					
Ord. 2740 - School Pedestrian Safety Improvements (Phase II)	327,622				327,622
Ord. 2814 - Various Improvements to Grand Street	450,000		230,050	219,950	-
Ord. 2845 - Midland Ave Curbs & Sidewalks	246,104				246,104
Ord. 2958 - River Drive Improvement Project	500,000		371,119		128,881
Ord. 2921 - Various Improvements to Semel Avenue	249,175	-	249,175	-	-
Sub-Total - Department of Transportation	1,772,901	-	850,344	219,950	702,607
County of Bergen					
Ord. 2809 - Passaic River Park and Bikeway	570,000				570,000
Ord. 2958 - River Drive Improvement Project	3,296,050	-	2,000,000	-	1,296,050
Sub-Total - County of Bergen	3,866,050	-	2,000,000	-	1,866,050
County of Bergen - Open Space					
Ord. 2866 - Rehab Jewell Street Playground	195,963	-	195,963	-	-
Ord. 2915 - Improvements to Columbus Park	679,375	-	-	-	679,375
Sub-Total - County of Bergen - Open Space	875,338	-	195,963	-	679,375
Department of Environmental Protection					
Ord. 2809 - Passaic River Park and Bikeway	1,730,000				1,730,000
Ord. 2915 - Improvements to Columbus Park	1,200,000				1,200,000
Ord. 3019 - Columbus Park Improvements	-	1,260,000	-	-	1,260,000
Sub-Total - Department of Environmental Protection	2,930,000	1,260,000	-	-	4,190,000
Green Acres					
Ord. 2809 - Passaic River Park and Bikeway	652,909	-	-	-	652,909
Sub-Total - Green Acres	652,909	-	-	-	652,909
Department of Community Affairs					
Ord. 2869 - Barrier Free Improvements	130,404	-	81,948	48,456	-
Ord. 2917 - Neighborhood Preservation Program	12,500	-	12,500	-	-
Ord. 2989 - Neighborhood Preservation Program	-	125,000	112,500	-	12,500
Sub-Total - Department of Community Affairs	142,904	125,000	206,948	48,456	12,500
	$ 10,647,265	$ 2,081,835	$ 3,950,090	$ 296,758	$ 8,482,252
Analysis of Balance					
Pledged to Reserve	$ 4,841,436	$ 301,678	$ 989,366	$ 248,302	$ 3,905,446
Pledged to Ordinance	5,805,829	1,780,157	2,960,724	48,456	4,576,806
	$ 10,647,265	$ 2,081,835	$ 3,950,090	$ 296,758	$ 8,482,252

EXHIBIT C-6

CITY OF GARFIELD
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Balance, December 31, 2022		$ 27,915,359
Increased by:		
Serial Bonds Issued	$ 8,905,000	
		8,905,000
		$ 36,820,359
Decreased by:		
Current Fund Budget Appropriation		
Serial Bond Principal	$ 2,545,000	
Green Acres Loan Principal	43,960	
DCA Loan Payable	8,868	
		2,597,828
Balance, December 31, 2023		$ 34,222,531

CITY OF GARFIELD
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	Balance, December 31, 2022	2023 Authorizations	Bonds Issued	Notes Paid by Budget Appropriation	Grants	Cancel by Resolution	Balance, December 31, 2023	Bond Anticipation Notes	Analysis of Balance: Expenditures	Analysis of Balance: Unexpended Balance of Improvement Authorizations
2664	Kipp Ave Sewer Pump Station	$ 183,522						$ 183,522		$ 183,522	
2712/2717	2015 Road Improvement Program	231,225						231,225		231,225	
2730	Passaic River De-Snagging Project	350,000					$ 297,905	52,095		52,095	
2738/2850/2885	Neighborhood Revitalization Streetscape and Pedestrian Safety Project (Phase I)	582,473					128,436	454,037		454,037	
2740	School Pedestrian Safety Improvements at Various Locations (Phase II)	327,622						327,622		-	$ 327,622
2754	Construction of Hobart Place Dog Park	4,671						4,671		4,671	
2762	Acquisition Phases of the River Drive Roadway and Park Improvement Project	1,200,000		$ 1,200,000				-		-	
2778/2799	Authorize the Installation of an Elevator at the Garfield Library	251,646						251,646	$ 216,646	35,000	
2809	Continuation of Passaic River Park and Bikeway Project	2,857,880			$ 620,064			2,237,816	1,273,807	942,984	21,025
2814	Various Improvements to Grand Street	402,631			47,369	230,050		125,212	355,262		
2845	Monroe Street Improvements and Midland Avenue Curb and Side Walk Improvements	592,024			60,000			532,024	532,024	-	
2846	Installation of a Special Needs Playground Area at 20th Century Field	20,022						20,022		20,022	
2866/2922	Rehabilitation of Jewell Street Playground	587,120			16,380	195,963	30,625	344,152	570,740		
2869	Improvements to the Library	163,607			6,187		81,464	75,956	157,420		
2889	Acquisition of the Rights to Rail Line on Monroe Street	123,800					23,800	100,000	100,000	-	
2908	2021 Road Improvement Program	1,428,000						1,428,000	1,280,000	148,000	
2909	Basketball Court Improvements at Fire House #3	123,800					66,800	57,000	57,000	-	
2915	Improvements to Columbus Park	1,620,625						1,620,625		1,620,625	
2916	Stormwater Drainage Improvements	190,400				12,500		177,900		131,408	58,992
2917	Neighborhood Preservation Program Along the Passaic Street Corridor (Phase II)	49,400						49,400		27,375	9,525
2921	Various Improvements to Semel Avenue	760,000				550,853		209,147	760,000	-	
2925	2022 Road Improvement Program	952,000						952,000	934,801	17,199	
2926	Acquisition of New Equipment and Various Public Improvements	952,000						952,000		639,050	312,950
2958	River Drive Improvement Project	5,103,950		5,103,000				950		950	
2968	Upgrading of Communications Systems and Equipment	1,476,000		1,476,000				-		-	
2974	Semel Ave Drainage Project (Phase I)		$ 1,356,000	1,356,000				-		-	
2977	New Pumper Fire Engine		1,280,000					1,280,000		1,264,636	15,364
2989	Neighborhood Preservation Program Improvements		45,000					45,000		-	45,000
3019	Improvements to Parks	-	1,180,000	-	-	-	-	1,180,000	-	1,180,000	-
		$ 20,534,418	$ 3,861,000	$ 9,135,000	$ 750,000	$ 989,366	$ 629,030	$ 12,892,022	$ 6,237,700	$ 6,952,799	$ 790,478

Serial Bonds Issued	$ 8,905,000
Premium on Sale of Bonds	230,000
	$ 9,135,000

Excess Note Proceeds:

Ord. 2866	$ 226,588
Ord. 2869	81,464
Ord. 2814	230,050
Ord. 2921	550,853
	$ 1,088,955

Improvement Authorizations Unfunded		$ 821,757
Less: Unexpended Note Proceeds		
Ord. 2889	$ 5,753	
Ord. 2989	25,526	
		31,279
		$ 790,478

