

BOROUGH OF ENGLEWOOD CLIFFS

**Financial Statements With
Supplementary Information**

December 31, 2024

(With Independent Auditor's Report Thereon)

**BOROUGH OF ENGLEWOOD CLIFFS
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BOROUGH OF ENGLEWOOD CLIFFS

PART I

REPORT OF AUDIT ON FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2024



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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Borough Council
Borough of Englewood Cliffs
Englewood Cliffs, NJ 07632

Report on the Financial Statements

Adverse Opinion on U.S. Generally Accepted Accounting Principles

We have audited the accompanying balance sheets – regulatory basis of the various funds and account group of the Borough of Englewood Cliffs in the County of Bergen, as of December 31, 2024 and 2023, the related statement of operations and changes in fund balance – regulatory basis for the year then ended, and the related statement of revenues - regulatory basis and the statement of expenditures – regulatory basis of the various funds for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

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

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

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



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

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

Basis for Qualified Opinion on Regulatory Basis Accounting Principles

As described in Note 14 of the financial statement, the Borough participates in a Length of Service Award Program for its volunteer fire and rescue personnel. The amount reflected in the trust fund statements of \$2,017,216 and \$1,671,186 for 2024 and 2023, respectively, were not audited and, therefore, we express no opinion on the LOSAP program. As described in Finding 2024-001 some legal responses concerning litigation, claims and assessments, in accordance with Section 337, have not been received creating a scope limitation. As described in Finding 2024-002, general ledgers were not maintained or provided in accordance with N.J.A.C. 5:30-5.7. As described in Finding 2024-003, bank reconciliations were not performed on a monthly basis and old, reconciling items were being carried.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the “*Basis for Qualified Opinion on Regulatory Basis Accounting Principles*” paragraph, the financial statements referred to above, present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2024, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures and changes in fund balance for the year ended December 31, 2024 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Englewood Cliffs' basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

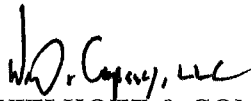
Honorable Mayor and
Members of the Borough Council
Page 5.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2025 on our consideration of the Borough of Englewood Cliffs' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Englewood Cliffs' internal control over financial reporting and compliance.



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



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

October 2, 2025



BOROUGH OF ENGLEWOOD CLIFFS

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2024 and 2023

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	\$ 9,486,206	10,087,538
Change Fund	A-5	300	300
Petty Cash Fund	A-6	300	300
Due from State of New Jersey - Senior Citizens' and Veterans' Deductions	A-7	98	98
		<u>9,486,904</u>	<u>10,088,236</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	267,612	305,302
Property Acquired for Taxes - Assessed Valuation	A-9	39,528	39,528
Tax Title Liens Receivable	A-10	1,278	1,114
Revenue Accounts Receivable	A-11	1,853	2,171
Interfunds	A-12	268,594	73,989
		<u>578,865</u>	<u>422,104</u>
Deferred Charges:			
Over-Expenditure of Appropriations	A-13	314,607	169,570
Emergency Authorizations	A-14	300,000	
Special Emergency Authorization	A-15	258,484	641,069
		<u>873,091</u>	<u>810,639</u>
Total Current Fund		<u>10,938,860</u>	<u>11,320,979</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	A-25	410,283	410,283
Due From Current Fund	A-26	222,773	358,983
Total Federal and State Grant Fund		<u>633,056</u>	<u>769,266</u>
		<u>\$ 11,571,916</u>	<u>12,090,245</u>

BOROUGH OF ENGLEWOOD CLIFFS

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2024 and 2023

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Liabilities:			
Appropriation Reserves	A-3, A-16	\$ 265,230	1,280,350
Encumbrances	A-17	146,883	137,053
Accounts Payable	A-18	9,316	744,738
Prepaid Taxes	A-19	368,698	369,510
Tax Overpayments	A-20	27,185	28,372
County Taxes Payable	A-21	58,759	83,571
Interfunds	A-12	222,773	1,493,014
Reserve for Miscellaneous Reserves	A-23	1,159,701	344,357
Special Emergency Notes Payable	A-24	258,245	640,830
		<u>2,516,790</u>	<u>5,121,795</u>
Reserve for Receivables		578,865	422,104
Fund Balance	A-1	<u>7,843,205</u>	<u>5,777,080</u>
Total Current Fund		<u>10,938,860</u>	<u>11,320,979</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-27	630,878	703,510
Unappropriated Reserves	A-28	2,178	65,756
Total Federal and State Grant Fund		<u>633,056</u>	<u>769,266</u>
		<u>\$ 11,571,916</u>	<u>12,090,245</u>

See accompanying notes to financial statements.

BOROUGH OF ENGLEWOOD CLIFFS

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

Current Fund

December 31, 2024 and 2023

	<u>2024</u>	<u>2,023</u>
Revenue and Other Income:		
Fund Balance Utilized	\$ 2,450,000	2,301,000
Miscellaneous Revenues Anticipated	4,491,185	2,631,092
Receipts from Delinquent Taxes	307,939	265,749
Receipts from Current Taxes	40,882,297	40,464,711
Non-budget Revenue	384,392	269,665
Other Credits to Income:		
Prior Year's Interfunds Returned	6,212	2,972
Cancelled Liabilities	733,606	6,233
Unexpended Balance of Appropriation Reserves	622,795	2,037,297
Total Revenue and Other Income	<u>49,878,426</u>	<u>47,978,719</u>
Expenditures:		
Budget and Emergency Appropriations:		
Operations:		
Salaries and Wages	7,026,987	6,509,500
Other Expenses	9,594,557	9,136,984
Municipal Debt Service	1,901,332	2,040,962
Deferred Charges and Statutory Expenditures	2,268,048	1,985,441
Capital Improvement Fund	300,000	298,000
Local District School Taxes	15,040,372	14,569,943
County Taxes	9,378,247	9,352,926
Due County for Added Taxes	58,759	83,571
Overexpenditure of Appropriation Reserves	26,055	129,378
Interfund Advanced	202,447	39,181
Prior Year Refunds	10,534	14,575
Total Expenditures	<u>45,807,338</u>	<u>44,160,461</u>
Excess/(Deficit) in Revenue	4,071,088	3,818,258
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by Statute Deferred Charges to Budgets of Succeeding Years		
Emergency Appropriations	300,000	
Overexpenditure of Appropriations	118,982	40,192
Overexpenditure of Appropriation Reserves	26,055	129,378
Statutory Excess to Surplus	4,516,125	3,987,828
Fund Balance, January 1	<u>5,777,080</u>	<u>4,090,252</u>
Decreased by Utilization as Anticipated Revenue	<u>2,450,000</u>	<u>2,301,000</u>
Fund balance, December 31	<u>\$ 7,843,205</u>	<u>5,777,080</u>

See accompanying notes to financial statements.

BOROUGH OF ENGLEWOOD CLIFFS

Comparative Statement of Revenues - Regulatory Basis

Current Fund

Year ended December 31, 2024

	<u>Budget</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Surplus Anticipated	\$ 2,450,000	2,450,000	
Miscellaneous Revenues:			
Licenses - Alcoholic Beverages	20,000	20,000	
Fees and Permits:			
Construction Code Official	395,000	1,699,876	1,304,876
Other	46,000	55,279	9,279
Municipal Court - Fines and Costs	26,000	38,112	12,112
Interest and Costs on Taxes	75,000	93,605	18,605
Interest on Investments	175,000	472,716	297,716
Commercial Sewer User Fees	268,000	384,833	116,833
Cable TV - Annual Fees	15,000	14,421	(579)
Cell Tower - Annual Leases	323,000	362,131	39,131
Elevator Fees	50,000	52,075	2,075
Energy Receipts Tax	699,720	699,720	
Public and Private Revenues Offset with Appropriations:			
Monsanto Settlement	17,414	17,414	
Alcohol Education Rehabilitation 2022	316	316	
Alcohol Education Rehabilitation 2023	130	130	
Body Armor 2023	2,164	2,164	
Stormwater Assistance Grant	15,000	15,000	
Recycling Tonnage 2019	9,053	9,053	
Recycling Tonnage 2020	8,823	8,823	
Recycling Tonnage 2021	9,861	9,861	
Clean Communities 2022	13,130	13,130	
Clean Communities 2023	14,726	14,726	
Clean Communities 2024	16,726	16,726	
General Capital Fund Balance	35,000	35,000	
Sewer Hook Up Fees	15,000	47,228	32,228
Police - Outside Duty	210,000	408,846	198,846
Total Miscellaneous Revenues	<u>2,460,063</u>	<u>4,491,185</u>	<u>2,031,122</u>
Receipts from Delinquent Taxes	<u>275,000</u>	<u>307,939</u>	<u>32,939</u>
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes	<u>16,336,880</u>	<u>16,928,746</u>	<u>591,866</u>
Budget Totals	\$ <u>21,521,943</u>	24,177,870	<u>2,655,927</u>
Nonbudget Revenue		<u>384,392</u>	
		\$ <u>24,562,262</u>	

BOROUGH OF ENGLEWOOD CLIFFS
Comparative Statement of Revenues - Regulatory Basis
Current Fund
Year ended December 31, 2024

Analysis of Realized Revenue

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 40,882,297
Less: Allocated to School and County Taxes	<u>24,803,551</u>
Balance for Support of Municipal Budget	16,078,746
Add Reserve for Uncollected Taxes	<u>850,000</u>
Amount for Support of Municipal Budget	<u>\$ 16,928,746</u>
Receipts from:	
Delinquent Tax Collections	<u>\$ 307,939</u>
<u>Analysis of Non-Budget Revenue:</u>	
Miscellaneous	12,947
FEMA	2,005
On Line Fees	16,174
LEA Rebates	36,999
Municipal Bid	31,070
PSE&G Lease	89,000
AT&T Lease	2,000
BCUA Sewer Connection Fees	5,460
Recreation Fees	<u>188,737</u>
	<u>\$ 384,392</u>

See accompanying notes to financial statements.

Borough of Englewood Cliffs

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Total for 2024 as Modified by all Transfers	Expended 2024		Cancelled	Over- Expenditure
			Paid or Charged	Reserved		
Operations-within "CAPS"						
General Government:						
Administrative and Executive:						
Salaries and Wages	\$ 400,000	430,000	429,896	104		1,798
Other Expenses	140,000	141,000	142,798			
Governing Body:						
Salaries and Wages	18,000	15,000	12,500	2,500		
Other Expenses	2,000					
Financial Administration:						
Salaries and Wages	125,000	137,000	136,976	24		
Other Expenses	125,000	75,000	71,056	3,944		
Information Technology:						
Other Expenses	120,000	160,000	159,516	484		
Collection of Taxes:						
Salaries and Wages	80,000	81,700	81,698	2		
Other Expenses	30,000	20,000	18,744	1,256		
Assessment of Taxes:						
Salaries and Wages	21,000	21,000	20,669	331		
Other Expenses	25,000	5,000	2,399	2,601		
Legal Services and Costs:						
Other Expenses	2,100,000	2,050,000	2,042,817	7,183		
Engineering Services and Costs:						
Other Expenses	50,000	50,000	49,675	325		
Municipal Land Use Law (NJSA40:55D-1)						
Planning Board:						
Salaries and Wages	20,000	20,000	22,000			2,000
Other Expenses	50,000	50,000	51,266			1,266

Borough of Englewood Cliffs
Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Total for 2024 as Modified by all Transfers	Expended 2024		Cancelled	Over- Expenditure
			Paid or Charged	Reserved		
Insurance:						
Other Insurance Premiums	870,082	870,082	870,082			
Group Insurance Plan for Employees	1,800,000	1,713,000	1,692,830	20,170		
Public Safety:						
Police:						
Salaries and Wages	4,500,000	4,540,000	4,629,587			89,587
Other Expenses	315,000	275,000	249,863	25,137		
Office of Emergency Management:						
Salaries and Wages	10,000	10,000	12,000			2,000
Other Expenses	6,000	1,000		1,000		
Fire Official:						
Salaries and Wages	105,000	115,000	111,760	3,240		
Fire Hydrant Services	90,000	95,300	95,262	38		
Other Expenses	100,000	100,000	91,834	8,166		
Clothing Expenses	25,000	15,000	24,000			9,000
Municipal Court:						
Salaries and Wages- Prosc/Pub Defender	15,000	15,000		15,000		
Public Works Function:						
Road Repairs and Maintenance:						
Salaries and Wages	1,000,000	990,000	977,517	12,483		
Other Expenses	185,000	310,000	309,258	742		
Gasoline	100,000	90,000	81,256	8,744		
Garbage and Trash Removal:						
Other Expenses	500,000	500,000	429,151	70,849		
Recycling:						
Other Expenses			75			75
Public Buildings and Grounds:						
Other Expenses	85,000	90,000	87,679	2,321		

Borough of Englewood Cliffs

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Total for 2024 as Modified by all Transfers	Expended 2024			Over-
			Paid or Charged	Reserved	Cancelled	
Sewer System:						
Other Expenses	30,000	5,000	2,545	2,455		
Shade Tree:						
Other Expenses	110,000	137,000	135,351	1,649		
Health and Welfare:						
Board of Health:						
Salaries and Wages	17,000	15,000	15,000			
Other Expenses	50,000	50,000	45,152	4,848		
Environmental Commission:						
Other Expenses	1,500	1,500	277	1,223		
Senior Citizens Committee:						
Other Expenses	22,000	22,000	15,655	6,345		
Parks and Playgrounds:						
Salaries and Wages	90,000	101,100	101,700			600
Other Expenses	150,000	140,000	143,182			3,182
Celebration of Public Event, Anniversary or Holiday:						
Other Expenses	8,000	8,000		8,000		
Municipal Court:						
Salaries and Wages	55,000	45,000	37,352	7,648		
Other Expenses	15,000	15,000	14,389	611		
Appropriations Offset by Dedicated Revenues:						
Construction Official:						
Salaries and Wages	330,000	380,000	370,833	9,167		
Other Expenses	50,000	56,500	56,139	361		
Fire Prevention:						
Salaries and Wages	20,000	17,000	17,000			
Other Expenses	5,000	5,000	3,444	1,556		

Borough of Englewood Cliffs

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Total for 2024 as Modified by all Transfers	Expended 2024 Paid or Charged	Reserved	Cancelled	Over- Expenditure
Unclassified:						
Utilities:						
Electricity and Heating Oil	150,000	130,000	129,121	879		
Telephone and Fax	130,000	105,000	90,492	14,508		
Street Lighting	150,000	156,000	156,025			25
Water	30,000	22,000	21,524	476		
Total Operations within "CAPS"	14,425,582	14,396,182	14,259,345	246,370		109,533
Contingent			197			197
Total Operations Including Contingent-within "CAPS"	14,425,582	14,396,182	14,259,542	246,370		109,730
Detail:						
Salaries and Wages	6,806,000	6,932,800	6,976,488	50,499		94,187
Other Expenses (Including Contingent)	7,619,582	7,463,382	7,283,054	195,871		15,543
(E) Deferred Charges and Statutory Expenditures- Municipal within "CAPS"						
(2) STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees' Retirement System	211,552	211,552	211,552			
Social Security System (O.A.S.I.)	250,000	271,000	272,607			1,607
Police and Firemen's Retirement System of NJ	1,391,173	1,391,173	1,391,173			
DCRP	5,864	9,864	10,131			267
Total Deferred Charged and Statutory Expenditures- Municipal within "CAPS"	1,858,589	1,883,589	1,885,463			1,874
Total General Appropriations for Municipal Purposes within "CAPS"	16,284,171	16,279,771	16,145,005	246,370		111,604

