TOWN OF GUTTENBERG

Financial Statements With
Supplementary Information

December 31, 2022

(With Independent Auditors' Reports Thereon)

TOWN OF GUTTENBERG

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Town Council
Town of Guttenberg
Guttenberg, NJ 07093

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 Town of Guttenberg, as of December 31, 2022 and 2021, the related statement of operations and changes in fund balance – regulatory basis for the years then ended, and the related statement of revenues -regulatory basis and the statement of expenditures – regulatory basis of the various funds for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the *Town*'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 Town of Guttenberg as of December 31, 2022 and 2021, 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 Town of Guttenberg, 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 Town of Guttenberg 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.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above, present fairly, in all material respects, the regulatory basis balance sheets and account group as of December 31, 2022 and 2021, the regulatory basis statements of operations and changes in fund balance for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2022 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 generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 Town of Guttenberg's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Town'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 Town'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 Town of Guttenberg's basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information listed in the table of contents 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2023 on our consideration of the Town of Guttenberg's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Guttenberg's internal control over financial reporting and compliance.

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

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

June 29, 2023

Exhibit A

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2022 and 2021

Assets	Ref.	2022	2021
Current Fund:			
Cash	A-4	$ 9,150,506	9,530,169
Due from State of New Jersey:			
Senior citizens' and veterans' deductions	A-8	34,213	34,973
		9,184,719	9,565,142
Receivables and other assets with full reserves:			
Delinquent property taxes receivable	A-5	291,688	540,152
Tax Title Liens	A-21	433,547	379,058
Revenue accounts receivable	A-6	39,298	39,666
Prepaid School Taxes	A-9		
Interfunds Receivable:			
Animal License Trust Fund	A-17	5,429	2,439
Community Development Trust Fund	A-17	220	60
Escrow Trust Fund	A-17	192	55
Other Trust Fund	A-17	41,243	
Other Trust Fund - Redemption Trust	A-17	68	
Other Trust Fund - Asset Forfeiture - Justice	A-17	3,464	3,464
Federal and State Grant Fund	A-17	1,100,360	1,289,723
General Capital Fund	A-17	522,679	
		2,438,188	2,254,617
Deferred Charges:			
Emergency Appropriations	A-7	530,000	
		12,152,907	11,819,759
State and Federal Grant Fund:			
Cash	A-4	1,180,053	950,443
Deferred Charges - Overexpenditures	A-23	200,651	
Grants receivable	A-22	1,290,459	911,171
		2,671,163	1,861,614
		$ 14,824,070	13,681,373

Exhibit A

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2022 and 2021

	Ref.	2022	2021
Liabilities, Reserves and Fund Balance			
Current Fund:			
Appropriation reserves	A-3,A-12	$ 434,114	1,337,790
Encumbrances payable	A-13	1,625,429	862,963
Tax overpayments	A-14	11,259	
Prepaid taxes	A-15	467,594	458,910
Local School Taxes Payable	A-9		301,914
County Added Taxes Payable	A-11	10,414	9,442
Reserve for Amount Due to the Hudson County Treasurer - Court Fines and Costs	A-16	6,764	6,764
Emergency Note Payable	A-19	530,000	
Interfunds Payable:			
Other Trust Fund	A-17		143
General Capital Fund	A-17		100
Fire Prevention Trust Fund	A-17	300	
Reserve for:			
Pension Deferral	A-20	228,137	228,137
Revaluation	A-20	17,130	17,130
Library Contribution	A-20	20,554	20,554
State Library Aid	A-20	11,262	11,262
Municipal Relief Fund	A-20	39,581	
Accounts Payable	A-20	2,575	
Tax Appeals	A-20	308,472	260,536
DCA Fees Payable	A-20		866
		3,713,585	3,516,511
Reserve for receivables and other assets	A	2,438,188	2,254,617
Fund balance	A-1	6,001,134	6,048,631
		12,152,907	11,819,759
State and Federal Grant Fund:			
Matching Funds for Grants		95,000	95,000
Due to Current Fund	A-18	1,100,360	1,289,723
Appropriated reserves	A-23	1,409,533	397,655
Encumbrances Payable	A-23	4,034	
Unappropriated reserves	A-24	62,236	79,236
		2,671,163	1,861,614
		$ 14,824,070	13,681,373

See accompanying notes to financial statements.

Exhibit A-1

TOWN OF GUTTENBERG

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

Current Fund

Year Ended December 31, 2022 and 2021

		Dec. 31, 2022	Dec. 31, 2021
Revenue and other income realized:			
Fund balance utilized	$	2,600,000	2,250,000
Miscellaneous revenue anticipated		5,763,203	4,820,434
Receipts from delinquent taxes		467,807	1,819,445
Receipts from current taxes		29,882,067	29,256,745
Nonbudget revenues		469,900	220,619
Other credits to income:			
Unexpended balance of appropriation reserves		418,498	1,070,478
Liabilities Canceled			22,391
Interfunds Returned			448,898
Total revenue		39,601,475	39,909,010
Expenditures:			
Budget and emergency appropriations:			
Operations:			
Salaries and wages		5,897,020	5,972,500
Other expenses		12,548,381	11,720,816
Deferred charges and statutory expenditures		1,482,822	1,406,290
Municipal debt service		1,622,687	1,558,144
County taxes		4,407,996	4,615,349
Due county for added taxes		10,414	9,442
Local district school taxes		11,321,822	11,321,822
Interfunds Advanced		261,834	276,408
Refunds		25,996	12,213
Total expenditures		37,578,972	36,892,984
Excess in Revenue		2,022,503	3,016,026

TOWN OF GUTTENBERG

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

Current Fund

Year Ended December 31, 2022 and 2021

	Dec. 31, 2022	Dec. 31, 2021
Adjustments to income before fund balance-expenditures which are by statute deferred charges to budget of succeeding year	530,000	
Statutory excess to fund balance	2,552,503	3,016,026
Fund balance - January 1,	6,048,631	5,282,605
	8,601,134	8,298,631
Decreased by utilization as anticipated revenue	2,600,000	2,250,000
Fund balance - December 31,	$ 6,001,134	6,048,631

See accompanying notes to financial statements.

Exhibit A-2

TOWN OF GUTTENBERG

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2022

	Budget	Realized	Excess (deficit)
Surplus anticipated	$ 2,600,000	2,600,000	
Miscellaneous revenues:			
Licenses:			
Alcoholic beverages	30,000	40,250	10,250
Other	100,000	151,282	51,282
Fees and permits:			
Other	85,000	107,790	22,790
Fines and costs municipal court	550,000	551,827	1,827
Parking meters	250,000	358,755	108,755
Interest and costs on taxes	75,000	103,445	28,445
Interest on investments and deposits	185,000	284,680	99,680
Consolidated Municipal Property Tax Relief Aid	51,691	51,691	
Energy Receipts Tax	707,084	707,084	
Uniform Construction Code Fees	125,000	170,968	45,968
Interlocal Service Agreements:			
Board of Education - Shared Services	600,000	692,536	92,536
Board of Education - Shared Services - Recreation	170,000	170,000	
Public and Private Programs Offset by Revenues:			
Urban Enterprise Zone	78,479	78,479	
Urban Enterprise Zone	39,459	39,459	
Recycling Tonnage Grant	15,530	15,530	
Clean Communities	17,312	17,312	
Body Armor Replacement Fund	1,444	1,444	
Body Armor Replacement Fund	2,096	2,096	
Municipal Alliance	8,831	8,831	
BMHAS Municipal Alliance	1,281	1,281	
Alcohol Education and Rehabilitation - 2015-2022	33,289	33,289	
Click it or Ticket	7,000	7,000	
American Rescue Plan	332,019	332,019	
County of Hudson - ARP Funds	929,002	929,002	
Summer Food Program - 2022	23,268	23,268	
American Rescue Plan - Revenue Loss	300,000	300,000	
Time Warner Franchise Fee	48,000	45,993	(2,007)
Verizon Franchise Fee	40,000	37,892	(2,108)
Capital Fund Balance	100,000	100,000	
Reserve for Payment of Debt	400,000	400,000	
Total miscellaneous revenues	5,305,785	5,763,203	457,418
Receipts from delinquent taxes	540,000	467,807	(72,193)
Amount to be raised by taxes for support of municipal budget	14,667,649	16,234,335	1,566,686
Budget total	$ 23,113,434	25,065,345	1,951,911
Nonbudget revenue		469,900	
		$ 25,535,245	

Exhibit A-2

TOWN OF GUTTENBERG

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2022

Analysis of Realized Revenue

Allocation of current tax collections;		
Revenue from collections	$	29,882,067
Allocated to:		
Local district school tax		11,321,822
County taxes		4,418,410
		15,740,232
Balance for support of municipal budget appropriations		14,141,835
Reserve for uncollected taxes		2,092,500
	$	16,234,335
Receipts from:		
Delinquent tax collections	$	467,807
Delinquent Taxes		466,770
Municipal Liens		1,037
	$	467,807

Analysis of Miscellaneous Revenue Not Anticipated

CAR FAX		560
Abatements		6,000
ADS Refunds - State Health Benefits		17,810
Birth/Death Certificates		4,465
Wedding Fees		2,700
Foreclosures		26,870
Police Off Duty Administrative Fee		26,762
Tax Collector - PILOTS		263,966
PILOT - Housing Authority		80,320
DMV Inspection Fines		1,700
Other		38,747
	$	469,900

See accompanying notes to financial statements.

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2022

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Operations-within "CAPS"					
Administrative and executive:					
Salaries and wages	$ 480,000	506,300	506,220	80	
Other expenses	320,000	275,000	258,709	16,291	
Elections:					
Salaries and wages					
Other expenses	10,000	10,424	10,424		
Financial administration:					
Salaries and wages	445,000	445,600	445,551	49	
Other expenses	175,000	178,000	177,950	50	
Assessment of taxes:					
Salaries and wages	65,000	65,650	65,630	20	
Other expenses	4,000	7,225	7,220	5	
Municipal Court:					
Salaries and wages	280,000	285,600	285,571	29	
Other Expenses	60,000	57,700	57,445	255	
Collection of taxes:					
Salaries and wages	65,000	42,650	42,624	26	
Other expenses	8,000	650	645	5	
Legal services and costs:					
Other expenses	200,000	280,000	269,801	10,199	
Public building and grounds:					
Other expenses	165,000	141,000	138,429	2,571	
Engineering:					
Other expenses	125,000	111,000	100,319	10,681	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2022

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Municipal Land Use Law (NJSA 40:55D-1):					
Planning Board:					
Salaries and wages	24,000	10,000	10,000		
Other expenses	5,000	3,300	3,273	27	
Community Action Program:					
Other expenses	10,500	10,000	10,000		
Insurance:					
Insurance-Other	670,000	678,000	676,060	1,940	
Group Insurance for Employees	1,550,000	1,712,010	1,712,005	5	
Insurance/Deductible	5,000				
Unemployment Insurance	1,000	1,000	1,000		
PUBLIC SAFETY:					
Police:					
Salaries and wages	3,125,000	3,046,242	3,046,167	75	
Salaries and wages - ARP Revenue Loss	300,000	300,000	300,000		
Other expenses	200,000	336,000	333,945	2,055	
Emergency management services:					
Other expenses	5,000				
Volunteer Ambulance:					
Other expenses	25,000	25,000	25,000		
Fire Official/Inspector:					
Salaries and wages	118,000	115,600	115,587	13	
Other expenses	5,000	3,200	3,187	13	
Public Works:					
Street Cleaning:					
Salaries and wages	625,000	674,972	674,930	42	
Other expenses	200,000	336,000	334,840	1,160	

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2022

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Recycling:					
Other expenses	158,000	133,000	125,651	7,349	
Solid Waste & Garbage Removal:					
Other expenses	975,000	888,674	841,005	47,669	
Snow Removal:					
Other expenses	82,000	31,000	29,983	1,017	
Health and Welfare:					
Public Health Services:					
Other expenses	55,000	45,000	44,610	390	
Recreation and Education:					
Recreation:					
Salaries and wages	100,000	126,705	126,361	344	
Other expenses	50,000	43,500	42,628	872	
Celebration of public event, anniversary or holiday - other expenses	80,000	37,000	35,467	1,533	
Senior Citizens Nutrition Program:					
Salaries and wages	35,000	22,750	22,745	5	
Other expenses	80,000	77,900	77,899	1	
Senior Citizens Tranportation:					
Other expenses	35,000	10,000	5,139	4,861	
Senior Recreation Program:					
Other expenses	10,000	16,000	15,624	376	
Uniform construction code official:					
Salaries and wages	220,000	201,100	201,081	19	
Other expenses	5,000	3,800	3,595	205	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2022

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
License inspector:					
Salaries and wages	80,000	53,850	53,836	14	
Other expenses	2,500	1,550	1,540	10	
UNCLASSIFIED:					
Utilities:					
Electricity	80,000	126,449	110,264	16,185	
Street lighting	85,000	61,000	56,919	4,081	
Telephone	90,000	115,000	112,021	2,979	
Water	30,000	28,000	14,431	13,569	
Fire hydrant service	50,000	35,000	34,544	456	
Sewerage	30,000	20,000	12,380	7,620	
Gasoline	99,000	144,000	128,301	15,699	
Postage - all departments	32,000	28,000	23,446	4,554	
Technology	200,000	258,000	257,702	298	
Salary & Wage Adjustment	1				
Accumulated Absences	1	1		1	
Total Operations within "CAPS"	11,934,002	12,165,402	11,989,704	175,698.00	
Contingent	6,125	6,125		6,125	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2022

