

*TOWNSHIP OF CEDAR GROVE*

*COUNTY OF ESSEX*

*REPORT OF AUDIT*

*2023*

*NISIVOCIA LLP*  
*CERTIFIED PUBLIC ACCOUNTANTS*

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
REPORT OF AUDIT  
2023

TOWNSHIP OF CEDAR GROVE  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2023

<u>Part I - Financial Statements and Supplementary Data</u>	<u>Page</u>
Independent Auditors' Report	1-4
<u>Financial Statements</u>	<u>Schedule</u>
<u>Current Fund</u>	
Comparative Balance Sheet – Regulatory Basis	A
Comparative Statement of Operations and Change in Fund Balance – Regulatory Basis	A-1
Statement of Revenue – Regulatory Basis	A-2
Statement of Expenditures – Regulatory Basis	A-3
<u>Trust Funds</u>	
Comparative Balance Sheet – Regulatory Basis	B
<u>General Capital Fund</u>	
Comparative Balance Sheet – Regulatory Basis	C
Statement of General Capital Fund Balance – Regulatory Basis	C-1
<u>Water Utility Fund</u>	
Comparative Balance Sheet – Regulatory Basis	D
Comparative Statement of Operations and Change in	
Fund Balance – Water Utility Operating Fund – Regulatory Basis	D-1
Statement of Capital Fund Balance – Water Utility Capital Fund – Regulatory Basis	D-1A
Statement of Revenue – Water Utility Operating Fund – Regulatory Basis	D-2
Statement of Expenditures – Water Utility Operating Fund – Regulatory Basis	D-3
<u>Sewer Utility Fund</u>	
Comparative Balance Sheet – Regulatory Basis	E
Comparative Statement of Operations and Change in	
Fund Balance – Sewer Utility Operating Fund – Regulatory Basis	E-1
Statement of Capital Fund Balance – Sewer Utility Capital Fund – Regulatory Basis	E-1A
Statement of Revenue – Sewer Utility Operating Fund – Regulatory Basis	E-2
Statement of Expenditures – Sewer Utility Operating Fund – Regulatory Basis	E-3
<u>Swimming Pool Utility Fund</u>	
Comparative Balance Sheet – Regulatory Basis	F
Comparative Statement of Operations and Change in	
Fund Balance – Swimming Pool Utility Operating Fund – Regulatory Basis	F-1
Statement of Capital Fund Balance – Swimming Pool Utility Capital Fund –	
Regulatory Basis (Not Applicable)	F-1A
Statement of Revenue – Swimming Pool Utility Operating Fund – Regulatory Basis	F-2
Statement of Expenditures – Swimming Pool Utility Operating Fund – Regulatory Basis	F-3
<u>Public Assistance Fund (Not Applicable)</u>	
<u>Special Garbage District Fund</u>	
Comparative Balance Sheet – Regulatory Basis	H
Comparative Statement of Operations and Change in Fund Balance – Regulatory Basis	H-1
Statement of Revenue – Regulatory Basis	H-2
Statement of Expenditures – Regulatory Basis	H-3
<u>General Fixed Assets Account Group – Regulatory Basis (Not Applicable)</u>	
	<u>Page</u>
<u>Notes to Financial Statements</u>	1-35

TOWNSHIP OF CEDAR GROVE  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2023  
 (Continued)

<u>Part I - Financial Statements and Supplementary Data (Cont'd)</u>	<u>Schedule</u>
<u>Supplementary Data:</u>	
Roster of Officials	1
<u>Current Fund</u>	
Schedule of Cash – Treasurer	A-4
Schedule of Cash – Collector	A-5
Schedule of Cash – Federal and State Grant Fund	A-6
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-7
Schedule of Tax Title Liens	A-8
Schedule of Revenue Accounts Receivable	A-9
Schedule of Consumer Accounts Receivable (Not Applicable)	A-10
Schedule of 2022 Appropriation Reserves	A-11
Schedule of Local School District Taxes Payable	A-12
Schedule of Grants Receivable – Federal and State Grant Fund	A-13
Schedule of Unappropriated Reserves – Federal and State Grant Fund	A-14
Schedule of Appropriated Reserves – Federal and State Grant Fund	A-15
<u>Trust Funds</u>	
Schedule of Cash and Investments – Treasurer	B-1
Schedule of Animal Control Fund Cash – Collector	B-2
Schedule of Reserve for Animal Control Fund Expenditures	B-3
<u>General Capital Fund</u>	
Schedule of Cash – Treasurer	C-2
Analysis of Cash	C-3
Schedule of Deferred Charges to Future Taxation – Unfunded	C-4
Schedule of Improvement Authorizations	C-5
Schedule of Capital Improvement Fund	C-6
Schedule of Bond Anticipation Notes Payable	C-7
Schedule of General Serial Bonds Payable	C-8
Schedule of Bonds and Notes Authorized but not Issued	C-9
<u>Water Utility Fund</u>	
Schedule of Cash – Treasurer	D-4
Schedule of Cash – Collector	D-4A
Analysis of Cash – Water Utility Capital Fund	D-5
Schedule of Consumer Accounts Receivable – Water Utility Operating Fund	D-6
Schedule of Inventory – Water Utility Operating Fund	D-6A
Schedule of Fixed Capital – Water Utility Capital Fund	D-7
Schedule of Fixed Capital Authorized and Uncompleted – Water Utility Capital Fund	D-8
Schedule of 2022 Appropriation Reserves – Water Utility Operating Fund	D-9
Schedule of Improvement Authorizations – Water Utility Capital Fund	D-10
Schedule of Capital Improvement Fund – Water Utility Capital Fund	D-11
Schedule of Reserve for Amortization – Water Utility Capital Fund	D-12
Schedule of Deferred Reserve for Amortization – Water Utility Capital Fund	D-12A
Schedule of Bond Anticipation Notes Payable – Water Utility Capital Fund	D-13
Schedule of General Serial Bonds Payable – Water Utility Capital Fund	D-14
Schedule of Bonds and Notes Authorized but not Issued – Water Utility Capital Fund	D-15
(Not Applicable)	

TOWNSHIP OF CEDAR GROVE  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

<u>Part I - Financial Statements and Supplementary Data (Cont'd)</u>	<u>Schedule</u>
<u>Supplementary Data (Cont'd):</u>	
<u>Sewer Utility Fund</u>	
Schedule of Cash – Treasurer	E-4
Schedule of Cash – Collector - Sewer Utility Operating Fund	E-4A
Analysis of Cash – Sewer Utility Capital Fund	E-5
Schedule of Consumer Accounts Receivable – Sewer Utility Operating Fund	E-6
Schedule of Inventory – Sewer Utility Operating Fund	E-6A
Schedule of Fixed Capital – Sewer Utility Capital Fund	E-7
Schedule of Fixed Capital Authorized and Uncompleted – Sewer Utility Capital Fund	E-8
Schedule of 2022 Appropriation Reserves – Sewer Utility Operating Fund	E-9
Schedule of Improvement Authorizations – Sewer Utility Capital Fund	E-10
Schedule of Capital Improvement Fund – Sewer Utility Capital Fund	E-11
Schedule of Reserve for Amortization – Sewer Utility Capital Fund	E-12
Schedule of Deferred Reserve for Amortization – Sewer Utility Capital Fund	E-12A
Schedule of Bond Anticipation Notes Payable – Sewer Utility Capital Fund	E-13
Schedule of General Serial Bonds Payable – Sewer Utility Capital Fund	E-14
Schedule of Bonds and Notes Authorized but not Issued – Sewer Utility Capital Fund (Not Applicable)	E-15
<u>Swimming Pool Utility Fund</u>	
Schedule of Cash - Treasurer	F-4
Schedule of Cash – Collector – Swimming Pool Utility Operating Fund	F-4A
Analysis of Cash – Swimming Pool Utility Capital Fund	F-5
Schedule of Consumer Accounts Receivable – Swimming Pool Utility Operating Fund (Not Applicable)	F-6
Schedule of Fixed Capital – Swimming Pool Utility Capital Fund	F-7
Schedule of Fixed Capital Authorized and Uncompleted – Swimming Pool Utility Capital Fund (Not Applicable)	F-8
Schedule of 2022 Appropriation Reserves – Swimming Pool Utility Operating Fund	F-9
Schedule of Improvement Authorizations – Swimming Pool Utility Capital Fund (Not Applicable)	F-10
Schedule of Capital Improvement Fund – Swimming Pool Utility Capital Fund	F-11
Schedule of Reserve for Amortization – Swimming Pool Utility Capital Fund	F-12
Schedule of Deferred Reserve for Amortization – Swimming Pool Utility Capital Fund (Not Applicable)	F-12A
Schedule of Bond Anticipation Notes Payable – Swimming Pool Utility Capital Fund (Not Applicable)	F-13
Schedule of General Serial Bonds Payable – Swimming Pool Utility Capital Fund	F-14
Schedule of Bonds and Notes Authorized but not Issued – Swimming Pool Utility Capital Fund (Not Applicable)	F-15
<u>Public Assistance Fund (Not Applicable)</u>	
<u>Special Garbage District</u>	
Schedule of Cash – Treasurer (Not Applicable)	H-4
Schedule of District Taxes Receivable	H-5
Schedule of 2022 Appropriation Reserves	H-6

TOWNSHIP OF CEDAR GROVE  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

	<u>Page</u>
<u>Part II - Single Audit</u>	
Schedule of Expenditures of Federal Awards	1
Schedule of Expenditures of State Awards	2
Notes to Schedules of Expenditures of Federal and State Awards	3
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	4-5
Schedule of Findings and Responses	6-7
Summary Schedule of Prior Audit Findings	8
 <u>Part III - Comments and Recommendations</u>	
Comments and Recommendations	1-5
Summary of Recommendations	6

TOWNSHIP OF CEDAR GROVE

PART I

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2023

## Independent Auditors' Report

The Honorable Mayor and Members  
of the Township Council  
Township of Cedar Grove  
Cedar Grove, New Jersey

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements – *regulatory basis* – of the various funds and account group of the Township of Cedar Grove in the County of Essex (the "Township") as of, and for the years ended December 31, 2023 and 2022, and the related notes to financial statements, as listed in the foregoing table of contents.

#### *Qualified Opinion on General Fixed Assets Account Group on Regulatory Basis of Accounting*

In our opinion, except for the effects of the matter described in the Basis for Unmodified and Qualified Opinions section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the general fixed assets account group of the Township as of December 31, 2023 and 2022 in accordance with the accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division").

#### *Unmodified Opinions on the Various Funds on Regulatory Basis of Accounting*

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of each fund of the Township as of December 31, 2023 and 2022, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended in accordance with the accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division").

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

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund and account group of the Township as of December 31, 2023 and 2022, or the changes in financial position or where applicable, cash flows thereof for the years then ended.



***Basis for Unmodified Opinions on the Various Funds and Qualified Opinion on General Fixed Assets Account Group on Regulatory Basis of Accounting***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), audit requirements prescribed by the Division and the standards applicable to financial audits contained in *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 Township, 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 audit opinions.

***Matter Giving Rise to Qualified Opinion on General Fixed Assets Account Group on Regulatory Basis of Accounting***

The financial statements – *regulatory basis* – of the Township do not include the general fixed assets account group, which should be included to conform with the accounting practices prescribed or permitted by the Division. As described in Note 1, the amount that should be recorded in the general fixed assets account group cannot be determined.

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions prescribed or permitted by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division's regulatory basis of accounting and the budget laws 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 and pervasive.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***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 and *Government Auditing Standards* and audit requirements prescribed by the Division will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal

control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division, we:

- Exercise professional judgment 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 Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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

### ***Supplementary Information***

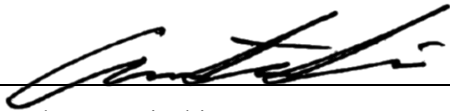
Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds and account group that collectively comprise the Township's financial statements. The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the various fund and account group financial statements. The information has been subjected to the auditing procedures applied in the audit of the various fund financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund and account group financial statements or to the various fund and account group 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 data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the various fund and account group financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 2024 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

Mount Arlington, New Jersey  
May 3, 2024

NISIVOCCIA LLP



Andrew Kucinski  
Registered Municipal Accountant No. 583  
Certified Public Accountant

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
CURRENT FUND

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Regular Fund:			
Cash and Cash Equivalents	A-4	\$ 17,291,087.58	\$ 18,006,897.39
Change Fund		265.00	265.00
		<u>17,291,352.58</u>	<u>18,007,162.39</u>
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7	651,381.69	367,926.74
Tax Title Liens Receivable	A-8	371,996.60	255,002.16
Property Acquired for Taxes at Assessed Valuation		165,000.00	165,000.00
Revenue Accounts Receivable	A-9	24,294.52	56,895.34
Due Federal and State Grant Fund	A	14,823.28	
Due Animal Control Fund	B	16,883.41	8,448.99
Due General Capital Fund	C	18,187.04	
		<u>1,262,566.54</u>	<u>853,273.23</u>
Total Receivables and Other Assets with Full Reserves			
		<u>18,553,919.12</u>	<u>18,860,435.62</u>
Federal and State Grant Fund:			
Cash and Cash Equivalents	A-6	2,110,335.43	1,796,844.36
Grants Receivable	A-13	211,639.45	253,844.07
		<u>2,321,974.88</u>	<u>2,050,688.43</u>
Total Federal and State Grant Fund			
		<u>\$ 20,875,894.00</u>	<u>\$ 20,911,124.05</u>
TOTAL ASSETS			

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
(Continued)

	Ref.	December 31,	
		2023	2022
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves:			
Encumbered	A-3;A-11		\$ 224,584.95
Unencumbered	A-3;A-11	\$ 1,019,890.92	930,913.95
		<u>1,019,890.92</u>	<u>1,155,498.90</u>
Due State of New Jersey:			
Senior Citizens' and Veterans' Deductions		5,535.74	14,896.81
Local School District Taxes Payable		1,182,970.50	573,252.50
County Added and Omitted Taxes Payable		26,439.24	30,297.91
County Taxes Payable - Payment in Lieu of Taxes		297,107.93	313,360.74
Prepaid Taxes		300,964.10	244,571.91
Tax Overpayments			3,122.06
Prepaid Payment in Lieu of Taxes		36,437.68	28,686.14
Payment in Lieu of Taxes Overpayments		7,409.97	13,204.22
Due Other Trust Funds	B	919,233.63	826,344.82
Due Special Garbage District Fund	H	1,136,624.29	993,754.77
Reserve for:			
Township Revaluation		416.30	416.30
Third Party Liens		44,986.45	
Municipal Relief Fund Aid		108,784.94	13,600.99
		<u>5,086,801.69</u>	<u>4,211,008.07</u>
Reserve for Receivables and Other Assets	A	1,262,566.54	853,273.23
Fund Balance	A-1	12,204,550.89	13,796,154.32
		<u>18,553,919.12</u>	<u>18,860,435.62</u>
Total Regular Fund			
Federal and State Grant Fund:			
Due Current Fund	A	14,823.28	
Appropriated Reserves	A-15	2,036,333.10	2,026,913.82
Unappropriated Reserves	A-14	242,890.60	3,539.52
Reserve for Maintenance of Free Public Library		27,927.90	20,235.09
		<u>2,321,974.88</u>	<u>2,050,688.43</u>
Total Federal and State Grant Fund			
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 20,875,894.00</u>	<u>\$ 20,911,124.05</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN  
FUND BALANCE - REGULATORY BASIS

<u>Revenue and Other Income Realized</u>	<u>Ref.</u>	<u>Year Ended December 31,</u>	
		<u>2023</u>	<u>2022</u>
Fund Balance Utilized		\$ 7,217,548.68	\$ 5,487,205.68
Miscellaneous Revenue Anticipated		3,298,717.76	4,066,248.02
Receipts from:			
Delinquent Taxes		275,827.50	366,636.33
Current Taxes		58,226,816.05	56,912,129.06
Nonbudget Revenue		6,043,913.19	6,131,623.42
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		857,610.95	584,547.00
Prepaid Payment in Lieu of Taxes Applied		28,686.14	29,162.32
Total Income		<u>75,949,120.27</u>	<u>73,577,551.83</u>
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Municipal Purposes		21,317,308.81	20,256,138.05
County Taxes		11,626,270.12	11,677,968.75
Local School District Taxes		33,155,574.00	31,936,138.00
Special District Taxes		1,805,588.56	1,627,253.00
Prior Year Senior Citizens Deductions' Disallowed			1,000.00
Refund of Prior Year Revenue:			
Other		8,281.00	6,640.00
Payment in Lieu of Taxes - Local School		1,800,000.00	
Payment in Lieu of Taxes - County		297,107.93	
Prior Years' State of New Jersey Tax Court Judgements		271,599.86	
Interfunds Advanced		41,444.74	8,448.99
Total Expenditures		<u>70,323,175.02</u>	<u>65,513,586.79</u>
Excess in Revenue		5,625,945.25	8,063,965.04
<u>Fund Balance</u>			
Balance January 1		<u>13,796,154.32</u>	<u>11,219,394.96</u>
		19,422,099.57	19,283,360.00
Decreased by:			
Utilized as Anticipated Revenue		7,217,548.68	5,487,205.68
Balance December 31	A	<u>\$ 12,204,550.89</u>	<u>\$ 13,796,154.32</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

	Budget	Added by N/JSA 40A:4-87	Realized	Excess or Deficit *
Fund Balance Anticipated	\$ 7,217,548.68		\$ 7,217,548.68	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	18,514.20		18,514.00	\$ 0.20 *
Other	39,715.54		18,408.00	21,307.54 *
Fees and Permits	225,000.00		436,014.85	211,014.85
Fines and Costs:				
Municipal Court	80,994.30		144,689.21	63,694.91
Interest and Costs on Taxes	103,968.45		132,455.76	28,487.31
Interest on Investments and Deposits	6,440.57		548,344.04	541,903.47
Cedar Grove Senior Citizen Housing Association Service Charge	207,785.00		160,000.00	47,785.00 *
Consolidated Municipal Property Tax Relief Aid	13,600.99		13,600.99	
Energy Receipts Tax	1,050,151.00		1,050,151.19	0.19
Watershed Moratorium Offset Aid	5,687.00		5,687.00	
Uniform Construction Code Fees	279,070.00		249,405.00	29,665.00 *
Body Armor Replacement Grant	2,165.23		2,165.23	
Clean Communities Program	24,485.82		24,485.82	
Clean Fleet Electric Vehicle Incentive	3,000.00		3,000.00	
Municipal Alliance on Alcoholism and Drug Abuse	9,500.00		9,500.00	
Recycling Tonnage Grant	18,804.89		18,804.89	
Cablevision Franchise Fees	203,107.60		198,455.69	4,651.91 *
Lease of Municipal Property - 350 Little Falls Road	32,225.98		40,872.84	8,646.86
General Capital Fund Balance	224,163.25		224,163.25	
Total Miscellaneous Revenue	2,548,379.82		3,298,717.76	750,337.94
Receipts from Delinquent Taxes	350,000.00		275,827.50	74,172.50 *
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	11,493,548.18		11,313,011.83	180,536.35 *
Minimum Library Tax	886,371.54		886,371.54	
Total Amount to be Raised by Taxes for Support of Municipal Budget	12,379,919.72		12,199,383.37	180,536.35 *
Budget Totals	22,495,848.22		22,991,477.31	\$ 495,629.09
Nonbudget Revenue			6,043,913.19	
	\$ 22,495,848.22	\$ -0-	\$ 29,035,390.50	



TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Allocation of Current Tax Collections:

Revenue from Collection of Current Taxes	\$ 58,226,816.05
Allocated to County, Local School District and Special District Taxes	<u>46,587,432.68</u>
Balance for Support of Municipal Budget	11,639,383.37
 Add: Appropriation "Reserve for Uncollected Taxes"	 <u>560,000.00</u>

Realized for Support of Municipal Budget \$ 12,199,383.37

Analysis of Fees and Permits:

Recreation	\$ 304,108.78
Planning and Zoning Board	18,059.38
Health Officer	13,391.00
Engineering	9,136.50
Clerk	28,579.00
Police	42,754.08
Tax Assessor	217.00
Tax Collector	<u>19,769.11</u>
	 <u><u>\$ 436,014.85</u></u>

Analysis of Interest on Investments and Deposits:

Collected/Received by Treasurer	\$ 486,997.10
Due from:	
Federal and State Grant Fund	14,823.28
Other Trust Funds	28,140.60
Animal Control Fund	196.02
General Capital Fund	<u>18,187.04</u>
	 <u><u>\$ 548,344.04</u></u>

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Analysis of Nonbudget Revenue:

Miscellaneous Revenue Not Anticipated:

Treasurer:

Payment in Lieu of Taxes	\$ 5,950,486.38	
Police Auction	16,557.00	
Prior Year Refunds/Rebates	877.27	
Board of Education Gasoline Reimbursement	15,291.14	
Fire Safety Penalty	1,500.00	
Scrap Metal	1,674.00	
State of New Jersey - Senior Citizens' and Veterans'		
Deductions Administrative Reimbursement	1,085.00	
Other Miscellaneous	48,204.00	
		\$ 6,035,674.79

Due Animal Control Fund:

Statutory Excess in Reserve for Animal Control Fund Expenditures		8,238.40
		\$ 6,043,913.19

