TOWN OF GUTTENBERG

**Financial Statements With
Supplementary Information**

December 31, 2024

(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, 2024 and 2023, 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, 2024, 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, 2024 and 2023, or changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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, 2024 and 2023, 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, 2024 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles 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 6, 2025 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

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

June 6, 2025

Exhibit A

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2024 and 2023

Assets	Ref.	2024	2023
Current Fund:			
Cash	A-4	$ 8,890,615	8,781,158
Due from State of New Jersey:			
Senior citizens' and veterans' deductions	A-7	34,048	33,993
		8,924,663	8,815,151
Receivables and other assets with full reserves:			
Delinquent property taxes receivable	A-5	505,919	424,961
Tax Title Liens	A-19	544,300	490,744
Revenue accounts receivable	A-6	98,622	50,248
Interfunds Receivable:			
Animal License Trust Fund	A-16	783	1,051
Community Development Trust Fund	A-16	492	407
Escrow Trust Fund	A-16	897	744
Other Trust Fund	A-16	852	
Other Trust Fund - Redemption Trust	A-16	240	2,581
Federal and State Grant Fund	A-16		835,678
General Capital Fund	A-16	521,272	434,424
		1,673,377	2,240,838
		10,598,040	11,055,989
State and Federal Grant Fund:			
Cash	A-4	142,047	1,122,298
Due from Current Fund	A-17	189,993	
Grants Receivable	A-20	2,164,013	651,608
		2,496,053	1,773,906
		$ 13,094,093	12,829,895

Exhibit A

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2024 and 2023

	Ref.		2024	2023
Liabilities, Reserves and Fund Balance				
Current Fund:				
Appropriation reserves	A-3,A-11	$	177,287	607,122
Encumbrances payable	A-12		1,615,505	1,611,426
Tax overpayments	A-13		5,563	50,538
Prepaid taxes	A-14		313,156	324,580
County Added Taxes Payable	A-10		8,425	6,366
Reserve for Amount Due to the Hudson County Treasurer - Court Fines and Costs	A-15		6,764	6,764
Interfunds Payable:				
Other Trust Fund	A-16			26,642
Federal State Grant Fund	A-16		189,993	
Reserve for:				
Pension Deferral	A-18		228,137	228,137
Revaluation	A-18		17,130	17,130
Library Contribution	A-18		20,554	20,554
State Library Aid	A-18		11,262	11,262
Marriage License Fees Payable	A-18		1,375	1,025
Accounts Payable	A-18		47,000	47,943
Tax Appeals	A-18		400,780	358,472
			3,042,931	3,317,961
Reserve for receivables and other assets	A		1,673,377	2,240,838
Fund balance	A-1		5,881,732	5,497,190
			10,598,040	11,055,989
State and Federal Grant Fund:				
Matching Funds for Grants			95,000	95,000
Due to Current Fund	A-17			835,678
Appropriated reserves	A-21		2,347,030	823,412
Unappropriated reserves	A-22		54,023	19,816
			2,496,053	1,773,906
		$	13,094,093	12,829,895

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, 2024 and 2023

		Dec. 31, 2024	Dec. 31, 2023
Revenue and other income realized:			
Fund balance utilized	$	3,293,788	3,300,000
Miscellaneous revenue anticipated		9,783,713	6,387,273
Receipts from delinquent taxes		434,527	288,802
Receipts from current taxes		31,712,060	30,759,497
Nonbudget revenues		846,547	503,092
Other credits to income:			
Unexpended balance of appropriation reserves		329,352	290,018
Appropriated Grant Reserves Cancelled			966,014
Liabilities Canceled		943	92,566
Interfunds Returned		474,886	1,173,655
Total revenue		46,875,816	43,760,917
Expenditures:			
Budget and emergency appropriations:			
Operations:			
Salaries and wages		6,609,541	5,607,003
Other expenses		15,662,389	13,247,441
Deferred charges and statutory expenditures		1,712,880	2,215,005
Municipal debt service		2,378,837	1,999,603
County taxes		4,959,867	4,380,481
Due county for added taxes		8,425	6,366
Local district school taxes		11,321,823	11,321,822
Interfunds advanced		543,373	1,156,379
Grant receivables cancelled			958,473
Refunds		351	72,288
Total expenditures		43,197,486	40,964,861
Excess in Revenue		3,678,330	2,796,056

Exhibit A-1

TOWN OF GUTTENBERG

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

Current Fund

Year Ended December 31, 2024 and 2023

		Dec. 31, 2024	Dec. 31, 2023
Statutory excess to fund balance		3,678,330	2,796,056
Fund balance - January 1,		5,497,190	6,001,134
		9,175,520	8,797,190
Decreased by utilization as anticipated revenue		3,293,788	3,300,000
Fund balance - December 31,	$	5,881,732	5,497,190

See accompanying notes to financial statements.

Exhibit A-2

TOWN OF GUTTENBERG

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2024

	Budget	Realized	Excess (deficit)
Surplus anticipated	$ 3,293,788	3,293,788	
Miscellaneous revenues:			
Licenses:			
Alcoholic beverages	40,000	40,750	750
Other	100,000	153,983	53,983
Fees and permits:			
Other	99,500	116,561	17,061
Fines and costs municipal court	575,000	688,659	113,659
Parking meters	220,000	401,573	181,573
Interest and costs on taxes	74,000	117,796	43,796
Interest on investments and deposits	350,000	732,924	382,924
Energy Receipts Tax	487,823	489,813	1,990
Uniform Construction Code Fees	175,000	349,583	174,583
East Newark - Shared Services	93,250	67,275	(25,975)
Interlocal Service Agreements:			
Board of Education - Shared Services	1,750,000	1,800,000	50,000
Public and Private Programs Offset by Revenues:			
Municipal Alliance Against Alcohol and Drug Abuse	1,281	1,281	
Municipal Alliance Against Alcohol and Drug Abuse	3,533	3,533	
Municipal Alliance - Match	883	883	
Drunk Driving Enforcement Fund	56,629	56,629	
Body Armor Replacement Fund	4,317	4,317	
Summer Food Program	3,420	3,420	
Summer Food Program	39,911	39,911	
Urban Enterprise Zone	238,233	238,233	
Urban Enterprise Zone	282,089	282,089	
Resilient Communities Program	1,480,605	1,480,605	
Local Recreation Grant	76,000	76,000	
Local Recreation Grant	86,000	86,000	
Distracted Driving - U Text, U Drive, U Pay	7,000	7,000	
Recycle Tonnage Grant	17,023	17,023	
NJ Council on the Arts	10,000	10,000	
Summer Food Program	39,911	39,911	
EPA - Clean Water	959,752	959,752	
LEAD Grant	10,800	10,800	
NJACCHO - Enhancing Local Public Health Infrastrutui	101,910	101,910	
Clean Communities	22,057	22,057	
Alcohol Education Rehabilitation	12,381	12,381	
Bullet Proof Vest	3,468	3,468	
Time Warner Franchise Fee	37,500	39,482	1,982
Verizon Franchise Fee	32,000	30,764	(1,236)
Capital Fund Balance	97,347	97,347	
Due from Federal and State Grant Fund	400,000	400,000	
Due From General Capital	400,000	400,000	
Reserve for Payment of Debt	400,000	400,000	
Total miscellaneous revenues	8,788,623	9,783,713	995,090
Receipts from delinquent taxes	366,000	434,527	68,527
Amount to be raised by taxes for support of municipal budget	16,015,757	17,514,445	1,498,688
Budget total	$ 28,464,168	31,026,473	2,562,305
Nonbudget revenue		846,547	
		$ 31,873,020	

Exhibit A-2

TOWN OF GUTTENBERG

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2024

Analysis of Realized Revenue

Allocation of current tax collections;	
Revenue from collections	$ 31,712,060
Allocated to:	
Local district school tax	11,321,823
County taxes	4,968,292
	16,290,115
Balance for support of municipal budget appropriations	15,421,945
Reserve for uncollected taxes	2,092,500
	$ 17,514,445
Receipts from:	
Delinquent tax collections	$ 434,527

Analysis of Miscellaneous Revenue Not Anticipated

Miscellaneous	33,887
CARFAX	725
Death Certificates	4,610
Foreclosures	8,000
Wedding Fees	2,150
Towing	100
Mclarens Generator	54,015
Police Off Duty Administrative Fee	54,938
Bus Franchise Fee	1,081
Tax Sale Cost	849
JIF Refund	27,141
Bail/Fines	90
Canceled Checks	5,607
Abatements	2,000
Tax Collector - PILOTS	553,242
PILOT - Housing Authority	95,375
DMV Inspection Fines	2,737
	$ 846,547

See accompanying notes to financial statements.

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2024

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Operations-within "CAPS"					
Administrative and executive:					
Salaries and wages	$ 425,000	455,900	455,804	96	
Other expenses	290,000	336,000	335,678	322	
Elections:					
Other expenses	12,500	8,850	8,829	21	
Financial administration:					
Salaries and wages	492,500	508,640	508,633	7	
Other expenses	155,000	177,000	176,483	517	
Assessment of taxes:					
Salaries and wages	25,000	23,700	23,646	54	
Other expenses	5,000	6,901	6,901		
Municipal Court:					
Salaries and wages	340,000	344,000	343,959	41	
Other Expenses	80,000	77,200	77,125	75	
Collection of taxes:					
Salaries and wages	65,000	56,500	56,500		
Other expenses	8,000	9,050	9,044	6	
Legal services and costs:					
Other expenses	300,000	420,000	410,759	9,241	
Public building and grounds:					
Other expenses	180,000	180,000	176,106	3,894	
Engineering:					
Other expenses	125,000	187,500	184,022	3,478	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2024

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	14,000	10,300	10,300		
Other expenses	5,000	6,680	6,671	9	
Community Action Program:					
Other expenses	10,000	10,000	10,000		
Insurance:					
Insurance-Other	755,000	815,690	815,680	10	
Group Insurance for Employees	2,432,952	2,111,252	2,111,221	31	
Unemployment Insurance	1,000	1,000		1,000	
Insurance/Deductible	5,000				
PUBLIC SAFETY:					
Police:					
Salaries and wages	2,900,000	2,979,100	2,979,081	19	
Other expenses	350,000	378,500	378,456	44	
Emergency management services:					
Other expenses	5,000	4,710	4,708	2	
Volunteer Ambulance:					
Other expenses	25,000	25,000	25,000		
Fire Official/Inspector:					
Salaries and wages	125,000	120,070	120,070		
Other expenses	5,000	3,050	3,033	17	
GHA - Security					
Salaries and wages	125,000	160,950	160,946	4	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2024

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Public Works:					
Street Cleaning:					
Salaries and wages	1,050,000	1,016,850	1,016,821	29	
Other expenses	285,000	324,200	324,137	63	
Recycling:					
Other expenses	190,000	185,000	184,965	35	
Solid Waste & Garbage Removal:					
Other expenses	1,100,000	984,150	940,192	43,958	
Snow Removal:					
Other expenses	75,000	5,150	5,116	34	
Health and Welfare:					
Public Health Services:					
Other expenses	55,000	16,000	15,869	131	
Recreation and Education:					
Recreation:					
Salaries and wages	345,000	406,600	406,541	59	
Other expenses	80,000	83,000	81,951	1,049	
Celebration of public event, anniversary or holiday - other expenses	85,000	57,500	57,437	63	
Senior Citizens Nutrition Program:					
Salaries and wages	120,000	145,400	145,371	29	
Other expenses	90,000	84,000	83,956	44	
Senior Citizens Tranportation:					
Other expenses	35,000	55,000	50,638	4,362	
Senior Recreation Program:					
Other expenses	50,000	36,500	36,333	167	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2024

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Uniform Construction Code-Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)					
Uniform construction code official:					
Salaries and wages	240,000	224,230	224,223	7	
Other expenses	5,000	4,020	4,015	5	
License inspector:					
Salaries and wages	82,000	62,800	62,789	11	
Other expenses	2,500	2,340	2,331	9	
UNCLASSIFIED:					
Utilities:					
Electricity	148,000	89,000	88,645	355	
Street lighting	95,000	71,770	68,115	3,655	
Telephone	110,000	142,700	142,648	52	
Water	30,000	27,050	27,019	31	
Fire hydrant service	50,000	43,000	41,764	1,236	
Sewerage	30,000	13,650	13,604	46	
Gasoline	140,000	122,000	108,120	13,880	
Postage - all departments	32,000	36,000	34,409	1,591	
Technology	290,000	371,000	370,932	68	
Salary & Wage Adjustment	1				
Accumulated Absences	1	1		1	
Total Operations within "CAPS"	14,075,454	14,026,454	13,936,596	89,858	
Contingent	6,125	6,125		6,125	
Total Operations Including Contingent-within "CAPS"	14,081,579	14,032,579	13,936,596	95,983	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2024