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Total Operations Including Contingent-within "CAPS"	11,940,127	12,171,527	11,989,704	181,823	
Detail:					
Salaries & Wages	5,962,002	5,897,020	5,896,303	717	
Other Expenses (Including Contingent)	5,978,125	6,274,507	6,093,401	181,106	
	11,940,127	12,171,527	11,989,704	181,823	
Deferred Charges and Statutory Expenditures-Municipal within "CAPS"					
DEFERRED CHARGES					
STATUTORY EXPENDITURES:					
Contribution to:					
Social Security System (O.A.S.I.)	330,000	341,741	341,741		
Public Employees Retirement system	315,876	315,876	315,876		
Police and Firemans Retirement System of N.J.	722,355	722,355	722,355		
DCRP	2,850	2,850	2,658	192	
Total Deferred Charged and Statutory Expenditures-Municipal within "CAPS"	1,371,081	1,382,822	1,382,630	192	
Total General Appropriations for Municipal Purposes within "CAPS"	13,311,208	13,554,349	13,372,334	182,015	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2022

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Operations-Excluded from "CAPS"					
Reserve for Tax Appeals	50,000	50,000	50,000		
911-Other Expenses	66,000	66,000	61,382	4,618	
Stormwater Management	25,000	25,000	23,757	1,243	
Library Service-North Bergen:					
Other expenses	400,680	455,880	455,837	43	
North Hudson Regional Communication:					
Other expenses	165,000	169,000	169,000		
North Hudson Regional Fire & Rescue:					
Other expenses	3,020,000	3,020,000	2,862,204	157,796	
Guttenberg Board of Education					
Electric and Gas	125,000	125,000	96,300	28,700	
Sewer	20,000	20,000	3,261	16,739	
Water	10,000	10,000	3,752	6,248	
Public Works	125,000	140,700	140,678	22	
Snow Removal	40,000	40,000	3,316	36,684	
Security	280,000	413,659	413,658	1	
Recreation/Transportation	170,000	248,300	248,295	5	
Public and Private Programs Offset by Revenues					
Recycling	15,530	15,530	15,530		
Municipal Alliance	5,298	5,298	5,298		
Match	1,325	1,325	1,325		
Municipal Alliance	3,533	3,533	3,533		
DMHAS Municipal Alliance	1,281	1,281	1,281		
Clean Communities	17,312	17,312	17,312		
Summer Food	23,268	23,268	23,268		
Body Armor Replacement Fund	2,096	2,096	2,096		
Body Armor Replacement Fund	1,444	1,444	1,444		

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2022

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Alcohol Education and Rehabilitation	27,130	27,130	27,130		
Alcohol Education and Rehabilitation	6,159	6,159	6,159		
Click It or Ticket	7,000	7,000	7,000		
American Rescue Plan	282,009	282,009	282,009		
American Rescue Plan - 2021	50,010	50,010	50,010		
County of Hudson - ARP Funds	929,002	929,002	929,002		
Urban Enterprise Zone	78,479	78,479	78,479		
Urban Enterprise Zone FY22	39,459	39,459	39,459		
Total Operations-Excluded from "CAPS"	5,987,015	6,273,874	6,021,775	252,099	
Detail:					
Salaries and Wages					
Other Expenses	5,987,015	6,273,874	6,021,775	252,099	
Total Operations-Excluded from "CAPS"	5,987,015	6,273,874	6,021,775	252,099	
Municipal Debt Service-Excluded from "CAPS"					
Payment of Bond Principal	605,000	605,000	605,000		
Payment of Bond Anticipation and Capital Notes	121,336	121,336	121,336		
Interest on Bonds	756,375	756,375	756,351		24
Interest on Notes	140,000	140,000	140,000		
Total Municipal Debt Service-Excluded from "CAPS"	1,622,711	1,622,711	1,622,687		24

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2022

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Deferred Charges- Municipal Excluded from "CAPS"					
Deferred Charges to Future Taxation - Unfunded					
6-2008/18-2012/26-2013/16-2014 Impr to Waterfront	38,983	38,983	38,983		
03-2010 Improvements to 71st Street	1	1	1		
08-2011 Various Capital Improvements	61,016	61,016	61,016		
Total Deferred Charges-Municipal-Excluded from "CAPS"	100,000	100,000	100,000		
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	7,709,726	7,996,585	7,744,462	252,099	24
Subtotal General Appropriations	21,020,934	21,550,934	21,116,796	434,114	24
Reserve for Uncollected Taxes	2,092,500	2,092,500	2,092,500		
Total General Appropriations	$ 23,113,434	23,643,434	23,209,296	434,114	24

Adopted Budget	22,919,969
Added by N.J.S.A. 40A:4-87	193,465
Emergency Appropriations	530,000
	$ 23,643,434

Analysis of Paid or Charged	
Reserve for Uncollected Taxes	2,092,500
Due to Federal and State Grant Fund	1,490,335
Reserve for Tax Appeals	50,000
Reserve for Encumbrances	1,625,429
Cash	17,951,032
	$ 23,209,296

Exhibit B

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2022 and 2021

Assets	Ref.	2022	2021
Animal License Fund:			
Cash	B-1	$ 8,798	6,715
Unemployment Compensation Trust Fund:			
Cash	B-1	78,631	77,501
Community Development Block Grant Trust Fund:			
Cash	B-1	11,060	10,900
Grants receivable	B-4	321,674	233,146
		332,734	244,046
Other Trust Funds:			
Cash	B-1	1,028,860	1,788,255
Deferred Charges:			
Over-Expenditure of Reserve	B-8	26,930	
Intrafund Receivables:	B-7	46	46
Interfund Receivables:			
Due from Current Fund	B-7	300	143
		1,056,136	1,788,444
		$ 1,476,299	2,116,706

Exhibit B

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2022 and 2021

Liabilities and Reserves	Ref.	2022	2021
Animal License Fund:			
Reserve for Animal License Expenditures	B-2	3,186	4,105
Due to State of New Jersey	B-3	183	171
Due to Current Fund	B-7	5,429	2,439
		8,798	6,715
Unemployment Compensation Trust Fund:			
Reserve for Expenditures	B-9	78,631	77,501
Community Development Block Grant Trust Fund:			
Reserve for Grant Expenditures	B-5	332,514	243,986
Due to Current Fund	B-7	220	60
		332,734	244,046
Other Trust Funds:			
Due to State-Marriage Licenses	B-6	1,250	3,450
Intrafunds Payable:	B-7	46	46
Interfunds Payable:			
Curret Fund - Escrow	B-7	192	55
Current Fund	B-7	44,775	3,464
General Capital Fund	B-7	14,000	
Reserve for:			
Other Trust Deposits	B-8	995,873	1,781,429
		1,056,136	1,788,444
		$ 1,476,299	2,116,706

See accompanying notes to financial statements.

Exhibit C

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

General Capital Fund

December 31, 2022 and 2021

Assets	Ref.		2022	2021
Cash:				
Checking	C-2,C-3	$	6,295,159	8,808,497
Grants Receivable:				
Hudson County Open Space Grant	C-6		344,726	529,739
State of New Jersey - Dept. of Transportation	C-7		2,293,612	1,043,612
State of New Jersey - Department of Environmental Protection, Green Acres Program	C-8		64,172	64,172
State of New Jersey - Educational Facilities Construction Financing	C-9			182,587
Hudson County - Community Development Block Grant	C-10		94,146	
State of New Jersey - Office of Law & Public Safety	C-12		40,760	101,900
Due from Board of Education	C-11		42,182	42,182
Due from Current Fund	C-15			100
Due from Other Trust Fund	C-20		14,000	
Deferred charges to future taxation:				
Funded	C-4		16,735,000	17,340,000
Unfunded	C-5		12,649,166	12,886,666
		$	38,572,923	40,999,455

Liabilities, Reserves and Fund Balance	Ref.		2022	2021
Serial Bonds	C-13		16,735,000	17,340,000
Bond Anticipation notes	C-22		11,580,000	12,600,000
Capital Improvement Fund	C-14		899,146	916,646
Due to Current Fund	C-15		522,679	
Reserve for:				
Contracts Payable	C-16		2,004,152	
Payment of Debt	C-17		2,942,446	3,997,383
Grants Receivable	C-18		1,333,647	1,483,228
Green Acres	C-19		1,032	1,019
Sewer Improvements	C-20		46,500	32,500
Improvement authorizations:				
Funded	C-21		232,306	201,256
Unfunded	C-21		2,264,675	4,323,610
Fund Balance	C-1		11,340	103,813
		$	38,572,923	40,999,455

There were bonds and notes authorized but not issued at December 31, 2022 and December 31, 2021 of $1,069,166 and $286,666 respectively. See exhibit C-23.

See accompanying notes to financial statements.

Exhibit C-1

TOWN OF GUTTENBERG

Comparative Schedule of Fund Balance - Regulatory Basis

General Capital Fund

Year Ended December 31, 2022 and 2021

		2022	2021
Balance - December 31, 2021	$	103,813	220,779
Increased by :			
Premium received on Sale of Bond Anticipation Notes		7,527	83,034
		7,527	83,034
		111,340	303,813
Decreased by:			
Budget Revenue - Due to Current Fund		100,000	200,000
Balance - December 31, 2022	$	11,340	103,813

See Accompanying Notes to Financial Statements

Exhibit F

TOWN OF GUTTENBERG

Comparative Balance Sheets-Regulatory Basis

Payroll Account

December 31, 2022 and 2021

		2022	2021
Assets			
Cash	$	6,478	2,820
	$	6,478	2,820
Liabilities			
Net Payroll Payable	$	6,478	2,820
	$	6,478	2,820

See accompanying notes to the financial statements.

Exhibit G

TOWN OF GUTTENBERG

Statement of General Fixed Assets-Regulatory Basis

General Fixed Assets Account Group

December 31, 2022 and 2021

		2022	2021
Land	$	1,875,506	1,875,506
Buildings		3,378,500	3,378,500
Vehicles and equipment		3,223,984	2,749,640
	$	8,477,990	8,003,646

See accompanying notes to financial statements.

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 Town of Guttenberg 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 another 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 Town accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

A. Reporting Entity

The Town of Guttenberg (the "Town") operates under a Mayor/Council form of government. The Town'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 Town do not include the Volunteer Fire Department or Housing Authority, 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.

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

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

The Town 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 Town 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 Town 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 Town as an agent for individual, private organizations, or other governments are recorded in the Trust Funds.

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

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

Unemployment Trust Fund - This fund is used to account for all employee deductions and budget appropriations and subsequent payment of unemployment compensation bills from the State of New Jersey.

Community Development Block Grant - This fund is used to account for the award and receipt of grant monies and subsequent expenditure of grants awarded through the Department of Housing and Urban Development passed through the County of Hudson as required by the grant agreements.

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 Town. The Town's infrastructure is not reported in the group.

Payroll Account - This fund is used to account for the receipt and disbursement of net payroll and all deductions and withholdings.

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

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

Basis of Accounting

A modified accrual basis of accounting is followed by the Town of Guttenberg. 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 Town. 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 current year taxes are levied, 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 Town. 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 Town's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

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

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

Basis of Accounting, (continued)

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 Town's budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

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

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

General Capital Fund
Trust Fund

The governing body shall introduce and approve the annual budget not later than February 10, of the fiscal year. The budget shall be adopted not later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted.

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. Expenditures may not legally exceed budgeted appropriations at the line item level. During the years ended December 31, 2022 and 2021, the Mayor and Council approved additional revenues and appropriations of $193,465 and $1,035,554, respectively, in accordance with N.J.S.A. 40A:4-87. Emergency appropriations totaling $530,000 were approved for the year ended December 31, 2022. In addition, several budget transfers were also approved by the governing body in 2022 and 2021.

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

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

Basis of Accounting, (continued)

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

Encumbrances - Contractual orders outstanding at June 30 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.

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

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

Basis of Accounting, (continued)

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

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at fair value 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 Town 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 Town may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Town raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

General Fixed Assets - In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, the Town of Guttenberg has developed a fixed assets accounting and reporting system.

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.

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

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

Basis of Accounting, (continued)

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 Town 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 these 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 Town's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

During 2022, the Town did not adopt any new accounting pronouncements.

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 Town 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 Plans:

Town 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).

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 Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

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NOTE 2. PENSION PLANS, (continued)

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

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:

Benefits Provided, (continued)

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

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

Police and Firemens' Retirement System (PFRS)

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 Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

NOTE 2. PENSION PLANS, (continued)

Police and Firemens' Retirement System (PFRS), (continued)

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:

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

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

Defined Contribution Retirement Program

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

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

NOTE 2. PENSION PLANS, (continued)

Defined Contribution Retirement Program, (continued)

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

Contribution Requirements

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

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

Year	PERS	PFRS	DCRP
2022	$309,017	$691,287	$2,658
2021	278,124	668,245	2,507
2020	296,657	509,845	2,637

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.

NOTE 2. PENSION PLANS, (continued)

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

Public Employees Retirement System (PERS)

At December 31, 2022, the Town had a liability of $4,508,966 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2022, the Town's proportion was .0298777678 percent, which was an increase of .0034912322 percent from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the Town recognized pension expense of $309,017. At December 31, 2022, 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	$32,544	$28,699
Changes of assumptions	13,970	675,171
Net difference between projected and actual earnings on pension plan investments	186,622	-0-
Changes in proportion and differences between Town contributions and proportionate share of contributions	924,140	526,222
Total	$1,157,276	$1,230,092

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)

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

Year ended June 30:	
2023	$(386,775)
2024	(197,049)
2025	(96,097)
2026	(209,647)
2027	(461)

Changes in Proportion

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

Additional Information

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

	June 30, 2022	June 30, 2021
Collective deferred outflows of resources	$1,660,772,008	$1,164,738,169
Collective deferred inflows of resources	3,236,303,935	8,339,123,762
Collective net pension liability	15,219,184,920	11,972,782,878
Town's Proportion	.0263865356%	.0263865356%

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)

Actuarial Assumptions

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

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

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

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.

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)

Long-Term Rate of Return

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

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

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)

Discount Rate

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

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

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

	June 30, 2022		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Town's proportionate share of the pension liability	$5,803,573	$4,508,966	$3,407,204

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 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)

The following pension information is as of June 30, 2021 which is the latest information available. This information is eighteen months prior to December 31, 2022. GASB Statement No. 68 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis statements Municipal, County and Library's to be issued with unmodified opinion's until such time current pension information is available.

