

TOWNSHIP OF NUTLEY

COUNTY OF ESSEX

REPORT OF AUDIT

2024

*NISIVOCCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS*

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
REPORT OF AUDIT
2024

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TOWNSHIP OF NUTLEY

PART I

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2024

Independent Auditors' Report

The Honorable Mayor and Members
of the Board of Commissioners
Township of Nutley
Nutley, 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 Nutley in the County of Essex (the "Township") as of, and for the years ended December 31, 2024 and 2023, and the related notes to financial statements, as listed in the 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, 2024 and 2023 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, 2024 and 2023, 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, 2024 and 2023, 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 Township's general fixed assets account group is stated at historical cost or estimated historical cost in the accompanying financial statements. We were unable to obtain sufficient evidence to support the cost of the fixed assets of the general fixed assets account group. As more fully described in Note 1, due to the length of time over which these fixed assets were acquired, it is not practical to determine their actual costs. Therefore, based upon the underlying accounting records, we have not audited the general fixed assets account group.

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, *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 16, 2025 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 16, 2025

NISIVOCCIA LLP



Raymond A. Sarinelli
Registered Municipal Accountant No. 563
Certified Public Accountant

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
2024
CURRENT FUND

TOWNSHIP OF NUTLEY
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

A
1 of 3

		December 31,	
	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>			
Regular Fund:			
Cash and Cash Equivalents	A-4	\$ 27,221,656.20	\$ 47,757,412.46
Change Fund		300.00	300.00
		<u>27,221,956.20</u>	<u>47,757,712.46</u>
Due State of New Jersey:			
Senior Citizens' and Veterans' Deductions		10,621.12	12,134.84
		<u>10,621.12</u>	<u>12,134.84</u>
		<u>27,232,577.32</u>	<u>47,769,847.30</u>
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7	1,241,103.57	1,235,094.34
Property Acquired for Taxes at Assessed Valuation		47,570.00	47,570.00
Revenue Accounts Receivable	A-9	35,295.39	13,541.55
Due Animal Control Fund	B		20,309.48
Due Water/Sewer Utility Operating Fund	D	892,554.30	1,263,446.58
		<u>892,554.30</u>	<u>1,263,446.58</u>
Total Receivables and Other Assets with Full Reserves		<u>2,216,523.26</u>	<u>2,579,961.95</u>
Deferred Charges:			
Special Emergency Authorization			110,000.00
			<u>110,000.00</u>
Total Deferred Charges			<u>110,000.00</u>
Total Regular Fund		<u>29,449,100.58</u>	<u>50,459,809.25</u>
Federal and State Grant Fund:			
Due from Current Fund	A	896,497.00	
Grants Receivable	A-10	1,025,237.98	
		<u>1,921,734.98</u>	
Total Federal and State Grant Fund		<u>1,921,734.98</u>	
TOTAL ASSETS		<u>\$ 31,370,835.56</u>	<u>\$50,459,809.25</u>

LIABILITIES, RESERVES AND FUND BALANCE

Regular Fund:			
Appropriation Reserves:			
Unencumbered	A-3;A-11	\$ 3,928,379.41	\$ 3,482,535.43
Encumbered	A-3;A-11	1,342,492.44	1,397,178.83
		<u>5,270,871.85</u>	<u>4,879,714.26</u>
Accounts Payable - Vendors		1,116,512.69	1,115,491.84
Prepaid Taxes		808,375.76	750,781.43
Tax Overpayments		425,272.05	411,135.34
County Added and Omitted Taxes Payable		39,513.82	69,077.58
County PILOT Taxes Payable		139,010.86	139,506.71

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

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		December 31,	
	Ref.	2024	2023
<u>LIABILITIES, RESERVES AND FUND BALANCE</u> (Cont'd)			
Regular Fund:			
Due to Federal and State Grant Fund	A	\$ 896,497.00	
Due Other Trust Funds	B	24,560.26	\$ 5,966,277.12
Due General Capital Fund	C	117,500.00	13,038,363.77
Due Water/Sewer Utility Capital Fund	D		485,000.00
Due State of New Jersey:			
Construction Code Surcharge Fees		7,172.00	10,375.00
Marriage License Fees		1,525.00	1,325.00
Burial Permit Fees		5.00	5.00
Reserve for:			
Appropriated Grant Funds:			
Municipal Alliance Grant			7,121.78
Clean Communities			150,843.92
Safety Achievement Award			1,250.00
Staffing for Adequate Fire and Emergency Response (SAFER) Grant			20,668.14
Alcohol Education, Rehabilitation and Enforcement Fund			3,067.11
Body Armor Replacement Fund			4,727.43
Recycling Tonnage Grant			15,918.85
Partners for Healthy-Healthy Lifestyles			2,382.17
Body Worn Camera Grant			42,997.33
Distracted Driving			10,500.00
National Opioids Settlement			10,718.63
DMHAS Youth Leadership Grant			365.61
ARP - Premium Pay			2,500.00
ARP - Firefighter Grant			4,689.90
Automated License Plate Readers			91,166.00
Drive Sober or Get Pulled Over			6,405.00
Unappropriated Grant Funds:			
Alcohol Education, Rehabilitation and Enforcement Fund			1,083.60
Body Armor Replacement Fund			6,244.29
Bullet Proof Vest Program			11,255.25
Pedestrian Safety, Education and Enforcement Fund			28,785.00
Safe & Secure Communities Program			32,400.00
Lead Program			28,500.00
National Opioids Settlement			19,352.69
State and Community Highway Safety			4,602.50
ARP - Coronavirus State and Local Fiscal Recovery Funds			2,591,145.68
Municipal Relief Fund Aid			547,357.95
Purchase of Fire Truck - Insurance Proceeds		7,481.03	7,481.03
Pending Tax Appeals		6,750,325.83	6,730,680.29
Sale of Municipal Assets		66,550.00	66,550.00
Redemption of Outside Liens		61,874.53	7,682.57
Revaluation of Property		31,210.00	31,210.00
Master Plan Review		13,610.00	13,610.00

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

A
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		December 31,	
	Ref.	2024	2023
<u>LIABILITIES, RESERVES AND FUND BALANCE</u> (Cont'd)			
Regular Fund:			
Reserve for:			
Litigation Settlement		\$ 450,000.00	\$ 560,000.00
Dissolution of Nutley Volunteer Emergency Rescue Squad		255,144.08	255,144.08
Diamond Spring Redevelopment		58,696.83	58,696.83
Payment in Lieu of Taxes:			
Seton Hall University Medical School		206,936.72	206,936.72
PB-100 Metro Boulevard		968,490.12	690,589.28
PB- 200 Metro Boulevard		1,217,361.07	876,501.98
		<u>18,934,496.50</u>	<u>40,018,184.66</u>
Reserve for Receivables and Other Assets	A	2,216,523.26	2,579,961.95
Fund Balance	A-1	<u>8,298,080.82</u>	<u>7,861,662.64</u>
Total Regular Fund		<u>29,449,100.58</u>	<u>50,459,809.25</u>
Federal and State Grant Fund:			
Appropriated Reserves:			
Encumbered	A-13	544,521.00	
Unencumbered	A-13	1,318,033.38	
Unappropriated Reserves	A-14	<u>59,180.60</u>	
Total Federal and State Grant Fund		<u>1,921,734.98</u>	
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 31,370,835.56</u>	<u>\$50,459,809.25</u>

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

TOWNSHIP OF NUTLEY

A-1

CURRENT FUNDCOMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
FUND BALANCE - REGULATORY BASIS

	Year Ended December 31,	
	2024	2023
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 5,513,000.00	\$ 5,000,000.00
Miscellaneous Revenue Anticipated	13,829,365.10	12,579,092.14
Receipts from:		
Delinquent Taxes	1,233,346.59	1,192,626.78
Current Taxes	129,559,221.88	126,773,023.54
Nonbudget Revenue	1,047,016.55	386,372.21
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	296,991.71	619,878.29
Cancellation of Reserve for Payment in Lieu of Taxes:		
PB-100 Metro Boulevard		1,050,000.00
Prior Year Senior Citizens' Deductions Allowed		250.00
Interfunds and Other Receivables Returned	391,201.76	
Total Income	151,870,143.59	147,601,242.96
<u>Expenditures</u>		
Budget Appropriations	59,703,932.63	57,242,013.93
County Taxes	19,717,694.96	20,146,959.74
County Share of Added and Omitted Taxes	39,513.82	69,077.58
Local School District Taxes	66,349,584.00	64,222,239.00
Reserve for Pending Tax Appeals	110,000.00	
Refund of Prior Year - Taxes		5,738.03
Interfunds and Other Receivables Advanced		205,799.78
Total Expenditures	145,920,725.41	141,891,828.06
Excess in Revenue/Statutory Excess to Fund Balance	5,949,418.18	5,709,414.90
<u>Fund Balance</u>		
Balance January 1	7,861,662.64	7,152,247.74
	13,811,080.82	12,861,662.64
Decreased by:		
Utilized as Anticipated Revenue	5,513,000.00	5,000,000.00
Balance December 31	A \$ 8,298,080.82	\$ 7,861,662.64

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

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

A-2
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	Budget	Added by NISA 40A:4-87	Realized	Excess or Deficit *
Fund Balance Anticipated	\$ 5,513,000.00		\$ 5,513,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	30,000.00		33,175.41	\$ 3,175.41
Other	30,000.00		40,248.50	10,248.50
Fees and Permits	120,000.00		156,415.70	36,415.70
Fines and Costs:				
Municipal Court	220,000.00		275,993.92	55,993.92
Interest and Costs on Taxes	125,000.00		143,322.70	18,322.70
Parking Meters	300,000.00		340,373.55	40,373.55
Interest on Investments and Deposits	712,616.48		1,243,471.12	530,854.64
Vacant Property Registration Fee	2,000.00		2,500.00	500.00
Tree Removal Permits	5,000.00		11,913.26	6,913.26
Energy Receipts Tax	5,310,204.00		5,310,204.38	0.38
Reserve for Municipal Relief Fund Aid	547,357.95		547,357.95	
Uniform Construction Code Fees	450,000.00		427,629.00	22,371.00 *
Nutley Board of Education Shared Service Agreements:				
Physician Services	11,000.00		11,000.00	
Bulk/Solid Waste	12,500.00			12,500.00 *
Fiber Optic Cable	7,500.00			7,500.00 *
Safe and Secure Communities Grant		\$ 77,550.00	77,550.00	
New Jersey Health Officers Association -				
National Association of County and City Health Officials (NACCHO) Grant:				
Strengthening Local Public Health		74,664.00	74,664.00	
Sustaining Local Public Health		168,030.00	168,030.00	
Clean Communities Program		67,781.82	67,781.82	
Occupant Protection Program - Click It or Ticket		7,000.00	7,000.00	
County of Essex Municipal Alliance Grant		9,321.27	9,321.27	
Pedestrian Safety, Education and Enforcement Fund		20,000.00	20,000.00	
Local Recreation Improvement Grant		65,000.00	65,000.00	
NJ Department of Transportation:				
Safe Routes to School		557,000.00	557,000.00	
Coeyman Ave		481,926.00	481,926.00	
American Rescue Plan (ARP) Firefighter Grant		75,000.00	75,000.00	
National Opioids Settlement		50,085.23	50,085.23	
Reserve for National Opioids Settlement		19,352.69	19,352.69	
Body Armor Replacement Fund		4,787.20	4,787.20	
Reserve for Lead Program		28,500.00	28,500.00	

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	Budget	Added by NJS A 40A:4-87	Realized	Excess or Deficit *
Miscellaneous Revenue:				
Sewer Maintenance Fees - Due from:	\$ 5,666.00	\$	6,119.12	\$ 453.12
Town of Belleville	72.50		117.02	44.52
City of Clifton	358.50		341.40	17.10 *
Residential Furniture Delivery Service	30,571.00		35,489.75	4,918.75
Town of Bloomfield	3,507.50		3,880.18	372.68
Regency Condominiums	60,991.72		60,991.72	
PB Nutclif I LLC, Excess Sewer Charges				
Payment in Lieu of Taxes:				
Nutley Senior Manor	43,980.00		52,088.62	8,108.62
PB-100 Metro Boulevard	923,749.00		923,749.00	
PB-200 Metro Boulevard	796,154.00		796,154.00	
Passaic Valley Sewer Charges - User Charges	10,353.65		10,352.65	1.00 *
Nutley Board of Education Physician Services	4,408.00		4,408.00	
Recycling Program	25,000.00		25,000.00	
Bureau of Housing Inspection	6,145.00		12,020.00	5,875.00
Uniform Fire Safety Act	25,000.00		37,343.77	12,343.77
Cable Franchise Fee	370,087.00		370,087.02	0.02
Cell Phone Tower Lease	23,000.00		30,909.97	7,909.97
Emergency Management Services Transportation Billing	700,000.00		746,283.07	46,283.07
Reserve for Payment in Lieu of Taxes - Seton Hall University Medical School	401,447.00		354,426.11	47,020.89 *
Reserve for Litigation Settlement	110,000.00		110,000.00	
	11,423,669.30	\$ 1,705,998.21	13,829,365.10	699,697.59
Receipts from Delinquent Taxes	1,100,000.00		1,233,346.59	133,346.59
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	42,828,417.20		46,316,058.00	3,487,640.80
Minimum Library Tax	1,709,867.50		1,709,867.50	
Total Amount to be Raised by Taxes for Support of Municipal Budget	44,538,284.70		48,025,925.50	3,487,640.80
Budget Totals	62,574,954.00	1,705,998.21	68,601,637.19	\$ 4,320,684.98
Nonbudget Revenue			1,047,016.55	
	\$ 62,574,954.00	\$ 1,705,998.21	\$ 69,648,653.74	

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

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Allocation of Current Tax Collections:

Revenue from Collection of Current Taxes		\$ 129,559,221.88
Allocated to:		
County Taxes	\$ 19,717,694.96	
County Share of Added and Omitted Taxes	39,513.82	
Local School District Taxes	66,349,584.00	
		<u>86,106,792.78</u>
Balance for Support of Municipal Budget		43,452,429.10
Add: Appropriation "Reserve for Uncollected Taxes"		<u>4,573,496.40</u>
Realized for Support of Municipal Budget		<u><u>\$ 48,025,925.50</u></u>

Analysis of Other Licenses:

Municipal Clerk	\$ 1,310.00
Board of Health	38,938.50
	<u>\$ 40,248.50</u>

Analysis of Fees and Permits:

Building Inspector	\$ 98,723.00
Board of Health	10,252.00
Police	28,285.20
Municipal Clerk	13,500.00
Tax Search Fees/Miscellaneous	6,955.70
Public Works	1,170.00
	<u>158,885.90</u>
Less: Refunds	<u>2,470.20</u>
	<u><u>\$ 156,415.70</u></u>

Analysis of Interest on Investments and Deposits:

Collected/Received by Treasurer	\$ 1,242,444.21
Due Other Trust Funds	1,026.91
	<u>\$ 1,243,471.12</u>

Analysis of Tree Removal Permits:

Parks and Recreation	<u><u>\$ 11,913.26</u></u>
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TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

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Analysis of Nonbudget Revenue:

Miscellaneous Revenue Not Anticipated:

Treasurer:

Prior Year Revenue:

Local Recreation Improvement Grant	\$ 72,000.00
American Rescue Plan (ARP) Firefighter Grant	21,230.64
County of Essex Municipal Alliance Grant	3,350.65
County of Essex DMHAS Grant	3,330.27
Payment in Lieu of Taxes - Senior Citizen Housing	30,963.95
Office of Emergency Management:	
Emergency Management Performance Grants	20,000.00
PB Nutcliff I LLC, Excess Sewer Charges	149,160.04
Nutley Board of Education Physician Services	3,852.00

Total Prior Year Revenue	\$ 303,887.55
Police Outside Services - Administrative Fees	74,717.85
Refunds/Reimbursements	432,694.38
F.E.M.A. Tropical Storm Isaias	120,239.62
Payment in Lieu of Taxes - Administrative Fees	55,604.36
Payment in Lieu of Taxes	22,694.00
Departmental Collections	419.25
State of New Jersey:	
Senior Citizens' and Veterans' Deductions Administrative Costs	2,214.00
DMV Inspection Fines/Fees	450.00
Municipal Court - Public Defender Fees	4,787.96
Bid Specifications	275.00
200 Foot List	560.00
Gun Carry Permit	3,150.00
NSF Fees	20.00
Other Miscellaneous	25,152.58
	1,046,866.55
Tax Collector - Departmental Collections	200.00
	1,047,066.55
Less: Refunds	50.00
	\$ 1,047,016.55

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

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	Appropriations		Expended by		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS":					
DEPARTMENT OF PUBLIC AFFAIRS:					
Director of Public Affairs:					
Salaries and Wages	\$ 2,250.00	\$ 2,250.00	\$ 2,163.50	\$ 86.50	
Other Expenses	16,000.00	16,000.00	12,700.00	3,300.00	
Nutley Public Health Reserve Corp:					
Other Expenses	1,950.00	1,950.00	1,791.50	158.50	
Department of Health - Local Health Agency:					
Salaries and Wages	817,000.00	817,000.00	758,744.64	58,255.36	
Other Expenses	62,000.00	62,000.00	42,645.44	19,354.56	
Air Pollution Control - Contractual	6,181.00	6,181.00	6,181.00		
Animal Regulation:					
Other Expenses	65,000.00	65,000.00	59,619.72	5,380.28	
Military Veterans Affairs Bureau:					
Other Expenses	3,500.00	3,500.00	3,320.23	179.77	
Immunization Program:					
Other Expenses	10,000.00	10,000.00	5,339.83	4,660.17	
Diversity:					
Other Expenses	5,000.00	5,000.00	4,664.04	335.96	
Mental Health Program - Contractual	20,000.00	137,000.00	20,000.00	117,000.00	
Garbage and Trash Removal - Contractual	2,388,929.00	2,271,929.00	1,877,015.62	394,913.38	
Services of Nutley Family Service Bureau - Contractual	50,000.00	50,000.00	50,000.00		
Aid to NJ Association for Retarded Children - Contractual	1,000.00	1,000.00	1,000.00		
Total Department of Public Affairs	3,448,810.00	3,448,810.00	2,845,185.52	603,624.48	