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Detail:					
Salaries & Wages	6,348,502	6,515,041	6,514,684	357	
Other Expenses (Including Contingent)	7,733,077	7,517,538	7,421,912	95,626	
	14,081,579	14,032,579	13,936,596	95,983	
Deferred Charges and Statutory Expenditures-Municipal within "CAPS"					
STATUTORY EXPENDITURES:					
Contribution to:					
Social Security System (O.A.S.I.)	390,000	397,000	396,988	12	
Public Employees Retirement system	468,074	468,074	468,074		
Police and Firemans Retirement System of N.J.	844,956	844,956	844,956		
DCRP	2,850	2,850	2,819	31	
Total Deferred Charged and Statutory Expenditures-Municipal within "CAPS"	1,705,880	1,712,880	1,712,837	43	
Total General Appropriations for Municipal Purposes within "CAPS"	15,787,459	15,745,459	15,649,433	96,026	
Operations-Excluded from "CAPS"					
Matching Funds for Grants	50,000	50,000	50,000		
Reserve for Tax Appeals	26,000	26,000	13,824	12,176	
911-Other Expenses	25,000	25,000	19,686	5,314	
Stormwater Management					
2024 CAP Exceptions:					

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2024

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Health Insurance	67,048	67,048	67,048		
Library Service-North Bergen:					
Other expenses	472,850	472,850	470,401	2,449	
North Hudson Regional Communication:					
Other expenses	183,000	225,000	225,000		
North Hudson Regional Fire & Rescue:					
Other expenses	3,100,000	3,100,000	3,079,500	20,500	
East Newark:					
Clerk/Registrar/QPA	35,000	35,000	27,500	7,500	
CFO	25,000	25,000	25,000		
Payroll	27,500	27,500	9,592	17,908	
Animal Control	5,750	5,750	1,500	4,250	
Guttenberg Board of Education					
Garbage and Trash	45,000	45,000	45,000		
Electric and Gas	100,000	100,000	100,000		
Public Works	88,000	88,000	88,000		
Snow Removal	10,000	10,000		10,000	
Security	480,000	480,000	478,836	1,164	
Public and Private Programs Offset by Revenues					
Municipal Alliance Against Alcohol and Drug Abuse	1,281	1,281	1,281		
Municipal Alliance Against Alcohol and Drug Abuse	3,533	3,533	3,533		
Budget Match	883	883	883		
Drunk Driving Enforcement Fund	56,629	56,629	56,629		
Body Armor Replacement Fund	4,317	4,317	4,317		
Summer Food Program	3,420	3,420	3,420		
Summer Food Program	39,911	39,911	39,911		
Urban Enterprise Zone	238,233	238,233	238,233		
Urban Enterprise Zone	282,089	282,089	282,089		

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2024

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Resilient Communities Program	1,480,605	1,480,605	1,480,605		
Local Recreation Grant	76,000	76,000	76,000		
Local Recreation Grant	86,000	86,000	86,000		
Distracted Driving - U Text, U Drive, U Pay	7,000	7,000	7,000		
Recycle Tonnage Grant	17,023	17,023	17,023		
NJ Council on the Arts	10,000	10,000	10,000		
Summer Food Program	39,910	39,910	39,910		
EPA - Clean Water	959,752	959,752	959,752		
LEAD Grant	10,800	10,800	10,800		
NJACCHO - Enhancing Local Public Health Infrastruture	101,910	101,910	101,910		
Clean Communities	22,058	22,058	22,058		
Alcohol Education Rehabilitation	12,381	12,381	12,381		
Bullet Proof Vest	3,468	3,468	3,468		
Total Operations-Excluded from "CAPS"	8,197,351	8,239,351	8,158,090	81,261	
Detail:					
Salaries and Wages	94,500	94,500	69,092	25,408	
Other Expenses	8,102,851	8,144,851	8,088,998	55,853	
	8,197,351	8,239,351	8,158,090	81,261	
Total Operations-Excluded from "CAPS"	8,197,351	8,239,351	8,158,090	81,261	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2024

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Municipal Debt Service-Excluded from "CAPS"					
Payment of Bond Principal	605,000	605,000	605,000		
Payment of Bond Anticipation and Capital Notes	409,233	409,233	409,233		
Interest on Bonds	695,875	695,875	689,734		6,141
Interest on Notes	676,750	676,750	674,870		1,880
Total Municipal Debt Service-Excluded from "CAPS"	2,386,858	2,386,858	2,378,837		8,021
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	10,584,209	10,626,209	10,536,927	81,261	8,021
Subtotal General Appropriations	26,371,668	26,371,668	26,186,360	177,287	8,021
Reserve for Uncollected Taxes	2,092,500	2,092,500	2,092,500		
Total General Appropriations	$ 28,464,168	28,464,168	28,278,860	177,287	8,021

Adopted Budget	26,457,242
Added by N.J.S.A. 40A:4-87	2,006,926
	$ 28,464,168

Analysis of Paid or Charged	
Reserve for Uncollected Taxes	2,092,500
Due to Federal and State Grant Fund	3,457,203
Reserve for Tax Appeals	50,000
Reserve for Encumbrances	1,615,505
Cash	21,063,652
	$ 28,278,860

Exhibit B

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2024 and 2023

Assets	Ref.	2024	2023
Animal License Fund:			
Cash	B-1	$ 5,183	4,933
Unemployment Compensation Trust Fund:			
Cash	B-1	10,723	53,095
Community Development Block Grant Trust Fund:			
Cash	B-1	11,332	11,247
Grants receivable	B-4	182,674	321,674
		194,006	332,921
Other Trust Funds:			
Cash	B-1	1,191,877	912,518
Accounts Receivable - Escrow	B-8		18,541
Intrafund Receivables:	B-7	200	200
Interfund Receivables:			
Due from Current Fund	B-7		26,642
		1,192,077	957,901
		$ 1,401,989	1,348,850

Exhibit B

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2024 and 2023

Liabilities and Reserves	Ref.	2024	2023
Animal License Fund:			
Reserve for Animal License Expenditures	B-2	4,230	3,711
Due to State of New Jersey	B-3	169	171
Due to Current Fund	B-7	783	1,051
		5,182	4,933
Unemployment Compensation Trust Fund:			
Reserve for Expenditures	B-10	10,723	53,095
Community Development Block Grant Trust Fund:			
Reserve for Grant Expenditures	B-5	193,514	332,514
Due to Current Fund	B-7	492	407
		194,006	332,921
Other Trust Funds:			
Due to State-Marriage Licenses	B-6	1,250	1,250
Intrafunds Payable:	B-7	200	200
Interfunds Payable:			
Current Fund - Escrow	B-7	897	744
Current Fund	B-7	1,092	2,581
General Capital Fund	B-7	28,000	28,000
Reserve for:			
Other Trust Deposits	B-9	1,160,639	925,126
		1,192,078	957,901
		$ 1,401,989	1,348,850

See accompanying notes to financial statements.

Exhibit C

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

General Capital Fund

December 31, 2024 and 2023

Assets	Ref.		2024	2023
Cash:				
Checking	C-2,C-3	$	5,831,849	6,136,589
Grants Receivable:				
Hudson County Open Space Grant	C-6		200,324	200,324
State of New Jersey - Dept. of Transportation	C-7		1,885,840	1,356,112
State of New Jersey - Department of Environmental Protection, Green Acres Program	C-8		64,172	64,172
Hudson County - Community Development Block Grant	C-9		268,314	94,146
State of New Jersey - Department of Community Affairs	C-10		1,480,605	
State of New Jersey - Office of Law & Public Safety	C-11		40,760	40,760
Due from Other Trust Fund	C-19		28,000	28,000
Deferred charges to future taxation:				
Funded	C-4		15,525,000	16,130,000
Unfunded	C-5		18,084,737	15,080,706
		$	43,409,601	39,130,809

Liabilities, Reserves and Fund Balance	Ref.		2024	2023
Serial Bonds	C-12		15,525,000	16,130,000
Bond Anticipation notes	C-21		14,170,767	13,535,000
Capital Improvement Fund	C-13		728,196	759,146
Due to Current Fund	C-14		521,272	434,424
Reserve for:				
Contracts Payable	C-15		893,618	1,554,455
Payment of Debt	C-16		2,840,422	2,521,080
Grants Receivable	C-17		3,460,238	1,275,737
Green Acres	C-18		1,110	1,067
Sewer Improvements	C-19		102,500	74,500
Improvement authorizations:				
Funded	C-20		419,298	311,581
Unfunded	C-20		4,593,444	2,436,472
Fund Balance	C-1		153,736	97,347
		$	43,409,601	39,130,809

There were bonds and notes authorized but not issued at December 31, 2024 and December 31, 2023 of $3,913,970 and $1,545,706 respectively. See exhibit C-22.

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, 2024 and 2023

	2024	2023
Balance - December 31, 2023	$ 97,347	11,340
Increased by:		
Premium received on Sale of Bond Anticipation Notes	153,736	97,307
	251,083	108,647
Decreased by:		
Budget Revenue - Due to Current Fund	97,347	11,300
Balance - December 31, 2024	$ 153,736	97,347

See Accompanying Notes to Financial Statements

Exhibit F

TOWN OF GUTTENBERG

Comparative Balance Sheets-Regulatory Basis

Payroll Account

December 31, 2024 and 2023

		2024	2023
Assets			
Cash	$	6,278	3,891
Liabilities			
Reserve for:			
Agency Deductions and Withholdings	$	81	
Net Payroll Payable		6,197	3,891
	$	6,278	3,891

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, 2024 and 2023

		2024	2023
Land	$	4,455,800	4,282,006
Buildings		6,872,400	3,378,500
Vehicles and equipment		4,176,174	4,456,384
	$	15,504,374	12,116,890

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 N.J.S.A. 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 N.J.S.A. 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 March 29, of the fiscal year. The budget shall be adopted not later than April 30, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line-item level for all operating budgets adopted.

Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line-item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line-item level. During the years ended December 31, 2024, and 2023, the Mayor and Council approved additional revenues and appropriations of $2,006,926 and $85,043, respectively, in accordance with N.J.S.A. 40A:4-87. In addition, several budget transfers were also approved by the governing body in 2024 and 2023.

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.

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).

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

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

Basis of Accounting, (continued)

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 non-funding 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.

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.

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

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

Comparative Data - Comparative data for the prior year has been presented in the accompanying balance sheets and statements of operations 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.

Recent Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) statement became effective for the fiscal year ended December 31, 2024:

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

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

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

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

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

Recent Accounting Pronouncements, (continued)

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

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).

NOTE 2. PENSION PLANS, (continued)

Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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 $1/55^{th}$ 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 $1/60^{th}$ 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.

NOTE 2. PENSION PLANS, (continued)

Police and Firemens' Retirement System (PFRS)

Plan Description

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

Benefits Provided

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

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

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

NOTE 2. PENSION PLANS, (continued)

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

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

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
2024	$ 461,392	$ 814,640	$ 2,819
2023	376,773	829,456	2,622
2022	309,017	691,287	2,658

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)

The following pension information is as of June 30, 2023, which is the latest information available. This information is eighteen months prior to December 31, 2024. GASB Statement No. 68 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current pension information is available.

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

Public Employees Retirement System (PERS)

At June 30, 2023, the Town had a liability of $5,000,242 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. 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, 2023, the Town's proportion was .0345216304 percent, which was an increase of .0046438626 percent from its proportion measured as of June 30, 2022.

For the year ended December 31, 2024, the Town recognized pension expense of $461,392.