At December 31, 2021, the Town had a liability of $4,335,372 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town'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, 2021, the Town's proportion was .0593143000 percent, which was a decrease of .000501528 percent from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the Town recognized pension expense of $668,245. At December 31, 2021, 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 in actual and expected experience	$49,461	$519,333
Changes of assumptions	23,069	1,299,291
Net difference between projected and actual earnings on pension plan investments		1,847,443
Changes in proportion and differences between Town contributions and proportionate share of contributions	1,029,727	886,198
Total	$1,102,257	$4,552,265

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)

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2021) 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:	
2022	$(1,150,428)
2023	(863,562)
2024	(740,996)
2025	(730,712)
2026	(92,170)
Thereafter	(15,669)

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 6.17, 5.90, 5.92, 5.73, 5.59 and 5.58 years for 2021, 2020, 2019, 2018, 2017 and 2016, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2021 and June 30, 2020 are as follows:

	June 30, 2021	June 30, 2020
Collective deferred outflows of resources	$817,271,932	$1,601,195,680
Collective deferred inflows of resources	6,875,738,520	4,191,274,402
Collective net pension liability	9,364,849,587	14,926,648,722
Town's Proportion	.0593143000%	.0598158283%

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)

Actuarial Assumptions

The collective total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all Future Years	3.25-15.25% (based on years of service)
Investment Rate of Return	7.00%

Mortality Rates

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

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of the acturial experience study for the period July 1, 2013 to June 30, 2018.

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)

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, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

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, 2021. 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, 2021, 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, 2021		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Town's proportionate share of the pension liability	$7,215,308	$4,335,372	$1,938,137

NOTE 2. <u>PENSION PLANS</u>, (continued)

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

<u>Police and Firemen's Retirement System (PFRS)</u>, (continued)

<u>Special Funding Situation - PFRS</u>

Under N.J.S.A. 43:16A-15, the Town 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 Town 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 Town's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PFRS under this legislation.

At December 31, 2021 and 2020, the State proportionate share of the net pension liability attributable to the Town for the PFRS special funding situation is $1,219,323 and $1,199,505, respectively. For the years ended December 31, 2021 and 2020, the pension system has determined the State's proportionate share of the pension expense attributable to the Town for the PFRS special funding situation is $135,797and $135,940, respectively, which is more than the actual contributions the State made on behalf of the Town of $105,922 and $92,301, respectively. The State's proportionate share attributable to the Town 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 Town's financial statements.

<u>Pension Plan Fiduciary Net Position</u>

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

NOTE 3. LONG-TERM DEBT

Long-term debt as of December 31, 2022 and 2021 consisted of the following:

	Balance December 31, 2021	Additions	Reductions	Balance December 31, 2022	Amounts Due Within One Year
Governmental Activities:					
Bonds Payable - General Obligation Debt	$17,340,000	$	$605,000	$16,735,000	$605,000
Other Liabilities:					
Deferred PERS/PFRS Pension Obligation	69,889		26,665	42,224	27,826
	$17,409,889	$0	$631,665	$16,777,224	$632,826

	Balance December 31, 2020	Additions	Reductions	Balance December 31, 2021	Amounts Due Within One Year
Governmental Activities:					
Bonds Payable - General Obligation Debt	$17,945,000	$	$605,000	$17,340,000	$605,000
Other Liabilities:					
Green Acres Loan Obligation Debt	17,746		17,746		
Deferred PERS/PFRS Pension Obligation	94,277		24,388	69,889	26,665
	$18,057,023	$0	$647,134	$17,409,889	$631,665

NOTE 3. LONG-TERM DEBT, (continued)

Summary of Municipal Debt (Excluding Current Operating Debt)

	2022	2021	2020
Issued-general-bonds, loans and notes	$28,315,000	$29,940,000	$25,412,746
Authorized but not issued-general-bonds and notes	1,069,168	286,666	2,083,005
	29,384,168	30,226,666	27,495,751
Less funds on hand to pay debt and other deductions	2,942,445	3,997,383	2,990,906
Net bonds and notes issued and authorized but not issued	$26,441,723	$26,229,283	$24,504,845

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 (2.222)% for 2022.

2022	Gross Debt	Deductions	Net Debt
School District debt	$ -0-	$	$0
General debt	29,384,168	2,942,445	26,441,723
	$29,384,168	$2,942,445	$26,441,723

Net debt of $26,441,723 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of $1,190,251,406 equals 2.222%.

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 (.442)% for 2021.

2021	Gross Debt	Deductions	Net Debt
School District debt	$	$	$0
General debt	30,226,666	3,997,383	26,229,283
	$30,226,666	$3,997,383	$26,229,283

Net debt of $26,229,283 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of $1,181,947,885 equals 2.219%.

NOTE 3. LONG-TERM DEBT, (continued)

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

	2022	2021
3 ½% of equalized valuation basis (municipal)	$41,658,799	$41,368,176
Net Debt	26,441,723	26,229,283
Remaining borrowing power	$15,217,076	$15,138,893

The Town's long-term debt consisted of the following at December 31, 2022 and 2021:

Paid by Current Fund:

	2022	2021
$19,150,000 General Obligation Bonds, due in annual installments of $600,000 to $1,190,000 through August 2042, interest at 3.00%-5.00%	$16,735,000	$17,340,000
	$16,735,000	$17,340,000

Aggregate bonded debt service requirements are as follows:

	General Capital Debit		
	Serial Bonds		
Year	Principal	Interest	Total Debit Services
2023	$605,000	$726,125	$1,331,125
2024	605,000	695,875	1,300,875
2025	620,000	665,625	1,285,625
2026	620,000	634,625	1,254,625
2027	650,000	603,625	1,253,625
2028-32	3,715,000	2,543,425	6,258,425
2033-37	4,490,000	1,765,000	6,255,000
2038-42	5,430,000	824,325	6,254,325
	$16,735,000	$8,458,625	$25,193,625

NOTE 3. LONG-TERM DEBT, (continued)

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

At December 31, 2022 and 2021, the Town had authorized but not issued debt as follows:

	2022	2021
General Capital Fund	$1,069,166	$286,666

NOTE 4. BOND ANTICIPATION NOTES

The Town 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 tenth anniversary of the date of the original notes. 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.

NOTE 4. BOND ANTICIPATION NOTES, (continued)

On December 31, 2022 and 2021, the Town had $11,580,000 and $12,600,000 respectively, in outstanding General Capital Fund bond anticipation notes.

	Balance Dec. 31, 2021	Additions	Reductions	Balance Dec. 31, 2022
General Capital Notes Payable				
Jeffries LLC, NY	$12,600,000	$	$12,600,000	$
TD Securities (USA) LLC		11,580,000		11,500,000
	$12,600,000	$11,580,000	$12,600,000	$11,500,000

	Balance Dec. 31, 2020	Additions	Reductions	Balance Dec. 31, 2021
General Capital Notes Payable				
Jeffries LLC, NY	$	$12,600,000		$12,600,000
TD Securities (USA) LLC	7,450,000		7,450,000	
	$7,450,000	$12,600,000	$7,450,000	$12,600,000

NOTE 5. FUND BALANCE APPROPRIATED

The fund balance at December 31, 2022 and 2021 which as been appropriated as revenue in the 2023 and 2022 budgets is as follows:

	2023	2022
Current Fund	$3,300,000	$2,600,000

NOTE 6. ACCRUED SICK AND VACATION BENEFITS

The Town no longer permits employees to accrue unused sick and vacation pay; therefore, there is no liability for unpaid compensation at December 31, 2022.

NOTE 7. CASH AND 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 Town'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, 2022 and 2021, $-0- of the Town's bank balance of $18,071,116 and $21,597,641, respectively, was exposed to custodial credit risk.

Investments

Investment Rate Risk

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

Credit Risk

New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the municipality or bonds or other obligations of the local unit or units within which the municipality 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 Town places no limit on the amount the Town may invest in any one issuer.

NOTE 8. FIXED ASSETS

The following is a summary of charges in the General Fixed Assets Account Group as of December 31, 2022 and 2021:

	Balance December 31, 2021	Additions	Retirements	Balance December 31, 2022
Land	$1,875,506	$	$	$1,875,506
Building	3,378,500			3,378,500
Equipment & Vehicles	2,749,640	546,305	71,961	3,223,984
	$8,003,646	$546,305	$71,961	$8,477,990

	Balance December 31, 2020	Additions	Retirements	Balance December 31, 2021
Land	$1,875,506	$	$	$1,875,506
Building	3,378,500			3,378,500
Equipment & Vehicles	2,715,950	96,789	63,099	2,749,640
	$7,969,956	$96,789	$63,099	$8,003,646

NOTE 9. DUE TO/FROM OTHER FUNDS

Balances due to/from other funds at December 31, 2022 consist of the following:

$5,429	Due to the Current Fund from the Animal License Trust Fund for the current years' statutory excess and balance of current year interest earnings.
220	Due to the Current Fund from the Community Development Trust Fund for the balance of current year interest earnings.
41,243	Due to the Current Fund from the Other Trust Fund for premiums on foreclosed property, the balance of the current year's interest earnings less marriage license fees not turned over to Trust.
3,464	Due to the Current Fund from the Asset Forfeiture - Justice Trust Fund for overtime reimbursements deposited in error.
192	Due to the Current Fund from the Escrow Trust Fund for the town share of interest earned on developer deposits.
68	Due to the Current Fund from Other Trust - Redemption Account for the balance of current year's interest earnings.
300	Due to the Fire Prevention Trust Fund from the Current Fund for penalties deposited in error.
14,000	Due to the General Capital Fund from the Other Trust fund for developer deposits for sewer improvements.
1,100,360	Due to the Current Fund from the Federal and State Grant Fund to reimburse grant expenditures paid, the balance of current year's interest earnings less grant funds received.
522,679	Due to the Current Fund from the General Capital fund for budget revenue not transferred, excess appropriation of interest on notes transferred less the balance of current year interest earnings.
46	Due to the POAA Trust Fund from the Other Trust Fund to correct prior years' deposit errors.
$1,688,001	

NOTE 10. OTHER POST RETIREMENT BENEFITS (OPEB)

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

General Information about the OPEB Plan

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

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

NOTE 11. OTHER POST RETIREMENT BENEFITS (OPEB), (continued)

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

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

Total OPEB Liability

The following other post employment benefit information for special funding situation is as of June 30, 2021 which is the latest information available. This information is eighteen months prior to December 31, 2022. GASB Statement No. 75 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis financial statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current other post employment benefit information for special funding situation is available.

At December 31, 2021, the Town had a liability of $17,224,171 for its proportionate share of the non-special funding net OPEB liability. The net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Town's proportion of the net OPEB liability was based on a projection of the Town's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers a in the plan. At June 30, 2021 the Town's proportion was .0956910000 percent which was an increase of .002600000% from its proportion measured as of June 30, 2020.

NOTE 11. OTHER POST RETIREMENT BENEFITS (OPEB), (continued)

For the year ended December 31, 2021, the Town recognized OPEB expense (benefit) of $(156,734). At December 31, 2021, deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$386,490	$3,603,551
Changes of assumptions	2,477,748	3,044,574
Net difference between projected and actual earnings on OPEB plan investments	8,236	
Changes in proportion	1,706,589	2,379,185
Total	$4,579,063	$9,027,310

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:	
2022	$(1,028,442)
2023	(1,029,795)
2024	(1,031,031)
2025	(736,263)
2026	(123,771)
Thereafter	173,651

Changes in Proportion

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

NOTE 11. OTHER POST RETIREMENT BENEFITS (OPEB), (continued)

Actual Assumptions and Other Inputs

The total OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which rolled forward to June 30, 2021. 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.

Inflation rate	2.50%
Salary increases*:	
Public Employees' Retirement System (PERS)	
Initial fiscal year applied	2.00% to 6.00%
Rate through 2026	3.00% to 7.00%
Rate thereafter	
Police and Firemen's Retirement System (PFRS)	3.25% to 15.25%
Rate for all future years	
Mortality:	
PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020

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

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

Discount Rate

The discount rate for June 30, 2021 was 2.16%. 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 that 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.

NOTE 11. OTHER POST RETIREMENT BENEFITS (OPEB), (continued)

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Town's proportionate share of the net OPEB liability as of June 30, as well as what the Town'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, 2021		
	1% Decrease 1.16%	At Current Discount Rate 2.16%	1% Increase 3.16%
Town's proportionate share of Net OPEB liability	$20,269,545	$17,224,171	$14,810,646

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

The following presents the Town's proportionate share of the net OPEB liability as of June 30, as well as what the Town'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, 2021		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Town's proportionate share of Net OPEB liability	$14,370,759	$17,224,171	$20,947,519

NOTE 12. CONTINGENT LIABILITIES

A. Grants

The Town received financial assistance from the State of New Jersey and the U.S. Government in the form of grants and revenue sharing entitlements. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. During 2021, the Town is subject to the requirements of the Single Audit Act Amendments of 1996 which mandated that all Federal grant revenues and expenditures be audited in conjunction with a municipal audit. In addition, substantially all State grants, entitlements and cost reimbursements are subject to financial and compliance audits by the grantors.

B. Other Litigation

The Town is involved in several other claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the Town.

NOTE 13. ECONOMIC DEPENDENCY

The Town receives a substantial amount of its support from Federal and State governments. A significant reduction in the level of support, if this were to occur, may cause an increase in the local tax rate, and could also have a detrimental effect on the level of service that the Town would be able to provide.