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	Appropriations		Expended by		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
DEPARTMENT OF REVENUE AND FINANCE:					
Director of Revenue and Finance:					
Salaries and Wages	\$ 2,250.00	\$ 2,250.00	\$ 2,250.00		
Other Expenses	16,000.00	16,000.00	14,066.37	\$ 1,933.63	
Assessment of Taxes:					
Salaries and Wages	161,000.00	161,000.00	149,124.52	11,875.48	
Other Expenses	100,000.00	100,000.00	49,329.97	50,670.03	
Collection of Taxes:					
Salaries and Wages	165,000.00	165,000.00	151,743.82	13,256.18	
Other Expenses	46,200.00	46,200.00	35,416.80	10,783.20	
Treasurer's Office:					
Salaries and Wages	520,049.00	520,049.00	517,886.28	2,162.72	
Other Expenses	35,700.00	54,250.00	49,567.45	4,682.55	
Grant Writer	40,000.00	42,000.00	40,000.00	2,000.00	
Township Clerk's Office:					
Salaries and Wages	285,000.00	285,000.00	253,779.24	31,220.76	
Other Expenses	75,200.00	75,200.00	67,896.64	7,303.36	
Other Expenses - Election	80,000.00	80,000.00	56,764.32	23,235.68	
Administration of Township Ordinances:					
Salaries and Wages	271,000.00	271,000.00	270,617.97	382.03	
Other Expenses	8,000.00	8,000.00	6,175.11	1,824.89	
Expense, Stationery and Printing:					
Other Expenses	84,000.00	84,000.00	78,724.49	5,275.51	
Annual Audit:					
Other Expenses - Regular	97,000.00	97,000.00	86,498.00	10,502.00	
Economic Redevelopment Project:					
Other Expenses	350,000.00	331,450.00	315,450.26	15,999.74	

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	Appropriations		Expended by		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
DEPARTMENT OF REVENUE AND FINANCE (Continued):					
Printing and Legal Advertising:					
Other Expenses	\$ 10,000.00	\$ 10,000.00	\$ 7,779.63	\$ 2,220.37	
Total Department of Revenue and Finance	2,346,399.00	2,348,399.00	2,153,070.87	195,328.13	
DEPARTMENT OF PUBLIC SAFETY:					
Director of Public Safety:					
Salaries and Wages	2,250.00	2,250.00	2,250.00		
Other Expenses	16,000.00	16,000.00	15,816.59	183.41	
Municipal Court:					
Salaries and Wages	403,307.00	403,307.00	376,833.01	26,473.99	
Other Expenses	45,600.00	45,600.00	34,454.77	11,145.23	
E-Ticketing - Other Expense	20,000.00	20,000.00	10,000.00	10,000.00	
Public Defender:					
Salaries and Wages	17,510.00	17,510.00	15,822.56	1,687.44	
Other Expenses	200.00	200.00		200.00	
Police:					
Salaries and Wages	10,791,913.00	10,551,913.00	10,342,321.48	209,591.52	
Other Expenses	426,375.00	666,375.00	630,712.88	35,662.12	
Clothing Allowance	140,000.00	140,000.00	134,061.99	5,938.01	
Purchase of Police Cars	115,000.00	115,000.00	115,000.00		
First Aid Organization:					
Salaries and Wages	235,508.00	235,508.00	101,093.58	134,414.42	
Other Expenses	165,908.00	315,908.00	228,718.61	87,189.39	
Office of Emergency Management:					
Salaries and Wages	183,735.00	186,735.00	184,591.36	2,143.64	
Other Expenses	36,452.00	36,452.00	6,356.73	30,095.27	
Uniform Fire Safety Code:					
Fire:					
Salaries and Wages	51,000.00	51,000.00		51,000.00	

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	Appropriations		Expended by		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
Operations Within "CAPS" (Continued):					
DEPARTMENT OF PUBLIC SAFETY (Continued):					
Fire:					
Salaries and Wages	\$ 5,794,344.00	\$ 5,594,344.00	\$ 5,206,803.35	\$ 387,540.65	
Other Expenses	243,375.00	293,375.00	246,278.91	47,096.09	
Clothing Allowance	90,000.00	90,000.00	89,658.74	341.26	
Hazardous Materials:					
Salaries and Wages	163,854.00	70,854.00		70,854.00	
Other Expenses - Stipend	12,240.00	12,240.00		12,240.00	
Total Department of Public Safety	18,954,571.00	18,864,571.00	17,740,774.56	1,123,796.44	
DEPARTMENT OF PUBLIC WORKS:					
Director of Public Works:					
Salaries and Wages	2,250.00	2,250.00	2,250.00		
Other Expenses	16,000.00	16,000.00	14,149.96	1,850.04	
Engineering Services and Costs:					
Salaries and Wages	191,000.00	191,000.00	183,497.96	7,502.04	
Other Expenses	192,500.00	192,500.00	138,473.94	54,026.06	
Road Repair and Maintenance:					
Salaries and Wages	524,038.00	599,038.00	586,972.92	12,065.08	
Other Expenses	263,000.00	188,000.00	163,091.65	24,908.35	
Snow Removal:					
Salaries and Wages	90,000.00	90,000.00	84,348.29	5,651.71	
Other Expenses	76,000.00	56,000.00	36,282.07	19,717.93	
Traffic Maintenance:					
Salaries and Wages	141,000.00	141,800.00	137,849.87	3,950.13	
Other Expenses	18,000.00	17,200.00	7,467.00	9,733.00	

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	Appropriations		Expended by		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
DEPARTMENT OF PUBLIC WORKS (Continued):					
Weed and Leaf Removal:					
Salaries and Wages	\$ 10,000.00				
Sewer System:					
Salaries and Wages	30,000.00	\$ 30,000.00	\$ 17,316.30	\$ 12,683.70	
Other Expenses	18,750.00	18,750.00	17,617.84	1,132.16	
Parking Lot and Meter Maintenance:					
Salaries and Wages	215,000.00	221,000.00	221,000.00		
Other Expenses	85,400.00	85,400.00	72,209.65	13,190.35	
Leaf Removal:					
Other Expenses - Tipping Fees	100,000.00	100,000.00	96,074.90	3,925.10	
Recycling:					
Salaries and Wages	625,000.00	594,000.00	587,283.13	6,716.87	
Other Expenses	33,669.00	33,669.00	11,227.03	22,441.97	
Other Expenses - Disposal Contract	310,000.00	310,000.00	310,000.00		
Total Department of Public Works	2,941,607.00	2,886,607.00	2,687,112.51	199,494.49	
DEPARTMENT OF PARKS AND PUBLIC PROPERTY:					
Director of Parks and Public Property:					
Salaries and Wages	2,250.00	2,250.00	2,250.00		
Other Expenses	50,000.00	50,000.00	23,314.56	26,685.44	
Recreation Committee of Nutley:					
Salaries and Wages	397,572.00	397,572.00	397,572.00		
Other Expenses	21,700.00	36,700.00	36,644.96	55.04	
Public Buildings and Grounds:					
Salaries and Wages	380,760.00	400,760.00	400,760.00		
Other Expenses	79,000.00	94,000.00	91,739.22	2,260.78	

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	Appropriations		Expended by		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
DEPARTMENT OF PARKS AND PUBLIC PROPERTY (Continued):					
Shade Tree Commission:					
Salaries and Wages	\$ 272,953.00	\$ 272,953.00	\$ 272,953.00		
Other Expenses	87,000.00	107,000.00	105,963.81	\$ 1,036.19	
Information Services:					
Salaries and Wages	231,359.00	231,359.00	226,164.32	5,194.68	
Other Expenses	162,000.00	162,000.00	161,159.14	840.86	
Senior Citizens Transportation:					
Salaries and Wages	125,091.00	160,091.00	160,091.00		
Other Expenses	4,000.00	4,000.00	3,895.86	104.14	
Debris Removal:					
Other Expenses	14,500.00	29,500.00	25,433.00	4,067.00	
Parks and Playgrounds:					
Salaries and Wages	1,002,292.00	1,067,292.00	1,067,292.00		
Other Expenses	142,200.00	167,200.00	165,177.69	2,022.31	
Insurance:					
Group Insurance Plan for Employees	8,380,160.60	8,124,550.60	7,500,045.56	624,505.04	
Other Liability Insurance Premiums	808,332.10	808,332.10	808,332.10		
Workers Compensation Insurance	1,048,689.75	1,048,689.75	1,048,689.75		
Insurance Administration	100,000.00	100,000.00	100,000.00		
Health Benefits Waiver	95,149.15	95,149.15		95,149.15	
Total Department of Parks and Public Property	13,405,008.60	13,359,398.60	12,597,477.97	761,920.63	
MAYOR'S OFFICE:					
Mayor:					
Salaries and Wages	2,700.00	2,700.00	536.50	2,163.50	
Other Expenses	16,000.00	16,000.00	3,111.94	12,888.06	
Board of Adjustment:					
Salaries and Wages	35,000.00	35,000.00	34,074.06	925.94	
Other Expenses	5,300.00	5,300.00	2,178.00	3,122.00	

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	Appropriations		Expended by		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
Operations Within "CAPS" (Continued):					
MAYOR'S OFFICE (Continued):					
Planning Board:					
Salaries and Wages	\$ 35,000.00	\$ 35,500.00	\$ 34,157.75	\$ 1,342.25	
Other Expenses	4,400.00	3,900.00	1,802.00	2,098.00	
Rent Leveling Board:					
Salaries and Wages	10,000.00	10,000.00	9,365.48	634.52	
Other Expenses	1,000.00	1,000.00		1,000.00	
Township Attorney:					
Salaries and Wages	135,000.00	135,000.00	133,817.47	1,182.53	
Other Expenses	265,700.00	265,700.00	163,007.57	102,692.43	
Celebration of Public Events	80,000.00	80,000.00	77,002.70	2,997.30	
Historic Preservation					
Other Expenses	10,000.00	10,000.00		10,000.00	
Municipal Prosecutor:					
Salaries and Wages	58,000.00	58,000.00	55,720.05	2,279.95	
Other Expenses	1,000.00	1,000.00		1,000.00	
Total Mayor's Office	659,100.00	659,100.00	514,773.52	144,326.48	
State Uniform Construction Code:					
Salaries and Wages	420,000.00	420,000.00	410,220.07	9,779.93	
Other Expenses	62,850.00	62,850.00	48,543.22	14,306.78	
UNCLASSIFIED:					
Gasoline	228,500.00	318,500.00	253,026.15	65,473.85	
Fuel Oil	15,000.00	15,000.00	6,326.78	8,673.22	
Electricity	350,000.00	385,000.00	378,767.48	6,232.52	
Street Lighting	334,000.00	354,000.00	330,875.62	23,124.38	
Telephone	150,000.00	150,000.00	131,817.43	18,182.57	
Total Operations Within "CAPS"	43,315,845.60	43,272,235.60	40,097,971.70	3,174,263.90	

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	Appropriations		Expended by		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
Operations Within "CAPS" (Continued):					
Contingent	\$ 50,000.00	\$ 50,000.00	\$ 40,312.25	\$ 9,687.75	
Total Operations Including Contingent Within "CAPS"	43,365,845.60	43,322,235.60	40,138,283.95	3,183,951.65	
Detail:					
Salaries and Wages	24,898,384.15	24,132,322.00	23,135,353.16	996,968.84	
Other Expenses	18,467,461.45	19,189,913.60	17,002,930.79	2,186,982.81	
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS":					
Statutory Expenditures:					
Deferred Charges:					
Contribution to Sewer Utility	513,000.00	513,000.00	513,000.00		
Contributions to:					
Public Employees Retirement System	1,487,743.00	1,487,743.00	1,487,743.00		
Social Security System (O.A.S.I.)	1,008,250.00	1,008,250.00	934,109.89	74,140.11	
Police and Firemen's Retirement System of N.J. (P.L. 2003, C. 108)	4,443,047.00	4,443,047.00	4,443,046.00	1.00	
P.E.R.S. - Retro Pension Bill	25,000.00	25,000.00		25,000.00	
Defined Contribution Retirement Program	16,800.00	16,800.00	12,953.39	3,846.61	
Unemployment Compensation Insurance	270,000.00	262,000.00		262,000.00	
Award of Damages to Disabled Policemen (NJSA 40A:14-154)	6,060.00	6,060.00	5,555.00	505.00	
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	7,769,900.00	7,761,900.00	7,396,407.28	365,492.72	
Total General Appropriations for Municipal Purposes Within "CAPS"	51,135,745.60	51,084,135.60	47,534,691.23	3,549,444.37	

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	Appropriations		Expended by		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Excluded from "CAPS":					
Passaic Valley Sewer Commission:					
Other Expenses	\$ 2,202,558.50	\$ 2,202,558.50	\$ 2,099,269.36	\$ 103,289.14	
Maintenance of Free Public Library	1,709,867.50	1,709,867.50	1,709,867.50		
NJPDES Stormwater Permit (N.J.S.A. 40A:-45.3(cc)):					
Street Division:					
Salaries and Wages	30,000.00	35,000.00	34,495.07	504.93	
Other Expenses	5,000.00	5,000.00	4,869.72	130.28	
LOSAP:					
Fire	33,750.00	33,750.00	4,600.00	29,150.00	
Group Insurance Plan for Employees	272,609.00	272,609.00	99,426.38	173,182.62	
Liability Insurance	116,330.00	126,940.00	116,148.71	10,791.29	
Shared Services Agreement -					
Nutley Board of Education - Physician Services	11,000.00	11,000.00	10,577.00	423.00	
Nutley Board of Education - Bulk/Solid Waste	12,500.00	12,500.00	12,500.00		
Nutley Board of Education - Fiber Optic Cable	7,500.00	7,500.00		7,500.00	
Unclassified:					
Recycling	22,031.00	52,031.00	39,501.00	12,530.00	
Garbage and Trash Removal	51,570.00	51,570.00	10,136.22	41,433.78	
State and Federal Programs Offset by Revenues:					
New Jersey Health Officers Association -					
National Association of County and City Health Officials (NACCHO) Grant:					
Strengthening Local Public Health (N.J.S.A. 40A:4-87 +\$74,664.00)		74,664.00	74,664.00		
Sustaining Local Public Health (N.J.S.A. 40A:4-87 +\$168,030.00)		168,030.00	168,030.00		
Lead Program (N.J.S.A. 40A:4-87 +\$28,500.00)		28,500.00	28,500.00		
American Rescue Plan (ARP):					
Firefighter Grant (N.J.S.A. 40A:4-87 +\$75,000.00)		75,000.00	75,000.00		
Local Recreation Improvement Grant (N.J.S.A. 40A:4-87 +\$65,000.00)		65,000.00	65,000.00		
Safe and Secure Communities Grant:					
State Share (N.J.S.A. 40A:4-87 +\$77,550.00)		77,550.00	77,550.00		
Municipal Alliance Grant:					
State Share (N.J.S.A. 40A:4-87 +\$9,321.27)		9,321.27	9,321.27		
Clean Communities Program (N.J.S.A. 40A:4-87 +\$67,781.82)		67,781.82	67,781.82		
NJ Department of Transportation:					
Safe Routes to School (N.J.S.A. 40A:4-87 +\$557,000.00)		557,000.00	557,000.00		
Transportation Trust Fund (N.J.S.A. 40A:4-87 +\$481,926.00)		481,926.00	481,926.00		
Pedestrian Safety, Education and Enforcement Fund					
(N.J.S.A. 40A:4-87 +\$20,000.00)		20,000.00	20,000.00		

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
(Continued)

	Appropriations		Expended by		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
Operations Excluded from "CAPS" (Continued):					
State and Federal Programs Offset by Revenues (Continued):					
Body Armor Replacement Fund (N.J.S.A. 40A:4-87 +\$4,787.20)		\$ 4,787.20	\$ 4,787.20		
Occupant Protection Program - Click It or Ticket (N.J.S.A. 40A:4-87 +\$7,000.00)		7,000.00	7,000.00		
National Opioids Settlement Grant (N.J.S.A. 40A:4-87 +\$69,437.92)		69,437.92	69,437.92		
Total Operations Excluded from "CAPS"	\$ 4,474,716.00	\$ 6,226,324.21	\$ 5,847,389.17	\$ 378,935.04	
Detail:					
Salaries and Wages	30,000.00	35,000.00	34,495.07	504.93	
Other Expenses	4,444,716.00	6,191,324.21	5,812,894.10	378,430.11	
Capital Improvements - Excluded from "CAPS":					
Capital Improvement Fund	207,839.00	207,839.00	207,839.00		
Road Improvements	100,000.00	100,000.00	100,000.00		
Total Capital Improvements Excluded from "CAPS"	307,839.00	307,839.00	307,839.00		
Municipal Debt Service Excluded from "CAPS":					
Payment of Bond Principal	1,590,000.00	1,590,000.00	1,590,000.00		
Interest on Bonds	357,236.00	357,236.00	357,235.56		\$ 0.44
NJ Department of Environmental Protection Green Acres Loan:					
Principal	20,313.00	20,313.00	20,313.00		
Interest	5,608.00	11,608.00	8,085.26		3,522.74
Total Municipal Debt Service Excluded from "CAPS"	1,973,157.00	1,979,157.00	1,975,633.82		3,523.18
Deferred Charges - Excluded from "CAPS":					
Special Emergency Authorizations (N.J.S.A. 40A:4-55)	110,000.00	110,000.00	110,000.00		
Total Deferred Charges - Excluded from "CAPS"	110,000.00	110,000.00	110,000.00		
Total General Appropriations - Excluded from "CAPS"	6,865,712.00	8,623,320.21	8,240,861.99	378,935.04	\$ 3,523.18
Subtotal General Appropriations	58,001,457.60	59,707,455.81	55,775,553.22	3,928,379.41	3,523.18
Reserve for Uncollected Taxes	4,573,496.40	4,573,496.40	4,573,496.40		
Total General Appropriations	\$ 62,574,954.00	\$ 64,280,952.21	\$ 60,349,049.62	\$ 3,928,379.41	\$ 3,523.18

Ref.