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS":					
GENERAL GOVERNMENT:					
Administrative and Executive:					
Salaries and Wages:					
Township Manager's Office	\$ 162,141.00	\$ 162,141.00	\$ 162,141.00		
Township Clerk's Office	139,180.00	139,180.00	92,347.12	\$ 46,832.88	
Other Expenses:					
Township Council	8,355.00	8,355.00	5,116.29	3,238.71	
Township Manager's Office	6,115.00	6,115.00	1,545.16	4,569.84	
Township Clerk's Office	22,752.00	22,752.00	16,694.40	6,057.60	
Elections:					
Other Expenses	34,308.00	34,308.00	32,653.71	1,654.29	
Treasurer - Controller's Office:					
Salaries and Wages	168,070.00	168,070.00	140,502.22	27,567.78	
Other Expenses	48,104.00	48,104.00	47,241.46	862.54	
Annual Audit	13,009.00	13,009.00	13,009.00		
Assessment of Taxes:					
Salaries and Wages	112,685.00	112,685.00	93,294.52	19,390.48	
Other Expenses	28,162.00	28,162.00	16,654.07	11,507.93	
Collection of Taxes:					
Salaries and Wages	76,471.00	76,471.00	74,048.16	2,422.84	
Other Expenses	13,324.00	13,324.00	13,324.00		
Other Expenses (C.72, P.L. 1994)	5,325.00	5,325.00	950.00	4,375.00	
Legal Services and Costs:					
Other Expenses	198,176.00	198,176.00	157,984.47	40,191.53	

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
GENERAL GOVERNMENT (Continued):					
Municipal Prosecutor:					
Other Expenses	\$ 24,215.00	\$ 24,215.00	\$ 18,576.00	\$ 5,639.00	
Engineering Services and Costs:					
Salaries and Wages	6,288.00	6,288.00	6,288.00		
Other Expenses	6,831.00	6,831.00	5,680.85	1,150.15	
Public Buildings and Grounds:					
Salaries and Wages	62,470.00	62,470.00	59,828.02	2,641.98	
Other Expenses	58,690.00	58,690.00	52,409.30	6,280.70	
Municipal Court:					
Salaries and Wages	195,455.00	195,455.00	194,529.37	925.63	
Other Expenses	117,158.00	117,158.00	106,602.61	10,555.39	
Human Resources					
Salaries and Wages	18,000.00	18,000.00	8,999.79	9,000.21	
Public Defender:					
Other Expenses	6,574.00	6,574.00	2,770.00	3,804.00	
LAND USE ADMINISTRATION:					
Municipal Land Use Law (NJSA 40:55D-1):					
Planning Board:					
Salaries and Wages	33,676.00	33,676.00	32,675.40	1,000.60	
Other Expenses	7,082.00	7,082.00	6,759.50	322.50	
Zoning Board of Adjustment:					
Salaries and Wages	33,676.00	33,676.00	32,675.53	1,000.47	
Other Expenses	4,255.00	4,255.00	4,255.00		
Shade Tree:					
Other Expenses	40,500.00	40,500.00	40,500.00		

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
GENERAL GOVERNMENT (Continued):					
Environmental Commission (R.S. 40:56A-1 et seq):					
Other Expenses	\$ 700.00	\$ 700.00		\$ 700.00	
PUBLIC SAFETY:					
Emergency Management Services:					
Salaries and Wages	10,000.00	10,000.00	\$ 7,500.00	2,500.00	
Other Expenses	2,070.00	2,070.00	1,680.00	390.00	
Fire:					
Other Expenses	201,246.00	201,246.00	142,780.54	58,465.46	
Police:					
Salaries and Wages	5,016,813.96	5,016,813.96	4,940,986.88	75,827.08	
Other Expenses	313,812.00	313,812.00	251,953.12	61,858.88	
First Aid Organization - Contribution	10,000.00	10,000.00	10,000.00		
Municipal Drug Alliance:					
Salaries and Wages	10,500.00	10,500.00	2,000.00	8,500.00	
STREETS AND ROADS:					
Road Repair and Maintenance:					
Salaries and Wages	351,103.00	351,103.00	294,709.75	56,393.25	
Other Expenses	37,673.00	37,673.00	34,251.76	3,421.24	
Equipment Maintenance:					
Salaries and Wages	104,351.00	104,351.00	103,807.76	543.24	
Other Expenses	10,910.00	10,910.00	5,179.16	5,730.84	

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
STREETS AND ROADS (Continued):					
Snow Removal:					
Salaries and Wages	\$ 90,067.00	\$ 90,067.00	\$ 18,541.04	\$ 71,525.96	
Other Expenses	197,021.00	197,021.00	146,242.12	50,778.88	
Vehicle Maintenance:					
Other Expenses	107,200.00	107,200.00	75,432.85	31,767.15	
HEALTH AND WELFARE:					
Board of Health:					
Salaries and Wages	53,888.00	53,888.00	53,480.44	407.56	
Other Expenses	90,084.00	90,084.00	87,591.72	2,492.28	
Animal Control:					
Salaries and Wages	1,500.00	1,500.00		1,500.00	
Other Expenses	39,599.00	39,599.00	32,761.01	6,837.99	
Historical Society (R.S. 40:23-6.22):					
Other Expenses	2,500.00	2,500.00	2,500.00		
RECREATION AND EDUCATION:					
Parks and Playgrounds:					
Salaries and Wages	216,233.00	216,233.00	204,749.06	11,483.94	
Other Expenses	29,055.00	29,055.00	23,985.16	5,069.84	
Recreation:					
Salaries and Wages	152,001.00	152,001.00	148,995.28	3,005.72	
Other Expenses	105,380.00	105,380.00	98,804.16	6,575.84	

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
RECREATION AND EDUCATION (Continued):					
Celebration of Public Events, Anniversaries or Holidays:					
Other Expenses	\$ 31,927.00	\$ 31,927.00	\$ 31,927.00		
Senior Citizens' Transportation:					
Salaries and Wages	14,921.00	14,921.00	11,807.03	\$ 3,113.97	
Other Expenses	22,187.00	22,187.00	22,187.00		
Salary and Wage Personnel Adjustment Program	92,025.00	92,025.00	90,500.00	1,525.00	
UNIFORM CONSTRUCTION CODE:					
Sub-Code Officials:					
Construction Official					
Salaries and Wages	153,849.00	153,849.00	152,651.72	1,197.28	
Other Expenses	124,742.00	124,742.00	124,742.00		
Plumbing Inspector:					
Salaries and Wages	23,109.00	23,109.00	20,662.41	2,446.59	
Other Expenses	3,856.00	3,856.00	3,856.00		
Electrical Inspector:					
Salaries and Wages	23,109.00	23,109.00	23,030.47	78.53	
Other Expenses	3,856.00	3,856.00	3,856.00		
Fire Inspector:					
Salaries and Wages	5,000.00	5,000.00		5,000.00	
UTILITY EXPENSES AND BULK PURCHASES:					
Utilities	702,000.00	702,000.00	598,949.09	103,050.91	

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
INSURANCE:					
Other Insurance Premiums	\$ 210,296.00	\$ 210,296.00	\$ 202,853.14	\$ 7,442.86	
Group Insurance for Employees	1,824,003.00	1,824,003.00	1,824,003.00		
Health Benefits Waiver	16,000.00	16,000.00	7,089.12	8,910.88	
Worker's Compensation Insurance	151,158.00	151,158.00	131,075.24	20,082.76	
Surety Bond Premiums	3,662.00	3,662.00	1,054.00	2,608.00	
Reserve for Self- Insurance Program	100.00	100.00	100.00		
Total Operations Within "CAPS"	12,210,553.96	12,210,553.96	11,378,229.98	832,323.98	
Contingent	10,000.00	10,000.00	8,352.25	1,647.75	
Total Operations Including Contingent Within "CAPS"	12,220,553.96	12,220,553.96	11,386,582.23	833,971.73	
Detail:					
Salaries and Wages	7,342,581.96	7,342,581.96	6,809,099.46	340,633.50	
Other Expenses	4,877,972.00	4,877,972.00	4,577,482.77	493,338.23	



TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS":					
Deferred Charges:					
Anticipated Deficit in Water Operating Budget	\$ 307,679.19	\$ 307,679.19	\$ 531.41		\$ 307,147.78
Anticipated Deficit in Sewer Operating Budget	226,995.52	226,995.52			226,995.52
Deficit in Recreation A/P Trust Fund	56,290.03	56,290.03	56,290.03		
Overexpenditure of Capital Ordinance 20-868	1,437.50	1,437.50	1,437.50		
Anticipated Deficit in Swimming Pool Operating Budget	88,938.83	88,938.83	4,542.72		84,396.11
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System of NJ	236,174.00	236,174.00	236,174.00		
Police and Fireman's Retirement System of NJ	1,442,943.00	1,442,943.00	1,442,943.00		
Unemployment Compensation Insurance	25,000.00	25,000.00	21,216.48	\$ 3,783.52	
Social Security System (O.A.S.I.)	224,936.00	224,936.00	151,086.83	73,849.17	
Defined Contribution Retirement Program	22,500.00	22,500.00	268.78	22,231.22	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	2,632,894.07	2,632,894.07	1,914,490.75	99,863.91	618,539.41
Total General Appropriations for Municipal Purposes Within "CAPS"	14,853,448.03	14,853,448.03	13,301,072.98	933,835.64	618,539.41
Operations Excluded from "CAPS":					
Insurance:					
Group Health Insurance Cap Exclusions	297,255.00	297,255.00	297,255.00		
Maintenance of Free Public Library (C.82, P.L. 1985)	949,303.00	949,303.00	899,062.40	50,240.60	
LOSAP Contribution:					
Fire Department	50,000.00	50,000.00	14,195.38	35,804.62	
Ambulance & Rescue Squad	22,000.00	22,000.00	22,000.00		

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Excluded from "CAPS" (Continued):					
Police and Firemen's Retirement System of NJ	\$ 166,567.00	\$ 166,567.00	\$ 166,567.00		
Public Employees Retirement System of NJ	17,690.00	17,690.00	17,690.00		
Worker's Compensation	4,815.00	4,815.00	4,815.00		
Public and Private Programs Offset by Revenue					
Clean Communities Act	24,485.82	24,485.82	24,485.82		
Municipal Alliance Grant:					
State Share	9,500.00	9,500.00	9,500.00		
Local Share	1,781.25	1,781.25	1,781.25		
Body Armor Replacement Fund	2,165.23	2,165.23	2,165.23		
Recycling Tonnage Grant	18,804.89	18,804.89	18,804.89		
Clean Fleet Vehicle Incentive	3,000.00	3,000.00	3,000.00		
<b>Total Operations Excluded from "CAPS"</b>	<b>1,567,367.19</b>	<b>1,567,367.19</b>	<b>1,481,321.97</b>	<b>\$ 86,045.22</b>	
Detail:					
Other Expenses	1,567,367.19	1,567,367.19	1,481,321.97	86,045.22	
Capital Improvements-Excluded from "CAPS":					
Capital Improvement Fund	1,943,593.00	1,943,593.00	1,943,593.00		
Local Access CATV Equipment	13,700.00	13,700.00	13,689.94	10.06	
<b>Total Capital Improvements Excluded from "CAPS"</b>	<b>1,957,293.00</b>	<b>1,957,293.00</b>	<b>1,957,282.94</b>	<b>10.06</b>	

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Municipal Debt Service Excluded from "CAPS":					
Payment of Bond Principal	\$ 1,180,000.00	\$ 1,180,000.00	\$ 1,180,000.00		
Payment of Bond Anticipation Notes	1,595,000.00	1,595,000.00	1,595,000.00		
Interest on Bonds	17,700.00	17,700.00	17,700.00		
Interest on Notes	765,040.00	765,040.00	765,040.00		
	<u>3,557,740.00</u>	<u>3,557,740.00</u>	<u>3,557,740.00</u>		
Total Municipal Debt Service Excluded from "CAPS"					
Total General Appropriations Excluded from "CAPS"	7,082,400.19	7,082,400.19	6,996,344.91	\$ 86,055.28	
Subtotal General Appropriations	21,935,848.22	21,935,848.22	20,297,417.89	1,019,890.92	\$ 618,539.41
Reserve for Uncollected Taxes	<u>560,000.00</u>	<u>560,000.00</u>	<u>560,000.00</u>		
Total General Appropriations	<u>\$ 22,495,848.22</u>	<u>\$ 22,495,848.22</u>	<u>\$ 20,857,417.89</u>	<u>\$ 1,019,890.92</u>	<u>\$ 618,539.41</u>

Ref.

A

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

		Analysis of	
	<u>Ref.</u>	Budget After Modification	Paid or Charged
Adopted Budget		\$ 22,495,848.22	
		\$ 22,495,848.22	
Reserve for Uncollected Taxes			\$ 560,000.00
Deferred Charges:			
Deficit in Water Operating Budget			531.41
Deficit in Recreation A/P Trust Fund			56,290.03
Deficit in Swimming Pool Operating Budget			4,542.72
Overexpenditure of Capital Ordinance 20-868			1,437.50
Due Federal and State Grant Fund			59,737.19
Cash Disbursed			20,174,879.04
			\$ 20,857,417.89

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
TRUST FUNDS

TOWNSHIP OF CEDAR GROVE  
TRUST FUNDS  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents	B-1	\$ 33,382.21	\$ 23,833.19
Other Trust Funds:			
Cash and Cash Equivalents - Other Trust		2,133,725.82	2,216,044.23
Cash and Cash Equivalents - Open Space		37,654.52	37,135.20
Investments		546,175.71	490,224.20
	B-1	<u>2,717,556.05</u>	<u>2,743,403.63</u>
Community Development Block Grants Receivable		52,712.50	52,712.50
Due Current Fund	A	919,233.63	826,344.82
		<u>3,689,502.18</u>	<u>3,622,460.95</u>
TOTAL ASSETS		<u>\$ 3,722,884.39</u>	<u>\$ 3,646,294.14</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due State Board of Health		\$ 50.40	\$ 73.80
Due Current Fund	A	16,883.41	8,448.99
Reserve for Animal Control Expenditures	B-3	16,448.40	15,310.40
		<u>33,382.21</u>	<u>23,833.19</u>
Other Trust Funds:			
Special Deposits		162,796.98	645,141.68
Other Deposits		1,533,251.92	1,002,303.78
Reserve for:			
Depositors' Funds Assigned as Security		1,809,217.60	1,787,108.90
Community Development Block Grant Programs		104,574.50	104,574.50
Municipal Open Space Trust		37,654.52	37,135.20
State Unemployment Insurance		42,006.66	46,196.89
		<u>3,689,502.18</u>	<u>3,622,460.95</u>
TOTAL LIABILITIES AND RESERVES		<u>\$ 3,722,884.39</u>	<u>\$ 3,646,294.14</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
GENERAL CAPITAL FUND

TOWNSHIP OF CEDAR GROVE  
GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 7,338,485.31	\$ 2,472,740.15
Grants Receivable:			
New Jersey Department of Transportation		938,953.12	938,953.12
CARES Act Grant		1,307,205.58	
Deferred Charges to Future Taxation:			
Funded		13,742,000.00	1,180,000.00
Unfunded	C-4	9,520,450.00	20,078,000.00
Overexpenditure of Capital Ordinance	C-5		1,437.50
<b>TOTAL ASSETS</b>		<b>\$ 32,847,094.01</b>	<b>\$ 24,671,130.77</b>
<u>LIABILITIES AND FUND BALANCE</u>			
Bond Anticipation Notes Payable	C-7	\$ 9,520,450.00	\$ 19,126,000.00
General Serial Bonds Payable	C-8	13,742,000.00	1,180,000.00
Improvement Authorizations:			
Funded	C-5	4,800,403.49	256,851.15
Unfunded	C-5	1,668,211.03	2,834,116.37
Due to Current Fund	A	18,187.04	
Capital Improvement Fund	C-6	1,592,043.00	
Reserve for Grants Receivable:			
New Jersey Department of Transportation		350,000.00	350,000.00
Reserve for Fire Apparatus		700,000.00	700,000.00
Fund Balance	C-1	455,799.45	224,163.25
<b>TOTAL LIABILITIES AND FUND BALANCE</b>		<b>\$ 32,847,094.01</b>	<b>\$ 24,671,130.77</b>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT



TOWNSHIP OF CEDAR GROVE  
GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2022	C	\$ 224,163.25
Increased by:		
Premium on Sale of Notes		375,542.06
Premium on Sale of Bonds		80,257.39
		<u>679,962.70</u>
Decreased by:		
Fund Balance Anticipated in Current Fund		<u>224,163.25</u>
Balance December 31, 2023	C	<u><u>\$ 455,799.45</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
WATER UTILITY FUND



TOWNSHIP OF CEDAR GROVE  
WATER UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
(Continued)

	Ref.	December 31,	
		2023	2022
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	D-3;D-9	\$ 164,060.16	\$ 162,140.23
		164,060.16	162,140.23
Water Rent Overpayments		21,712.15	36,261.68
Accrued Interest on Bonds		24,916.67	26,229.17
Accrued Interest on Notes		45,044.88	43,038.56
		255,733.86	267,669.64
Reserve for Receivables	D	229,293.29	130,140.16
Fund Balance	D-1	14,027.21	166,313.73
		499,054.36	564,123.53
Total Operating Fund			
Capital Fund:			
Bond Anticipation Notes Payable	D-13	2,083,000.00	2,239,000.00
Serial Bonds Payable	D-14	1,380,000.00	1,485,000.00
Improvement Authorizations:			
Unfunded	D-10	33,004.79	227,862.39
Due to Water Operating Fund	D	4,666.25	
Capital Improvement Fund	D-11	76,187.70	61,187.70
Reserve for Amortization	D-12	9,022,771.95	8,911,458.03
Deferred Reserve for Amortization	D-12A	459,000.00	303,000.00
Fund Balance	D-1A	17,559.69	26,248.69
		13,076,190.38	13,253,756.81
Total Capital Fund			
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 13,575,244.74</u>	<u>\$ 13,817,880.34</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY OPERATING FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN  
FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2023	2022
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 152,286.52	\$ 247,653.16
Water Rents		2,098,597.10	1,903,798.14
Miscellaneous Revenue Anticipated		148,360.52	159,766.00
Water Capital Fund Surplus		26,248.69	23,238.01
Anticipated Deficit - Current Fund		531.41	
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		108,987.51	344,659.86
		<u>2,535,011.75</u>	<u>2,679,115.17</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		1,927,776.50	1,939,411.00
Capital Improvements		33,000.00	33,000.00
Debt Service		412,380.04	416,045.65
Deferred Charges and Statutory Expenditures		161,855.21	138,372.00
		<u>2,535,011.75</u>	<u>2,526,828.65</u>
Excess in Revenue		-0-	152,286.52
Adjustment Before Fund Balance:			
Expenditures Included Above Which are by			
Statute Deferred Charges to Budget of			
Succeeding Year - Overexpenditure of Appropriations			
			<u>14,027.21</u>
Statutory Excess to Fund Balance		-0-	166,313.73
<u>Fund Balance</u>			
Balance January 1		166,313.73	247,653.16
		<u>166,313.73</u>	<u>413,966.89</u>
Decreased by:			
Utilization as Anticipated Revenue:			
Water Operating Budget			
		<u>152,286.52</u>	<u>247,653.16</u>
Balance December 31	D	<u>\$ 14,027.21</u>	<u>\$ 166,313.73</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY CAPITAL FUND  
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

	<u>Ref.</u>	
Balance December 31, 2022	D	\$ 26,248.69
Increased by:		
Premium on Sale of Notes		17,559.69
		<u>43,808.38</u>
Decreased by:		
2023 Anticipated Revenue - Operating Budget		26,248.69
		<u>26,248.69</u>
Balance December 31, 2023	D	<u>\$ 17,559.69</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY OPERATING FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Operating Surplus Anticipated	\$ 152,286.52	\$ 152,286.52	
Water Rents	1,903,798.14	2,098,597.10	\$ 194,798.96
Miscellaneous Revenue	154,718.67	148,360.52	6,358.15 *
Water Capital Fund Surplus	26,248.69	26,248.69	
Anticipated Deficit - Current Fund	307,679.19	531.41	307,147.78 *
	<u>\$ 2,544,731.21</u>	<u>\$ 2,426,024.24</u>	<u>\$ 118,706.97 *</u>

Analysis of Miscellaneous Revenue

Treasurer:

Interest on Investments and Deposits:

Collected/Received by Treasurer:

Water Utility Operating Fund	\$ 9,810.95	
Water Utility Capital Fund	<u>4,666.25</u>	
		\$ 14,477.20

Collector:

Penalties	40,338.77	
Water Meter	3,309.00	
Water Permits	20,300.00	
Sprinkler Systems	39,135.00	
Second Meter Installation	2,100.00	
Final Reading Charges	16,943.29	
Inspection Charges	750.00	
Miscellaneous	<u>11,007.26</u>	
		<u>133,883.32</u>
		<u>\$ 148,360.52</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
 WATER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended by		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 597,613.00	\$ 604,245.00	\$ 599,098.27	\$ 5,146.73	
Other Expenses	1,324,906.00	1,323,531.50	1,176,304.15	147,227.35	
Salary Adjustment Program	6,632.00				
Capital Improvements:					
Capital Improvement Fund	15,000.00	15,000.00	15,000.00		
Capital Outlay	18,000.00	18,000.00	6,313.92	11,686.08	
Debt Service:					
Payment of Bond Principal	105,000.00	105,000.00	105,000.00		
Payment of Bond Anticipation Notes	156,000.00	156,000.00	156,000.00		
Interest on Bonds	58,688.00	60,062.50	60,062.50		
Interest on Notes	101,037.00	101,037.00	91,317.54		\$ 9,719.46
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Overexpenditure of Appropriations	14,027.21	14,027.21	14,027.21		
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	98,312.00	98,312.00	98,312.00		
Social Security System (O.A.S.I.)	49,516.00	49,516.00	49,516.00		
	\$ 2,544,731.21	\$ 2,544,731.21	\$ 2,370,951.59	\$ 164,060.16	\$ 9,719.46
		<u>Ref.</u>			
Cash Disbursed			\$ 2,205,544.34		
Accrued Interest on Bonds			60,062.50		
Accrued Interest on Notes			91,317.54		
Deferred Charges - Overexpenditure of Appropriations			14,027.21		
			\$ 2,370,951.59		