NOTE 14. NORTH HUDSON REGIONAL FIRE AND RESCUE

Second Amended and Restated Consolidated Municipal Services Agreement for the Formation of a Joint Meeting Pursuant to N.J.S.A. 40:48B-1 et seq., known as North Hudson Regional Fire and Rescue (the "Agreement")

Background of the Agreement

On December 30, 1998, the Town adopted a resolution approving it to enter into a joint contract with the municipalities of North Bergen, Union City, Weehawken and West New York (the "Other Municipalities"), in order to form a joint meeting pursuant to the Consolidated Municipal Services Act, N.J.S.A. 40:48B-1 et seq. (the "Act"). The entity created by the formation of this joint meeting is known as the North Hudson Regional Fire

NOTE 14. <u>NORTH HUDSON REGIONAL FIRE AND RESCUE</u>, (continued)

and Rescue (the "NHRFR"), which is a public body, corporate and politic, constituting a political subdivision of the State of New Jersey, having all powers and authorities permitted by the Act. The purpose of the NHRFR is to provide for the joint operation of fire protection, rescue and emergency services, and other related governmental services.

The NHRFR was in effect from October 1, 1998, as the Other Municipalities had already formed the Agreement before the Town entered on December 30, 1998. The term of the Agreement expires September 30, 2023, but may be subject to earlier termination pursuant to the Act. The operations of the NHRFR commenced on January 1, 1999. The NHRFR is governed by a five member management committee, consisting of one representative from each municipality, and this committee may appoint one or two executive director(s), and other such officers, employees and counsel as it deems necessary. A municipality's admission to or withdrawal from the NJFRF requires four votes from the management committee.

Required Contributions by the Town

The Town adopted an ordinance on December 30, 1998, authorizing the sale, lease transfer, conveyance or other disposition of and improvement of real and personal property to the NHRFR, pursuant to New Jersey Statutes. The Town has agreed to convey two parcels of its real property, the value of which will be determined by a qualified appraiser. The Town had also agreed to convey four items of its personal property, which consist of vehicles with an aggregate minimum purchase price of $341,000. The estimated proceeds of all property conveyed, real and personal, was approximately $1,000,000.

The Town was required to contribute $1,500,000 annually to the NHRFR. This annual contribution is subject to an increase based on the percentage of increase of the total fire and rescue related appropriations over the base year (SFY 1998) of the Other Municipalities. The Agreement also contains provisions for cost and budget balance allocations, and a growth value adjustment to be made in calendar year 2001, but these provisions do not pertain to the Town. As of December 31, 2022, the town budgeted $3,020,000 and contributed $2,862,204.

NOTE 15. 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 periods:

	Balance December 31, 2022	Balance December 31, 2021
Prepaid Taxes	$467,594	$458,910
Cash Liability for Taxes Collected in Advance	$467,594	$458,910

NOTE 16. DEFERRED CHARGES

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2022 the following deferred charges are shown on the balance sheet of the various funds:

	Balance December 31, 2022	Subsequent Year Budget Appropriation	Balance to Succeeding Years' Budget
Current Fund:			
Emergency Authorizations			
Administrative & Executive - Salaries & Wages	$30,000	$30,000	-
Gasoline	45,000	45,000	-
Police - Other Expenses	100,000	100,000	-
Police - Salaries & Wages	75,000	75,000	-
Recreation - Salaries & Wages	105,000	105,000	-
Recreation - Other Expenses	100,000	100,000	-
Street Cleaning - Other Expenses	75,000	75,000	-
Total Current Fund	530,000	530,000	-
Federal and State Grant Fund:			
Over-Expenditure of Appropriated Grants	200,651	200,651	-
Total Federal and State Grant Fund	200,651	200,651	-
Trust Funds:			
Deficit - Recreation Trust Fund	26,930	26,930	-
Total Trust Funds	26,930	26,930	-
Total Deferred Charges	$757,581	$757,581	-

NOTE 17. EMERGENCY NOTES:

As permitted under N.J.S.A. 40A:4-46, local governments may make emergency appropriations, after adoption of the annual budget, for purposes unforseen at the time of adoption. Any local unit may borrow money and issue its negotiable notes to meet these emergency appropriations. All emergency notes, and any renewals thereof, shall mature not later than the last day of the fiscal year following the fiscal year in which the notes were issued and the emergency appropriation authorized.

On December 31, 2022 and 2021 the Borough had $530,000 and $-0-, respectively, in outstanding Current Fund Emergency notes.

The following activity related to emergency notes occurred during the period ended December 31, 2022.

	Beginning Balance	Additions	Reductions	Ending Balance
2022				
Emergeny Notes Payable:				
Amboy Bank	$	$530,000	$	$530,000
	$	$530,000	$ -	$530,000

NOTE 18. RISK MANAGEMENT

The Town of Guttenberg 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 Town has obtained insurance coverage to guard against these events which will provide minimum exposure to the Town should they occur. During the year ended December 31, 2022, the Town did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Town of Guttenberg is a member of the Garden State Municipal Joint Insurance Fund (the "GSMJIF"). The GSMJIF is a self-administered group of municipalities established for the purpose of providing certain low-cost general liability, automobile liability and workers' compensation insurance coverage for member municipalities. The Town of Guttenberg pays an annual assessment to the GSMJIF and should it be determined that payments received by the GSMJIF are deficient, additional assessments may be levied.

The GSMJIF can declare and return excess surplus to members upon approval of the State of New Jersey Department of Insurance. These distributions would be divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with Statement No. 10 of the Government Accounting Standards Board, these distributions may be sued to reduce the amount recorded for membership expense in the year in which the distribution was declared.

NOTE 18. RISK MANAGEMENT, (continued)

The GSMJIF provides Property coverage (i.e. Boiler and Machinery, Flood, Valuable Papers, etc.) to its members by participating in a state-wide joint purchase program.

Financial statements for the Funds are available at the office of the Funds' Executive Director, Garden State Municipal Joint Insurance Fund.

The Town of Guttenberg continues to carry commercial insurance coverage for all other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 19: 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 Town of Guttenberg is $1,164,019 which will be available for use until December 31, 2024.

NOTE 20. SUBSEQUENT EVENT

The Town has evaluated subsequent events through June 29, 2023, the date which the financial statements were available to be issued, and no other items were noted for disclosure.

SUPPLEMENTARY DATA

TOWN OF GUTTENBERG

Supplementary Data

Official in Office and Surety Bonds

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

Name	Title	Amount of bond	Name of corporate surety
Wayne Zitt	Mayor		
William Hokien	Councilman		
Richard Delafuente	Councilman		
Monica Fundora	Councilwoman		
Juana Malave	Councilwoman		
John D. Habermann	Councilman		
Ariana Moure	Town Attorney		
Cosmo Cirillo	Town Administrator		
John Di Stefano	Director of Revenue & Finance, Deputy Tax Collector, Tax Search Officer	1,000,000	(A)
Vincent Buono	CFO/Tax Collector	1,000,000	(A)
Johanna Fermaint	Deputy Tax Collector		
Cosmo Citillo	Acting Town Clerk		
Lilia Munoz	Municipal Court Judge	1,000,000	(A)
Charles Daglian	Municipal Court Judge	1,000,000	(A)
Bleydeliz Collado	Court Administrator	1,000,000	(A)
Jesenia Rivera	Deputy Court Administrator		
Ian Gonzalez	Violations Clerk		

(A) Coverage provided through the Garden State Municipal Joint Insurance Fund. Coverage is provided up to $1,000,000 per occurrence.

TOWN OF GUTTENBERG

Supplementary Data

Comparative Schedule of Tax Rate Information

	2022	2021	2020
Tax rate	3.877	3.882	3.861
Apportionment of tax rate:			
Local school	1.444	1.446	1.443
County	0.563	0.589	0.583
Municipal	1.870	1.847	1.835

Year Ended December 31,	Assessed Valuation
2022	$ 784,093,616
2021	785,315,316
2020	785,107,707

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.

Year Ended December 31,	Tax Levy	Cash Collections	Percentage of Collections
2022	$ 30,471,025	29,882,067	98.07%
2021	30,470,533	29,256,745	96.02%
2020	30,316,284	28,248,412	93.18%

TOWN OF GUTTENBERG

Supplementary Data

Delinquent Taxes and Tax Title Liens

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

Year Ended December 31,	Amount of tax title liens	Amount of delinquent taxes	Total delinquent	Percentage of tax levy
2022	433,547	291,688	725,235	2.38%
2021	379,058	540,152	919,210	3.02%
2020	321,532	1,811,225	2,132,757	7.04%

Property Acquired By Tax Title Lien Liquidation

No properties have been acquired in 2022 by foreclosure or deed, as a result of liquidation of tax title liens.

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

Year		Amount
2022	$	None
2021		None
2020		None

Comparative Schedule of Fund Balances

	Year Ended December 31,		Year ended	Utilized in budget of succeding year
Current Fund:	2022	$	6,000,977	3,300,000
	2021		6,048,631	2,600,000
	2020		5,282,605	2,250,000
	2019		6,758,172	2,100,000
	2018		6,946,609	2,000,000

Schedule 1

TOWN OF GUTTENBERG

Schedule of Expenditures of Federal Awards

Year ended December 31, 2021 and 2020

Federal grantor	Program	Assistance Listing number	FAIN number	Grant or State Project number	Grant period	Award Amount	Cash Received	Expenditures	Adjustment/ Cancelled	(MEMO) Cumulative Expenditures
Federal and State Grant Fund:										
Department of Transportation	State and Community Highway Safety									
	National Highway Traffic Safety Program									
	Occupant Protection Grant - Click it or Ticket	20.616			2022	7,000 $		7,000		7,000
	Alcohol Impaired Driving Countermeasures Incentive Grant									
	Drive Sober or Get Pulled Over	20.601			2015	5,000				5,000
	Drive Sober or Get Pulled Over	20.601			2016	5,000		201		4,917
	Drive Sober or Get Pulled Over	20.601			2016	5,000				5,000
(1) U.S. Department of the Treasury Coronavirus Aid, Relief and Economic Security Act	CARES Act	21.019			2020	1,037,377	376,453			1,037,377
(1) U.S. Department of Health and Human Services Centers for Dease Control and Prevention	Strengthening Local Public Health Capacity Program	93.323			7/1/22-6/30/23	274,735	60,339			
					7/1/21-6/30/22	291,042	267,414	98,435		291,042
					12/1/20-6/30/21	142,236				142,186
(2) U.S. Department of Housing and Urban Development Passed through County of Hudson	CDBG-CV Public Service Grant - Food Pantry Program	14.218			2021	57,902		19,115		19,115
	CDBG-CV Public Service Grant - Senior Bus Program	14.218			2021	100,000		75,805		86,920
(1) U.S. Department of the Treasury Coronavirus State and Local Fiscal Recovery Funds		21.017			3/3/21-12/31/24	864,019	282,019	166,757		698,475
National Endowment for the Arts	Promotion of the Arts Partnership Agreements	45.024			9/1/17-9/30/18	25,000				21,627
Department of Agriculture	Summer Food Program	10.559			2014	23,703				23,191
		10.559			2020	25,591				19,829
		10.559			2021	30,698	4,847	15,936	(7)	17,286
		10.559			2022	23,268	21,180	23,268		23,268
	Total Federal and State Grant Fund						1,012,252	406,517	(7)	
Current Fund:										
(1) U.S. Department of the Treasury Coronavirus State and Local Fiscal Recovery Funds	Revenue Loss	21.017			3/3/21-12/31/24	300,000	300,000	300,000		300,000
	Total Current Fund'						300,000	300,000		
Trust Funds:										
U.S. Department of Justice	Equitable Sharing Program	16.922			2022			5,521	97	5,521
U.S. Department of Treasury	Equitable Sharing Program	21.016			2022			325	1	325
	Total Trust Funds							5,846	98	

Schedule 1

TOWN OF GUTTENBERG

Schedule of Expenditures of Federal Awards

Year ended December 31, 2021 and 2020

Federal grantor	Program	Assistance Listing number	FAIN number	Grant or State Project number	Grant period	Award Amount	Cash Received	Expenditures	Adjustment/ Cancelled	(MEMO) Cumulative Expenditures
General Capital Fund:										*
Community Development Block Grant Trust Fund:										*
Department of Housing and Urban Development (passed through County of Hudson):	Community Development Block Grant:									*
	3-03K1-22 68-70th Street Improvements	14.218			2022	88,528				*
	3-03K1-21 Traffic Signals at Various Intersections	14.218		Ord. 20-2022	2021	94,146				*
	3-03J1-18 Sewer Improvements	14.218			2018	72,000				*
	3-03K1-17 70th Street Improvements	14.218		Ord. 22-2017	2017-18	67,000				*
	Total Community Development Trust Fund									*
Total Federal Financial Assistance							$ 1,312,252	712,363	91	*

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

(1) - Passed throught the State of New Jersey
(2) - Passed through the County of Hudson

TOWN OF GUTTENBERG

Schedule of Expenditures of State Awards and Other Financial Assistance

Year ended December 31, 2022 and 2021

State grantor	Program	Grant number	Grant period	Award Amount	Cash Received	Budgetary Expenditures		(MEMO) Cumulative Expenditures
Federal and State Grant Fund:								
Department of Commerce & Economic Development	Urban Enterprise Zone Assistance Fund		2022	$ 78,479		33,869	*	33,869
			2022	39,459			*	
			2011	24,038			*	23,588
						33,869	*	
							*	
							*	
Department of Community Affairs Office of Recreation	Recreation Opportunities for Individuals with Disabilities		2019	16,666	16,466	16,666	*	16,666
			2018	16,666	16,666	14,599	*	16,666
					33,132	31,265	*	
							*	
Department of Environmental Protection	Recycling Tonnage Grant	042-4900-752-001	2022	15,530	15,530		*	
	Recycling Tonnage Grant	042-4900-752-001	2021	14,840			*	
	Recycling Tonnage Grant	042-4900-752-001	2019	14,535			*	
	Recycling Tonnage Grant	042-4900-752-001	2017	14,378			*	
	Clean Communities Program	042-4900-765-004	2022	17,312	17,312		*	
	Clean Communities Program	042-4900-765-004	2021	16,642			*	8,172
	Clean Communities Program	042-4900-765-004	2005-06	7,530			*	7,530
					32,842		*	
							*	
Department of Law and Public Safety	Body Armor Grant	066-1020-718-001	2022	1,897	1,897		*	
	Body Armor Grant	066-1020-718-001	2022	1,444	1,444		*	
	Body Armor Grant	066-1020-718-001	2021	2,096			*	
	Body Armor Grant	066-1020-718-001	2020	2,682			*	2,336
	Highway Safety		2006-07	1,945			*	1,555
							*	
Department of Law and Public Safety							*	
	Drunk Driving Enforcement Fund	1110-448-031020-22	2012	6,899			*	3,866
					3,341		*	
							*	
County of Hudson (1)	Municipal Alliance		2022	1,281		1,281	*	1,281
			2022-2023	8,831	3,533		*	
			Match	1,325	1,325		*	
			2021-2022	5,298	1,473	2,802	*	2,802
			Match	1,325		1,003	*	1,003
			2020-2021	2,649			*	
			Match	2,426			*	
			2018-2019	9,655			*	7,978
			Match	2,414			*	
			Match	2,414			*	
			Match	2,414			*	
			Match	2,414			*	357
					6,331	5,086	*	