A-2

A

TOWNSHIP OF NUTLEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024
 (Continued)

A-3
 11 of 11

	<u>Ref.</u>	Analysis of	
		<u>Budget After Modification</u>	<u>Paid or Charged</u>
Adopted Budget		\$ 62,574,954.00	
Appropriation by N.J.S.A. 40A:4-87		<u>1,705,998.21</u>	
		<u>\$ 64,280,952.21</u>	
Reserve for Uncollected Taxes			\$ 4,573,496.40
Reserve for Encumbrances	A		1,342,492.44
Due Federal and State Grant Fund			1,705,998.21
Due Water/Sewer Utility Operating Fund			506.50
Deferred Charges - Special Emergency Authorizations			110,000.00
Cash Disbursed			<u>54,447,698.95</u>
			62,180,192.50
Less: Appropriation Refunds			<u>1,831,142.88</u>
			<u>\$ 60,349,049.62</u>

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

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
2024
TRUST FUNDS

TOWNSHIP OF NUTLEY
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
TRUST FUNDS

B

		December 31,	
	Ref.	2024	2023
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents - Treasurer	B-4	\$ 30,440.58	\$ 54,259.31
Other Trust Funds:			
Cash and Cash Equivalents	B-4	9,149,988.25	3,433,134.73
Due Current Fund	A	24,560.26	5,966,277.12
		<u>9,174,548.51</u>	<u>9,399,411.85</u>
TOTAL ASSETS		<u>\$ 9,204,989.09</u>	<u>\$ 9,453,671.16</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due Current Fund	A		\$ 20,309.48
Due State of New Jersey		\$ 12.00	6.60
Reserve for Animal Control Expenditures	B-6	30,428.58	33,943.23
		<u>30,440.58</u>	<u>54,259.31</u>
Other Trust Funds:			
Road Opening, Sewer Maintenance and Planning Board Escrow Deposits		313,953.84	323,073.99
Reserve for:			
Dedicated Revenue:			
Sealer of Weights & Measures		26,570.75	26,570.75
Uniform Fire Safety - Penalties		52,879.00	83,873.85
Unemployment Insurance		452,486.05	622,868.16
Developer's Escrow		8,615.42	8,543.58
Escrow Deposits		250,776.40	242,376.40
Special Deposits		606.05	606.05
Living Tree Memorial Program		14,408.79	24,068.69
Recreation Commission Fees		395,976.36	401,550.98
Parking Offense Adjudication Act		71,688.76	67,230.76
Recycling		121,777.87	302,615.94
Community Environmental Health Act		1,571,396.79	1,752,363.90
Tax Sale Premiums		666,796.00	590,796.00
Community Development Block Grants		0.08	0.08
Accumulated Sick and Vacation Pay		1,288,610.99	1,098,794.01
Storm Recovery		1,718,648.21	1,805,493.21
Self Insurance Deductible		340,000.00	340,000.00
Civic Celebration		22,271.76	21,950.02
Law Enforcement Expenditures		766,095.30	626,714.57
Mayor's Wellness Program		11,435.57	11,435.57
Council on Affordable Housing (COAH)		1,061,969.25	1,024,714.32
Go Green Program		12,702.74	11,294.09
Municipal Alliance Program			7,625.31
Flexible Spending Account		2,448.53	2,417.62
Fire Donation		2,434.00	2,434.00
		<u>9,174,548.51</u>	<u>9,399,411.85</u>
TOTAL LIABILITIES AND RESERVES		<u>\$ 9,204,989.09</u>	<u>\$ 9,453,671.16</u>

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

TOWNSHIP OF NUTLEY
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

B-1

NOT APPLICABLE

ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

B-2

NOT APPLICABLE

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

TOWNSHIP OF NUTLEY
ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

B-3

NOT APPLICABLE

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

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
2024
GENERAL CAPITAL FUND

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

C

		December 31,	
	Ref.	2024	2023
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 15,795,610.41	\$ 83,228.79
Due Current Fund	A	117,500.00	13,038,363.77
Loan Receivable:			
NJ Department of Environmental Protection Green Acres		87,529.00	87,529.00
Grants Receivable:			
County of Essex Open Space Trust Fund			150,000.00
NJ Department of Environmental Protection Green Acres		1,441,341.00	1,989,711.00
NJ Department of Transportation		881,456.06	965,966.43
Federal Repetitive Flood Claims Grants		1,069,012.20	1,069,012.20
Deferred Charges to Future Taxation:			
Funded		12,051,430.97	13,478,953.97
Unfunded	C-4	2,528,008.28	246,385.53
TOTAL ASSETS		<u>\$ 33,971,887.92</u>	<u>\$ 31,109,150.69</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds Payable	C-8	\$ 11,516,000.00	\$ 13,106,000.00
Loans Payable:			
NJ Department of Environmental Protection Green Acres	C-9	535,430.97	372,953.97
Improvement Authorizations:			
Funded	C-5	11,213,193.23	10,590,096.99
Unfunded	C-5	2,394,254.52	246,385.53
Capital Improvement Fund	C-6	5,037,451.00	3,858,446.00
Down Payments on Improvements		234,707.72	194,707.72
Reserve for:			
Payment of Debt Service		941,649.05	758,859.05
Paving		605,995.12	605,995.12
Fiber Optics		21,250.00	21,250.00
Economic Development Project		1,227,977.72	1,110,477.72
Local Improvements		35,621.00	35,621.00
Redesign of Nutley Streets		3,154.09	3,154.09
Fund Balance	C-1	205,203.50	205,203.50
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		\$ 33,971,887.92	\$ 31,109,150.69

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

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

C-1

	<u>Ref.</u>	
Balance December 31, 2023	C	<u>\$ 205,203.50</u>
Balance December 31, 2024	C	<u><u>\$ 205,203.50</u></u>

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

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
2024
WATER/SEWER UTILITY FUND

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

D
1 of 2

		December 31,	
	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	D-4	\$ 1,483,348.19	\$ 1,747,479.05
Due Water/Sewer Utility Capital Fund	D	117,801.21	94,215.73
		<u>1,601,149.40</u>	<u>1,841,694.78</u>
Receivables and Inventory with Full Reserves:			
Consumer Accounts Receivable:			
Water	D-6	723,933.14	846,342.82
Sewer	D-6A	758,225.83	
Inventory	D-7	61,195.00	61,195.00
Total Receivables and Inventory with Full Reserves	D	<u>1,543,353.97</u>	<u>907,537.82</u>
Total Operating Fund		<u>3,144,503.37</u>	<u>2,749,232.60</u>
Capital Fund:			
Cash and Cash Equivalents	D-4	540,735.84	183.05
Due Current Fund	A		485,000.00
Fixed Capital	D-9	2,048,926.48	2,048,926.48
Fixed Capital Authorized and Uncompleted	D-10	5,571,286.50	5,286,286.50
Total Capital Fund		<u>8,160,948.82</u>	<u>7,820,396.03</u>
<u>TOTAL ASSETS</u>		<u>\$ 11,305,452.19</u>	<u>\$ 10,569,628.63</u>

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

D
2 of 2

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	D-3;D-11	\$ 129,555.31	\$ 90,411.32
Encumbered	D-3;D-11	31,052.20	160,595.18
Total Appropriation Reserves		160,607.51	251,006.50
Accrued Interest on Bonds and Loans		5,311.74	5,962.80
Water/Sewer Rent Overpayments		89,658.30	23,622.05
Accounts Payable		10,941.17	10,941.17
Due Current Fund	A	892,554.30	1,263,446.58
Due Public Assistance Fund	E	50,475.49	
		1,209,548.51	1,554,979.10
Reserve for Receivables and Inventory	D	1,543,353.97	907,537.82
Fund Balance	D-1	391,600.89	286,715.68
Total Operating Fund		3,144,503.37	2,749,232.60
Capital Fund:			
Serial Bonds Payable	D-17	285,000.00	355,000.00
NJ Infrastructure Bank Loans Payable	D-18	298,157.05	398,774.73
Improvement Authorizations:			
Funded	D-12	576,001.14	562,251.14
Unfunded	D-12	2,945,778.38	2,744,561.07
Capital Improvement Fund	D-14	100,000.00	
Due Water/Sewer Utility Operating Fund	D	117,801.21	94,215.73
Reserve for:			
Down Payments on Improvements	D-13	13,775.85	25,525.85
Amortization	D-15	3,682,466.43	3,511,848.75
Deferred Amortization	D-15A	141,265.25	127,515.25
Fund Balance	D-1A	703.51	703.51
Total Capital Fund		8,160,948.82	7,820,396.03
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 11,305,452.19</u>	<u>\$ 10,569,628.63</u>

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

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
OPERATING FUND BALANCE - REGULATORY BASIS

D-1

	Year Ended December 31,	
Ref.	2024	2023
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 250,000.00	\$ 350,000.00
Water Rents	4,057,000.00	4,061,774.69
Water Rents Rate Increase	421,789.65	
Sewer Rents	1,745,072.51	
Water Utility Maintenance Fee	349,693.67	274,678.29
Sewer Utility Maintenance Fees	106,939.20	
Sewer Improvement Charges	100,000.00	
Deficit - General Budget	513,000.00	
Nonbudget Revenue	101,756.77	95,134.64
Other Credits to Income:		
Appropriation Reserves Lapsed	73,774.67	207,629.77
Total Income	<u>7,719,026.47</u>	<u>4,989,217.39</u>
<u>Expenditures</u>		
Budget Expenditures:		
Operating	6,868,774.00	4,435,805.00
Capital Improvements	101,000.00	1,000.00
Debt Service	181,023.26	175,194.68
Deferred Charges and Statutory Expenditures	213,344.00	138,000.00
Total Expenditures	<u>7,364,141.26</u>	<u>4,749,999.68</u>
Excess in Revenue/Statutory Excess to Fund Balance	354,885.21	239,217.71
<u>Fund Balance</u>		
Balance January 1	<u>286,715.68</u>	<u>397,497.97</u>
	641,600.89	636,715.68
Decreased by:		
Utilization as Anticipated Revenue	<u>250,000.00</u>	<u>350,000.00</u>
Balance December 31	D <u>\$ 391,600.89</u>	<u>\$ 286,715.68</u>

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

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

D-1A

	<u>Ref.</u>	
Balance December 31, 2023	D	<u>\$ 703.51</u>
Balance December 31, 2024	D	<u><u>\$ 703.51</u></u>

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

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

D-2

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Surplus Anticipated	\$ 250,000.00	\$ 250,000.00	
Water Rents	4,057,000.00	4,057,000.00	
Water Rents Rate Increase	270,000.00	421,789.65	\$ 151,789.65
Sewer Rents	2,386,142.00	1,745,072.51	641,069.49 *
Water Utility Maintenance Fees	273,000.00	349,693.67	76,693.67
Sewer Utility Maintenance Fees	105,000.00	106,939.20	1,939.20
Sewer Improvement Charges	100,000.00	100,000.00	
Deficit - General Budget	513,000.00	513,000.00	
	<u>7,954,142.00</u>	<u>7,543,495.03</u>	<u>410,646.97 *</u>
Nonbudget Revenue		<u>101,756.77</u>	<u>101,756.77</u>
	<u><u>\$ 7,954,142.00</u></u>	<u><u>\$ 7,645,251.80</u></u>	<u><u>\$ 308,890.20 *</u></u>

Analysis of Sewer Utility Maintenance Fees:

Due from Current Fund	<u><u>\$ 106,939.20</u></u>
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Analysis of Nonbudget Revenue

Collector:

Sale of Water Meters	\$ 2,160.18	
Fire Line	61,380.28	
Other Miscellaneous	<u>7,360.11</u>	
		\$ 70,900.57

Treasurer:

Interest on Investments		
Received	28,001.12	
Due from Water/Sewer Utility Capital Fund	<u>2,855.08</u>	
		<u>30,856.20</u>
		<u><u>\$ 101,756.77</u></u>

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

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	Appropriations		Expended by		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Water Operating:					
Salaries and Wages	\$ 1,890,500.00	\$ 1,920,500.00	\$ 1,915,735.13	\$ 4,764.87	
Other Expenses	450,000.00	420,000.00	338,935.24	81,064.76	
Other Expenses:					
N.J. Water Supply	1,239,476.00	1,256,476.00	1,256,376.00	100.00	
Passaic Valley Water Commission	900,000.00	883,000.00	744,366.74	8,633.26	\$ 130,000.00
City of Newark Water Purchase	50,000.00	50,000.00	37,342.43	12,657.57	
Sewer Operating:					
Salaries and Wages	185,913.00	185,913.00	54,396.11	516.89	131,000.00
Other Expenses	479,326.00	479,326.00	296,315.10	18,010.90	165,000.00
Passaic Valley Sewer Commission	2,202,559.00	2,202,559.00	2,099,269.36	289.64	103,000.00
Capital Improvements:					
Capital Improvement Fund	100,000.00	100,000.00	100,000.00		
Down Payments on Improvements	1,000.00	1,000.00	1,000.00		
Debt Service:					
Payment of Bond Principal	70,000.00	70,000.00	70,000.00		
Interest on Bonds	3,656.00	3,656.00	3,655.58		\$ 0.42
NJIB Loan Principal	100,618.00	100,618.00	100,617.68		0.32
NJIB Loan Interest	6,750.00	6,750.00	6,750.00		
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	71,388.00	71,388.00	70,388.00	1,000.00	
Social Security System (O.A.S.I.)	186,750.00	186,750.00	139,438.58	311.42	47,000.00
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. seq.)	14,506.00	14,506.00		506.00	14,000.00
Other Insurance	1,700.00	1,700.00		1,700.00	
	<u>\$ 7,954,142.00</u>	<u>\$ 7,954,142.00</u>	<u>\$ 7,234,585.95</u>	<u>\$ 129,555.31</u>	<u>\$ 590,000.74</u>

Ref.

D

Cash Disbursed	\$ 7,265,839.83
Accrued Interest on Bonds	3,655.58
Accrued Interest on NJIB Loan	6,750.00
Encumbrances Payable	31,052.20
	<u>7,307,297.61</u>
Less: Appropriation Refunds	<u>72,711.66</u>
	<u>\$ 7,234,585.95</u>

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

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
2024
PUBLIC ASSISTANCE FUND

TOWNSHIP OF NUTLEY
PUBLIC ASSISTANCE FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

E

		December 31,	
	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	F-1	\$ 24,960.70	\$ 76,911.44
Due Water/Sewer Utility Operating Fund	D	<u>50,475.49</u>	<u></u>
TOTAL ASSETS		<u>\$ 75,436.19</u>	<u>\$ 76,911.44</u>
<u>RESERVES</u>			
Reserve for Public Assistance Expenditures		<u>\$ 75,436.19</u>	<u>\$ 76,911.44</u>
TOTAL RESERVES		<u>\$ 75,436.19</u>	<u>\$ 76,911.44</u>

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

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
2024
BOND AND INTEREST FUND

NOT APPLICABLE

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
2024
GENERAL FIXED ASSETS ACCOUNT GROUP
(UNAUDITED)

TOWNSHIP OF NUTLEY
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Unaudited)

F

	December 31,	
	2024	2023
<u>ASSETS</u>		
Land and Site Improvements	\$ 14,228,194.00	\$ 14,228,194.00
Buildings	9,546,601.00	9,656,126.00
Equipment and Vehicles	19,139,487.00	18,074,588.00
TOTAL ASSETS	<u>\$ 42,914,282.00</u>	<u>\$ 41,958,908.00</u>
 <u>RESERVES</u>		
Reserve for Fixed Assets	<u>\$ 42,914,282.00</u>	<u>\$ 41,958,908.00</u>
TOTAL RESERVES	<u>\$ 42,914,282.00</u>	<u>\$ 41,958,908.00</u>

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

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

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

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 Nutley 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 Nutley 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. In 2024, the Township established a Federal and State Grant Fund.

Trust Funds - Receipt, 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.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

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

B. Description of Funds (Cont'd)

Water/Sewer Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned water/sewer utility. In 2024, the Township established a Water/Sewer Utility Operating and Capital Fund.

Public Assistance Fund - Receipt and disbursement of funds that provide assistance to certain residents of the municipality pursuant to Title 44 of New Jersey Statutes. The administration of and the cost of administration of the Public Assistance Trust Fund II assistance program was transferred to the County Welfare Agency effective July 1, 2010.

General Fixed Assets Account Group (Unaudited) - These accounts were established with estimated values of land, buildings and certain fixed assets of the Township as discussed in Note 1E "Other significant accounting policies".

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 measurements 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 and for the prepayment of future years' revenue. Grant revenue is realized in the operating funds when it is budgeted and in the capital funds when improvements are authorized. The amounts recorded as property taxes 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 charged to operations generally 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 not recorded and are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

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.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

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

C. Basis of Accounting (Cont'd)

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. 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; Federal and State grants and assistance would be recognized when earned, not when received in the Current Fund and when an ordinance is authorized in the Capital Funds; inventories would not be reflected as expenditures at the time of purchase; fixed assets purchased by the Water/Sewer Utility Capital Fund would be depreciated; investments would generally be stated at fair value; and the Township's net OPEB liability and net pension liability and related deferred inflows and outflows, where applicable, would be recorded.

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

- 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 that 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 by financed purchase 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.