D

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT



TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
SEWER UTILITY FUND

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	<u>Ref.</u>	<u>December 31,</u>	
		<u>2023</u>	<u>2022</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	E-4	\$ 290,215.08	\$ 465,596.96
Due From Sewer Capital Fund	E	12,114.64	
		<u>302,329.72</u>	<u>465,596.96</u>
Receivables and Inventory with Full Reserves:			
Consumer Accounts Receivable	E-6	217,273.46	148,838.89
Inventory - Materials and Supplies	E-6A	23,962.50	23,920.00
		<u>241,235.96</u>	<u>172,758.89</u>
Total Receivables and Inventory with Full Reserves			
Deferred Charges:			
Overexpenditure of Appropriations			16,572.50
			<u>16,572.50</u>
Total Deferred Charges:			
			<u>16,572.50</u>
		<u>543,565.68</u>	<u>654,928.35</u>
Total Operating Fund			
Capital Fund:			
Cash and Cash Equivalents	E-4	1,191,008.62	1,304,953.04
Fixed Capital	E-7	18,259,390.81	18,229,813.84
Fixed Capital Authorized and Uncompleted	E-8	3,600,000.00	3,600,000.00
		<u>23,050,399.43</u>	<u>23,134,766.88</u>
Total Capital Fund			
		<u>23,050,399.43</u>	<u>23,134,766.88</u>
TOTAL ASSETS		<u>\$ 23,593,965.11</u>	<u>\$ 23,789,695.23</u>

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
(Continued)

	<u>Ref.</u>	<u>December 31,</u>	
		<u>2023</u>	<u>2022</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	E-3;E-9	\$ 55,772.69	\$ 256,924.70
		55,772.69	256,924.70
Sewer Rent Overpayments		11,043.14	27,368.30
Accrued Interest on Bonds		46,104.17	48,604.17
Accrued Interest on Notes		39,054.75	36,368.44
Reserve for Improvements		3,514.91	3,514.91
		155,489.66	372,780.52
Reserve for Receivables	E	241,235.96	172,758.89
Fund Balance	E-1	146,840.06	109,388.94
Total Operating Fund		543,565.68	654,928.35
Capital Fund:			
Bond Anticipation Notes Payable	E-13	1,806,000.00	1,892,000.00
Serial Bonds Payable	E-14	2,555,000.00	2,755,000.00
Improvement Authorizations:			
Funded	E-10	57,405.41	131,528.77
Unfunded	E-10	1,010,343.99	1,070,344.17
Due to Sewer Operating fund	E	12,114.64	
Capital Improvement Fund	E-11	86,000.00	71,000.00
Reserve for:			
Engineering Study		9,920.00	9,920.00
Amortization	E-12	17,008,390.81	16,778,813.84
Deferred Reserve for Amortization	E-12A	490,000.00	404,000.00
Fund Balance	E-1A	15,224.58	22,160.10
Total Capital Fund		23,050,399.43	23,134,766.88
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		\$ 23,593,965.11	\$ 23,789,695.23

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY OPERATING FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN  
FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2023	2022
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 92,816.45	\$ 227,684.15
Sewer Rents		2,338,122.28	2,196,528.86
Miscellaneous Revenue Anticipated		64,121.59	32,472.85
Sewer Capital Fund Surplus		22,160.10	14,029.72
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		177,640.02	150,183.04
Total Income		<u>2,694,860.44</u>	<u>2,620,898.62</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		1,777,445.28	1,779,510.00
Capital Improvements		52,500.00	52,500.00
Debt Service		475,306.09	469,989.18
Deferred Charges and Statutory Expenditures		259,341.50	226,083.00
Total Expenditures		<u>2,564,592.87</u>	<u>2,528,082.18</u>
Excess/(Deficit) in Revenue		130,267.57	92,816.44
Adjustments Before Fund Balance:			
Expenditures Included Above Which are by			
Statute Deferred Charges to Budget of			
Succeeding Year - Overexpenditure of Appropriations			\$ 16,572.50
Excess in Revenue/Statutory Excess to Fund Balance		130,267.57	109,388.94
<u>Fund Balance</u>			
Balance January 1		109,388.94	227,684.15
		<u>239,656.51</u>	<u>337,073.09</u>
Decreased by:			
Utilization as Anticipated Revenue:			
Sewer Operating Budget		92,816.45	227,684.15
Balance December 31	E	<u>\$ 146,840.06</u>	<u>\$ 109,388.94</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY CAPITAL FUND  
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 22,160.10
Increased by:		
Premium on Sale of Notes		15,224.58
		<u>37,384.68</u>
Decreased by:		
2023 Anticipated Revenue - Operating Budget		22,160.10
		<u>22,160.10</u>
Balance December 31, 2023	E	<u>\$ 15,224.58</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY OPERATING FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess/Defecit</u>
Operating Surplus Anticipated	\$ 92,816.45	\$ 92,816.45	
Sewer Rents	2,196,528.86	2,338,122.28	\$ 141,593.42
Miscellaneous Revenue	32,472.85	64,121.59	31,648.74
Sewer Capital Fund Surplus	22,160.10	22,160.10	
Anticipated Deficit - Current Fund	226,995.52		226,995.52 *
	<u>\$ 2,570,973.78</u>	<u>\$ 2,517,220.42</u>	<u>\$ 53,753.36 *</u>

Analysis of Miscellaneous Revenue

Treasurer:

Interest on Investments and Deposits:

Collected/Received by Treasurer:

Sewer Utility Operating Fund

\$ 7,245.10

Sewer Utility Capital Fund

12,114.64

\$ 19,359.74

Collector:

Penalties

44,761.85

\$ 64,121.59

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended by		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 783,894.00	\$ 792,927.00	\$ 772,433.83	\$ 20,493.17	
Other Expenses	984,518.28	984,518.28	966,103.79	18,414.49	
Salary Adjustment Program	9,033.00				
Capital Improvements:					
Capital Improvement Fund	15,000.00	15,000.00	15,000.00		
Capital Outlay	37,500.00	37,500.00	20,634.97	16,865.03	
Debt Service:					
Payment of Bond Principal	200,000.00	200,000.00	200,000.00		
Payment of Bond Anticipation Notes and Capital Notes	86,000.00	86,000.00	86,000.00		
Interest on Bonds	111,150.00	111,150.00	111,150.00		
Interest on Notes	84,537.00	84,537.00	78,156.09		\$ 6,380.91
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Overexpenditure of Appropriations	16,572.50	16,572.50	16,572.50		
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	180,766.00	180,766.00	180,766.00		
Social Security System (O.A.S.I.)	62,003.00	62,003.00	62,003.00		
	<u>\$ 2,570,973.78</u>	<u>\$ 2,570,973.78</u>	<u>\$ 2,508,820.18</u>	<u>\$ 55,772.69</u>	<u>\$ 6,380.91</u>

E

Cash Disbursed	\$ 2,302,941.59
Deferred Charges - Overexpenditure of Appropriations	16,572.50
Accrued Interest on Bonds	111,150.00
Accrued Interest on Notes	78,156.09
	<u>\$ 2,508,820.18</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
SWIMMING POOL UTILITY FUND



TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	F-4	\$ 53,692.63	\$ 17,971.16
Deferred Charges - Overexpenditure of Appropriations	F-3		4,213.59
Total Operating Fund		53,692.63	22,184.75
Capital Fund:			
Cash and Cash Equivalents	F-4	16,000.00	14,000.00
Due from Swimming Pool Operating Fund	F	2,000.00	2,000.00
Fixed Capital	F-7	3,478,602.89	3,455,559.89
Total Capital Fund		3,496,602.89	3,471,559.89
<b>TOTAL ASSETS</b>		<b>\$ 3,550,295.52</b>	<b>\$ 3,493,744.64</b>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	F-3;F-9	\$ 42,942.38	\$ 10,246.79
		42,942.38	10,246.79
Due to Swimming Pool Capital Fund	F	2,000.00	2,000.00
Accrued Interest on Bonds		8,750.00	9,937.71
		53,692.38	22,184.50
Fund Balance	F-1	0.25	0.25
Total Operating Fund		53,692.63	22,184.75
Capital Fund:			
Serial Bonds Payable	F-14	520,000.00	615,000.00
Capital Improvement Fund	F-11	18,000.00	16,000.00
Reserve for Amortization	F-12	2,958,602.89	2,840,559.89
Total Capital Fund		3,496,602.89	3,471,559.89
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<b>\$ 3,550,295.52</b>	<b>\$ 3,493,744.64</b>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY OPERATING FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN  
FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2023	2022
<u>Revenue and Other Income Realized</u>			
Membership Fees		\$ 518,092.94	\$ 436,163.00
Miscellaneous Revenue Anticipated		36,088.67	41,982.30
Anticipated Deficit - Current Fund		4,542.72	25,406.71
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		6,091.79	44,687.99
		<u>564,816.12</u>	<u>548,240.00</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		394,660.24	381,998.59
Capital Improvements		28,183.00	27,419.00
Debt Service		116,237.29	122,460.00
Deferred Charges and Statutory Expenditures		25,735.59	20,576.00
		<u>564,816.12</u>	<u>552,453.59</u>
Adjustments Before Fund Balance:			
Expenditures Included Above Which are by			
Statute Deferred Charges to Budget of			
Succeeding Year - Overexpenditure of Appropriations			
			<u>4,213.59</u>
Statutory Excess to Fund Balance		<u>-0-</u>	<u>-0-</u>
<u>Fund Balance</u>			
Balance January 1		<u>0.25</u>	<u>0.25</u>
Balance December 31	F	<u>\$ 0.25</u>	<u>\$ 0.25</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY CAPITAL FUND  
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY OPERATING FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

	Anticipated	Realized	Excess or Deficit*
Membership Fees	\$ 434,212.00	\$ 518,092.94	\$ 83,880.94
Miscellaneous Revenue	41,666.00	36,088.67	5,577.33 *
Anticipated Deficit - Current Fund	88,938.83	4,542.72	84,396.11 *
Budget Totals	\$ 564,816.83	\$ 558,724.33	\$ 6,092.50 *

Analysis of Miscellaneous Revenue

Treasurer:

Interest on Investments and Deposits:

Collected/Received by Treasurer:

Swimming Pool Utility Operating Fund	\$ 718.29	
Swimming Pool Utility Capital Fund	196.71	
		\$ 915.00

Collector:

Guest Passes	19,712.00	
Concession Stand	10,560.67	
Pool Insurance	2,841.00	
Miscellaneous	2,060.00	
		35,173.67
		\$ 36,088.67

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended by		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 278,636.00	\$ 283,824.00	\$ 251,802.41	\$ 32,021.59	
Other Expenses	110,836.24	110,836.24	103,055.45	7,780.79	
Salary Adjustment Program	5,188.00				
Capital Improvements:					
Capital Improvement Fund	2,000.00	2,000.00	2,000.00		
Capital Outlay	26,183.00	26,183.00	23,043.00	3,140.00	
Debt Service:					
Payment of Bond Principal	95,000.00	95,000.00	95,000.00		
Interest on Bonds	21,238.00	21,238.00	21,237.29		0.71
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Overexpenditure of Appropriations	4,213.59	4,213.59	4,213.59		
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	21,522.00	21,522.00	21,522.00		
	\$ 564,816.83	\$ 564,816.83	\$ 521,873.74	\$ 42,942.38	\$ 0.71
				F	
Cash Disbursed			\$ 496,422.86		
Deferred Charges - Overexpenditure of Appropriations			4,213.59		
Accrued Interest on Bonds			21,237.29		
			\$ 521,873.74		

Ref.

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
PUBLIC ASSISTANCE FUND

NOT APPLICABLE

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
SPECIAL GARBAGE DISTRICT FUND

TOWNSHIP OF CEDAR GROVE  
SPECIAL GARBAGE DISTRICT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Due Current Fund	A	\$ 1,136,624.29	\$ 993,754.77
Deferred Charges:			
Overexpenditure of Appropriations	H-3		445.00
TOTAL ASSETS		<u>\$ 1,136,624.29</u>	<u>\$ 994,199.77</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriation Reserves:			
Unencumbered	H-3;H-6	\$ 806,229.25	\$ 316,127.46
Accounts Payable - Vendors			58,574.19
Fund Balance	H-1	<u>330,395.04</u>	<u>619,498.12</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 1,136,624.29</u>	<u>\$ 994,199.77</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT



TOWNSHIP OF CEDAR GROVE  
SPECIAL GARBAGE DISTRICT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN  
FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2023	2022
<u>Revenue and Other Income Realized</u>			
Fund Balance Anticipated		\$ 619,053.12	\$ 770,447.00
District Tax		1,805,588.56	1,627,253.00
Nonbudget Revenue			4,783.00
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		316,127.46	88,470.61
		<u>2,740,769.14</u>	<u>2,490,953.61</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		2,410,819.10	2,398,145.00
		<u>2,410,819.10</u>	<u>2,398,145.00</u>
Adjustments Before Fund Balance:			
Expenditures Included Above Which are by			
Statute Deferred Charges to Budget of			
Succeeding Year - Overexpenditure of Appropriations			
			<u>445.00</u>
Excess in Revenue/Statutory Excess to Fund Balance		329,950.04	93,253.61
<u>Fund Balance</u>			
Balance January 1		619,498.12	1,296,691.51
		<u>949,448.16</u>	<u>1,389,945.12</u>
Decreased by:			
Utilized as Anticipated Revenue		619,053.12	770,447.00
Balance December 31	H	<u>\$ 330,395.04</u>	<u>\$ 619,498.12</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
SPECIAL GARBAGE DISTRICT FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	\$ 619,053.12	\$ 619,053.12	
Special District Tax	<u>1,791,765.98</u>	<u>1,805,588.56</u>	<u>\$ 13,822.58</u>
Budget Totals	<u><u>\$ 2,410,819.10</u></u>	<u><u>\$ 2,424,641.68</u></u>	<u><u>\$ 13,822.58</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF CEDAR GROVE  
SPECIAL GARBAGE DISTRICT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended by	
	Budget	Budget After Modification	Paid or Charged	Reserved
	Budget	Modification	Charged	Reserved
Operating:				
Salaries and Wages	\$ 145,452.00	\$ 145,452.00	\$ 118,463.87	\$ 26,988.13
Other Expenses:				
Contractual Services	779,700.00	779,700.00	779,700.00	
Disposal Fees	1,466,222.10	1,466,222.10	687,712.98	778,509.12
Deferred Charges and Statutory Expenditures:				
Deferred Charges:				
Overexpenditure of Appropriations	445.00	445.00	445.00	
Statutory Expenditures:				
Contribution to:				
Public Employees' Retirement System (P.E.R.S)	4,000.00	4,000.00	3,268.00	732.00
Social Security System (O.A.S.I.)	15,000.00	15,000.00	15,000.00	
	\$ 2,410,819.10	\$ 2,410,819.10	\$ 1,604,589.85	\$ 806,229.25

Ref.

H

Paid in Current Fund	\$ 1,604,144.85
Deferred Charges:	
Overexpenditure of Appropriations	445.00
	\$ 1,604,589.85

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
GENERAL FIXED ASSETS ACCOUNT GROUP

NOT APPLICABLE

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Township of Cedar Grove include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Cedar Grove, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Township of Cedar Grove do not include the operations of the municipal library, or volunteer fire and first aid squads.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

The accounting policies of the Township of Cedar Grove conform to the accounting practices applicable to municipalities which have been prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such 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 Township of Cedar Grove accounts for its financial transactions through the following separate funds:

Current Fund - Resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

B. Description of Funds (Cont'd)

Trust Funds - Receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - Receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Water Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned water utility.

Sewer Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned sewer utility.

Swimming Pool Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned swimming pool utility.

Special Garbage District Fund - Collection of special district taxes for the cost of providing garbage collection.

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The following is a summary of the significant accounting policies.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Federal and state grants are generally recognized on the cash basis, except for certain assistance which is not realized until anticipated in the Township's budget. The amounts recorded as property taxes receivable and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are generally charged to operations based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee benefit amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
 (Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body. 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 income.

The cash basis of accounting is followed in the Trust and Capital Funds.

Had the Township's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; depreciation would be recorded on fixed assets in the utility capital funds; Federal and State grants and assistance would be recognized when earned, not when budgeted in the Current Fund or when improvements are authorized in the Capital Funds; inventories would not be reflected as expenditures at the time of purchase, investments would generally be stated at fair value, lease receivables and deferred lease resources as well as the related revenue would be recorded for leases for which the Township is a lessor, and the Township's net OPEB liability and net pension liability and related deferred inflows and outflows, where applicable, would be recorded.

- D. Deferred Charges to Future Taxation – The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means the debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget, by collecting a grant, by selling bonds, by issuing loans or through financed purchases agreements.

E. Other significant accounting policies include:

Management Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments – Investments are stated at cost.

Grants Receivable – Grants receivable represent total grant awards less amounts collected to date. Because the amount of grants funds to be collected are dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amount awarded.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

E. Other significant accounting policies include (Cont'd):

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences – Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

Foreclosed Property – Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

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.

Inventories of Supplies – 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, except for the Water and Sewer Utility Operating Funds. The amounts reflected as inventories on the Water and Sewer Utility Funds balance sheets are offset by reserves.

Fixed Assets – Property and equipment purchased by the Current, General Capital, Water Utility, Sewer Utility and Swimming Pool Utility Funds are recorded as expenditures at the time of purchase and are not capitalized.

- F. Budget/Budgetary Control – Annual appropriated budgets are usually prepared in the first quarter for Current operating, utility, Garbage District and Open Space Trust Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Township during the year.



TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 2: Long-Term Debt

The Local Bond Law governs the issuance of bonds to finance general Township capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds. The Township's full faith and credit taxing power has been pledged to the payment of the general obligation debt principal and interest.

Summary of Municipal Debt

	<u>December 31,</u>		
	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>Issued:</u>			
General:			
Bonds and Notes	<u>\$ 31,606,450</u>	<u>\$ 29,292,000</u>	<u>\$ 29,608,000</u>
	<u>31,606,450</u>	<u>29,292,000</u>	<u>29,608,000</u>
 <u>Authorized but not Issued</u>			
General:			
Bonds and Notes	<u>                    </u>	<u>952,000</u>	<u>2,852,000</u>
		<u>952,000</u>	<u>2,852,000</u>
 Net Bonds, Notes and Loans Issued and Authorized but not Issued	 <u>\$ 31,606,450</u>	 <u>\$ 30,244,000</u>	 <u>\$ 32,460,000</u>

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt Issued and Outstanding - Current and Prior Years

	Balance 12/31/22	Additions	Retirements	Balance 12/31/23
Serial Bonds:				
General Capital Fund	\$ 1,180,000	\$ 13,742,000	\$ 1,180,000	\$ 13,742,000
Water Utility	1,485,000		105,000	1,380,000
Sewer Utility	2,755,000		200,000	2,555,000
Swimming Pool Utility	615,000		95,000	520,000
Bond Anticipation Notes:				
General Capital Fund	19,126,000	9,520,450	19,126,000	9,520,450
Water Utility	2,239,000	2,083,000	2,239,000	2,083,000
Sewer Utility	1,892,000	1,806,000	1,892,000	1,806,000
<b>Total</b>	<b>\$ 29,292,000</b>	<b>\$ 27,151,450</b>	<b>\$ 24,837,000</b>	<b>\$ 31,606,450</b>
	Balance 12/31/21	Additions	Retirements	Balance 12/31/22
Serial Bonds:				
General Capital Fund	\$ 2,335,000		\$ 1,155,000	\$ 1,180,000
Water Utility	1,615,000		130,000	1,485,000
Sewer Utility	3,000,000		245,000	2,755,000
Swimming Pool Utility	715,000		100,000	615,000
Bond Anticipation Notes:				
General Capital Fund	18,341,000	\$ 19,126,000	18,341,000	19,126,000
Water Utility	2,246,000	2,239,000	2,246,000	2,239,000
Sewer Utility	1,356,000	1,892,000	1,356,000	1,892,000
<b>Total</b>	<b>\$ 29,608,000</b>	<b>\$ 23,257,000</b>	<b>\$ 23,573,000</b>	<b>\$ 29,292,000</b>

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.921%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 15,431,437	\$ 15,431,437	
Water Utility Debt	3,463,000	2,223,794	\$ 1,239,206
Sewer Utility Debt	4,361,000	4,361,000	
Swimming Pool Utility Debt	520,000	520,000	
General Debt	23,262,450		23,262,450
	<u>\$ 47,037,887</u>	<u>\$ 22,536,231</u>	<u>\$ 24,501,656</u>

Net Debt: \$24,501,656 divided by Average Equalized Valuations of \$2,659,422,379 of Real Property = 0.921%.

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

3-1/2% Average Equalized Valuation of Real Property	\$ 93,079,783
Net Debt	<u>24,501,656</u>
Remaining Borrowing Power	<u>\$ 68,578,127</u>

Calculation of "Self-Liquidating Purpose", Water Utility  
Per N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 2,426,024
Deductions:	
Operating and Maintenance Cost	\$ 2,075,604
Debt Service	<u>412,380</u>
Total Deductions	<u>2,487,984</u>
(Deficit) in Revenue	<u>\$ (61,960)</u>

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Statutory Debt Condition - Annual Debt Statement (Cont'd)

Calculation of "Self-Liquidating Purpose", Sewer Utility  
Per N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 2,517,220
Deductions:	
Operating and Maintenance Cost	\$ 2,020,214
Debt Service	<u>475,306</u>
Total Deductions	<u>2,495,520</u>
Excess in Revenue	<u>\$ 21,700</u>

Calculation of "Self-Liquidating Purpose", Swimming Pool Utility  
Per N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 558,724
Deductions:	
Operating and Maintenance Cost	\$ 416,182
Debt Service	<u>116,237</u>
Total Deductions	<u>532,419</u>
Excess in Revenue	<u>\$ 26,305</u>

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount, or the total amount of debt service for that fund, whichever is less.