Schedule 2

TOWN OF GUTTENBERG

Schedule of Expenditures of State Awards and Other Financial Assistance

Year ended December 31, 2022 and 2021

State grantor	Program	Grant number	Grant period	Award Amount	Cash Received	Budgetary Expenditures	(MEMO) Cumulative Expenditures
Administrative Offices of the Courts	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2022	6,159	6,159		
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2021	7,270			
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2020	3,418			
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2019	8,439			
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2018	6,078			
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2017	4,439			300
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2016	3,505			
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2015	2,711		720	720
					6,159	720	
	Total State and Federal Grant Fund				81,805	70,940	
General Capital Fund:							
Department of Transportation							
State Aid Highway Projects							
Highway Planning and Construction	Municipal Aid - Traffic Signals on Broadway - Various Intersections - Ord. 20-2022		2022	650,000			
	Municipal Aid - Traffic Signals on Broadway - Various Intersections - Ord. 20-2022		2021	600,000			
	Municipal Aid - Park Avenue Traffic Signal - Ord. 28-2020		2020	775,000		389,583	689,523
	Municipal Aid - Broadway & Bellevue Ave - Ord. 12-2019		2019	240,000			240,000
	Municipal Aid - Broadway & Bellevue Ave - Ord. 22-2017		2017	240,000			240,000
	Municipal Aid - Broadway & Bellevue Ave - Ord. 22-2017		2016	215,000			215,000
						389,583	
Department of Law and Public Safety	Body Worn Cameras - Ord. 20-2021		2021	101,900	61,140	950	97,123
Department of Environmental Protection	Green Acres Program - Waterfront Park Imp. - Ord. 18-2012		2012	62,263			62,263
	Green Acres Program - Waterfront Park Imp. - Ord. 6-2008		2007-08	155,000			155,000
Department of Education	Section 15 Educational Facilities Financing Act Grant Construction of Building & Imps. To the Anna L. Klein School for Community, Recreational and Educational Purposes	Ord. 2-2012	2012	3,651,737	182,587		3,651,737
	Total General Capital Fund				243,727	390,533	
Total State Financial Assistance					$ 325,532	461,473	

Schedule 2

TOWN OF GUTTENBERG

Schedule of Expenditures of State Awards and Other Financial Assistance

Year ended December 31, 2022 and 2021

State grantor	Program	Grant number	Grant period	Award Amount	Cash Received	Budgetary Expenditures		(MEMO) Cumulative Expenditures
							*	
							*	
Other Financial Assistance:							*	
FM Global Fire Prevention Grant				1,000		1,000	*	1,000
							*	
Hudson County Open Space	Acquisition/Imps. To All Access Park Property	Ord. 35-2020		500,000	185,013	185,013	*	310,403
	Acquisition/Imps. To 506 70th Street						*	
	Park Development	Ord. 31-2019		97,218			*	58,106
	Park Improvements	Ord. 24-2019		218,000			*	160,089
	Total Other Financial Assistance				185,013	186,013	*	
							*	
Total State and Other Financial Assistance					$ 510,545	647,486	*	

Note: This schedule was subject to an audit in accordance with N.J. OMB 2015-08.

(1) - Passed through the State of New Jersey

Exhibit A-4

TOWN OF GUTTENBERG

Schedule of Cash - Collector/Treasurer

Current Fund

Year Ended December 31, 2022

		Regular Fund	Federal and State Grant Fund
Balance - December 31, 2021	$	9,530,169	950,443
Increased by receipts:			
Revenue accounts receivable		3,740,219	
Miscellaneous revenues not anticipated		469,900	
Taxes receivable		29,877,427	
Senior citizens and veterans deductions		13,260	
Emergency Note		530,000	
Prepaid Taxes		467,594	
Interfunds		303,175	
Tax Overpayments		26,352	
Various Reserves		45,078	
Grants Receivable			731,812
Unappropriated grant reserves			62,236
Due to Current Fund			93,134
		35,473,005	887,182
		45,003,174	1,837,625
Decreased by disbursements:			
2022 budget appropriations		17,951,032	
2021 appropriation reserves		1,779,681	
Tax overpayment refunds		7,589	
Local district school tax		11,623,736	
County taxes		4,407,996	
County added taxes		9,442	
Various Reserves		15,931	
Interfunds		31,265	
Refunds		25,996	
Due to Current Fund			13,763
Appropriated Reserves			643,809
		35,852,668	657,572
Balance, December 31, 2022	$	9,150,506	1,180,053

Exhibit A-5

TOWN OF GUTTENBERG

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2022

Year	Balance, Dec. 31,	2022 Levy	Added Taxes	Collected 2021	Collected 2022	Senior & Veteran's Deductions	Transferred to Tax Title Liens	Canceled	Balance, Dec. 31, 2022
2021	$ 540,152				466,770			73,382	
2022		30,399,311	71,714	458,910	29,410,657	12,500	55,526	241,744	291,688
	$ 540,152	30,399,311	71,714	458,910	29,877,427	12,500	55,526	315,126	291,688
				Cash Receipts	29,877,427				
					$ 29,877,427				

Analysis of 2022 Tax Levy

Tax yield:	
General property tax	$ 30,399,311
Added tax (R.S.54:4-63.1 et seq.)	71,714
	$ 30,471,025
Tax levy:	
Local district school tax (abstract)	$ 11,321,822
County tax (abstract)	4,418,410
Local tax for municipal purpose (abstract)	14,667,649
Additional tax levies	63,144
	$ 30,471,025

Exhibit A-6

TOWN OF GUTTENBERG

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2022

		Balance, Dec. 31, 2021	Accrued in 2022	Collected	Balance, Dec. 31, 2022
Clerk:					
Licenses:					
Alcoholic beverages	$		40,250	40,250	
Other			151,282	151,282	
Fees and permits			107,790	107,790	
Construction Code Official-fees and permits			170,968	170,968	
Municipal Court fines and costs		39,666	551,459	551,827	39,298
Parking meters			358,755	358,755	
Interest and cost on taxes			103,445	103,445	
Interest on investments			284,680	284,680	
Board of Education - Shared Services			692,536	692,536	
Board of Education - Shared Services - Recreation			170,000	170,000	
Consolidated Municipal Property Tax Relief			51,691	51,691	
Energy Receipts Tax			707,084	707,084	
Time Warner			45,993	45,993	
Verizon			37,892	37,892	
American Rescue Plan - Revenue Loss			300,000	300,000	
Reserve for Payment of Debt			400,000	400,000	
Capital Fund Balance			100,000	100,000	
	$	39,666	4,273,825	4,274,193	39,298

Due from General Capital		500,000
Interest on Investments		33,974
Cash		3,740,219
	$	4,274,193

TOWN OF GUTTENBERG

Schedule of Deferred Charges - Emergency Appropriations

Current Fund

Year Ended December 31, 2022

		Authorized	Balance Dec. 31, 2022
Emergency Appropriations:			
Administrative & Executive - Salaries & Wages	$	30,000.00	30,000.00
Gasoline		45,000.00	45,000.00
Police - Other Expenses		100,000.00	100,000.00
Police - Salaries & Wages		75,000.00	75,000.00
Recreation - Salaries & Wages		105,000.00	105,000.00
Street Cleaning - Other Expenses		100,000.00	100,000.00
Street Cleaning - Salaries & Wages		75,000.00	75,000.00
	$	530,000.00	530,000.00

Exhibit A-8

TOWN OF GUTTENBERG

Schedule of Due from State of New Jersey
Senior Citizens' and Veterans' Deductions

Current Fund

Year Ended December 31, 2022

Balance - December 31, 2021			$	34,973
Increased by:				
Senior citizens' and veterans' deductions per tax billings				12,750
				47,723
Decreased by:				
Deductions Disallowed	$	250		
Cash received		13,260		
				13,510
Balance - December 31, 2022			$	34,213

Exhibit A-9

Schedule of (Prepaid) and Local District School Taxes Payable

Current Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	301,914
Increased by:		
2022 Levy		11,321,822
		11,623,736
Decreased by:		
Cash Disbursed	$	11,623,736

Exhibit A-10

TOWN OF GUTTENBERG

Schedule of County Taxes Payable

Current Fund

Year Ended December 31, 2022

Increased by:		
County Tax Levy	$ 4,350,130	
County Open Space Preservation Levy	57,866	
		4,407,996
Decreased by:		
Cash Disbursed		$ 4,407,996

Exhibit A-11

Schedule of Due County for Added and Omitted Taxes

Current Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$ 9,442
Increased by:	
2022 Added Levy	10,414
	19,856
Decreased by:	
Cash Disbursed	9,442
Balance - December 31, 2022	$ 10,414

Exhibit A-12

TOWN OF GUTTENBERG, N.J.

Schedule of 2021 Appropriation Reserves

Current Fund

Year Ended December 31, 2022

	Balance, Dec. 31, 2021	Balance after Transfers	Paid or Charged	Balance Lapsed
Salaries and Wages Within "CAPS":				
Administrative and Executive	$ 1	1		1
Financial Administration	20,288	20,288		20,288
Collection of Taxes	155	155		155
Assessment of Taxes	68	68		68
Municipal Court	763	763		763
Planning Board	40	40		40
Police	6,685	6,685	6,394	291
Fire Inspector	12,705	12,705	519	12,186
Streets and Roads	3,235	3,235		3,235
Recreation	526	7,626	7,590	36
Senior Citizens Nutrition Program	10,710	10,710		10,710
Uniform Construction Code	12,251	12,251		12,251
License Inspector	5,458	5,458		5,458
Total Salaries and Wages Within "CAPS"	72,885	79,985	14,503	65,482
Other Expenses Within "CAPS":				
Administrative and Executive	12,350	29,731	28,334	1,397
Elections	9	9		9
Financial Administration	31,054	31,748	6,230	25,518
Collection of Taxes	3,457	3,457		3,457
Assessment of Taxes	4,462	4,462	2,575	1,887
Municipal Court	6,979	8,839	6,095	2,744
Legal Services	17,664	39,674	36,390	3,284
Planning Board	8,253	8,253	115	8,138
Uniform Construction Code	10,436	10,436		10,436
License Inspector	110	110		110
Engineering	19,856	1,356	858	498
Community Action Programs	500	500		500
Insurance - Other	9,516	12,896	3,156	9,740
Group Insurance for Employees	303	7,096	6,792	304
Police	8,478	23,013	20,829	2,184
Emergency Management	20	20		20
Fire Inspector	2,665	2,665		2,665
Streets and Roads	9,536	36,960	35,327	1,633
Snow Removal	7,640	11,840	4,200	7,640
Recycling	2,960	2,960	2,363	597
Solid Waste & Garbage Removal	59,543	59,543	46,394	13,149
Public Buildings and Grounds	17,666	25,036	3,718	21,318
Public Health Services	8,657	8,657		8,657

Exhibit A-12

TOWN OF GUTTENBERG, N.J.

Schedule of 2021 Appropriation Reserves

Current Fund

Year Ended December 31, 2022

	Balance, Dec. 31, 2021	Balance after Transfers	Paid or Charged	Balance Lapsed
Recreation	1	4,401	2,600	1,801
Celebration of Public Events	579	3,198	869	2,329
Senior Citizens Nutrition Program	9,665	11,465	8,340	3,125
Senior Citizens Transportation	1,948	10,663		10,663
Senior Recreation Program	4,777	4,777		4,777
Electricity	18,130	18,130	1,028	17,102
Street Lighting	22,303	22,302	1,373	20,929
Telephone	23,073	4,207	3,311	896
Water	4,950	4,950		4,950
Fire Hydrant Service	18,188	18,188	15,349	2,839
Sewerage	13,988	13,988		13,988
Gasoline	8,443	8,443	8,238	205
Postage - All Departments	2,803	2,803	2,042	761
Technology	11,325	11,325		11,325
Contingent	6,125	6,125		6,125
Total Other expenses Within "CAPS"	388,412	474,226	246,526	227,700
Deferred Charges and Statutory Expenditures Within "CAPS":				
Social Security (O.A.S.I.)	9,695	9,695		9,695
DCRP	193	193		193
Total Deferred Charges and Statutory Expenditures Within "CAPS"	9,888	9,888		9,888
Total Reserves Within "CAPS"	471,185	564,099	261,029	303,070
Other Expenses Excluded From "CAPS":				
911 Other Expenses	6,035	7,035		7,035
Stormwater Management	4,345	12,145		12,145
North Hudson Regional Communication	38,750	77,500	77,500	
North Hudson Regional Fire and Rescue	743,800	1,462,534	1,437,466	25,068
Guttenberg Board of Education				
Public Works	24,722	28,488	6,261	22,227
Snow Removal	26,000	26,000		26,000
Library Services-North Bergen	22,953	22,953		22,953

Exhibit A-12

TOWN OF GUTTENBERG, N.J.