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.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

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

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

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 cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased, except for the Water/Sewer Utility Operating Fund, where the value of inventory is offset by a reserve and included on the related balance sheet.

General Fixed Assets (Unaudited) - General fixed assets are recorded at cost except for land and buildings, which are recorded at estimated historical cost. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided on general fixed assets. The total value recorded for general fixed assets is offset by a "Reserve for Fixed Assets". When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the General Fixed Assets Account Group may also be recorded in the Current, General Capital and Water/Sewer Utility Funds. The values recorded in the General Fixed Assets Account Group and the Current, General Capital and Water/Sewer Utility Funds may not always agree due to differences in valuation methods, timing of recognition of assets and the recognition of infrastructures. Fixed assets are reviewed for impairment.

Property and equipment purchased by the Water/Sewer Utility Fund are recorded in the Water/Sewer Utility Capital Fund at cost and are not adjusted for dispositions and abandonments. The amounts shown do not purport to represent replacement costs or current value. Contributions in aid of construction are not capitalized. The balances in the Reserve and Deferred Reserve for Amortization accounts in the Water/Sewer Utility Capital Fund represent charges to operations for the costs of acquisitions of property, equipment and improvements. The Water/Sewer Utility Fund does not record depreciation on fixed assets.

- F. Budget/Budgetary Control - Annual appropriated budgets are usually prepared in the first quarter for the Current and Water/Sewer Utility Operating 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 NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(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 and taxing power has been pledged to the payment of the general obligation debt principal and interest.

Summary of Municipal Debt

	December 31,		
	2024	2023	2022
<u>Issued:</u>			
Bonds, Notes and Loans:			
General	\$12,051,431	\$13,478,954	\$ 9,983,867
Redevelopment Area	881,733	903,426	924,285
Water/Sewer Utility	583,157	753,775	919,392
Total Issued	13,516,321	15,136,155	11,827,544
Less:			
Redevelopment Area Bonds	881,733	903,426	924,285
Funds Temporarily Held to Pay Bonds, Notes and Loans:			
Reserve for Payment of Debt Service - General Capital Fund	941,649	758,859	503,634
Total Deductions	1,823,382	1,662,285	1,427,919
Net Issued	11,692,939	13,473,870	10,399,625
<u>Authorized but not Issued:</u>			
Bonds and Notes:			
General	2,528,008	246,386	6,221,567
Water/Sewer Utility	3,213,324	2,942,074	2,653,324
Total Authorized but not Issued	5,741,332	3,188,460	8,874,891
Net Bonds, Notes and Loans Issued and Authorized but not Issued	<u>\$ 17,434,271</u>	<u>\$ 16,662,330</u>	<u>\$ 19,274,516</u>

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.266%.

	Gross Debt	Deductions	Net Debt
Local School District Debt	\$ 23,120,000	\$ 23,120,000	
Water/Sewer Utility Debt	3,796,481	3,796,481	
General Debt	15,461,172	1,823,382	\$ 13,637,790
	<u>\$ 42,377,653</u>	<u>\$ 28,739,863</u>	<u>\$ 13,637,790</u>

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

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

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

Net Debt: \$13,637,790 divided by Average Equalized Valuations of \$5,124,937,206 of Real Property = 0.266%.

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

3-1/2% Average Equalized Valuation of Real Property	\$ 179,372,802
Net Debt	<u>13,637,790</u>
Remaining Borrowing Power	<u>\$ 165,735,012</u>

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

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 7,645,252
Deductions:	
Operating and Maintenance Cost	\$ 7,082,118
Debt Service	<u>181,023</u>
Total Deductions	<u>7,263,141</u>
Excess in Revenue	<u>\$ 382,111</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.

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

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

	<u>Balance</u> <u>12/31/2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/2024</u>
Serial Bonds:				
General Capital Fund	\$ 13,106,000		\$ 1,590,000	\$ 11,516,000
Redevelopment Area	903,426		21,693	881,733
Water/Sewer Utility	355,000		70,000	285,000
Loans Payable:				
General Capital Fund:				
NJDEP Green Acres	372,954	\$ 182,790	20,313	535,431
Water/Sewer Utility:				
NJIB	<u>398,775</u>		<u>100,618</u>	<u>298,157</u>
Total	<u>\$ 15,136,155</u>	<u>\$ 182,790</u>	<u>\$ 1,802,624</u>	<u>\$ 13,516,321</u>

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

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

Summary of Municipal Debt Issued and Outstanding - Current and Prior Years (Cont'd)

	Balance 12/31/2022	Additions	Retirements	Balance 12/31/2023
Serial Bonds:				
General Capital Fund	\$ 9,591,000	\$ 5,140,000	\$ 1,625,000	\$ 13,106,000
Redevelopment Area	924,285		20,859	903,426
Water/Sewer Utility	420,000		65,000	355,000
Loans Payable:				
General Capital Fund:				
NJDEP Green Acres	392,867		19,913	372,954
Water/Sewer Utility:				
NJIB	499,392		100,617	398,775
Total	<u>\$ 11,827,544</u>	<u>\$ 5,140,000</u>	<u>\$ 1,831,389</u>	<u>\$ 15,136,155</u>

The Township's debt issued and outstanding on December 31, 2024 is described as follows:

General Capital Serial Bonds

Purpose	Maturities of Bonds Outstanding Date	Amount	Interest Rate	Balance Dec. 31, 2024
General Improvements	04/15/25-27	\$ 545,000	3.00%	\$ 2,156,000
	04/15/28	521,000	3.00%	
General Improvements	04/01/25	630,000	1.00%	4,645,000
	04/01/26	640,000	1.00%	
	04/01/27	650,000	1.00%	
	04/01/28	665,000	1.25%	
	04/01/29	675,000	1.50%	
	04/01/30	685,000	1.50%	
	04/01/31	700,000	1.50%	

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

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

The Township's debt issued and outstanding on December 31, 2024 is described as follows: (Cont'd)

General Capital Serial Bonds (Cont'd)

Purpose	<u>Maturities of Bonds Outstanding</u>		Interest Rate	Balance Dec. 31, 2024
	<u>Date</u>	<u>Amount</u>		
General Improvements	10/01/25	\$ 450,000	5.00%	
	10/01/26	465,000	5.00%	
	10/01/27	475,000	5.00%	
	10/01/28	500,000	5.00%	
	10/01/29	525,000	5.00%	
	10/01/30	550,000	5.00%	
	10/01/31	565,000	4.00%	
	10/01/32	585,000	4.00%	
	10/01/33	600,000	4.00%	\$ 4,715,000
				<u>\$11,516,000</u>

General Capital NJ Department of Environmental Protection (NJDEP) Green Acres Loans

Purpose	<u>Final Maturity</u>	Interest Rate	Balance Dec. 31, 2024
Redevelopment of Monsignor Owens Park	03/29/36	2.00%	\$ 265,112
Improvement of Father Glotzbach Soccer Field	07/15/44	0.00%	87,529
Improvement of DeMuro Park	03/04/44	2.00%	182,790
			<u>\$ 535,431</u>

Water/Sewer Utility Capital NJ Infrastructure Bank (NJIB) Loans

Purpose	Type	<u>Final Maturity</u>	Interest Rate	Balance Dec. 31, 2024
Replace Water Meters and Retrofit Meter Heads	Trust Loan	08/01/31	2%-5%	\$ 215,000
	Fund Loan	08/01/31	0.00%	83,157
				<u>\$ 298,157</u>

Water/Sewer Utility Capital Serial Bonds

Purpose	<u>Maturities of Bonds Outstanding</u>		Interest Rate	Balance Dec. 31, 2024
	<u>Date</u>	<u>Amount</u>		
Water Improvements	04/01/25	\$ 70,000	1.00%	
	04/01/26	70,000	1.00%	
	04/01/27	70,000	1.00%	
	04/01/28	75,000	1.25%	\$ 285,000

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

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

The Township's debt issued and outstanding on December 31, 2024 is described as follows: (Cont'd)

Purpose	<u>Redevelopment Area Bonds</u>		Interest Rate	Balance Dec. 31, 2024
	<u>Maturities of Bonds Outstanding</u> Date	<u>Amount</u>		
Redevelopment Project	09/29/25	\$ 22,560	4.00%	
	09/29/26	23,463	4.00%	
	09/29/27	24,402	4.00%	
	09/29/28	25,378	4.00%	
	09/29/29	26,393	4.00%	
	09/29/30	27,449	4.00%	
	09/29/31	28,546	4.00%	
	09/29/32	29,688	4.00%	
	09/29/33	30,876	4.00%	
	09/29/34	32,111	4.00%	
	09/29/35	33,396	4.00%	
	09/29/36	34,731	4.00%	
	09/29/37	36,121	4.00%	
	09/29/38	37,565	4.00%	
	09/29/39	39,068	4.00%	
	09/29/40	40,631	4.00%	
	09/29/41	42,256	4.00%	
	09/29/42	43,946	4.00%	
	09/29/43	45,704	4.00%	
	09/29/44	47,532	4.00%	
	09/29/45	49,433	4.00%	
	09/29/46	51,411	4.00%	
	09/29/47	53,467	4.00%	
	09/29/48	55,606	4.00%	
				<u>\$ 881,733</u>
TOTAL DEBT ISSUED AND OUTSTANDING				<u><u>\$13,516,321</u></u>

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

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

The Township's debt issued and outstanding on December 31, 2024 is described as follows: (Cont'd)

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

Calendar Year	General Capital		Water/Sewer Utility		Redevelopment Area		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ 1,655,714	\$ 338,834	\$ 170,618	\$ 10,433	\$ 22,561	\$ 35,269	\$ 2,233,429
2026	1,683,532	293,061	107,539	8,483	23,463	34,367	2,150,445
2027	1,704,116	246,429	100,000	6,283	24,402	33,428	2,114,658
2028	1,720,711	198,687	105,000	4,564	25,378	32,453	2,086,793
2029	1,235,317	156,045	100,000	6,590	26,393	31,437	1,555,782
Thereafter:							
2030-2034	3,871,138	282,527			148,670	140,483	4,442,818
2035-2039	109,777	8,381			180,880	108,271	407,309
2040-2044	71,126	2,466			220,069	69,081	362,742
2045-2048					209,917	21,403	231,320
Total	<u>\$ 12,051,431</u>	<u>\$ 1,526,430</u>	<u>\$ 583,157</u>	<u>\$ 36,353</u>	<u>\$ 881,733</u>	<u>\$ 506,192</u>	<u>\$ 15,585,296</u>

NJ Infrastructure Bank (NJIB) Loans

In 2012, the Township of Nutley entered into two loan agreements with the State of New Jersey, acting by and through a NJ Department of Environmental Protection Fund (the "Fund"), and the NJ Infrastructure Bank (the "Trust"), in the revised aggregate amount of \$1,982,864, which represents direct obligations of the Township. These loans are recorded in the Water/Sewer Utility Capital Fund. The loan agreements were obtained to finance a portion of the costs of the township-wide replacement of water meters and retrofit of meter heads.

At December 31, 2024, the Township had borrowed or "drawn down" \$1,387,975 for this project. The difference or unspent proceeds of the "Fund" have been reduced from future debt service payments. Principal payments to the "Fund" commenced August 1, 2012 and will continue on a semiannual basis over 20 years at zero interest. Principal payments to the "Trust" commenced on August 1, 2012 and will continue on a semiannual basis over 20 years. It is expected that interest will be paid from trust bond proceeds on deposit in the capitalized interest account (as defined in the bond resolution), and earnings thereon on the debt service reserve fund (as defined in the bond resolution) transferred to such capitalized interest account. The Township will nonetheless be responsible for all such interest payments to the extent such trust bond proceeds and interest earnings are not available from the capitalized interest account.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

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

NJ Department of Environmental Protection (NJDEP) Green Acres Loans

This program was developed by the New Jersey Department of Environmental Protection to provide low interest loans to local governments for the acquisition, preservation and improvement of land for recreation. At December 31, 2024, the loan balances were \$535,431. Payments of principal and interest on the first loan commenced in 2017, on the second loan will tentatively commence in 2025 and on the third loan will commence in 2025 and are to continue on a semi-annual basis over a period of 20 years. Interest on the first and third loans is at the rate of 2% annually and on the second loan is at the rate of 0% annually on the outstanding balances.

Redevelopment Area Bonds

In 2016, the Township of Nutley issued \$1,000,000 of Redevelopment Area Bonds. Principal and interest on these bonds will be funded by payments in lieu of taxes (PILOT) from the developer and is not subject to guarantee by ad valorem taxes as it is only guaranteed by the payment of the specific PILOT by the developer. Payments of bond interest commenced in 2018 and of bond principal commenced in 2019 on an annual basis over a period of 31 and 30 years, respectively. Interest on the bonds is at the rate of 4% annually on the outstanding balance.

Bond Rating

The Township has a Capital and Debt Service Policy. This Policy includes such requirements as limiting new debt authorized each year, limiting Bond Issuance to 10 years, and the practice of replacing existing Bonded Debt with new Bonded Debt when the final payment of the previous bond issue is made. This practice has minimized the impact of debt service in any given year and helped stabilize taxation.

On September 13, 2023, Nutley Township requested a rating review for its \$5.14M. Bond Issue dated October 1, 2023. The Township received an upgraded rating of AA+ from S & P Global ratings. The rating summary made statements about the Township such as, experienced management team with strong and well-embedded financial management practices and a strong institutional framework; track record of strong financial performance and increasing fund balance. The Township received a favorable rate on its Bond Issue.

Note 3: Fund Balances Appropriated

Fund balances at December 31, 2024 which were appropriated and included as anticipated revenue in their own respective funds in the introduced budget for the year ending December 31, 2025 are as follows:

Current Fund	\$5,000,000
Water/Sewer Utility Operating Fund	\$311,763

Note 4: Deferred Charges to be Raised in Succeeding Years

Certain expenditures are required to be deferred to budgets of the succeeding years. At December 31, 2024, the Township had no deferred charges.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 5: 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 Nutley has elected not to defer school taxes.

Note 6: 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); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

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.

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

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 6: Pension Plans (Cont'd)

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

Benefits Provided (Cont'd)

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

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 an 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 is being paid by the employer in level annual payments over a period of 15 years, which began 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 \$1,558,131 for the year ended December 31, 2024. During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$52,661 to the PERS for normal pension benefits on behalf of the Township.

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

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.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 6: Pension Plans (Cont'd)

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

Special Funding Situation (Cont'd)

The amounts contributed on behalf of the local participating employers under the legislation is considered to be special fund 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 net 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 statement 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, 2023, the Township's liability was \$16,885,954 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The 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, 2023, the Township's proportion was 0.117%, which was an increase of 0.0032% from its proportion measured as of June 30, 2022. The Township has rolled forward the net pension liability as of June 30, 2023 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 and counties to include the June 30, 2023 information in the Notes to the Financial Statements as the June 30, 2024 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, 2023.

For the year ended December 31, 2024, the Township recognized actual pension expense in the amount of \$1,558,131.

Actuarial Assumptions

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

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%

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 6: Pension Plans (Cont'd)

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

Actuarial Assumptions (Cont'd)

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-2021.

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

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, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2023 are summarized in the following table.

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

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 6: Pension Plans (Cont'd)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based 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 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, 2023 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, 2023		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.00%)	(7.00%)	(8.00%)
Township's proportionate share of the Net Pension Liability	\$ 21,981,919	\$ 16,885,954	\$ 12,548,614

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.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 6: Pension Plans (Cont'd)

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

Benefits Provided

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

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, 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 2023, 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 liability of the retirement system, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability is being paid by the employer in level annual amounts over a period of 15 years which began 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 the assets.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 6: Pension Plans (Cont'd)

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

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 are considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specified financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Township contributions to PFRS amounted to \$4,443,046 for the year ended December 31, 2024. During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$777,081 to the PFRS for normal pension benefits on behalf of the Township, which is more than the contractually required contribution of \$772,912.

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

Pension Liabilities and Pension Expense

At June 30, 2023, the Township's liability for its proportionate share of the net pension liability was \$36,876,660. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The 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, 2023, the Township's proportion was 0.33376%, which was an increase of 0.00882% from its proportion measured as of June 30, 2022. The Township has rolled forward the net pension liability as of June 30, 2023 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, 2023 information in the Notes to the Financial Statements as the June 30, 2024 information has not been released as of the date of this audit.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 6: Pension Plans (Cont'd)

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

Pension Liabilities and Pension Expense (Cont'd)

Additionally, the State's proportionate share of the net pension liability attributable to the Township is \$6,794,954 as of June 30, 2023. The net pension liability was measured as of July 1, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The 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, 2023, the State's proportion was 0.33376%, which was an increase of 0.00882% from its proportion measured as of June 30, 2022 which is the same proportion as the Township's.

Township's Proportionate Share of the Net Pension Liability	\$ 36,876,660
State's Proportionate Share of the Net Pension Liability Associated with the Township	<u>6,794,954</u>
Total Net Pension Liability	<u>\$ 43,671,614</u>

For the year ended December 31, 2024, the Township recognized total pension expense of \$4,443,046.

Actuarial Assumptions

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all future years	3.25 – 16.25% based on years of service
Thereafter	Not Applicable
Investment Rate of Return	7.00%

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

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

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 6: Pension Plans (Cont'd)

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

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, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in PFRS' target asset allocation as of June 30, 2023 are summarized in the following table:

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

Discount Rate – PFRS

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based 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.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 6: 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

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, 2023 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:

	June 30, 2023		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.00%)	(7.00%)	(8.00%)
Township's proportionate share of the Net Pension Liability and the State's proportionate share of the Net Pension Liability associated with the Township	\$ 60,848,748	\$ 43,671,614	\$ 29,367,166

Pension Plan Fiduciary Net Position – PFRS,

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

C. Defined Contribution Retirement Program (DCRP)

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

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 6: Pension Plans (Cont'd)

C. Defined Contribution Retirement Program (DCRP) (Cont'd)

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

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the Township recognized pension expense of \$12,953 for 2024. Employee contributions to DCRP were \$30,067 for 2024.