Borough of Englewood Cliffs

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	<u>Budget</u>	<u>Total for 2024 as Modified by all Transfers</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>	<u>Over- Expenditure</u>
Operations - Excluded from "CAPS"						
Bergen County Utilities Authority:						
Sewer Charges - Contractual	1,033,589	1,033,589	1,033,589			
Sewer Charges - Borough of Tenafly	15,300	15,300		15,300		
Sewer Charges - City of Englewood	40,000	40,000	36,449	3,551		
LOSAP	30,000	34,400	34,391	9		
Reserve for Tax Appeals	700,000	700,000	700,000			
Library Services:						
Maintenance of Free Public Library	185,000	185,000	185,000			
Public and Private Programs Offset by Revenues:						
Monsanto Settlement	17,414	17,414	17,414			
Alcohol Education Rehabilitation 2022	316	316	316			
Alcohol Education Rehabilitation 2023	130	130	130			
Body Armor 2023	2,164	2,164	2,164			
Stormwater Assistance Grant	15,000	15,000	15,000			
Recycling Tonnage 2019	9,053	9,053	9,053			
Recycling Tonnage 2020	8,823	8,823	8,823			
Recycling Tonnage 2021	9,861	9,861	9,861			
Clean Communities 2022	13,130	13,130	13,130			
Clean Communities 2023	14,726	14,726	14,726			
Clean Communities 2024	16,726	16,726	16,726			
Total Operations-Excluded from "CAPS"	<u>2,111,232</u>	<u>2,115,632</u>	<u>2,096,772</u>	<u>18,860</u>		
Detail:						
Other Expenses	2,111,232	2,115,632	2,096,772	18,860		

Borough of Englewood Cliffs

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Total for 2024 as Modified by all Transfers	Expended 2024 Paid or Charged	Reserved	Cancelled	Over- Expenditure
Capital Improvements - Excluded from "CAPS"						
Capital Improvement Fund	300,000	300,000	300,000			
Total Capital Improvements Excluded from "CAPS"	300,000	300,000	300,000			
Municipal Debt Service-Excluded from "CAPS"						
Payment of Bond Principal	1,040,000	1,040,000	1,040,000			
Payment of Bond Anticipation Notes and Capital Notes	430,000	430,000	430,000			
Interest on Bonds	338,955	338,955	338,954		1	7,378
Interest on Notes	85,000	85,000	92,378			7,378
Total Municipal Debt Service-Excluded from "CAPS"	1,893,955	1,893,955	1,901,332		1	7,378
Deferred Charges:						
Special Emergency Authorizations- 5 years (N.J.S. 40A:4-55)	382,585	382,585	382,585			
Total Deferred Charges - Municipal - Excluded from "CAPS"	382,585	382,585	382,585			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	4,687,772	4,692,172	4,680,689	18,860	1	7,378
Total General Appropriations-Excluded from "CAPS"	4,687,772	4,692,172	4,680,689	18,860	1	7,378
Subtotal General Appropriations	20,971,943	20,971,943	20,825,694	265,230	1	118,982

Borough of Englewood Cliffs
Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Total for 2024 as Modified by all Transfers	Expended 2024 Paid or Charged	Reserved	Cancelled	Over- Expenditure
Reserve for Uncollected Taxes	850,000	850,000	850,000			
Total General Appropriations	<u>\$ 21,821,943</u>	<u>21,821,943</u>	<u>21,675,694</u>	<u>265,230</u>	<u>1</u>	<u>118,982</u>
Adopted Budget \$ 21,414,600						
Appropriation by 40-A4-87 90,617						
Emergency Appropriation 300,000						
	<u>\$ 21,805,217</u>					
Encumbrances \$ 146,883						
Capital Improvement Fund 300,000						
Federal and State Grant Fund 107,343						
Reserve for Tax Appeals 700,000						
Deferred Charges 382,585						
Reserve for Uncollected Taxes 850,000						
Cash 19,188,883						
	<u>\$ 21,675,694</u>					

See accompanying notes to financial statements.

BOROUGH OF ENGLEWOOD CLIFFS

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2024 and 2023

<u>Assets</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Dog License Trust Fund:			
Cash	B-1	\$ 14,339	19,078
Other Trust Funds:			
Cash	B-1	2,883,834	5,309,987
Tax Sale Receivable	B-2	50	50
Intrafunds	B-3	620	620
Deferred Charges - Deficit in Reserve for Recycling Tru	B-9	6,038	6,038
		<u>2,890,542</u>	<u>5,316,695</u>
Emergency Services Volunteer Length of Service Award Program (unaudited):			
Cash in Plan	B-1	1,983,760	1,636,795
Contributions Receivable	B-13	33,456	34,391
		<u>2,017,216</u>	<u>1,671,186</u>
Total Assets		<u>\$ 4,922,097</u>	<u>7,006,959</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Dog License Fund:			
Interfunds	B-3	\$ 8,129	14,341
Reserve for Dog Fund Expenditures	B-5	6,210	4,737
		<u>14,339</u>	<u>19,078</u>
Other Trust Funda:			
Interfunds	B-3	76,992	54,094
Intrafunds	B-3	620	620
Reserve For:			
Other Trust Deposits	B-7	1,903,692	1,674,642
Recycling Expenditures	B-8	483	
Shade Tree Expenditures	B-10	10,373	10,442
Reserve for COAH Development Expenditures	B-11	757,343	3,440,521
Reserve for DEA Forfeiture Expenditures	B-12	141,039	136,376
		<u>2,890,542</u>	<u>5,316,695</u>
Emergency Services Volunteer Length of Service Award Program (unaudited):			
Net Assets available for Benefits	B-14	<u>2,017,216</u>	<u>1,671,186</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 4,922,097</u>	<u>7,006,959</u>

See accompanying notes to financial statements.

BOROUGH OF ENGLEWOOD CLIFFS

Comparative Balance Sheet - Regulatory Basis

General Capital Fund

December 31, 2024 and 2023

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Assets</u>			
Cash	C-2,C-3	\$ 1,072,012	14,303
Grants Receivable			
New Jersey Department of Transportation	C-4	1,187,669	842,760
Bergen County Grants	C-5	302,652	302,652
Due from Ambulance Corp.	C-6	100,000	100,000
Due from Current Fund	C-7		1,134,031
Deferred Charges to Future Taxation:			
Funded	C-8	9,165,000	10,205,000
Unfunded	C-9	23,004,138	7,784,800
		<u>\$ 34,831,471</u>	<u>20,383,546</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Due to Current Fund	C-7	\$ 183,473	
Bond Anticipation Notes	C-10	15,365,000	1,245,000
General Serial Bonds	C-11	9,165,000	10,205,000
Improvement Authorizations:			
Funded	C-12	1,318,035	935,051
Unfunded	C-12	6,785,224	6,249,059
Encumbrances Payable	C-13	864,390	592,684
Capital Improvement Fund	C-14	321,086	321,839
Reserve for Payment of Debt	C-15	353,700	353,700
Reserve for Cost of Issuance	C-16	4,086	4,086
Reserve for Boswell Settlement	C-17	185,000	185,000
Reserve for Grants Receivable	C-18	256,652	256,652
Fund Balance	C-1	29,825	35,475
		<u>\$ 34,831,471</u>	<u>20,383,546</u>

There were \$7,639,138 and \$6,539,800 of Bonds and Notes Authorized But Not Issued on December 31, 2024 and 2023 respectively (Exhibit C-19).

See accompanying notes to financial statements.

BOROUGH OF ENGLEWOOD CLIFFS

Comparative Statement of Fund Balance - Regulatory Basis

General Capital Fund

Year Ended December 31, 2024

	<u>2024</u>	<u>2023</u>
Balance - December 31,	\$ 35,475	69,635
Increased by:		
Premium Received on Bond Sale		34,019
Premium Received on Note Sale	<u>29,350</u>	<u>821</u>
	64,825	104,475
Decreased by:		
Current Fund Budget Revenue	<u>35,000</u>	<u>69,000</u>
Balance - December 31,	\$ <u><u>29,825</u></u>	<u><u>35,475</u></u>

See accompanying notes to financial statements.

BOROUGH OF ENGLEWOOD CLIFFS**Comparative Statement of General Fixed Assets - Regulatory Basis****General Fixed Assets Account Group****December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
General Fixed Assets:		
Land	\$ 74,525,731	73,839,615
Buildings	9,388,303	9,360,673
Vehicles and Equipment	<u>9,094,469</u>	<u>7,932,139</u>
	<u>\$ 93,008,503</u>	<u>91,132,427</u>
Investment in General Fixed Assets	<u>\$ 93,008,503</u>	<u>91,132,427</u>

See accompanying notes to financial statements.

BOROUGH OF ENGLEWOOD CLIFFS, N.J.**Comparative Balance Sheet-Regulatory Basis****Payroll Account****December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Cash	\$	5,554
Deferred Charges:		
Deficit in Payroll Reserve	<u>6,454</u>	<u></u>
	<u>\$ 6,454</u>	<u>5,554</u>
<u>Liabilities</u>		
Deficit in Cash	\$ 6,454	
Due to Current Fund	<u></u>	<u>5,554</u>
	<u>\$ 6,454</u>	<u>5,554</u>

See accompanying notes to financial statements.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

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

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

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

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

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

The Borough has the following funds and account group:

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

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

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

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

Emergency Services Volunteer Length of Service Award Program - This fund is used to account for the cumulative payments to participant's in the emergency services volunteer length of service award program including any income, gains, losses or increases or decreases in market value attributable to the investment of the participant's length of service awards.

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

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

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

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

Basis of Accounting

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

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on the 11th day of the 11th month in the fiscal year when the same became in arrears, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Borough. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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

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

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

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

Basis of Accounting, (continued)

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

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

General Capital Fund
Trust Funds

The governing body shall introduce and approve the annual budget not later than March 29, of the fiscal year. The budget shall be adopted not later than April 30, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the 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. During the years ended December 31, 2024 and 2023, the Governing Body approved additional revenues and appropriations of \$90,617 and \$-0-, respectively in accordance with N.J.S.A. 40A:4-87. The Governing Body approved emergency appropriations in the Current Fund of \$300,000 for Attorney Fees in 2024. In addition, several budget transfers were approved by the governing body in 2024 and 2023.

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

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

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

Basis of Accounting, (continued)

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

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

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

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

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

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

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

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

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

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

Basis of Accounting, (continued)

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

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

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

No depreciation has been provided for in the financial statements.

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

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

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

Use of Estimates

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

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

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

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

Basis of Accounting, (continued)

Recent Accounting Pronouncements

The following GASB statement became effective for the fiscal year ended December 31, 2024:

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. As a result of the regulatory basis of accounting described in note 1, this Statement will have no impact on the financial statements of the Borough.

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

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

In April 2024, the Government Accounting Standards Board issued GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its' effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter, though, earlier application is encouraged. Management is currently reviewing the provisions of this Statement and plans to implement, as needed, before the effective date.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

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

C. Basic Financial Statements

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

NOTE 2. PENSION PLANS

Description of Systems:

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

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BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS. The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

Police and Firemens' Retirement System (PFRS)

Plan Description

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

Benefits Provided

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

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

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

Defined Contribution Retirement Program

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

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

Defined Contribution Retirement Program, (continued)

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

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

Significant Legislation

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

The Borough of Englewood Cliffs opted for this deferral in the amount of \$436,241. The amount outstanding at December 31, 2024 was \$59,041.

Contribution Requirements

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

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

Contribution Requirements, (continued)

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

<u>Year</u>		<u>PERS</u>		<u>PFRS</u>		<u>DCRP</u>
2024	\$	211,552	\$	1,391,173	\$	10,131
2023		230,657		1,400,475		5,039
2022		197,593		1,103,322		4,584

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

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

Public Employees Retirement System (PERS)

At June 30, 2024, the Borough had a liability of \$2,106,819 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 which was rolled forward to June 30, 2024. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2024, the Borough's proportion was 0.0155049479 percent, which was an increase of 0.00029381 percent from its proportion measured as of June 30, 2023.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

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

Public Employees Retirement System (PERS), (continued)

For the year ended December 31, 2024, the Borough recognized pension expense of \$211,552.

At June 30, 2024, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 42,203	\$ 5,609
Changes in assumptions	2,617	23,971
Net difference between projected and actual earnings on pension plan investments	-	97,687
Changes in proportion and differences between the Borough's contributions and proportionate share of contributions	150,987	307,761
Total	\$ 195,807	\$ 435,028

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2024) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year Ended June 30:

2025	\$ (89,450)
2026	69,214
2027	(39,820)
2028	(22,988)
2029	597

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

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

Public Employees Retirement System (PERS), (continued)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.08, 5.04, 5.13, 5.16 and 5.21 years for 2024, 2023, 2022, 2021, 2020 and 2019 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2024 and June 30, 2023 are as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Collective Deferred Outflows of Resources	1,079,580,780	1,080,204,730
Collective Deferred Inflows of Resources	1,611,322,898	1,780,216,457
Collective Net Pension Liability	13,588,045,796	14,484,374,047
Borough's Proportion	0.0155049479%	0.0152111376%

Actuarial Assumptions

The collective total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which rolled forward to June 30, 2024. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increase:	
Throughout all Future Years	2.75-6.55% (based on years of service)
Investment Rate of Return	7.00%

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

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

Public Employees Retirement System (PERS), (continued)

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

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

Public Employees Retirement System (PERS), (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S Equity	28.00%	8.63%
Non-U.S. Developed Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Market Equity	5.50%	10.66%
Private Equity	13%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalances	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

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

Public Employees Retirement System (PERS), (continued)

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

The following presents the collective net pension liability of the participating employers as of June 30, 2024 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2024		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Borough's Proportionate Share of the Pension Liability	\$ 2,805,275	\$ 2,106,819	\$ 1,512,437

Pension Plan Fiduciary Net Position

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

Police and Firemen's Retirement System (PFRS)

At June 30, 2024, the Borough had a liability of \$10,687,099 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 which was rolled forward to June 30, 2024. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2024, the Borough's proportion was 0.10349098 percent, which was an increase of 0.0034863 percent from its proportion measured as of June 30, 2023.

For the year ended December 31, 2024, the Borough recognized pension expense of \$1,391,173.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

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

Police and Firemen's Retirement System (PFRS), (continued)

At June 30, 2024, deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 673,279	\$ 365,866
Changes in assumptions	16,894	313,863
Net difference between projected and actual earnings on pension plan investments		83,646
Changes in proportion and differences between the Borough's contributions and proportionate share of contributions	<u>1,066,840</u>	<u>795,161</u>
Total	<u>\$ 1,757,013</u>	<u>\$ 1,558,536</u>

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2024) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year Ended June 30:

2025	\$ (517,659)
2026	596,464
2027	(149,705)
2028	(69,519)
2029	61,845
Thereafter	5,372

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 6.09, 6.16, 6.22, 6.17, 5.90 and 5.92 years for 2024, 2023, 2022, 2021, 2020 and 2019 amounts, respectively.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

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

Police and Firemen's Retirement System (PFRS), (continued)

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2024 and June 30, 2023 are as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Collective Deferred Outflows of Resources	1,350,388,724	1,753,080,638
Collective Deferred Inflows of Resources	1,421,121,200	1,966,439,601
Collective Net Pension Liability	12,362,446,447	13,084,649,602
Borough's Proportion	0.10349098%	0.10005235%

Actuarial Assumptions

The collective total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increase:	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 Pub-2010 Safety Employee amount-weighted table (sex-specific) projected generationally from 2010 with Scale MP-2021 mortality projection. For healthy annuitants, mortality rates were based on the Pub-2010 Safety Retiree Below Median amount-weighted mortality table (sex-specific), projected generationally from 2010 with Scale MP-2021 mortality projection. Disability rates were 144% if the Pub-2010 Safety Disabled Retiree amount-weighted mortality table for males and 100% of the Pub-2010 Safety Disabled Retiree amount-weighted mortality table for females projected generationally from 2010 with Scale MP-2021 mortality projection.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

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

Police and Firemen's Retirement System (PFRS), (continued)

Mortality Rates, (continued)

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Allocation</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Large-Cap Equity	24.00%	6.90%
U.S. Small/Mid Cap Equity	4.00%	7.40%
Non-U.S. Developed Large-Cap Equity	9.50%	6.70%
Non-U.S. Developed Small-Cap Equity	2.00%	7.50%
Emerging Markets Large-Cap Equity	6.00%	9.60%
Emerging Markets Small-Cap Equity	1.50%	9.60%
U.S. Treasury Bond	7.00%	4.10%
U.S. Corporate Bond	5.00%	5.90%
U.S. Mortgage-Backed Securities	5.00%	4.40%
Global Multisector Fixed Income	6.00%	6.50%
Cash	2.00%	3.40%
Real Estate Core	3.00%	5.10%
Real Estate Non-Core	4.00%	6.50%
Infrastructure	3.00%	7.00%
Private Debt/Credit	8.00%	9.10%
Private Equity	10.00%	10.10%

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

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

Police and Firemen's Retirement System (PFRS), (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the collective net pension liability of the participating employers as of June 30, 2024 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1 - percentage-point higher than the current rate:

	June 30, 2024		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Borough's proportionate share of the pension liability	\$ 16,172,895	\$ 10,687,099	\$ 6,118,633

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

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

Police and Firemen's Retirement System (PFRS), (continued)

Special Funding Situation - PFRS

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

At June 30, 2024 and 2023, the State proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is \$2,106,939 and \$2,036,933, respectively. For the years ended June 30, 2024 and 2023, the pension system has determined the State's proportionate share of the pension expense attributable to the Borough for the PFRS special funding situation is \$242,386 and \$231,697, respectively, which is equal to and more than the actual contributions the State made on behalf of the Borough of \$242,386 and \$232,947, respectively. The State's proportionate share attributable to the Borough was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Borough's financial statements.