EXHIBIT C-8

CITY OF GARFIELD
STATEMENT OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance Date	Ordinance Amount	Balance, December 31, 2022 Funded	Balance, December 31, 2022 Unfunded	2023 Authorizations: Capital Improvement Fund	2023 Authorizations: Grants Receivable	2023 Authorizations: Deferred Charges Unfunded	Cancelled Authorizations	Paid/ Charged	Cancelled Contracts	Balance, December 31, 2023 Funded	Balance, December 31, 2023 Unfunded
2463	Tax Appeal Funding	2006	$ 435,000	$ 41,060						$ 1,366		$ 39,694	
2718	Various Improvements to 20th Century Field	2015	1,400,000	116,426					$ 118,777		$ 2,351	-	
2730	Passaic River De-Snagging Project	2016	430,000		$ 332,623				297,905	34,718			
2738/2850/2885	Neighborhood Revitalization Streetscape and Pedestrian Safety Project (Phase I)	2016	1,450,000		130,129				128,436	1,693			
2739/2766/2801/2851	Demolition of Existing Police Station and Construction of New Police Station	2016	7,225,000	522	-				2,268	522	2,268	-	
2740	School Pedestrian Safety Improvements at Various Locations (Phase II)	2016	575,000	3,773	327,622						1,750	5,523	$ 327,622
2749	Outwater Lane Curb and Sidewalk Replacement Project	2016	610,000	50,000						50,000		-	
2762	Acquisition Phases of the River Drive Roadway and Park Imp Project	2017	1,200,000								1,720	1,720	
2763	2017 Road Improvement Program	2017	1,000,000	47,778						47,778		-	
2777	Authorize the Installation of Playground Equipment at 20th Century	2018	130,000	89,713					89,713	-		-	
2785	Authorize the Tree Planting Program	2018	270,000	19,220	-				18,752	468			-
2787/2798	Authorize the 2018 Comprehensive Infrastructure Improvement Prog	2018	1,490,000	8,312	-					8,312		-	-
2809	Authorize Continuation of Passaic River Park and Bikeway Project	2019	3,500,000		257,175					236,150			21,025
2813/2852	Road Improvement Program and Barrier Free Improvements to City Hall	2019	765,000	8,688						8,688		-	-
2814	Various Improvements to Grand Street	2019	900,000	40,268	-					40,268		-	
2818	Acquisition of New Fire Engine	2019	925,000	10,143	-				10,143	-		-	
2824	Various Public Improvements and the Acquisition of New Auto Vehicles	2019	180,000	281,501	-					134,453		147,048	
2835	2020 Road Improvement Program	2020	1,200,000	4,842	-						196,985	201,827	
2844	Various Improvements to Public Buildings and Facilities	2020	1,000,000	168,602	-					91,359		77,243	
2847	Neighborhood Preservation Program Along the Passaic Street Corridor	2020	160,000	8,938	-					8,938		-	
2866/2922	Rehabilitation of Jewell Street Playground	2021	635,000		66,993				66,993	-			-
2869	Improvements to the Library	2021	300,000	4,822	163,607				129,920	38,509			-
2889	Acquisition of the Rights to Rail Line on Monroe Street	2021	130,000		29,553				23,800	-			5,753
2908	2021 Road Improvement Program	2021	1,500,000		117,287					117,287			-
2909	Basketball Court Improvements at Fire House #3	2021	130,000		68,955				70,505		1,550		-
2915	Improvements to Columbus Park	2022	3,500,000	1,494,925	1,620,625					3,115,550			-
2916	Stormwater Drainage Improvements	2022	200,000		109,050					50,058			58,992
2917	Neighborhood Preservation Program Along the Passaic Street Corridor (Phase II)	2022	170,000		32,216					22,691			9,525
2921	Various Improvements to Semel Avenue	2022	760,000		1,794					1,794			-
2926	Acquisition of New Equipment and Various Public Improvements	2022	1,000,000		507,327					194,377			312,950
2958	River Drive Improvement Project	2022	8,900,000		98,272					98,272			-
2968	Upgrading of Communications Systems and Equipment	2022	1,550,000	74,000	1,476,000					1,052,558		497,442	-
2974	Semel Ave Drainage Project (Phase I)	2023	1,820,000			$ 68,843	$ 395,157	$ 1,356,000		1,756,965		63,035	-
2977	New Pumper Fire Engine	2023	1,345,000			65,000		1,280,000		1,329,636			15,364
2989	Neighborhood Preservation Program Improvements	2023	170,000				125,000	45,000		99,474			70,526
3019	Improvements to Parks - Columbus Park	2023	2,500,000	-	-	60,000	1,260,000	1,180,000	-	2,500,000	-	-	-
				$ 2,473,533	$ 5,339,228	$ 193,843	$ 1,780,157	$ 3,861,000	$ 957,212	$ 11,041,884	$ 206,624	$ 1,033,532	$ 821,757

Cash Disbursements	$ 4,093,393
Contracts Payable	6,948,491
	$ 11,041,884

Grants Receivable	$ 48,456
Deferred Charge - Unfunded	629,030
Fund Balance	279,726
	$ 957,212

CITY OF GARFIELD
STATEMENT OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2023 Date	Amount	Interest Rate	Balance, December 31, 2022	Increased	Decreased	Balance, December 31, 2023
General Improvement Bonds	10/15/2013	7,287,000	2024	$ 530,000	3.00%				
			2025	535,000	3.125%				
			2026	535,000	3.25%				
			2027	540,000	3.50%				
			2028	537,000	3.50%	$ 3,207,000		$ 530,000	$ 2,677,000
General Improvement Bonds	8/15/2016	6,830,000	8/15/2024	360,000	2.00%				
			8/15/2025	360,000	2.00%				
			8/15/2026	360,000	2.00%				
			8/15/2027	360,000	2.00%				
			8/15/2028	360,000	2.00%				
			8/15/2029	360,000	2.00%				
			8/15/2030	360,000	2.00%				
			8/15/2031	360,000	2.25%				
			8/15/2032	360,000	2.25%				
			8/15/2033	360,000	2.375%				
			8/15/2034	360,000	2.50%				
			8/15/2035	360,000	2.50%				
			8/15/2036	360,000	2.75%	5,040,000		360,000	4,680,000

CITY OF GARFIELD
STATEMENT OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2023 Date	Amount	Interest Rate	Balance, December 31, 2022	Increased	Decreased	Balance, December 31, 2023
General Obligation Refunding Bonds	3/1/2017	$ 5,415,000	3/1/2024	$ 905,000	4.00%	$ 1,805,000		$ 900,000	$ 905,000
General Improvement Bonds	8/15/2018	9,250,000	8/15/2024	390,000	3.25%				
			8/15/2025	405,000	3.25%				
			8/15/2026	415,000	3.25%				
			8/15/2027	430,000	3.25%				
			8/15/2028	445,000	3.25%				
			8/15/2029	460,000	3.25%				
			8/15/2030	475,000	3.25%				
			8/15/2031	490,000	3.25%				
			8/15/2032	510,000	3.25%				
			8/15/2033	525,000	3.25%				
			8/15/2034	545,000	3.25%				
			8/15/2035	565,000	3.25%				
			8/15/2036	590,000	3.25%				
			8/15/2037	610,000	3.25%				
			8/15/2038	630,000	3.25%	7,865,000		380,000	7,485,000
General Improvement Bonds	10/15/2021	9,860,000	10/15/2024	375,000	1.00-1.50%				
			10/15/2025-2027	725,000	1.50%				
			10/15/2028-2036	730,000	1.50-2.00%	9,495,000	-	375,000	9,120,000
General Improvement Bonds	11/8/2023	9,135,000	5/15/2024	185,000	6.00%				
			5/15/2025	280,000	6.00%				
			5/15/2026	300,000	6.00%				
			5/15/2027-2048	370,000	4.00-6.00%	-	$ 8,905,000	-	8,905,000
						$ 27,412,000	$ 8,905,000	$ 2,545,000	$ 33,772,000
			Paid by Budget Appropriation					$ 2,545,000	

EXHIBIT C-10

CITY OF GARFIELD
STATEMENT OF GREEN ACRES LOAN PAYABLE

Improvement Description	Date of Issue	Original Issue	Maturities of Loan Outstanding December 31, 2023 Date	Amount	Interest Rate	Balance, December 31, 2022	Increased	Decreased	Balance, December 31, 2023
Passaic River Historic Park	12/31/2007	$ 422,500	4/4/2024	$ 12,131					
			10/4/2024	12,252					
			4/4/2025	12,375					
			10/4/2025	12,499					
			4/4/2026	12,624					
			10/4/2026	12,749					
			4/4/2027	12,877					
			10/4/2027	13,006	2.0%	$ 124,416		$ 23,903	$ 100,513
20th Century Field	5/10/2018	$ 400,000	2/10/2024	$ 9,319					
			8/10/2024	9,412					
			2/10/2025	9,507					
			8/10/2025	9,602					
			2/10/2026	9,698					
			8/10/2026	9,795					
			2/10/2027	9,893					
			8/10/2027	9,992					
			2/10/2028	10,091					
			8/10/2028	10,192					
			2/10/2029	10,294					
			8/10/2029	10,397					
			2/10/2030	10,501					
			8/10/2030	10,606					
			2/10/2031	10,712					
			8/10/2031	10,819					
			2/10/2032	10,928					
			8/10/2032	11,037					
			2/10/2033	11,147					
			8/10/2033	11,259					
			2/10/2034	11,371					
			8/10/2034	11,485					
			2/10/2035	11,600					
			8/10/2035	11,716					
			2/10/2036	11,833					
			8/10/2036	11,951					
			2/10/2037	12,071					
			8/10/2037	12,192					
			2/10/2038	12,314	2.0%	330,097	-	18,363	311,734