The foregoing information is in agreement with the Annual Debt Statement as filed by the Chief Financial Officer.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 2: Long-Term Debt (Cont'd)

At December 31, 2023, the Township had Capital Debt issued and outstanding described as follows:

<u>General Capital Serial Bonds</u>				
<u>Purpose</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>
	<u>Date</u>	<u>Amount</u>		
General Obligation Bonds	7/7/2024	\$ 916,000	3.00%	
	7/7/2025	916,000	3.00%	
	7/7/2026	916,000	3.00%	
	7/7/2027	916,000	3.00%	
	7/7/2028	916,000	3.00%	
	7/7/2029	916,000	3.00%	
	7/7/2030	916,000	3.00%	
	7/7/2031	916,000	3.00%	
	7/7/2032	916,000	4.00%	
	7/7/2033	916,000	4.00%	
	7/7/2034	916,000	4.00%	
	7/7/2035	916,000	4.00%	
	7/7/2036	916,000	4.00%	
	7/7/2037	916,000	4.00%	
	7/7/2038	918,000	4.00%	<u>\$ 13,742,000</u>
<u>Water Utility Capital Serial Bonds</u>				
<u>Purpose</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>
	<u>Date</u>	<u>Amount</u>		
Water Refunding Bonds	02/01/24	\$ 110,000	3.00%	
	02/01/25	120,000	4.00%	
	02/01/26	125,000	4.00%	
	02/01/27	125,000	4.00%	
	02/01/28	130,000	5.00%	
	02/01/29	140,000	5.00%	
	02/01/30	145,000	5.00%	
	02/01/31	155,000	5.00%	
	02/01/32	160,000	4.00%	
	02/01/33	170,000	4.00%	<u>\$ 1,380,000</u>

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 2: Long-Term Debt (Cont'd)

At December 31, 2023, the Township had Capital Debt issued and outstanding described as follows:  
(Cont'd)

<u>Sewer Utility Capital Serial Bonds</u>				
<u>Purpose</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest</u>	<u>Balance</u>
	<u>Date</u>	<u>Amount</u>	<u>Rate</u>	<u>Dec. 31, 2023</u>
Sewer Refunding Bonds	02/01/24	\$ 210,000	3.00%	
	02/01/25	215,000	4.00%	
	02/01/26	225,000	4.00%	
	02/01/27	235,000	4.00%	
	02/01/28	245,000	5.00%	
	02/01/29	255,000	5.00%	
	02/01/30	270,000	5.00%	
	02/01/31	285,000	5.00%	
	02/01/32	300,000	4.00%	
	02/01/33	315,000	4.00%	<u>\$ 2,555,000</u>

<u>Swimming Pool Utility Capital Serial Bonds</u>				
<u>Purpose</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest</u>	<u>Balance</u>
	<u>Date</u>	<u>Amount</u>	<u>Rate</u>	<u>Dec. 31, 2023</u>
Swimming Pool				
Refunding Bonds	02/01/24	\$ 95,000	3.00%	
	02/01/25	100,000	4.00%	
	02/01/26	105,000	4.00%	
	02/01/27	105,000	4.00%	
	02/01/28	115,000	5.00%	<u>\$ 520,000</u>

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years and  
Thereafter for Bonded Debt Issued and Outstanding

<u>Calendar Year</u>	<u>General</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 916,000.00	\$ 462,660.00	\$ 1,378,660.00
2025	916,000.00	435,180.00	1,351,180.00
2026	916,000.00	407,700.00	1,323,700.00
2027	916,000.00	380,220.00	1,296,220.00
2028	916,000.00	352,740.00	1,268,740.00
Thereafter:			
2029-2033	4,580,000.00	1,333,180.00	5,913,180.00
2034-2038	4,582,000.00	458,360.00	5,040,360.00
	<u>\$ 13,742,000.00</u>	<u>\$ 3,830,040.00</u>	<u>\$ 17,572,040.00</u>

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 2: Long-Term Debt (Cont'd)

At December 31, 2023, the Township had Capital Debt issued and outstanding described as follows: (Cont'd)

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years and  
Thereafter for Bonded Debt Issued and Outstanding

Calender Year	Water Utility		Total
	Principal	Interest	
2024	\$ 110,000.00	\$ 58,150.00	\$ 168,150.00
2025	120,000.00	54,100.00	174,100.00
2026	125,000.00	49,200.00	174,200.00
2027	125,000.00	44,200.00	169,200.00
2028	130,000.00	38,450.00	168,450.00
Thereafter:			
2029-2033	770,000.00	86,750.00	856,750.00
	\$ 1,380,000.00	\$ 330,850.00	\$ 1,710,850.00

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years and  
Thereafter for Bonded Debt Issued and Outstanding

Calender Year	Sewer Utility		Total
	Principal	Interest	
2024	\$ 210,000.00	\$ 107,500.00	\$ 317,500.00
2025	215,000.00	100,050.00	315,050.00
2026	225,000.00	91,250.00	316,250.00
2027	235,000.00	82,050.00	317,050.00
2028	245,000.00	71,225.00	316,225.00
Thereafter:			
2029-2033	1,425,000.00	160,950.00	1,585,950.00
	\$ 2,555,000.00	\$ 613,025.00	\$ 3,168,025.00

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years  
for Bonded Debt Issued and Outstanding

Calender Year	Swimming Pool Utility		Total
	Principal	Interest	
2024	\$ 95,000.00	\$ 16,675.00	\$ 111,675.00
2025	100,000.00	13,825.00	113,825.00
2026	105,000.00	10,400.00	115,400.00
2027	105,000.00	6,300.00	111,300.00
2028	115,000.00	2,100.00	117,100.00
	\$ 520,000.00	\$ 49,300.00	\$ 569,300.00

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 2: Long-Term Debt (Cont'd)

At December 31, 2023, the Township had Capital Debt issued and outstanding described as follows:  
(Cont'd)

General Capital - Bond Anticipation Notes Payable

Purpose	Final Maturity	Interest Rate	Amount
Road Overlay Program	07/02/24	4.50%	\$ 390,000.00
Various General Improvements	07/02/24	4.50%	530,500.00
Various General Improvements	07/02/24	4.50%	857,900.00
Various General Improvements	07/02/24	4.50%	213,600.00
Resurfacing Little Falls Road Tennis Courts	07/02/24	4.50%	48,800.00
Various General Improvements	07/02/24	4.50%	410,000.00
Various General Improvements	07/02/24	4.50%	234,200.00
Various General Improvements	07/02/24	4.50%	740,000.00
Various General Improvements	07/02/24	4.50%	484,000.00
Various General Improvements	07/02/24	4.50%	900,000.00
Reconstruction of Ozone Avenue	07/02/24	4.50%	20,000.00
Public Safety Radio Communications	07/02/24	4.50%	1,047,000.00
Various General Improvements	07/02/24	4.50%	1,157,000.00
Various General Improvements	07/02/24	4.50%	1,033,000.00
Various General Improvements	07/02/24	4.50%	1,454,450.00
			<u>\$ 9,520,450.00</u>



TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 2: Long-Term Debt (Cont'd)

At December 31, 2023, the Township had Capital Debt issued and outstanding described as follows:  
(Cont'd)

Sewer Utility - Bond Anticipation Notes Payable

<u>Purpose</u>	<u>Final Maturity</u>	<u>Rate</u>	<u>Amount</u>
Various Sewer Utility Improvements	07/10/24	4.50%	\$ 28,000.00
Various Sewer Utility Improvements	07/10/24	4.50%	34,000.00
Various Sewer Utility Improvements	07/10/24	4.50%	14,000.00
Various Sewer Utility Improvements	07/10/24	4.50%	490,000.00
Various Sewer Utility Improvements	07/10/24	4.50%	123,000.00
Various Sewer Utility Improvements	07/10/24	4.50%	223,000.00
Various Sewer Utility Improvements	07/10/24	4.50%	280,000.00
Various Sewer Utility Improvements	07/10/24	4.50%	400,000.00
Various Sewer Utility Improvements	07/10/24	4.50%	214,000.00
			<u>\$ 1,806,000.00</u>

Water Utility - Bond Anticipation Notes Payable

<u>Purpose</u>	<u>Final Maturity</u>	<u>Rate</u>	<u>Amount</u>
Various Water Utility Improvements	07/10/24	4.50%	\$ 145,000.00
Various Water Utility Improvements	07/10/24	4.50%	59,300.00
Various Water Utility Improvements	07/10/24	4.50%	312,400.00
Various Water Utility Improvements	07/10/24	4.50%	350,500.00
Various Water Utility Improvements	07/10/24	4.50%	475,400.00
Various Water Utility Improvements	07/10/24	4.50%	371,400.00
Various Water Utility Improvements	07/10/24	4.50%	194,000.00
Various Water Utility Improvements	07/10/24	4.50%	105,000.00
Various Water Utility Improvements	07/10/24	4.50%	70,000.00
			<u>\$ 2,083,000.00</u>

Total Debt Issued and Outstanding \$ 31,606,450.00

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
 (Continued)

Note 3: Fund Balances Appropriated

Fund balances at December 31, 2023, which were appropriated and included as anticipated revenue in the introduced budget for the year ending December 31, 2024, were as follows:

Current Fund	\$ 7,300,000.00
Sewer Utility Operating Fund	93,000.00
Special Garbage District Fund	770,447.00

Note 4: Local School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district. The Township of Cedar Grove has elected to defer school taxes.

The Local School District Tax was raised on the school year basis and liability deferred by statute, resulting in school tax payable set forth in liabilities computed as follows:

	Balance Dec. 31, 2023	Balance Dec. 31, 2022
Balance of Tax	\$ 16,577,787.00	\$ 15,968,069.00
Less: Amount Deferred	15,394,816.50	15,394,816.50
Tax Payable	\$ 1,182,970.50	\$ 573,252.50

Note 5: Pension Plans

Township employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employee’s Retirement System (PERS) or the State of New Jersey Police and Firemen’s Retirement System (PFRS).

A. Public Employees’ Retirement System (PERS)

Plan Description

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

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

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. The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55<sup>th</sup> 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<sup>th</sup> 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 members 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 50 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.

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and are adjusted by the rate of return on the actuarial value of assets.

Township contributions to PERS amounted to \$518,520 for 2023. During the fiscal year ended June 30, 2022 the State of New Jersey contributed \$15,561 to the PERS for normal pension benefits on behalf of the Township.

The employee contribution rate was 7.50% effective July 1, 2018.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Special Funding Situation

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be 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 the legislation directly to the plan (except for employer specific financed amounts), there is no pension liability or deferred outflows or inflows to report in the financial statement of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entity's total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must disclose pension expense associated with the employers in an amount equal to the nonemployer contributing entity's total proportionate share of the collective pension expense associated with the local participating employer.

Pension Liabilities and Pension Expense

At June 30, 2022, the Township's liability was \$7,395,534 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the Township's proportion was 0.049%, which was an increase of 0.00017% from its proportion measured as of June 30, 2021. The Township has rolled forward the net pension liability as of June 30, 2022 with no adjustments. The State of New Jersey Public Employees' Retirement System (PERS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities to include the June 30, 2022 pension information in the Notes to the Financial Statements as the June 30, 2023 pension information has not been released as of the date of this audit.

There was no state proportionate share of net pension liability attributable to the Township as of June 30, 2022.

For the year ended December 31, 2023, the Township recognized actual pension expense in the amount of \$685,087.

Actuarial Assumptions

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

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Actuarial Assumptions (Cont'd)

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%

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 a 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 is based on Scale MP-2022.

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

Long Term Expected Rate of Return

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

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return (Cont'd)

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

Discount Rate

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

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Sensitivity of the Township's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Township's proportionate share of the collective net pension liability as of June 30, 2022 calculated using the discount rate as disclosed below, as well as what the Township's proportionate share of the net pension 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, 2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's proportionate share of the Net Pension Liability	\$ 9,501,095	\$ 7,395,534	\$ 5,603,617

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Police and Firemen's 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](http://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. The 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.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Benefits Provided (Cont'd)

The following represents the membership tiers for PFRS:

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, 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.

Contributions

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal costs and unfunded accrued liability. For fiscal year 2022, the State contributed an amount more than the actuarially determined amount.

The Local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual amounts over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of the assets.

Special Funding Situation

Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State 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 employers 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.



TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Special Funding Situation (Cont'd)

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.

Township contributions to PFRS amounted to \$1,442,943 for the year ended December 31, 2023. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$205,699 to the PFRS for normal pension benefits on behalf of the Township, which is more than the contractually required contribution of \$263,716.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

Pension Liabilities and Pension Expense

At June 30, 2022, the Township's liability for its proportionate share of the net pension liability was \$13,727,909. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the Township's proportion was 0.12%, which was an increase of 0.005% from its proportion measured as of June 30, 2021. The Township has rolled forward the net pension liability as of June 30, 2022 with no adjustments. The State of New Jersey Police and Firemen's Retirement System (PFRS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities and counties to include the June 30, 2022 information in the Notes to the Financial Statements as the June 30, 2023 information has not been released as of the date of this audit.

Additionally, the State's proportionate share of the net pension liability attributable to the Township is \$2,443,165 as of June 30, 2022. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The State's proportionate share of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the State's proportion was 0.12%, which was an increase of 0.005% from its proportion measured as of June 30, 2021 which is the same proportion as the Township's.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Pension Liabilities and Pension Expense (Cont'd)

Township's Proportionate Share of the Net Pension Liability	\$ 13,727,909
State's Proportionate Share of the Net Pension Liability Associated with the Township	<u>2,443,165</u>
Total Net Pension Liability	<u>\$ 16,171,074</u>

For the year ended December 31, 2023, the Township recognized total pension expense of \$1,442,943.

Actuarial Assumptions

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

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%

Employee mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2022.

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

Long Term Expected Rate of Return

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

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Long Term Expected Rate of Return (Cont'd)

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

Discount Rate – PFRS

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 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 Total Net Pension Liability (including the State's proportionate share of the net pension liability attributable to the Township) to Changes in the Discount Rate

The following presents the total net pension liability (including the State's proportionate share of the net pension liability attributable to the Township) as of June 30, 2022 calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Sensitivity of the Total Net Pension Liability (including the State's proportionate share of the net pension liability attributable to the Township) to Changes in the Discount Rate (Cont'd)

	June 30, 2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's proportionate share of the NPL and the State's proportionate share of the Net Pension Liability associated with the Township	\$ 22,188,461	\$ 16,171,074	\$ 11,161,571

Pension Plan Fiduciary Net Position - PFRS

Detailed information about the PFRS's fiduciary net position is available in the separately issued PFRS financial statements.

Note 6: Accrued Sick and Vacation Benefits

The Township has permitted employees to accrue unused sick pay and, with prior approval, unused vacation pay. Police shall be entitled to convert one (1) accumulated sick day into a personal day of each three (3) month period during which no sick leave is taken. A maximum of 60 sick days may be taken as time off or paid upon retirement at the employee's current rate. At December 31, 2023 and 2022, it was estimated that the current cost of such unpaid compensation would approximate \$1,501,910 and \$1,374,412, respectively. These amounts were not reported either as an expenditure or liability. However, it is expected that the cost of such unpaid compensation would be included in the Township's budget operating expenditures in the year in which it is used.

Note 7: Deferred Compensation Plan

The Township of Cedar Grove offers its employees two deferred compensation plans (the "Plans") created in accordance with Section 457 of the Internal Revenue Code. The Plans, which are administered by the Great-West Life Assurance Company, and AXA Equitable are available to all Township employees and permit participants to defer a portion of their salary. The deferred compensation is not available to employees until termination, retirement, unforeseeable emergency, or upon death to their beneficiaries.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 8: Selected Tax Rate Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A 6% penalty may be assessed for any unpaid taxes and other municipal charges in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the prior year may be placed in lien at a tax sale held after January 1 and through December 31. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>Tax Rate</u>	\$ 2.603	\$ 2.564	\$ 2.533

Apportionment of Tax Rate

Municipal:

Amount to be Raised:

Local	0.496	0.497	0.490
Library	0.039	0.038	0.036
Special Garbage District	0.073	0.073	0.073
County	0.527	0.523	0.525
Local School	1.468	1.433	1.409

Assessed Valuations

2023	<u>\$ 2,258,487,200</u>		
2022		<u>\$ 2,229,114,269</u>	
2021			<u>\$ 2,222,561,600</u>

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 possible increase in future tax levies.

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2023	\$ 59,080,370.07	\$ 58,226,816.05	98.55%
2022	57,303,564.14	56,912,129.06	99.31%
2021	56,396,972.87	55,998,033.38	99.29%

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding decreases in budgeted expenditures.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 9: Cash and Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, amounts in deposits and short-term investments with original maturities of three months or less.

Investments are stated at cost. The Township classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the Township in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Township ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Township limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed in the section of this Note on Investments.

Custodial Credit Risk – The Township's policy with respect to custodial credit risk requires that the Township ensures that Township funds are only deposited in financial institutions in which New Jersey municipalities are permitted to invest their funds.

Deposits:

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC), or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds; and in addition, and

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments:

New Jersey statutes permit the Township to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 9: Cash and Cash Equivalents and Investments (Cont'd)

Investments: (Cont'd)

- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 313 (C.40A:5A-1 et seq.) Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983 c.313 (C.40A:5A-1 et seq.);
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 9: Cash and Cash Equivalents and Investments (Cont'd)

Investments (Cont'd):

As of December 31, 2023, cash and cash equivalents and investments of the Township of Cedar Grove consisted of the following:

<u>Fund</u>	<u>Cash on Hand</u>	<u>Checking and Savings Accounts</u>	<u>NJ Cash Management Fund</u>	<u>Total</u>
Current	\$ 265.00	\$ 17,241,574.54	\$ 49,513.04	\$ 17,291,352.58
Federal and State Grant		2,075,270.21	35,065.22	2,110,335.43
Animal Control		33,382.21		33,382.21
Other Trust		2,171,380.34	546,175.71	2,717,556.05
General Capital		7,338,485.31		7,338,485.31
Water Utility:				
Operating		265,094.82		265,094.82
Capital		131,418.43		131,418.43
Sewer Utility:				
Operating		290,215.08		290,215.08
Capital		1,191,008.62		1,191,008.62
Swimming Pool Utility:				
Operating		53,692.63		53,692.63
Capital		16,000.00		16,000.00
	<u>\$ 265.00</u>	<u>\$ 30,807,522.19</u>	<u>\$ 630,753.97</u>	<u>\$ 31,438,541.16</u>

During the period ended December 31, 2023, the Township did not hold any investments other than certificates of deposit. The carrying amount of the Township's cash and cash equivalents and investments at December 31, 2023, was \$31,438,541.16 and the bank balance was \$31,724,476.28. The \$630,753.97 in the State of New Jersey Cash Management Fund is uninsured and unregistered.

Note 10: Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Health benefits are provided through the New Jersey State Health Benefits Program.

Property, Liability and Workers' Compensation

The Township is a member of the North Jersey Intergovernmental Insurance Fund (the "Fund"). The Fund is both an insured and self-administered group of municipalities established for the purpose of providing insurance for general liability, property and workers' compensation.

As a member of the Fund, the Township could be subjected to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liability.



TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 10: Risk Management (Cont'd)

Property, Liability and Workers' Compensation (Cont'd)

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. The members may either receive payment or offset their subsequent year's assessments with their respective share of the distribution.

The December 31, 2023 and 2022 audit reports of the New Jersey Intergovernmental Insurance Fund are not available as of the date of this audit. Selected financial information for the Fund as of December 31, 2021 is as follows:

	<u>Property and Liability</u>	<u>Workers' Compensation</u>
Total Assets	<u>\$ 66,585,047</u>	<u>\$ 33,197,576</u>
Net Position (Deficit)	<u>\$ 15,964,864</u>	<u>\$ (10,577,553)</u>
Total Revenue	<u>\$ 10,808,271</u>	<u>\$ 10,007,298</u>
Total Expenses	<u>\$ 9,983,654</u>	<u>\$ 13,063,611</u>
Change in Net Position	<u>\$ 824,617</u>	<u>\$ (3,056,313)</u>
Members Dividends	<u>\$ -0-</u>	<u>\$ -0-</u>

Financial statements for the Fund are available at the office of the Fund's Executive Director:

New Jersey Intergovernmental Insurance Fund  
RHM Benefits Inc.  
55 Madison Avenue, Suite 400  
Morristown, NJ 07960  
(201) 317-6821

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

The following is a summary of Township contributions, employee contributions, interest earned, reimbursements to the State for benefits paid and the ending balance of the Township's expendable trust fund for the current and previous two years.

<u>Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023	\$ 4,070.84		\$ 8,261.07	\$ 42,006.66
2022	28,992.21		30,851.33	46,196.89
2021	38,551.96	\$ 4.92	27,127.27	48,056.01

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 11: Interfund Receivables and Payables

The following interfund balances remained on the balance sheets at December 31, 2023:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current	\$ 49,893.73	\$ 2,055,857.92
Federal and State Grant		14,823.28
Animal Control		16,883.41
Other Trust	919,233.63	
General Capital		18,187.04
Water Utility Operating	4,666.25	
Water Utility Capital		4,666.25
Sewer Utility Operating	12,114.64	
Sewer Utility Capital		12,114.64
Swimming Pool Utility Operating		2,000.00
Swimming Pool Utility Capital	2,000.00	
Special Garbage District	1,136,624.29	
	<u>\$ 2,124,532.54</u>	<u>\$ 2,124,532.54</u>

The interfund receivable in the Other Trust Funds is due to funds received in the Current Fund net of disbursements made by the Current Fund on behalf of the Other Trust Funds. The interfund receivable in the Special Garbage District Fund is due to reimbursements received and the tax levy collected in the Current Fund net of disbursements made by the Current Fund on behalf of the Special Garbage District Fund. The interfund receivable in the Swimming Pool Utility Capital Fund is for the Capital Improvement Fund appropriation in the Swimming Pool Utility Operating Fund that was not transferred at December 31, 2023. The interfund receivable in the Water Utility Operating Fund due to interest earned in the Water Utility Capital Fund. The interfund receivable in the Sewer Utility Operating Fund due to interest earned in the Sewer Utility Capital Fund.