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BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 2. PENSION PLANS, (continued)

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

Police and Firemen's Retirement System (PFRS), (continued)

Pension Plan Fiduciary Net Position

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

NOTE 3. OTHER POST EMPLOYMENT BENEFITS (OPEB)

In addition to the pension benefits described in Note 2, the Borough provides post employment health care benefits as part of the State Health Benefits Local Government Retired Employees Plan.

The following OPEB information is as of June 30, 2023, which is the latest information available. This information is eighteen months prior to December 31, 2024. GASB Statement No. 75 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of County Affairs, State of New Jersey, is permitting the regulatory basis financial statements, Municipal, County, and Library's to be issued with unmodified opinion's until such time current OPEB information is available.

General Information about the OPEB Plan

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

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 3. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

General Information about the OPEB Plan, (continued)

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

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

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

At June 30, 2023, the Borough had a liability of \$12,311,160 for its proportionate share of the non-special funding net OPEB liability. The net OPEB liability was measured as of June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Borough's proportion of the net OPEB liability was based on a projection of the Borough's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers in the plan. At June 30, 2023 the Borough's proportion was 0.090986 percent.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 3. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

General Information about the OPEB Plan, (continued)

For the year ended June 30, 2023, the Borough recognized OPEB expense of \$(310,243). At June 30, 2023, deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 629,645	\$ 3,707,939
Changes of assumption	1,768,686	3,859,506
Net difference between projected and actual earnings on OPEB plan investments		2,253
Changes in proportion	<u>5,718,321</u>	<u>3,084,643</u>
	<u>\$ 8,116,652</u>	<u>\$ 10,654,341</u>

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

Year Ended June 30:

2024	\$ (1,549,021)
2025	(1,268,746)
2026	(686,370)
2027	(321,746)
2028	(649,458)
Thereafter	(696,026)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 7.89, 7.82, 7.82, 7.87, 8.05 and 8.14 years for 2023, 2022, 2021, 2020, 2019 and 2018 amounts, respectively.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 3. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

General Information about the OPEB Plan, (continued)

Actual Assumptions and Other Inputs

The total OPEB liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases*:

Public Employee's Retirement Systems (PERS)	2.75% to 6.55% based on years of service
Police and Firemen's Retirement Systems (PFRS)	3.25% to 16.25% based on years of service

Mortality:

PERS	Pub-2010 General Classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021.
PFRS	Pub-2010 Safety Classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021.

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

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

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.80% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.40% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 3. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Discount Rate

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

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Borough's proportionate share of the net OPEB liability as of June 30, 2023, as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1 percentage point higher than the current rate:

	June 30, 2023		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>2.65%</u>	<u>3.65%</u>	<u>4.65%</u>
Borough's Proportionate Share of the			
Net OPEB Liability	\$ 15,815,510	\$ 13,653,850	\$ 11,915,128

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

The following presents the Borough's proportionate share of the net OPEB liability as of June 30, 2023 as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using a healthcare trend rate that is 1-percentage point lower or 1 percentage point higher than the current rate:

	June 30, 2023		
	1%	Healthcare	1%
	<u>Decrease</u>	<u>Cost Rate</u>	<u>Increase</u>
Borough's Proportionate Share of the			
Net OPEB Liability	\$ 11,604,166	\$ 13,653,850	\$ 16,278,072

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 4. MUNICIPAL DEBT

Long-term debt as of December 31, 2024 and 2023 consisted of the following:

	<u>Balance</u> <u>12/31/2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/2024</u>	<u>Amounts</u> <u>Due within</u> <u>One Year</u>
Bonds Payable:					
General Obligation Debt	\$ 10,205,000		1,040,000	9,165,000	1,055,000
Total Bonds Payable	<u>10,205,000</u>	<u>-</u>	<u>1,040,000</u>	<u>9,165,000</u>	<u>1,055,000</u>
Other Liabilities:					
Pension Deferral	55,090	59,401 *	55,090	59,401	59,401
Compensated Absences Payable	<u>1,626,824</u>	<u>662,269</u>	<u>1,672,609</u>	<u>616,484</u>	
Total Other Liabilities	<u>1,681,914</u>	<u>721,670</u>	<u>1,727,699</u>	<u>675,885</u>	<u>59,401</u>
	<u>\$ 11,886,914</u>	<u>721,670</u>	<u>2,767,699</u>	<u>9,840,885</u>	<u>1,114,401</u>

	<u>Balance</u> <u>12/31/2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/2023</u>	<u>Amounts</u> <u>Due within</u> <u>One Year</u>
Bonds Payable:					
General Obligation Debt	\$ 5,575,000	5,305,000	675,000	10,205,000	1,040,000
Total Bonds Payable	<u>5,575,000</u>	<u>5,305,000</u>	<u>675,000</u>	<u>10,205,000</u>	<u>1,040,000</u>
Other Liabilities:					
Pension Deferral	80,174	25,697 *	50,781	55,090	55,090
General Capital:					
BCIA Leases Payable	117,000		117,000		
Compensated Absences Payable	<u>1,626,824</u>			<u>1,626,824</u>	
Total Other Liabilities	<u>1,823,998</u>	<u>25,697</u>	<u>167,781</u>	<u>1,681,914</u>	<u>55,090</u>
	<u>\$ 7,398,998</u>	<u>5,330,697</u>	<u>842,781</u>	<u>11,886,914</u>	<u>1,095,090</u>

* - Adjustment was made to agree ending balance with billing amount from subsequent year. Additional adjustments will be needed in the future for additional amounts added by the State which are unknown at this time.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 4. MUNICIPAL DEBT, (continued)

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

The Borough's debt is summarized as follows:

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>
Issued:			
General - Bonds, Notes and Loans	\$ 24,530,000	11,450,000	13,185,049
Authorized But Not Issued - General			
Bonds and Notes	<u>7,639,138</u>	<u>6,539,800</u>	<u>6,561,467</u>
	<u>\$ 32,169,138</u>	<u>17,989,800</u>	<u>19,746,516</u>
 Total Bonds, Notes and Loans Issued			
and Authorized But Not Issued	32,169,138	17,989,800	19,746,516
Less: Deductions	<u>353,700</u>	<u>353,700</u>	<u> </u>
Net Debt	<u>\$ 31,815,438</u>	<u>17,636,100</u>	<u>19,746,516</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.794% for 2024:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General Debt	\$ <u>32,169,138</u>	<u>353,700</u>	<u>31,815,438</u>
	<u>\$ 32,169,138</u>	<u>353,700</u>	<u>31,815,438</u>

Net debt of \$31,815,438 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$4,007,346,071 equals 0.794%.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 4. MUNICIPAL DEBT, (continued)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.392% for 2023:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General Debt	\$ 17,989,800	353,700	17,636,100
	<u>\$ 17,989,800</u>	<u>353,700</u>	<u>17,636,100</u>

Net debt of \$17,636,100 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$3,783,725,729 equals 0.392%.

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

	<u>2024</u>	<u>2023</u>
3 1/2% of Equalized Valuation Basis (Municipal)	\$ 140,257,112	\$ 132,430,401
Net Debt	<u>31,815,438</u>	<u>17,636,100</u>
Remaining Borrowing Power	<u>\$ 108,441,674</u>	<u>\$ 114,794,301</u>

The Borough's long-term debt consisted of the following at December 31, 2024:

Paid by Current Fund:

	<u>2024</u>	<u>2023</u>
\$9,885,000 General Improvement Bonds - with an interest rate of 2.00% to 3.00% issued March 15, 2014, due through March 15, 2030	\$ 4,200,000	\$ 4,900,000
\$5,305,000 General Obligation Bonds - with an interest rate of 3.125% to 4.000%, issued July 27, 2023, due through August 1, 2033	<u>4,965,000</u>	<u>5,305,000</u>
Total General Serial Bonds	<u>\$ 9,165,000</u>	<u>\$ 10,205,000</u>

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 4. MUNICIPAL DEBT, (continued)

Aggregate annual debt service requirements for bonded debt issued and outstanding:

<u>Year</u>	<u>General Capital</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	1,055,000	308,369	1,363,369
2026	1,200,000	273,169	1,473,169
2027	1,220,000	232,169	1,452,169
2028	1,240,000	190,369	1,430,369
2029	1,265,000	147,769	1,412,769
2030-2033	3,185,000	240,775	3,425,775
	<u>\$ 9,165,000</u>	<u>\$ 1,392,620</u>	<u>\$ 10,557,620</u>

General capital serial bonds are direct obligations of the Borough for which its full faith and credit are pledged, and are payable from taxes levied on all taxable property located within the Borough.

At December 31, 2024, the Borough had authorized but not issued debt of \$7,639,138.

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BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 5. BOND ANTICIPATION NOTES

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

On December 31, 2024 and 2023, the Borough had \$15,365,000 and \$1,245,000, respectively, in outstanding General Capital bond anticipation notes.

The following activity related to bond anticipation notes occurred during the periods ended December 31, 2024 and 2023:

	Balance <u>Dec. 31, 2023</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>Dec. 31, 2024</u>
<u>General Capital Notes Payable:</u>				
Bank of NY Mellon	\$ 1,245,000		1,245,000	\$ -
Piper Sandler & Co.		7,100,000		7,100,000
Passaic Valley Water Commission		1,450,000		1,450,000
Bergen County Imp. Authority		6,815,000		6,815,000
County of Bergen		815,000	815,000	-
	<u>\$ 1,245,000</u>	<u>16,180,000</u>	<u>2,060,000</u>	<u>\$ 15,365,000</u>

	Balance <u>Dec. 31, 2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>Dec. 31, 2023</u>
<u>General Capital Notes Payable:</u>				
Bank of NY Mellon	\$ 5,945,049	1,245,000	5,945,049	\$ 1,245,000
Piper Sandler & Co.	1,665,000		1,665,000	-
	<u>\$ 7,610,049</u>	<u>1,245,000</u>	<u>7,610,049</u>	<u>\$ 1,245,000</u>

NOTE 6. SPECIAL EMERGENCY NOTES

Following the adoption of an ordinance or resolution for special emergency appropriations, the Borough may borrow money and issue special emergency notes which may be renewed from time to time, but at least 1/3 or 1/5 of all such notes and the renewal thereof, shall mature and be paid in each year so that all notes have been paid by the end of the third or fifth year following the date of the special emergency resolution.

On December 31, 2024 and 2023, the Borough had \$258,245 and \$640,830, respectively, in outstanding Current Fund Special Emergency notes.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 6. SPECIAL EMERGENCY NOTES, (continued)

The following activity related to special emergency notes occurred during the calendar years ended December 31, 2024 and 2023:

	Balance Dec. 31, 2023	Additions	Reductions	Balance Dec. 31, 2024
<u>General Capital Notes Payable:</u>				
Bergen County Imp. Authority	\$ -	258,245		258,245
County of Bergen		258,245	258,245	-
Bank of NY Mellon	640,830		640,830	-
	<u>\$ 640,830</u>	<u>516,490</u>	<u>899,075</u>	<u>258,245</u>

	Balance Dec. 31, 2022	Additions	Reductions	Balance Dec. 31, 2023
<u>General Capital Notes Payable:</u>				
Piper Sandler & Co.	\$ 1,023,415		1,023,415	-
Bank of NY Mellon		640,830		640,830
	<u>\$ 1,023,415</u>	<u>640,830</u>	<u>1,023,415</u>	<u>640,830</u>

NOTE 7. DEFERRED CHARGES

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2024 and 2023, the following deferred charges are shown on the balance sheet of the various funds:

	Balance December 31, 2024	2025 Appropriations	Balance to Succeeding Budget
<u>Current Fund:</u>			
Over Expenditure of Appropriations	\$ 314,607	277,101	37,506
Special Emergency N.J.S.A. 40A:4-55.	258,484	258,484	-
Emergency N.J.S.A. 40A:4-46	300,000	300,000	-
Deficit in Recycling Trust	6,038		6,038
Deficit in Payroll Reserve	6,454		6,454
	<u>\$ 885,583</u>	<u>835,585</u>	<u>49,998</u>
	Balance December 31, 2023	2024 Appropriations	Balance to Succeeding Budget
<u>Current Fund:</u>			
Over Expenditure of Appropriations	\$ 169,570		169,570
Special Emergency N.J.S.A. 40A:4-55.	641,069	382,585	258,484
Deficit in Recycling Trust	6,038		6,038
	<u>\$ 816,677</u>	<u>382,585</u>	<u>434,092</u>

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 8. FUND BALANCE APPROPRIATED

The fund balance at December 31, 2024 and December 31, 2023 which has been appropriated as revenue in the 2025 and 2024 budgets is as follows:

	<u>2025</u>	<u>2024</u>
Current Fund	<u>\$ 3,900,000</u>	<u>\$2,450,000</u>

NOTE 9. ACCRUED SICK AND VACATION BENEFITS

The Borough permits employees to accrue (with certain restrictions) unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. This amount is not reported either as an expenditure or liability.

The estimated accumulated unpaid compensation as of December 31, 2024 and 2023 was \$616,864 and \$1,626,824, respectively.

NOTE 10. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Borough's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2024 and 2023, \$4,233 and \$4,233 of the Borough's bank balance of \$15,524,671 and \$16,113,250, respectively, were exposed to custodial credit risk. Those balances exposed to custodial credit risk are on deposit with the New Jersey Cash Management Fund which is a qualified investment pool under N.J.S.A. 40A:5-15.1.

Investments

Investment Rate Risk

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

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 10. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Credit Risk

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

Concentration of Credit Risk

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

Unaudited Investments

As more fully described in Note 16, the Borough has created a Length of Service Award Program (LOSAP) for emergency service volunteers. The LOSAP investments are similar to those allowed in a deferred compensation program as specified in NJSA 43:15B-1 et. seq. except that all investments are retained in the name of the Borough. All investments are valued at fair value. In accordance with NJAC 5:30-14.37, the investments are maintained by VALIC, which is an authorized provider approved by the Division of Local Government Services. The balance in the account on December 31, 2024 and 2023 amounted to \$1,983,760 and \$1,636,795, respectively.