Schedule of 2021 Appropriation Reserves

Current Fund

Year Ended December 31, 2022

	Balance, Dec. 31, 2021	Balance after Transfers	Paid or Charged	Balance Lapsed
Total Other Expenses Excluded from "CAPS"	866,605	1,636,655	1,521,227	115,428
Total Reserves Excluded from "CAPS"	866,605	1,636,655	1,521,227	115,428
Total Reserves	$ 1,337,790	2,200,754	1,782,256	418,498

Appropriation reserves	1,337,791
Encumbrances	862,963
	$ 2,200,754

Cash Disbursements	1,779,681
Accounts Payable	2,575
	$ 1,782,256

Exhibit A-13

TOWN OF GUTTENBERG

Schedule of Reserve for Encumbrances

Current Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	862,963
Increased by:		
2022 Encumbrances		1,625,429
		2,488,392
Decreased by:		
Transferred to appropriation reserves		862,963
Balance - December 31, 2022	$	1,625,429

Exhibit A-14

Schedule of Tax Overpayments

Current Fund

Year Ended December 31, 2022

Increased by:				
Cash Receipts			$	26,352
Decreased by:				
Cash Disbursements	$	7,589		
Cancelled to Reserve for Tax Appeals		7,504		
				15,093
Balance - December 31, 2022			$	11,259

Exhibit A-15

TOWN OF GUTTENBERG

Schedule of Prepaid Taxes

Current Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	458,910
Increased by:		
Prepaid Taxes Collected		467,594
		926,504
Decreased by:		
Applied to 2022 Taxes		458,910
Balance - December 31, 2022	$	467,594

Exhibit A-16

Schedule of Amount Due to the Hudson County Treasurer - Court Fines and Costs

Current Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	6,764
Balance - December 31, 2022	$	6,764

Exhibit A-17

TOWN OF GUTTENBERG

Schedule of Interfunds Due from/(to) Other Funds

Current Fund

Year Ended December 31, 2022

		Balance Dec. 31, 2021	Increased	Decreased	Balance Dec. 31, 2022
Trust Funds:					
Animal License Trust Fund	$	2,439	3,096	106	5,429
CDBG Trust Fund		60	160		220
Other Trust Fund - Redemption Account			1,301	1,233	68
Other Trust Fund		(143)	54,921	13,535	41,243
Other Trust Fund - Asset Forfeiture - Justice		3,464			3,464
Escrow Trust Fund		55	137		192
Fire Prevention Trust Fund				300	(300)
General Capital Fund		(100)	621,404	98,625	522,679
Federal and State Grant Fund		1,289,723	124,399	313,762	1,100,360
	$	1,295,498	805,418	427,561	1,673,355

		Increased	Decreased
Cash Receipts	$		303,175
Budget Revenue		500,000	
Interest on Notes - Excess Appropriation transferred		14,000	
Premiums on Foreclosed Property		41,400	
Budget Appropriation - Matching Funds for Grants			1,325
Cash Disbursements		31,265	
Deposit Errors		76,740	
Statutory Excess		2,971	
Interest Earned		139,042	123,061
	$	805,418	427,561

Exhibit A-18

TOWN OF GUTTENBERG

Schedule of Due from/(to) Current Fund

Federal and State Grant Fund

Year Ended December 31, 2022

Balance - December 31, 2021			$	(1,289,723)
Increased by:				
Interest on Investments	$	16,394		
Grant Expenditures		31,265		
Deposit errors - Due to Current		76,740		
				124,399
				(1,414,122)
Decreased by:				
Matching Appropriations		1,325		
Grant Receipts - Deposited in Current		298,674		
Cash Disbursements - Interest		13,763		
				313,762
Balance - December 31, 2022			$	(1,100,360)

Analysis of Balance		
Federal and State Grant Fund Account		1,100,325
Alcohol Education and Rehabilitation Account		35
	$	1,100,360

Exhibit A-19

TOWN OF GUTTENBERG

Schedule of Emergency Note Payable

Current Fund

Year Ended December 31, 2022

Purpose	Date of Original Issue	Date of Maturity	Interest Rate	Increased	Balance, Dec. 31, 2022
Emergency Appropriations	Dec. 30, 2022	Mar. 31, 2023	4.20%	$ 530,000	530,000
				$ 530,000	530,000

Exhibit A-20

TOWN OF GUTTENBERG

Schedule of Various Reserves

Current Fund

Year Ended December 31, 2022

	Balance, Dec. 31, 2021	Increased	Decreased	Balance, Dec. 31, 2022
Reserve for:				
Pension Deferral	$ 228,137			228,137
Revaluation	17,130			17,130
Library Contribution - North Bergen	20,554			20,554
State Library Aid	11,262			11,262
Municipal Relief Fund		39,581		39,581
Accounts Payable		2,575		2,575
Tax Appeals	260,536	57,504	9,568	308,472
DCA Fees Payable	866	5,497	6,363	
	$ 538,485	105,157	15,931	627,711

	Increased	Decreased
Cash Receipts	45,078	
Cash Disbursements		15,931
Liabilities Cancelled - Tax Overpayments	7,504	
Transfer from 2022 Budget Appropriations	50,000	
Transfer from 2021 Budget Appropriations	2,575	
	$ 105,157	15,931

Exhibit A-21

TOWN OF GUTTENBERG

Schedule of Tax Title Liens

Current Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	379,058
Increased by:		
Transferred from taxes receivable		55,526
		434,584
Decreased by:		
Lien Redeemed		1,037
Balance - December 31, 2022	$	433,547

Exhibit A-22

TOWN OF GUTTENBERG

Schedule of Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2022

Purpose		Balance, Dec. 31, 2021	2022 Budget Revenue Realized	Received	Balance, Dec. 31, 2022
Alcohol Education and Rehabilitation Fund	$		27,130	27,130	
Alcohol Education and Rehabilitation Fund			6,159	6,159	
American Rescue Plan			50,009	50,009	
American Rescue Plan			282,010	282,010	
County of Hudson - ARP Funds			929,002		929,002
Body Armor Replacement Fund - 2021			2,096	2,096	
Body Armor Replacement Fund - 2022			1,444	1,444	
Clean Communities		640			640
Clean Communities - 2022			17,312	17,312	
CARES Act		376,453		376,453	
CDBG-CV Funds - Food Pantry Program		57,902			57,902
CDBG-CV Funds - Senior Bus Service		100,000			100,000
Click it or Ticket			7,000		7,000
Drunk Driving Enforcement Fund		3,033			3,033
Drive Sober or Get Pulled Over		125			125
Municipal Alliance		1,149			1,149
Municipal Alliance		3,046			3,046
Municipal Alliance - 2023			8,831	5,006	3,825
BMHAS Municipal Alliance			1,281		1,281
National Endowment for the Arts - Promotion of the Arts Grant		25,000			25,000
Recreation Opportunities for Individuals with Disabilities		33,332		33,132	200
Recycling Tonnage Grant			15,530	15,530	
FY21 Strengthening Local Public Health Capacity Program		857			857
FY22 Strengthening Local Public Health Capacity Program		291,042		267,414	23,628
Summer Food Program - 2020		8,935			8,935
Summer Food Program - 2021		5,167		4,847	320
Summer Food Program - 2022			23,268	21,180	2,088
Urban Enterprise Zone - Remaining Balance		4,490			4,490
Urban Enterprise Zone - Remaining Balance - 2020			78,479		78,479
Urban Enterprise Zone - Remaining Balance - 2021			39,459		39,459
Recycling Tonnage Grant					
	$	911,171	1,489,010	1,109,722	1,290,459

Unappropriated Grant Reserves		79,236
Due from Current Fund		298,674
Cash Receipts		731,812
	$	1,109,722

Exhibit A-23

TOWN OF GUTTENBERG

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year Ended December 31, 2022

Purpose	Balance, Dec. 31, 2021	Budget Appropriations	Expended	Over-Expenditures	Balance, Dec. 31, 2022
Alcohol Education and Rehabilitation Grant	$				
2022		6,159			6,159
2021	7,270				7,270
2020		3,418			3,418
2019		8,439			8,439
2018		6,078			6,078
2017		3,439			3,439
2016		3,505			3,505
2015		2,251	720		1,531
American Rescue Plan	282	332,019	166,757		165,544
American Rescue Plan - Hudson County		929,002			929,002
Body Armor Replacement Fund					
2022		1,444			1,444
2021		2,096			2,096
2020	346				346
CDBG-CV Funds - Food Pantry Program	57,902		19,115		38,787
CDBG-CV Funds - Senior Bus Service	88,885		75,805		13,080
Clean Communities Grant					
2022		17,312			17,312
2021	8,470				8,470
Click it or Ticket		7,000	7,000		
Drive Sober or Get Pulled Over - 2016	284		201		83
Highway Safety Grant	390				390
FM Global Fire Prevention Grant	1,000		4,314	(3,314)	
BMHAS Municipal Alliance		1,281	1,281		
Municipal Alliance - 2023		8,831			8,831
Municipal Alliance - Match 2023		1,325			1,325
Municipal Alliance	2,649				2,649
Municipal Alliance - Match	2,426				2,426
Municipal Alliance - Match	2,414				2,414
Municipal Alliance	1,677				1,677
Municipal Alliance - Match	2,414				2,414
Municipal Alliance - Match	1,757				1,757
Municipal Alliance - Match	2,414				2,414
Municipal Alliance	2,802		2,802		
Municipal Alliance - Match	1,325		1,003		322
National Endowment for the Arts - Promotion of the Arts Grant	3,373				3,373
Recreation Opportunities for Individuals with Disab	31,265		31,265		
Recycling Tonnage Grant -					
2022		15,530			15,530
2021	14,840				14,840
2019	14,535				14,535
2017	14,379				14,379

Exhibit A-23

TOWN OF GUTTENBERG

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year Ended December 31, 2022

Purpose	Balance, Dec. 31, 2021	Budget Appropriations	Expended	Over-Expenditures	Balance, Dec. 31, 2022
Strengthening Local Public Heath Capacity Program					
FY2023					
FY2022	98,435		295,772	(197,337)	
FY2021	50				50
Summer Food Program - 2022		23,268	23,268		
Summer Food Program	512				512
Summer Food Program	4,257				4,257
Summer Food Program	1,505				1,505
Summer Food Program	29,348		15,936		13,412
Urban Enterprise Zone - Remaining Funds	449				449
Urban Enterprise Zone - Remaining Funds		78,479	33,869		44,610
Urban Enterprise Zone - Remaining Funds		39,459			39,459
	$ 397,655	1,490,335	679,108	(200,651)	1,409,533

Adopted Budget	1,295,545
Matching Appropriations	1,325
Added by N.J.S.A. 40A:4-87	193,465
	$ 1,490,335

Due to Current	31,265
Encumbrances Payable	4,034
Cash Disbursements	643,809
	$ 679,108

Exhibit A-24

TOWN OF GUTTENBERG

Schedule of Unappropriated Grant Reserves

Federal and State Grant Fund

Year Ended December 31, 2022

Purpose		Balance, Dec. 31, 2021	Received	Appropriated in 2022 Budget	Balance, Dec. 31, 2022
Body Armor Replacement Fund	$	2,096	1,897	2,096	1,897
American Rescue Plan		50,010		50,010	
Strengthening Local Public Health - 2023			60,339		60,339
Alcohol Education and Rehabilitation		27,130		27,130	
	$	79,236	62,236	79,236	62,236

Exhibit B-1

TOWN OF GUTTENBERG

Schedule of Cash - Treasurer

Trust Funds

Year Ended December 31, 2022

	Animal License Fund	Unemployment Compensation Fund	Community Development Block Grant	Other Trust Funds
Balance - December 31, 2021	$ 6,715	77,501	10,900	1,788,255
Increased by:				
Employee payroll deductions		12,944		
Budget Appropriation		1,000		
Dog License Fees	2,052			
State Fees	262			
Interest Earned on investments	125	1,262	160	14,959
Interfunds				14,000
Miscellaneous Reserves				1,035,972
	2,439	15,206	160	1,064,931
	9,154	92,707	11,060	2,853,186
Decreased by:				
State Fees	250			3,400
Interfunds	106			13,568
Unemployment Claims payable		14,076		
Miscellaneous Reserves				1,807,358
	356	14,076		1,824,326
Balance - December 31, 2022	$ 8,798	78,631	11,060	1,028,860

Exhibit B-2

TOWN OF GUTTENBERG

Schedule of Reserve for Expenditures

Animal License Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	4,105
Increased by:		
Dog License Fees		2,052
		6,157
Decreased by:		
Statutory Excess		2,971
Balance - December 31, 2022	$	3,186

Dog License Fees Collected		
2020		1,527
2021		1,659
	$	3,186

Exhibit B-3

TOWN OF GUTTENBERG

Schedule of Due to State of New Jersey- Animal License Fees

Animal License Trust Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	171
Increased by:		
2022 Fees Collected		262
		433
Decreased by:		
Paid to State Treasurer		250
Balance - December 31, 2022	$	183

Exhibit B-4

TOWN OF GUTTENBERG

Schedule of Community Development Block Grants Receivable

Community Development Block Grant Trust Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	233,146
Increased by:		
Grant Awarded		88,528
		321,674
Decreased by:		
Cash Receipts - General Capital Fund		0
Balance - December 31, 2022	$	321,674

Analysis of Balance		
70th Street Improvements - 3-03K1-17		67,000
70th St. Sewer Improvements - 3-03K1-18		72,000
2021 68-69th Street - Palisades Ave Street Imps. - 3-03K1-21		94,146
2022 68-70th Street Imps. - 3-03K1-22		88,528
	$	321,674

Exhibit B-5

TOWN OF GUTTENBERG

Schedule of Reserve for Community Development Block Grants Expenditures

Community Development Block Grant Trust Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	243,986
Increased by:		
Grant Awarded		88,528
Balance - December 31, 2022	$	332,514