Note 7: Accrued Sick, Vacation and Compensatory Time Benefits

The Township permits employees to accrue a limited amount of unused vacation, sick and compensatory time pay, which may be taken as time off or paid at a later date at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation approximates \$2,462,041. This amount is not reported either as an expenditure or a 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 and/or charged. This amount is partially funded in the Reserve for Accumulated Sick and Vacation Pay of \$1,288,611 reflected on the Other Trust Funds' balance sheet as of December 31, 2024.

Balance at December 31, 2023	\$ 2,771,955.00
Net Change	<u>(309,913.79)</u>
Balance at December 31, 2024	<u>\$ 2,462,041.21</u>
Amount Due within One Year	<u>\$ -</u>

Note 8: Deferred Compensation Plan

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

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 9: Selected Tax 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 the imposition of interest charges. A penalty may be assessed for any unpaid taxes 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 April 1 and through December 31. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

Comparative Schedule of Tax Rate Information

	2024	2023 *	2022
<u>Tax Rate</u>	\$ 2.632	\$ 2.576	\$ 3.864
<u>Apportionment of Tax Rate</u>			
Municipal	0.897	0.878	1.308
County	0.398	0.405	0.620
Local School	1.337	1.293	1.936
<u>Assessed Valuations</u>			
2024	\$ 4,963,791,000		
2023 *		\$ 4,968,025,300	
2022			\$ 3,259,403,760

* - Revaluation became effective in this year.

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2024	\$ 130,907,769	\$ 129,559,222	98.96%
2023	128,372,094	126,773,024	98.75%
2022	126,224,158	124,002,275	98.23%

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 NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 10: Cash and Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, 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 on the following page.

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 on deposit, and

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

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 10: Cash and Cash Equivalents and Investments (Cont'd)

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;
- (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 NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

(Continued)

Note 10: Cash and Cash Equivalents and Investments (Cont'd)

As of December 31, 2024, cash and cash equivalents of the Township of Nutley consisted of the following:

<u>Fund</u>	<u>Cash on Hand</u>	<u>Checking Accounts</u>	<u>Money Market Accounts</u>	<u>Total</u>
Current	\$ 300	\$ 26,398,994	\$ 822,662	\$ 27,221,956
Animal Control		30,441		30,441
Other Trust		9,149,988		9,149,988
General Capital		15,795,610		15,795,610
Water/Sewer Utility:				
Operating		1,483,348		1,483,348
Capital		540,736		540,736
Public Assistance		24,961		24,961
	<u>\$ 300</u>	<u>\$ 53,424,078</u>	<u>\$ 822,662</u>	<u>\$ 54,247,040</u>

During the period ended December 31, 2024, the Township did not hold any investments other than certificates of deposit. The carrying amount of the Township's cash and cash equivalents at December 31, 2024 was \$54,247,040 and the bank balance was \$54,606,973.

Note 11: Interfund Receivables and Payables

The following interfund balances remain on the balance sheet at December 31, 2024:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 892,554	\$ 1,038,557
Federal and State Grant Fund	896,497	
Other Trust Funds	24,560	
General Capital Fund	117,500	
Water/Sewer Utility Operating Fund	117,801	943,030
Water/Sewer Utility Capital Fund		117,801
Public Assistance Fund	50,476	
	<u>\$ 2,099,388</u>	<u>\$ 2,099,388</u>

The Current Fund interfund payable represents \$896,497 due to the Federal and State Grant Fund as a result of on-behalf receipts and disbursements, \$24,560 due to the Other Trust Funds as a result of on-behalf receipts, offset by interest earnings due from the Other Trust Funds and \$117,500 from 2023 appropriation reserves for a economic development project due to the General Capital Fund. The Water/Sewer Utility Operating Fund interfund receivable is due from the Water/Sewer Utility Capital Fund as a result of on-behalf receipts and disbursements. The Water/Sewer Utility Operating Fund interfund payable represents the balance of interfund advances due to the Current Fund of \$892,554 and the Public Assistance Fund of \$50,476.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 12: 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 to employees through the State of New Jersey Health Benefits Plan.

Property and Liability

The Township of Nutley is a member of the Suburban Metro Joint Insurance Fund, formerly the Suburban Essex Joint Insurance Fund, (the "Fund"). The Fund is both an insured and self-administered group of municipalities established for the purpose of providing certain low-cost insurance coverage for member municipalities in order to keep local property taxes at a minimum.

The following coverages are offered by the Fund to its members:

- a.) Workers' Compensation and Employers' Liability
- b.) Liability Other Than Motor Vehicles
- c.) Property Damage Other Than Motor Vehicles
- d.) Motor Vehicle
- e.) Public Officials' Liability
- f.) Environmental

As a member of the Fund, the Township could be subject 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 liabilities.

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. In accordance with the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

The December 31, 2024 audit report of the Suburban Metro Joint Insurance Fund is not filed as of the date of this audit. Selected, summarized financial information for the Fund as of December 31, 2023 is as follows:

Total Assets	<u>\$ 11,305,706</u>
Net Position	<u>\$ 1,985,426</u>
Total Revenue	<u>\$ 9,094,146</u>
Total Expenses	<u>\$ 10,252,022</u>
Members Dividends	<u>\$ 152,475</u>
Change in Net Position for the Year Ended December 31	<u>\$ (1,310,351)</u>

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 12: Risk Management (Cont'd)

Property and Liability (Cont'd)

Financial statements for the Fund are available at the Office of the Executive Director:

Suburban Metro Joint Insurance Fund
PERMA Risk Management Services
9 Campus Drive, Suite 216
Parsippany, New Jersey 07054-4412
(201) 881-7632

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 and employee contributions, interest earnings and 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>Township Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	\$ -0-	\$ -0-	\$ -0-	\$ 170,382	\$ 452,486
2023	-0-	-0-	-0-	99,506	622,868
2022	60,000	-0-	-0-	42,494	722,374

Self Insurance Deductible

The Reserve for Self Insurance Deductible account was established in the Other Trust Funds to fund the Township's self-insured retention for Employment Practices Liability ("EPL") and Proof of Loss ("POL") claims should they occur.

Note 13: Contingencies

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 its financial position.

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.

Various tax appeals on assessed valuations have been filed against the Township and are awaiting tax court decisions. The ultimate outcome and effect of such appeals have not been determined; however, the Township Tax Assessor will aggressively defend the Township's assessments. The Township has established a reserve, which it feels is sufficient, for this contingency in the amount of \$6,750,326.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 14: 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 15: 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 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. 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.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 15: Postemployment Benefits Other Than Pensions (OPEB) (Cont'd)

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

General Information about the OPEB Plan (Cont'd)

Benefits Provided (Cont'd)

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

Municipal, Police and Fire Employees

Upon retirement, employees with twenty-five (25) years of full-time service with the Township will receive full benefits medical, dental and prescription. The coverage applies to the employee and their dependents. In the event of an employee's death, coverage ceases.

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.

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 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 (benefit)/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, 2022 through June 30, 2023. Employer and nonemployer 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, 2023 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, 2023 OPEB information in the Notes to the Financial Statements as the June 30, 2024 information has not been released as of the date of this report.

The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 15: Postemployment Benefits Other Than Pensions (OPEB) (Cont'd)

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

OPEB Expense (Cont'd)

At June 30, 2023, the Township had a liability of \$65,308,310 for its proportionate share of the net OPEB liability. At June 30, 2023, the Township's proportion was .4352% which was an increase of .00625% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the Township's OPEB expense, as determined by the State of New Jersey Division of Pensions and Benefits, was \$1,139,384.

The Township's actual postemployment payments in 2024 for approximately 146 retiree employees were \$3,207,496.

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.

Salary Increases*:

Public Employees' Retirement System (PERS):

Rate for All Future Years 2.75% to 6.55%

Police and Firemens' 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, 2022 valuation were based on the results of the PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

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

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 15: Postemployment Benefits Other Than Pensions (OPEB) (Cont'd)

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% for fiscal year 2023 and decreases to a 4.50% long term trend rate after nine years. For post-65 medical benefits PPO, the trend rate is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend rate is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2023 was 3.65%. This represents the municipal bond 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.

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, 2023, 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, 2023		
	At 1% Decrease (2.65%)	At Discount Rate (3.65%)	At 1% Increase (4.65%)
Net OPEB Liability Attributable to the Township	\$ 75,647,840	\$ 65,308,310	\$ 56,991,753

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, 2023, 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, 2023		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability Attributable to the Township	\$ 59,623,082	\$ 65,308,310	\$ 83,935,076

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 16: Tax Abatements

As of December 31, 2024, the Township provides a tax abatement to a Phase I redevelopment project which consists of the development of a new medical school, the relocation of the Seton Hall University College of Nursing and School of Health and Medical Science, the creation of an incubator facility and state of the art research and laboratory facilities for bio-pharma and related companies in the Township. Pursuant to the Redevelopment Bond Law and together with the Redevelopment Law and the Exemption Law under N.J.S.A. 40A:12A-66, the Township is authorized to provide for a tax exemption and payments in lieu of taxes in accordance with the Exemption Law. In consideration of the abatement of taxes, the redeveloper is required to pay to the Township an annual service charge for municipal services supplied in the Phase I redevelopment project which sum is in lieu of taxes on the improvements pursuant to the Exemption Law (N.J.S.A. 40A:20-12), which shall be comprised of a pledged annual service charge which shall be equal to debt service on the redevelopment bonds plus the unpledged annual service charge. The unpledged annual service charge shall be equal to \$379,663 with such amount to increase by 5 percent every 5 years with the first of such increases to occur on the 5th anniversary of the annual service charge start date during the term of the agreement. To the extent that the redeveloper subleases all of the spaces in the existing buildings that are not part of the academic space, then for the term of the sublease (but not to exceed the term of the agreement), the unpledged annual service charge shall be increased by an amount equal to \$135,427 which amount shall be further increased by 2 percent annually during the terms of the agreement and any such sublease. The long term tax exemption commenced on the Annual Service Charge Start Date and shall remain in effect until the earlier of 35 years from the start of the execution hereof or 30 years from the project completion date, unless the agreement is earlier terminated by the Township.

The agreement specifically notes that the redeveloper shall not at any time terminate this agreement and expressly rejects, refuses, relinquishes, surrenders and otherwise waives any and all rights of relinquishment of its status under this agreement that it may have otherwise been entitled to in accordance with any applicable law. In the event that the redeveloper fails to cure or remedy the default within the time period provided for by the terms of the agreement, the Township may, but is not required to, terminate this agreement upon 30 days written notice to the redeveloper. Default under this agreement is defined as a breach or failure of the redeveloper to perform any obligation imposed upon the redeveloper by the terms of the Phase I redevelopment agreement.

The Township collected \$375,169.83 from this annual service charge or payment in lieu of taxes of which \$354,426.11 was anticipated and realized as 2024 revenue and \$20,743.72 is recorded as County PILOT Taxes payable at December 31, 2024. The taxes which would have been paid on this property for 2024 without the abatement would have been \$671,628.50 of which \$228,894.67 would have been for the local municipal tax and minimum library tax. In accordance with the Exemption Law, the County is entitled to 5 percent of the annual service charge which shall be paid from the unpledged annual service charge.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 16: Tax Abatements (Cont'd)

As of December 31, 2024, the Township provides a tax abatement to PB-100 Metro Urban Renewal, LLC for a Phase IIA redevelopment project which consists of the renovation of the seven-story building at 100 Metro Boulevard. Pursuant to the Exemption Law under N.J.S.A. 40A:20-1, the Township is authorized to provide for a tax exemption and payments in lieu of taxes in accordance with the Exemption Law. In consideration of the abatement of taxes, the redeveloper is required to pay to the Township an annual service charge for municipal services supplied in the Phase IIA redevelopment project which sum is in lieu of taxes on the improvements pursuant to the Exemption Law (N.J.S.A. 40A:20-12). The minimum unpledged annual service charge shall be equal to \$927,241 with such amount to increase by 2 percent each year during the term of the agreement. For years one through fifteen, the unpledged annual service charge shall be the greater of the minimum unpledged annual service charge or 11.92% of the annual gross revenue. For years sixteen through twenty-one, the unpledged annual service charge shall be the greater of the minimum unpledged annual service charge, 11.92% of the annual gross revenue or 20% of the amount of taxes otherwise due on the value of land improvements. For years twenty-two through twenty-seven, the unpledged annual service charge shall be the greater of the minimum unpledged annual service charge, 11.92% of the annual gross revenue or 40% of the amount of taxes otherwise due on the value of land improvements. For years twenty-eight through twenty-nine, the unpledged annual service charge shall be the greater of the minimum unpledged annual service charge, 11.92% of the annual gross revenue or 60% of the amount of taxes otherwise due on the value of land improvements. For year thirty, the unpledged annual service charge shall be the greater of the minimum unpledged annual service charge, 11.92% of the annual gross revenue or 80% of the amount of taxes otherwise due on the value of land improvements. The long term tax exemption commenced on the Annual Service Charge Start Date and shall remain in effect until the earlier of 35 years from the start of the execution hereof or 30 years from the project completion date, unless the agreement is earlier terminated by the Township.

The agreement specifically notes that the redeveloper shall not at any time terminate this agreement and expressly rejects, refuses, relinquishes, surrenders and otherwise waives any and all rights of relinquishment of its status under this agreement that it may have otherwise been entitled to in accordance with any applicable law. In the event that the redeveloper fails to cure or remedy the default within the time period provided for by the terms of the agreement, the Township may, but is not required to, terminate this agreement upon 30 days written notice to the redeveloper. Default under this agreement is defined as a breach or failure of the redeveloper to perform any obligation imposed upon the redeveloper by the terms of the Phase IIA redevelopment agreement.

The Township collected \$1,261,592.32 from this annual service charge or payment in lieu of taxes of which \$923,479.00 was anticipated and realized as 2024 revenue, \$277,900.84 is recorded as Reserve for Payment In Lieu of Taxes - PB-100 Metro Boulevard and \$59,942.48 is recorded as County PILOT Taxes payable at December 31, 2024. The taxes which would have been paid on this property for 2024 without the abatement would have been \$1,450,137.25 of which \$494,214.71 would have been for the local municipal tax and minimum library tax. In accordance with the Exemption Law, the County is entitled to 5 percent of the annual service charge which shall be paid from the unpledged annual service charge.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 16: Tax Abatements (Cont'd)

As of December 31, 2024, the Township provides a tax abatement to PB-200 Metro Urban Renewal, LLC for a Phase IIA redevelopment project which consists of the renovation of the fifteen-story building at 200 Metro Boulevard. Pursuant to the Exemption Law under N.J.S.A. 40A:20-1, the Township is authorized to provide for a tax exemption and payments in lieu of taxes in accordance with the Exemption Law. In consideration of the abatement of taxes, the redeveloper is required to pay to the Township an annual service charge for municipal services supplied in the Phase IIA redevelopment project which sum is in lieu of taxes on the improvements pursuant to the Exemption Law (N.J.S.A. 40A:20-12). The minimum unpledged annual service charge shall be equal to \$1,173,967 with such amount to increase by 2 percent each year during the term of the agreement. For years one through fifteen, the unpledged annual service charge shall be the greater of the minimum unpledged annual service charge or 13.50% of the annual gross revenue. For years sixteen through twenty-one, the unpledged annual service charge shall be the greater of the minimum unpledged annual service charge, 13.50% of the annual gross revenue or 20% of the amount of taxes otherwise due on the value of land improvements. For years twenty-two through twenty-seven, the unpledged annual service charge shall be the greater of the minimum unpledged annual service charge, 13.50% of the annual gross revenue or 40% of the amount of taxes otherwise due on the value of land improvements. For years twenty-eight through twenty-nine, the unpledged annual service charge shall be the greater of the minimum unpledged annual service charge, 13.50% of the annual gross revenue or 60% of the amount of taxes otherwise due on the value of land improvements. For year thirty, the unpledged annual service charge shall be the greater of the minimum unpledged annual service charge, 13.50% of the annual gross revenue or 80% of the amount of taxes otherwise due on the value of land improvements. The long term tax exemption commenced on the Annual Service Charge Start Date and shall remain in effect until the earlier of 35 years from the start of the execution hereof or 30 years from the project completion date, unless the agreement is earlier terminated by the Township.

The agreement specifically notes that the redeveloper shall not at any time terminate this agreement and expressly rejects, refuses, relinquishes, surrenders and otherwise waives any and all rights of relinquishment of its status under this agreement that it may have otherwise been entitled to in accordance with any applicable law. In the event that the redeveloper fails to cure or remedy the default within the time period provided for by the terms of the agreement, the Township may, but is not required to, terminate this agreement upon 30 days written notice to the redeveloper. Default under this agreement is defined as a breach or failure of the redeveloper to perform any obligation imposed upon the redeveloper by the terms of the Phase IIA redevelopment agreement.

The Township collected \$1,195,337.75 from this annual service charge or payment in lieu of taxes of which \$796,154.00 was anticipated and realized as 2024 revenue \$340,859.09 is recorded as Reserve for Payment In Lieu of Taxes - 200 Metro Boulevard and \$58,324.66 is recorded as County PILOT Taxes payable at December 31, 2024. The taxes which would have been paid on this property for 2024 without the abatement would have been \$1,732,740.35 of which \$590,527.39 would have been for the local municipal tax and minimum library tax. In accordance with the Exemption Law, the County is entitled to 5 percent of the annual service charge which shall be paid from the unpledged annual service charge.