EXHIBIT C-10

CITY OF GARFIELD
STATEMENT OF GREEN ACRES LOAN PAYABLE

Improvement Description	Date of Issue	Original Issue	Maturities of Loan Outstanding December 31, 2023 Date	Amount	Interest Rate	Balance, December 31, 2022	Increased	Decreased	Balance, December 31, 2023
20th Century Field	5/16/2022	$ 39,978	2/4/2024	$ 860					
			8/4/2024	868					
			2/4/2025	877					
			8/4/2025	886					
			2/4/2026	895					
			8/4/2026	904					
			2/4/2027	913					
			8/4/2027	922					
			2/4/2028	931					
			8/4/2028	941					
			2/4/2029	950					
			8/4/2029	960					
			2/4/2030	969					
			8/4/2030	979					
			2/4/2031	989					
			8/4/2031	999					
			2/4/2032	1,009					
			8/4/2032	1,019					
			2/4/2033	1,029					
			8/4/2033	1,039					
			2/4/2034	1,050					
			8/4/2034	1,060					
			2/4/2035	1,071					
			8/4/2035	1,081					
			2/4/2036	1,092					
			8/4/2036	1,103					
			2/4/2037	1,114					
			8/4/2037	1,125					
			2/4/2038	1,136					
			8/4/2038	1,148					
			2/4/2039	1,159					
			8/4/2039	1,171					
			2/4/2040	1,183					
			8/4/2040	1,194					
			2/4/2041	1,206					
			8/4/2041	1,218					
			2/4/2042	1,231	2.0%	39,978	-	1,694	38,284
						$ 494,491	-	$ 43,960	$ 450,531
			Paid by Budget Appropriation					$ 43,960	

CITY OF GARFIELD
STATEMENT OF DEPARTMENT OF COMMUNITY AFFAIRS LOAN PAYABLE

Improvement Description	Date of Issue	Original Issue	Maturities of Loan Outstanding December 31, 2023 Date	Maturities of Loan Outstanding December 31, 2023 Amount	Interest Rate	Balance, December 31, 2022	Decreased	Balance, December 31, 2023
Fire Company #2 - Emergency Generators	2013	$ 44,340	1/18/2023	$ 4,434	2.0%	$ 4,434	$ 4,434	$ -
Fire Company #4 - Emergency Generators	2013	44,340	1/18/2023	4,434	2.0%	4,434	4,434	-
						$ 8,868	$ 8,868	$ -
					Paid by Budget Appropriation		$ 8,868	

CITY OF GARFIELD
STATEMENT OF BOND ANTICIPATION NOTES

Ord. No.	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance, December 31, 2022	Increased	Decreased	Balance, December 31, 2023
2778/2799	Authorize the Installation of an Elevator at the Garfield Library	8/5/2022	5/17/2023	5/31/2024	4.50%		$ 216,646		$ 216,646
			8/5/2022	8/4/2023	3.75%	$ 216,646		$ 216,646	
2809	Construction of Passaic River Park & Bikeway Project	8/7/2019	5/17/2023	5/31/2024	4.50%		1,273,807		1,273,807
			8/5/2022	8/4/2023	3.75%	1,893,871		1,893,871	
2814	Various Improvements to Grand Street	8/7/2019	5/17/2023	5/31/2024	4.50%		355,262		355,262
			8/5/2022	8/4/2023	3.75%	402,631		402,631	
2836	Replacement of the Synthetic Turf Athletic Field at Lafaso Field	8/7/2020	8/5/2022	8/4/2023	3.75%	192,361		192,361	-
2845	Monroe Street Improvements and Midland Avenue Curb and Side Walk Impr	8/6/2021	5/17/2023	5/31/2024	4.50%		532,024		532,024
			8/5/2022	8/4/2023	3.75%	592,024		592,024	
2846	Installation of a Special Needs Playground Area at 20th Century Field	8/5/2022	8/5/2022	8/4/2023	3.75%	11,090		11,090	-
2866/2922	Rehabilitation of Jewell Street Playground	8/6/2021	5/17/2023	5/31/2024	4.50%		570,740		570,740
			8/5/2022	8/4/2023	3.75%	458,620		458,620	
2869	Improvements to the Library	8/6/2021	5/17/2023	5/31/2024	4.50%		157,420		157,420
			8/5/2022	8/4/2023	3.75%	163,607		163,607	
2889	Acquisition of the Rights to Rail Line on Monroe Street	8/5/2022	5/17/2023	5/31/2024	4.50%		100,000		100,000
			8/5/2022	8/4/2023	3.75%	100,000		100,000	
2908	2021 Road Improvement Program	8/5/2022	5/17/2023	5/31/2024	4.50%		1,280,000		1,280,000
			8/5/2022	8/4/2023	3.75%	1,280,000		1,280,000	
2909	Basketball Court Improvements at Fire House #3	8/5/2022	5/17/2023	5/31/2024	4.50%		57,000		57,000
			8/5/2022	8/4/2023	3.75%	57,000		57,000	
2921	Various Improvements to Semel Avenue	8/5/2022	5/17/2023	5/31/2024	4.50%		760,000		760,000
			8/5/2022	8/4/2023	3.75%	500,000		500,000	
2925	2022 Road Improvement Program	8/5/2022	5/17/2023	5/31/2024	4.50%		934,801	-	934,801
			8/5/2022	8/4/2023	3.75%	400,000	-	400,000	-
						$ 6,267,850	$ 6,237,700	$ 6,267,850	$ 6,237,700

Renewal	$ 5,314,399	$ 5,314,399
Excess Note Proceeds		203,451
Paid by Budget Appropriation		750,000
Issued for Cash	923,301	-
	$ 6,237,700	$ 6,267,850

EXHIBIT C-13

CITY OF GARFIELD
STATEMENT OF CONTRACTS PAYABLE

Balance, December 31, 2022		$ 13,133,437
Increased by:		
Charges to Improvement Authorizations		6,948,491
		20,081,928
Decreased by:		
Cash Disbursements	$ 8,304,030	
Cancelled to Improvement Authorizations	206,624	
		8,510,654
Balance, December 31, 2023		$ 11,571,274

EXHIBIT C-14

STATEMENT OF CAPITAL IMPROVEMENT FUND

Balance, December 31, 2022	$ 396,155
Increased by:	
2023 Budget Appropriation	400,000
	796,155
Decreased by:	
Appropriated to Finance Improvement Authorizations	193,843
Balance, December 31, 2023	$ 602,312

CITY OF GARFIELD
STATEMENT OF RESERVE FOR PAYMENT OF DEBT

Balance, December 31, 2022	$ 777,240
Increased by:	
Grant Proceeds Received	265,462
	1,042,702
Decreased by:	
Realized as Current Fund Anticipated Revenue	805,326
Balance, December 31, 2023	$ 237,376

CITY OF GARFIELD
STATEMENT OF RESERVE FOR FUTURE IMPROVEMENTS

	DPW	Recreation Building	Firehouse Improvements	City Hall	Sewer	Library	Total
Balance, December 31, 2022	$ 48,083	$ 67,197	$ 76,970	$ -	$ -	$ 25,732	$ 217,982
Increased by:							
2023 Budget	50,000	-	-	30,000	20,000	-	100,000
	98,083	67,197	76,970	30,000	20,000	25,732	317,982
Decreased by:							
Cash Disbursements	-	16,400	7,749	13,725	-	-	37,874
Balance, December 31, 2023	$ 98,083	$ 50,797	$ 69,221	$ 16,275	$ 20,000	$ 25,732	$ 280,108
	x	x	x	x	x	x	