At June 30, 2023, 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	$47,809	$20,439
Changes of assumptions	10,985	303,036
Net difference between projected and actual earnings on pension plan investments	23,027	
Changes in proportion and differences between Town contributions and proportionate share of contributions	1,155,121	256,813
Total	$1,236,942	$580,288

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, 2023) 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:	
2024	$(263,994)
2025	(147,351)
2026	205,914
2027	(36,850)
2028	627

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.04, 5.13, 5.16, 5.21 and 5.63 years for 2023, 2022, 2021, 2020, 2019 and 2018, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2023 and June 30, 2022 are as follows:

	June 30, 2023	June 30, 2022
Collective deferred outflows of resources	$ 1,080,204,730	$ 1,660,772,008
Collective deferred inflows of resources	1,780,216,457	3,236,303,935
Collective net pension liability	14,606,489,066	15,219,184
Town's Proportion	0.034521630%	0.0298777678%

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, 2023, measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. 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

Mortality Rates

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

The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 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, 2023) 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, 2023, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%
International Small CAP Equity	1.250%	9.22%
Emerging Market Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

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, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments 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, 2023, 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, 2023		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Town's proportionate share of the pension liability	$6,521,973	$5,000,242	$3,705,047

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 PFRS pension information is as of June 30, 2023 which is the latest information available. This information is eighteen months prior to December 31, 2024. GASB Statement No. 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 June 30, 2023 , the Town had a liability of $6,761,398 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. 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, 2023, the Town's proportion was .0611958600 percent, which was a decrease of .002581300 percent from its proportion measured as of June 30, 2022.

For the year ended December 31, 2024, the Town recognized pension expense of $814,640.

At June 30, 2023, 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	$ 289,510	$ 322,459
Changes of assumptions	14,593	456,556
Net Difference between projected and actual earnings on pension plan investments	344,345	
Changes in proportion and differences between Town contributions and proportionate share of contributions	883,488	511,479
	$ 1,531,936	$ 1,290,494

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, 2023) 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:	
2024	$(263,130)
2025	(252,520)
2026	406,279
2027	(34,943)
2028	12,472
Thereafter	1,275

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 6.16, 6.22, 6.17, 5.90, 5.92 and 5.73 years for 2023, 2022, 2021, 2020, 2019 and 2018, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2023 and June 30, 2022 are as follows:

	June 30, 2023	June 30, 2022
Collective deferred outflows of resources	$1,753,080,638	$2,136,793,985
Collective deferred inflows of resources	1,966,439,601	2,805,919,493
Collective net pension liability	13,084,649,602	13,483,472,009
Town's Proportion	.0611958600%	.0637771600%

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, 2023, measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all Future Years	3.25-16.25% (based on years of service)
Thereafter	Not Applicable
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, 2022, valuation were based on the results of the actuarial experience study for the period July 1, 2018 to June 30, 2021.

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, 2023) 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, 2023, are summarized in the following table:

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

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, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments 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, 2023, 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, 2023		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Town's proportionate share of the pension liability	$9,910,854	$6,761,398	$4,138,653

NOTE 2. PENSION PLANS, (continued)

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

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

Special Funding Situation - PFRS

Under N.J.S.A. 43:16A-15, local participating employers are 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 local participating unit 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. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specified financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer.

At June 30, 2023 and 2022, the State proportionate share of the net pension liability attributable to the Town for the PFRS special funding situation is $1,245,866 and $1,299,215, respectively. For the years ended June 30, 2023 and 2022, 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 $141,715 and $149,895, respectively, which is more than the actual contributions the State made on behalf of the Town of $142,479 and $161,746, 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.

Pension Plan Fiduciary Net Position

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

NOTE 3. LONG-TERM DEBT

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

Summary of Municipal Debt (Excluding Current Operating Debt)

Issued:			
General - Bonds, Notes and Loans	$ 29,695,767	$ 29,665,000	$ 28,315,000
	29,695,767	29,665,000	28,315,000
Authorized not Issued			
General - Bond, Notes and Loans	3,913,970	1,545,706	1,069,168
Less:			
Funds Temporarily Held to Pay Bonds and Notes	2,840,422	2,521,080	2,942,445
Net Bonds, Notes and Loans Issued and Authorized But Not Issued	$ 30,769,315	$ 28,689,626	$ 26,441,723

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

	Balance Dec. 31, 2023	Additions	Reductions	Balance Dec. 31, 2024	Amounts Due Within One Year
Bonds Payable - General Obligation Debt	$ 16,130,000		$ 605,000	$ 15,525,000	$ 620,000
Other Liabilities:					
Compensated Absences	-	67,081		67,081	
Deferred PERS/PFRS Pension Obligation	15,398	47,329 (*)	30,186	32,541	32,541
	$ 16,145,398	$ 114,410	$ 635,186	$ 15,624,622	$ 652,541

(*) - Adjustment was made to agree the ending balance with the billings for the subsequent year. Additional adjustments may be needed in the future for additional amounts owed which are unknown at this time.

NOTE 3. LONG-TERM DEBT, (continued)

	Balance Dec. 31, 2022	Additions	Reductions	Balance Dec. 31, 2023	Amounts Due Within One Year
Bonds Payable - General Obligation Debt	$ 16,735,000		$ 605,000	$ 16,130,000	$ 605,000
Other Liabilities:					
Deferred PERS/PFRS Pension Obligation	43,224		27,826	15,398	30,186
	$ 16,778,224	$ -	$ 632,826	$ 16,145,398	$ 635,186

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 2.367% for 2024.

2024	Gross Debt	Deductions	Net Debt
School District Debt	$ -	$ -	$ -
General Debt	33,609,737	2,840,422	30,769,315
	$ 33,609,737	$ 2,840,422	$ 30,769,315

Net debt of $30,769,315 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of $1,299,831,150 equals 2.367%.

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 2.319% for 2023.

2023	Gross Debt	Deductions	Net Debt
School District Debt	$ -	$ -	$ -
General Debt	31,210,708	2,521,080	28,689,628
	$ 31,210,708	$ 2,521,080	$ 28,689,628

Net debt of $28,689,628 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of $1,237,413,074 equals 2.319%.

NOTE 3. LONG-TERM DEBT, (continued)

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

	2024	2023
3 1/2% of Equalized Valuation Basis (Municipal)	$ 45,494,090	$ 43,309,458
Net Debt	30,769,315	28,689,628
Remaining Borrowing Power	$ 14,724,775	$ 14,619,830

The Town's long-term debt consisted of the following on December 31, 2024 and 2023:

General Obligation Bonds - Paid by Current Fund

	2024	2023
$19,150,000 General Obligation Bonds, due in annual installments of $600,000 to $1,900,000 through August of 2042, interest at 3.00%-5.00%	$ 15,525,000	$ 16,130,000

Aggregate bonded debt service requirements are as follows:

		General Capital Debt	
	Total	Serial Bonds	
Year	Debt Service	Principal	Interest
2025	$ 1,285,625	$ 620,000	$ 665,625
2026	1,254,625	620,000	634,625
2027	1,253,625	650,000	603,625
2028	1,251,125	680,000	571,125
2029	1,252,125	715,000	537,125
2030-34	6,258,225	4,025,000	2,233,225
2035-39	6,255,275	4,810,000	1,445,275
2040-42	3,751,000	3,405,000	346,000
	$ 22,561,625	$ 15,525,000	$ 7,036,625

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, 2024 and 2023, the Town had authorized but not issued debt as follows:

	2024	2023
General Capital Fund	$3,913,970	$1,545,706

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.

On December 31, 2024, and 2023, the Town had $14,170,767 and $13,535,000 respectively, in outstanding General Capital Fund bond anticipation notes.

	Balance Dec. 31, 2023	Additions	Reductions	Balance Dec. 31, 2024
General Capital Notes Payable:				
BNY Mellon Capital Markets, LLC	$ 13,535,000	$ -	$ 13,535,000	$ -
BNY Mellon Capital Markets, LLC	-	14,170,767	-	14,170,767
	$ 13,535,000	$ 14,170,767	$ 13,535,000	$ 14,170,767

	Balance Dec. 31, 2022	Additions	Reductions	Balance Dec. 31, 2023
General Capital Notes Payable:				
BNY Mellon Capital Markets, LLC		$ 13,535,000		$ 13,535,000
TD Securities (USA) LLC	11,580,000	-	11,580,000	-
	$ 11,580,000	$ 13,535,000	$ 11,580,000	$ 13,535,000

NOTE 5. FUND BALANCE APPROPRIATED

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

	2025	2024
Current Fund	$3,300,000*	$3,293,788

*Introduced Budget

NOTE 6. ACCRUED SICK AND VACATION BENEFITS

As authorized by resolution and effective beginning in calendar year 2024, the Town permits employees to accrue (with certain restrictions) unused sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate in accordance with state law. It is estimated that the current cost of such unpaid compensation would approximate $67,081 as of December 31, 2024. This amount is not reported either as an expenditure or liability.

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, 2024, and 2023, $-0- of the Town's bank balance of $17,445,102 and $18,519,242, 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. LEASE OBLIGATIONS

The Borough, as a lessee, has entered into the following leases which meet the requirements of GASB 87:

M-10 - Office Space
On October 1, 2019, the Town entered into a lease agreement with Zhonghai Realty, L.L.C. for a five-year period (60) months, to utilize space as an office/library resource room and annex. This lease runs through September 30, 2024, and the terms of the agreement include a monthly payment with a 3% increase each year compounded annually. This lease expired September 30, 2024, but was renewed for an additional 60 month term on October 1, 2024. The terms of the agreement include a monthly payment with a 3% increase each year compounded annually. This new lease expires September 30, 2029.

M-4A - Office Space
On May 1, 2018, the Town entered into a lease agreement with Zhonghai Realty, L.L.C. for a five-year period (60) months, to utilize space as an office/library resource room and annex. This lease expired April 30, 2023, but was renewed for an additional 60-month term on May 1, 2023. The terms of the agreement include a monthly payment with a 3% increase each year compounded annually. This new lease expires April 30, 2028, with a new lessor, Yan Wang.

Under the provisions of GASB 87, as of December 31, 2024, the balance of the lease's payable was $383,412 and $145,831, respectively.

As a result of the regulatory basis of accounting previously describe in note 1, such balances are not recorded on the Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis of the Current Fund.

The following is a summary of the lease obligation principal and interest payments to maturity:

Year Ended	Principal	Interest	Total
2025	$ 108,194	$ 24,025	$ 132,219
2026	117,806	18,397	136,203
2027	128,030	12,275	140,305
2028	104,495	6,126	110,621
2029	70,718	1,481	72,199
	$ 529,243	$ 62,304	$ 591,547

NOTE 9. FIXED ASSETS

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

	Balance Dec. 31, 2023	Additions		Deletions		Balance Dec. 31, 2024
Land	$ 4,282,006	173,794	(1)			$ 4,455,800
Building	3,378,500	3,493,900	(2)			6,872,400
Equipment & Vehicles	4,456,384	300,430		580,640	(3)	4,176,174
	$ 12,116,890	$ 3,968,124		$ 580,640		$ 15,504,374

	Balance Dec. 31, 2022	Additions		Deletions	Balance Dec. 31, 2023
Land	$ 1,875,506	2,406,500	(1)		$ 4,282,006
Building	3,378,500				3,378,500
Equipment & Vehicles	3,223,984	1,299,126		66,726	4,456,384
	$ 8,477,990	$ 3,705,626		$ 66,726	$ 12,116,890

(1) Land values were increased to agree to the amount reported in the annual fixed asset report. The appraisal company made updates for some properties based on the current assessed value. For continuity in reporting, the land value was updated to be in agreement with the fixed asset report.
(2) The appraisal company updated their report to reflect an accurate listing of buildings and building improvements owned by the Town.
(3) The Town increased the capitalization threshold to $5,000 via resolution 65-2024. The result is the substantial amount reported as deletions in the current year.

NOTE 10. DUE TO/FROM OTHER FUNDS

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

$ 783	Due to the Current Fund from the Animal License Trust Fund for the current years' statutory excess and balance of current year interest earnings.
492	Due to the Current Fund from the Community Development Trust Fund for the balance of current year interest earnings.
852	Due to the Current Fund from the Other Trust Fund for the balance of current years investment earnings less tax title lien premiums forfeited and marriage license fees paid from trust in error.
897	Due to the Current Fund from the Escrow Trust Fund for the town share of interest earned on developer deposits.
240	Due to the Current Fund from Other Trust - Redemption Account for the balance of current year investment earnings.
28,000	Due to the General Capital Fund from the Other Trust Fund for developer deposits designated for sewer improvements.
189,993	Due to the Current Fund from the Federal and State Grant Fund to correct deposit errors, interest earned on investments, cancelled appropriated grant reserves less cancelled grant receivables, the deferred charge for prior year over-expenditures raised in the 2024 budget and grants deposited in current in error.
521,272	Due to the Current Fund from the General Capital fund for budget revenue not transferred, the excess of the appropriation for interet on notes less the balance of current year investment earnings.
200	Due to the Public Defender Trust Fund from the POAA Trust fund to correct a prior year deposit error.
$ 742,729	

NOTE 11. 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

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

General Information about the OPEB Plan, (continued)

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 financial statements, 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.