TOWNSHIP OF NUTLEY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Note 16: Tax Abatements (Cont'd)

Additionally, as of December 31, 2024, the Township provides a tax abatement to a senior citizen housing development in the Township for which a copy of the related tax abatement agreement was not available as of the date of this audit. The Township recognized revenue in the amount of \$52,088.62 from this payment in lieu of taxes agreement for the current year which is recorded as anticipated miscellaneous revenue in the Current Fund. The taxes which would have been paid on this property for 2024 without the abatement would have been \$253,730.06 of which \$86,472.59 would have been for the local municipal tax and minimum library tax.

TOWNSHIP OF NUTLEY

SUPPLEMENTARY DATA

TOWNSHIP OF NUTLEY
OFFICIALS IN OFFICE AND SURETY BONDS
YEAR ENDED DECEMBER 31, 2024

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

Name	Title	Amount of Bond
John V. Kelly, III	Mayor, Director of Public Affairs	
Thomas J. Evans	Director of Revenue and Finance	
Alphonse Petracco	Director of Public Safety	
Dr. Joseph P. Scarpelli	Director of Public Works	
Mauro G. Tucci	Director of Parks and Public Property	
Eleni Pettas	Township Clerk	(B)
Stephanie Santana	Chief Financial Officer (from 4/5/2024)	(A)
Heather McNamara	Chief Financial Officer (from 1/23/24 to 4/5/2024)	(A)
John Ditinyak	Chief Financial Officer (to 1/2/24)	(A)
Rosemarie Berry	Tax Collector	(A)
Edmund B. Brown	Tax Assessor	(B)
Alan Genitempo	Magistrate	(B)
Adriana Marzullo	Municipal Court Administrator	(B)
Jennifer Garner	Deputy Municipal Court Administrator	(B)
Michele O'Reilly	Public Health Coordinator, Health Officer	(B)
Meredith Blank	Health Department Clerk/Registrar	(B)
David Berry	Code Enforcement Officer	(B)
Thomas J. Strumolo, Jr.	Police Chief	(B)
Paul Cafone	Fire Chief	(B)
Jonathan Bruno	Township Attorney	

(A) Surety bond coverage is provided as follows:

Municipal Excess Liability Joint Insurance Fund - \$1,000,000

(B) All employees, who are not specifically bonded, are covered under \$50,000 and \$950,000

Faithful Performance Bonds provided by Suburban Metro Joint Insurance Fund

and the Municipal Excess Liability Joint Insurance Fund, respectively.

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
2024
CURRENT FUND

TOWNSHIP OF NUTLEY
CURRENT FUND
SCHEDULE OF CASH - TREASURER

A-4
1 of 2

	<u>Ref.</u>	
Balance December 31, 2023	A	\$ 47,757,412.46
Increased by Receipts:		
Tax Collector	\$ 131,624,348.63	
Revenue Accounts Receivable	9,720,303.51	
Miscellaneous Revenue Not Anticipated	1,046,866.55	
Petty Cash Returned	650.00	
Interest on Investments and Deposits	1,242,444.21	
County PILOT Taxes Payable	139,010.86	
Due Federal and State Grant Fund:		
Grants Receivable	595,720.34	
Unappropriated Reserves	11,997.16	
Due Animal Control Fund - Interfund Returned	20,309.48	
Due Other Trust Funds:		
Reserve for Law Enforcement Expenditures	25,418.74	
Due Water/Sewer Utility Operating Fund:		
Interfund Returned	263,446.58	
Sewer Maintenance Fees	106,939.20	
Reserve for:		
Payment in Lieu of Taxes:		
Seton Hall University Medical School	354,426.11	
PB-100 Metro Boulevard	277,900.84	
200 Metro Boulevard	340,859.09	
Due State of New Jersey:		
Senior Citizens' and Veterans' Deductions	110,700.00	
Construction Code Surcharge Fees	31,808.00	
Marriage License Fees	3,925.00	
Appropriation Reserve Refunds	544,266.84	
Appropriation Refunds	1,831,142.88	
	<hr/>	
		148,292,484.02
		<hr/> 196,049,896.48

TOWNSHIP OF NUTLEY
CURRENT FUND
SCHEDULE OF CASH - TREASURER
(Continued)

A-4
2 of 2

	<u>Ref.</u>	
Decreased by Disbursements:		
2024 Appropriation Expenditures	\$ 54,447,698.95	
2023 Appropriation Reserve Expenditures	3,996,714.69	
Petty Cash Advanced	650.00	
Accounts Payable	1,005,845.79	
Local School District Taxes	66,349,584.00	
County Taxes	19,786,772.54	
County PILOT Taxes Payable	139,506.71	
Due Federal and State Grant Fund:		
Appropriated Grant Expenditures	222,173.76	
Due Other Trust Funds:		
Interfund Returned	5,966,108.69	
Reserve for Tax Sale Premiums	358,500.00	
Due General Capital Fund:		
Interfund Returned	13,038,363.77	
American Rescue Plan:		
Coronavirus State and Local Fiscal Recovery Funds	2,591,145.68	
Due Federal and State Grant Fund - American Rescue Plan:		
Coronavirus State and Local Fiscal Recovery Funds	2,500.00	
Due Water/Sewer Utility Capital Fund:		
Interfund Returned	485,000.00	
Due State of New Jersey:		
Construction Code Surcharge Fees	35,011.00	
Marriage License Fees	3,725.00	
Reserve for:		
Pending Tax Appeals	90,354.46	
Redemption of Outside Liens	252,949.85	
Refund of:		
Tax Overpayments	53,115.19	
Miscellaneous Revenue Anticipated:		
Fees and Permits	2,470.20	
Miscellaneous Revenue Not Anticipated	50.00	
	<hr/>	<hr/>
		\$ 168,828,240.28
Balance December 31, 2024	A	\$ 27,221,656.20
		<hr/> <hr/>

TOWNSHIP OF NUTLEY
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2024

A-5

Increased by Receipts:

Taxes Receivable	\$ 129,919,612.04	
Interest and Costs on Taxes	143,322.70	
2025 Prepaid Taxes	808,375.76	
Tax Overpayments	80,240.62	
Redemption of Outside Liens	307,141.81	
Tax Sale Premiums - Due to Other Trust Funds	358,500.00	
Fees and Permits - Tax Search Fees/Miscellaneous	6,955.70	
Miscellaneous Revenue Not Anticipated - Departmental Collections	200.00	
	<hr/>	\$ 131,624,348.63

Decreased by:

Payments to Municipal Treasurer		<u><u>\$ 131,624,348.63</u></u>
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SCHEDULE OF CASH - GRANT FUNDS
YEAR ENDED DECEMBER 31, 2024

A-6

NOT APPLICABLE

TOWNSHIP OF NUTLEY

A-7

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance		Collections		Overpayments Applied	State of NJ Senior Citizens' and Veterans' Deductions	Canceled	Balance Dec. 31, 2024
	Dec. 31, 2023	2024 Levy	2023	2024				
2021	\$ 149.74						\$	149.74
2022	16,729.96			\$ 16,150.36				579.60
2023	1,218,214.64			1,217,196.23			\$ 328.88	689.53
	1,235,094.34			1,233,346.59			328.88	1,418.87
2024		\$130,907,768.69	\$ 750,781.43	128,686,265.45	\$ 12,988.72	\$ 109,186.28	108,862.11	1,239,684.70
	\$ 1,235,094.34	\$130,907,768.69	\$ 750,781.43	\$129,919,612.04	\$ 12,988.72	\$ 109,186.28	\$ 109,190.99	\$ 1,241,103.57
<u>Ref.</u>	A							A

Analysis of 2024 Property Tax Levy

Tax Yield:

General Purpose Tax	\$ 130,646,723.68
Business Personal Property Taxes	255.30
Added and Omitted Taxes	260,789.71
	<u>\$130,907,768.69</u>

Tax Levy:

Local School District Taxes	\$ 66,349,584.00
County Taxes	\$ 18,942,871.39
County Open Space Taxes	774,823.57
Due County for Added and Omitted Taxes	39,513.82
	<u>19,757,208.78</u>
	<u>86,106,792.78</u>
Local Tax for Municipal Purposes Levied	42,828,417.20
Minimum Library Tax Levied	1,709,867.50
	<u>44,538,284.70</u>
Add: Additional Tax Levied	262,691.21
	<u>44,800,975.91</u>
	<u>\$130,907,768.69</u>

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TOWNSHIP OF NUTLEY
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
YEAR ENDED DECEMBER 31, 2024

A-8

NOT APPLICABLE

TOWNSHIP OF NUTLEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2023	Accrued in 2024	Collected by		Balance Dec. 31, 2024
			Collector	Treasurer	
Licenses:					
Alcoholic Beverages		\$ 33,175.41		\$ 33,175.41	
Other		40,248.50		40,248.50	
Fees and Permits:					
Building Inspector		98,723.00		98,723.00	
Board of Health		10,252.00		10,252.00	
Police		28,285.20		28,285.20	
Municipal Clerk		13,500.00		13,500.00	
Tax Search Fees/Miscellaneous		6,955.70	\$ 6,955.70		
Public Works		1,170.00		1,170.00	
Fines and Costs - Municipal Court	\$ 13,541.55	297,747.76		275,993.92	\$ 35,295.39
Parking Meters		340,373.55		340,373.55	
Vacant Property Registration Fee		2,500.00		2,500.00	
Tree Removal Permits		11,913.26		11,913.26	
Energy Receipts Tax		5,310,204.38		5,310,204.38	
Uniform Construction Code Fees		427,629.00		427,629.00	
Nutley Board of Education:					
Physician Services		11,000.00		11,000.00	
Sewer Maintenance Fees - Due from:					
Town of Belleville		6,119.12		6,119.12	
City of Clifton		117.02		117.02	
Residential Furniture Delivery Service		341.40		341.40	
Town of Bloomfield		35,489.75		35,489.75	
Regency Condominiums		3,880.18		3,880.18	
Payment in Lieu of Taxes:					
Nutley Senior Manor		52,088.62		52,088.62	
PB-100 Metro Boulevard		923,749.00		923,749.00	
200 Metro Boulevard		796,154.00		796,154.00	
Passaic Valley Sewer Charges - User Charges		10,352.65		10,352.65	
Nutley Board of Education Physician Services		4,408.00		4,408.00	
Recycling Program		25,000.00		25,000.00	
Bureau of Housing Inspection		12,020.00		12,020.00	

TOWNSHIP OF NUTLEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
(Continued)

	Balance Dec. 31, 2023	Accrued In 2024	Collected by		Balance Dec. 31, 2024
			Collector	Treasurer	
Uniform Fire Safety Act		\$ 37,343.77		\$ 37,343.77	
Cable Franchise Fee		370,087.02		370,087.02	
Cell Phone Tower Lease		30,909.97		30,909.97	
Emergency Management Services Transportation Billing		746,283.07		746,283.07	
	<u>\$ 13,541.55</u>	<u>\$ 9,749,013.05</u>	<u>\$ 6,955.70</u>	<u>\$ 9,720,303.51</u>	<u>\$ 35,295.39</u>

Ref.

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TOWNSHIP OF NUTLEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2024

Grant Description	Accrued in 2024	Received	Transfer from Unappropriated Reserves	Balance Dec. 31, 2024
Safe and Secure Communities Grant	\$ 77,550.00	\$ 45,150.00	\$ 32,400.00	
New Jersey Health Officers Association - National Association of County and City Health Officials (NACCHO) Grant:				
Strengthening Local Public Health	74,664.00	18,666.00		\$ 55,998.00
Sustaining Local Public Health Infrastructure	168,030.00	38,085.72		129,944.28
Clean Communities Program	67,781.82	67,781.82		
Click It or Ticket	7,000.00	5,040.00		1,960.00
County of Essex Municipal Alliance Grant	9,321.27	1,890.07		7,431.20
Pedestrian Safety, Education and Enforcement Fund	20,000.00	7,595.00		12,405.00
Local Recreation Improvement Grant	65,000.00			65,000.00
NJ Department of Transportation:				
Safe Routes to School	557,000.00			557,000.00
Coeyman Ave	481,926.00	361,426.50		120,499.50
American Rescue Plan (ARP) Firefighter Grant	75,000.00			75,000.00
National Opioids Settlement	69,437.92	50,085.23	19,352.69	
Body Armor Replacement Fund	4,787.20		4,787.20	
Reserve for Lead Program	28,500.00		28,500.00	
	<u>\$ 1,705,998.21</u>	<u>\$ 595,720.34</u>	<u>\$ 85,039.89</u>	<u>\$ 1,025,237.98</u>

Ref.

A-14

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TOWNSHIP OF NUTLEY
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024

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	Balance Dec. 31, 2023	Balance After Transfers	Paid or Charged	Balance Lapsed
Director of Public Affairs:				
Salaries and Wages	\$ 250.00	\$ 250.00		\$ 250.00
Other Expenses	22.60	22.60		22.60
Nutley Public Health Reserve Corp:				
Other Expenses	1,118.21	1,118.21		1,118.21
Department of Health - Local Health Agency:				
Salaries and Wages	659.29	659.29		659.29
Other Expenses	11,474.74	11,474.74	\$ 10,275.60	1,199.14
Animal Regulation:				
Other Expenses	49.29	49.29		49.29
Military Veterans Affairs Bureau:				
Other Expenses	2,063.98	2,063.98	1,680.50	383.48
Immunization Program:				
Other Expenses	659.80	659.80		659.80
Diversity:				
Other Expenses	3,612.40	3,612.40	1,999.84	1,612.56
Garbage and Trash Removal	489,778.55	179,778.55	167,647.12	12,131.43
Municipal Prosecutor:				
Salaries and Wages	2,020.75	2,020.75	2,000.00	20.75
Other Expenses	1,000.00	1,000.00		1,000.00
Board of Adjustment:				
Salaries and Wages	1,939.00	1,939.00	1,750.00	189.00
Other Expenses	3,350.33	3,350.33	45.40	3,304.93
Planning Board:				
Salaries and Wages	1,414.00	1,414.00	1,000.00	414.00
Other Expenses	1,181.99	1,181.99	113.32	1,068.67
Rent Leveling Board:				
Salaries and Wages	863.08	863.08	800.00	63.08
Other Expenses	1,000.00	1,000.00		1,000.00
Township Attorney:				
Salaries and Wages	1,157.84	1,157.84	1,000.00	157.84
Other Expenses	170,893.93	170,893.93	170,580.59	313.34
Celebration of Public Events	24,999.85	24,999.85	16,380.80	8,619.05
Director of Revenue and Finance:				
Other Expenses	5,803.90	5,803.90		5,803.90
Assessment of Taxes:				
Salaries and Wages	10,267.91	267.91		267.91
Other Expenses	43,837.30	13,837.30	9,968.12	3,869.18
Collection of Taxes:				
Salaries and Wages	427.31	427.31		427.31
Other Expenses	21,957.65	1,957.65	429.02	1,528.63
Treasurer's Office:				
Salaries and Wages	5,650.79	5,650.79	5,500.00	150.79
Other Expenses	15,586.14	15,586.14	9,874.98	5,711.16
Grant Writer	0.04	0.04		0.04
Township Clerk's Office:				
Salaries and Wages	12,864.01	2,864.01	2,800.00	64.01
Other Expenses	44,423.09	4,423.09	3,557.78	865.31
Other Expenses - Election	37,339.28	7,339.28		7,339.28
Administration of Township Ordinances:				
Salaries and Wages	6,882.16	6,882.16	6,800.00	82.16
Other Expenses	5,960.83	5,960.83	827.99	5,132.84

TOWNSHIP OF NUTLEY
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024
(Continued)

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	Balance Dec. 31, 2023	Balance After Transfers	Paid or Charged	Balance Lapsed
Expense, Stationary and Printing:				
Other Expenses	\$ 26,346.89	\$ 6,346.89	\$ 4,791.59	\$ 1,555.30
Annual Audit:				
Other Expenses - Regular	10,000.00	10,000.00		10,000.00
Economic Redevelopment Project:				
Other Expenses	197,318.17	197,318.17	196,968.65	349.52
Printing and Legal Advertising:				
Other Expenses	4,388.68	4,388.68	718.92	3,669.76
Mayor:				
Salaries and Wages	463.50	463.50		463.50
Other Expenses	500.00	500.00		500.00
Director of Public Safety:				
Other Expenses	2,918.23	2,918.23	1,065.61	1,852.62
Municipal Court:				
Salaries and Wages	31,237.84	1,237.84	1,000.00	237.84
Other Expenses	14,192.98	14,192.98	8,493.28	5,699.70
E-Ticketing - Other Expense	25,000.00	25,000.00	24,284.40	715.60
Public Defender:				
Salaries and Wages	1,169.19	1,169.19	1,000.00	169.19
Other Expenses	200.00	200.00		200.00
Police:				
Salaries and Wages	153,325.73	153,325.73	153,000.00	325.73
Other Expenses	265,801.97	265,801.97	265,311.28	490.69
Clothing Allowance	39,553.30	39,553.30	39,531.31	21.99
Purchase of Police Cars	105,000.00	105,000.00	105,000.00	
First Aid Organization:				
Salaries and Wages	110,898.96	110,898.96	110,000.00	898.96
Other Expenses	47,520.62	47,520.62	47,351.97	168.65
Office of Emergency Management:				
Salaries and Wages	8,304.92	8,304.92	8,100.00	204.92
Other Expenses	33,496.00	33,496.00	33,289.50	206.50
Uniform Fire Safety Code:				
Fire:				
Salaries and Wages	50,000.00	50,000.00	50,000.00	
Fire:				
Salaries and Wages	408,701.15	128,701.15	128,500.00	201.15
Other Expenses	244,348.01	244,348.01	243,142.14	1,205.87
Clothing Allowance	16,476.85	16,476.85		16,476.85
Reserve for Accrued Sick and Vacation	100.00	100.00		100.00
Hazardous Materials:				
Salaries and Wages	156,274.00	156,274.00	156,202.90	71.10
Other Expenses - Stipend	12,000.00	12,000.00		12,000.00
Director of Public Works:				
Salaries and Wages	86.50	86.50		86.50
Other Expenses	3,903.90	3,903.90		3,903.90
Engineering Services and Costs:				
Salaries and Wages	7,758.11	7,758.11	7,700.00	58.11
Other Expenses	56,266.35	39,266.35	38,282.17	984.18
Road Repair and Maintenance:				
Salaries and Wages	2,127.41	2,127.41	2,100.00	27.41
Other Expenses	89,938.37	59,938.37	55,273.91	4,664.46