As the Current Fund acts as a clearing account for all other Township Funds, the most significant interfund activity during the year is the collection of receipts and disbursements made on behalf of all other Township Funds by the Current Fund.

Note 12: Economic Dependency

The Township 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 have an effect on the Township's programs and activities.

Note 13: Open Space Trust Fund

The Township created an Open Space Trust Fund with a tax levy of \$.02 per \$100 of assessed valuation on March 8, 1999. The funds collected are used to acquire and maintain open space property in the Township. The balance in the Open Space Trust Fund at December 31, 2023 and 2022 were \$37,654.52 and \$37,135.20, respectively. There was no Township Open Space Tax levied for calendar years 2010 and 2013 - 2022 for the Township. The tax levy for calendar years 2011 and 2012 was established at \$.02 per \$100 of assessed valuation.

Note 14: Contingent Liabilities

The Township is periodically involved in various lawsuits arising in the normal course of business, including claims for property damage, personal injury, and various contract disputes. The Township vigorously contests these lawsuits and believes the ultimate resolution will not have a material adverse effect on their financial position.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 14: Contingent Liabilities (Cont'd)

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Township as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Township officials expect such amounts, if any, to be immaterial.

Note 15: Tax Abatement

GASB Statement 77, *Tax Abatements* requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

On January 8, 2018, the Township entered into a redevelopment agreement with a tax abatement to a redeveloper for 460 residential housing units and 90 affordable housing units in the Township pursuant to N.J.S.A 40A:20-1 et seq., the *Long Term Tax Exemption Law*, and a financial agreement between the Township and the redeveloper at the property known as Hilltop at Cedar Grove. The agreement is for a period of 30 years. The Township shall remit to the County of Essex on a quarterly basis, 5% of the Annual Service Charge in the form of Payments in Lieu of Taxes ("PILOT") received from the redeveloper in accordance with N.J.S.A. 40A:20-12b. The Township recognized revenue in 2023 in the amount of \$5,942,158.50 from this annual service charge or payment in lieu of taxes which is recorded as a miscellaneous revenue not anticipated in the Current Fund, of which \$297,107.93 was due to the County of Essex for the county apportionment of payment in lieu of taxes. The tax abatement provided under the agreement shall be terminated when the nonprofit corporation or its successors and the development cease to remain subject to the provisions of the Law or a period of not more than 50 years from the effective date of the tax exemption, whichever event occurs first.

Note 16. Postemployment Benefits Other than Pensions (OPEB)

State Health Benefit Local Government Retired Employees Plan

General Information about the OPEB Plan

Plan Description

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. 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>.

Benefits Provided

The Plan provides medical and prescription drug coverage to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 16. Postemployment Benefits Other than Pensions (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Benefits Provided (Cont'd)

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.

In accordance with the Township's resolution, Township employees are entitled to the following benefits:

Municipal and Police Employees:

Married Township employees retiring at age 62 or older who have accumulated 15 years or more of uninterrupted service, or under age 62 with 25 years or more, are entitled to fifty percent of the premium for hospital and surgical health insurance family coverage to be paid by the Township. Single employees retiring at age 62 or older who have accumulated 15 years or more of uninterrupted service, or under age 62 with 25 years or more, are entitled to one hundred percent of the premium for hospital and surgical insurance individual coverage to be paid by the Township. All years of qualifying service must be with the Township of Cedar Grove.

Contributions

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

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 16. Postemployment Benefits Other than Pensions (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit)/expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit)/expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2021 through June 30, 2022. Employer and non-employer allocation percentages were rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

OPEB Expense

The Township has rolled forward the net OPEB liability as of June 30, 2022 with no adjustments. The Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting municipalities and counties to include the June 30, 2022 OPEB information in the Notes to the Financial Statements as the June 30, 2023 information has not been released as of the date of this report.

The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022.

At June 30, 2022, the Township had a liability of \$20,062,642 for its proportionate share of the net OPEB liability. At June 30, 2022, the Township's proportion was 0.1242% which was an increase of 0.0008% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2021 the Township's OPEB benefit as determined by the State of New Jersey Division of Pensions and Benefits was \$880,946.

The Township's actual post retirement payments in 2023 for 6 retiree employees were \$31,676.

Actuarial Assumptions and Other Inputs

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.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 16. Postemployment Benefits Other than Pensions (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Actuarial Assumptions and Other Inputs (Cont'd)

Salary Increases\*:

Public Employees' Retirement System (PERS)  
Rate for all future years 2.75% - 6.55%

Police and Firemen's Retirement System (PFRS)  
Rate for all future years 3.25% to 16.25%

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

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

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

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is 6.25% for the fiscal year 2023 and decreases to a 4.5% long term trend rate in 2030. For PPO post 65 medical benefits, the trend rate is -1.89% in fiscal year 2023 and increases to a 4.5% term trend rate starting with fiscal year 2033 and later. For HMO Post 65 medical benefits, the trend rate is -1.99% in fiscal year 2023 and increases to a 4.50% term trend rate starting with fiscal year 2033 and later. For prescription drug benefits, the initial trend rate is 8.00% for fiscal year 2023 and decreases to a 4.50% term rate in 2030 and later.

Discount Rate

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

TOWNSHIP OF CEDAR GROVE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Note 16. Postemployment Benefits Other than Pensions (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Sensitivity of the Net OPEB Liability Attributable to the Township to Changes in the Discount Rate

The following presents the net OPEB Liability of the Township as of June 30, 2022, calculated using the discount rate as disclosed in this note, as well as what the net OPEB Liability of the Township 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, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
Net OPEB Liability Attributable to the Township	\$ 23,256,641	\$ 20,062,642	\$ 17,492,771

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

The following presents the net OPEB Liability of the Township as of June 30, 2022, calculated using the healthcare trend rate as disclosed in this note, as well as what the net OPEB Liability of the Township 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, 2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability Attributable to the Township	\$ 17,019,743	\$ 20,062,642	\$ 23,959,738

Note 17. Leases

The Township implemented Governmental Accounting Standards Board (GASB) Statement No. 87, Leases, during the current year.

The Township entered into a lease agreement for the lease of Township property located at 350 Little Falls Road. The lease term is for 15 years which expires on 10/1/31. The lease payments started on September 1, 2016 at \$2,500 per month and increase by 5% annually on September 1 of each year for the term of the lease agreement. For the current year, the monthly lease payments were \$3,350.23 from January through August and \$3,517.75 from September through December. The total lease payments for 2023 were \$40,872.84.

SUPPLEMENTARY DATA



TOWNSHIP OF CEDAR GROVE  
ROSTER OF OFFICIALS  
YEAR ENDED DECEMBER 31, 2023

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

Name	Title	Amount of Bond
Kerry Peterson	Mayor (Councilwoman from 7/1/21-2/6/23, Deputy Mayor 2/6/23-7/1/23, Mayor from 7/1/23 - present)	
Joseph Maceri	Councilman (Mayor from 7/1/22-7/1/23)	
Melissa Skabich	Deputy Mayor (Councilwoman from 7/1/21-7/1/23; Deputy Mayor from 7/1/23 - present)	
John Zazzali	Councilman	
Michele Mega	Councilwoman	
Joseph Zichelli	Township Manager (from 1/17/23)	**
	Acting Chief Financial Officer (from 6/12/23-11/13/23)	**
Alex Palumbo	Acting Township Manager (from 9/1/22 through 1/17/23)	**
Dale A. Forde	Township Clerk (from 1/1/23)	\$ 100,000.00
Lubna Muneer	Chief Financial Officer (from 7/1/22 through 5/26/23)	500,000.00
	Tax Collector (From 7/1/22 through 5/26/23)	**
	Tax Search Officer (From 7/1/22 through 5/26/23)	100,000.00
Rebecca Roth	Chief Financial Officer (From 11/13/23)	500,000.00
Christopher Tufaro	Tax Collector (from 6/5/23)	**
	Tax Search Officer (from 6/5/23)	**
Richard Hamilton	Tax Assessor	**
Matthew Giacobbe	Township Attorney	35,000.00
Nicholas S. Brindisi	Magistrate	**
Theresa Platvoet	Court Administrator	**
Courtney Demarest	Deputy Court Administrator	**
John J. Kennedy	Chief of Police	**
Robert J. Candido	Township Prosecutor	**
James Hoffmann	Construction Official	**
Jacquelyn Maddaloni	Coordinator - Planning and Zoning Boards	**
Debra Riou	Director - Board of Health	**
Marisa Landolifi-Jefferson	Director - Recreation Department	**
Catherine Wolverton	Director of Library	**
Alex Palumbo	Municipal Engineer (through 5/1/23)	
Alexandra Handel	Municipal Engineer (from 5/1/23)	

A Blanket Bond in the amount of \$1,000,000 covers all other public employees who may handle Municipal monies.

Personnel of the Municipal Court are also covered by a separate Blanket Bond in the amount of \$35,000.

All surety bonds were underwritten by the Fidelity and Deposit Company.

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
CURRENT FUND

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	
Balance December 31, 2022	A	\$ 18,006,897.39
Increased by Receipts:		
Tax Collector		\$ 59,005,062.08
Revenue Accounts Receivable		2,526,591.92
Miscellaneous Revenue Not Anticipated		6,035,674.79
Petty Cash Returned		480.00
Interest on Investments and Deposits		486,997.10
Prepaid Payment in Lieu of Taxes		36,437.68
Due Other Trust Funds -		
Storm Recovery Trust		60,000.00
Tax Sale Premiums		61,029.41
Reserve for Municipal Relief Fund Aid		108,784.94
Due State of New Jersey - Senior Citizens' and Veterans' Deductions		54,250.00
		68,375,307.92
		86,382,205.31
Decreased by Disbursements:		
2023 Appropriation Expenditures		20,174,879.04
2022 Appropriation Reserve Expenditures		297,887.95
Petty Cash Advanced		480.00
Local School District Taxes		32,545,856.00
County Taxes		11,630,128.79
Local School District Payment in Lieu of Taxes		1,800,000.00
County Payment in Lieu of Taxes		313,360.74
Payment in Lieu of Taxes Overpayments Refunded		5,794.25
Due Federal and State Grant Fund:		
Local Match		1,781.25
Due Other Trust Funds -		
Budget Appropriation - Deficit in Recreation A/P Trust Fund		56,290.03
Due General Capital Fund - Deferred Charges		
Overexpenditure of Capital Ordinance		1,437.50
Due Water Utility Operating Fund - Interfund		531.41
Due Swimming Pool Operating Fund - Deficit		4,542.72
Due Special Garbage District Fund:		
2023 Appropriation Expenditures		1,604,144.85
Accounts Payable		58,574.19
Reserve for Third Party Liens		141,914.91
Refund of:		
Tax Overpayments		173,633.24
Tax Overpayments from State Tax Appeals		271,599.86
Prior Year Revenue		8,281.00
		69,091,117.73
Balance December 31, 2023	A	\$ 17,291,087.58

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
SCHEDULE OF CASH - COLLECTOR  
YEAR ENDED DECEMBER 31, 2023

## Increased by Receipts:

Taxes Receivable	\$ 58,194,460.57	
2024 Prepaid Taxes	300,964.10	
Interest and Costs on Taxes	132,455.76	
Miscellaneous Revenue Not Anticipated	19,769.11	
Third Party Liens	186,901.36	
Tax Overpayments	170,511.18	
	\$ 59,005,062.08	\$ 59,005,062.08

## Decreased by:

Payments to Municipal Treasurer		\$ 59,005,062.08
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TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
SCHEDULE OF CASH - FEDERAL AND STATE GRANT FUND

Ref.

Balance December 31, 2022	A	\$ 1,796,844.36
Increased by Receipts:		
Due Current Fund:		
Interfund - Local Portion	\$ 1,781.25	
Interest Earned	14,823.28	
Grants Receivable	96,621.04	
Unappropriated Grant Funds	242,890.60	
Reserve for Maintenance of Free Public Library:		
State Library Aid	7,145.00	
Interest Earned	1,267.81	
	364,528.98	2,161,373.34
Decreased by Disbursements:		
Appropriated Reserve Expenditures	50,317.91	
Reserve for Maintenance of Free Public Library	720.00	
	51,037.91	2,110,335.43
Balance December 31, 2023	A	\$ 2,110,335.43

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2022	2023 Levy	Collections		State of NJ Veterans' and Senior Citizens' Deductions	Cancelled	Transferred to Tax Title Liens	Balance Dec. 31, 2023
			2022	2023				
2022	\$ 367,926.74		\$ 244,571.91	\$ 275,827.50	\$ 60,518.09	\$ 31,581.15		
2023	\$ 59,080,370.07	\$ 59,080,370.07	\$ 244,571.91	\$ 57,918,633.07	\$ 63,611.07	\$ 81,161.67	\$ 651,381.69	
	\$ 367,926.74	\$ 59,080,370.07	\$ 244,571.91	\$ 58,194,460.57	\$ 63,611.07	\$ 112,742.82	\$ 651,381.69	

Ref. A

Analysis of 2023 Property Tax Levy

Tax Yield:

General Purpose Tax	\$ 57,139,726.16
Special District Tax	1,805,588.56
Added and Omitted Taxes	135,055.35
	<u>\$ 59,080,370.07</u>

Tax Levy:

Local School District Taxes	\$ 33,155,574.00
Special District Tax	1,805,588.56
County Taxes	11,598,810.05
Due County for Added and Omitted Taxes	27,460.07
	<u>11,626,270.12</u>
	<u>46,587,432.68</u>

Local Tax for Municipal Purposes Levied	11,493,548.18
Minimum Library Tax Levied	886,371.54
	<u>12,379,919.72</u>
Add: Additional Tax Levied	113,017.67
	<u>12,492,937.39</u>

\$ 59,080,370.07

-

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2022	A	\$ 255,002.16
Increased by:		
Transfer from Taxes Receivable		\$ 112,742.82
Interest and Costs Accrued at Tax Sale		<u>16,205.93</u>
		<u>128,948.75</u>
		383,950.91
Decreased by:		
Cancelled		<u>11,954.31</u>
Balance December 31, 2023	A	<u><u>\$ 371,996.60</u></u>

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2023

	Balance	Accrued In	Collected by		Prepaid PILOT Applied	Balance Dec. 31, 2023
	Dec. 31, 2022	2023	Collector	Treasurer		
Licenses:						
Alcoholic Beverages - Clerk		\$ 18,514.00	\$	18,514.00		
Other Licenses:						
Clerk		18,408.00		18,408.00		
Fees and Permits:						
Recreation		304,108.78		304,108.78		
Planning and Zoning Board		18,059.38		18,059.38		
Health Officer		13,391.00		13,391.00		
Engineering		9,136.50		9,136.50		
Clerk		28,579.00		28,579.00		
Police		42,754.08		42,754.08		
Tax Assessor		217.00		217.00		
Tax Collector		19,769.11	\$	19,769.11		
Municipal Court - Fines and Fees	\$ 7,881.70	149,102.41		144,689.21		\$ 12,294.90
Cedar Grove Senior Citizen Housing Association:						
Service Charge		160,000.00		160,000.00		
Energy Receipts Tax		1,050,151.19		1,050,151.19		
Watershed Moratorium Offset Aid		5,687.00		5,687.00		
Uniform Construction Code Fees		249,405.00		249,405.00		
Cablevision		198,455.69		198,455.69		
Lease of Municipal Property - 350 Little Falls Road		40,872.84		40,872.84		
General Capital Fund Balance		224,163.25		224,163.25		
	<u>7,881.70</u>	<u>2,550,774.23</u>	<u>19,769.11</u>	<u>2,526,591.92</u>		<u>12,294.90</u>
Miscellaneous Revenue Not Anticipated:						
Payment in Lieu of Taxes	49,013.64	5,942,158.50		5,950,486.38	\$ 28,686.14	11,999.62
	<u>\$ 56,895.34</u>	<u>\$8,492,932.73</u>	<u>\$ 19,769.11</u>	<u>\$8,477,078.30</u>	<u>\$ 28,686.14</u>	<u>\$ 24,294.52</u>

Ref. A

A

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE



TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
SCHEDULE OF 2022 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2023

	Balance Dec. 31, 2022	Balance After Transfers	Paid or Charged	Balance Lapsed
Administrative and Executive:				
Salaries and Wages:				
Township Manger's Office	\$ 554.90	\$ 554.90		\$ 554.90
Township Clerk's Office	2,131.05	2,131.05		2,131.05
Other Expenses:				
Township Council	7,906.87	7,906.87	\$ 3,248.47	4,658.40
Township Manager's Office	4,758.47	4,758.47		4,758.47
Township Clerk's Office	8,027.54	8,027.54	2,267.07	5,760.47
Elections:				
Other Expenses	1,310.97	1,310.97		1,310.97
Treasurer - Controller's Office:				
Other Expenses	4,124.10	5,124.10	1,000.00	4,124.10
Other Expenses	2,343.94	1,343.94	1,275.23	68.71
Assessment of Taxes:				
Salaries and Wages	419.11	419.11		419.11
Other Expenses	22,117.89	22,117.89		22,117.89
Collection of Taxes:				
Salaries and Wages	1,510.45	2,510.45		2,510.45
Other Expenses	1,615.14	615.14	610.00	5.14
Legal Services and Costs:				
Other Expenses	79,756.44	79,756.44	41,910.50	37,845.94
Engineering Services and Costs:				
Other Expenses	5,569.51	5,569.51	4,511.30	1,058.21
Municipal Prosecutor:				
Other Expenses	2,477.00	2,477.00		2,477.00
Public Buildings and Grounds:				
Salaries and Wages	544.95	1,144.95		1,144.95
Other Expenses	4,675.00	4,075.00	4,041.94	33.06
Municipal Court:				
Salaries and Wages	1,256.38	1,256.38		1,256.38
Other Expenses	17,070.62	17,070.62	192.21	16,878.41
Public Defender:				
Other Expenses	4,645.00	4,645.00		4,645.00
Municipal Land Use Law (NJSA 40:55D-1):				
Planning Board:				
Salaries and Wages	97.45	97.45		97.45
Other Expenses	1,994.00	1,994.00	1,500.00	494.00
Zoning Board of Adjustment:				
Salaries and Wages	54.59	54.59		54.59
Other Expenses	887.00	887.00	500.00	387.00
Shade Tree:				
Other Expenses	155.43	155.43		155.43
Environmental Commission (R.S. 40:56A-1 et seq):				
Other Expenses	325.00	325.00		325.00
Emergency Management Services:				
Salaries and Wages	4,000.00	4,000.00		4,000.00
Other Expenses	402.00	402.00		402.00
Fire:				
Other Expenses	85,024.27	85,024.27	35,378.96	49,645.31
Police:				
Salaries and Wages	187,608.72	187,608.72		187,608.72
Other Expenses	16,446.97	16,446.97	15,947.04	499.93
Municipal Drug Alliance:				
Salaries and Wages	10,500.00	10,500.00		10,500.00

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
SCHEDULE OF 2022 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

	Balance Dec. 31, 2022	Balance After Transfers	Paid or Charged	Balance Lapsed
Road Repair and Maintenance:				
Salaries and Wages	\$ 53,637.88	\$ 53,637.88		\$ 53,637.88
Other Expenses	10,664.53	10,664.53	\$ 3,395.85	7,268.68
Equipment Maintenance:				
Salaries and Wages	371.90	371.90		371.90
Other Expenses	7,512.86	7,512.86	4,931.58	2,581.28
Snow Removal:				
Salaries and Wages	26,594.01	33,594.01		33,594.01
Other Expenses	53,293.49	53,293.49	36,512.82	16,780.67
Vehicle Maintenance:				
Other Expenses	34,333.43	34,333.43	31,505.22	2,828.21
Board of Health:				
Salaries and Wages	454.17	454.17		454.17
Other Expenses	6,273.80	6,273.80	2,137.05	4,136.75
Animal Control:				
Salaries and Wages	1,500.00	1,500.00		1,500.00
Other Expenses	5,042.35	5,042.35		5,042.35
Parks and Playgrounds:				
Salaries and Wages	1,180.58	1,980.58		1,980.58
Other Expenses	883.94	83.94	78.97	4.97
Recreation:				
Salaries and Wages	8,558.67	8,558.67	8,513.25	45.42
Other Expenses	16,367.40	9,367.40	9,360.97	6.43
Celebration of Public Events, Anniversaries or Holidays:				
Other Expenses	227.00	227.00		227.00
Senior Citizens' Transportation:				
Salaries and Wages	3,306.33	3,306.33	2,640.00	666.33
Sub-Code Officials:				
Building Inspector:				
Salaries and Wages	1,345.63	1,345.63		1,345.63
Other Expenses	9,387.68	7,687.68	7,680.00	7.68
Plumbing Inspector:				
Salaries and Wages	215.37	215.37		215.37
Other Expenses	1,205.00	1,885.00	1,200.00	685.00
Electrical Inspector:				
Salaries and Wages	214.65	564.65		564.65
Other Expenses	1,215.00	1,885.00	1,200.00	685.00
Utilities	80,841.65	80,841.65	38,536.19	42,305.46
Collection of Taxes (C.72, P.L. 1994):				
Other Expenses	800.00	800.00		800.00
Insurance:				
Other Insurance Premiums	7.66	7.66		7.66
Group Insurance for Employees	134,050.58	134,050.58	1,020.60	133,029.98
Health Benefits Waiver	7,968.10	7,968.10		7,968.10
Contingent	906.11	906.11	440.00	466.11
Public Employees' Retirement System of NJ	1.00	1.00		1.00
Defined Contribution Retirement Program	1,428.08	1,428.08		1,428.08
Social Security System (O.A.S.I.)	39,730.29	39,730.29		39,730.29
Unemployment Compensation Insurance	15,600.00	15,600.00		15,600.00

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
SCHEDULE OF 2022 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Maintenance of Free Public Library (C.82, P.L. 1985)	\$ 73,170.08	\$ 73,170.08	\$ 22,424.14	\$ 50,745.94
LOSAP Contribution:				
Fire Department	48,000.00	48,000.00		48,000.00
Ambulance & Rescue Squad	22,000.00	22,000.00	13,838.60	8,161.40
Local Access CATV Equipment	6,898.92	6,898.92	89.99	6,808.93
	<u>\$ 1,155,498.90</u>	<u>\$ 1,155,498.90</u>	<u>\$ 297,887.95</u>	<u>\$ 857,610.95</u>

Ref.