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.

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

Total OPEB Liability

The following other post-employment benefit information for special funding situation is as of June 30, 2023, which is the latest information available. This information is eighteen months prior to December 31, 2024. GASB Statement No. 75 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of 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 June 30, 2023, the Town had a liability of $18,589,051 for its proportionate share of the non-special funding net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The 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, 2023 the Town's proportion was .1238730000% which was an increase of .014701000% from its proportion measured as of June 30, 2022.

For the year ended December 31, 2024, the Town recognized OPEB expense (benefit) of $(162,634).

At June 30, 2023, 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	$ 857,231	$ 5,048,179
Changes of assumptions	2,407,980	5,254,529
Net difference between projected and actual earnings on OPEB plan investments		3,067
Changes in proportion	6,117,192	1,130,999
Total	$ 9,382,403	$ 11,436,774

NOTE 11. <u>OTHER POST RETIREMENT BENEFITS (OPEB),</u> (continued)

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

Year ended June 30:	
2024	$(2,108,917)
2025	(1,727,336)
2026	(934,459)
2027	(438,041)
2028	(884,205)
Thereafter	(947,606)

<u>Changes in Proportion</u>

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

<u>Actual Assumptions and Other Inputs</u>

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

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

Salary Increases*	
Public Employees' Retirement System (PERS)	
Rate for all future years	2.75% to 6.55% based on years of service
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 16.25% based on years of service
Mortality:	
PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021

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

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

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

Health Care Trend Assumptions

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

Discount Rate

The discount rate for June 30, 2023, was 3.65%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less 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, 2023, 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, 2023		
	1% Decrease 2.65%	At Current Discount Rate 3.65%	1% Increase 4.65%
Town's proportionate share of Net OPEB liability	$21,532,046	$18,589,051	$16,221,865

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, 2023, 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, 2023		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Town's proportionate share of Net OPEB liability	$15,798,506	$18,589,051	$22,161,801

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 2024, the Town was not 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.

NOTE 12. CONTINGENT LIABILITIES, (continued)

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 is not likely to have a material adverse effect on the financial position of the Town.

Tax Appeals

The Town has a substantial pending tax appeal cases outstanding as of December 31, 2024. This case involves a large assessment and there is substantial exposure as noted below:

Summit House. Corp. V. Guttenberg

(Tax Years 2022, 2023 & 2024 are pending in the Tax Court)

The Summit House Corp. is the owner of a 183-unit cooperative located at 7100 Boulevard East. At an assessment of $24,800,000.00, it is the largest single assessment of any property located in the Town. The Plaintiff has filed appeals of the assessment in 2022, 2023 and 2024.

Given the value of the property, even a small reduction in assessment could lead to a substantial refund. The initial demand from Plaintiff's counsel was $22,000,000.00, calling for a value that would reduce about $2,800,000 a year off the assessment, which would lead to a total of approximately $330,000 in refunds over the three pending tax years (2022-2024).

The Summit House case was amicably resolved in January of 2025. The assessment was reduced to $22,000,000 for tax years 2022, 2023 and 2024. Estimated refunds of $330,000 will be paid from the Town's reserve for tax appeals.

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 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, 2024, the town budgeted $3,100,000 and contributed $3,079,500.

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, 2024	Balance December 31, 2023
Prepaid Taxes	$313,156	$324,580
Cash Liability for Taxes Collected in Advance	$313,156	$324,580

NOTE 16. 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, 2024, 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.

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.

NOTE 16. RISK MANAGEMENT, (continued)

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 17. TAX ABATEMENTS

As of December 31, 2024, the Town provides various tax abatements to properties undergoing redevelopment pursuant to the authority contained in the Redevelopment and Housing Law (NJSA 40A:12A-1) and Five-Year Exemption and Abatement Law (NJSA 40A:21 et.seq.)

The Five-Year Exemption and Abatement Law generally concerns rehabilitation of particular buildings and structures, with an abatement period that lasts no more than five years. These "short-term" property tax abatements can be structured as reduced property tax bills that exclude all or part of improvement value or as payments in lieu of taxes (PILOTS). Procedurally, a municipality must first adopt an ordinance invoking its five-year abatement authority and setting forth application procedures. This ordinance, referred to as the general ordinance, defines the eligibility criteria, which may include types of structures, types of permissible improvements, as well as qualifying geographic zones or similar designations. An applicant must satisfy all the criteria stipulated in the statue and general ordinance to be entitled to approval. Applications for individual short-term abatements are presented to the local governing body and must include a general description of the project, plans demonstrating the structure of the project, a statement of reasons for seeking the abatement, claimed benefits to be realized by the applicant and a statement of taxes currently being assessed and taxes to be paid during the period of abatement. The application is approved by an ordinance authorizing execution of a tax agreement. If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the property tax which would have otherwise been payable for each year shall become due and payable from the property owner as if no exemption and abatement had been granted.

The Township recognized revenue in the amount of $553,242 from this payment in lieu of taxes which is recorded as miscellaneous revenue in the Current Fund.

NOTE 18: OTHER MATTERS

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into effect. This plan, among other things, provides direct federal funding to aid county and municipal governments to help offset revenue losses, cover increased costs incurred during the coronavirus pandemic response and to make necessary investments in water, sewer or broadband infrastructure. The amount of federal aid available to the Town of Guttenberg is $1,164,019 which will be available for use until December 31, 2024. The Town currently has an unexpended balance of $169,578.

NOTE 19. SUBSEQUENT EVENT

The Town has evaluated subsequent events through June 6, 2025, 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	Councilmember		
Richard Delafuente	Councilmember		
Monica Fundora	Councilmember		
Juana Malave	Councilmember		
John D. Habermann	Councilmember		
James Catania	Town Attorney		
Cosmo Cirillo	Town Administrator/Clerk		
John Di Stefano	Director of Revenue & Finance,	1,000,000	(A)
Richard Anastasi	Deputy Tax Collector, Tax Search Officer		
Vincent Buono	CFO/Tax Collector	1,000,000	(A)
Johanna Fermaint	Deputy 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)

(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

	2024	2023	2022
Tax rate	4.128	3.994	3.877
Apportionment of tax rate:			
Local school	1.447	1.446	1.444
County	0.635	0.560	0.563
Municipal	2.046	1.988	1.870

Year Ended December 31,	Assessed Valuation
2024	$ 782,495,221
2023	783,493,221
2022	784,093,616

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
2024	$ $ 32,356,173	$ 31,712,060	98.01%
2023	31,338,120	30,759,497	98.15%
2022	30,471,025	29,882,067	98.07%

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 tax title 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
2024	$ 544,300	$ 505,919	$ 1,050,219	3.25%
2023	490,744	424,961	915,705	2.92%
2022	433,547	291,688	725,235	2.38%

Property Acquired By Tax Title Lien Liquidation

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

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

Year	Amount
2024	None
2023	None
2022	None

Comparative Schedule of Fund Balances

	Year Ended December 31,	Year ended	Utilized in budget of succeding year
Current Fund:	2024	$ 5,881,732	$ 3,300,000 *
	2023	5,497,191	3,293,788
	2022	6,001,134	3,300,000
	2021	6,048,631	2,600,000
	2020	5,282,605	2,250,000

* - Based on the introduced budget

TOWN OF GUTTENBERG

Schedule of Expenditures of Federal Awards

Year ended December 31, 2024

Federal grantor	Program	Assistance Listing number	Grant or State Project number	Grant period	Award Amount	Cash Received	Expenditures	Adjustment/ Cancelled	(MEMO) Cumulative Expenditures
Federal and State Grant Fund:									
(1) Department of Transportation	State and Community Highway Safety								
	National Highway Traffic Safety Program								
	Distracted Driving - U Text, U Drive, U Pay	20.616		2024	7,000	7,000	7,000		7,000
U.S. Department of Justice	Bulletproof Vest Partnership	16.607		2024	3,468				
		16.607		2023	4,666	4,666			
(1) U.S. Department of Health and Human Services Centers for Disease Control and Prevention	NJACCHO Enhancing Local Public Health Infrastructure Grant	93.323		2024	101,910	90,122	90,122		
	National Opioid Settlement	93.788		1/1/23-12/31/23	12,079	36,142			
U.S. Department of Environmental Protection Congressionally Designated Spending	Galaxy CSO Chamber Elimination Project	93.493		FY23	394,000				
	Combined Sewer Overflow Pipe Improvement Project			FY24	959,752				
(1) U.S. Department of Agriculture	Summer Food Program	10.559		10/1/23-9/30/24	39,911	39,911			
		10.559		2024	3,221	3,221			
		10.559		2023	33,656				33,656
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		34,272		53,388
	CDBG-CV Public Service Grant - Senior Bus Program	14.218		2021	100,000				100,000
(1) U.S. Department of the Treasury Coronavirus State and Local Fiscal Recovery Funds		21.017		3/3/21-12/31/24	864,019				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
	Total Federal and State Grant Fund					181,062	131,394		
Trust Funds:									
U.S. Department of Justice	Equitable Sharing Program	16.922		2023		21,625	53,624	992	53,624
U.S. Department of Treasury	Equitable Sharing Program	21.016		2023				4	325
	Total Trust Funds					21,625	53,624	996	

TOWN OF GUTTENBERG

Schedule of Expenditures of Federal Awards

Year ended December 31, 2024

Federal grantor	Program	Assistance Listing number	Grant or State Project number	Grant period	Award Amount	Cash Received	Expenditures	Adjustment/ Cancelled	(MEMO) Cumulative Expenditures
General Capital Fund:									
U.S. Department of Housing and Urban Development									
Passed through the NJ Department of Community Affairs	Disaster Recovery - Resilient Communities Program	14.269		2024	1,480,605				
Passed through County of Hudson	Community Development Block Grant:								
	Park Avenue & 70th Street Signalization Project	14.218	Ord. 16-24	2023	85,640				
	3-03K1-22 68-70th Street Improvements	14.218	Ord. 22-24	2022	88,528				
	3-03K1-21 Traffic Signals at Various Intersections	14.218	Ord. 20-2022	2021	94,146		94,146		94,146
	3-03J1-18 Sewer Improvements	14.218		2018	72,000	72,000			72,000
	3-03K1-17 70th Street Improvements	14.218	Ord. 22-2017	2017-18	67,000	67,000			67,000
	Total General Capital Fund					139,000	94,146		
Total Federal Financial Assistance						341,687	279,164	996	

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

(1) - Passed through the State of New Jersey

Schedule 2

TOWN OF GUTTENBERG

Schedule of Expenditures of State Awards and Other Financial Assistance

Year ended December 31, 2024

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		2025	282,089			*	
			2024	238,233	212,504	179,840	*	
			2023	78,479			*	50,106
			2022	39,459			*	39,459
					212,504	179,840	*	
							*	
Department of Community Affairs	Local Recreation Improvement 1		2024	76,000			*	
	Local Recreation Improvement 2	Boulevard East Dog Park	2023	86,000			*	
							*	
							*	
Department of Environmental Protection	Recycling Tonnage Grant	042-4900-752-001	2024	17,023	17,023	15,873	*	15,873
	Recycling Tonnage Grant	042-4900-752-001	2023	16,313		15,934	*	15,934
	Recycling Tonnage Grant	042-4900-752-001	2022	15,530			*	
	Recycling Tonnage Grant	042-4900-752-001	2021	14,840			*	
	Recycling Tonnage Grant	042-4900-752-001	2019	14,535		1,205	*	1,205
	Recycling Tonnage Grant	042-4900-752-001	2017	14,378		14,378	*	14,378
	Clean Communities Program	042-4900-765-004	2024	22,057	22,055		*	
	Clean Communities Program	042-4900-765-004	2023	19,417			*	
	Clean Communities Program	042-4900-765-004	2022	17,312			*	
	Clean Communities Program	042-4900-765-004	2021	16,642		595	*	8,767
					39,078	47,985	*	
							*	
Department of Law and Public Safety	Body Armor Grant	066-1020-718-001	2024	2,581	2,581		*	
	Body Armor Grant	066-1020-718-001	2023	1,897			*	
	Body Armor Grant	066-1020-718-001	2022	1,444			*	
	Body Armor Grant	066-1020-718-001	2021	2,096			*	
	Body Armor Grant	066-1020-718-001	2020	2,682			*	2,336
							*	
	Drunk Driving Enforcement Fund	1110-448-031020-22	2024	56,629		22,823	*	22,823
					2,581	22,823	*	
							*	
County of Hudson (1)	Municipal Alliance						*	
			2024-2025	3,533			*	
			2023-2024	3,533			*	
			2022	1,281		1,281	*	1,281
			2022-2023	8,831			*	
			Match	883	883		*	
					883	1,281	*	