The following investments represent the total invested with VALIC on December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Fixed Account Plus	\$ 110,067	103,111
Mid Cap Index Fund	156,728	136,425
Mid Cap Value Fund	392,017	351,570
Science & Technology Fund	562,855	424,794
Stock Index Fund	308,074	248,488
Systematic Growth Fund	155,766	115,277
All Others	298,253	257,130
	<u>\$ 1,983,760</u>	<u>1,636,795</u>

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 11. LOCAL DISTRICT SCHOOL TAXES

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Borough has elected to defer school taxes as of December 31, 2024 and 2023 as follows:

	<u>2024</u>	<u>2023</u>
Balance of Tax	\$ 7,683,273	\$ 7,357,100
Deferred	<u>7,683,273</u>	<u>7,357,100</u>
 Tax Payable	 <u><u>\$ -</u></u>	 <u><u>\$ -</u></u>

NOTE 12. FIXED ASSETS

The following is a summary of General Fixed Assets Account Group as of December 31, 2024 and 2023:

	Balance			Balance
	<u>Dec. 31, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Dec. 31, 2024</u>
Land	\$ 73,839,615	686,116		\$74,525,731
Buildings	9,360,673	27,630		9,388,303
Vehicles and Equipment	7,932,139	1,162,330		9,094,469
	<u>\$ 91,132,427</u>	<u>\$ 1,876,076</u>	<u>\$ -</u>	<u>\$93,008,503</u>

	Restated Balance			Balance
	<u>Dec. 31, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Dec. 31, 2023</u>
Land	\$ 73,839,615			\$73,839,615
Buildings	9,360,673			9,360,673
Vehicles and Equipment	7,932,139			7,932,139
	<u>\$ 91,132,427</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$91,132,427</u>

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 13. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at December 31, 2024 consist of the following:

\$	222,773	Due to the Federal and State Grant Fund from the Current Fund for grant awards received less cash disbursements made.
	183,473	Due to the Current Fund from the Capital Fund for transfers in excess of debt service paid.
	8,129	Due to the Current Fund from the Animal License Trust Fund for statutory excesss.
	6,062	Due to the Current Fund from the Escrow Trust Fund for interest earnings not turned over.
	58,152	Due to the Current Fund from the Other Trust Fund for reimbursement of expenses paid less interest earnings not turned over.
	12,778	Due to the Current Fund from the Recycling Trust Fund for reimbursement of expenses paid.
	468	Due to the Recycling Trust Fund from the Shade Tree Trust Fund for deposits in error.
	152	Due to the Recycling Trust Fund from the Other Trust Fund for deposits in error.
	<u>491,987</u>	

It is anticipated that all interfunds will be liquidated during the fiscal year.

NOTE 14. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP)

On December 6, 2001, the Division of Local Government Services approved the Borough's LOSAP plan, provided by the Variable Annuity Life Insurance Company (VALIC). The purpose of this plan is to enhance the Borough's ability to retain and recruit volunteer firefighters and volunteer members of emergency service squads.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 14. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP) (continued)

VALIC will provide for the benefit of participants, a multi-fund variable annuity contract as its funding vehicle. The plan shall provide for an annual contribution of \$2,091 to all eligible members, subject to periodic increases as permitted by N.J.A.C. 5:30-14.9. The Borough's contribution shall be included in the current year's budget.

All amounts awarded under a length of service award plan shall remain the asset of the sponsoring agency; the obligation of the sponsoring agency to participating volunteers shall be contractual only; and no preferred or special interest in the awards made shall accrue to such participants. Such money shall be subject to the claims of the sponsoring agency's general creditors until distributed to any or all participants.

We have reviewed the plan for the year ended December 31, 2024 in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Accounting and Review Services.

NOTE 15. RISK MANAGEMENT

The Borough is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur. During the 2024 calendar year, the Borough did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Borough of Englewood Cliffs is a member of the South Bergen Municipal Joint Insurance Fund (JIF) 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 JIF and MEL coverage amounts are on file with the Borough.

The relationship between the Borough 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 Borough is contractually obligated to make all annual and supplementary contributions to insurance funds, to report claims on a timely basis, cooperate with the management of the Fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the insurance funds. Members have a contractual obligation to fund any deficit of the insurance funds attributable to a membership year during which they were 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.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 15. RISK MANAGEMENT, (continued)

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

Financial statements for the funds are available at the office of the funds executive director, Public Entity Risk Management Administrators, Inc.

NOTE 16. TAXES COLLECTED IN ADVANCE

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

	Balance <u>Dec. 31, 2024</u>	Balance <u>Dec. 31, 2023</u>
Prepaid Taxes	<u>\$ 335,961</u>	<u>\$ 369,510</u>
Cash Liability for Taxes Collected in Advance	<u>\$ 335,961</u>	<u>\$ 369,510</u>

NOTE 17. COMMITMENTS AND CONTINGENT LIABILITIES

The Borough is in litigation in various lawsuits, unusual for a municipality of its size and scope of operation. The Borough's attorneys at balance sheet date and the date of this report have not provided a description and an evaluation of any litigation, impending litigation, claims, contingent liabilities, unasserted claims or assessments (Statement of Financial Accounting Standards No. 5) or statutory violations, which involve the Borough, and which might materially affect the December 31, 2024 financial position or results of operations or subsequent events.

Various tax appeal cases were pending in the tax court at December 31, 2024 and 2023. The Borough is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division, the Borough does not recognize a liability, if any, until these cases have been adjudicated and may be material. Funding of any ultimate liability would be provided for in succeeding years' budget, fund balance or property tax refunding bond ordinances.

BOROUGH OF ENGLEWOOD CLIFFS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 18: OTHER MATTERS

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into effect. This plan, among other things, provides direct federal funding to aid county and municipal governments to help offset revenue losses, cover increased costs incurred during the coronavirus pandemic response and to make necessary investments in water, sewer or broadband infrastructure. The amount of federal aid available to the Borough of Englewood Cliffs is \$560,395 which will be available for use until December 31, 2024.

NOTE 19: SUBSEQUENT EVENTS

The Borough has evaluated subsequent events through October 2, 2025, the date which the financial statements were available to be issued and no other items were noted for disclosure.

SUPPLEMENTARY DATA

BOROUGH OF ENGLEWOOD CLIFFS

Supplementary data

Comparative Schedule of Tax Rate Information

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Tax rate	<u>1.155</u>	<u>1.141</u>	<u>1.123</u>
Apportionment of tax rate:			
Municipal	0.459	0.461	0.476
School	0.431	0.415	0.407
County	<u>0.265</u>	<u>0.265</u>	<u>0.240</u>

Assessed Value

2024	\$ 3,558,758,661
2023	3,541,358,300
2022	3,534,427,800

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Currently Percentage of Collection</u>
2024	\$ 41,359,708	40,882,297	98.85%
2023	40,787,265	40,464,711	99.21%
2022	39,825,740	39,529,484	99.26%

Delinquent Taxes and Tax Title Liens

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

<u>Dec. 31</u>	<u>Amount of Delinquent Taxes</u>	<u>Tax Title Liens</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2024	\$ 267,612	1,278	268,890	0.65%
2023	305,302	1,114	306,416	0.75%
2022	267,773	952	268,725	0.67%

BOROUGH OF ENGLEWOOD CLIFFS

Supplementary data

Property Acquired by Tax Title Lien Liquidation

No properties have been acquired in 2024 by foreclosure or deed, as a result of liquidation of tax title liens.

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

<u>Year</u>	<u>Amount</u>
2024	\$ 39,528
2023	39,528
2022	39,528

Comparative Schedule of Fund Balance

	<u>Year</u>	<u>Dec. 31</u>	Utilized in budget of succeeding <u>year</u>
Current Fund	2024	\$ 7,843,205	3,900,000
	2023	5,777,080	2,450,000
	2022	4,090,252	2,301,000
	2021	2,643,396	1,200,000
	2020	2,867,273	1,146,950

BOROUGH OF ENGLEWOOD CLIFFS

Supplementary Data

Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of bond</u>	<u>Type of bond</u>
Mark M. Park	Mayor		
Glenn A. Luciano	Council President		
Zhi Liang	Councilperson		
Rivka Biegacz	Councilperson		
Kris Kim	Councilperson		
Melanie Simon	Councilperson		
David DiGregorio	Councilperson		
Laura Borchers	Borough Clerk		
Jerome Barberio	Borough Administrator		
Shuaib Firozvi	Chief Financial Officer	\$ 1,000,000	(A)
Richard Busa	Assistant Chief Financial Officer		
Vincent Buono	Tax Collector	\$ 1,000,000	(A)
Paul Duffy	Deputy Tax Collector		
Matthew Moench	Borough Attorney		
Neglia Engineering	Borough Engineer		
Van Cleef Engineering	Borough Engineer		
Gino Tessaro	Construction Code Official		
Carolina Calderon, Esq.	Municipal Judge	\$ 1,000,000	(A)
Dawn Curatola	Acting Municipal Court Administrator	\$ 1,000,000	(A)
Diane Frohlich	Violations Clerk	\$ 1,000,000	(A)
Anthony Amone	Prosecutor		
Kevin Corriston	Public Defender		
Sarah Holbig	Tax Assessor		
William Henkelman	Police Chief		

(A) - Statutory positions are covered under the South Bergen Municipal Jointure policy (\$50,000) and Municipal Excess Liability Joint Insurance Fund (Excess Crime Policy - Public Employee Bond - \$950,000)

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Expenditures of Federal Financial Assistance

Year ended December 31, 2024

<u>Program</u>	<u>Assistance Listing Number</u>	<u>FAIN Number</u>	<u>Grant or State Project Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Cash Received</u>	<u>Expended</u>	<u>MEMO Cumulative Total Expenditures</u>
<u>Federal and State Grant Fund:</u>								
<u>Department of Homeland Security</u>								
Disaster Grant - Public Assistance (Presidentially Declared Disasters)	97.036			2024	\$ 2,005	2,005	2,005	2,005
DR4574 - Tropical Storm Isaias								*
<u>Department of Housing and Urban Development</u>								
Community Development Block Grant	14.219	H20UC340100		2000	20,000			*
Community Development Block Grant	14.219	H21UC340100		2021	91,351			*
Community Development Block Grant	14.219	H22UC340100		2022	43,800		43,779	*
							43,779	43,779
								51,448
								*
<u>Department of Justice</u>								
Body-Worn Cameras	16.835			2021	52,988			*
								51,676
<u>Department of Law and Public Safety</u>								
Bulletproof Vest Partnership Program	16.607		2017-BU-BX-17089799	2017	7,986			*
								7,986
<u>Department of Transportation</u>								
Transportation Grant				2022	200,000			*
								*
<u>Department of Treasury</u>								
Passed through the State of New Jersey								*
Department of Community Affairs								*
ARP Fiscal Recovery Funds	21.027			2021	560,395		84,660	*
								407,278
<u>Total Federal and State Grant Fund</u>						2,005	130,444	520,393
								*
<u>Trust Funds:</u>								
U.S. Department of Justice								*
DEA/Equitable Sharing Program	16.922	19-DEA-631603	NJ0023200		134,241	4,663		1,015
								*
<u>Total Trust Funds</u>						4,663		1,015
								*
<u>Total Federal Assistance</u>					\$ 6,668		130,444	521,408
								*

Note: This schedule was not subject to an audit in accordance with Uniform Guidance

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Expenditures of State and Local Financial Assistance

Year ended December 31, 2024

	<u>Grant Number</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>Cash Received</u>	<u>Expended</u>	<u>MEMO</u> Cumulative Total Expenditures
<u>Federal and State Grant Fund:</u>						
<u>Division of Criminal Justice</u>						
Alcohol Education and Rehabilitation	9735-760-098-Y900-001-X100-6020	2014	1,403			*
Alcohol Education and Rehabilitation	9735-760-098-Y900-001-X100-6020	2015	1,179			*
Alcohol Education and Rehabilitation	9735-760-098-Y900-001-X100-6020	2016	665			*
Alcohol Education and Rehabilitation	9735-760-098-Y900-001-X100-6020	2017	193			*
Alcohol Education and Rehabilitation	9735-760-098-Y900-001-X100-6020	2018	878			*
Alcohol Education and Rehabilitation	9735-760-098-Y900-001-X100-6020	2021	1,136			*
Alcohol Education and Rehabilitation	9735-760-098-Y900-001-X100-6020	2022	316			*
Alcohol Education and Rehabilitation	9735-760-098-Y900-001-X100-6020	2023	130			*
Body Armor Replacement Fund	1020-718-066-1020-001	2019	2,684			*
Body Armor Replacement Fund	1020-718-066-1020-001	2020	2,347			*
Body Armor Replacement Fund	1020-718-006-1020-001	2023	2,164			*
Body Armor Replacement Fund	1020-718-006-1020-001	2024	2,178	2,178		*
Emergency Management Assistance Fund		2016	5,000	2,178		*
						1,077
<u>Division of Motor Vehicles</u>						
Drunk Driving Enforcement Fund	6400-100-078-6400-YYYY	2003	509			*
Drunk Driving Enforcement Fund	6400-100-078-6400-YYYY	2004	1,141			*
Drunk Driving Enforcement Fund	6400-100-078-6400-YYYY	2005	279			*
Drunk Driving Enforcement Fund	6400-100-078-6400-YYYY	2009	378			*
Drunk Driving Enforcement Fund	6400-100-078-6400-YYYY	2014	3,400			*
Drunk Driving Enforcement Fund	6400-100-078-6400-YYYY	2015	2,278			*
						289
						635
<u>Department of Health</u>						
Hepatitis B	4230-100-046-4781-241-J002-3890	2002	756			*
Domestic Violence Grant		2006	1,000			*
						21
						21
						*

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Expenditures of State and Local Financial Assistance

Year ended December 31, 2024

	<u>Grant Number</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>Cash Received</u>	<u>Expended</u>	<u>MEMO Cumulative Total Expenditures</u>
Department of Environmental Protection						
Clean Communities Act	4900-765-042-4900-004-V42Y-6020	2017	12,594		4,491	12,594
Clean Communities Act	4900-765-042-4900-004-V42Y-6020	2018	12,047		12,047	12,047
Clean Communities Act	4900-765-042-4900-004-V42Y-6020	2019	13,447		13,447	13,447
Clean Communities Act	4900-765-042-4900-004-V42Y-6020	2020	12,124		1,721	1,721
Clean Communities Act	4900-765-042-4900-004-V42Y-6020	2021	12,899		4,325	5,343
Clean Communities Act	4900-765-042-4900-004-V42Y-6020	2022	13,130			
Clean Communities Act	4900-765-042-4900-004-V42Y-6020	2023	14,726			
Clean Communities Act	4900-765-042-4900-004-V42Y-6020	2024	16,726			
Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2016	9,152		8,473	9,152
Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2017	7,631		7,032	7,032
Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2018	10,269			8,861
Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2019	9,053			
Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2020	8,822			
Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2021	9,861	9,861		
				<u>26,587</u>	<u>51,536</u>	<u>70,197</u>
Stormwater Assistance Grant	2023-042-4850-100-099	2023	15,000	15,000		
Total State Financial Assistance			\$	43,765	51,536	71,930
Other Financial Assistance						
The Heritage Program (Firemen's Fund Insurance Company)						
Fireman's Fund Grant		2011	12,774			11,207
						<u>11,207</u>
County of Bergen						
Municipal Recycling Assistance Program		PY	11,163			680
Municipal Recycling Assistance Program		PY	10,211			
Municipal Recycling Assistance Program		2005	4,008			500
Municipal Recycling Assistance Program		2007	2,549			
						<u>1,180</u>

BOROUGH OF ENGLEWOOD CLIFFS
Schedule of Expenditures of State and Local Financial Assistance

Year ended December 31, 2024

	<u>Grant Number</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>Cash Received</u>	<u>Expended</u>	<u>MEMO</u> <u>Cumulative Total Expenditures</u>
Passed through -						*
County of Bergen						*
Municipal Alliance on Alcoholism and Drug Abuse	2000-100-082-C001-044	2017	9,876			9,720
Monsanto Settlement		2023	17,414			*
Total Other Financial Assistance						*
<i>Total Federal and State Grant Fund</i>				43,765	51,536	22,107
<i>General Capital Fund:</i>						*
County of Bergen Open Space						*
ADA Cooperative Curb Ramp Construction	Ord. 2014-10	2014	46,000			*
Grant	Ord. 2022-13	2022	256,652		256,652	256,652
Witte Field Improvement Project						*
Department of Transportation						*
Federal Highway Planning and						*
(passed through State Department of Transportation)						*
Summit Street	Ord. 2013-09	2013	150,000			150,000
Pershing Road	Ord. 2018-02	2018	212,000			212,000
5th Street	Ord. 2021-07	2021	425,000			400,000
Summit Street	Ord. 2021-07	2021	202,000			172,983
Floyd Street	Ord. 2024-11	2023	157,970			*
Floyd Street	Ord. 2024-11	2024	186,939			*
<i>Total General Capital Fund</i>					256,652	1,191,635
Total State and Other Financial Assistance				43,765	308,188	1,285,672

Note: This schedule was not subject to an audit in accordance with N.J.OMB 15-08.