CITY OF GARFIELD
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Improvement Description	Balance, December 31, 2022	2023 Authorizations	Bond Proceeds	Bond Anticipation Notes Issues	Cancelled	Excess Note Proceeds	Balance, December 31, 2023
2664	Kipp Ave Sewer Pump Station	$ 183,522						$ 183,522
2712/2717	2015 Road Improvement Program	231,225						231,225
2730	Passaic River De-Snagging Project	350,000				$ 297,905		52,095
2738/2850/2885	Neighborhood Revitalization Streetscape and Pedestrian Safety Project (Phase I)	582,473				128,436		454,037
2740	School Pedestrian Safety Improvements at Various Locations (Phase II)	327,622						327,622
2754	Construction of Hobart Place Dog Park	4,671						4,671
2762	Acquisition Phases of the River Drive Roadway and Park Improvement Project	1,200,000		$ 1,200,000				-
2778/2799	Authorize the Installation of an Elevator at the Garfield Library	35,000						35,000
2809	Continuation of Passaic River Park and Bikeway Project	964,009						964,009
2846	Installation of a Special Needs Playground Area at 20th Century Field	8,932					$ 11,090	20,022
2866/2922	Rehabilitation of Jewell Street Playground	128,500			$ 128,500			-
2889	Acquisition of the Rights to Rail Line on Monroe Street	23,800				23,800		-
2908	2021 Road Improvement Program	148,000						148,000
2909	Basketball Court Improvements at Fire House #3	66,800				66,800		-
2915	Improvements to Columbus Park	1,620,625						1,620,625
2916	Stormwater Drainage Improvements	190,400						190,400
2917	Neighborhood Preservation Program Along the Passaic Street Corridor (Phase II)	49,400				12,500		36,900
2921	Various Improvements to Semel Avenue	260,000			260,000			-
2925	2022 Road Improvement Program	552,000			534,801			17,199
2926	Acquisition of New Equipment and Various Public Improvements	952,000						952,000
2958	River Drive Improvement Project	5,103,950		5,103,000				950
2968	Upgrading of Communications Systems and Equipment	1,476,000		1,476,000			-	-
2974	Semel Ave Drainage Project (Phase I)		$ 1,356,000	1,356,000				-
2977	New Pumper Fire Engine		1,280,000					1,280,000
2989	Neighborhood Preservation Program Improvements		45,000					45,000
3019	Improvements to Parks	-	1,180,000	-	-	-	-	1,180,000
		$ 14,458,929	$ 3,861,000	$ 9,135,000	$ 923,301	$ 529,441	$ 11,090	$ 7,743,277

WATER UTILITY FUND

CITY OF GARFIELD
WATER UTILITY CASH
STATEMENT OF CASH - COLLECTOR/TREASURER

		Operating		Capital
Balance, December 31, 2022		$ 2,530,296		$ 1,826,146
Increased by Receipts:				
Water Revenue Rents	$ 4,501,186			
Interest on Investments	83,514			
Reserve to Pay Debt - From Water Capital Fund	167,655			
Miscellaneous Revenue Not Anticipated	8,309			
Receipts from Current Fund	500,000		$ 171,888	
Capital Improvement Fund			25,000	
Premium on Bond Anticipation Notes	-		21,064	
Bond Anticipation Notes	-		1,155,000	
		5,260,664		1,372,952
		7,790,960		3,199,098
Decreased by:				
2023 Budget Appropriations	2,834,329			
2022 Appropriation Reserves	321,521			
Improvement Authorizations			181,066	
Accounts Payable	5,040			
Contracts Payable			1,942,160	
Accrued Interest on Bonds, Notes and Loans	209,960			
Payment of Special Emergency Note	500,000			
Payments to Water Utility Operating Fund			167,655	
Reserve for Engineering Fees	-		10,000	
		3,870,850		2,300,881
Balance, December 31, 2023		$ 3,920,110		$ 898,217
Cash		$ 3,920,010		
Change Fund		100		
		$ 3,920,110		

EXHIBIT D-6

CITY OF GARFIELD
WATER UTILITY CAPITAL FUND
ANALYSIS OF CASH

		Balance, December 31, 2023
Fund Balance		$ 62,506
Capital Improvement Fund		33,400
Contracts Payable		1,960,666
Reserve for Infrastructure and Rate Stabilization		30,000
Reserve for Improvements - Lead Line Replacement		220,000
Improvement Authorizations		
Ord. No.		
2563	Improvements to Palisade Avenue Water Line	140,192
2768	Installation and Activation of Well No.2R	97,116
2795	Various Well Improvement	59,863
2815	Various Public Improv., New Equip and Vehicle	354,340
2821	Replacement of Water Meters (Phase 1)	55,732
2868	Water Infrastructure Improvements	78,547
2947	Replacement of Water Meters	(1,642,996)
3000	Replacement of Water Mains	(551,149)
		$ 898,217

CITY OF GARFIELD
STATEMENT OF FIXED CAPITAL
WATER UTILITY CAPITAL FUND

Account	Balance, December 31, 2022	Increased by Transfer from Fixed Capital Authorizations Uncompleted	Balance, December 31, 2023
Fixed Capital Installed as part of the Original Plant	$ 124,080		$ 124,080
Land	116,568		116,568
Springs and Wells	2,488,770		2,488,770
Pumping Stations	663,741		663,741
Electric and Steam Power Equipment	88,917		88,917
Gas and Power Pumping Equipment	256		256
Reservoirs, Tanks and Standpipes	3,005		3,005
Meters, Meter Boxes and Vaults	363,530		363,530
Distribution Mains and Accessories	959,811		959,811
Hydrants and Cisterns	19,126		19,126
Fountain Troughs and Other Equipment	310		310
Chlorinator	1,000		1,000
Engineering and Supervision of Construction	17,859		17,859
Legal	987		987
Miscellaneous Construction Expenses	3,119		3,119
General Structures	13,138		13,138
Franchise	160		160
General Equipment	73,794		73,794
Water Supply and Distribution System	2,544,527		2,544,527
Automotive and Other Equipment	55,018		55,018
Accounting Machine	6,914		6,914
Water Storage Tank	200,000		200,000
Improvement to Water Lines	2,513,707	$ 300,000	2,813,707
Improvement to Water Supply System	5,170,345	2,010,000	7,180,345
Replacement of Pumping Station and Water Storage Tanks	6,700,000		6,700,000
Repair and Replace Water Meters	160,000	723,037	883,037
	$ 22,288,682	$ 3,033,037	$ 25,321,719

CITY OF GARFIELD
STATEMENT OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
WATER UTILITY CAPITAL FUND

Ord. No.	Improvement Description	Ordinance Date	Ordinance Amount	Balance, December 31, 2022	Increased by: Current Year Authorizations	Decreased by: Transfer to Fixed Capital	Balance, December 31, 2023
2563	Improvements of Palisade Ave. Water Line	8/18/2009	$ 400,000	$ 400,000			$ 400,000
2627	Rehabilitation of Water lines at Various Locations	3/20/2012	300,000	300,000		$ 300,000	-
2768	Decommissioning of Well No.2	2017	245,000	245,000			245,000
2795	Various Well Improvement	2018	900,000	900,000			900,000
2815	Various Public Improv., New Equip and Vehicle	6/26/2019	750,000	750,000			750,000
2821/2888/2907	Replacement of Water Meters	9/11/2019	1,200,000	1,760,000			1,760,000
2868	Water Infrastructure Improvements	4/27/2021	375,000	375,000			375,000
2911	Installation of Water Treatment Facilities	12/21/2021	160,000	160,000		160,000	-
2946	Installation of Water Treatment Facilities	7/19/2022	1,850,000	1,850,000		1,850,000	-
2947	Replacement of Water Meters	7/19/2022	1,660,000	1,660,000			1,660,000
3000	Replacement of Water Mains	7/10/2023	723,037	-	$ 723,037	723,037	-
				$ 8,400,000	$ 723,037	$ 3,033,037	$ 6,090,000

Debt Authorized:	$ 551,149
Reserve for Deferred Amortization:	171,888
	$ 723,037

EXHIBIT D-9

CITY OF GARFIELD
STATEMENT OF RESERVE FOR AMORTIZATION
WATER UTILITY CAPITAL FUND

Balance, December 31, 2022		$ 17,038,161
Increased by:		
Principal Paid by Budget Appropriation		
Serial Bonds	$ 360,000	
Bond Anticipation Notes	1,050,850	
Environmental Infrastructure Trust Loan	373,914	
		1,784,764
Balance, December 31, 2023		$ 18,822,925

EXHIBIT D-10

STATEMENT OF RESERVE FOR DEFERRED AMORTIZATION
WATER UTILITY CAPITAL FUND

Balance, December 31, 2022	$ 4,456,659
Increased by:	
Fixed Capital Authorized	171,888
Balance, December 31, 2023	$ 4,628,547

EXHIBIT D-11

STATEMENT OF RESERVE FOR PAYMENT OF DEBT
WATER UTILITY CAPITAL FUND

Balance, December 31, 2022	$ 167,655
Decreased by:	
Anticipated Revenue in 2023 Budget	167,655
Balance, December 31, 2023	$ -