TOWN OF GUTTENBERG

Schedule of Expenditures of State Awards and Other Financial Assistance

Year ended December 31, 2024

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	2024	12,381	12,381		
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2023	5,971			
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2022	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		951	951
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2017	4,439		3,439	3,739
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2016	3,505		3,505	3,505
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2015	2,711		1,291	2,011
					12,381	9,186	
New Jersey State Council on the Arts	Creative Aging Initiative		2024	10,000	10,000	10,000	10,000
			2023	10,000			9,750
NJ Department of Community Affairs Housing & Community Resources	Lead Assistance Grant	23-100-022-8020-304	2023	10,800		10,800	10,800
	Total State and Federal Grant Fund				277,427	281,915	
General Capital Fund: Department of Transportation State Aid Highway Projects Highway Planning and Construction	Municipal Aid - Traffic Signal Improvements - Park Ave & 70th Street - Ord. 16-2024		2024	442,260	221,110	110,984	110,984
	Municipal Aid - Rehabilitation of 69th Street - Ord. 21-2024		2024	750,000			
	Municipal Aid -Traffic Signal Improvements - 68th & Polk Street - Ord. 22-2024		2024	411,260	224,069		
	Municipal Aid - Traffic Signals on Broadway - Various Intersections - Ord. 20-2022		2022	650,000		284,461	650,000
	Municipal Aid - Traffic Signals on Broadway - Various Intersections - Ord. 20-2022		2021	600,000			600,000
	Municipal Aid - Park Avenue Traffic Signal - Ord. 28-2020		2020	775,000	580,342	29,366	775,000
	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
					1,025,521	424,811	
Department of Law and Public Safety	Body Worn Cameras - Ord. 20-2021		2021	101,900			99,123
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
	Total General Capital Fund				1,025,521	424,811	
Total State Financial Assistance					$ 1,302,948	706,726	

TOWN OF GUTTENBERG

Schedule of Expenditures of State Awards and Other Financial Assistance

Year ended December 31, 2024

State grantor	Program	Grant number	Grant period	Award Amount	Cash Received	Budgetary Expenditures		(MEMO) Cumulative Expenditures
							*	
Other Financial Assistance							*	
							*	
Hudson County Open Space	Renovations to Veterans Park	Ord. 27-2023		57,910			*	
	Acquisition/Imps. To All Access Park Property	Ord. 35-2020		500,000			*	454,804
	Acquisition/Imps. To 506 70th Street						*	
	Park Development	Ord. 31-2019		97,218			*	58,106
	Total Other Financial Assistance						*	
							*	
Total State and Other Financial Assistance					$ 1,302,948	706,726	*	

Note: This schedule was not 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, 2024

		Regular Fund	Federal and State Grant Fund
Balance - December 31, 2023	$	8,781,158	1,122,298
Increased by receipts:			
Revenue accounts receivable		5,771,233	
Miscellaneous revenues not anticipated		846,547	
Taxes receivable		31,786,681	
Senior citizens and veterans deductions		9,945	
Prepaid Taxes		313,156	
Interfunds		678,264	
Tax Overpayments		9,486	
Various Reserves		2,550	
Grants Receivable			248,426
Unappropriated grant reserves			5,802
Due to Current Fund			29,028
		39,417,862	283,256
		48,199,020	1,405,554
Decreased by disbursements:			
2024 Budget Appropriations		21,063,652	
2023 Appropriation Reserves		1,889,196	
Tax overpayment refunds		29,135	
Local district school tax		11,321,823	
County taxes		4,959,867	
County added taxes		6,366	
Various Reserves		7,692	
Interfunds		30,323	
Refunds		351	
Due to Current Fund			864,698
Appropriated Reserves			398,809
		39,308,405	1,263,507
Balance, December 31, 2024	$	8,890,615	142,047

Exhibit A-5

TOWN OF GUTTENBERG

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2024

Year	Balance, Dec. 31,	2024 Levy	Added Taxes	Collected 2023	Collected 2024	Senior & Veteran's Deductions	Transferred to Tax Title Liens	Canceled	Balance, Dec. 31, 2024
2023	$ 424,961		9,566		434,527				
2024		32,301,403	54,770	324,580	31,377,480	10,000	58,956	79,238	505,919
	$ 424,961	32,301,403	64,336	324,580	31,812,007	10,000	58,956	79,238	505,919

Overpayments Applied	25,326
Cash Receipts	31,786,681
	$ 31,812,007

Analysis of 2024 Tax Levy

Tax yield:	
General property tax	$ 32,301,403
Added tax (R.S.54:4-63.1 et seq.)	54,770
	$ 32,356,173
Tax levy:	
Local district school tax (abstract)	$ 11,321,823
County tax (abstract)	4,968,292
Local tax for municipal purpose (abstract)	16,015,757
Additional tax levies	50,301
	$ 32,356,173

Exhibit A-6

TOWN OF GUTTENBERG

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2024

	Balance, Dec. 31, 2023	Accrued in 2024	Collected	Balance, Dec. 31, 2024
Clerk:				
Licenses:				
Alcoholic beverages	$	40,750	40,750	
Other		153,983	153,983	
Fees and permits		116,561	116,561	
Construction Code Official-fees and permits		349,583	349,583	
Municipal Court fines and costs	50,248	715,908	688,659	77,497
Parking meters		401,573	401,573	
Interest and cost on taxes		117,796	117,796	
Interest on investments		732,924	732,924	
Energy Receipts Tax		489,813	489,813	
Board of Education - Shared Services		1,800,000	1,800,000	
East Newark - Shared Services		67,275	46,150	21,125
Time Warner Franchise Fee		39,482	39,482	
Verizon Franchise Fee		30,764	30,764	
Capital Fund Balance		97,347	97,347	
Due From General Capital		400,000	400,000	
Reserve for payment of debt		400,000	400,000	
Due From Federal and State Grant Fund		400,000	400,000	
	$ 50,248	6,353,759	6,305,385	98,622

Due from General Capital	497,347
Due from Federal and State Grant Fund	13,626
Interest on Investments	23,179
Cash	5,771,233
	$ 6,305,385

Exhibit A-7

TOWN OF GUTTENBERG

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

Current Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	33,993
Increased by:		
Senior citizens' and veterans' deductions per tax billings		10,000
		43,993
Decreased by:		
Cash Received		9,945
Balance - December 31, 2024	$	34,048

Exhibit A-8

Schedule of Local District School Taxes Payable

Current Fund

Year Ended December 31, 2024

Increased by:		
2024 Levy	$	11,321,823
Decreased by:		
Cash Disbursed	$	11,321,823

Exhibit A-9

TOWN OF GUTTENBERG

Schedule of County Taxes Payable

Current Fund

Year Ended December 31, 2024

Increased by:		
County Tax Levy	$ 4,825,277	
County Open Space Preservation Levy	134,590	
		4,959,867
Decreased by:		
Cash Disbursed		$ 4,959,867

Exhibit A-10

Schedule of Due County for Added and Omitted Taxes

Current Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$ 6,366
Increased by:	
2024 Added Levy	8,425
	14,791
Decreased by:	
Cash Disbursed	6,366
Balance - December 31, 2024	$ 8,425

Exhibit A-11

TOWN OF GUTTENBERG, N.J.

Schedule of 2023 Appropriation Reserves

Current Fund

Year Ended December 31, 2024

		Balance, Dec. 31, 2023	Balance after Transfers	Paid or Charged	Balance Lapsed
Salaries and Wages Within "CAPS":					
Administrative and Executive	$	4,757	4,757		4,757
Financial Administration		236	236		236
Collection of Taxes		2,000	2,000		2,000
Assessment of Taxes		2,580	2,580		2,580
Municipal Court		2,778	2,778		2,778
Planning Board		541	541		541
Police		78,950	30,950	30,642	308
Fire Inspector		13	13		13
Streets and Roads		13,136	136		136
Recreation		5,317	5,317		5,317
Senior Citizens Nutrition Program		2,937	2,937		2,937
Uniform Construction Code		1,063	1,063		1,063
License Inspector		6,501	6,501		6,501
Salary & Wage Adjustment		2	2		2
Accumulated Absences		1	1		1
Total Salaries and Wages Within "CAPS"		120,812	59,812	30,642	29,170
Other Expenses Within "CAPS":					
Administrative and Executive		14,615	17,896	17,891	5
Elections		6	6		6
Financial Administration		22,418	22,540	9,803	12,737
Collection of Taxes		195	195		195
Assessment of Taxes		6	1,606	1,600	6
Municipal Court		7,607	9,427	4,095	5,332
Legal Services		27,169	38,319	38,284	35
Planning Board		8	1,008	1,000	8
Uniform Construction Code		732	732		732
Engineering			6,317	6,056	261
Insurance - Other		9,842	2,998	2,707	291
Group Insurance for Employees		9,312	312		312
Police		9,386	83,482	56,566	26,916
Emergency Management		9	9		9
Weehawken Volunteer Ambulance		25,000	25,000	25,000	
Fire Inspector		713	713	434	279
Streets and Roads		10,201	10,020	6,744	3,276
Recycling		6,555	6,555	1,565	4,990
Solid Waste & Garbage Removal		47,691	47,691	44,756	2,935
Public Buildings and Grounds		3,702	25,984	25,489	495
Public Health Services		14,941	14,941	600	14,341
Recreation		4,417	4,417	1,636	2,781
Celebration of Public Events		104	104		104

Exhibit A-11

TOWN OF GUTTENBERG, N.J.

Schedule of 2023 Appropriation Reserves

Current Fund

Year Ended December 31, 2024

	Balance, Dec. 31, 2023	Balance after Transfers	Paid or Charged	Balance Lapsed
Recreation	4,417	4,417	1,636	2,781
Celebration of Public Events	104	104		104
Senior Citizens Nutrition Program	745	3,345	3,330	15
Senior Citizens Transportation	3,514	3,514	1,665	1,849
Senior Recreation Program	6,084	6,084		6,084
Electricity	7,524	7,524	6,111	1,413
Street Lighting	11,385	11,385	7,103	4,282
Telephone	978	2,578	2,574	4
Water	2,692	2,692		2,692
Fire Hydrant Service	9,278	9,278		9,278
Sewerage	8,844	8,844		8,844
Gasoline	14,096	9,596	9,500	96
Postage - All Departments	3,418	3,418	2,030	1,388
Technology	17,461	17,461	14,931	2,530
Contingent	2,185	2,185		2,185
Total Other expenses Within "CAPS"	302,833	408,176	291,470	116,706
Deferred Charges and Statutory Expenditures Within "CAPS":				
Social Security (O.A.S.I.)	21,832	21,832		21,832
Police and Firemans Retirement System of N.J.	6	6		6
Public Employees Retirement system	4	4		4
DCRP	228	228		228
Total Deferred Charges and Statutory Expenditures Within "CAPS"	22,070	22,070		22,070
Total Reserves Within "CAPS"	445,715	490,058	322,112	167,946

Exhibit A-11

TOWN OF GUTTENBERG, N.J.