BOROUGH OF ENGLEWOOD CLIFFS**Schedule of Cash - Collector-Treasurer****Current Fund****Year ended December 31, 2024**

Balance - December 31, 2023		\$	10,087,535
Increased by:			
Veterans' and Senior Citizens' Deductions	\$	13,250	
Taxes Receivable		40,723,782	
Prepaid Taxes		368,698	
Tax Overpayments		96,966	
Interfunds		184,527	
Revenue Accounts Receivable		4,283,168	
Miscellaneous Revenue Not Anticipated		384,392	
Grants Receivable		41,587	
Unappropriated Reserves		<u>2,178</u>	
			<u>46,098,548</u>
			56,186,083
Decreased by:			
Budget Appropriations	\$	19,188,883	
Appropriation Reserves		436,870	
County Taxes Payable		9,461,818	
School Taxes Payable		15,040,372	
Accounts Payable		1,816	
Tax Overpayments		14,459	
Interfunds		1,714,116	
Miscellaneous Reserves		268,449	
Special Emergency Notes		382,585	
Prior Year Refunds		10,534	
Appropriated Grant Reserves		<u>179,975</u>	
			<u>46,699,877</u>
Balance - December 31, 2024		\$	<u><u>9,486,206</u></u>

Exhibit A-5

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Change Funds

Current Fund

Year ended December 31, 2024

Balance - December 31, 2023	\$ <u>300</u>
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Balance - December 31, 2024	\$ <u><u>300</u></u>
-----------------------------	----------------------

Exhibit A-6

Schedule of Petty Cash

Current Fund

Year ended December 31, 2024

Balance - December 31, 2023	\$ <u>300</u>
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Balance - December 31, 2024	\$ <u><u>300</u></u>
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BOROUGH OF ENGLEWOOD CLIFFS**Schedule of Due From/(To) State of New Jersey -
Senior Citizens' and Veterans' Deductions****Current Fund****Year ended December 31, 2024**

Balance - December 31, 2023		\$	98
Increased by:			
Veterans' Deductions per Duplicate	\$	13,000	
Senior Citizens' Deductions per Duplicate		<u>500</u>	
			<u>13,500</u>
			13,598
Decreased by:			
Senior Citizens' Deductions Disallowed		250	
Cash Received		<u>13,250</u>	
			<u>13,500</u>
Balance - December 31, 2024		\$	<u><u>98</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

**Schedule of Taxes Receivable and Analysis of
Property Tax Levy**

Current Fund

Year Ended December 31, 2024

Year	Balance, Dec. 31, 2023	2024 Tax Levy	Added Taxes	Collections		Veterans and Senior Citizens	Transferred to Tax Title Liens	Remitted, Abated or Cancelled	Balance, Dec. 31, 2024
				2023	2024				
2023	\$ 305,302		3,946		307,939			1,309	
2024		41,103,667	256,041	369,510	40,499,537	13,250	164	209,635	267,612
	\$ 305,302	41,103,667	259,987	369,510	40,807,476	13,250	164	210,944	267,612
Overpayments Applied \$ 83,694									
Cash Receipts 40,723,782									
\$ 40,807,476									

BOROUGH OF ENGLEWOOD CLIFFS

**Schedule of Taxes Receivable and Analysis of
Property Tax Levy**

Current Fund

Year Ended December 31, 2024

Analysis of 2024 Property Tax Levy

Tax Yield:	General Property Tax	\$ 41,103,667	
	Added Tax (R.S. 54:4-63.1 et seq.)	<u>256,041</u>	
		\$ <u><u>41,359,708</u></u>	
Tax Levy:	Local District School Tax	\$ 15,366,545	
	County Tax	\$ 8,974,420	
	County Open Space Preservation	403,827	
	County Added and Omitted Taxes	<u>58,759</u>	
		<u>9,437,006</u>	
	Local Tax for Municipal Purposes	\$ 16,336,880	
	Add: Additional Taxes Levied	<u>219,277</u>	
	Local Tax for Municipal Purposes	<u>16,556,157</u>	
		\$ <u><u>41,359,708</u></u>	

BOROUGH OF ENGLEWOOD CLIFFS

**Schedule of Property Acquired for Taxes
(at Assessed Valuation)**

Current Fund

Year ended December 31, 2024

Balance - December 31, 2023	\$ <u>39,528</u>
Balance - December 31, 2024	\$ <u><u>39,528</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Tax Title Liens Receivable

Current Fund

Year ended December 31, 2024

Balance - December 31, 2023	\$	1,114
Increased by:		
Transfers from Taxes Receivable		<u>164</u>
Balance - December 31, 2024	\$	<u><u>1,278</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Revenue Accounts Receivable

Current Fund

Year ended December 31, 2024

	Balance, Dec. 31, <u>2023</u>	Accrued in <u>2024</u>	<u>Collected</u>	Balance, Dec. 31, <u>2024</u>
Miscellaneous Revenues:				
Licenses - Alcoholic Beverages	\$	20,000	20,000	
Fees and Permits:				
Construction Code Official		1,699,876	1,699,876	
Other		55,279	55,279	
Municipal Court - Fines and Costs	2,171	37,794	38,112	1,853
Interest and Costs on Taxes		93,605	93,605	
Interest on Investments		472,716	472,716	
Commercial Sewer User Fees		384,833	384,833	
Cable TV - Annual Fees		14,421	14,421	
Cell Tower - Annual Leases		362,131	362,131	
Elevator Fees		52,075	52,075	
Municipal Relief Fund		699,720	699,720	
General Capital Fund Balance		35,000	35,000	
Sewer Connection Fees		47,228	47,228	
Police - Outside Duty		408,846	408,846	
	<u>\$ 2,171</u>	<u>4,383,524</u>	<u>4,383,842</u>	<u>1,853</u>
		Interfunds \$	100,674	
		Cash	<u>4,283,168</u>	
		\$	<u><u>4,383,842</u></u>	

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Interfunds

Current Fund

Year ended December 31, 2024

	Due to/(from) Balance Dec. 31, 2023	Increased	Decreased	Due to/(from) Balance Dec. 31, 2024
Federal and State Grant Fund	\$ (358,983)	179,975	43,765	(222,773)
General Capital Fund	(1,134,031)	1,693,590	376,086	183,473
Dog License Trust Fund	14,341	666	6,878	8,129
Payroll Account	5,554		5,554	
Recycling Trust Fund	12,778	298	298	12,778
Shade Tree Trust Fund		481	481	
Assessment/Other Trust Fund				
Other Trust Fund	39,181	119,755	100,784	58,152
Escrow Trust Fund	2,135	3,927		6,062
	<u>(1,419,025)</u>	<u>1,998,692</u>	<u>533,846</u>	<u>45,821</u>
Interfunds Due To	73,989	683,907	489,302	268,594
Interfunds (Due From)	<u>(1,493,014)</u>	<u>1,314,785</u>	<u>44,544</u>	<u>(222,773)</u>
	<u>\$ (1,419,025)</u>	<u>1,998,692</u>	<u>533,846</u>	<u>45,821</u>
Cash Receipts	\$		184,527	
Cash Disbursements		1,714,116		
Interest on Investments		3,927		
Capital Improvement Fund			300,000	
Revenue Receivable		100,674		
Reimbursement for Expenses			5,554	
Grants Receivable			41,587	
Appropriated Grant Reserves		179,975		
Unappropriated Grant Reserves			2,178	
		<u>\$ 1,998,692</u>	<u>533,846</u>	

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Deferred Charges

Current Fund

Year ended December 31, 2024

<u>Purpose</u>	Balance, Dec. 31, <u>2023</u>	Added in <u>2024</u>	Balance, Dec. 31, <u>2024</u>
Overexpenditure of:			
Budget Appropriations	\$ 40,192	118,982	159,174
Appropriations Reserves	<u>129,378</u>	<u>26,055</u>	<u>155,433</u>
	<u>\$ 169,570</u>	<u>145,037</u>	<u>314,607</u>

BOROUGH OF ENGLEWOOD CLIFFS

**Schedule of Deferred Charges - N.J.S.A. 40A:4-46
Emergency Authorizations**

Current Fund

Year ended December 31, 2024

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Net Amount</u> <u>Authorized</u>	<u>Increased by:</u> <u>2024</u> <u>Authorization</u>	<u>Balance</u> <u>Dec. 31,</u> <u>2024</u>
December 31, 2024	Attorney Fees	300,000	\$ <u>300,000</u>	<u>300,000</u>
			\$ <u><u>300,000</u></u>	<u><u>300,000</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

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

Current Fund

Year ended December 31, 2024

<u>Date</u>	<u>Purpose</u>	<u>Net Amount</u>	<u>1/5 of net</u>	<u>Balance</u>	<u>Reduced by:</u>	<u>Balance</u>
<u>Authorized</u>		<u>Authorized</u>	<u>Amount</u>	<u>Dec. 31,</u>	<u>2024 Budget</u>	<u>Dec. 31,</u>
			<u>Authorized</u>	<u>2023</u>	<u>Appropriation</u>	<u>2024</u>
November 17, 2019	Special Emergency - Terminal Leave	620,500	124,100	\$ 124,100	124,100	
November 23, 2020	Special Emergency - Terminal Leave	653,100	130,620	261,240	130,620	130,620
November 20, 2021	Special Emergency - Terminal Leave	639,324	127,865	255,729	127,865	127,864
				\$ 641,069	382,585	258,484

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Appropriation Reserves

Current Fund

Year ended December 31, 2024

	Balance, Dec.31, <u>2023</u>	Balance after Transfers and <u>Encumbrances</u>	<u>Paid</u>	Balance <u>Lapsed</u>	Over- <u>Expenditures</u>
Salaries and Wages:					
Administrative and Executive	\$ 3,310	3,310		3,310	
Mayor & Council	4,167	4,167		4,167	
Financial Administration	1,660	1,660		1,660	
Collection of Taxes	11,541	11,541		11,541	
Assessment of taxes	128	128		128	
Police	125,658	125,658		125,658	
Office of Emergency Management	2,250	2,250		2,250	
Fire Official	3,205	3,205		3,205	
Road Repairs and Maintenance	41,861	41,861		41,861	
Parks and Playgrounds	4,280	4,280		4,280	
Construction Official	582	582		582	
Fire Prevention	3,000	3,000		3,000	
Public Defender	12,000	12,000		12,000	
Municipal Court	19,533	19,533		19,533	
Other Expenses:					
Administrative and Executive	26,369	44,917	18,405	26,512	
Mayor & Council	2,000	2,000		2,000	
Financial Administration	51,059	51,537	1,100	50,437	
Information Technology	53,163	54,454		54,454	
Collection of Taxes	20,289	20,289		20,289	
Assessment of Taxes	7,726	10,527	2,800	7,727	
Legal Services and Costs					
Other Expenses	198,325	200,611	168,778	31,833	
Engineering Services and Costs	20,061	21,544	19,138	2,406	
Insurance (N.J.S.A. 40A:4-45.3(00))					
Other Insurance Premiums	17,257	17,257		17,257	
Group Insurance Plan for Employee	25,797	25,798	7,915	17,883	
Planning Board	4,687	14,263	20,920		6,657
Police					
Other Expenses	32,033	68,491	35,558	32,933	
Office of Emergency Management	10,000	10,000		10,000	
Fire					
Hydrant Services	1,645	1,645		1,645	
Other Expenses		13,071	7,001	6,070	
Road Repairs and Maintenance					
Other Expenses	1,013	68,834	66,757	2,077	
Gasoline	30,504	30,505	4,180	26,325	
Garbage and Trash Removal	17,906	56,407	56,280	127	
Public Buildings and Grounds	9,809	9,816	2,960	6,856	
Sewer System	587	1,782	769	1,013	
Shade Tree		3,601	3,000	601	
Board of Health	9,960	9,961	100	9,861	
Environmental Commission	1,500	1,500		1,500	

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Appropriation Reserves

Current Fund

Year ended December 31, 2024

	Balance, Dec.31, <u>2023</u>	Balance after Transfers and <u>Encumbrances</u>	<u>Paid</u>	Balance <u>Lapsed</u>	Over- <u>Expenditures</u>
Senior Citizens Committee	1,999	2,000		2,000	
Parks and Playgrounds		5,292	2,788	2,504	
Celebration of Public Events	8,000	8,000		8,000	
Construction Official	708	708		708	
Fire Prevention	4,705	4,705		4,705	
Municipal Court	565	1,225		1,225	
Electricity and Heating Oil	27,722	7,797	72	7,725	
Telephone and Fax	29,601	14,331	1,395	12,936	
Street Lighting	602	(19,398)			19,398
Water	11,998	1,173	175	998	
Social Security System (O.A.S.I.)	15,368	15,368		15,368	
Police and Fireman's Retirement System of NJ	1	1		1	
DCRP	1,370	1,370		1,370	
Sewer - Contractual - BCUA Service Charges	371	371		371	
Sewer Charges - City of Englewood	18,007	18,007	16,779	1,228	
LOSAP	675	675		675	
Reserve for Tax Appeals	<u>383,793</u>	<u>383,793</u>	<u>383,793</u>	<u>622,795</u>	
	<u>\$ 1,280,350</u>	<u>1,417,403</u>	<u>820,663</u>	<u>622,795</u>	<u>26,055</u>
Appropriation Reserves	\$ 1,280,350				
Encumbrances		<u>137,053</u>			
		<u>\$ 1,417,403</u>			
		Cash	\$ 436,870		
		Reserve for Tax Appeals	<u>383,793</u>		
			<u>\$ 820,663</u>		

Exhibit A-17

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Encumbrances Payable

Current Fund

Year ended December 31, 2024

Balance - December 31, 2023	\$	137,053
Increased by:		
Charges to 2024 Budget Appropriations		<u>146,883</u>
		283,936
Decreased by :		
Transferred to 2023 Appropriation Reserves		<u>137,053</u>
Balance - December 31, 2024	\$	<u><u>146,883</u></u>

Exhibit A-18

Schedule of Accounts Payable

Current Fund

Year ended December 31, 2024

Balance - December 31, 2023	\$	744,738
Decreased by :		
Cash Disbursements	\$	1,816
Cancelled		<u>733,606</u>
		<u>735,422</u>
Balance - December 31, 2024	\$	<u><u>9,316</u></u>

BOROUGH OF ENGLEWOOD CLIFFS**Schedule of Prepaid Taxes****Current Fund****Year ended December 31, 2024**

Balance - December 31, 2023	\$	369,510
Increased by:		
Cash Receipts		<u>368,698</u>
		738,208
Decreased by :		
Applied to Taxes		<u>369,510</u>
Balance - December 31, 2024	\$	<u><u>368,698</u></u>

Schedule of Tax Overpayments**Current Fund****Year ended December 31, 2024**

Balance - December 31, 2023	\$	28,372
Increased by:		
Cash Receipts		<u>96,966</u>
		125,338
Decreased by:		
Cash Disbursements	\$	14,459
Overpayments Applied		<u>83,694</u>
		<u>98,153</u>
Balance - December 31, 2024	\$	<u><u>27,185</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of County Taxes Payable

Current Fund

Year ended December 31, 2024

Balance - December 31, 2023		\$	83,571
Increased by:			
County Share of 2024 Levy	\$	8,974,420	
County Open Space Preservation of 2024 Levy		403,827	
County Share of 2024 Levy - Added Taxes		<u>58,759</u>	
			<u>9,437,006</u>
			9,520,577
Decreased by:			
Cash Disbursements			<u>9,461,818</u>
Balance - December 31, 2024		\$	<u><u>58,759</u></u>