CITY OF GARFIELD
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
WATER UTILITY CAPITAL FUND

Ordinance Number	Improvement Description	Date	Amount	Balance, December 31, 2022 Funded	Balance, December 31, 2022 Unfunded	2023 Authorizations	Paid or Charged	Balance, December 31, 2023 Funded	Balance, December 31, 2023 Unfunded
2518	Supplemental Water Infrastructure	12/11/2007	$ 400,000	$ 13,165			$ 13,165		
2563	Improvements to Palisade Avenue Water Line	8/18/2009	400,000	149,192			9,000	$ 140,192	
2627	Rehabilitation of Water lines at Various Locations	3/20/2012	300,000	10,467			10,467	-	
2768	Decommissioning of Well No.2	9/26/2017	245,000		$ 139,060		41,944		$ 97,116
2795	Various Well Improvement	11/19/2018	900,000		73,778		13,915		59,863
2815	Various Public Improv., New Equip and Vehicle	8/14/2019	925,000		574,190		219,850		354,340
2821/2888/2907	Replacement of Water Meters (Phase 1)	9/11/2019	1,200,000	55,732	-			55,732	-
2868	Water Infrastructure Improvements	4/27/2021	375,000		127,311		48,764		78,547
2911	Installation of Water Treatment Facilities	12/21/2021	160,000	-	25,544		25,544		-
2946	Installation of Water Treatment Facilities - Elmwood Park Well Field	7/19/2022	1,850,000		9,547		9,547		-
2947	Replacement of Water Meters	7/19/2022	1,660,000		17,004				17,004
3000	Replacement of Water Mains	7/10/2023	723,037	-	-	$ 723,037	723,037	-	-
				$ 228,556	$ 966,434	$ 723,037	$ 1,115,233	$ 195,924	$ 606,870

Cash Disbursements	$ 181,066
Contracts Payable	934,167
	$ 1,115,233

American Rescue Plan Grant:	$ 171,888
Deferred Charges - Unfunded:	551,149
	$ 723,037

CITY OF GARFIELD
STATEMENT OF SERIAL BONDS PAYABLE
WATER UTILITY CAPITAL FUND

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2023 Date	Amount	Interest Rate	Balance, December 31, 2022	Decreases	Balance, December 31, 2023
Water Utility Bonds	10/15/2013	3,003,000	2023	$ 220,000	3.000%			
			2024	230,000	3.000%			
			2025	250,000	3.125%			
			2026	250,000	3.250%			
			2027	260,000	3.500%			
			2028	258,000	3.500%	$ 1,468,000	$ 220,000	$ 1,248,000
Water Utility Refunding Bonds	2/25/2015	820,000	2023	70,000	2.250%			
			2024	65,000	2.375%			
			2025	65,000	2.500%			
			2026	65,000	2.625%	265,000	70,000	195,000
Water Utility Refunding Bonds	3/1/2017	975,000	2023-2024	70,000	4.000%			
			2025	120,000	4.000%			
			2028	410,000	3.000%	670,000	70,000	600,000
						$ 2,403,000	$ 360,000	$ 2,043,000
					Paid by Budget Appropriation		$ 360,000	

CITY OF GARFIELD
STATEMENT OF BOND ANTICIPATION NOTES
WATER UTILITY CAPITAL FUND

Ord. No.	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance, December 31, 2022	Increased	Decreased	Balance, December 31, 2023
2655	Improvements to Wells 1, 1A and 2	8/26/2016	8/5/2022	8/4/2023	3.75%	$ 154,304		$ 154,304	
2767	Various Improvements to Reactivate Well No.8C	8/7/2018	8/5/2022	8/4/2023	3.75%	229,050		229,050	
2768	Installation and Activation of Well No.2R	8/7/2018	8/5/2022	8/4/2023	3.75%	238,796		238,796	
2795	Various Well Improvement	8/7/2020	5/17/2023	5/31/2024	4.50%		$ 604,300		$ 604,300
			8/5/2022	8/4/2023	3.75%	900,000		900,000	
2815	Various Public Improv., New Equip and Vehicle	8/7/2020	5/17/2023	5/31/2024	4.50%		675,000		675,000
			8/5/2022	8/4/2023	3.75%	750,000		750,000	
2865	Various Public Improvements	8/6/2021	5/17/2023	5/31/2024	4.50%		522,000		522,000
			8/5/2022	8/4/2023	3.75%	580,000		580,000	
2868	Water Infrastructure Improvements	8/6/2021	5/17/2023	5/31/2024	4.50%		375,000		375,000
			8/5/2022	8/4/2023	3.75%	375,000		375,000	
2911	Installation of Water Treatment Facilities	5/17/2023	5/17/2023	5/31/2024	4.50%		160,000		160,000
2946	Installation of Water Treatment Facilities - Elmwood Park Well Field	5/17/2023	5/17/2023	5/31/2024	4.50%	-	995,000	-	995,000
						$ 3,227,150	$ 3,331,300	$ 3,227,150	$ 3,331,300

Renewals	$ 2,176,300	$ 2,176,300
Issued for Cash	1,155,000	-
Paid by Budget Appropriation	-	1,050,850
	$ 3,331,300	$ 3,227,150

CITY OF GARFIELD
STATEMENT OF ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE
WATER UTILITY CAPITAL FUND

Balance, December 31, 2022	$ 748,712
Decreased by:	
Principal Paid by Budget Appropriation	373,914
Balance, December 31, 2023	$ 374,798

EXHIBIT D-16

CITY OF GARFIELD
STATEMENT OF ACCRUED INTEREST ON BONDS, NOTES AND LOANS
WATER UTILITY OPERATING FUND

Balance, December 31, 2022	$ 75,145
Increased by:	
Budget Appropriation	216,974
	292,119
Decreased by:	
Cash Disbursements	209,960
Balance, December 31, 2023	$ 82,159

EXHIBIT D-17

STATEMENT OF CONSUMER ACCOUNTS RECEIVABLE
WATER UTILITY OPERATING FUND

Balance, December 31, 2022	$ 1,123,826
Increased by:	
Water Rents Levied	4,036,802
	5,160,628
Decreased by:	
Cash Receipts	4,501,186
Balance, December 31, 2023	$ 659,442

EXHIBIT D-18

CITY OF GARFIELD
STATEMENT OF CAPITAL IMPROVEMENT FUND
WATER UTILITY CAPITAL FUND

Balance, December 31, 2022	$ 8,400
Increased by:	
2023 Budget Appropriation	25,000
Balance, December 31, 2023	$ 33,400

EXHIBIT D-19

STATEMENT OF RESERVE FOR PRELIMINARY ENGINEERING FEES
WATER UTILITY CAPITAL FUND

Balance, December 31, 2022	$ 10,000
Decreased by:	
Cash Disbursements	10,000
Balance, December 31, 2023	$ -

EXHIBIT D-20

CITY OF GARFIELD
STATEMENT OF 2022 APPROPRIATION RESERVES
WATER UTILITY OPERATING FUND

	Balance, December 31, 2022	Balance After Modification	Expended	Balance Lapsed
Operating				
Salaries and Wages	$ 52,738	$ 52,738		$ 52,738
Other Expenses	281,757	631,178	$ 321,521	309,657
Statutory Expenditures				
Social Security	5,922	5,922	-	5,922
	$ 340,417	$ 689,838	$ 321,521	$ 368,317
Appropriation Reserves		$ 340,417		
Encumbrances Restored		349,421		
		$ 689,838		
Cash Disbursements			$ 321,521	

EXHIBIT D-21

STATEMENT OF ENCUMBRANCES PAYABLE
WATER UTILITY OPERATING FUND

Balance, December 31, 2022	$ 349,421
Increased by:	
Charged to 2023 Budget Appropriations	273,759
	623,180
Decreased by:	
Restored to 2022 Appropriation Reserves	349,421
Balance, December 31, 2023	$ 273,759

EXHIBIT D-22

CITY OF GARFIELD
STATEMENT OF CONTRACTS PAYABLE
WATER UTILITY CAPITAL FUND

Balance, December 31, 2022	$ 2,968,659
Increased by:	
Charged to Improvement Authorizations	934,167
	3,902,826
Decreased by:	
Cash Disbursements	1,942,160
Balance, December 31, 2023	$ 1,960,666