Exhibit B-6

TOWN OF GUTTENBERG

Schedule of Amount Due to State of New Jersey

Other Trust Funds

Year Ended December 31, 2022

Balance - December 31, 2021	$	3,450
Increased by:		
Due from Current Fund		1,200
		4,650
Decreased by:		
Cash Disbursements		3,400
Balance - December 31, 2022	$	1,250

Analysis of Balance		
Marriage License Fees - 1st Quarter of 2015		600
Marriage License Fees - 3rd Quarter of 2015		25
Marriage License Fees - 4th Quarter of 2015		525
Marriage License Fees - 2nd Quarter of 2020		25
Marriage License Fees - 4th Quarter of 2020		450
Marriage License Fees - 1st Quarter of 2021		(375)
	$	1,250

Exhibit B-7

TOWN OF GUTTENBERG

Schedule of Interfunds

Trust Funds

Year Ended December 31, 2022

		Balance Due from/(to) Dec. 31, 2021	Increased	Decreased	Balance, from/(to) Dec. 31, 2022
Animal License Fund:					
Current Fund	$	(2,439)	3,096	106	(5,429)
Community Development Block Grant Fund:					
Current Fund		(60)	160		(220)
Other Trust Fund:					
Escrow Trust - Current Fund		(55)	137		(192)
Current Fund - Redemption Account			1,301	1,233	(68)
Current Fund		143	54,921	13,535	(41,243)
Current Fund - Asset Forfeiture, Dept. of Justice		(3,464)			(3,464)
POAA Trust		(46)			(46)
General Capital Fund			14,000		(14,000)
Fire Prevention Trust Fund:					
Current Fund				300	300
POAA Trust Fund:					
Other Trust		46			46
	$	(5,875)	73,615	15,174	(64,316)

		Increased	Decreased
Cash Receipts	$	14,000	
Cash Disbursements			13,674
Statutory Excess		2,971	
Deposit errors			1,500
Premiums on Foreclosed Third Party Liens		41,400	
Interest on Investments		15,244	
	$	73,615	15,174

Exhibit B-8

TOWN OF GUTTENBERG

Schedule of Miscellaneous Reserves

Other Trust Funds

Year Ended December 31, 2022

		Balance, Dec. 31, 2021	Increased	Decreased	Over-Expenditure of Reserve	Balance, Dec. 31, 2022
Reserve for:						
Tax Redemptions	$	119,172	568,404	645,497		42,079
Snow Removal		175,000				175,000
P.O.A.A.		47,878	7,000	13,678		41,200
Law Enforcement Trust		32,180	6,420	7,305		31,295
Alcohol Education Rehab						
Recreation Trust		87,770	26,780	141,480	26,930	
Annual Celebrations		12,075	11,100	5,000		18,175
Fire Prevention		26,287	11,628	36,279		1,636
Builders Escrow Deposits		144,278	125,947	54,949		215,276
Police Special Detail		127,991	264,100	220,648		171,443
Public Defender		1,314	4,798			6,112
Asset Forfeitures - Equitable Sharing						
Justice		7,896	97	5,521		2,472
Treasury		408	1	325		84
Senior Citizens		6,812	1,380	1,735		6,457
Tax Sale Premiums		959,600		708,400		251,200
Food Pantry		7,768	8,617	7,941		8,444
Accumulated Leave		25,000				25,000
	$	1,781,429	1,036,272	1,848,758	26,930	995,873

		Increased	Decreased
Cash Receipts		1,035,972	
Cash Disbursements			1,807,358
Interfund		300	41,400
	$	1,036,272	1,848,758

Exhibit B-9

TOWN OF GUTTENBERG

Schedule of Reserve for Unemployment Compensation Insurance

Unemployment Insurance Compensation Trust

Year Ended December 31, 2022

Balance - December 31, 2021			$	77,501
Increased by:				
Employee Payroll Deductions	$	12,944		
Interest earnings		1,262		
Budget Appropriation		1,000		
				15,206
				92,707
Decreased by:				
Payment of Unemployment Insurance Claims				14,076
Balance - December 31, 2022			$	78,631

Exhibit C-2

TOWN OF GUTTENBERG

Schedule of Cash - Treasurer

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021		$ 8,808,497
Increased by receipts:		
Premium on Sale of Notes	$ 7,527	
Deferred Charges - Unfunded	100,000	
Due to/(from) Current Fund	121,404	
Grant Receipts	428,740	
Budget Appropriation - Paydown on Notes	121,336	
Reserve for Green Acres	13	
Bond Anticipation Notes	11,580,000	
		12,359,020
		21,167,517
Decreased by disbursements:		
Due to/(from) Current Fund	98,625	
Bond Anticipation Notes	12,600,000	
Improvement Authorizations	2,173,733	
		14,872,358
Balance - December 31, 2022		$ 6,295,159

TOWN OF GUTTENBERG

Schedule of General Capital Fund Cash

General Capital Fund

Year Ended December 31, 2022

Capital Improvement Fund		$ 899,146
Reserve for Payment of Debt		2,942,446
Grants Receivable - NJ Department of Transportation		(2,293,612)
Grant Receivable - Hudson County Open Space		(344,726)
Grant Receivable - State of NJ, Green Acres Program		(64,172)
Grant Receivable - Hudson County Community Development		(94,146)
Grant Receivable - Office of Law and Public Safety		(40,760)
Reserve for Grants Receivable		1,333,647
Reserve for Sewer Improvements		46,500
Due to Current Fund		522,679
Due from Other Trust Fund		(14,000)
Contracts Payable		2,004,152
Due from Board of Education		(42,182)
Reserve for Green Acres		1,032
Fund Balance		11,340
	Improvement description	
6-2008/18-2012/ 26-2013/16-2014	Improvements to Waterfront Park	25,464
08-2011	Various Capital Improvements	
2-2012/8-2018/28-2018	Construction of Building and Imps. to the Anna L. Klein School for Community, Recreational and Educational Purposes	363,830
17-2012/3-2013	Improvements to 68th Street, Sec. 4	45,778
25-2013	Various Street Improvements	60,149
27-2013	Sewer Repairs - Broadway & 70th Street	6,386
13-2014	Improvements to 69th Street	41,417
16-2015/26-2017/24-2019	Various Capital Improvements	200,569
7-2016	Acquisition and Installation of a Generator	35,612
22-2017	70th Street Road and Related Sewer Imps.	16,643
20-2018	Renovation of Monument Park	12,445
21-2018/14-2019	Renovations to Veteran's Park	37,461
25-2018	Sewer Improvements	2,398
12-2019	Road Imps. to Broadway & Bellevue	57,936
31-2019	Acquisition and Imps. to 506 70th Street - Park Development	22,127
28-2020	Traffic Signal & Road Improvements	2,596
18-2021	Combined Sewer Overflow Sewer System Imps.	111,963
20-2021	Various Capital Improvements	622,159
11-2022	Acquisition of Property	17,500
20-2022	Installation of Traffic Signals on Broadway at Various Intersections	(254,618)
		$ 6,295,159

Exhibit C-4

TOWN OF GUTTENBERG

Schedule of Deferred Charges to Future Taxation - Funded

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	17,340,000
Decreased by:		
Budget appropriations:		
Serial Bonds		605,000
Balance - December 31, 2022	$	16,735,000

Exhibit C-5

TOWN OF GUTTENBERG

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2022

Ordinance number	Improvement description	Balance, Dec. 31, 2021	2022 Authorizations	Decreased by:	Balance, Dec. 31, 2022	Analysis of Balance December 31, 2022: Funded by Bond Anticipation Notes	Expenditures	Unexpended improvement authorization
08-2011	Various Capital Improvements	$ 61,016		61,016				
2-2012	Construction of Building and Improvements to the Anna L. Klein School for Community, Recreational and Educational purposes	666			666			666
17-2012	Improvements to 68th Street, Section 4	125,519			125,519			125,519
16-2014	Improvements to Waterfront Park	88,352		38,984	49,368			49,368
26-2017	Various Capital Improvements	2			2		2	
7-2016	Acquisition and Installation of a Generator							
22-2017	70th Street Road and Sewer Imps.	455,000		255,677	199,323	199,323		
08-2018	Construction of Building and Improvements to the Anna L. Klein School for Community, Recreational and Educational purposes	1,425,000		26,551	1,398,449	1,398,449		
20-2018	Renovation of Monument Park	201,400		171,481	29,919	29,919		
21-2018	Renovations to Veteran's Park	902,500		530,952	371,548	366,648		4,900
25-2018	Sewer Improvements	1,900,000		24,051	1,875,949	1,875,949		
28-2018	Construction of Building and Improvements to the Anna L. Klein School for Community, Recreational and Educational purposes	666,000		11,288	654,712	654,712		
12-2019	Road Imps. to Broadway & Bellevue	360,000			360,000	360,000		
24-2019	Various Capital Improvements	1,310,050			1,310,050	1,310,000		50
31-2019	Acquisition & Improvements to 506 70th Street - Park Development	237,500			237,500	235,000		2,500
28-2020	Traffic Signal and Road Improvements	1,700,000			1,700,000	1,700,000		
18-2021	Combined Sewer Overflow Sewer System Imps.	1,425,000			1,425,000	1,425,000		
20-2021	Various Capital Improvements	2,028,661			2,028,661	2,025,000		3,661

TOWN OF GUTTENBERG

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2022

Ordinance number	Improvement description	Balance, Dec. 31, 2021	2022 Authorizations	Decreased by:	Balance, Dec. 31, 2022	Analysis of Balance December 31, 2022: Funded by Bond Anticipation Notes	Expenditures	Unexpended improvement authorization
11-2022	Acquisition of Property		332,500		332,500			332,500
20-2022	Installation of Traffic Signals on Broadway at Various Intersections		550,000		550,000		254,618	295,382
		$ 12,886,666	882,500	1,120,000	12,649,166	11,580,000	254,620	814,546

Budget Appropriation - Deferred Charges Unfunded	100,000
Budget Appropriation - Principal Paydown on Notes	121,336
Reserve for Payment of Notes/Debt	898,664
	$ 1,120,000

Improvement Authorizations - Unfunded		2,264,675
Less: Unexpended note proceeds		
Ord. 2-2012/28-2018	363,830	
Ord. 22-2017	16,643	
Ord. 20-2018	12,445	
Ord. 21-2018/14-2019	37,461	
Ord. 25-2018	2,398	
Ord. 12-2019	57,936	
Ord. 24-2019	200,571	
Ord. 31-2019	22,127	
Ord. 28-2020	2,596	
Ord. 18-2021	111,963	
Ord. 20-2021	622,159	
		1,450,129
		$ 814,546

Exhibit C-6

TOWN OF GUTTENBERG

Schedule of Grants Receivable
Hudson County Open Space Trust Fund

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	529,739
Decreased by:		
Cash Receipts		185,013
Balance - December 31, 2022	$	344,726

Analysis of Balance		
Ord. 24-2019		57,911
Ord. 31-2019		97,218
Ord. 35-2020		189,597
	$	344,726

Exhibit C-7

Schedule of Grants Receivable - State of New Jersey
Department of Transportation

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	1,043,612
Increased by:		
Grant Awards		1,250,000
Balance - December 31, 2022	$	2,293,612

Analysis of Balance		
Ord. 12-2019: Imps. to Broadway and Bellevue		240,000
Ord. 22-2017: 70th Street Road and related Sewer Imps.		223,270
Ord. 28-2020: Park Avenue Traffic Signal		580,342
Ord. 20-2022: Traffic Signals on Broadway at Various Intersections		1,250,000
	$	2,293,612

Exhibit C-8

TOWN OF GUTTENBERG

Schedule of Grants Receivable - State of New Jersey
Green Acres Program

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	64,172
Balance - December 31, 2022	$	64,172
Analysis of Balance		
Ord. 6-2008/18-2012: Improvements to Waterfront Park	$	64,172

Exhibit C-9

Schedule of Grants Receivable - State of New Jersey
Section 15 Educational Facilities Construction
Financing Act Grant - Ord. 2-2012

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	182,587
Decreased by:		
Cash Receipts	$	182,587

Exhibit C-10

TOWN OF GUTTENBERG

**Schedule of Grants Receivable -
Hudson County Community Development Block Grant**

General Capital Fund

Year Ended December 31, 2022

Increased by:		
Grant Awards	$	94,146
Balance - December 31, 2022	$	94,146

Exhibit C-11

**Schedule of Amount Due from the
Guttenberg Board of Education**

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	42,182
Balance - December 31, 2022	$	42,182

Exhibit C-12

TOWN OF GUTTENBERG

Schedule of Grants Receivable - State of New Jersey
Office of Law and Public Safety

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	101,900
Decreased by:		
Cash Receipts		61,140
Balance - December 31, 2022	$	40,760

Analysis of Balance		
Ord. 20-2021 - Acquisition of Body Cameras	$	40,760

Exhibit C-13

TOWN OF GUTTENBERG

Schedule of Serial Bonds

General Capital Fund

Year Ended December 31, 2022

Purpose	Date of issue	Original issue	Maturities of bonds outstanding Date	Maturities of bonds outstanding Amount	Interest rate	Balance, Dec. 31, 2021	Decreased	Balance, Dec. 31, 2022
General Obligation Bonds	Jun. 7, 2018	19,150,000	Aug. 1, 2023	605,000	5.00%	$ 17,340,000	605,000	16,735,000
			Aug. 1, 2024	605,000	5.00%			
			Aug. 1, 2025	620,000	5.00%			
			Aug. 1, 2026	620,000	5.00%			
			Aug. 1, 2027	650,000	5.00%			
			Aug. 1, 2028	680,000	5.00%			
			Aug. 1, 2029	715,000	4.00%			
			Aug. 1, 2030	745,000	4.00%			
			Aug. 1, 2031	770,000	4.00%			
			Aug. 1, 2032	805,000	4.00%			
			Aug. 1, 2033	835,000	4.00%			
			Aug. 1, 2034	870,000	3.25%			
			Aug. 1, 2035	895,000	3.50%			
			Aug. 1, 2036	930,000	3.50%			
			Aug. 1, 2037	960,000	3.50%			
			Aug. 1, 2038	995,000	3.50%			
			Aug. 1, 2039	1,030,000	5.00%			
			Aug. 1, 2040	1,080,000	5.00%			
			Aug. 1, 2041	1,135,000	5.00%			
			Aug. 1, 2042	1,190,000	5.00%			
						$ 17,340,000	605,000	16,735,000