Analysis of Balance December 31, 2022

Encumbered	A \$ 224,584.95
Unencumbered	A <u>930,913.95</u>
	<u>\$ 1,155,498.90</u>

TOWNSHIP OF CEDAR GROVE  
CURRENT FUND  
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE

Balance December 31, 2022	
Local School District Tax Payable	\$ 573,252.50
Local School District Tax Deferred	15,394,816.50
	15,968,069.00
Increased by:	
Levy - School Year July 1, 2023 - June 30, 2024	33,155,574.00
	49,123,643.00
Decreased by:	
Payments to Local School District	32,545,856.00
	32,545,856.00
Balance December 31, 2023	
Local School District Tax Payable	\$ 16,577,787.00
	\$ 16,577,787.00
<u>Analysis of Balance:</u>	
Local School District Tax Payable	\$ 1,182,970.50
Local School District Tax Deferred	15,394,816.50
	\$ 16,577,787.00
	\$ 16,577,787.00
<u>Analysis of Increase - Deferred School Tax:</u>	
Balance December 31, 2023	\$ 15,394,816.50
Balance December 31, 2022	15,394,816.50
	15,394,816.50
Net Increase Credited to Operations	\$ -0-
	\$ -0-

TOWNSHIP OF CEDAR GROVE  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF GRANTS RECEIVABLE

	Balance Dec. 31, 2022	2023 Budget Revenue Realized	Received	Transferred from Unappropriated Reserves	Balance Dec. 31, 2023
Clean Communities Program		\$ 24,485.82	\$ 24,485.82		
Municipal Alliance on Alcoholism and Drug Abuse	\$ 16,625.00	9,500.00	2,836.62		\$ 23,288.38
Body Armor Replacement Fund		2,165.23	1,625.71	539.52	
Department of Transportation: Harper Terrace	169,965.07				169,965.07
Body Worn Camera Assistance Program	67,254.00		48,868.00		18,386.00
Recycling Tonnage Grant		18,804.89	18,804.89		
Clean Fleet Electric Vehicle Incentive		3,000.00		3,000.00	
	<u>\$ 253,844.07</u>	<u>\$ 57,955.94</u>	<u>\$ 96,621.04</u>	<u>\$ 3,539.52</u>	<u>\$ 211,639.45</u>
<u>Ref.</u>	A				A
		<u>Original Budget</u>	<u>\$ 57,955.94</u>		

TOWNSHIP OF CEDAR GROVE  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF UNAPPROPRIATED RESERVES

	Balance Dec. 31, 2022	Transferred to 2023 Budget Revenue	Received	Balance Dec. 31, 2023
Clean Communities Program			\$ 2,978.05	\$ 2,978.05
Stormwater Assistance Grant			15,000.00	15,000.00
Electric Vehicle Charging Station Grant	\$ 3,000.00	\$ 3,000.00		
Department of Transportation:				
Anderson Parkway			217,500.00	217,500.00
Body Armor Replacement Fund	539.52	539.52	857.92	857.92
Low Income Household Water Assistance Program			6,000.00	6,000.00
Community Resources - Water			554.63	554.63
	<u>\$ 3,539.52</u>	<u>\$ 3,539.52</u>	<u>\$ 242,890.60</u>	<u>\$ 242,890.60</u>

Ref.

A

A

TOWNSHIP OF CEDAR GROVE  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF APPROPRIATED RESERVES

	Balance Dec. 31, 2022	Transferred from 2023 Budget Appropriations	Expended	Balance Dec. 31, 2023
Drunk Driving Enforcement Fund	\$ 6,792.54			\$ 6,792.54
Clean Communities Program	106,681.78	\$ 24,485.82	\$ 1,128.00	130,039.60
Nonpublic School Nursing Services	22,707.27			22,707.27
Municipal Alliance on Alcoholism and Drug Abuse:				
State Share	12,169.85	9,500.00	775.66	20,894.19
Local Share		1,781.25	1,781.25	
Body Armor Replacement Fund	10,952.18	2,165.23		13,117.41
Department of Transportation:				
Harper Terrace	257,822.49			257,822.49
Recycling Tonnage Grant	46,476.93	18,804.89		65,281.82
Alcohol Education and Rehabilitation	48.68			48.68
Body Worn Camera Assistance Program	67,254.00		46,633.00	20,621.00
American Rescue Plan	1,307,205.58			1,307,205.58
Special Legislative Grants:				
Recreation/Community Center Study	129,552.52			129,552.52
Essex County Open Space Local Aid	59,250.00			59,250.00
Clean Fleet Electric Vehicle Incentive		3,000.00		3,000.00
	<u>\$ 2,026,913.82</u>	<u>\$ 59,737.19</u>	<u>\$ 50,317.91</u>	<u>\$2,036,333.10</u>

Ref.

A

A

Original Budget	\$ 57,955.94
	<u>57,955.94</u>
Matching Funds	<u>1,781.25</u>
	<u>\$ 59,737.19</u>

Federal	\$ 46,633.00
State	1,903.66
Local	<u>1,781.25</u>
	<u>\$ 50,317.91</u>

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
TRUST FUNDS



TOWNSHIP OF CEDAR GROVE  
TRUST FUNDS  
SCHEDULE OF CASH AND INVESTMENTS - TREASURER

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2022	B	\$ 23,833.19	\$ 2,743,403.63
Increased by Receipts:			
Animal Control Collector		\$ 10,451.00	
Interest Earned		196.02	
Due Current Fund:			
Interest Earned			\$ 28,140.60
Budget Appropriation:			
Deferred Charge - Deficit in Recreation			56,290.03
Other Deposits			577,892.68
Depositors' Funds Assigned as Security:			
Deposits			284,200.00
Municipal Open Space:			
Interest Earned			519.32
State Unemployment Insurance:			
Employee Contributions			4,070.84
		<u>10,647.02</u>	<u>951,113.47</u>
		34,480.21	3,694,517.10
Decreased by Disbursements:			
State Board of Health		1,098.00	
Special Deposits			482,344.70
Other Deposits			224,263.98
Depositors' Funds Assigned as Security:			
Disbursements			262,091.30
State Unemployment Insurance			8,261.07
		<u>1,098.00</u>	<u>976,961.05</u>
Balance December 31, 2023	B	<u>\$ 33,382.21</u>	<u>\$ 2,717,556.05</u>

TOWNSHIP OF CEDAR GROVE  
ANIMAL CONTROL TRUST FUND  
SCHEDULE OF ANIMAL CONTROL FUND CASH - COLLECTOR  
YEAR ENDED DECEMBER 31, 2023

Increased by:

Animal Control License Fees:

Dogs	\$ 7,916.40
Cats	260.00
Late Fees	1,200.00
Miscellaneous Fees	196.02
State Registration Fees	1,074.60

\$ 10,647.02

Decreased by:

Paid to Treasurer

\$ 10,647.02

TOWNSHIP OF CEDAR GROVE  
ANIMAL CONTROL FUND  
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2022	B	\$ 15,310.40
Increased by:		
Animal Control License Fees:		
Dogs		\$ 7,916.40
Cats		260.00
Late Fees		<u>1,200.00</u>
		<u>9,376.40</u>
		24,686.80
Decreased by:		
Animal Control Expenditures (R.S. 4:19-15.11):		
Statutory Excess Due to Current Fund		<u>8,238.40</u>
Balance December 31, 2023	B	<u><u>\$ 16,448.40</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2021	\$ 8,289.60
2022	<u>8,158.80</u>
Maximum Allowable Reserve	<u><u>\$ 16,448.40</u></u>

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
GENERAL CAPITAL FUND

TOWNSHIP OF CEDAR GROVE  
GENERAL CAPITAL FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	
Balance December 31, 2022	C	\$ 2,472,740.15
Increased by Receipts:		
Due Current Fund:		
Interest Earned	\$ 18,187.04	
2023 Budget Appropriation:		
Capital Improvement Fund	1,943,593.00	
Deferred Charge - Overexpenditure of Capital Ordinance	1,437.50	
Serial Bonds Issued	4,277,000.00	
Bond Anticipation Note Proceeds	1,454,450.00	
Capital Fund Balance - Premium on Sale of Bonds	375,542.06	
Capital Fund Balance - Premium on Sale of Notes	80,257.39	
	<hr/>	8,150,466.99
		<hr/> 10,623,207.14
Decreased by Disbursements:		
Improvement Authorizations	3,060,558.58	
Due Current Fund:		
Anticipated Revenue - Fund Balance	224,163.25	
	<hr/>	3,284,721.83
		<hr/> <hr/> 3,284,721.83
Balance December 31, 2023	C	\$ <u><u>7,338,485.31</u></u>

TOWNSHIP OF CEDAR GROVE  
GENERAL CAPITAL FUND  
ANALYSIS OF CASH

	Balance/(Deficit) Dec. 31, 2022	Receipts				Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2023
		Bond Proceeds	Bond Anticipation Notes	Budget Appropriations	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
Capital Fund Balance	\$ 224,163.25			\$ 1,943,593.00	\$ 455,799.45		\$ 351,550.00			\$ 455,799.45	
Capital Improvement Fund										1,592,043.00	
Grants Receivable:											
New Jersey Department of Transportation	(938,953.12)							1,307,205.58		(938,953.12)	
CARES Act Grant										(1,307,205.58)	
Reserve for Receivable from NJ Department of Transportation Grant	350,000.00									350,000.00	
Reserve for Fire Apparatus	700,000.00			1,437.50						700,000.00	
Deferred Charge - Overexpenditure of Capital Ordinance	(1,437.50)										
Due Current Fund					18,187.04					18,187.04	
Ord. No.	Improvement Description										
19-841	Various General Improvements										0.35
20-856	Various General Improvements	142,788.84				\$ 120,567.65					22,221.19
21-872	Various General Improvements	686,004.68				579,216.51					106,788.17
21-878	Acquisition of Real Property	20,322.50				4,948.25					15,374.25
22-892	Various General Improvements	1,249,689.66				678,351.05					571,338.61
22-897	Acquisition of Real Property	40,161.49				990,000.00					2,161.49
23-905	Demolition and Construction of New Fire House					26,475.00			\$ 175,000.00		3,473,525.00
23-908	Various General Improvements					80,327.09			1,307,205.58		1,226,878.49
23-909	Various General Improvements					580,673.03			76,550.00		950,326.97
23-919	Budget Software								100,000.00		100,000.00
		\$ 2,472,740.15	\$ 4,277,000.00	\$ 1,454,450.00	\$ 1,945,030.50	\$ 473,986.49	\$ 3,060,558.58	\$ 224,163.25	\$ 1,658,755.58	\$ 1,658,755.58	\$ 7,338,485.31

TOWNSHIP OF CEDAR GROVE  
GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	2022		2023		Paid by Budget Appropriation	Balance Dec. 31, 2023	Bond Anticipation Notes	Analysis of Balance Dec. 31, 2023	
		Balance Dec. 31, 2022	Improvement Authorizations	Bonds Issued	Improvement Authorizations				Expended	Unexpended Improvement Authorization
13-756	Panther Park Improvements	\$ 192,000.00				\$ 192,000.00				
14-767	Acquisition of Equipment	34,000.00				34,000.00				
14-775	Various General Improvements	108,000.00				108,000.00				
15-783	Various General Improvements	225,000.00				225,000.00				
16-793	Improvements to Commerce Road	230,000.00				230,000.00				
16-796	Various General Improvements	390,000.00				390,000.00				
17-806	Road Overlay Program	420,000.00				30,000.00	\$ 390,000.00	\$ 390,000.00		
17-808	Various General Improvements	556,000.00				25,500.00	530,500.00	530,500.00		
17-821	Acquisition and Installation of Generator	135,000.00				135,000.00				
18-826	Various General Improvements	1,163,000.00				91,500.00	1,071,500.00	1,071,500.00		
18-835	Acquisition of Property	8,275,000.00		\$ 8,275,000.00						
19-837	Resurfacing Little Falls Tennis Courts	51,000.00				2,200.00	48,800.00	48,800.00		
19-841	Various General Improvements	440,000.00				30,000.00	410,000.00	410,000.00		
19-850	Various General Improvements	1,050,000.00				75,800.00	974,200.00	974,200.00		
20-856	Various General Improvements	1,410,000.00				26,000.00	1,384,000.00	1,384,000.00		
20-861	Reconstruction of Ozone Avenue	20,000.00					20,000.00	20,000.00		
20-868	Public Safety Radio Communications	1,047,000.00					1,047,000.00	1,047,000.00		
21-872	Various General Improvements	1,157,000.00					1,157,000.00	1,157,000.00		
21-878	Acquisition of Real Property	1,190,000.00		1,190,000.00						
22-892	Various General Improvements	1,033,000.00					1,033,000.00	1,033,000.00		
22-897	Acquisition of Real Property	952,000.00		952,000.00						
23-905	Acquisition of Real Property			3,325,000.00						
23-909	Various General Improvements			1,454,450.00			1,454,450.00	1,454,450.00		
		<u>\$ 20,078,000.00</u>	<u>\$ 4,779,450.00</u>	<u>\$ 13,742,000.00</u>	<u>\$ 4,779,450.00</u>	<u>\$ 1,595,000.00</u>	<u>\$ 9,520,450.00</u>	<u>\$ 9,520,450.00</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

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Improvement Authorizations - Unfunded

Less: Unexpended Proceeds of Bond Anticipation Notes Issued:

Ordinance 19-841 - Various General Improvements	\$ 0.35
Ordinance 20-856 - Various General Improvements	22,221.19
Ordinance 21-872 - Various General Improvements	106,788.17
Ordinance 21-878 - Acquisition of Real Property	15,374.25
Ordinance 22-892 - Various General Improvements	571,338.61
Ordinance 23-909 - Various General Improvements	2,161.49
Ordinance 23-909 - Various General Improvements	950,326.97

1,668,211.03

\$ -0-

TOWNSHIP OF CEDAR GROVE  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Date	Ordinance	Amount	Balance Dec. 31, 2022		Capital Improvement Fund	CARES Act Grant	Deferred Charges to Future Taxation - Unfunded	Paid or Charged	Balance Dec. 31, 2023	
					Funded	Unfunded					Funded	Unfunded
2023 Authorizations												
19-841	Various General Improvements	6/3/2019	\$ 831,000.00		\$ 0.35					\$		0.35
20-856	Various General Improvements	4/20/2020	1,460,000.00		142,788.84							22,221.19
21-872	Various General Improvements	6/7/2021	1,215,000.00		686,004.68					\$		106,788.17
21-878	Acquisition of Real Property	8/9/2021	1,250,000.00		20,322.50							15,374.25
22-892	Various General Improvements	5/2/2022	1,725,000.00		1,033,000.00							571,338.61
22-897	Acquisition of Real Property	8/15/2022	1,000,000.00		40,161.49							2,161.49
23-905	Demolition and Construction of New Fire House	3/6/2023	3,500,000.00			\$ 175,000.00			\$ 3,325,000.00		\$ 3,473,525.00	
23-908	Various General Improvements	4/3/2023	1,307,205.58				\$ 1,307,205.58				80,327.09	1,226,878.49
23-909	Various General Improvements	4/3/2023	1,531,000.00			76,550.00					580,673.03	950,326.97
23-919	Budget Software	11/6/2023	100,000.00			100,000.00						
						\$ 351,550.00	\$ 1,307,205.58		\$ 4,779,450.00	\$ 3,060,558.58	\$ 4,800,403.49	\$ 1,668,211.03

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TOWNSHIP OF CEDAR GROVE  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2023

	<u>Ref.</u>	
Increased by:		
2023 Budget Appropriation		\$ 1,943,593.00
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>351,550.00</u>
Balance December 31, 2023	C	<u><u>\$ 1,592,043.00</u></u>

TOWNSHIP OF CEDAR GROVE  
GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
YEAR ENDED DECEMBER 31, 2023

Ord. No.	Improvement Description	Date of				Interest Rate	Balance Dec. 31, 2022	Issued	Matured	Balance Dec. 31, 2023
		Original Issue	Issue	Maturity						
13-756	Panther Park Improvements	7/30/2014	7/11/2022	7/10/2023	4.00%	\$ 192,000.00	\$	192,000.00		
14-767	Acquisition of Equipment	7/30/2014	7/11/2022	7/10/2023	4.00%	34,000.00		34,000.00		
14-775	Various General Improvements	7/30/2014	7/11/2022	7/10/2023	4.00%	108,000.00		108,000.00		
15-783	Various General Improvements	7/28/2015	7/11/2022	7/10/2023	4.00%	225,000.00		225,000.00		
16-793	Improvements to Commerce Road	7/26/2016	7/11/2022	7/10/2023	4.00%	165,000.00		165,000.00		
16-793	Improvements to Commerce Road	7/28/2015	7/11/2022	7/10/2023	4.00%	65,000.00		65,000.00		
16-796	Various General Improvements	7/26/2016	7/11/2022	7/10/2023	4.00%	390,000.00		390,000.00		
17-806	Road Overlay Program	7/24/2017	7/11/2022	7/10/2023	4.00%	420,000.00	\$	420,000.00	\$ 390,000.00	
17-808	Various General Improvements	7/24/2017	7/11/2022	7/10/2023	4.00%	556,000.00	530,500.00	556,000.00	550,500.00	
17-821	Acquisition and Installation of Generator	7/19/2018	7/11/2022	7/10/2023	4.00%	135,000.00		135,000.00		
18-826	Various General Improvements	7/17/2019	7/11/2022	7/10/2023	4.00%	913,000.00		913,000.00		
18-826	Various General Improvements	7/15/2020	7/11/2022	7/10/2023	4.00%	250,000.00	857,900.00	250,000.00	857,900.00	
18-835	Acquisition of Property	7/17/2019	7/11/2022	7/10/2023	4.00%	8,275,000.00	213,600.00	8,275,000.00	213,600.00	
19-837	Resurfacing Little Falls Road Tennis Courts	7/17/2019	7/11/2022	7/10/2023	4.00%	51,000.00	48,800.00	51,000.00	48,800.00	
19-841	Various General Improvements	7/15/2020	7/11/2022	7/10/2023	4.00%	440,000.00	410,000.00	440,000.00	410,000.00	
19-850	Various General Improvements	7/17/2019	7/11/2022	7/10/2023	4.00%	250,000.00	234,200.00	250,000.00	234,200.00	
19-850	Various General Improvements	7/15/2020	7/11/2022	7/10/2023	4.00%	800,000.00	740,000.00	800,000.00	740,000.00	

TOWNSHIP OF CEDAR GROVE  
GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Ord. No.	Improvement Description	Date of			Interest Rate	Balance Dec. 31, 2022	Issued	Matured	Balance Dec. 31, 2023
		Original Issue	Issue	Maturity					
20-856	Various General Improvements	7/15/2020	7/11/2022 7/7/2023	7/10/2023 7/2/2024	4.00% 4.50%	\$ 510,000.00	\$ 484,000.00	\$ 510,000.00	\$ 484,000.00
20-856	Various General Improvements	7/13/2021	7/11/2022 7/7/2023	7/10/2023 7/2/2024	4.00% 4.50%	900,000.00	900,000.00	900,000.00	900,000.00
20-861	Reconstruction of Ozone Avenue	7/13/2021	7/11/2022 7/7/2023	7/10/2023 7/2/2024	4.00% 4.50%	20,000.00	20,000.00	20,000.00	20,000.00
20-868	Public Safety Radio Communications	7/13/2021	7/11/2022 7/7/2023	7/10/2023 7/2/2024	4.00% 4.50%	1,047,000.00	1,047,000.00	1,047,000.00	1,047,000.00
21-872	Various General Improvements	7/11/2022	7/11/2022 7/7/2023	7/10/2023 7/2/2024	4.00% 4.50%	1,157,000.00	1,157,000.00	1,157,000.00	1,157,000.00
21-878	Acquisition of Real Property	7/11/2022	7/11/2022	7/10/2023	4.00%	1,190,000.00	1,190,000.00	1,190,000.00	1,190,000.00
22-892	Various General Improvements	7/11/2022	7/11/2022 7/7/2023	7/10/2023 7/2/2024	4.00% 4.50%	1,033,000.00	1,033,000.00	1,033,000.00	1,033,000.00
23-909	Various General Improvements	7/7/2023	7/7/2023	7/2/2024	4.50%	1,454,450.00	1,454,450.00	1,454,450.00	1,454,450.00
						\$ 19,126,000.00	\$ 9,520,450.00	\$ 19,126,000.00	\$ 9,520,450.00
						Ref.	C		
						New Issues	\$ 1,454,450.00		
						Renewals	8,066,000.00	\$ 8,066,000.00	
						Funded by Serial Bonds		9,465,000.00	
						Paid by Budget Appropriation		1,595,000.00	
						\$ 9,520,450.00	\$ 19,126,000.00		