EXHIBIT D-23

STATEMENT OF RESERVE FOR INFRASTRUCTURE AND RATE STABILIZATION
WATER UTILITY CAPITAL FUND

Balance, December 31, 2022	$ 30,000
Balance, December 31, 2023	$ 30,000

EXHIBIT D-24

STATEMENT OF DUE FROM CURRENT FUND
WATER UTILITY CAPITAL FUND

Increased by:	
American Rescue Plan Grant Funds due for Down Payment on Ord. 3000	$ 171,888
Decreased by:	
Receipts from Current	171,888
Balance, December 31, 2023	$ -

EXHIBIT D-25

CITY OF GARFIELD
STATEMENT OF ACCOUNTS PAYABLE
WATER UTILITY OPERATING FUND

Balance, December 31, 2022	$ 7,000
Decreased by:	
Cash Disbursements	5,040
Balance, December 31, 2023	$ 1,960

EXHIBIT D-26

STATEMENT OF DUE FROM CURRENT FUND
WATER UTILITY OPERATING FUND

Balance, December 31, 2022	$ 500,000
Increased by :	
Anticipated Deficit	199,006
	699,006
Decreased by :	
Payments From Current Fund	500,000
Balance, December 31, 2023	$ 199,006

EXHIBIT D-27

STATEMENT OF RESERVE FOR IMPROVEMENTS - LEAD LINE REPLACEMENT
WATER UTILITY CAPITAL FUND

Balance, December 31, 2022	$ 220,000
Balance, December 31, 2023	$ 220,000

EXHIBIT D-28

CITY OF GARFIELD
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
WATER UTILITY CAPITAL FUND

Ordinance Number	Improvement Description	Balance, December 31, 2022	Increased by: 2023 Authorizations	Decreased by: Notes Issued	Balance, December 31, 2023
2911	Installation of Water Treatment Facilities	$ 160,000		$ 160,000	
2946	Installation of Water Treatment Facilities	995,000		995,000	
2947	Replacement of Water Meters	1,660,000			$ 1,660,000
3000	Replacement of Water Mains	-	$ 551,149	-	551,149
		$ 2,815,000	$ 551,149	$ 1,155,000	$ 2,211,149

EXHIBIT D-29

STATEMENT OF EMERGENCY NOTE PAYABLE

Balance, December 31, 2022	$ 500,000
Decreased by	
Cash Disbursement	500,000
Balance, December 31, 2023	$ -

CITY OF GARFIELD

PART II

GOVERNMENT AUDITING STANDARDS

AND

SINGLE AUDIT

LERCH, VINCI & BLISS, LLP
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

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
City of Garfield
Garfield, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements 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 Garfield as of and for the year ended December 31, 2023, and the related notes to the financial statements, and have issued our report thereon dated September 3, 2024. 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 modified on the regulatory basis of accounting because of the presentation of the unaudited LOSAP Trust Fund. In addition, our report on the financial statements – regulatory basis was modified on the regulatory basis of accounting because of the omission of OPEB note disclosure.

Report on Internal Control over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Garfield's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements ~~as~~ prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

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

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 Garfield'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 Garfield'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

Dieter P. Lerch
Registered Municipal Accountant
RMA Number CR000398

Fair Lawn, New Jersey
September 3, 2024

LERCH, VINCI & BLISS, LLP
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE AS REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the City Council
City of Garfield
Garfield, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the City of Garfield'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 and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the City of Garfield's major federal and state programs for the year ended December 31, 2023. The City of Garfield's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; 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) and audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular 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 Garfield and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the City of Garfield'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 Garfield's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Garfield'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, U.S. Uniform Guidance and New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional 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 Garfield's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, 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 Garfield'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 Garfield'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 and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the City of Garfield's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements - regulatory basis of the City of Garfield as of and for the year ended December 31, 2023, and the related notes to the financial statements and have issued our report thereon dated September 3, 2024, which contained an unmodified opinion on those financial statements prepared in accordance with the regulatory basis of accounting 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

Dieter P. Lerch
Registered Municipal Accountant
RMA Number CR00398

Fair Lawn, New Jersey
September 3, 2024

Schedule A

CITY OF GARFIELD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023

Federal Grantor	Program	AL Number	Grant Year	Original Grant Award	2023 Receipts	Balance, December 31, 2022	2023 Award	2023 Grant Expenditures	Adjustments	Balance, December 31, 2023	(Memo) Cumulative Expended
	Department of Housing and Urban Development										
Department of Housing and Urban	Community Development Block Grant	14.218									
	(Passed through County of Bergen)										
	Playground Equipment 20th Century (Ord. 2777)		2018	$ 100,000		$ 89,713			$ (89,713)	$ -	$ 10,287
	Senior Center		2022	338,000	$ 198,201	317,000		$ 246,412	(70,588)	-	267,412
	Vaccination Support		2022	17,968		17,968			(17,968)	-	-
	Semel Ave Drainage		2023	395,157	395,157		$ 395,157	395,157		-	395,157
	Rec Building Façade		2023	198,500			198,500			198,500	-
	HVAC (Firehouse and Rec Center)		2023	695,000			695,000	411,160		283,840	411,160
Department of Agriculture	**Department of Agriculture**										
	(Passed through State of New Jersey Department of Agriculture)										
	Summer Food Service Program for Children	10.559	2012	93,753		12,679			(12,679)	-	81,074
			2013	100,976		13,757			(13,757)	-	87,219
			2014	107,438		16,364			(16,364)	-	91,074
			2018	106,962		49,939			(49,939)	-	57,023
			2019	108,727		27,332			(27,332)	-	81,395
			2020	40,033		40,033			(40,033)	-	-
			2021	145,540		145,540			(145,540)	-	-
			2022	109,380		109,380		53,025		56,355	53,025
			2023	142,782	142,782		142,782			142,782	-
Department of Justice	**Department of Justice**										
	Cops De-Escalation Grant		2022	82,780		45,780		45,780		-	82,780
Department of Transportation	**Department of Transportation - Division of Highway Traffic Safety**										
	(Passed through State of New Jersey Department of Law and Public Safety)										
	Click It or Ticket	20.616	2023	7,000	7,000		7,000	7,000		-	7,000
	Distracted Driving		2022	10,500		10,500		10,500		-	10,500
	Distracted Driving		2023	10,500	10,500		10,500		(10,500)	-	-
Department of Health and Human Services	**American Rescue Plan**										
	(Passed through County of Bergen)	21.027	2022	1,664,335		410,509	-	410,509	-	-	1,664,335
	FEMA										
	Hurricane Ida	97.036	2023	205,756		-	205,756	205,756	-	-	205,756
						$ 1,306,494	$ 1,654,695	$ 1,785,299	$ (494,413)	$ 681,477	