Schedule of 2023 Appropriation Reserves

Current Fund

Year Ended December 31, 2024

	Balance, Dec. 31, 2023	Balance after Transfers	Paid or Charged	Balance Lapsed
Other Expenses Excluded From "CAPS":				
911 Other Expenses	11,200	21,200		21,200
Stormwater Management	19,379	9,379		9,379
North Hudson Regional Communication		88,500	88,500	
North Hudson Regional Fire and Rescue		1,478,584	1,478,584	
Guttenberg Board of Education				
Snow Removal	15,000	15,000		15,000
Security	98,504	98,504		98,504
Library Services-North Bergen	17,323	17,323		17,323
Total Other Expenses Excluded from "CAPS"	161,406	1,728,490	1,567,084	161,406
Total Reserves Excluded from "CAPS"	161,406	1,728,490	1,567,084	161,406
Total Reserves	$ 607,121	2,218,548	1,889,196	329,352

Appropriation reserves	607,122
Encumbrances	1,611,426
	$ 2,218,548

Cash Disbursements	1,889,196
	$ 1,889,196

Exhibit A-12

TOWN OF GUTTENBERG

Schedule of Reserve for Encumbrances

Current Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	1,611,426
Increased by:		
2024 Encumbrances		1,615,505
		3,226,931
Decreased by:		
Transferred to appropriation reserves		1,611,426
Balance - December 31, 2024	$	1,615,505

Exhibit A-13

Schedule of Tax Overpayments

Current Fund

Year Ended December 31, 2024

Balance - December 31, 2023			$	50,538
Increased by:				
Cash Receipts				9,486
				60,024
Decreased by:				
Cash Disbursements	$	29,135		
Overpayments Applied		25,326		
				54,461
Balance - December 31, 2024			$	5,563

Exhibit A-14

TOWN OF GUTTENBERG

Schedule of Prepaid Taxes

Current Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	324,580
Increased by:		
Prepaid Taxes Collected		313,156
		637,736
Decreased by:		
Applied to 2024 Taxes		324,580
Balance - December 31, 2024	$	313,156

Exhibit A-15

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

Current Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	6,764
Balance - December 31, 2024	$	6,764

Exhibit A-16

TOWN OF GUTTENBERG

Schedule of Interfunds Due from/(to) Other Funds

Current Fund

Year Ended December 31, 2024

	Balance Dec. 31, 2023	Increased	Decreased	Balance Dec. 31, 2024
Trust Funds:				
Animal License Trust Fund	$ 1,051	1,011	1,279	783
CDBG Trust Fund	407	492	407	492
Other Trust Fund - Redemption Account	2,581	1,240	3,581	240
Other Trust Fund	(26,642)	59,187	31,693	852
Escrow Trust Fund	744	897	744	897
General Capital Fund	434,424	760,459	673,611	521,272
Federal and State Grant Fund	835,678	43,528	1,069,199	(189,993)
	$ 1,248,243	866,814	1,780,514	334,543

	Increased	Decreased
Cash Receipts	$	203,378
Budget Revenue	497,347	800,000
Reimbursement for Expenses Paid	14,500	2,200
Budget Match		883
Correction to Alcohol Education and Rehabilitation Grant Reserve		240
Interfunds Returned - Cash Receipts		474,886
Cash Disbursements	30,323	
Tax Title Lien Adjustment	100	
Deposit Errors	1,088	
Statutory Excess	765	
Interest Earned	322,691	298,927
	$ 866,814	1,780,514

Exhibit A-17

TOWN OF GUTTENBERG

Schedule of Due from/(to) Current Fund

Federal and State Grant Fund

Year Ended December 31, 2024

Balance - December 31, 2023			$	(835,678)
Increased by:				
Interest on Investments	$	27,940		
Deposit errors		1,088		
Reimbursement for Expenses Paid		14,500		
				43,528
				(879,206)
Decreased by:				
Cash Disbursements		864,698		
Unappropriated Grant		36,142		
Grant Receivable		167,236		
Correction to Alcohol Education & Rehabilitation Reserve		240		
Budget Match - Municipal Alliance		883		
				1,069,199
Balance - December 31, 2024			$	189,993

Analysis of Balance		
Federal and State Grant Fund Account		193,294
Alcohol Education and Rehabilitation Account		(3,301)
	$	189,993

Exhibit A-18

TOWN OF GUTTENBERG

Schedule of Various Reserves

Current Fund

Year Ended December 31, 2024

		Balance, Dec. 31, 2023	Increased	Decreased	Balance, Dec. 31, 2024
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
Marriage Licenses		1,025	2,550	2,200	1,375
Accounts Payable		47,943		943	47,000
Tax Appeals		358,472	50,000	7,692	400,780
	$	684,523	52,550	10,835	726,238

		Increased	Decreased
Cash Receipts		2,550	
Cash Disbursements			7,692
Liabilities Cancelled			943
Due to Other Trust Fund			2,200
Transfer from 2024 Budget Appropriations		50,000	
	$	52,550	10,835

Exhibit A-19

TOWN OF GUTTENBERG

Schedule of Tax Title Liens

Current Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	490,744
Increased by:		
Transferred from taxes receivable		58,956
		549,700
Decreased by:		
Liens Canceled		5,400
Balance - December 31, 2024	$	544,300

Exhibit A-20

TOWN OF GUTTENBERG

Schedule of Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2024

Purpose		Balance, Dec. 31, 2023	2024 Budget Revenue Realized	Received	Cancelled	Balance, Dec. 31, 2024
Alcohol Education and Rehabilitation Fund	$		12,381	12,381		
Body Armor Replacement Fund - 2023			4,317	4,317		
Bulletproof Vest Partnership		4,666	3,468	4,666		3,468
Clean Communities			22,057	22,055		2
CDBG-CV Funds - Food Pantry Program		57,902				57,902
CDBG-CV Funds - Senior Bus Service		100,000				100,000
Drunk Driving Enforcement Fund			56,629			56,629
Distracted Driving - U Text, U Drive, U Pay			7,000	7,000		
Lead Grant			10,800			10,800
NJ Council on Arts		2,500	10,000	10,000		2,500
2024 Local Recreation Imps.			76,000			76,000
2024 Local Recreation Imps.			86,000			86,000
EPA Clean Water		394,000	959,752			1,353,752
Municipal Alliance			3,533			3,533
Municipal Alliance - 2023		484				484
Municipal Alliance		3,533				3,533
BMHAS Municipal Alliance		1,281	1,281			2,562
National Endowment for the Arts - Promotion of the Arts Grant		25,000				25,000
NJACCHO - Enhancing Local Public Health Infrastructure			101,910	90,122		11,788
Summer Food Program - 2023			3,420	3,420		
Summer Food Program - 2024			39,911	39,911		
Summer Food Program - 2024			39,911		(39,911)	
Resilient Communities Program			1,480,605		(1,480,605)	
Urban Enterprise Zone - Remaining Balance - 2021		39,459				39,459
Urban Enterprise Zone - Remaining Balance -2023		22,783				22,783
Urban Enterprise Zone - Remaining Balance -2024			238,233	212,504		25,729
Urban Enterprise Zone - FY25 Balance of Funds			282,089			282,089
Recycling Tonnage Grant			17,023	17,023		
	$	651,608	3,456,320	423,399	(1,520,516)	2,164,013

Due from Current Fund		167,236
Unappropriated Grants		7,737
Cash Receipts		248,426
	$	423,399

Exhibit A-21

TOWN OF GUTTENBERG

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year Ended December 31, 2024

Purpose	Balance, Dec. 31, 2023	Budget Appropriations	Expended	Cancelled	PY Correction	Balance, Dec. 31, 2024
Alcohol Education and Rehabilitation Grant	$					
2024		12,381				12,381
2023	5,971					5,971
2022	6,159					6,159
2021	7,270					7,270
2020	3,418					3,418
2019	8,439					8,439
2018	6,078		951			5,127
2017	3,439		3,439			
2016	3,505		3,505			
2015	1,291		1,291			
PY					240	240
American Rescue Plan	169,578					169,578
Body Armor Replacement Fund						
2023		4,317				4,317
2022	1,444					1,444
2021	2,096					2,096
2020	346					346
CDBG-CV Funds - Food Pantry Program	38,787		34,272			4,515
Clean Communities Grant						
2024		22,057				22,057
2023	19,417					19,417
2022	17,312					17,312
2021	7,152		595			6,557
Distracted Driving - U Text, U Drive, U Pay		7,000	7,000			
Drunk Driving Enforcement Fund		56,629	22,823			33,806
Bulletproof Vest Partnership Program	4,666	3,468				8,134
NJ Council On The Arts	250	10,000	10,000			250
Lead Grant	10,800	10,800	10,800			10,800
Municipal Alliance	3,533					3,533
Municipal Alliance - 2023	1,118					1,118
Municipal Alliance		1,281	1,281			
Municipal Alliance- FY2025		3,533				3,533
Municipal Alliance - Match		883				883
National Endowment for the Arts - Promotion of the Arts Grant	3,373					3,373

Exhibit A-21

TOWN OF GUTTENBERG

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year Ended December 31, 2024

Purpose	Balance, Dec. 31, 2023	Budget Appropriations	Expended	Cancelled	PY Correction	Balance, Dec. 31, 2024
Recycling Tonnage Grant -						
2024		17,023	15,873			1,150
2023	16,313		15,934			379
2022	15,530					15,530
2021	14,840					14,840
2019	14,535		1,205			13,330
2017	14,379		14,378			1
NJACCHO - Enhancing Local Public Health Infrastructure		101,910	90,122			11,788
Summer Food Program - 2023		3,420				3,420
Summer Food Program - 2024		39,911				39,911
Summer Food Program		39,911		39,911		
NJDCA Local Recreation Imps.		76,000				76,000
NJDCA Local Recreation Imps.		86,000				86,000
EPA Clean Water Grant	394,000	959,752				1,353,752
Resilient Communities Grant		1,480,605		1,480,605		
Urban Enterprise Zone - Remaining Funds - FY25		282,089				282,089
Urban Enterprise Zone - Remaining Funds	28,373					28,373
Urban Enterprise Zone - Remaining Funds		238,233	179,840			58,393
	$ 823,412	3,457,203	413,309	1,520,516	240	2,347,030

Adopted Budget	1,450,276
Matching Appropriations	883
Added by N.J.S.A. 40A:4-87	2,006,044
	$ 3,457,203

Reimburse Current for Expenses Paid	14,500
Cash Disbursements - Alcohol Ed Trust	9,186
Cash Disbursements	389,623
	$ 413,309

Exhibit A-22

TOWN OF GUTTENBERG

Schedule of Unappropriated Grant Reserves

Federal and State Grant Fund

Year Ended December 31, 2024

Purpose		Balance, Dec. 31, 2023	Received	Appropriated in 2024 Budget	Balance, Dec. 31, 2024
Body Armor Replacement Fund	$	4,317	2,581	4,317	2,581
Summer Food Program		3,420	3,221	3,420	3,221
National Opioid Settlement		12,079	36,142		48,221
	$	19,816	41,944	7,737	54,023

Cash Receipts		5,802
Due from Current Fund		36,142
	$	41,944

Exhibit B-1

TOWN OF GUTTENBERG

Schedule of Cash - Treasurer

Trust Funds

Year Ended December 31, 2024

	Animal License Fund	Unemployment Compensation Fund	Community Development Block Grant	Other Trust Funds
Balance - December 31, 2023	$ 4,933	53,095	11,247	912,518
Increased by:				
Grant proceeds received				18,541
Employee payroll deductions		14,801		
Dog License Fees	1,776			
Miscellaneous	7			
State Fees	229			
Interest Earned on investments	247	1,499	492	32,779
Interfunds				56,444
Miscellaneous Reserves				1,312,219
	2,259	16,300	492	1,419,983
	7,192	69,395	11,739	2,332,501
Decreased by:				
State Fees	231			
Interfunds	1,279		407	64,018
Reserve Expenditures	499			
Unemployment Claims payable		58,672		
Miscellaneous Reserves				1,076,606
	2,009	58,672	407	1,140,624
Balance - December 31, 2024	$ 5,183	10,723	11,332	1,191,877

Exhibit B-2

TOWN OF GUTTENBERG

Schedule of Reserve for Expenditures

Animal License Fund

Year Ended December 31, 2024

Balance - December 31, 2023			$	3,711
Increased by:				
Dog License Fees	$	1,776		
Miscellaneous Fees		7		
				1,783
				5,494
Decreased by:				
Reserve Expenditures	$	499		
Statutory Excess		765		
				1,264
Balance - December 31, 2024			$	4,230

Dog License Fees Collected		
2022		2,052
2023		2,178
	$	4,230

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, 2024

Balance - December 31, 2023	$	171
Increased by:		
2024 Fees Collected		229
		400
Decreased by:		
Paid to State Treasurer		231
Balance - December 31, 2024	$	169

Exhibit B-4

TOWN OF GUTTENBERG

Schedule of Community Development Block Grants Receivable

Community Development Block Grant Trust Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	321,674
Decreased by:		
Cash Received in General Capital Fund		139,000
Balance - December 31, 2024	$	182,674

Analysis of Balance		
2021 68-69th Street - Palisades Ave Street Imps. - 3-03K1-21		94,146
2022 68-70th Street Imps. - 3-03K1-22		88,528
	$	182,674

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, 2024

Balance - December 31, 2023	$	332,514
Decreased by:		
Expenditures incurred in General Capital		139,000
Balance - December 31, 2024	$	193,514

Exhibit B-6

TOWN OF GUTTENBERG

Schedule of Amount Due to State of New Jersey

Other Trust Funds

Year Ended December 31, 2024

Balance - December 31, 2023	$	1,250
Balance - December 31, 2024	$	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, 2024