BOROUGH OF ENGLEWOOD CLIFFS
Schedule of Local District School Taxes Payable
Current Fund
Year ended December 31, 2024

Balance - December 31, 2023	
School Taxes Deferred	\$ <u>7,357,100</u>
	\$ <u>7,357,100</u>
Increased by:	
Local School Share of Fiscal Year 2024 Levy	<u>15,366,545</u>
	22,723,645
Decreased by:	
Cash Disbursement	<u>15,040,372</u>
Balance - December 31, 2024	\$ <u><u>7,683,273</u></u>
School Taxes Deferred	\$ <u><u>7,683,273</u></u>
<u>2024 Liability for Local School District Taxes:</u>	
Tax Liability	\$ 15,366,545
Add: Balance Deferred - December 31, 2023	<u>7,357,100</u>
	22,723,645
Less: Balance Deferred - December 31, 2024	<u>7,683,273</u>
Amount Charged to 2024 Operations	\$ <u><u>15,040,372</u></u>

BOROUGH OF ENGLEWOOD CLIFFS**Schedule of Miscellaneous Reserves****Current Fund****Year Ended December 31, 2024**

<u>Reserve for</u>	Balance, Dec. 31, <u>2023</u>	<u>Increased by:</u>	<u>Decreased by:</u>	Balance, Dec. 31, <u>2024</u>
State Library Aid	\$ 5,518			5,518
Tax Appeal Reserve	226,174	1,083,793	268,449	1,041,518
Master Plan	1,675			1,675
BCUA Recycling Grant	11,445			11,445
Municipal Relief Fund	72,125			72,125
Police Outside Duty-Due to Officers	27,420			27,420
	<u>\$ 344,357</u>	<u>1,083,793</u>	<u>268,449</u>	<u>1,159,701</u>
Budget Appropriation	\$ 700,000			
Appropriation Reserves	383,793			
Cash Disbursement			268,449	
		<u>\$ 1,083,793</u>	<u>268,449</u>	

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Special Emergency Notes Payable
N.J.S.A. 40A:4-53

Current Fund

Year ended December 31, 2024

<u>Improvement Description</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance, Dec. 31, 2023</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, Dec. 31, 2024</u>
Special Emergency - Terminal Leave 2019	Dec. 30, 2019				\$ 124,100			
Special Emergency - Terminal Leave 2020	Nov. 12, 2020	Aug. 7, 2024	Oct. 18, 2024	3.500%	261,240	130,620	124,100	130,620
Special Emergency - Terminal Leave 2021	Nov. 12, 2021	Aug. 7, 2024	Oct. 18, 2024	3.500%	255,490	127,625	261,240	127,625
Special Emergency - Terminal Leave 2020	Nov. 12, 2020	Oct. 17, 2024	Oct. 16, 2025	4.000%		130,620	255,490	
Special Emergency - Terminal Leave 2021	Nov. 12, 2021	Oct. 17, 2024	Oct. 16, 2025	4.000%		127,625	130,620	
						<u>516,490</u>	<u>127,625</u>	
					\$ 640,830	<u>516,490</u>	<u>899,075</u>	<u>258,245</u>
					Cash \$		382,585	
					Renewed	<u>516,490</u>	<u>516,490</u>	
					\$	<u>516,490</u>	<u>899,075</u>	

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended December 31, 2024

	Balance, Dec. 31, <u>2023</u>	2024 <u>Revenue</u>	Decreased <u>By:</u>	Balance, Dec. 31, <u>2024</u>
Alcohol Education & Rehabilitation Grant - 2023	\$	316	316	
Alcohol Education & Rehabilitation Grant - 2024		130	130	
Body Armor Grant		2,164	2,164	
Body-Worn Cameras	52,988			52,988
Bulletproof Vest Fund	7,986			7,986
Clean Communities Grant - 2022		13,130	13,130	
Clean Communities Grant - 2023		14,726	14,726	
Clean Communities Grant - 2024		16,726	16,726	
Community Development Block Grant	6,459			6,459
Community Development Block Grant - 2022	43,800			43,800
Community Development Block Grant - Bathrooms	91,351			91,351
Monsanto Settlement		17,414	17,414	
Municipal Alliance on Alcoholism and Drug Abuse	7,699			7,699
New Jersey Transportation Grant	200,000			200,000
Recycling Tonnage Grant - 2019		9,053	9,053	
Recycling Tonnage Grant - 2020		8,823	8,823	
Recycling Tonnage Grant - 2024		9,861	9,861	
Stormwater Assistance Grant		15,000	15,000	
	<u>\$ 410,283</u>	<u>107,343</u>	<u>107,343</u>	<u>410,283</u>

	Cash Receipt \$	41,587
Transfer from Unappropriated Grants		<u>65,756</u>
	\$	<u>107,343</u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Interfunds

Federal and State Grant Funds

Year ended December 31, 2024

	Due from/(to) Balance <u>Dec. 31, 2023</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance <u>Dec. 31, 2024</u>
Current Fund	\$ <u>358,983</u>	<u>43,765</u>	<u>179,975</u>	<u>222,773</u>
Interfunds Due From	\$ <u>358,983</u>	<u>43,765</u>	<u>179,975</u>	<u>222,773</u>
Grants Receivable	\$ 41,587			
Appropriated Grant Reserves			179,975	
Unappropriated Grant Reserves		<u>2,178</u>	<u> </u>	
	\$ <u>43,765</u>	<u> </u>	<u>179,975</u>	

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Appropriated Grant Reserves

Federal and State Grant Funds

Year ended December 31, 2024

<u>Grant</u>	<u>Balance</u> <u>Dec. 31,</u> <u>2023</u>	<u>Transfer</u> <u>from</u> <u>2024</u> <u>Budget</u> <u>Appropriations</u>	<u>Decreased</u> <u>by:</u>	<u>Balance</u> <u>Dec. 31,</u> <u>2024</u>
Alcohol Education Rehabilitation - 2014	\$ 326			326
Alcohol Education Rehabilitation - 2015	1,179			1,179
Alcohol Education Rehabilitation - 2016	665			665
Alcohol Education Rehabilitation - 2017	193			193
Alcohol Education Rehabilitation - 2018	879			879
Alcohol Education Rehabilitation - 2022	1,136			1,136
Alcohol Education Rehabilitation - 2023		316		316
Alcohol Education Rehabilitation - 2024		130		130
ARP - Fire Department Vehicles	201,277		70,732	130,545
ARP - DPW Vehicles	17,755		13,928	3,827
ARP - Police Vehicles & Armor/Cameras	18,745			18,745
Body Armor Grant - 2018	2,684			2,684
Body Armor Grant - 2021	4,504			4,504
Body Armor Grant - 2023		2,164		2,164
Body-Worn Cameras Grant	1,312			1,312
BCUA Recycling Grant	10,483			10,483
BCUA Recycling Grant	10,211			10,211
BCUA Recycling Grant	3,508			3,508
BCUA Recycling Grant	2,549			2,549
Community Development Block Grant	12,331			12,331
Community Development Block Grant - 2021	91,351			91,351
Community Development Block Grant - 2022	43,800		43,779	21
Clean Communities - 2017	4,491		4,491	
Clean Communities - 2018	12,047		12,047	
Clean Communities - 2019	13,447		13,447	
Clean Communities - 2020	1,721		1,721	
Clean Communities - 2021	11,881		4,325	7,556
Clean Communities - 2022		13,130		13,130
Clean Communities - 2023		14,726		14,726
Clean Communities - 2024		16,726		16,726
Domestic Violence	1,000			1,000

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Appropriated Grant Reserves

Federal and State Grant Funds

Year ended December 31, 2024

<u>Grant</u>	Balance Dec. 31, <u>2023</u>	Transfer from 2024 Budget <u>Appropriations</u>	Decreased by:	Balance Dec. 31, <u>2024</u>
Drunk Driving Enforcement Fund - 2003	162			162
Drunk Driving Enforcement Fund - 2004	1,141			1,141
Drunk Driving Enforcement Fund - 2005	279			279
Drunk Driving Enforcement Fund - 2009	378			378
Drunk Driving Enforcement Fund - 2014	3,400			3,400
Drunk Driving Enforcement Fund - 2015	1,989			1,989
Emergency Management Assistance Grant	5,000			5,000
Fireman's Fund Grant	1,567			1,567
Hazard Mitigation 2015 - Matching Grant	1,716			1,716
Hepatitis B	735			735
Monsanto Settlement		17,414		17,414
Municipal Alliance - 2017	156			156
New Jersey Transportation Grant	200,000			200,000
Recycling Tonnage Grant - 2019	8,473		8,473	
Recycling Tonnage Grant - 2020	7,631		7,032	599
Recycling Tonnage Grant - 2021	1,408			1,408
Recycling Tonnage Grant - 2022		8,823		8,823
Recycling Tonnage Grant - 2023		9,053		9,053
Recycling Tonnage Grant - 2024		9,861		9,861
Stormwater Assistance Grant		15,000		15,000
	<u>\$ 703,510</u>	<u>107,343</u>	<u>179,975</u>	<u>630,878</u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Unappropriated Reserves

Federal and State Grant Fund

Year Ended December 31, 2024

<u>Grant</u>	Balance, Dec. 31, 2023	Realized as 2024 Budget Revenue	Cash Received	Balance, Dec. 31, 2024
Alcohol Education & Rehabilitation Grant - 2022	\$ 316	316		
Alcohol Education & Rehabilitation Grant - 2023	130	130		
Body Armor Grant - 2023	2,164	2,164		
Body Armor Grant - 2024			2,178	2,178
Clean Communities - 2022	13,130	13,130		
Clean Communities - 2023	14,726	14,726		
Monsanto Settlement	17,414	17,414		
Recycling Tonnage Grant - 2019	9,053	9,053		
Recycling Tonnage Grant - 2020	8,823	8,823		
	<u>\$ 65,756</u>	<u>65,756</u>	<u>2,178</u>	<u>2,178</u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Cash

Trust Funds

Year Ended December 31, 2024

	<u>Dog License</u>	<u>Other Trust Funds</u>	<u>Emergency Services Trust LOSAP</u>
Balance - December 31, 2023	\$ 19,078	5,309,987	1,636,795
Increased by:			
Dog License Fees	1,440		
Dog License State Fees	240		
Miscellaneous	10		
Late Fees	275		
State Fees		92,699	
Other Trust Reserves		972,653	
Recycling		522	
COAH Development Fees		616,882	
DEA Forfeiture Deposits		4,663	
Interfunds	666	31,762	
Investment Earnings/Interest			312,574
Borough Contributions			34,391
	<u>2,631</u>	<u>1,719,181</u>	<u>346,965</u>
	21,709	7,029,168	1,983,760
Decreased by:			
Dog License Fund Expenditures	252		
Dog License State Fees	240		
Other Trust Reserves		814,970	
Recycling		39	
Shade Tree		69	
COAH Development Expenditures		3,300,060	
Interfunds	<u>6,878</u>	<u>30,196</u>	
	<u>7,370</u>	<u>4,145,334</u>	
Balance - December 31, 2024	\$ <u>14,339</u>	<u>2,883,834</u>	<u>1,983,760</u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Tax Sale Receivable

Other Trust Fund

Year Ended December 31, 2024

Balance - December 31, 2023	\$ <u>50</u>
Balance - December 31, 2024	\$ <u><u>50</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Interfunds/Intrafunds

Year Ended December 31, 2024

	Due from/(to) Balance Dec. 31, <u>2023</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance Dec. 31, <u>2024</u>
<u>INTERFUNDS:</u>				
Dog License Trust Fund:				
Current Fund	\$ (14,341)	6,878	666	(8,129)
Other Trust Fund:				
Current Fund - Other Trust	(39,181)	100,784	119,755	(58,152)
Current Fund - Escrow Trust	(2,135)		3,927	(6,062)
Current Fund - Recycling Trust	(12,778)	298	298	(12,778)
Current Fund - Shade Tree Trust		481	481	
<u>INTRAFUNDS:</u>				
Due to Recycling Trust - Other Trust	(468)			(468)
Due to Recycling Trust - Shade Tree Trust	(152)			(152)
Due from Other Trust - Recycling Trust	468			468
Due from Shade Tree Trust - Recycling Trust	152			152
	<u>\$ (68,435)</u>	<u>108,441</u>	<u>125,127</u>	<u>(85,121)</u>
Interfunds Due From	620			620
Interfunds (Due To)	<u>(69,055)</u>	<u>108,441</u>	<u>125,127</u>	<u>(85,741)</u>
	<u>\$ (68,435)</u>	<u>108,441</u>	<u>125,127</u>	<u>(85,121)</u>
Cash Receipts \$			32,428	
Cash Disbursements		37,074		
TTL Redemption		71,367		
Due to State of New Jersey			92,699	
		<u>\$ 108,441</u>	<u>125,127</u>	

BOROUGH OF ENGLEWOOD CLIFFS

**Schedule of Due from/(to)
State Department of Health**

Animal License Trust Fund

Year Ended December 31, 2024

Increased by:

State Fees Collected \$ 240

Decreased by:

Paid to State of New Jersey \$ 240

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Reserve for Animal License Trust Fund Expenditures

Dog License Trust Fund

Year Ended December 31, 2024

Balance - December 31, 2023	\$	4,737
Increased by:		
Dog License Fees	\$	1,440
Miscellaneous		10
Late Fees		<u>275</u>
		<u>1,725</u>
		6,462
Decreased by:		
Expenditures Under R.S. 4:19-15:11		<u>252</u>
Balance - December 31, 2024	\$	<u><u>6,210</u></u>

<u>License Fees Collected</u>	
<u>Year</u>	<u>Amount</u>
2022	\$ 1,894
2023	<u>8,239</u>
	<u><u>\$ 10,133</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Due to State of New Jersey

Other Trust Fund

Year Ended December 31, 2024

Increased by:

Marriage License Fees \$ 350

DCA Fees 92,349

\$ 92,699

Decreased by:

Interfund \$ 92,699

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Various Reserves - Other Trust Funds

Other Trust Fund

Year Ended December 31, 2024

	Balance Dec. 31, <u>2023</u>	<u>Increased</u>	<u>Decreased</u>	Balance Dec. 31, <u>2024</u>
Reserve for:				
Escrow Deposits	\$ 1,295,924	812,880	685,803	1,423,001
TTL & Premiums	55,000	135,167	126,367	63,800
Accumulated Absences	131,000			131,000
Other Trust Deposits:				
Street Opening Fees	75	25		100
P.O.A.A.	965	56		1,021
Law Enforcement Trust	1,171			1,171
Public Defender	300			300
5K Run	44,993	7,995		52,988
Donations:				
Police	30,647	4,550	125	35,072
Police in Car/Body Camera	25			25
Recreation	1,761			1,761
Fire Department	100			100
General Donations	3,606			3,606
Benches	1,115			1,115
Sign	1,085			1,085
Downstream Improvements	79,123			79,123
Shade Tree Fees	1,398			1,398
Sewer Maintenance	7,100			7,100
Recreation - Summer Camp	9,273			9,273
Recreation - Fee Based Programs		4,671		4,671
Parks and Recreation	1,934			1,934
Snow Removal	550			550
Miscellaneous	7,497	78,676	2,675	83,498
	<u>\$ 1,674,642</u>	<u>1,044,020</u>	<u>814,970</u>	<u>1,903,692</u>
Cash	\$	972,653	814,970	
Interfunds		<u>71,367</u>		
		<u>\$ 1,044,020</u>	<u>814,970</u>	

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Reserve for Recycling Expenditures

Other Trust Funds

Year Ended December 31, 2024

Increased by:	
Recycling Receipts	\$ <u>522</u>
Decreased by:	
Recycling Expenditures	<u>39</u>
Balance - December 31, 2024	\$ <u><u>483</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

**Schedule of Deferred Charges:
Reserve for Recycling Expenditures**

Other Trust Funds

Year Ended December 31, 2024

Balance - December 31, 2023	\$ <u>6,038</u>
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Balance - December 31, 2024	\$ <u><u>6,038</u></u>
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BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Reserve for Shade Tree Expenditures