See Accompanying Notes to Schedule of Expenditures of Federal Awards

CITY OF GARFIELD
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2023

State Grantor	Program	Grant Number	2023 Receipts	Balance, December 31, 2022	2023 Grant Award	2023 Grant Expenditures	Adjustments	Balance, December 31, 2023	(Memo) Cumulative Expended
Dept. of Environmental Protection									
	Solid Waste Administration								
	Clean Communities - 2022	4900-765-178910		$ 48,518		$ 7,526	$ (40,992)		$ 8,882
	Clean Communities - 2023	4900-765-178910	$ 55,940		$ 55,940		(10,861)	$ 45,079	-
	Recycling Tonnage Grant - 2021	4900-752-178810		15,380		15,380		-	40,973
	Recycling Tonnage Grant - 2022	4900-752-178810		45,678		45,678		-	45,678
	Recycling Tonnage Grant - 2023	4900-752-178810	43,974		43,974	43,974		-	43,974
	BCUA Recycling Grant			44,593		44,593		-	44,593
	Passaic River Park and Bikeway - Ord. 2809	*		1,557,284				1,557,284	-
	Imp to Columbus Park - Ord 2915			1,200,000				1,200,000	-
	Various Park Improvements - Ord. 3019				1,260,000			1,260,000	
	Green Acres Grant Program								
	Passaic River De-Snagging Project - Ord. 2730	*		14,937			(14,937)	-	200,563
	Community Energy Plan		10,000	10,000		10,000		-	10,000
Department of Transportation									
	School Pedestrian Safety Improvements - Ord. 2740	6310-480-601395		162,317				162,317	163,555
	Midland Ave Curbs and Sidewalks - Ord. 2845			3,945				3,945	-
	River Drive Improvement Project - Ord. 2958			500,000		371,119		128,881	371,119
	Midland Ave Sidewalks		252,441		252,441	252,441		-	252,441
	Harrison Drive		675,000		675,000	90,253		584,747	90,253
Dept.of Law and Public Safety									
	Alcohol Education and Rehabilitation - Prior	9735-700-060000		19,744				19,744	6,331
	Alcohol Education and Rehabilitation - 2016	9735-700-060000		6,285				6,285	-
	Alcohol Education and Rehabilitation - 2017	9735-700-060000		3,989				3,989	-
	Alcohol Education and Rehabilitation - 2018	9735-700-060000		7,543				7,543	-
	Alcohol Education and Rehabilitation - 2019	9735-700-060000		7,234				7,234	-
	Alcohol Education and Rehabilitation - 2020	9735-700-060000		3,751				3,751	-
	Alcohol Education and Rehabilitation - 2021	9735-700-060000		2,045				2,045	-
	Alcohol Education and Rehabilitation - 2022	9735-700-060000		6,791				6,791	5,104
	Alcohol Education and Rehabilitation - 2023	9735-700-060000	1,687		1,687			1,687	-
	Body Armor Protection Program - 2022	2020-066-1020-718-001		747		2	(745)	-	2
	Body Armor Protection Program - 2023	2020-066-1020-718-001	8,714		8,714	8,598	(2)	114	8,598
	Municipal Alliance on Alcoholism and Drug Abuse - 21-22		2,637	5,754		1,968	(3,786)	-	1,968
	Municipal Alliance on Alcoholism and Drug Abuse - 22-23			5,754			(5,754)	-	
	Drunk Driving Enforcement Fund			40,990		1,987		39,003	1,987
	AAA Highway Safety		1,120		1,120	1,120		-	1,120
	COPS Hiring Grant		375,000		375,000	375,000		-	375,000
	Body Worn Cameras			30,692		30,692		-	66,780
	Body Worn Cameras - 2022			52,988		38,510	(14,478)	-	38,510

CITY OF GARFIELD
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2023

State Grantor	Program	Grant Number	2023 Receipts	Balance, December 31, 2022	2023 Grant Award	2023 Grant Expenditures	Adjustments	Balance, December 31, 2023	(Memo) Cumulative Expended
Department of Community Affairs									
	Neighborhood Preservation Program	NPP-2022	12,500	125,000		12,500	(112,500)	-	12,500
	Neighborhood Preservation Program	NPP-2023			125,000	112,500		12,500	112,500
	Barrier Free Improvements - Ord. 2869			7,570		7,570		-	130,404
	ROID Grant		31,715	11,715	36,000	44,733		2,982	44,733
	Local Recreation Improvement Grant (LRIG)		75,000	2,090		2,090		-	75,000
	Local Recreation Improvement Grant (LRIG) - Splash Park		71,000		71,000			71,000	
	ARP Recreation Family Development			192,159			(192,159)	-	47,841
	Historical Commission Grant			325		325		-	325
	Recreation Child Care		120,000		120,000	120,000		-	120,000
	Division of Family Development		210,000		210,000	210,000		-	210,000
Department of Health and Human Services									
	Child Care Grant		24,771	17,000	24,771	24,771		17,000	24,771
	Public Health Priority Funding	4230-100-031030		17,029		7,792		9,237	7,792
	AARP Health Grant			4,000			(4,000)	-	
	Mid Bergen Vaccine			3,417		3,417		-	7,417
	National Opioid Settlement		20,951	20,327	33,348	12,628		41,047	12,628
	Hepatitis B Inoculation	4230-100-034740		1,083	-	-	(1,083)	-	
	Spotted Lantern Fly		1,085		1,085	1,085		-	1,085
	National Fitness Campaign		30,000		30,000	30,000		-	30,000
	OSHE		6,000		6,000	6,000		-	6,000
	Stormwater Management		15,000	-	15,000	-	-	15,000	
				$ 4,198,674	$ 3,346,080	$ 1,934,252	$ (401,297)	$ 5,209,205	

* = Not Available

See Accompanying Notes to Schedule of Expenditures of State Financial Assistance

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

CITY OF GARFIELD
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2023

NOTE 1 REPORTING ENTITY

The City of Garfield (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:

	Federal	State	Total
Current Fund	$ 1,259,538	$ 1,961,080	$ 3,220,618
General Capital Fund	395,157	1,385,000	1,780,157
	$ 1,654,695	$ 3,346,080	$ 5,000,775

NOTE 5 STATE LOANS OUTSTANDING

The City's state loans outstanding at December 31, 2023, which are not required to be reported on the schedules of expenditures of state financial assistance, are as follows:

Loan Program	State
Green Acres Loan Program	$ 450,531
Environmental Infrastructure Trust Loan	374,798
	$ 825,329

CITY OF GARFIELD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Part I – Summary of Auditor's Results

Financial Statement Section

Type of auditors' report issued:	Modified (Unaudited LOSAP Fund and Omitted OPEB Disclosure)		
Internal control over financial reporting:			
1) Material weakness(es) identified?	____ yes	X no	
2) Were significant deficiencies identified that are not considered to be material weaknesses?	____ yes	X	none reported
Noncompliance material to financial statements noted?	____ yes	X no	

Federal Awards Section

Dollar threshold used to determine Type A programs:	$ 750,000		
Auditee qualified as low-risk auditee?	____ yes	X no	
Type of auditors' report on compliance for major programs:	Unmodified		
Internal Control over compliance:			
1) Material weakness(es) identified?	____ yes	X no	
2) Were significant deficiencies identified that are not considered to be material weaknesses?	____ yes	X	none reported
Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance (section.510(a)	____ yes	X no	

Identification of major programs:

AL Number(s)	Name of Federal Program or Cluster
14.218	Community Development Block Grant

CITY OF GARFIELD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2023

Part I – Summary of Auditor's Results

State Awards Section

Dollar threshold used to determine Type A programs:	$ 750,000
Auditee qualified as low-risk auditee?	X yes ____ no
Type of auditors' report on compliance for major programs:	Unmodified
Internal Control over compliance:	
1) Material weakness(es) identified?	____ yes X no
2) Were significant deficiencies identified that are not considered to be material weaknesses?	____ yes X none reported
Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08?	____ yes X no

Identification of major programs:

GMIS Number(s)	Name of State Program
6310-480-601395	Department of Transportation

CITY OF GARFIELD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023

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.*

There are none.

CITY OF GARFIELD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

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

CURRENT YEAR FEDERAL AWARDS

There are none.

CURRENT YEAR STATE AWARDS

There are none.

CITY OF GARFIELD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023

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

STATUS OF PRIOR YEAR FINDINGS

There were none.

CITY OF GARFIELD

PART III

SUPPLEMENTARY DATA

LETTER OF COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023

CITY OF GARFIELD
SUPPLEMENTARY DATA

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - CURRENT FUND

	Year 2023		Year 2022	
	Amount	Percent	Amount	Percent
REVENUE AND OTHER INCOME REALIZED				
Fund Balance Utilized	$ 4,949,006	5.31%	$ 3,964,000	4.59%
Miscellaneous - From Other Than Local Property Tax Levies	15,591,674	16.72%	13,018,046	15.08%
Collection of Delinquent Taxes and Tax Title Liens	1,241,484	1.33%	993,906	1.15%
Collection of Current Tax Levy	70,084,276	75.15%	66,436,384	76.97%
Other Credits to Income	1,390,476	1.49%	1,897,636	2.20%
Total Income	93,256,916	100.00%	86,309,972	100.00%
EXPENDITURES				
Budget Expenditures				
Municipal Purposes	46,753,838	52.63%	41,128,134	50.59%
County Taxes	7,905,269	8.90%	7,092,854	8.72%
Local School Taxes	34,171,982	38.46%	32,668,674	40.18%
Other Expenditures	9,040	0.01%	406,771	0.50%
Total Expenditures	88,840,129	100.00%	81,296,433	100.00%
Statutory Excess to Fund Balance	4,416,787		5,013,539	
Fund Balance, January 1	8,120,044		7,070,505	
	12,536,831		12,084,044	
Less Utilization as Anticipated Revenue	4,949,006		3,964,000	
Fund Balance, December 31	$ 7,587,825		$ 8,120,044	

CITY OF GARFIELD
SUPPLEMENTARY DATA

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - WATER UTILITY OPERATING FUND