TOWNSHIP OF NUTLEY
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024
(Continued)

A-11
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	Balance Dec. 31, 2023	Balance After Transfers	Paid or Charged	Balance Lapsed
Snow Removal:				
Salaries and Wages	\$ 63,570.13	\$ 3,570.13	\$ 3,500.00	\$ 70.13
Other Expenses	24,282.72	14,282.72	6,599.04	7,683.68
Traffic Maintenance:				
Salaries and Wages	1,810.65	1,810.65	1,800.00	10.65
Other Expenses	12,925.89	12,925.89	2,371.46	10,554.43
Sewer System:				
Salaries and Wages	21.77	21.77		21.77
Other Expenses	17,553.79	17,553.79	16,524.66	1,029.13
Parking Lot and Meter Maintenance:				
Salaries and Wages	6,128.32	6,128.32	6,100.00	28.32
Other Expenses	13,301.25	13,301.25	5,349.44	7,951.81
Leaf Removal:				
Other Expenses - Tipping Fees	2,328.80	34,328.80	34,029.70	299.10
Recycling:				
Salaries and Wages	25,491.93	5,491.93	5,400.00	91.93
Other Expenses	6,509.83	6,509.83	5,745.88	763.95
Other Expenses - Disposal Contract	65,260.51	50,260.51	50,107.20	153.31
Director of Parks and Public Property:				
Other Expenses	39,514.90	9,514.90	2,044.50	7,470.40
Recreation Committee of Nutley:				
Salaries and Wages	60,483.31	483.31		483.31
Other Expenses	27,317.73	27,317.73	25,167.11	2,150.62
Public Buildings and Grounds:				
Salaries and Wages	2,725.74	2,725.74	2,500.00	225.74
Other Expenses	32,167.02	32,167.02	29,603.40	2,563.62
Shade Tree Commission:				
Salaries and Wages	4,243.02	4,243.02	4,000.00	243.02
Other Expenses	19,270.96	19,270.96	17,481.85	1,789.11
Information Services:				
Salaries and Wages	1,472.49	1,472.49	1,400.00	72.49
Other Expenses	50,397.26	50,397.26	37,724.06	12,673.20
Senior Citizens Transportation:				
Salaries and Wages	934.82	934.82	900.00	34.82
Other Expenses	3,908.29	3,908.29		3,908.29
Debris Removal:				
Other Expenses	1,147.00	1,147.00	886.50	260.50
Parks and Playgrounds:				
Salaries and Wages	589.54	589.54		589.54
Other Expenses	44,408.31	44,408.31	38,127.11	6,281.20
Insurance:				
Group Insurance Plan for Employees	478,399.79	28,399.79	28,000.00	399.79
Other Liability Insurance Premiums	97,672.54	7,672.54		7,672.54
Workers Compensation Insurance	2,553.00	2,553.00		2,553.00
Health Benefits Waiver	157.00	157.00		157.00
State Uniform Construction Code:				
Salaries and Wages	863.52	863.52		863.52
Other Expenses	6,672.07	6,672.07	2,941.42	3,730.65

TOWNSHIP OF NUTLEY
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024
(Continued)

A-11
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	Balance Dec. 31, 2023	Balance After Transfers	Paid or Charged	Balance Lapsed
Unclassified:				
Gasoline	\$ 31,994.83	\$ 31,994.83	\$ 23,904.95	\$ 8,089.88
Fuel Oil	56,899.03	6,899.03	840.76	6,058.27
Electricity	59,586.71	29,586.71	26,516.93	3,069.78
Street Lighting	26,321.16	6,321.16	107.60	6,213.56
Telephone	21,174.56	11,174.56	8,371.61	2,802.95
Contingent	41,461.25	41,461.25	41,418.60	42.65
Statutory Expenditures:				
Social Security System (O.A.S.I)	60,200.42	10,200.42	10,177.95	22.47
Defined Contribution Retirement Program	525.43	525.43		525.43
Unemployment Compensation Insurance	270,120.00	70,120.00	60,000.00	10,120.00
Passaic Valley Sewer Commission:				
Other Expenses	0.98	0.98		0.98
NJPDES Stormwater Permit (NJSA 40A:-45.3(cc)):				
Street Division:				
Salaries and Wages	7,781.19	7,781.19	7,500.00	281.19
Other Expenses	2,745.00	2,745.00		2,745.00
LOSAP:				
Fire	33,750.00	33,750.00		33,750.00
Shared Services Agreement -				
Nutley Board of Education - Fiber Optic Cable	7,500.00	7,500.00		7,500.00
State and Federal Programs Offset by Revenue:				
American Rescue Plan (ARP):				
Firefighter Grant	5,079.46	5,079.46	5,079.46	
Stormwater Assistance	2,115.30	2,115.30	2,115.30	
Local Recreation Improvement Grant	72,000.00	72,000.00	72,000.00	
Division of Mental Health and Addiction Services (DMHAS) -				
Youth Leadership Grant	89.31	89.31	89.31	
Clean Communities Program	10,158.06	10,158.06	10,158.06	
Capital Improvements - Excluded From "CAPS":				
Capital Improvement Fund		1,890,000.00	1,890,000.00	
	<u>\$4,879,714.26</u>	<u>\$4,879,714.26</u>	<u>\$4,582,722.55</u>	<u>\$ 296,991.71</u>

Analysis of Balance December 31, 2023:

	Ref.
Unencumbered	A \$3,482,535.43
Encumbered	A <u>1,397,178.83</u>
	<u>\$4,879,714.26</u>

Cash Disbursed	\$ 3,996,714.69
Accounts Payable	1,006,866.64
Due to Federal and State Grant Fund - Appropriated Reserves	5,908.06
Due to General Capital Fund:	
Reserve for Economic Development Project	<u>117,500.00</u>
	5,126,989.39
Less: Appropriation Reserve Refunds	<u>544,266.84</u>
	<u>\$4,582,722.55</u>

TOWNSHIP OF NUTLEY
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2024

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Increased by:

Levy - Calendar Year 2024

\$ 66,349,584.00

Decreased by:

Payments to Local School District

\$ 66,349,584.00

TOWNSHIP OF NUTLEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2024

Grant Description	Transferred from			Expended	Transferred to General Capital Fund	Balance Dec. 31, 2024
	Current Fund Reserve for Appropriated Grant Reserves	2023 Appropriation Reserves	2024 Budget Appropriations			
Municipal Alliance on Alcoholism and Drug Abuse:						
2024	\$ 7,121.78		\$ 9,321.27	\$ 6,990.95		\$ 2,330.32
Prior Years				500.52		6,621.26
Clean Communities Grant:						
2024			67,781.82	1,153.80		66,628.02
2023	24,704.85	\$ 5,908.06		2,907.98		3,000.08
2017	18,244.36			10,404.05		14,300.80
2016	2,439.88			18,244.36		
2015	105,454.83			2,439.88		
Prior Years						105,454.83
Safety Achievement Award:						
Prior Years	1,250.00					1,250.00
Staffing for Adequate Fire and Emergency Response (SAFER) Grant:						
Prior Years	20,668.14					20,668.14
Alcohol Education, Rehabilitation and Enforcement Fund:						
Prior Years	3,067.11					3,067.11
Body Armor Replacement Fund:						
2024			4,787.20	2,279.55		2,507.65
2021	2,680.39			2,680.39		
2020	2,047.04			2,047.04		
Recycling Tonnage Grant:						
Prior Years	15,918.85					15,918.85
Partners for Healthy-Healthy Lifestyles:						
Prior Years	2,382.17					2,382.17
Body Worn Camera Grant	42,997.33			8,136.50		34,860.83
Distracted Driving	10,500.00					10,500.00
Click It or Ticket			7,000.00	5,040.00		1,960.00
Automated License Plate Readers	91,166.00					91,166.00
Drive Sober or Get Pulled Over	6,405.00					6,405.00
Safe and Secure Communities Grant			77,550.00	6,853.88		70,696.12

TOWNSHIP OF NUTLEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2024
(Continued)

Grant Description	Transferred from			Expended	Transferred to General Capital Fund	Balance Dec. 31, 2024
	Current Fund Reserve for Appropriated Grant Reserves	2023 Appropriation Reserves	2024 Budget Appropriations			
National Opioids Settlement: 2024						
Prior Years	\$ 10,718.63		\$ 69,437.92			\$ 69,437.92
Division of Mental Health and Addiction Services (DMHAS) Youth Leadership Grant - 2023	365.61			\$ 365.61		10,718.63
American Rescue Plan - Coronavirus State and Local Fiscal Recovery Funds:						
Premium Pay	2,500.00				\$ 2,500.00	
Firefighter Grant Program: 2024			75,000.00	62,595.00		12,405.00
2023	4,689.90					4,689.90
New Jersey Health Officers Association - National Association of County and City Health Officials (NACCHO) Grant:						
Strengthening Local Public Health Sustaining Local Public Health Infrastructure			74,664.00	37,332.00		37,332.00
Local Recreational Improvement Grant			168,030.00	35,202.25		132,827.75
NJ Department of Transportation:			65,000.00	65,000.00		
Safe Routes to School			557,000.00			557,000.00
Coeyman Ave			481,926.00	481,926.00		
Pedestrian Safety, Education and Enforcement Fund			20,000.00	14,595.00		5,405.00
Lead Program			28,500.00			28,500.00
	<u>\$ 375,321.87</u>	<u>\$ 5,908.06</u>	<u>\$ 1,705,998.21</u>	<u>\$ 766,694.76</u>	<u>\$ 2,500.00</u>	<u>\$ 1,318,033.38</u>

Ref.

A

Cash Disbursed
Encumbrances Payable

Ref.

\$ 222,173.76
A 544,521.00
\$ 766,694.76

TOWNSHIP OF NUTLEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2024

Grant Description	Transferred from Current Fund Reserve for Unappropriated Grant Funds	Received	Transferred to 2024 Budget Revenue	Balance Dec. 31, 2024
Distracted Driving		\$ 7,000.00		\$ 7,000.00
Alcohol Education, Rehabilitation and Enforcement Fund	\$ 1,083.60			1,083.60
Body Armor Replacement Fund	6,244.29	4,997.16	\$ 4,787.20	6,454.25
Bullet Proof Vest Program	11,255.25			11,255.25
Pedestrian Safety, Education and Enforcement Fund	28,785.00			28,785.00
Safe & Secure Communities Program	32,400.00		32,400.00	
Lead Program	28,500.00		28,500.00	
National Opioids Settlement	19,352.69		19,352.69	
State and Community Highway Safety	4,602.50			4,602.50
	<u>\$ 132,223.33</u>	<u>\$ 11,997.16</u>	<u>\$ 85,039.89</u>	<u>\$ 59,180.60</u>

Ref.

A-10

A

Due from Current Fund

\$ 11,997.16

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
2024
TRUST FUNDS

TOWNSHIP OF NUTLEY
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

B-4

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2023	B	\$54,259.31	\$ 3,433,134.73
Increased by Receipts:			
Dog License Fees		\$ 15,793.20	
Cat License Fees		1,344.00	
Impounding, Boarding, Late Fees and Penalties		230.72	
State Registration Fees		1,843.80	
Due Current Fund:			
Interfund Returned			\$ 5,966,108.69
Tax Sale Premiums			358,500.00
Interest Earnings			2,844.53
Road Opening, Sewer Maintenance and			
Planning Board Escrow Deposits			85,945.47
Developer's Escrow			71.84
Escrow Deposits			8,400.00
Uniform Fire Safety - Penalties			3,944.00
Living Tree Memorial Program			7,239.00
Recreation Commission Fees			692,287.46
Parking Offense Adjudication Act			4,858.00
Recycling			44,576.53
Community Environmental Health Act			189,784.06
Community Development Block Grants			341,585.95
Accumulated Sick and Vacation Pay			500,000.00
Civic Celebration			900.00
Law Enforcement Expenditures			146,301.32
COAH			54,332.47
Go Green Program			9,410.00
Flexible Spending Account			788.13
		<u>19,211.72</u>	<u>8,417,877.45</u>
		73,471.03	11,851,012.18
Decreased by Disbursements:			
State Registration Fees		\$ 1,838.40	
Administrative Expenses		20,882.57	
Due Current Fund:			
Interfund Returned		20,309.48	
Interest Earnings			\$ 1,817.62
Road Opening, Sewer Maintenance and			
Planning Board Escrow Deposits			95,065.62
Uniform Fire Safety - Penalties			34,938.85
Unemployment Insurance			170,382.11
Living Tree Memorial Program			16,898.90
Recreation Commission Fees			697,862.08
Parking Offense Adjudication Act			400.00
Recycling			225,414.60
Community Environmental Health Act			370,751.17
Tax Sale Premiums			282,500.00
Community Development Block Grants			341,585.95
Accumulated Sick and Vacation Pay			310,183.02
Storm Recovery			86,845.00
Civic Celebration			578.26
Law Enforcement Expenditures			32,339.33
COAH			17,077.54
Go Green Program			8,001.35
Municipal Alliance Program			7,625.31
Flexible Spending Account			757.22
		<u>\$43,030.45</u>	<u>\$ 2,701,023.93</u>
		<u>\$30,440.58</u>	<u>\$ 9,149,988.25</u>
Balance December 31, 2024	B		

TOWNSHIP OF NUTLEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF ANIMAL CONTROL FUND CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2024

B-4A

NOT APPLICABLE

TOWNSHIP OF NUTLEY
ASSESSMENT TRUST FUND
ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2024

B-5

NOT APPLICABLE

TOWNSHIP OF NUTLEY
ANIMAL CONTROL FUND

B-6

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2023	B	\$ 33,943.23
Increased by:		
Animal Control Fees:		
Dog Licenses		\$ 15,793.20
Cat Licenses		1,344.00
		<u>17,137.20</u>
Impounding, Boarding, Late Fees, Penalties and Postage Fees		<u>230.72</u>
		<u>17,367.92</u>
		51,311.15
Decreased by:		
Animal Control Expenditures		<u>20,882.57</u>
Balance December 31, 2024	B	<u><u>\$ 30,428.58</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2022	\$ 18,107.60
2023	<u>17,245.60</u>
Maximum Allowable Reserve	<u><u>\$ 35,353.20</u></u>

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
2024
GENERAL CAPITAL FUND

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER

C-2

	<u>Ref.</u>	
Balance December 31, 2023	C	\$ 83,228.79
Increased by Receipts:		
Budget Appropriations:		
Down Payments on Improvements	\$ 100,000.00	
Capital Improvement Fund	207,839.00	
Appropriation Reserves:		
Capital Improvement Fund	1,890,000.00	
Loan Receivable:		
NJ Department of Environmental Protection Green Acres	182,790.00	
Grants Receivable:		
County of Essex Open Space Trust Fund	150,000.00	
NJ Department of Environmental Protection Green Acres	548,370.00	
NJ Department of Transportation	84,510.37	
Deferred Charges to Future Taxation - Unfunded:		
Hurricane Ida F.E.M.A. Reimbursements	230,877.25	
Due Current Fund:		
Interfund Returned	13,038,363.77	
American Rescue Plan:		
Coronavirus State and Local Fiscal Recovery Funds	2,591,145.68	
Due Federal and State Grant Fund - American Rescue Plan:		
Coronavirus State and Local Fiscal Recovery Funds	2,500.00	
Improvement Authorization Refunds	206,117.05	
		<u>19,232,513.12</u>
		19,315,741.91
Decreased by:		
Improvement Authorization Expenditures		<u>3,520,131.50</u>
Balance December 31, 2024	C	<u><u>\$ 15,795,610.41</u></u>

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL FUND CASH

C-3
1 of 3

	Balance/ (Deficit) Dec. 31, 2023	Receipts		Disbursements/ Improvement Authorizations	Transfers		Balance/ (Deficit) Dec. 31, 2024
		Budget Appropriations	Miscellaneous		From	To	
Fund Balance	\$ 205,203.50						\$ 205,203.50
Capital Improvement Fund	3,858,446.00	\$ 2,097,839.00			\$ 918,834.00		5,037,451.00
Down Payments on Improvements	194,707.72	100,000.00			60,000.00		234,707.72
Due Current Fund	(13,038,363.77)		\$ 15,632,009.45		2,711,145.68		(117,500.00)
Due Federal and State Grant Fund					2,500.00	\$ 2,500.00	
Loan Receivable:							
State of NJ Department of Environmental Protection Green Acres	(87,529.00)		182,790.00		182,790.00		(87,529.00)
Grants Receivable:							
County of Essex Open Space Trust Fund	(150,000.00)		150,000.00				
State of NJ Department of Environmental Protection Green Acres	(1,989,711.00)		548,370.00				(1,441,341.00)
State of NJ Department of Transportation	(965,966.43)		84,510.37				(881,456.06)
Federal Repetitive Flood Claims Grants	(1,069,012.20)						(1,069,012.20)
Reserve for:							
Paving	605,995.12						605,995.12
Fiber Optics	21,250.00						21,250.00
Economic Development Project	1,110,477.72					117,500.00	1,227,977.72
Local Improvements	35,621.00						35,621.00
Redesign of Nutley Streets	3,154.09						3,154.09
Payment of Debt Service	758,859.05					182,790.00	941,649.05