Other Trust Funds

Year Ended December 31, 2024

Balance - December 31, 2023	\$	10,442
Decreased by:		
Shade Tree Expenditures		<u>69</u>
Balance - December 31, 2024	\$	<u><u>10,373</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Reserve for COAH Development Expenditures

Other Trust Funds

Year Ended December 31, 2024

Balance - December 31, 2023		\$	3,440,521
Increased by:			
Development Fees	\$	502,269	
Interest		<u>114,613</u>	
			<u>616,882</u>
			4,057,403
Decreased by:			
Development Expenditures		<u>3,300,060</u>	
Balance - December 31, 2024		\$	<u><u>757,343</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Reserve for DEA Forfeiture Expenditures

Other Trust Fund

Year Ended December 31, 2024

Balance - December 31, 2023	\$	136,376
Increased by:		
Interest		<u>4,663</u>
Balance - December 31, 2024	\$	<u><u>141,039</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Statement of Service Award Contributions Receivable

Emergency Services Volunteer Length of Service Award Program

Year Ended December 31, 2024

Balance - December 31, 2023	\$	34,391
Increased by:		
2024 Service Award Contribution		<u>33,456</u>
		67,847
Decreased by:		
Contributions Paid		<u>34,391</u>
Balance - December 31, 2024	\$	<u><u>33,456</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Statement of Net Assets Available for Benefits

Emergency Services Volunteer Length of Service Award Program

Year Ended December 31, 2024

Balance - December 31, 2023		\$	1,671,186
Increased by:			
Borough Contributions	\$	33,456	
Interest		2,910	
Investment Income		<u>309,664</u>	
			<u>346,030</u>
Balance - December 31, 2024		\$	<u><u>2,017,216</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Cash

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	\$	14,303
Increased by:		
Fund Balance	\$	29,350
Interfunds		1,693,590
Bond Anticipation Notes Issued		<u>14,550,000</u>
		<u>16,272,940</u>
		16,287,243
Decreased by:		
Interfunds		76,086
Encumbrances Payable		592,684
Capital Fund Balance - Budget Revenue		35,000
Improvement Authorizations		<u>14,511,461</u>
		<u>15,215,231</u>
Balance - December 31, 2024	\$	<u><u>1,072,012</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Analysis of Cash

General Capital Fund

Year Ended December 31, 2024

Grants Receivable -	
State of New Jersey Department of Transportation	\$ (1,187,669)
Bergen County Grants	(302,652)
Due to/(from) Ambulance Corp.	(100,000)
Due to/(from) Current Fund	183,473
Encumbrances Payable	864,390
Capital Improvement Fund	321,086
Reserve for Payment of Debt	353,700
Reserve for Cost of Issuance	4,086
Reserve for Boswell Settlement	185,000
Reserve for Grants Receivable	256,652
Fund Balance	29,825

Improvement Authorizations:

<u>Ordinance</u>	<u>Improvement Description</u>	
<u>Number</u>		
2017-06	Various Acquisitions and Improvements	378,364
2018-01	5th Street Improvements (Special Assessment)	(24,644)
2018-02	Various Acquisitions and Improvements	363,919
2019-10	Refunding Bond Ordinance - Tax Appeals	13,789
2020-10	Contribution for the Construction of Affordable Housing	53,114
2021-07	Multi-Purpose - NJ DOT Road Projects	38,051
2021-23	Various Equipment	101,603
2022-13/2024-01	Various Recreation Improvements	(461,087)
2024-02	Riverside Co-Op Road Improvement Program	745
2024-09	Road Resurfacing Project	67,235
2024-11	Reconstruction of Floyd Street	267,984
2024-12	Various Capital Improvements	(639,042)
2024-18	Litigation Fees	100,000
2024-19	Litigation Fees	89,090
2024-22	Purchase of Fire Engine for Fire Department	115,000
		<u>\$ 1,072,012</u>

BOROUGH OF ENGLEWOOD CLIFFS**Schedule of Grants Receivable
New Jersey Department of Transportation****General Capital Fund****Year Ended December 31, 2024**

Balance - December 31, 2023	\$	842,760
Increased by:		
Grant Award		<u>344,909</u>
Balance - December 31, 2024	\$	<u><u>1,187,669</u></u>

Analysis of Balance

Ord. 2013-09: Reconstruction of Summit Street	3,760
Ord. 2018-02: Various Acquisitions & Improvements	212,000
Ord. 2021-07: Various Road Improvements	627,000
Ord. 2024-11: Reconstruction of Floyd Street	<u>344,909</u>
	\$ <u><u>1,187,669</u></u>

Exhibit C-5

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Due from Bergen County

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	\$ <u>302,652</u>
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Balance - December 31, 2024	\$ <u><u>302,652</u></u>
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Analysis of Balance

Ord. 2014-10 Various Acquisitions and Improvements	46,000
Ord. 2023-13 Various Recreation Improvements	<u>256,652</u>
	\$ <u><u>302,652</u></u>

Exhibit C-6

Schedule of Due from Ambulance Corp.

Ordinance 2011-11/2012-15

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	\$ <u>100,000</u>
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Balance - December 31, 2024	\$ <u><u>100,000</u></u>
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BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Interfunds

General Capital Fund

Year Ended December 31, 2024

	Balance Dec. 31, <u>2023</u>	<u>Increased</u>	<u>Decreased</u>	Balance Dec. 31, <u>2024</u>
Current Fund	\$ <u>1,134,031</u>	<u>376,086</u>	<u>1,693,590</u>	<u>(183,473)</u>
Due from Capital Fund		76,086	259,559	(183,473)
Due to Capital Fund	<u>1,134,031</u>	<u>300,000</u>	<u>1,434,031</u>	<u> </u>
	\$ <u><u>1,134,031</u></u>	<u><u>376,086</u></u>	<u><u>1,693,590</u></u>	<u><u>(183,473)</u></u>
Cash Receipts	\$		1,693,590	
Disbursements		76,086		
Capital Improvement Fund		<u>300,000</u>	<u> </u>	
	\$	<u><u>376,086</u></u>	<u><u>1,693,590</u></u>	

BOROUGH OF ENGLEWOOD CLIFFS

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

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	\$ 10,205,000
Decreased by:	
2024 Budget Appropriation:	
Serial Bonds	<u>1,040,000</u>
Balance - December 31, 2024	<u><u>\$ 9,165,000</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2024

Ordinance Number	Improvement Description	Balance, Dec. 31, 2023	Authorizations 2024	Decreased By:	Balance, Dec. 31, 2024	Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
2018-01	5th Street Improvements (Special Assessment)	\$ 133,300			133,300		24,644	108,656
2019-10	Refunding Bond Ordinance - Tax Appeals	1,320,000		430,000	890,000	815,000		75,000
2020-10	Contribution for the Construction of Affordable Housing	1,377,500			1,377,500			1,377,500
2021-07	Multi-purpose - NJ DOT Road Projects	193,000			193,000			193,000
2022-13/2024-01	Various Recreation Improvements	4,761,000	1,353,000		6,114,000	4,693,750	461,087	959,163
2024-02	Riverside Co-Op Road Improvement Program		665,000		665,000	665,000		
2024-09	Road Resurfacing Project		641,250		641,250	641,250		
2024-11	Reconstruction of Floyd Street		1,155,091		1,155,091			1,155,091
2024-12	Various Capital Improvements		999,997		999,997		639,042	360,955
2024-18	Settlement - 800 Sylvan Avenue II, LLC		7,200,000		7,200,000	7,100,000		100,000
2024-19	Tax Appeal Refunds		1,450,000		1,450,000	1,450,000		
2024-22	Purchase of Fire Engine for Fire Department		2,185,000		2,185,000			2,185,000
		<u>\$ 7,784,800</u>	<u>15,649,338</u>	<u>430,000</u>	<u>23,004,138</u>	<u>15,365,000</u>	<u>1,124,773</u>	<u>6,514,365</u>
		Budget Appropriations \$	430,000	Improvement Authorizations Unfunded \$				6,785,224
		Less: Unexpended Proceeds of Bond Anticipation Notes						
		Ord. 2019-10 \$ 13,789						
		Ord. 2024-02 745						
		Ord. 2024-09 67,235						
		Ord. 2024-18 100,000						
		Ord. 2024-19 89,090						
								<u>270,859</u>
								<u>\$ 6,514,365</u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Bond Anticipation Notes

General Capital Fund

Year Ended December 31, 2024

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance, Dec. 31, 2023	Increased	Decreased	Balance, Dec. 31, 2024
2019-10	Refunding Bond Ordinance - Tax Appeals	Nov. 14, 2019	Oct. 17, 2024	Oct. 16, 2025	\$ 4.000%	\$ 1,245,000	815,000	2,060,000	815,000
2019-10	Refunding Bond Ordinance - Tax Appeals	Nov. 14, 2019	Oct. 17, 2024	Oct. 16, 2025	4.000%		815,000		815,000
2022-13/2024-01	Various Park Improvements	Oct. 17, 2024	Oct. 17, 2024	Oct. 16, 2025	4.000%		4,693,750		4,693,750
2024-02	Riverside Co-Op Road Improvement Program	Oct. 17, 2024	Oct. 17, 2024	Oct. 16, 2025	4.000%		665,000		665,000
2024-09	Road Resurfacing Project	Oct. 17, 2024	Oct. 17, 2024	Oct. 16, 2025	4.000%		641,250		641,250
2024-18	Settlement - 800 Sylvan Avenue II, LLC	Dec. 19, 2024	Dec. 19, 2024	May 28, 2025	3.500%		7,100,000		7,100,000
2024-19	Tax Appeal Refunds	Dec. 19, 2024	Dec. 19, 2024	May 28, 2025	4.700%		1,450,000		1,450,000
						\$ 1,245,000	16,180,000	2,060,000	15,365,000
						Cash \$ 14,550,000		430,000	
						Budget Appropriations			
						Renewals	1,630,000	1,630,000	
							\$ 16,180,000	2,060,000	

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of General Serial Bonds

General Capital Fund

Year Ended December 31, 2024

Maturities of Bonds								
Purpose	Date of Issue	Original Issue	Outstanding December 31, 2024		Interest Rate	Balance, Dec. 31, 2023	Decreased	Balance, Dec. 31, 2024
			Date	Amount				
General Improvement Bonds of 2014	March 15, 2014	9,885,000	March 15, 2025	700,000	3.000%	\$ 4,900,000	700,000	4,200,000
			March 15, 2026	700,000	3.000%			
			March 15, 2027	700,000	3.000%			
			March 15, 2028	700,000	3.000%			
			March 15, 2029	700,000	3.000%			
			March 15, 2030	700,000	3.000%			
General Improvement Bonds of 2023	August 1, 2023	5,305,000	August 1, 2025	355,000	4.000%	5,305,000	340,000	4,965,000
			August 1, 2026	500,000	4.000%			
			August 1, 2027	520,000	4.000%			
			August 1, 2028	540,000	4.000%			
			August 1, 2029	565,000	4.000%			
			August 1, 2030	585,000	4.000%			
			August 1, 2031	610,000	4.000%			
			August 1, 2032	635,000	4.000%			
			August 1, 2033	655,000	3.125%			
						\$ 10,205,000	1,040,000	9,165,000

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2024

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance, December 31, 2023		2024 Authorizations	Balance, December 31, 2024	
				Funded	Unfunded		Funded	Unfunded
2017-06	Various Acquisitions and Improvements	June 14, 2017	984,560 \$	378,364			378,364	
2018-01	5th Street Improvements (Special Assessment)	March 20, 2018	140,000		129,336			108,656
2018-02	Various Acquisitions and Improvements	June 26, 2018	1,110,000	363,919		20,680	363,919	
2019-10	Refunding Bond Ordinance - Tax Appeals	Sept. 11, 2019	3,000,000		88,789			88,789
2020-10	Contribution for the Construction of Affordable Housing	Nov. 23, 2020	1,450,000	53,114	1,377,500		53,114	1,377,500
2021-07	Multi-purpose - NJ DOT Road Projects	May 12, 2021	820,000	38,051	193,000		38,051	193,000
2021-23	Various Equipment	Dec. 8, 2021	125,000	101,603			101,603	
2022-13/2024-01	Various Recreation Improvements	Sept. 14, 2022	5,000,000		4,460,434			959,163
2024-02	Riverside Co-Op Road Improvement Program	Mar. 27, 2024	700,000			699,255		745
2024-09	Road Resurfacing Project	Jul. 10, 2024	675,000			607,765		67,235
2024-11	Reconstruction of Floyd Street	Sep. 11, 2024	1,500,000			76,925	267,984	1,155,091
2024-12	Various Capital Improvements	Sep. 11, 2024	1,050,000			689,045		360,955
2024-18	Settlement - 800 Sylvan Avenue II, LLC	Nov. 13, 2024	7,200,000			7,000,000		200,000
2024-19	Tax Appeal Refunds	Nov. 13, 2024	1,450,000			1,360,910		89,090
2024-22	Purchase of Fire Engine for Fire Department	Nov. 13, 2024	2,300,000				115,000	2,185,000
				\$ 935,051	6,249,059	15,375,851	1,318,035	6,785,224
				Deferred Charges Unfunded \$ 15,649,338				
				Capital Improvement Fund 300,753				
				Grants Receivable 344,909				
				\$ 16,295,000				
				Cash \$ 14,511,461				
				Encumbrances Payable 864,390				
				\$ 15,375,851				

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Encumbrances Payable

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	\$	592,684
Increased by:		
Transfer from Improvement Authorizations		<u>864,390</u>
		1,457,074
Decreased by:		
Cash Disbursements		<u>592,684</u>
Balance - December 31, 2024	\$	<u><u>864,390</u></u>

Exhibit C-14

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Capital Improvement Fund

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	\$ 321,839
Increased by:	
Budget Appropriation	<u>300,000</u>
	621,839
Decreased by:	
Appropriated to Finance	
Improvement Authorizations	<u>300,753</u>
Balance - December 31, 2024	\$ <u><u>321,086</u></u>

Exhibit C-15

Schedule of Reserve for Payment of Debt

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	\$ <u>353,700</u>
Balance - December 31, 2024	\$ <u><u>353,700</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Reserve for Cost of Issuance

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	\$ <u>4,086</u>
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Balance - December 31, 2024	\$ <u><u>4,086</u></u>
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Exhibit C-17

BOROUGH OF ENGLEWOOD CLIFFS
Schedule of Reserve for Boswell Settlement
General Capital Fund
Year Ended December 31, 2024

Balance - December 31, 2023	\$ <u>185,000</u>
Balance - December 31, 2024	\$ <u><u>185,000</u></u>

Exhibit C-18

Schedule of Reserve for Grants Receivable
General Capital Fund
Year Ended December 31, 2024

Balance - December 31, 2023	\$ <u>256,652</u>
Balance - December 31, 2024	\$ <u><u>256,652</u></u>

Analysis of Balance	
BC Open Space - Ord. 2022-13 Witte Field Impr.	\$ <u><u>256,652</u></u>

BOROUGH OF ENGLEWOOD CLIFFS

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2024

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2023</u>	<u>2024 Authorizations</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2024</u>
2018-01	5th Street Improvements (Special Assessment)	\$ 133,300			133,300
2019-10	Refunding Bond Ordinance - Tax Appeals	75,000			75,000
2020-10	Contribution for the Construction of Affordable Housing	1,377,500			1,377,500
2021-07	Multi Purpose - NJ DOT Road Projects	193,000			193,000
2022-13/2024-01	Various Recreation Improvements	4,761,000	1,353,000	4,693,750	1,420,250
2024-02	Riverside Co-Op Road Improvement Program		665,000	665,000	
2024-09	Road Resurfacing Project		641,250	641,250	
2024-11	Reconstruction of Floyd Street		1,155,091		1,155,091
2024-12	Various Capital Improvements		999,997		999,997
2024-18	Settlement - 800 Sylvan Avenue II, LLC		7,200,000	7,100,000	100,000
2024-19	Tax Appeal Refunds		1,450,000	1,450,000	
2024-22	Purchase of Fire Engineer for Fire Department		2,185,000		2,185,000
		<u>\$ 6,539,800</u>	<u>15,649,338</u>	<u>14,550,000</u>	<u>7,639,138</u>
Current Year Improvement Authorizations \$			<u>15,649,338</u>		
			Bond Anticipation Notes Issued \$	<u>14,550,000</u>	

BOROUGH OF ENGLEWOOD CLIFFS

PART II

**LETTER ON INTERNAL CONTROL AND ON COMPLIANCE
AND OTHER MATTERS**

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2024



WIELKOTZ & COMPANY ^{CPA}

CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Mayor and
Members of the Borough Council
Borough of Englewood Cliffs
Englewood Cliffs, New Jersey 07632

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements - regulatory basis of the Borough of Englewood Cliffs in the County of Bergen as of and for the year ended December 31, 2024 and the related notes to the financial statements, and have issued our report thereon dated October 2, 2025, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting. Our opinion on the regulatory basis of accounting was adverse due to a scope limitation.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements - regulatory basis, we considered the Borough of Englewood Cliffs' internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements-regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Englewood Cliffs' internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Englewood Cliffs' internal control.