	Year 2023		Year 2022	
	Amount	Percent	Amount	Percent
REVENUE AND OTHER INCOME REALIZED				
Fund Balance Utilized	$ 1,758,313	25.53%	$ 1,338,000	38.25%
Collection of Water Rents	4,752,355	69.00%	1,981,177	56.64%
Miscellaneous - From Other Than Water Rents	376,626	5.47%	178,460	5.10%
Total Income	6,887,294	100.00%	3,497,637	100.00%
EXPENDITURES				
Budget Expenditures				
Operating	1,326,705	32.45%	2,172,860	51.43%
Debt Service	2,010,963	49.18%	1,903,096	45.04%
Deferred Charges and Statutory Expenditures	751,319	18.37%	149,000	3.53%
Total Expenditures	4,088,987	100.00%	4,224,956	100.00%
Excess (Deficit) in Revenue	2,798,307		(727,319)	
Realized from General Budget - Anticipated Deficit	199,006			
Expenditures Above Which by Statute are Required to be Raised in Subsequent Budget	-		727,319	
Statutory Excess to Fund Balance	2,997,313		-	
Fund Balance, January 1	2,485,632		3,823,632	
	5,482,945		3,823,632	
Less Utilization as Anticipated Revenue	1,758,313		1,338,000	
Fund Balance, December 31	$ 3,724,632		$ 2,485,632	

CITY OF GARFIELD
SUPPLEMENTARY DATA

Comparative Schedule of Tax Rate Information

	2023	2022	2021
Tax Rate	$3.281	$3.119	$3.028
Apportionment of Tax Rate			
Municipal	1.287	1.233	1.206
Library	.050	.045	.043
County	.350	.315	.316
County Open Space	.016	.013	.013
Local School	1.578	1.513	1.450

Assessed Valuation	
2023	$2,165,309,900
2022	$2,160,174,500
2021	$2,149,357,200

Comparison of 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.

Year	Tax Levy	Cash Collections	Percentage of Collection
2023	$ 71,174,745	$ 70,084,276	98.46%
2022	67,533,841	66,436,384	98.37%
2021	65,273,422	64,213,669	98.37%

CITY OF GARFIELD
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 Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total	Percentage of Tax Levy
2023	$ 555,272	$ 953,981	1,509,253	2.23%
2022	663,666	1,029,195	1,692,861	2.51%
2021	598,323	1,114,246	1,712,569	2.62%

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:

Year	Amount
2023	$436,870
2022	436,870
2021	436,870

Comparison of Water Utility Levies

Year	Levy	Cash Collections*	Percentage of Collection
2023	$4,036,802	$4,501,186	111.50%
2022	2,558,303	1,981,177	77.44%
2021	3,242,616	3,237,001	99.82%

* Includes delinquent collections

CITY OF GARFIELD
SUPPLEMENTARY DATA

Comparative Schedule of Fund Balances

	Year	Balance, December 31,	Utilized in Budget of Succeeding Year
Current Fund	2023	$7,587,825	$4,260,000
	2022	8,120,044	4,949,006
	2021	7,070,505	3,964,000
	2020	7,983,418	3,964,000
	2019	8,988,441	3,964,000
Water Utility Operating Fund	2023	$3,724,632	$1,499,850
	2022	2,485,632	1,758,313
	2021	3,823,632	1,338,000
	2020	3,327,522	200,000
	2019	3,231,263	475,000

CITY OF GARFIELD
SUPPLEMENTARY DATA

OFFICIALS IN OFFICE AND SURETY BONDS

Name	Title	Amount of Bond
Richard Rigoglioso	Mayor	
Joseph Delaney	Councilman	
Romi Herrera	Councilman	
Pawel Maslag	Councilman	
Alejandina Banch	Councilwoman	
Erin Delaney	City Manager City Clerk	
Dan Lagana, Esq.	City Attorney	
Anders Hassler	Chief Financial Officer	
Giuseppe C. Randazzo	Magistrate	$1,000,000
Krystyna Moskal	Municipal Court Administrator	
Kevin Boswell	City Engineer	
Barbara Smilowsky	Tax and Water Collector and Treasurer	1,000,000
James Tighe	Tax Assessor	
Richard Uram	Chief of Police	
Robert Schultz	Construction Code Official	
Anthony Swistak	Fire Chief	
Halina Dombrowski	Health Inspector	
Willard Bierwas	Water and Sewer Facility Manager	
Sam Garofalo	Superintendent of Public Works/Recycling Coordinator	
Jason Tani	Emergency Management Coordinator	
Dan Golabek	Recreation Director	

(A) All municipal court employees, including magistrate and administrator are covered by blanket bond.

All bonds were examined and were properly executed.

CITY OF GARFIELD
SUPPLEMENTARY DATA

GENERAL COMMENTS

Prior Year Findings

Our audit of payroll indicated that certain employees contributing toward health benefits were not in compliance with Chapter 78. It is recommended that employee contributions for health benefits be reviewed to ensure compliance with Chapter 78.

Current Year Findings

Our audit revealed certain grant expenditures were charged out by reallocating expenses from current and prior year budget appropriations. It is recommended that grant expenditures be properly identified and charged directly to the grant appropriation.

The audit of payroll revealed that the quarterly tax reports were not in agreement with the year-end IRS form W-3. It is recommended that the year-end payroll reports be reviewed and reconciled with quarterly tax filings.

Several purchase orders were not made available during the course of the audit. It is recommended that in all instances, purchase orders be made available for audit.

Contracts and Agreements Required to be Advertised for NJS 40A:11-4

N.J.S. 40A:11-4 states "Every contract or agreement, for the performance of any 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 $17,500, except by contract or agreement."

If the purchasing agent is qualified pursuant to subsection b of section 9 of P.L. 1971, c.198 (c.40A:11-9), the City may establish that the bid threshold may be up to $44,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section. The Governing Body has designated the City Clerk as the qualified purchasing agent for the City.

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 a question arises as to whether any contract agreement might result in violation of the statute, the City Council's opinion should be sought before a commitment is made.

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

Senior Citizen Kitchen	Recreation Building – HVAC
Solid Waste Collection	Midland Ave. Sidewalks
Semel Ave. Drainage	Columbus Park Improvements
Summer Food Service	

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

GENERAL COMMENTS (Continued)

Contracts and Agreements Required to be Advertised for NJS 40A:11-4 (Continued)

Our examination of expenditures did not reveal any instances where individual payments exceeded $44,000 "for the performance of any work, or the furnishing or hiring of any materials or supplies", where bids had not been previously sought by public advertisement or where a resolution had not been previously adopted under the provisions of NJS 40A:11-6.

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

Collection of Interest of Delinquent Taxes and Assessments

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

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

RESOLVED by the City Council of the City of Garfield that the Tax Collector is authorized to carry out the following directives:

1. Charge 8% interest per annum on the first $1,500 of delinquency and 18% per annum on any amount in excess of $1,500.

2. Charge 18% interest on tax title liens as per R.S. 54:4-67.

3. Allow a grace period of ten days before charging interest, as provided by R.S. 54:4-67, except that if the office of the Tax Collector is closed on the tenth day following the due date for a tax payment, then the grace period shall be extended to include the first business day thereafter.

4. Allow no discount for pre-payment of taxes.

5. Charge an additional end of year penalty of 6% as provided by R.S. 54:4-67 on all delinquencies of unpaid taxes, interest, and other municipal charges, when the total exceeds $10,000.

It appears from an examination of the collector's records that interest on taxes was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

A tax sale was held on October 5, 2023 and was complete.

Inspection of tax sale certification on file revealed that all tax sale certifications were available for audit.

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

Year	Number of Liens
2023	5
2022	9
2021	9

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax paying basis.

CITY OF GARFIELD

RECOMMENDATIONS

It is recommended that:

1. Grant expenditures be properly identified and charged directly to the grant appropriation.
2. Year-end payroll reports be reviewed and reconciled with quarterly tax filings.
3. In all instances, purchase orders be made available for audit.

* 4. Employee contributions for health benefits be reviewed to ensure compliance with Chapter 78.

Status of Prior Year's Audit Findings/Recommendations

A review was performed on all prior year's recommendations. Corrective action was taken on prior year recommendations except those marked with an asterisk (*).

The recommendations noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to our comments and recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.

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

Dieter P. Lerch
Registered Municipal Accountant
RMA Number CR000398