TOWNSHIP OF CEDAR GROVE  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds			Matured	Balance Dec. 31, 2023
			Outstanding December 31, 2023	Interest Rate	Balance Dec. 31, 2022		
			Date	Amount	Rate	Dec. 31, 2022	
General Capital Refunding Bonds	12/01/21	\$ 1,180,000.00				\$ 1,180,000.00	
General Obligation Bonds	7/7/2023	13,742,000.00	7/7/2024	\$ 916,000.00	3.000%		\$ 13,742,000.00
			7/7/2025	916,000.00	3.000%		
			7/7/2026	916,000.00	3.000%		
			7/7/2027	916,000.00	3.000%		
			7/7/2028	916,000.00	3.000%		
			7/7/2029	916,000.00	3.000%		
			7/7/2030	916,000.00	3.000%		
			7/7/2031	916,000.00	3.000%		
			7/7/2032	916,000.00	4.000%		
			7/7/2033	916,000.00	4.000%		
			7/7/2034	916,000.00	4.000%		
			7/7/2035	916,000.00	4.000%		
			7/7/2036	916,000.00	4.000%		
			7/7/2037	916,000.00	4.000%		
			7/7/2038	918,000.00	4.000%		
						\$ 1,180,000.00	\$ 13,742,000.00
						\$ 1,180,000.00	\$ 13,742,000.00

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TOWNSHIP OF CEDAR GROVE  
GENERAL CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2023

Ord. No.	Improvement Description	Balance Dec. 31, 2022	2023 Improvement Authorizations	Bonds Issued	Bond Anticipation Notes Issued
22-897	Acquisition of Real Property	\$ 952,000.00		\$ 952,000.00	
23-905	Demolition and Construction of New Fire House		\$ 3,325,000.00	3,325,000.00	
23-909	Various General Improvements		1,454,450.00		\$ 1,454,450.00
		<u>\$ 952,000.00</u>	<u>\$ 4,779,450.00</u>	<u>\$ 4,277,000.00</u>	<u>\$ 1,454,450.00</u>

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
WATER UTILITY FUND

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2022	D	\$ 419,956.16	\$ 315,298.78
Increased by Receipts:			
Water Utility Collector		\$ 2,090,747.57	
Miscellaneous Revenue		133,883.32	
Interest Income		9,810.95	
Due Water Utility Operating Fund:			
Interest Earned			\$ 4,666.25
Due Water Utility Capital Fund:			
Surplus Anticipated		26,248.69	
2023 Budget Appropriation:			
Capital Improvement Fund			15,000.00
Capital Fund Balance:			
Premium on Sale of Notes			17,559.69
		<u>2,261,221.94</u>	<u>37,225.94</u>
		2,681,178.10	352,524.72
Decreased by Disbursements:			
2023 Appropriation Expenditures		2,205,544.34	
2022 Appropriation Reserve Expenditures		53,152.72	
Interest on Bonds		61,375.00	
Interest on Notes		89,311.22	
Refund of Water Rent Overpayments		6,700.00	
Due Water Utility Operating Fund:			
Surplus Anticipated			26,248.69
Improvement Authorizations			194,857.60
		<u>2,416,083.28</u>	<u>221,106.29</u>
Balance December 31, 2023	D	<u>\$ 265,094.82</u>	<u>\$ 131,418.43</u>

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY OPERATING FUND  
SCHEDULE OF CASH - COLLECTOR  
YEAR ENDED DECEMBER 31, 2023

## Increased by Receipts:

## Consumer Accounts Receivable:

Water Rents	\$ 2,069,035.42	
Miscellaneous Revenue	148,360.52	
Water Rent Overpayments	<u>21,712.15</u>	
		<u>\$ 2,239,108.09</u>

## Decreased by:

Paid to Treasurer		<u><u>\$ 2,239,108.09</u></u>
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TOWNSHIP OF CEDAR GROVE  
WATER UTILITY CAPITAL FUND  
ANALYSIS OF CASH

	Receipts			Disbursements			Balance Dec. 31, 2023
	Balance Dec. 31, 2022	Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	Balance Dec. 31, 2023	
Capital Fund Balance	\$ 26,248.69		\$ 17,559.69		\$ 26,248.69	\$ 17,559.69	
Capital Improvement Fund	61,187.70	\$ 15,000.00				76,187.70	
Due Water Utility Operating Fund			4,666.25			4,666.25	
Ord. No.	Improvement Description						
19-843	Various Water Utility Improvements			\$ 181,089.00		6,967.14	
20-858	Various Water Utility Improvements			13,768.60		16,029.65	
22-893	Various Water Utility Improvements					10,008.00	
		\$ 315,298.78	\$ 15,000.00	\$ 22,225.94	\$ 194,857.60	\$ 26,248.69	\$ 131,418.43

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY OPERATING FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

D-6

	<u>Ref.</u>	
Balance December 31, 2022	D	\$ 110,740.16
Increased by:		
Billings		2,197,447.73
		2,308,187.89
Decreased by:		
Collections	\$ 2,069,035.42	
Overpayments Applied	29,561.68	
		2,098,597.10
Balance December 31, 2023	D	\$ 209,590.79

WATER UTILITY OPERATING FUND  
SCHEDULE OF INVENTORY

D-6A

	<u>Ref.</u>	
Balance December 31, 2022	D	\$ 19,400.00
Increased by:		
Increase in Inventory		302.50
		302.50
Balance December 31, 2023	D	\$ 19,702.50

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2022	Additions by Capital Outlay	Balance Dec. 31, 2023
Water Distribution System	\$ 10,364,739.18		\$ 10,364,739.18
Wanaque South Project	149,950.00		149,950.00
Engineering and Design	6,700.00		6,700.00
Water Well	20,000.00		20,000.00
Water Towers	417,000.00		417,000.00
Water Mains	425,000.00		425,000.00
Water Meters	25,000.00		25,000.00
Utility Trucks	16,060.00		16,060.00
Fuel Tanks	10,000.00		10,000.00
Capital Outlay	844,008.85	\$ 6,313.92	850,322.77
	<u>\$ 12,278,458.03</u>	<u>\$ 6,313.92</u>	<u>\$ 12,284,771.95</u>
<u>Ref.</u>	D		D
Budget Appropriations		<u>\$ 6,313.92</u>	

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ord. No.	Improvement Description	Ordinance		Balance	Balance
		Date	Amount	Dec. 31, 2022	Dec. 31, 2023
19-843	Various Water Utility Improvements	6/3/2019	\$ 385,000.00	\$ 385,000.00	\$ 385,000.00
20-858	Various Water Utility Improvements	4/20/2020	200,000.00	200,000.00	200,000.00
22-893	Various Water Utility Improvements	5/2/2022	75,000.00	75,000.00	75,000.00
				<u>\$ 660,000.00</u>	<u>\$ 660,000.00</u>
			<u>Ref.</u>	D	D

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY OPERATING FUND  
SCHEDULE OF 2022 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2023

	Balance Dec. 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 10,937.52	\$ 10,937.52		\$ 10,937.52
Other Expenses	146,643.70	146,643.70	\$ 53,152.72	93,490.98
Capital Improvements:				
Capital Outlay	2.01	2.01		2.01
Statutory Expenditures:				
Contribution to:				
Public Employees' Retirement System	4,557.00	4,557.00		4,557.00
	\$ 162,140.23	\$ 162,140.23	\$ 53,152.72	\$ 108,987.51

Ref.

Analysis of Balance December 31, 2022:

Appropriation Reserves:		
Unencumbered	D	\$ 162,140.23

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance	Paid or Charged	Balance
		Date	Amount	Dec. 31, 2022 Unfunded		Dec. 31, 2023 Unfunded
19-843	Various Water Utility Improvements	6/3/2019	\$ 385,000.00	\$ 188,056.14	\$ 181,089.00	\$ 6,967.14
20-858	Various Water Utility Improvements	4/20/2020	200,000.00	29,798.25	13,768.60	16,029.65
22-893	Various Water Utility Improvements	5/2/2022	75,000.00	10,008.00		10,008.00
				<u>\$ 227,862.39</u>	<u>\$ 194,857.60</u>	<u>\$ 33,004.79</u>
<u>Ref.</u>				D		D

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2022	D	\$ 61,187.70
Increased by:		
2023 Budget Appropriation		<u>15,000.00</u>
Balance December 31, 2023	D	<u><u>\$ 76,187.70</u></u>

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2022	D	\$ 8,911,458.03
Increased by:		
Paid by Water Utility Operating Budget:		
Serial Bonds		\$ 105,000.00
Capital Outlay:		
Water Utility Operating Budget		<u>6,313.92</u>
		<u>111,313.92</u>
Balance December 31, 2023	D	<u>\$ 9,022,771.95</u>



TOWNSHIP OF CEDAR GROVE  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ord. No.	Improvement Description	Ord. Date	Balance Dec. 31, 2022	Notes Paid by		Balance Dec. 31, 2023
				Budget Appropriation		
14-773	Various Water Utility Improvements	4/21/2014	\$ 155,000.00	\$ 100,000.00	\$	255,000.00
15-782	Various Water Utility Improvements	5/18/2015	49,000.00	12,700.00		61,700.00
16-794	Various Water Utility Improvements	5/2/2016	59,000.00	9,600.00		68,600.00
17-809	Various Water Utility Improvements	7/24/2017	30,000.00	9,500.00		39,500.00
18-828	Various Water Utility Improvements	6/18/2018		9,600.00		9,600.00
19-843	Various Water Utility Improvements	6/3/2019	5,000.00	8,600.00		13,600.00
20-858	Various Water Utility Improvements	4/20/2020		6,000.00		6,000.00
22-893	Various Water Utility Improvements	5/2/2022	5,000.00			5,000.00
			<u>\$ 303,000.00</u>	<u>\$ 156,000.00</u>		<u>\$ 459,000.00</u>

Ref.

D

D

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
YEAR ENDED DECEMBER 31, 2023

Ord. No.	Improvement Description	Date of				Interest Rate	Balance Dec. 31, 2022	Balance Dec. 31, 2023
		Issue of Original Note	Issue	Maturity	Matured			
14-773	Various Water Utility Improvements	7/30/2014	7/11/2022 7/11/2023	7/10/2023 7/10/2024	4.00% 4.50%	\$ 245,000.00	\$ 145,000.00	
15-782	Various Water Utility Improvements	7/28/2015	7/11/2022 7/11/2023	7/10/2023 7/10/2024	4.00% 4.50%	72,000.00	59,300.00	
16-794	Various Water Utility Improvements	7/26/2016	7/11/2022 7/11/2023	7/10/2023 7/10/2024	4.00% 4.50%	322,000.00	312,400.00	
17-809	Various Water Utility Improvements	7/24/2017	7/11/2022 7/11/2023	7/10/2023 7/10/2024	4.00% 4.50%	360,000.00	350,500.00	
18-828	Various Water Utility Improvements	7/17/2019	7/11/2022 7/11/2023	7/10/2023 7/10/2024	4.00% 4.50%	485,000.00	475,400.00	
19-843	Various Water Utility Improvements	7/17/2019	7/11/2022 7/11/2023	7/10/2023 7/10/2024	4.00% 4.50%	380,000.00	371,400.00	
20-858	Various Water Utility Improvements	7/15/2020	7/11/2022 7/11/2023	7/10/2023 7/10/2024	4.00% 4.50%	200,000.00	194,000.00	
21-873	Various Water Utility Improvements	7/11/2022	7/11/2022 7/11/2023	7/10/2023 7/10/2024	4.00% 4.50%	105,000.00	105,000.00	
22-893	Various Water Utility Improvements	7/11/2022	7/11/2022 7/11/2023	7/10/2023 7/10/2024	4.00% 4.50%	70,000.00	70,000.00	
						<u>\$ 2,239,000.00</u>	<u>\$ 2,083,000.00</u>	

D

Ref. D

Paid by Budget Appropriation  
Renewals

\$ 156,000.00  
2,083,000.00

\$ 2,083,000.00  
\$ 2,239,000.00

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2022	Matured	Balance Dec. 31, 2023
			Date	Amount				
Water Refunding Bonds	12/01/21	\$ 1,485,000.00	02/01/24	\$ 110,000.00	3.000%	\$ 1,485,000.00	\$ 105,000.00	\$ 1,380,000.00
			02/01/25	120,000.00	4.000%			
			02/01/26	125,000.00	4.000%			
			02/01/27	125,000.00	4.000%			
			02/01/28	130,000.00	5.000%			
			02/01/29	140,000.00	5.000%			
			02/01/30	145,000.00	5.000%			
			02/01/31	155,000.00	5.000%			
			02/01/32	160,000.00	4.000%			
			02/01/33	170,000.00	4.000%			
						<u>\$ 1,485,000.00</u>	<u>\$ 105,000.00</u>	<u>\$ 1,380,000.00</u>

Ref.                      D                      D

TOWNSHIP OF CEDAR GROVE  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
SEWER UTILITY FUND

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2022	E	\$ 465,596.96	\$ 1,304,953.04
Increased by Receipts:			
Sewer Utility Collector		\$ 2,373,938.35	
Interest Income		7,245.10	
Due Sewer Utility Operating Fund:			
Interest Earned			\$ 12,114.64
Due Sewer Utility Capital Fund:			
Surplus Anticipated		22,160.10	
2023 Budget Appropriation:			
Capital Improvement Fund			15,000.00
Capital Fund Balance:			
Premium on Sale of Notes			15,224.58
		<u>2,403,343.55</u>	<u>42,339.22</u>
		2,868,940.51	1,347,292.26
Decreased by Disbursements:			
2023 Appropriation Expenditures		2,302,941.59	
2022 Appropriation Reserve Expenditures		79,284.68	
Interest on Bonds		113,650.00	
Interest on Notes		75,469.78	
Refund of Sewer Rent Overpayments		7,379.38	
Due Sewer Utility Operating Fund:			
Surplus Anticipated			22,160.10
Improvement Authorizations			134,123.54
		<u>2,578,725.43</u>	<u>156,283.64</u>
Balance December 31, 2023	E	<u>\$ 290,215.08</u>	<u>\$ 1,191,008.62</u>

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF CASH - COLLECTOR  
YEAR ENDED DECEMBER 31, 2023

Increased by Receipts:

Consumer Accounts Receivable:

Sewer Rents	\$ 2,318,133.36
Miscellaneous Revenue	44,761.85
Sewer Rent Overpayments	11,043.14

\$ 2,373,938.35

Decreased by:

Paid to Treasurer

\$ 2,373,938.35

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY CAPITAL FUND  
ANALYSIS OF CASH

	Balance Dec. 31, 2022	Receipts		Disbursements		Balance Dec. 31, 2023
		Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	
Capital Fund Balance	\$ 22,160.10		\$ 15,224.58		\$ 22,160.10	\$ 15,224.58
Capital Improvement Fund	71,000.00	\$ 15,000.00				86,000.00
Due Sewer Utility Operating Fund			12,114.64			12,114.64
Reserve for Engineering Study	9,920.00					9,920.00
<b>Ord.</b>						
<b>No.</b>						
12-750	Various Sewer Utility Improvements			\$ 63,123.36		57,405.41
14-774	Various Sewer Utility Improvements			11,546.85		180,005.15
17-810	Various Sewer Utility Improvements					218,467.96
18-827	Various Sewer Utility Improvements			14,100.49		899.51
19-842	Various Sewer Utility Improvements					2,641.68
20-857	Various Sewer Utility Improvements					28,682.53
21-784	Various Sewer Utility Improvements					400,000.00
22-894	Various Sewer Utility Improvements			45,352.84		179,647.16
		\$ 15,000.00	\$ 27,339.22	\$ 134,123.54	\$ 22,160.10	\$ 1,191,008.62



TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 148,838.89
Increased by:		
Billings		2,406,556.85
		<u>2,555,395.74</u>
Decreased by:		
Collections	\$ 2,318,133.36	
Overpayments Applied	<u>19,988.92</u>	
		<u>2,338,122.28</u>
Balance December 31, 2023	E	<u><u>\$ 217,273.46</u></u>

E-6A

SEWER UTILITY OPERATING FUND  
SCHEDULE OF INVENTORY

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 23,920.00
Increased by:		
Increase in Inventory		42.50
		<u>42.50</u>
Balance December 31, 2023	E	<u><u>\$ 23,962.50</u></u>

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2022	Additions by Capital Outlay	Balance Dec. 31, 2023
Sewer System	\$ 14,886,995.53		\$ 14,886,995.53
Wastewater Treatment Plant	2,471,000.00		2,471,000.00
Fuel Tank	10,000.00		10,000.00
Engineering Services	8,609.12		8,609.12
Ultraviolet Disinfection System	150,000.00		150,000.00
Capital Outlay	703,209.19	\$ 29,576.97	732,786.16
	<u>\$ 18,229,813.84</u>	<u>\$ 29,576.97</u>	<u>\$ 18,259,390.81</u>

Ref.

E

E

Budget Appropriations	\$ 20,634.97
Appropriation Reserves	8,942.00
Total to Fixed Capital	<u>\$ 29,576.97</u>

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ord. No.	Improvement Description	Ordinance		Balance	Balance
		Date	Amount	Dec. 31, 2022	Dec. 31, 2023
12-750	Various Sewer Utility Improvements	12/17/12	\$ 1,575,000.00	\$ 1,575,000.00	\$ 1,575,000.00
14-774	Various Sewer Utility Improvements	05/05/14	225,000.00	225,000.00	225,000.00
17-810	Various Sewer Utility Improvements	07/24/17	530,000.00	530,000.00	530,000.00
18-827	Various Sewer Utility Improvements	06/18/18	140,000.00	140,000.00	140,000.00
19-842	Various Sewer Utility Improvements	06/03/19	225,000.00	225,000.00	225,000.00
20-857	Various Sewer Utility Improvements	04/20/20	280,000.00	280,000.00	280,000.00
21-874	Various Sewer Utility Improvements	06/07/21	400,000.00	400,000.00	400,000.00
22-894	Various Sewer Utility Improvements	5/2/2022	225,000.00	225,000.00	225,000.00
				<u>\$ 3,600,000.00</u>	<u>\$ 3,600,000.00</u>
			<u>Ref.</u>	E	E

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF 2022 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2023

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 116,052.39	\$ 116,052.39		\$ 116,052.39
Other Expenses	118,890.32	118,890.32	\$ 70,342.68	48,547.64
Capital Improvements:				
Capital Outlay	13,603.99	13,603.99	8,942.00	4,661.99
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	8,378.00	8,378.00		8,378.00
	<u>\$ 256,924.70</u>	<u>\$ 256,924.70</u>	<u>\$ 79,284.68</u>	<u>\$ 177,640.02</u>

Ref.