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



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

We did identify certain immaterial deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001, 2024-002, 2024-003 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Englewood Cliffs' financial statements-regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Englewood Cliffs' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Englewood Cliffs' internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.



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



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

October 2, 2025



**BOROUGH OF ENGLEWOOD CLIFFS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(continued)**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:

Adverse: GAAP

Qualified: Regulatory

Internal control over financial reporting:

- | | | |
|---|-----------------------|----------------------------|
| 1. Significant deficiencies identified that are not considered to be material weaknesses? | <u> </u> yes | <u> X </u> none reported |
| 2. Material weakness(es) identified? | <u> X </u> yes | <u> </u> no |
| Noncompliance material to financial statements noted? | <u> </u> yes | <u> X </u> no |

Federal Awards Section

Not applicable.

State Awards Section

Not applicable.

Section II – Schedule of Financial Statement Findings

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

BOROUGH OF ENGLEWOOD CLIFFS

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

***Section II - Financial Statement Findings
(Continued)***

FINDING 2024-001

Statement of Condition:

Attorney responses for audit inquiry of a client's lawyer concerning litigation, claims and assessments, in accordance with Section 337, were not received from a number of attorneys.

Criteria:

Response to an audit inquiry letter should be sent between the specified date of the lawyer's response and the expected completion date of the audit in accordance with Section AU 337, auditing standards that address Inquiry of a Client's Lawyer Concerning, Litigation, Claims and Assessments.

Condition:

Law firms representing the Borough did not provide a full disclosure of outstanding litigation, claims and assessments through the effective date of the audit period, creating an audit scope limitation.

Questioned Costs:

None

Context:

ABA Statement of Policy Regarding Lawyer's Responses to Auditor's Request for information, paragraphs 5(b), 5(c) and 6 (the "ABA" Statement).

Effect:

Responses were not received within the requested timeframe and beyond a reasonable period after the latest response date specified, creating a scope limitation.

Cause:

The Borough was not able to provide full legal disclosure of outstanding litigation, claims and assessments through the effective date of the audit period.

BOROUGH OF ENGLEWOOD CLIFFS

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

***Section II - Financial Statement Findings
(Continued)***

FINDING 2024-001 (Continued)

Recommendation:

Management should maintain communication with active and terminated legal professionals through the audit effective date in order to communicate outstanding litigation, claims and assessments in accordance with Section AU 337 to complete the audit.

Response:

Management believes that communication with some legal counsel is futile since outstanding litigation is present between the Borough and nonresponsive outside counsel.

FINDING 2024-002

Statement of Condition:

The Borough did not maintain the general ledgers, nor the subsidiary ledgers, during the course of the fiscal year.

Criteria:

N.J.A.C 5:30-5.7 requires local units to have and maintain a general ledger accounting system and books of original entry for the current fund and all other funds.

Condition:

The Borough failed to record numerous transactions during the course of the fiscal year, including revenues and expenditures.

Questioned Costs:

Unable to be determined.

Context:

The Borough was unable to provide an updated and accurate general ledger for the various funds at the time of audit.

BOROUGH OF ENGLEWOOD CLIFFS

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

***Section II - Financial Statement Findings
(Continued)***

FINDING 2024-002 (Continued)

Effect:

Activity and ending balances presented for audit could not be verified based on the missing documentation. The lack of maintaining a general ledger for the various funds limits the understanding of financial transactions during the audit period and could result in the misclassification of financial records.

Cause:

The Borough did not accurately maintain the accounting software for general ledgers and subsidiary ledgers throughout the course of the fiscal year.

Recommendation:

Management should create and maintain a general ledger for Borough funds, which incorporates the original books of entry and subsidiary ledgers to constitute a complete accounting system. The records should be accurate and made available for audit review.

Response:

The Borough will address the finding and the response will be documented and approved in the Borough's Corrective Action Plan.

FINDING 2024-003

Statement of Condition:

The Borough did not properly prepare bank reconciliations on a monthly basis, resulting in old reconciling items that are being carried into the subsequent year with no remedy.

Criteria or Specific Requirement:

Bank reconciliations must be performed on a monthly basis to ensure all cash transactions and reconciling items have been recorded and verified in the accounting software.

Condition:

Cash transactions were not properly reconciled to the accounting system in a timely manner.

BOROUGH OF ENGLEWOOD CLIFFS

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

***Section II - Financial Statement Findings
(Continued)***

FINDING 2024-003 (continued)

Questioned Costs:

Unable to be determined.

Context:

Bank reconciliations are necessary to ensure all transactions are properly recorded in the accounting system.

Effect:

Numerous transactions were not recorded in the accounting system which could result in the misclassification of receipts and disbursements and the incorrect valuation of cash. Timely preparation of bank reconciliations would identify transactions that were not recorded.

Cause:

The Borough did not perform monthly bank reconciliations in a timely manner.

Recommendation:

Bank reconciliations should be performed on a monthly basis to ensure all transactions have been accounted for and recorded in the Borough's accounting system.

Management's Response:

The Borough will address the finding and the response will be documented and approved in the Borough's Corrective Action Plan.

BOROUGH OF ENGLEWOOD CLIFFS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(continued)

STATUS OF PRIOR YEAR FINDINGS

This section identifies the status of prior year audit findings related to the general purpose of financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, as amended.

Finding 2023-001

Condition:

Attorney responses for audit inquiry of a client's lawyer concerning litigation, claims, and assessments, in accordance with Section 337, were not received from a number of attorneys.

Current Status:

Corrective action has not been taken, see Finding 2024-001.

BOROUGH OF ENGLEWOOD CLIFFS

GENERAL COMMENTS

Effective April 17, 2000 and thereafter the bid threshold in accordance with N.J.S.A. 40A:11-3 (as amended) is \$17,500.00 and \$25,000.00 with a qualified purchasing agent. On July 1, 2010, the threshold was increased to \$36,000.00 with a qualified purchasing agent. On July 1, 2015, the threshold was increased to \$40,000.00 with a qualified purchasing agent. On July 1, 2020, the threshold was increased to \$44,000.00 with a qualified purchasing agent.

N.J.S.A. 40A:11-2 contains definitions for terms used throughout N.J.S.A. 40A:11-1 et seq. and was amended under P.L. 1999, c.440. It includes as subsection (23) the term 'competitive contracting', which is defined as "the method described in sections 1 through 5 of P.L. 1999, c.440 (C.40:11-4.1 through C.40A:11-4.5) of contracting for specialized goods and services in which formal proposals are solicited from vendors' formal proposals are evaluated by the purchasing agent or counsel; and the governing body awards a contract to a vendor or vendors from among the formal proposals received.

N.J.S.A. 40A:11-3 was amended with P.L. 1999, c.440 to raise the bid threshold and require award by governing body resolution. "When the cost or price of any contract awarded by the purchasing agent in the aggregate does not exceed in a contract year the total sum of \$17,500 or \$21,000 after July 1, 2005 the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids and bidding therefore, except that the governing body may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations.

N.J.S.A. 40A:11-15 was amended with P.L. 1999, c.440 to extend the base contract period. "Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to paragraph (1) of subsection (a) of N.J.S.A. 40A:11-5 may be awarded for a period not exceeding 12 consecutive months.

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

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

Witte Recreational Complex Improvements
Improvements to Veterans Park
Shade Tree Trimming and Pruning
Leaf Pickup and Disposal
Floyd Street Resurfacing
Fire Department Heating System
Solid Waste Collection

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

BOROUGH OF ENGLEWOOD CLIFFS

GENERAL COMMENTS, (continued)

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

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on January 10, 2024 adopted the following resolution authorizing interest to be charged on delinquent taxes:

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Council of the Borough of Englewood Cliffs do hereby fix the rate of 8% (eight percent) interest per annum up to \$1,500.00; 18% (eighteen percent) per annum thereafter to be charged for delinquent payment of any installments made within 10 days from the date upon which taxes become payable.

BE IT FURTHER RESOLVED that any installment received after the expiration of the grace period shall bear interest from the due date.

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

Delinquent Taxes and Tax Title Liens

A tax sale was held on December 6, 2024.

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

<u>Year</u>	<u>Number of liens</u>
2024	1
2023	1
2022	1

BOROUGH OF ENGLEWOOD CLIFFS
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2024

COMMENTS:

Finance:

1. *There are long, outstanding grant contributions/receivables in the Federal and State Grant Fund and the General Capital Fund.
2. *There are significant amounts of appropriated grant reserves available for expenditure.
3. *There is a deficit in the Recycling Trust Fund Reserves of \$6,038 from 2022 that was not raised in the Current Fund Budget.
4. *Form 1099's issued to vendors receiving payments in excess of IRS thresholds were not provided for review to determine proper amounts were reported.
5. *There were instances where supporting documentation for purchases made were not provided at the time of audit.
6. *Prior year interfunds and/or intrafunds were not liquidated prior to the close of the current fiscal year.
7. *There were instances in which disbursements were not properly included on the bills list approved by the Council.
8. *The Borough's accounting policy for the outside employment of police officers within the police salary and wage line item is not authorized and is contrary to State law and regulations as stated in Local Finance Notice 2000-14 "Managing for Outside Employment of the Police".
9. There were over-expenditures resulting in deferred charges in the following:
 - a. Current Fund Appropriation Reserves \$26,055
 - b. Current Fund Appropriations \$118,982
 - c. Deficit in Payroll Reserve: \$6,454
10. The Federal and State Grant Fund subsidiary ledger does not agree to the audited Appropriated Reserve Schedule.
11. The Capital Fund subsidiary ledger does not agree to the audited Improvement Authorizations Schedule.
12. There are unfunded improvement authorizations in the General Capital Fund greater than five (5) years old.
13. Transfers were made from budget appropriations which emergency appropriations were authorized.

Purchasing:

1. Goods and services are being ordered prior to the execution of a purchase order.
2. Business Registration Certifications are not being kept on file by the Borough for vendors.
3. There were instances in which State contract and/or purchases exceeding the bid threshold were not approved in the minutes as required by N.J.S.A. 40A: 11-6.1.
14. Resolutions did not include a certification of availability of funds and budget line appropriation as required by LFN 2017-10.

BOROUGH OF ENGLEWOOD CLIFFS
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2024

COMMENTS (continued):

Purchasing:

4. Goods and services are being ordered prior to the execution of a purchase order.
5. Business Registration Certifications are not being kept on file by the Borough for vendors.
6. There were instances in which State contract and/or purchases exceeding the bid threshold were not approved in the minutes as required by N.J.S.A. 40A: 11-6.1.
7. Resolutions did not include a certification of availability of funds and budget line appropriation as required by LFN 2017-10.

Clerk:

1. A review of various professional service contracts and award procedures revealed that the Borough is not in compliance with the State's "Pay to Play" statute (P.L. 2005, c.51):
 - a. Several awarding resolutions did not contain "not to exceed" cost language as required by N.J.A.C. 5:30-5.5(b)(1).
 - b. Certification of availability of funds are not being documented or prepared properly.
 - c. In one instance, there was no resolution approving a professional service contract.
2. The following items were unavailable at the time of audit:
 - a. Completed bid packages awarded to vendors
 - b. Additional quotes for purchases exceeding \$6,600
 - c. Proposal documents for professional services awarded through the fair and open process.

Payroll:

1. There were several terminated employees that were not removed from the Health Benefit Reports in a timely manner.
2. Employees health benefit deductions were not properly calculated.
3. There were instances in which termination documents were unavailable at the time of audit.

Tax:

1. There were instances in which interest on delinquent taxes was improperly charged.
2. There was one instance where a tax court judgment was not refunded in a timely manner.

Court:

1. The December monthly management report indicated the following:
 - a. There are 12 tickets eligible for dismissal.
 - b. There are 50 tickets assigned over 180 days.
 - c. There are 6 tickets not assigned.
 - d. There are 20 complaints eligible for warrant.

BOROUGH OF ENGLEWOOD CLIFFS
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2024

RECOMMENDATIONS:

Finance:

1. *That all grants receivable should be reviewed and assessed for collectability and cancelled if necessary.
2. *That greater effort be made to charge appropriated grant reserves for allowable expenditures.
3. *All deferred charges should be raised in the subsequent year's budget.
4. *That Form 1099's issued to all eligible vendors as required by IRS Rev. Rul. 2003-66 be provided at the time of audit for review.
5. *That all supporting documents for purchases be maintained and made available at the time of the audit.
6. *That all interfunds and intrafunds be liquidated prior to the close of the fiscal year.
7. *That all disbursements be included on the bills list for approval by the Council prior to release.
8. *The Borough should receive estimated payments for private-duty prior to the performance of police work, in accordance with N.J.A.C. 5:30-8.6(h).
9. That more care be taken to ensure that sufficient funds are available prior to expenditures being processed.
10. The Federal and State Grant Fund subsidiary ledger be reviewed and adjusted accordingly to reflect the audited balances.
11. The Capital Fund subsidiary ledger be reviewed and adjusted accordingly to reflect the audited balances.
12. General Capital Fund Improvement Authorizations greater than five years old should be funded through a budget appropriation or the issuance of debt in order to fund cash deficits created by an ordinance expenditure.
13. Transfers should not be made from budget appropriations which an emergency appropriation was authorized.

BOROUGH OF ENGLEWOOD CLIFFS
COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2024

RECOMMENDATIONS (continued):

Purchasing:

1. That all goods/services be encumbered prior to being ordered in accordance with Technical Accounting Directive #1.
2. A valid New Jersey Business Registration Certificate should be maintained for all vendors in which the Borough does business with.
3. All purchases in excess of the bid threshold should be awarded by resolution as required by N.J.S.A. 40A: 11-6.1.
4. A certification of available funds with a dollar value and budget line should be included in the resolution awarding a contract.

Clerk:

1. Borough officials should develop and implement policies and procedures concerning the award of professional service contracts to ensure compliance with all Pay-to-Play Compliance Regulations when awarding professional service contracts.
2. That all items be made available for review at time of audit.

Payroll:

1. Terminated employees should be removed from Health Benefit Reports in a timely manner.
2. More care should be taken to ensure employees health benefit deductions are properly calculated.
3. More care should be taken to ensure all requested items are available at the time of audit.

Tax:

1. That interest on delinquent taxes be charged consistently in accordance with the resolution adopted by Mayor and Council.
2. More care should be taken to ensure Tax Court Judgments are refunded in a timely manner.

Court:

1. Court personnel take steps to ensure that all tickets and complaints are processed in a timely manner and that all tickets that are assigned, but not issued over 180 days be recalled and either destroyed or reassigned to other officers.

Suggestions to Management:

1. That all required employees file an annual financial disclosure on time (April 30th) as required by LFN 2024-07.

BOROUGH OF ENGLEWOOD CLIFFS

STATUS OF PRIOR YEAR AUDIT FINDINGS/RECOMMENDATION

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

ACKNOWLEDGMENT

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

Respectfully submitted,



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



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

October 2, 2025