Exhibit C-14

TOWN OF GUTTENBERG

Schedule of Capital Improvement Fund

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	916,646
Decreased by:		
Appropriated to Finance Improvement Authorizations		17,500
Balance - December 31, 2022	$	899,146

Exhibit C-15

Schedule of Interfund (Receivable)/Payable - Due to Current Fund

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021			$	(100)
Increased by:				
Interest on Investments	$	107,404		
Budgeted Revenue				
Fund Balance		100,000		
Reserve for Payment of Debt		400,000		
Unexpended Budget Appropriation - Interest on Bond Anticipation Notes		14,000		
				621,404
				621,304
Decreased by:				
Cash Disbursements				98,625
Balance - December 31, 2022			$	522,679

Exhibit C-16

TOWN OF GUTTENBERG

Schedule of Contracts Payable

General Capital Fund

Year Ended December 31, 2022

Increased by:		
Charges to Improvement Authorizations		$ 2,004,152
Balance - December 31, 2022		$ 2,004,152

Exhibit C-17

Schedule of Reserve for Payment of Debt

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021		$ 3,997,383
Increased by:		
Transferred from Reserve for Grants Receivable		243,727
		4,241,110
Decreased by:		
Utilized as:		
Budget Revenue - Due to Current	$ 400,000	
Paydown on Bond Anticipation Notes	898,664	
		1,298,664
Balance - December 31, 2022		$ 2,942,446

Ord. 7-2016 - Bonds	159,048
Ord. 17-2012 - Bonds	21,365
d. 2-2012 - State Educational Facilities Construction Financing - Bonds	1,646,146
Ord. 20-2021 - Notes	61,140
Ord. 24-2019 - Notes	160,089
Ord. 28-2020 - Notes	894,658
	$ 2,942,446

Exhibit C-18

TOWN OF GUTTENBERG

Schedule of Reserve for Grants Receivable

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	1,483,228
Increased by:		
Grants Awarded not Appropriated		94,146
		1,577,374
Decreased by:		
Grant receipts transferred to reserve for payment of notes		243,727
Balance - December 31, 2022	$	1,333,647

Ord. 24-2019: Hudson County Open Space		57,911
Ord. 31-2019: Hudson County Open Space		97,218
Ord. 22-2017: Department of Transportation		223,270
Ord. 12-2019: Department of Transportation		240,000
Ord. 28-2020: Department of Transportation		580,342
Ord. 20-2021 - State of NJ, Dept. of Law & Public Safety		40,760
Ord. 20-2022: Community Development Block Grant		94,146
	$	1,333,647

Exhibit C-19

Schedule of Reserve for Green Acres

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	1,019
Increased by:		
Interest Earnings		13
Balance - December 31, 2022	$	1,032

Exhibit C-20

TOWN OF GUTTENBERG

Schedule of Reserve for Sewer Improvements

General Capital Fund

Year Ended December 31, 2022

Balance - December 31, 2021	$	32,500
Increased by:		
Developer Deposits - Due from Other Trust		14,000
Balance - December 31, 2022	$	46,500

Exhibit C-21

TOWN OF GUTTENBERG

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2022

Ordinance number	Improvement description	Ordinance Date	Amount	Balance, Dec. 31, 2021 Funded	Balance, Dec. 31, 2021 Unfunded	Authorized	Expended	Balance, Dec. 31, 2022 Funded	Balance, Dec. 31, 2022 Unfunded
6-2008/18-2012/26-2013/16-2014	Improvements to Waterfront Park	Mar. 24, 2008	450,000	$	74,834			25,464	49,370
2-2012/2-2018/28-2018	Construction of Building and Improvements to the Anna L. Klein School for Community, Recreation and Educational Purposes	May 29, 2012	20,335,000		364,496				364,496
		Mar. 28, 2018	1,500,000						
		Nov. 28, 2018	700,000						
17-2012/3-2013	Imprs. to 68th Street, Section 4	Oct. 22, 2012	250,000	45,778	125,519			45,778	125,519
		Feb. 25, 2013	120,000						
25-2013	Various Street Improvements	Sept. 23, 2013	850,000	60,149				60,149	
27-2013/1-2015	Sewer Repairs - Broadway & 70th Street	Dec. 30, 2013	744,680	18,300			11,914	6,386	
		Feb. 23, 2015	400,000						
13-2014	Improvements to 69th Street	Oct. 14, 2014	470,000	41,417				41,417	
16-2015/20-2015/26-2017/24-2019/35-2020	Various Capital Improvements	Oct. 26, 2015, Nov. 27, 2017, Oct. 30, 2019, Dec. 28, 2020	4,676,500		457,363		256,742		200,621
7-2016	Acq. and Installation of a Generator	Apr. 25, 2016	180,000	35,612				35,612	
22-2017	70th Street Road and related Sewer Imps.	Oct. 23, 2017	650,000		16,643				16,643
20-2018	Renovations to Monument Park	Sept. 7, 2018	212,000		12,445				12,445
21-2018/14-2019	Renovations to Veteran's Park	Sept. 7, 2018, June. 24, 2019	725,000		46,380		4,019		42,361
25-2018/36-2020	Sewer Improvements	Oct. 29, 2018	2,000,000		229,780		227,383		2,397
		Dec. 28, 2020							
12-2019	Road Improvements to Broadway & Bellevue	Jun. 24, 2019	360,000		57,936				57,936
31-2019	Acquisition/Improvements to 506 70th Street - Park Development	Dec. 27, 2019	250,000		55,124		30,497		24,627
28-2020	Traffic Signal and Road Improvements	Dec. 28, 2020	1,700,000		540,888		538,293		2,595
18-2021	Combined Sewer Overflow Sewer System Imps.	Jun. 30, 2021	1,500,000		664,042		552,079		111,963
20-2021	Various Capital Improvements	Jul. 29, 2021	2,130,073		1,678,160		1,052,340		625,820

Exhibit C-21

TOWN OF GUTTENBERG

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2022

Ordinance number	Improvement description	Ordinance Date	Amount	Balance, Dec. 31, 2021 Funded	Balance, Dec. 31, 2021 Unfunded	Authorized	Expended	Balance, Dec. 31, 2022 Funded	Balance, Dec. 31, 2022 Unfunded
11-2022	Acquisition of Property	Jul. 25, 2022	350,000			350,000		17,500	332,500
20-2022	Installation of Traffic Signals on Broadway at Various Intersections	Nov. 28, 2022	1,800,000			1,800,000	1,504,618		295,382
				$ 201,256	4,323,610	2,150,000	4,177,885	232,306	2,264,675

Capital Improvement Fund	17,500
Grants Receivable	1,250,000
Deferred Charges Unfunded	882,500
	$ 2,150,000

Cash Disbursements	$ 2,173,733
Contracts Payable	2,004,152
	$ 4,177,885

Exhibit C-22

TOWN OF GUTTENBERG

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2022

Ord. Number	Purpose	Date of original issue	Original issue	Date of Maturity	Interest rate	Balance, Dec. 31, 2021	Increased	Decreased	Balance, Dec. 31, 2022
22-2017	70th Street Road and related Sewer Imps.	Oct. 24, 2019	455,000	Oct. 19, 2023	4.00%	455,000	199,323	455,000	199,323
8-2018	Amend 2-2012: Building Imps. - Anna L. Klein	Oct. 24, 2019	1,425,000	Oct. 19, 2023	4.00%	1,425,000	1,398,449	1,425,000	1,398,449
20-2018	Renovation of Monument Park	Oct. 24, 2019	201,400	Oct. 19, 2023	4.00%	201,400	29,919	201,400	29,919
21-2018/14-2019	Renovations to Veteran's Park	Oct. 24, 2019	897,600	Oct. 19, 2023	4.00%	897,600	366,648	897,600	366,648
25-2018	Sewer Improvements	Oct. 24, 2019	1,900,000	Oct. 19, 2023	4.00%	1,900,000	1,875,949	1,900,000	1,875,949
28-2018/2-2012	Amend 2-2012: Building Imps. - Anna L. Klein	Oct. 24, 2019	666,000	Oct. 19, 2023	4.00%	666,000	654,712	666,000	654,712
12-2019	Road Improvements to Broadway & Bellevue	Oct. 20, 2020	360,000	Oct. 19, 2023	4.00%	360,000	360,000	360,000	360,000
24-2019	Various Capital Improvements	Oct. 20, 2020	1,310,000	Oct. 19, 2023	4.00%	1,310,000	1,310,000	1,310,000	1,310,000
31-2019	Acquisition/Improvemens to 506 70th Street	Oct. 20, 2020	235,000	Oct. 19, 2023	4.00%	235,000	235,000	235,000	235,000
28-2020	Traffic Signal and Road Improvements	Oct. 20, 2021	1,700,000	Oct. 19, 2023	4.00%	1,700,000	1,700,000	1,700,000	1,700,000
18-2021	Combined Sewer Overflow Sewer System Imps.	Oct. 20, 2021	1,425,000	Oct. 19, 2023	4.00%	1,425,000	1,425,000	1,425,000	1,425,000
20-2021	Various Capital Improvements	Oct. 20, 2021	2,025,000	Oct. 19, 2023	4.00%	2,025,000	2,025,000	2,025,000	2,025,000
						$ 12,600,000	11,580,000	12,600,000	11,580,000

Renewed	11,580,000	11,580,000
Reserve for Payment of Notes		898,664
Budget Appropriation - Principal Paydown		121,336
	$ 11,580,000	12,600,000

Exhibit C-23

TOWN OF GUTTENBERG

Schedule of Bonds and Notes Authorized Not Issued

General Capital Fund

Year Ended December 31, 2022

Ordinance number	Improvement description	Balance, Dec. 31, 2021	Authorized	Decreased by:	Balance, Dec. 31, 2022
08-2011	Various Capital Improvements	$ 61,016		61,016	
2-2012	Construction of Building and Imps. To the Anna L. Klein School for Community Recreational and Educational purposes	666			666
17-2012	Improvements to 68th Street, Sec. 4	125,519			125,519
16-2014	Supplemental Approp: Waterfront Park, Phase I	88,352		38,984	49,368
26-2017	Additional Appropriation: Ord. 16-2015	2			2
21-2018	Renovations to Veteran's Park	4,900			4,900
24-2019	Various Capital Improvements	50			50
31-2019	Acquisition/Improvements to 506 70th Street - Park Development	2,500			2,500
20-2021	Various Capital Improvements	3,661			3,661
11-2022	Acquisition of Property		332,500		332,500
20-2022	Installation of Traffic Signals on Broadway at Various Intersections		550,000		550,000
		$ 286,666	882,500	100,000	1,069,166

Budget Appropriation - Deferred Charges - Unfunded	100,000

TOWN OF GUTTENBERG

PART II

LETTERS ON COMPLIANCE AND ON INTERNAL CONTROL

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2022

WIELKOTZ & COMPANY LLC
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 Town Council
Town of Guttenberg
County of Hudson, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements-regulatory basis of the Town of Guttenberg in the County of Hudson as of and for the year ended December 31, 2022 and the related notes to the financial statements, and have issued our report thereon dated June 29, 2023, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Compliance and Other Matters

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

However, we noted certain immaterial instances of noncompliance that we have reported to the management of the Town of Guttenberg 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 Town of Guttenberg internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Guttenberg internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

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

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

June 29, 2023

W&CO

TOWN OF GUTTENBERG

GENERAL COMMENTS

Contracts and Agreements

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

a. When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of $17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to 25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c.198(C.40A:11-2), and shall round the adjustment to the nearest $1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made.

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

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

Effective July 1, 2015, the bid threshold, in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is $17,500 and with a qualified purchasing agent the threshold may be up to $40,000. On July 1, 2020, this amount was increased to $44,000.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Town 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:

Bergenline Avenue Intersection
Improvement to Park
Avenue Roadway

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

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

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

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on January 3, 2022 adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, Chapter 75 of the Public Laws of 1991 of the State of New Jersey authorizes the governing body of each municipality by resolution to fix the rate of interest to be charged for nonpayment of taxes or assessments on or before the date when they would become delinquent, and

WHEREAS, the provisions of said statute provides that the rate of interest to be so charged may be fixed at a rate not to exceed 8% per annum on the first $1,500 of delinquency, and a rate of 18% per annum on any amount in excess of $1,500.

WHEREAS, the statute further provides that the governing body may provide that no interest shall be charged if payment is made within the tenth calendar day following the date which the same became payable, and

It appears from our test of the collector's record that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 8, 2022 and was complete.

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

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

	Number of Liens
Year Ended December 31, 2022	7
Year Ended December 31, 2021	8
Year Ended December 31, 2020	6

TOWN OF GUTTENBERG
DECEMBER 31, 2022

GENERAL COMMENTS

Finance:

1. The subsidiary ledgers for the federal and state grant fund are not in agreement with audited balances; expenditures were incurred in excess of available balances resulting in over-expenditures of appropriated grant reserves.
2. Expenditures in excess of reserve balances in the recreation trust fund were made resulting in an over-expenditure of $26,930.

RECOMMENDATIONS

Finance:

1. The budgetary records within the federal and state grant fund be updated to reflect audited appropriated grant reserve balances to ensure finance personnel are cognizant of available balances prior to the expenditure of funds.
2. Policies be updated to ensure that expenditures are not incurred in excess of available trust fund reserves.

TOWN OF GUTTENBERG

Status of Prior Year Audit Findings/Recommendations

A review was performed on all prior year recommendations and corrective action was taken on all, with the exception of the comments preceded with an "*".

Acknowledgment

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

Respectfully submitted,

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

Wielkotz & Company, LLC

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

June 29, 2023