		Balance Due from/(to) Dec. 31, 2023	Increased	Decreased	Balance, from/(to) Dec. 31, 2024
Animal License Fund:					
Current Fund	$	(1,051)	1,011	1,279	(783)
Community Development Block Grant Fund:					
Current Fund		(407)	492	407	(492)
Other Trust Fund:					
Escrow Trust - Current Fund		(744)	897	744	(897)
Current Fund - Redemption Account		(2,581)	1,240	3,581	(240)
Current Fund		26,642	59,187	31,693	(852)
General Capital Fund		(28,000)	28,000	28,000	(28,000)
Public Defender - Due from POAA Trust		200			200
POAA Trust Fund - Due to Public Defender		(200)			(200)
	$	(6,141)	90,827	65,704	(31,264)

Cash Receipts	$	56,444	
Cash Disbursements			65,704
Statutory Excess		765	
Tax Title Lien Premium Adjustment		100	
Interest on Investments		33,518	
	$	90,827	65,704

Exhibit B-8

TOWN OF GUTTENBERG

Schedule of Accounts Receivable
Other Trust - Escrow

Year Ended December 31, 2024

Balance - December 31, 2023	$	18,541
Decreased by:		
Cash Receipts	$	18,541

Exhibit B-9

TOWN OF GUTTENBERG

Schedule of Miscellaneous Reserves

Other Trust Funds

Year Ended December 31, 2024

		Balance, Dec. 31, 2023	Increased	Decreased	Balance, Dec. 31, 2024
Reserve for:					
Tax Redemptions	$	24,346	279,970	288,790	15,526
Snow Removal		175,000			175,000
P.O.A.A.		22,725	14,372	8,006	29,091
Law Enforcement Trust		9,606	13,661	7,028	16,239
Fireman's Training		382			382
Lead Water Service			126,690	114,914	11,776
Recreation Trust		19,251	30,940	38,193	11,998
Annual Celebrations		30,375	8,001	17,044	21,332
Fire Prevention		20,043	20,096	1,717	38,422
71st & Broadway Project - Engineering		2,479	320	2,000	799
Builders Escrow Deposits		210,537	170,107	130,587	250,057
Police Special Detail		207,736	427,682	361,022	274,396
Public Defender		11,312	4,380	400	15,292
Asset Forfeitures - Equitable Sharing					
Justice		33,704	22,617	53,624	2,697
Treasury		87	4		91
Senior Citizens		7,199	25,667	29,681	3,185
Tax Sale Premiums		115,700	152,800	3,700	264,800
Food Pantry		9,644	14,912	20,000	4,556
Accumulated Leave		25,000			25,000
	$	925,126	1,312,219	1,076,706	1,160,639
		Cash Receipts	1,312,219		
		Cash Disbursements		1,076,606	
		Interfund		100	
		$	1,312,219	1,076,706	

Exhibit B-10

TOWN OF GUTTENBERG

Schedule of Reserve for Unemployment Compensation Insurance

Unemployment Insurance Compensation Trust

Year Ended December 31, 2024

Balance - December 31, 2023			$	53,095
Increased by:				
Employee Payroll Deductions	$	14,801		
Interest earnings		1,499		
				16,300
				69,395
Decreased by:				
Payment of Unemployment Insurance Claims				58,672
Balance - December 31, 2024			$	10,723

Exhibit C-2

TOWN OF GUTTENBERG

Schedule of Cash - Treasurer

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023		$ 6,136,589
Increased by receipts:		
Premium on Sale of Notes	$ 153,736	
Due to/(from) Current Fund	263,112	
Due to/(from) Other Trust	28,000	
Grant Receipts	1,025,521	
Budget Appropriation - Paydown on Notes	409,233	
Reserve for Green Acres	43	
Reserve for Payment of Debt	139,000	
Bond Anticipation Notes	1,045,000	
		3,063,645
		9,200,234
Decreased by disbursements:		
Due to/(from) Current Fund	673,611	
Contracts Payable	1,554,455	
Bond Anticipation Notes	409,233	
Improvement Authorizations	731,086	
		3,368,385
Balance - December 31, 2024		$ 5,831,849

Exhibit C-3

TOWN OF GUTTENBERG

Schedule of General Capital Fund Cash

General Capital Fund

Year Ended December 31, 2024

Capital Improvement Fund		$	728,196
Reserve for Payment of Debt			2,840,422
Grants Receivable - NJ Department of Transportation			(1,885,840)
Grant Receivable - Hudson County Open Space			(200,324)
Grant Receivable - State of NJ, Green Acres Program			(64,172)
Grant Receivable - Hudson County Community Development			(268,314)
Grant Receivable - NJ Department of Community Affairs			(1,480,605)
Grant Receivable - Office of Law and Public Safety			(40,760)
Reserve for Grants Receivable			3,460,238
Reserve for Sewer Improvements			102,500
Due to Current Fund			521,272
Due from Other Trust Fund			(28,000)
Contracts Payable			893,618
Reserve for Green Acres			1,110
Fund Balance			153,736
	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		363,834
17-2012/3-2013	Improvements to 68th Street, Sec. 4		67,143
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		882
7-2016	Acquisition and Installation of a Generator		34,708
22-2017	70th Street Road and Related Sewer Imps.		10,411
20-2018	Renovation of Monument Park		12,445
21-2018/14-2019	Renovations to Veteran's Park		24,888
25-2018	Sewer Improvements		1,238
12-2019	Road Imps. to Broadway & Bellevue		57,936
31-2019	Acquisition and Imps. to 506 70th Street - Park Development		26,493
28-2020	Traffic Signal & Road Improvements		648
18-2021	Combined Sewer Overflow Sewer System Imps.		
20-2021	Various Capital Improvements		(3,394)
11-2022	Acquisition of Property		17,500
20-2022	Installation of Traffic Signals on Broadway at Various Intersections		141,281
8-2023	Various Sewer Improvements		235,912
18-2023	Roof Replacement - Town Hall		49,038
26-2023/13-2024	Various Capital Improvements		(46,941)
16-2024	Traffic Signal Imps. - Park and 70th		(94,660)
19-2024	JFK Blvd East Flood Mitigation Project		(35,032)
21-2024	Rehabilitation of 69th Street		(65,505)
22-2024	Traffic Signal Imps. - 68th and Polk Streets		166,531
		$	5,831,849

Exhibit C-4

TOWN OF GUTTENBERG

Schedule of Deferred Charges to Future Taxation - Funded

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	16,130,000
Decreased by:		
Budget appropriations:		
Serial Bonds		605,000
Balance - December 31, 2024	$	15,525,000

Exhibit C-5

TOWN OF GUTTENBERG

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2024

Ordinance number	Improvement description	Balance, Dec. 31, 2023	2024 Authorizations	Decreased by:	Balance, Dec. 31, 2024	Analysis of Balance December 31, 2024: Funded by Bond Anticipation Notes	Expenditures	Unexpended improvement authorization
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	104,154			104,154			104,154
16-2014	Improvements to Waterfront Park	49,368			49,368			49,368
26-2017	Various Capital Improvements	2			2			2
22-2017	70th Street Road and Sewer Imps.	175,376		23,947	151,429	151,429		
08-2018	Construction of Building and Improvements to the Anna L. Klein School for Community, Recreational and Educational purposes	1,371,898		26,551	1,345,347	1,345,347		
20-2018	Renovation of Monument Park	22,974		6,945	16,029	16,029		
21-2018	Renovations to Veteran's Park	340,596		30,952	309,644	304,744		4,900
25-2018	Sewer Improvements	1,851,898		24,051	1,827,847	1,827,847		
28-2018	Construction of Building and Improvements to the Anna L. Klein School for Community, Recreational and Educational purposes	643,424		11,288	632,136	632,136		
12-2019	Road Imps. to Broadway & Bellevue	341,052		18,948	322,104	322,104		
24-2019	Various Capital Improvements	1,253,827		56,223	1,197,604	1,197,554		50
31-2019	Acquisition & Improvements to 506 70th Street - Park Development	229,310		8,190	221,120	218,620		2,500
28-2020	Traffic Signal and Road Improvements	1,700,000		89,474	1,610,526	1,610,526		
18-2021	Combined Sewer Overflow Sewer System Imps.	1,425,000		18,038	1,406,962	1,406,962		
20-2021	Various Capital Improvements	2,028,661		94,626	1,934,035	1,930,374	3,394	267

TOWN OF GUTTENBERG

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2024

Ordinance number	Improvement description	Balance, Dec. 31, 2023	2024 Authorizations	Decreased by:	Balance, Dec. 31, 2024	Analysis of Balance December 31, 2024 — 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	550,000		
8-2023	Various Sewer Improvements	950,000			950,000	950,000		
18-2023	Roof Replacement - Town Hall	665,000			665,000	662,095		2,905
26-2023	Various Capital Improvements	1,045,000			1,045,000	1,045,000		
13-2024	Amend 26-2023		588,050		588,050		46,941	541,109
16-2024	Traffic Signals		540,000	224,069	315,931		94,660	221,271
19-2024	JFK Blvd East Flood Mitigation Project		1,480,605		1,480,605		35,032	1,445,573
21-2024	Rehabilitation of 69th Street		750,000		750,000		65,505	684,495
22-2024	Traffic Signal Imps. on 68th and Polk St.		499,788	221,110	278,678			278,678
		$ 15,080,706	3,858,443	854,412	18,084,737	14,170,767	246,198	3,667,772

Budget Appropriation - Principal Paydown on Notes	409,233
Unappropriated Grant Proceeds Received	445,179
	$ 854,412

Improvement Authorizations - Unfunded		4,593,444
Less: Unexpended note proceeds		
Ord. 22-2017	10,411	
Ord. 08-2018	364,496	
Ord. 20-2018	12,445	
Ord. 21-2018/14-2019	24,888	
Ord. 25-2018	1,238	
Ord. 12-2019	57,936	
Ord. 24-2019	882	
Ord. 31-2019	26,493	
Ord. 28-2020	648	
Ord. 20-2022	141,281	
Ord. 08-2023	235,912	
Ord. 18-2023	49,038	
		925,668
		$ 3,667,776

Exhibit C-6

TOWN OF GUTTENBERG

Schedule of Grants Receivable
Hudson County Open Space Trust Fund

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	200,324
Balance - December 31, 2024	$	200,324

Analysis of Balance		
Ord. 31-2019		97,218
Ord. 35-2020		45,196
Ord. 27-2023		57,910
	$	200,324

Exhibit C-7

TOWN OF GUTTENBERG

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

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023			$	1,356,112
Increased by:				
Grant Awards				1,603,520
				2,959,632
Decreased by:				
Cash Receipts	$	1,025,521		
Cancelled		48,271		
				1,073,792
Balance - December 31, 2024			$	1,885,840

Analysis of Balance		
Ord. 22-2017: 70th Street Road and related Sewer Imps.		415,000
Ord 20-2022: Traffic Signals on Broadway at Various Intersections		150,000
Ord 20-2022: Traffic Signals on Broadway at Various Intersections		162,500
Ord. 16-2024 Traffic Signal Imps. Park Ave & 70th Street		218,190
Ord. 21-2024 Rehabilitation of 69th Street		750,000
Ord. 22-2024 Traffic Signal Imps. 68th & Polk St.		190,150
	$	1,885,840

Exhibit C-8

TOWN OF GUTTENBERG

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

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	64,172
Balance - December 31, 2024	$	64,172

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

Exhibit C-9

Schedule of Grants Receivable -
Hudson County Community Development Block Grant

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	94,146
Increased by:		
Grant Awards		174,168
Balance - December 31, 2024	$	268,314

Exhibit C-10

TOWN OF GUTTENBERG

Schedule of Grants Receivable - New Jersey Department of Community Affairs

General Capital Fund

Year Ended December 31, 2024

Increased by:		
Grant Award	$	1,480,605
Balance - December 31, 2024	$	1,480,605

Analysis of Balance		
Ord. 19-2024 - JFK Blvd. East Flood Mitigation Project	$	1,480,605

Exhibit C-11

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

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	40,760
Balance - December 31, 2024	$	40,760

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

Exhibit C-12

TOWN OF GUTTENBERG

Schedule of Serial Bonds

General Capital Fund

Year Ended December 31, 2024

Purpose	Date of issue	Original issue	Maturities of bonds outstanding Date	Maturities of bonds outstanding Amount	Interest rate	Balance, Dec. 31, 2023	Decreased	Balance, Dec. 31, 2024
General Obligation Bonds	Jun. 7, 2018	19,150,000	Aug. 1, 2025	620,000	5.00%	16,130,000	605,000	15,525,000
			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%			
						$ 16,130,000	605,000	15,525,000