Analysis of Balance December 31, 2022:

Appropriation Reserves:	
Unencumbered	E <u>\$ 256,924.70</u>

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2022		Paid or Charged	Balance Dec. 31, 2023	
				Funded	Unfunded		Funded	Unfunded
12-750	Various Sewer Utility Improvements	12/17/12	\$ 1,575,000.00	\$ 120,528.77		\$ 63,123.36	\$ 57,405.41	
14-744	Various Sewer Utility Improvements	05/05/14	225,000.00		\$ 191,552.00	11,546.85		\$ 180,005.15
17-810	Various Sewer Utility Improvements	07/24/17	530,000.00		218,467.96			218,467.96
18-827	Various Sewer Utility Improvements	06/18/18	140,000.00		15,000.00	14,100.49		899.51
19-842	Various Sewer Utility Improvements	06/03/19	225,000.00		2,641.68			2,641.68
20-857	Various Sewer Utility Improvements	04/20/20	280,000.00		28,682.53			28,682.53
21-784	Various Sewer Utility Improvements	06/07/21	400,000.00		400,000.00			400,000.00
22-894	Various Sewer Utility Improvements	5/2/2022	225,000.00	11,000.00	214,000.00	45,352.84		179,647.16
				<u>\$ 131,528.77</u>	<u>\$ 1,070,344.17</u>	<u>\$ 134,123.54</u>	<u>\$ 57,405.41</u>	<u>\$ 1,010,343.99</u>
			<u>Ref.</u>	E	E	E	E	E

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 71,000.00
Increased by:		
2023 Budget Appropriation		<u>15,000.00</u>
Balance December 31, 2023	E	<u><u>\$ 86,000.00</u></u>

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 16,778,813.84
Increased by:		
Paid by Sewer Utility Operating Budget:		
Serial Bonds		\$ 200,000.00
Capital Outlay:		
Sewer Utility Operating Budget		20,634.97
Sewer Utility Operating Appropriation Reserves		8,942.00
		<u>229,576.97</u>
Balance December 31, 2023	E	<u>\$ 17,008,390.81</u>

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ord. No.	Improvement Description	Ord. Date	Balance Dec. 31, 2022	Notes Paid by Budget Appropriation	Balance Dec. 31, 2023
12-750	Various Sewer Utility Improvements	12/17/12	\$ 75,000.00		\$ 75,000.00
14-744	Various Sewer Utility Improvements	05/05/14	156,000.00	\$ 41,000.00	197,000.00
15-781	Various Sewer Utility Improvements	05/18/15	68,000.00	18,000.00	86,000.00
16-795	Various Sewer Utility Improvements	05/02/16	52,000.00	10,000.00	62,000.00
17-810	Various Sewer Utility Improvements	7/24/2017	37,000.00	10,000.00	47,000.00
18-827	Various Sewer Utility Improvements	06/18/18	5,000.00	5,000.00	10,000.00
19-842	Various Sewer Utility Improvements	5/2/2016		2,000.00	2,000.00
22-894	Various Sewer Utility Improvements	5/2/2022	11,000.00		11,000.00
			<u>\$ 404,000.00</u>	<u>\$ 86,000.00</u>	<u>\$ 490,000.00</u>
		<u>Ref.</u>	E		E



TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ord. No.	Improvement Description	Date of		Interest Rate	Balance	
		Issue	Maturity		Dec. 31, 2022	Dec. 31, 2023
14-774	Various Sewer Utility Improvements	7/30/2014	7/10/2023	4.00%	\$ 69,000.00	\$ 28,000.00
			7/10/2024	4.50%		
15-781	Various Sewer Utility Improvements	7/28/2015	7/10/2023	4.00%	52,000.00	34,000.00
			7/10/2024	4.50%		
16-795	Various Sewer Utility Improvements	7/26/2016	7/10/2023	4.00%	24,000.00	14,000.00
			7/10/2024	4.50%		
17-810	Various Sewer Utility Improvements	7/24/2017	7/10/2023	4.00%	500,000.00	490,000.00
			7/10/2024	4.50%		
18-827	Various Sewer Utility Improvements	7/15/2020	7/10/2023	4.00%	128,000.00	123,000.00
			7/10/2024	4.50%		
19-842	Various Sewer Utility Improvements	7/17/2019	7/10/2023	4.00%	225,000.00	223,000.00
			7/10/2024	4.50%		
20-857	Various Sewer Utility Improvements	7/13/2021	7/10/2023	4.00%	280,000.00	280,000.00
			7/10/2024	4.50%		
21-874	Various Sewer Utility Improvements	7/11/2022	7/10/2023	4.00%	400,000.00	400,000.00
			7/10/2024	4.50%		
22-894	Various Sewer Utility Improvements	7/11/2022	7/10/2023	4.00%	214,000.00	214,000.00
			7/10/2024	4.50%		
					<u>\$ 1,892,000.00</u>	<u>\$ 1,806,000.00</u>
					<u>\$ 1,806,000.00</u>	<u>\$ 1,892,000.00</u>

<u>Ref.</u>	E	E
Renewals	\$ 1,806,000.00	\$ 1,806,000.00
Paid by Budget Appropriation	86,000.00	86,000.00
	<u>\$ 1,806,000.00</u>	<u>\$ 1,892,000.00</u>

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds			Interest Rate	Balance Dec. 31, 2022	Matured	Balance Dec. 31, 2023
			Date	December 31, 2023	Outstanding Amount				
Sewer Refunding Bonds	12/01/21	\$ 2,755,000.00	02/01/24	\$ 210,000.00	215,000.00	3.000%	\$ 2,755,000.00	\$ 200,000.00	\$ 2,555,000.00
			02/01/25		225,000.00	4.000%			
			02/01/26		235,000.00	4.000%			
			02/01/27		245,000.00	5.000%			
			02/01/28		255,000.00	5.000%			
			02/01/29		270,000.00	5.000%			
			02/01/30		285,000.00	5.000%			
			02/01/31		300,000.00	4.000%			
			02/01/32		315,000.00	4.000%			
			02/01/33						
							\$ 2,755,000.00	\$ 200,000.00	\$ 2,555,000.00

Ref. E E

TOWNSHIP OF CEDAR GROVE  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
SWIMMING POOL UTILITY FUND

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2022	F	\$ 17,971.16	\$ 14,000.00
Increased by Receipts:			
Swimming Pool Utility Collector		\$ 553,266.61	
Interest Earned		718.29	
Due from Current Fund:			
Anticipated Deficit in Operations		4,542.72	
Due Swimming Pool Utility Operating Fund:			
Interest Earned			\$ 196.71
Due Swimming Pool Utility Capital Fund:			
Interest Earned			196.71
2023 Budget Appropriation:			
Capital Improvement Fund			2,000.00
		558,724.33	2,196.71
		576,695.49	16,196.71
Decreased by Disbursements:			
2023 Appropriation Expenditures		496,422.86	
2022 Appropriation Reserve Expenditures		4,155.00	
Interest on Bonds		22,425.00	
Due Swimming Pool Utility Operating Fund:			
Interest Earned			196.71
		523,002.86	196.71
Balance December 31, 2023	F	\$ 53,692.63	\$ 16,000.00

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY OPERATING FUND  
SCHEDULE OF CASH - COLLECTOR  
YEAR ENDED DECEMBER 31, 2023

Increased by Receipts:

Membership Fees	\$ 518,092.94	
Miscellaneous Revenue	<u>35,173.67</u>	
		<u>\$ 553,266.61</u>

Decreased by:

Paid to Treasurer		<u><u>\$ 553,266.61</u></u>
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TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY CAPITAL FUND  
ANALYSIS OF CASH

	Balance/ (Deficit)	Receipts	Disbursements	Balance/ (Deficit)
	Dec. 31, 2022	Budget Appropriation	Miscellaneous	Dec. 31, 2023
Capital Improvement Fund	\$ 16,000.00	\$ 2,000.00		\$ 18,000.00
Due Swimming Pool Utility Operating Fund	(2,000.00)	\$ 196.71	\$ 196.71	(2,000.00)
	<u>\$ 14,000.00</u>	<u>\$ 2,000.00</u>	<u>\$ 196.71</u>	<u>\$ 16,000.00</u>

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY OPERATING FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE



TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance December 31, 2022	F	\$ 3,455,559.89
Additions by:		
Capital Outlay:		
Swimming Pool Utility Operating Budget		<u>23,043.00</u>
Balance December 31, 2023	F	<u><u>\$ 3,478,602.89</u></u>

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY OPERATING FUND  
SCHEDULE OF 2022 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2023

	Balance Dec. 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 7,346.79	\$ 6,046.79		\$ 6,046.79
Capital Improvements:				
Capital Outlay	2,900.00	4,200.00	\$ 4,155.00	45.00
	\$ 10,246.79	\$ 10,246.79	\$ 4,155.00	\$ 6,091.79

	<u>Ref.</u>	
<u>Analysis of Balance December 31, 2022:</u>		
Encumbered	F	\$ 10,246.79

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2022	F	\$ 16,000.00
Increased by:		
2023 Budget Appropriation		<u>2,000.00</u>
Balance December 31, 2023	F	<u><u>\$ 18,000.00</u></u>

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2022	F	\$ 2,840,559.89
Increased by:		
Paid by Swimming Pool Utility Operating Budget:		
Serial Bonds Matured		95,000.00
Capital Outlay:		
Swimming Pool Utility Operating Budget		<u>23,043.00</u>
Balance December 31, 2023	F	<u><u>\$ 2,958,602.89</u></u>

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE



TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2022	Matured	Balance Dec. 31, 2023
			Date	Amount				
Swimming Pool Refunding Bonds	12/01/21	\$ 615,000.00	02/01/24	\$ 95,000.00	3.000%	\$ 615,000.00	\$ 95,000.00	\$ 520,000.00
			02/01/25	100,000.00	4.000%			
			02/01/26	105,000.00	4.000%			
			02/01/27	105,000.00	4.000%			
			02/01/28	115,000.00	5.000%			
						\$ 615,000.00	\$ 95,000.00	\$ 520,000.00

Ref.

F

F

TOWNSHIP OF CEDAR GROVE  
SWIMMING POOL UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
PUBLIC ASSISTANCE FUND

NOT APPLICABLE

TOWNSHIP OF CEDAR GROVE  
COUNTY OF ESSEX  
2023  
SPECIAL GARBAGE DISTRICT FUND

TOWNSHIP OF CEDAR GROVE  
SPECIAL GARBAGE DISTRICT FUND  
SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF CEDAR GROVE  
SPECIAL GARBAGE DISTRICT FUND  
SCHEDULE OF DISTRICT TAXES RECEIVABLE  
YEAR ENDED DECEMBER 31, 2023

Increased by:  
    2023 Tax Levy \$ 1,805,588.56

Decreased by:  
    Due from Current Fund \$ 1,805,588.56

TOWNSHIP OF CEDAR GROVE  
SPECIAL GARBAGE DISTRICT FUND  
SCHEDULE OF 2022 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2023

	Balance Dec. 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 75,670.82	\$ 75,670.82		\$ 75,670.82
Other Expenses:				
Disposal Fees	240,456.64	240,456.64		240,456.64
	\$ 316,127.46	\$ 316,127.46	\$ -0-	\$ 316,127.46
<u>Ref.</u>				
<u>Balance December 31, 2022:</u>				
Unencumbered	\$ 316,127.46			

TOWNSHIP OF CEDAR GROVE

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2023



TOWNSHIP OF CEDAR GROVE  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED DECEMBER 31, 2023

Name of Federal Agency or Department	Assistance Listing Number	State Program Account Number	Federal Program	Grant Period		Grant Award Amount	Amount Received	Amount of Expenditures	MEMO Cumulative Total Expenditures	Amounts Provided to Subrecipients
				From	To					
US Department of Justice: Passed through NJ Department of Law and Public Safety	16.835	BJA-2019-15307	Body Worn Camera Grant	01/01/22	12/31/24	\$ 67,254.00	\$ 48,868.00	\$ 46,633.00	\$ 46,633.00	
Total US Department of Justice							48,868.00	46,633.00	46,633.00	
<b>TOTAL FEDERAL AWARDS</b>							<b>\$ 48,868.00</b>	<b>\$ 46,633.00</b>	<b>\$ 46,633.00</b>	<b>\$ -0-</b>

TOWNSHIP OF CEDAR GROVE  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED DECEMBER 31, 2023

Name of State Agency or Department	Name of Program	State Program Account Number	Grant Period		Grant Award Amount	Amount Received	Amount of Expenditures	MEMO Cumulative Total Expenditures
			From	To				
Department of Transportation	Infrastructure Fund: Anderson Parkway Reconstruction	480-078-6320- XXXX-XXXXXX	01/01/22	12/31/24	\$ 290,000.00	\$ 217,500.00		
Total Department of Transportation						217,500.00		
Department of Law and Public Safety	Body Armor Replacement Fund	718-066-1020- 001-090160	01/01/23	12/31/24	2,483.63	2,483.63		
Total Department of Law and Public Safety						2,483.63		
Department of Environmental Protection	Clean Communities Program	765-042-4900- 004-178910	01/01/21 01/01/23	12/31/24 12/31/24	23,294.17 27,463.87	27,463.87 27,463.87	\$ 1,128.00	\$ 4,345.15
	Recycling Tonnage Grant	752-042-4900- 004-178840	01/01/23	12/31/24	18,804.89	18,804.89		
	Stormwater Assistance Grant	100-042-4850- 099-290400	01/01/23	12/31/24	15,000.00	15,000.00		
Total Department of Environmental Protection						61,268.76	1,128.00	4,345.15
Department of the Treasury Passed through the County of Essex	Municipal Alliance to Prevent Alcoholism and Drug Abuse	100-082-2000- 044-995120	07/01/21 07/01/23	06/30/24 06/30/24	7,125.00 9,500.00	2,836.62	775.66	5,230.81
Total Department of the Treasury						2,836.62	775.66	5,230.81
<b>TOTAL STATE AWARDS</b>						<b>\$ 284,089.01</b>	<b>\$ 1,903.66</b>	<b>\$ 9,575.96</b>

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF CEDAR GROVE  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2023

A. BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards (the “Schedules”) include the federal and state grant activity of the Township of Cedar Grove under programs of the federal and state governments for the year ended December 31, 2023. The information in these schedules is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Township of Cedar Grove, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Township of Cedar Grove.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying Schedules of Expenditures of Federal and State Awards are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through identifying numbers are presented where available. The Township has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

C. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.



Mount Arlington, NJ  
 Newton, NJ  
 Bridgewater, NJ  
 973.298.8500  
 nisivoccia.com  
 Independent Member  
 BKR International

Report on Internal Control Over Financial Reporting and on  
 Compliance and Other Matters Based on an Audit of Financial Statements  
 Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

The Honorable Mayor and Members  
 of the Township Council  
 Township of Cedar Grove  
 Cedar Grove, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), 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 various funds of the Township of Cedar Grove, in the County of Essex (the "Township") as of, and for the years ended, December 31, 2023 and 2022, and the related notes to the financial statements and have issued our report thereon dated May 3, 2024. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. That report contained a qualified opinion on the financial statements as the amount that should be recorded in the general fixed assets account group could not be determined.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Township's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township'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 Township'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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as Finding 2023-001, that we consider to be a significant deficiency.

The Honorable Mayor and Members  
of the Township Council  
Township of Cedar Grove  
Page 2

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

As part of obtaining reasonable assurance about whether the Township's financial statements 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **The Township's Response to the Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Township's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Responses. The Township's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

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

Mount Arlington, New Jersey  
May 3, 2024

NISIVOCCIA LLP



Andrew Kucinski  
Certified Public Accountant  
Registered Municipal Accountant No. 583

TOWNSHIP OF CEDAR GROVE  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2023

Summary of Auditors' Results:

- The Independent Auditors' Report expresses a qualified opinion on the Township's financial statements, prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as the amount that should be recorded in the general fixed assets account group could not be determined.
- A significant deficiency disclosed during the audit of the financial statements is reported in the *Independent Auditors' 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*. No material weaknesses are reported.
- No instances of noncompliance material to the financial statements of the Township which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Township was not subject to the single audit provisions of the Uniform Guidance and New Jersey's OMB Circular 15-08 for the year ended December 31, 2023 as both state and federal grant expenditures were less than the single audit thresholds of \$750,000 identified in the Circulars.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit disclosed the following significant deficiency required to be reported under Generally Accepted Government Auditing Standards:

Finding 2023-001 Fixed Assets

Criteria

A fixed assets accounting and reporting system is required to be in compliance with the New Jersey Administrative Code Accounting Requirements.

Condition

The Township does not maintain a fixed assets accounting and reporting system. A fixed assets accounting and reporting system would be used to identify assets held by the Township, their cost, acquisition date, location and other pertinent information.

Cause

Sufficient Township personnel and/or financial resources are not available to perform the initial inventory of the Township's fixed assets.

Effect or Potential Effect

The Township is not in compliance with the New Jersey Administrative Code Accounting Requirements. A fixed assets accounting and reporting system could possibly be used to aid in the planning for replacement of assets.

Recommendation

It is recommended that the Township consider the implementation of a fixed assets accounting and reporting system.

Management's Response

The finding was evaluated and the Township will consider soliciting bids for instituting a fixed assets accounting and reporting system in 2024.

TOWNSHIP OF CEDAR GROVE  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2023  
(Continued)

Findings and Questioned Costs for Federal Awards:

- Not applicable since federal expenditures were below the Single Audit threshold.

Findings and Questioned Costs for State Awards:

- Not applicable since state expenditures were below the Single Audit threshold.

TOWNSHIP OF CEDAR GROVE  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2023

The Township's prior year audit finding 2022-001 regarding fixed assets has not been resolved due to budgetary constraints in 2023, and is therefore included as current year finding 2023-001.



TOWNSHIP OF CEDAR GROVE

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023

TOWNSHIP OF CEDAR GROVE  
COMMENTS AND RECOMMENDATIONS

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

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 (N.J.S.A. 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 (N.J.S.A. 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 (N.J.S.A. 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: "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 therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by 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, 2020 and thereafter, the bid thresholds in accordance with N.J.S.A. 40A:11-3 are \$17,500 for a contracting unit without a qualified purchasing agent and \$44,000 for a contracting unit with a qualified purchasing agent.

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

The minutes indicated that bids were requested by public advertising per N.J.S.A. 40A:11-4. The minutes also indicated that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" and "Extraordinary Unspecifiable Services" per N.J.S.A. 40A:11-5.

TOWNSHIP OF CEDAR GROVE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4 (Cont'd)

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

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, utility charges or assessments on or before the date when they would become delinquent.

On January 3, 2023, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes and utility charges:

"WHEREAS, R.S. 54:4-67 regulates the due dates for the payment of taxes and authorizes the rate of interest for delinquent payment of taxes and utilities, and authorizes a grace period not exceeding ten (10) days.

NOW, THEREFORE, BE IT RESOLVED, by the Township Council of the Township of Cedar Grove, that the Tax Collector is hereby authorized to allow a period of ten (10) days grace from the quarterly tax and utilities due date before charging interest; and

BE IT FURTHER RESOLVED that the rate of interest to be charged for the payment of taxes, utilities, assessments, and property maintenance when they become delinquent shall be at the rate of eight percent (8%) per annum on the first \$1,500 of the delinquency, eighteen percent (18%) of any amount in excess of \$1,500, and an additional six percent (6%) penalty for a delinquency over \$10,000 if not paid prior to the end of the calendar year."

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

Delinquent Taxes and Tax Title Liens

A tax sale was held on October 25, 2023.

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

<u>Year</u>	<u>Number of Liens</u>
2023	6
2022	6
2021	6

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

TOWNSHIP OF CEDAR GROVE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Municipal Court

The report of the Municipal Court has been forwarded to the Division of Local Government Services and the Township Magistrate under separate cover. Reflected below is a summary of receipts and disbursements for the year ended December 31, 2023.

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance Dec. 31, 2022	Receipts	Disbursements	Balance Dec. 31, 2023
Municipal Treasurer:				
Fines and Costs	\$ 7,881.70	\$ 149,102.41	\$ 144,689.21	\$ 12,294.90
Public Defender		400.00	200.00	200.00
State Treasurer	6,671.20	114,073.56	112,946.57	7,798.19
County Treasurer	2,985.50	63,027.25	61,581.75	4,431.00
Conditional Dismissal				
Conditional Discharge	75.00	30.00	105.00	
Cash Bail		1,410.00	1,410.00	
	<u>\$ 17,613.40</u>	<u>\$ 328,043.22</u>	<u>\$ 320,932.53</u>	<u>\$ 24,724.09</u>

New Jersey Administrative Code Accounting Requirements

The Division of Local Government Services has established three (3) accounting requirements which are prescribed in the New Jersey Administrative Code. They are as follows:

1. Maintenance of an encumbrance accounting system.
2. Fixed asset accounting and reporting system.
3. General ledger accounting system.

The Township currently maintains a general ledger accounting system.

With regard to the fixed asset accounting and reporting system, Finding 2023-001 is included in Part II (Single Audit), of this report, on the Schedule of Findings and Responses.

TOWNSHIP OF CEDAR GROVE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Financial Records

1. There was a large balance remaining in the central disbursement account creating large interfunds due to various funds of the Township. These interfund receivables place a restriction on the cash flow and place a restriction on fund balance of the Current Fund. Additionally, there was a large amount of interfund activity throughout the year and several interfund balances at year end on the various balance sheets of the Township.

It is recommended that all interfund balances be liquidated on a timely basis and that every effort be made to limit interfund activity, especially those due to the Current Fund, in the future.

Management's Response

The Township will liquidate the interfund receivables especially in the Current Fund and make every effort to ensure that, in the future, interfund activity is limited and interfund balances are liquidated on a timely basis.

2. During our review of the bank reconciliations, it was noted that bank reconciliations were not accurately prepared to include all current year activity.

It is recommended that all bank reconciliations be prepared with accuracy to include all activity.

Management's Response

The Township will take better care when reconciling bank accounts.

3. During our review of the Federal and State Grant fund, it was found that there are various older grant balances in the Federal and State Grant Fund of the Township.

It is recommended that the older grant balances in the Federal and State Grant Fund be reviewed for continued recognition.

Management's Response

The Township will review the older grant balances in the Federal and State Grant Fund for continued recognition.

Management Suggestions

Membership in the New Jersey Intergovernmental Insurance Fund – Workers' Compensation Fund

The Township is a member of the New Jersey Intergovernmental Insurance Fund (the "NJIF"). In the 2021 Workers' Compensation Fund Audited Financial Statements, the NJIF experienced a positive change in Net Position of (\$3,056,313), to bring the NJIF's Net Position to (\$10,577,553) at December 31, 2021. The Township monitors the operations of the NJIF's Workers' Compensation Fund's financial performance, and based on the overall financial performance of the NJIF the Township feels that the Fund is stable at this time.

TOWNSHIP OF CEDAR GROVE  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Management Suggestions (Cont'd)

Governmental Accounting Standards Board (GASB) Statements

GASB Statement No. 101, *Compensated Absences*, is effective for the year ended December 31, 2024. This statement requires that the liability for compensated absences to be calculated for 1 – leave that has not been used and 2 – leave that has been used but not yet paid. The liability should be recognized for leave that has not been used if (a) – the leave is attributable to services already rendered, (b) the leave accumulates and (c) the leave is more likely than not to be used for time off or otherwise paid. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in the liability for compensated absences. The Statement directs that for leave that has not been used the calculation should generally use an employee’s pay rate as of the date of the financial statements.

COVID-19 Federal Funding

It is possible that the Township will undergo some review of its COVID-19 funding by the federal government. We strongly suggest that the Township ensures that these funds are utilized in accordance with the applicable federal requirements especially with respect to procurement. Additionally, we strongly suggest that the Township ensures that these funds are separately accounted for in the Township’s accounting records and that any applicable Township policies are current with respect to federal grant requirements.

Because of the nature of these funds, are new programs, generally of a significant dollar amount, and some of which may be expended over a period of years, they may be subject to federal or state audit several years from now. It is important that the grant files maintained by local governments be complete, self-explanatory, and fully document the program(s) undertaken as part of the funding.

The American Rescue Plan funding must be obligated by December 31, 2024 and the liquidation of the obligation must be completed by December 31, 2026.

Corrective Action Plan

The Township has initiated a corrective action plan to resolve comments and recommendations from the 2022 audit report. Prior year recommendations concerning implementation of a fixed assets accounting system, liquidation of interfunds, and preparation of bank balances are repeated as current year recommendations and corrective actions are in the process of being implemented, where practical.

TOWNSHIP OF CEDAR GROVE  
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. The Township consider the implementation of a fixed assets accounting and reporting system.
2. Finance:
  - a) All interfund balances be liquidated on a timely basis and every effort be made to limit interfund activity, especially those due to the Current Fund, in the future.
  - b) Bank reconciliations be prepared with accuracy to include all activity.
  - c) The older grant balances in the Federal and State Grant Fund be reviewed for continued recognition.

\* \* \* \* \*