Exhibit C-13

TOWN OF GUTTENBERG

Schedule of Capital Improvement Fund

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	759,146
Decreased by:		
Appropriated to Finance		
Improvement Authorizations		30,950
Balance - December 31, 2024	$	728,196

Exhibit C-14

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

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023			$	434,424
Increased by:				
Interest on Investments	$	261,232		
Budgeted Revenue				
Fund Balance		97,347		
Reserve for Payment of Debt		400,000		
Unexpended Budget Appropriation -				
Interest on Bond Anticipation Notes		1,880		
				760,459
				1,194,883
Decreased by:				
Cash Disbursements				673,611
Balance - December 31, 2024			$	521,272

Exhibit C-15

TOWN OF GUTTENBERG

Schedule of Contracts Payable

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	1,554,455
Increased by:		
Charges to Improvement Authorizations		893,618
		2,448,073
Decreased by:		
Cash Disbursements		1,554,455
Balance - December 31, 2024	$	893,618

Exhibit C-16

Schedule of Reserve for Payment of Debt

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023			$	2,521,080
Increased by:				
Unappropriated Grants Received	$	139,000		
Transferred from Reserve for Grants Receivable		1,025,521		
				3,685,601
Decreased by:				
Utilized as:				
Budget Revenue - Due to Current	$	400,000		
Paydown Authorized not Issued		445,179		
				845,179
Balance - December 31, 2024			$	2,840,422
		Ord. 2-2012		1,005,193
		Ord. 27-2013		139,000
		Ord. 24-2019		160,089
		Ord. 28-2020		1,475,000
		Ord. 20-2021		61,140
			$	2,840,422

Exhibit C-17

TOWN OF GUTTENBERG

Schedule of Reserve for Grants Receivable

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023			$	1,275,737
Increased by:				
Grants Awarded not Appropriated				3,258,293
				4,534,030
Decreased by:				
Unappropriated Grants Received	$	1,025,522		
Cancelled		48,270		
				1,073,792
Balance - December 31, 2024			$	3,460,238

Ord. 20-2021: Office of Law & Public Safety, Acquisition of Body Cameras		40,760
Ord. 22-2017: DOT - 70th Street Road/related Sewer Imps.		415,000
Ord. 16-2024: DOT - Traffic Signal Imps. - Park Ave & 70th St.		218,191
Ord. 21-2024: DOT - Rehabilitation of 69th St.		750,000
Ord. 22-2024: DOT - Traffic Signal Imps. - 68th & Polk St.		190,150
Ord. 19-2024: DCA - JFK Blvd. East Flood Mitigation		1,480,605
Ord. 31-2019: Hudson County Open Space Trust Fund		97,218
Ord. 20-2022: Hudson County CDBG		94,146
Ord. 16-2024: CDBG - Traffic Signal Imps, - Park Ave & 70th St.		85,640
Ord. 22-2024: CDBG - Traffic Signal Imps, - 68th & Polk St.		88,528
	$	3,460,238

Exhibit C-18

Schedule of Reserve for Green Acres

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	1,067
Increased by:		
Interest Earnings		43
Balance - December 31, 2024	$	1,110

Exhibit C-19

TOWN OF GUTTENBERG

Schedule of Reserve for Sewer Improvements

General Capital Fund

Year Ended December 31, 2024

Balance - December 31, 2023	$	74,500
Increased by:		
Developer Deposits - Due from Other Trust		28,000
Balance - December 31, 2024	$	102,500

Exhibit C-20

TOWN OF GUTTENBERG

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2024

Ordinance number	Improvement description	Ordinance Date	Amount	Balance, Dec. 31, 2023 Funded	Balance, Dec. 31, 2023 Unfunded	Authorized	Expended	Balance, Dec. 31, 2024 Funded	Balance, Dec. 31, 2024 Unfunded
6-2008/18-2012/26-2013/16-2014	Improvements to Waterfront Park	Mar. 24, 2008	450,000	$ 25,464	49,370			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	67,143	104,154			67,143	104,154
		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	6,386				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		10,436		9,500		936
7-2016	Acq. and Installation of a Generator	Apr. 25, 2016	180,000	35,612			904	34,708	
22-2017	70th Street Road and related Sewer Imps.	Oct. 23, 2017	650,000		10,411				10,411
20-2018	Renovations to Monument Park	Sept. 7, 2018	212,000		12,445				12,445
21-2018/14-2019/27-2023	Renovations to Veteran's Park	Sept. 7, 2018, Jun. 24, 2019, Nov. 27, 2023	725,000	57,910	42,361		70,483		29,788
25-2018/36-2020	Sewer Improvements	Oct. 29, 2018	2,000,000		3,583		2,345		1,238
		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		28,993				28,993
28-2020	Traffic Signal and Road Improvements	Dec. 28, 2020	1,700,000		648				648
20-2021	Various Capital Improvements	Jul. 29, 2021	2,130,073		78,165		77,898		267

Exhibit C-20

TOWN OF GUTTENBERG

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2024

Ordinance number	Improvement description	Ordinance Date	Amount	Balance, Dec. 31, 2023 Funded	Balance, Dec. 31, 2023 Unfunded	Authorized	Expended	Balance, Dec. 31, 2024 Funded	Balance, Dec. 31, 2024 Unfunded
11-2022	Acquisition of Property	Jul. 25, 2022	350,000	17,500	332,500			17,500	332,500
20-2022	Installation of Traffic Signals on Broadway at Various Intersections	Nov. 28, 2022	1,800,000		176,678		35,397		141,281
8-2023	Various Sewer Improvements	Mar. 27, 2023	1,000,000		342,367		106,455		235,912
18-2023	Roof Replacement - Town Hall	Jun. 26, 2023	700,000		73,117		21,174		51,943
26-2023/13-2024	Various Capital Improvements	Nov. 27, 2023 Aug. 28, 2024	1,719,000		748,812	619,000	826,703		541,109
16-2024	Traffic Signal Imps. - Park and 70th	Aug. 28, 2024	540,000			540,000	318,729		221,271
19-2024	JFK Blvd East Flood Mitigation Project	Sept. 23, 2024	1,480,605			1,480,605	35,032		1,445,573
21-2024	Rehabilitation of 69th Street	Nov. 13, 2024	750,000			750,000	65,505		684,495
22-2024	Traffic Signal Imps. - 68th and Polk Streets	Nov. 13, 2024	499,788			499,788	54,579	166,531	278,678
				$ 311,581	2,436,472	3,889,393	1,624,704	419,298	4,593,444

Capital Improvement Fund	30,950
Deferred Charges Unfunded	3,858,443
	$ 3,889,393

Cash Disbursements	$ 731,086
Contracts Payable	893,618
	$ 1,624,704

Exhibit C-21

TOWN OF GUTTENBERG

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2024

Ord. Number	Purpose	Date of original issue	Original issue	Date of Maturity	Interest rate	Balance, Dec. 31, 2023	Increased	Decreased	Balance, Dec. 31, 2024
22-2017	70th Street Road and related Sewer Imps.	Oct. 24, 2019	455,000	Oct. 16, 2025	4.25%	175,376	151,429	175,376	151,429
8-2018	Amend 2-2012: Building Imps. - Anna L. Klein	Oct. 24, 2019	1,425,000	Oct. 16, 2025	4.25%	1,371,898	1,345,347	1,371,898	1,345,347
20-2018	Renovation of Monument Park	Oct. 24, 2019	201,400	Oct. 16, 2025	4.25%	22,974	16,029	22,974	16,029
21-2018/14-2019	Renovations to Veteran's Park	Oct. 24, 2019	897,600	Oct. 16, 2025	4.25%	335,696	304,744	335,696	304,744
25-2018	Sewer Improvements	Oct. 24, 2019	1,900,000	Oct. 16, 2025	4.25%	1,851,898	1,827,847	1,851,898	1,827,847
28-2018/2-2012	Amend 2-2012: Building Imps. - Anna L. Klein	Oct. 24, 2019	666,000	Oct. 16, 2025	4.25%	643,424	632,136	643,424	632,136
12-2019	Road Improvements to Broadway & Bellevue	Oct. 20, 2020	360,000	Oct. 16, 2025	4.25%	341,052	322,104	341,052	322,104
24-2019	Various Capital Improvements	Oct. 20, 2020	1,310,000	Oct. 16, 2025	4.25%	1,253,777	1,197,554	1,253,777	1,197,554
31-2019	Acquisition/Improvemens to 506 70th Street	Oct. 20, 2020	235,000	Oct. 16, 2025	4.25%	226,810	218,620	226,810	218,620
28-2020	Traffic Signal and Road Improvements	Oct. 20, 2021	1,700,000	Oct. 16, 2025	4.25%	1,700,000	1,610,526	1,700,000	1,610,526
18-2021	Combined Sewer Overflow Sewer System Imps.	Oct. 20, 2021	1,425,000	Oct. 16, 2025	4.25%	1,425,000	1,406,962	1,425,000	1,406,962
20-2021	Various Capital Improvements	Oct. 20, 2021	2,025,000	Oct. 16, 2025	4.25%	2,025,000	1,930,374	2,025,000	1,930,374
20-2022	Installation of Traffic Signals on Broadway at Various Intersections	Oct. 19, 2023	550,000	Oct. 16, 2025	4.25%	550,000	550,000	550,000	550,000
8-2023	Various Sewer Improvements	Oct. 19, 2023	950,000	Oct. 16, 2025	4.25%	950,000	950,000	950,000	950,000
18-2023	Roof Replacement - Town Hall Building	Oct. 19, 2023	662,095	Oct. 16, 2025	4.25%	662,095	662,095	662,095	662,095
26-2023	Various Capital Improvements	Oct. 17, 2024	1,045,000	Oct. 16, 2025	4.25%		1,045,000		1,045,000
						$ 13,535,000	14,170,767	13,535,000	14,170,767

	Increased	Decreased
Cash	1,045,000	
Renewed	13,125,767	13,125,767
Budget Appropriation - Principal Paydown		409,233
	$ 14,170,767	13,535,000

Exhibit C-22

TOWN OF GUTTENBERG

Schedule of Bonds and Notes Authorized Not Issued

General Capital Fund

Year Ended December 31, 2024

Ordinance number	Improvement description	Balance, Dec. 31, 2023	Authorized	Decreased by:	Balance, Dec. 31, 2024
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	104,154			104,154
16-2014	Supplemental Approp: Waterfront Park, Phase I	49,368			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
18-2023	Roof Replacement - Town Hall	2,905			2,905
26-2023	Various Capital Improvements	1,045,000		1,045,000	
13-2024	Amend 26-2023		588,050		588,050
16-2024	Traffic Signals		540,000	224,069	315,931
19-2024	JFK Blvd East Flood Mitigation Project		1,480,605		1,480,605
21-2024	Rehabilitation of 69th Street		750,000		750,000
22-2024	Traffic Signal Imps. on 68th and Polk St.		499,788	221,110	278,678
		$ 1,545,706	3,858,443	1,490,179	3,913,970

Unappropriated Grant Proceeds	445,179
Bond Anticipation Notes Issued	1,045,000
	$ 1,490,179

TOWN OF GUTTENBERG

PART II

LETTERS ON COMPLIANCE AND ON INTERNAL CONTROL

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2024

W&CO

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, 2024 and the related notes to the financial statements, and have issued our report thereon dated June 6, 2025, 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 6, 2025

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 or 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:

Police Station Floor Repairs
Park Avenue & 70th Street Traffic Signals
Interior Stair Renovation Municipal Building
69th Street Improvement Project
Polk Street & 68th Street Traffic Signal Upgrades

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

In as much 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, 2024, 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

GENERAL COMMENTS, (continued)

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 9th, 2024, 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, 2024	5
Year Ended December 31, 2023	7
Year Ended December 31, 2022	7

TOWN OF GUTTENBERG
DECEMBER 31, 2024

GENERAL COMMENTS

Finance:

1. Goods and services are being ordered and/or rendered prior to the execution of a purchase order.
2. The grant fund subsidiary ledgers are not in agreement with the audited financial statements.

Tax Collector:

1. There were instances in which tax adjustments, such as county board judgement refunds and senior and veteran deductions, were not applied to the tax system in a timely manner.

RECOMMENDATIONS

Finance:

1. A purchase order be executed prior to goods and services being ordered or rendered in accordance with Technical Accounting Directive #1.
2. Subsidiary ledgers for the grant fund be adjusted to ensure agreement with the audited financial statements.

Tax Collector:

1. All tax adjustments be made to the tax system in a timely manner.

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 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 6, 2025