Ord.	No.	Improvement Description	
2776		Certain Local Improvements	100.00
2852		Sewer Repair and Related Work	0.94
2900		Reconstruction of Pedestrian Trails and Stairs in Kingsland and Nichols Park	
2927		Certain Local Improvements	1,219.26
2992		Upgrades to Memorial Park	3,600.00
2993;			\$ 3,600.00
3046		Various Capital Improvements	10,971.37
3029		Various Capital Improvements	
3063;			
3093;			
3101		Various Capital Improvements	
3100		Acquisition of a Fire Truck	103,784.46
3106		Local Improvements	10,800.64
3116		Various Capital Improvements	265.33
3149		Various Capital Improvements	57,826.88
			80,774.13

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL FUND CASH
(Continued)

Ord. No.	Improvement Description	Balance/ (Deficit) Dec. 31, 2023	Receipts		Disbursements Improvement Authorizations	Transfers		Balance/ (Deficit) Dec. 31, 2024
			Budget Appropriations	Miscellaneous		From	To	
3153	Voice and Data Network Upgrades	\$ 1,271.29						\$ 1,271.29
3171	Donna Court Acquisition and Remediation	413,170.40						413,170.40
3172	Donna Court Acquisition and Remediation	756,759.46						756,759.46
3181	Various Capital Improvements	2,632.79						2,632.79
3196	Renovation of Police Desk	1,588.67						1,588.67
3214	Various Capital Improvements	6,015.27						6,015.27
3216	Local Improvements	3,522.37						3,522.37
3242	Various Capital Improvements	67,704.69						67,704.69
3292	Reconstruction of the Roadway on Park Ave (Section 2)	1,218.29						1,218.29
3294	Various Capital Improvements	151,989.27			\$ 9,239.57			142,749.70
3321	Reconstruction of Various Roadways and Sidewalks	36,387.73			\$ 57,572.00			36,387.73
3323	Various Improvements or Purposes	172,011.10						114,439.10
3324	Paving of East Centre Street	45,867.63						45,867.63
3331	Acquisition of Lands	41.76						41.76
3332	Acquisition of Lands	19,347.05						19,347.05
3344	Various Improvements or Purposes	155,282.19			32,735.80			122,546.39
3345	Reconstruction of Various Roadways and Sidewalks	16,103.66						16,103.66
3371	Reconstruction of Various Roadways and Sidewalks	4,612.40						4,612.40
3372	Various Improvements or Purposes	204,874.33			565.80			204,308.53
3375	Purchase of a Fire Truck	0.89						0.89
3378	Digital Archiving of Code Enforcement Records	0.54						0.54
3391	Reconstruction of the Roadway on Harrison Street (Section 4)	36,226.88						36,226.88
3407	Reconstruction of Various Roadways and Sidewalks	26,804.67						26,804.67
3408	Various Improvements or Purposes	376,195.45						376,195.45
3410	Digital Archiving of Code Enforcement and Municipal Clerk's Office Records	1,463.08						1,463.08
3422	Reconstruction of the Roadway on Grant Ave	94,771.57						94,771.57
3423	Reconstruction of Various Roadways and Sidewalks	114,878.20	\$ 147,117.05		47,072.94			214,922.31
3425	Various Improvements or Purposes	259,976.15			18,094.45			241,881.70
3440	Reconstruction of the Roadway on Grant Ave, Section 2	16,880.63						16,880.63
3455	Various Improvements or Purposes	499,916.51		59,000.00	79,804.98			479,111.53
3456	Reconstruction of Various Roadways and Sidewalks	19,063.79			13,234.90			5,828.89
3470	Washington Avenue Roadway Improvement Project	53,476.00						53,476.00
3477	Reconstruction of Various Roadways and Sidewalks	498,600.84			57,055.09			441,545.75
3479	Various Improvements or Purposes	566,485.61			236,226.08			330,259.53
3481	Repair and Restoration of Damage to Municipal Property Due to Tropical Storm Ida	1,019,143.22		230,877.25	61,619.32			1,188,401.15
3483	Repair and Restoration of Damage to Municipal Property Due to Tropical Storm Ida	641,848.20			684.00			641,164.20

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL FUND CASH
(Continued)

C-3
3 of 3

Ord. No.	Improvement Description	Balance/ (Deficit) Dec. 31, 2023	Receipts		Disbursements Improvement Authorizations	Transfers		Balance/ (Deficit) Dec. 31, 2024
			Budget Appropriations	Miscellaneous		From	To	
3513	Technology Infrastructure Improvements	\$ 1,368.56			\$ 1,368.56			
3524	Various Improvements or Purposes	1,960,083.18			829,039.01			\$ 1,131,044.17
3527	Improvement of Nutley Board of Education Buildings, Facilities and Fields	350,000.00			117,600.00			232,400.00
3528	Reconstruction of the Roadway on Vreeland Ave	532,772.00			443,949.53			88,822.47
3535	Improvements to Monsignor Owens Park	1,028,755.00			1,001,630.94			27,124.06
3543	Vehicle Requisition				40,409.60		\$ 42,500.00	2,090.40
3548	Exterior Infrastructure Improvements						250,000.00	250,000.00
3550	Equipment Purchase and Exterior Infrastructure Improvements				162,190.00		400,000.00	237,810.00
3554	Various Improvements				62,513.87		2,602,479.68	2,539,965.81
3555	Various Improvements or Purposes				231,253.76		97,500.00	(133,753.76)
3559	Purchase, Installation and Related Services Extending the Municipal Fiber Line to Include the Municipal Parks on Hancox Ave						70,000.00	70,000.00
3567	Improvements to Memorial Park I				1,699.93		60,000.00	58,300.07
3570	Vehicle Requisition						50,000.00	50,000.00
		\$ 83,228.79	\$ 2,197,839.00	\$ 17,034,674.12	\$ 3,520,131.50	\$ 3,875,269.68	\$ 3,875,269.68	\$ 15,795,610.41

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

Ord. No.	Improvement Description	Balance Dec. 31, 2023	2024 Authorizations	Funded by Hurricane Ida F.E.M.A. Reimbursements	Balance Dec. 31, 2024	Analysis of Balance Dec. 31, 2024	
						Expenditures	Unexpended Improvement Authorizations
3481	Repair and Restoration of Damage to Municipal Property Due to Tropical Storm Ida	\$ 245,297.53		\$ 230,877.25	\$ 14,420.28		\$ 14,420.28
3483	Repair and Restoration of Damage to Municipal Property Due to Tropical Storm Ida	188.00			188.00		188.00
3524	Various Improvements or Purposes	900.00			900.00		900.00
3555	Various Improvements or Purposes		\$ 1,932,500.00		1,932,500.00	\$ 133,753.76	1,798,746.24
3567	Improvements to Memorial Park I		580,000.00		580,000.00		580,000.00
		<u>\$ 246,385.53</u>	<u>\$ 2,512,500.00</u>	<u>\$ 230,877.25</u>	<u>\$ 2,528,008.28</u>	<u>\$ 133,753.76</u>	<u>\$ 2,394,254.52</u>
	<u>Ref.</u>	C			C		
Analysis of Unexpended Improvement Authorizations:							
Improvement Authorizations - Unfunded							<u>\$ 2,394,254.52</u>

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	2024 Authorizations									
		Ordinance		Balance December 31, 2023		Other Sources	Taxation - Unfunded	Capital Improvement Fund	Paid or Charged	Deferred	
		Date	Amount	Funded	Unfunded					Funded	Unfunded
2776	Certain Local Improvements	04/01/03	\$ 55,000.00	\$	100.00					\$	100.00
2852	Sewer Repair and Related Work	10/05/04	362,000.00		0.94						0.94
2900	Reconstruction of Pedestrian Trails and Stairs in Kingsland and Nichols Park										
2914	Various Capital Improvements	07/19/05	60,000.00		1,219.26						1,219.26
2992	Upgrades to Memorial Park	09/06/05	400,000.00		3,600.00			\$	3,600.00		
2993;	Various Capital Improvements	12/19/06	125,000.00		16,398.95				10,971.37		5,427.58
3046	Various Capital Improvements	12/19/06;	790,460.00								
3029	Various Capital Improvements	12/04/07			9,712.43						9,712.43
3063;	Various Capital Improvements	11/20/07	1,011,100.00		146,502.65						146,502.65
3093;	Various Capital Improvements	07/16/08;	1,227,600.00								
3101		04/07/09;									
3100	Acquisition of a Fire Truck	05/19/09			103,784.46						103,784.46
3106	Local Improvements	05/05/09	264,000.00		10,800.64						10,800.64
3116	Various Capital Improvements	06/16/09	25,000.00		265.33						265.33
3149	Various Capital Improvements	09/01/09	748,980.00		57,826.88						57,826.88
3153	Voice and Data Network Upgrades	11/09/10	793,875.00		80,774.13						80,774.13
3171	Donna Court Acquisition and Remediation	12/07/10	63,000.00		1,271.29						1,271.29
3172	Donna Court Acquisition and Remediation	07/05/11	854,500.00		413,170.40						413,170.40
3181	Various Capital Improvements	07/05/11	1,644,000.00		756,759.46						756,759.46
3196	Renovation of Police Desk	11/15/11	985,000.00		2,632.79						2,632.79
3214	Various Capital Improvements	03/06/12	300,000.00		1,588.67						1,588.67
3216	Local Improvements	07/17/12	620,000.00		6,015.27						6,015.27
3242	Various Capital Improvements	09/04/12	25,000.00		3,522.37						3,522.37
3292	Reconstruction of the Roadway on Park Ave (Section 2)	07/16/13	1,481,700.00		67,704.69						67,704.69
3294	Various Capital Improvements	08/05/14	237,000.00		1,218.29						1,218.29
3321	Reconstruction of Various Roadways and Sidewalks	09/02/14	1,363,500.00		151,989.27				9,239.57		142,749.70
3323	Various Improvements or Purposes	10/06/15	825,000.00		36,387.73						36,387.73
3324	Paving of East Centre Street	10/06/15	1,346,730.00		172,011.10				57,572.00		114,439.10
3331	Acquisition of Lands	10/20/15	125,000.00		45,867.63						45,867.63
3332	Acquisition of Lands	12/15/15	900,000.00		41.76						41.76
3344	Various Improvements or Purposes	12/15/15	3,500,000.00		19,347.05						19,347.05
3345	Reconstruction of Various Roadways and Sidewalks	09/06/16	982,500.00		155,282.19				32,735.80		122,546.39
3371	Reconstruction of Various Roadways and Sidewalks	09/06/16	460,000.00		16,103.66						16,103.66
3372	Various Improvements or Purposes	11/08/17	409,000.00		4,612.40						4,612.40
3375	Purchase of a Fire Truck	11/08/17	1,181,300.00		204,874.33				565.80		204,308.53
3378	Digital Archiving of Code Enforcement Records	12/19/17	233,013.00		0.89						0.89
3391	Reconstruction of the Roadway on Harrison Street (Section 4)	01/16/18	200,000.00		0.54						0.54
3407	Reconstruction of Various Roadways and Sidewalks	07/07/18	346,605.00		36,226.88						36,226.88
3408	Various Improvements or Purposes	12/20/18	330,000.00		26,804.67						26,804.67
		12/20/18	1,670,000.00		376,195.45						376,195.45

**TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

C-6

	<u>Ref.</u>	
Balance December 31, 2023	C	\$ 3,858,446.00
Increased by:		
2024 Budget Appropriation		\$ 207,839.00
2023 Appropriation Reserves		<u>1,890,000.00</u>
		<u>2,097,839.00</u>
		5,956,285.00
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>918,834.00</u>
Balance December 31, 2024	C	<u><u>\$ 5,037,451.00</u></u>

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2024

NOT APPLICABLE

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Maturities of Bonds			Interest Rate	Balance	
		Outstanding Dec. 31, 2024		Matured		Dec. 31, 2023	Dec. 31, 2024
		Date	Amount				
General Improvement Bonds	04/30/2018	04/15/2025-27	\$ 545,000.00	3.00%			
		04/15/2028	521,000.00	3.00%	\$ 2,701,000.00	\$ 2,156,000.00	
General Improvement Bonds	04/13/2021	04/01/2025	630,000.00	1.00%			
		04/01/2026	640,000.00	1.00%			
		04/01/2027	650,000.00	1.00%			
		04/01/2028	665,000.00	1.25%			
		04/01/2029	675,000.00	1.50%			
		04/01/2030	685,000.00	1.50%			
		04/01/2031	700,000.00	1.50%	5,265,000.00	4,645,000.00	
General Improvement Bonds	10/26/2023	10/01/2025	450,000.00	5.00%			
		10/01/2026	465,000.00	5.00%			
		10/01/2027	475,000.00	5.00%			
		10/01/2028	500,000.00	5.00%			
		10/01/2029	525,000.00	5.00%			
		10/01/2030	550,000.00	5.00%			
		10/01/2031	565,000.00	4.00%			
		10/01/2032	585,000.00	4.00%			
		10/01/2033	600,000.00	4.00%	5,140,000.00	4,715,000.00	
						\$ 13,106,000.00	\$ 11,516,000.00

Ref.

C

C

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
SCHEDULE OF NJ DEPARTMENT OF ENVIRONMENTAL PROTECTION
(NJDEP) GREEN ACRES LOANS PAYABLE

C-9

1 of 3

Ord. No.	Improvement Description	Balance Dec. 31, 2023	Add: Issued	Less: Matured	Balance Dec. 31, 2024
3131	Redevelopment of Monsignor Owens Park	\$ 285,424.97		\$ 20,313.00	\$ 265,111.97
3369	Improvement of Father Glotzbach Soccer Field	87,529.00			87,529.00
3458	Improvement of DeMuro Park		\$ 182,790.00		182,790.00
		<u>\$ 372,953.97</u>	<u>\$ 182,790.00</u>	<u>\$ 20,313.00</u>	<u>\$ 535,430.97</u>

Ref.

C

C

SCHEDULE OF PRINCIPAL AND
INTEREST PAYMENTS OUTSTANDING DECEMBER 31, 2024

Redevelopment of Monsignor Owens Park

Payment Number	Due Date	Interest	Principal	Balance of Loan
				\$ 265,111.97
17	03/29/2025	\$ 2,651.12	\$ 10,309.10	254,802.87
18	09/29/2025	2,548.03	10,412.19	244,390.68
19	03/29/2026	2,443.91	10,516.31	233,874.37
20	09/29/2026	2,338.74	10,621.48	223,252.89
21	03/29/2027	2,232.53	10,727.69	212,525.20
22	09/29/2027	2,125.25	10,834.97	201,690.23
23	03/29/2028	2,016.90	10,943.32	190,746.91
24	09/29/2028	1,907.47	11,052.75	179,694.16
25	03/29/2029	1,796.94	11,163.28	168,530.88
26	09/29/2029	1,685.31	11,274.91	157,255.97
27	03/29/2030	1,572.56	11,387.66	145,868.31
28	09/29/2030	1,458.68	11,501.54	134,366.77
29	03/29/2031	1,343.67	11,616.55	122,750.22
30	09/29/2031	1,227.50	11,732.72	111,017.50
31	03/29/2032	1,110.17	11,850.05	99,167.45
32	09/29/2032	991.67	11,968.55	87,198.90
33	03/29/2033	871.99	12,088.23	75,110.67
34	09/29/2033	751.11	12,209.11	62,901.56
35	03/29/2034	629.02	12,331.21	50,570.35
36	09/29/2034	505.70	12,454.52	38,115.83
37	03/29/2035	381.16	12,579.06	25,536.77
38	09/29/2035	255.37	12,704.85	12,831.92
39	03/29/2036	128.31	12,831.92	
		<u>\$ 32,973.11</u>	<u>\$265,111.97</u>	

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
SCHEDULE OF NJ DEPARTMENT OF ENVIRONMENTAL PROTECTION
(NJDEP) GREEN ACRES LOANS PAYABLE
 (Continued)

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2 of 3

SCHEDULE OF PRINCIPAL AND
INTEREST PAYMENTS OUTSTANDING DECEMBER 31, 2024

Improvement of Father Glotzbach Soccer Field (Tentative)

Payment Number	Due Date	Principal	Balance of Loan
			\$ 87,529.00
1	07/15/2025	\$ 2,244.33	85,284.67
2	01/15/2026	2,244.34	83,040.33
3	07/15/2026	2,244.33	80,796.00
4	01/15/2027	2,244.33	78,551.67
5	07/15/2027	2,244.34	76,307.33
6	01/15/2028	2,244.33	74,063.00
7	07/15/2028	2,244.33	71,818.67
8	01/15/2029	2,244.34	69,574.33
9	07/15/2029	2,244.33	67,330.00
10	01/15/2030	2,244.33	65,085.67
11	07/15/2030	2,244.34	62,841.33
12	01/15/2031	2,244.33	60,597.00
13	07/15/2031	2,244.33	58,352.67
14	01/15/2032	2,244.34	56,108.33
15	07/15/2032	2,244.33	53,864.00
16	01/15/2033	2,244.33	51,619.67
17	07/15/2033	2,244.34	49,375.33
18	01/15/2034	2,244.33	47,131.00
19	07/15/2034	2,244.33	44,886.67
20	01/15/2035	2,244.34	42,642.33
21	07/15/2035	2,244.33	40,398.00
22	01/15/2036	2,244.33	38,153.67
23	07/15/2036	2,244.34	35,909.33
24	01/15/2037	2,244.33	33,665.00
25	07/15/2037	2,244.33	31,420.67
26	01/15/2038	2,244.34	29,176.33
27	07/15/2038	2,244.33	26,932.00
28	01/15/2039	2,244.33	24,687.67
29	07/15/2039	2,244.34	22,443.33
30	01/15/2040	2,244.33	20,199.00
31	07/15/2040	2,244.33	17,954.67
32	01/15/2041	2,244.34	15,710.33
33	07/15/2041	2,244.33	13,466.00
34	01/15/2042	2,244.33	11,221.67
35	07/15/2042	2,244.34	8,977.33
36	01/15/2043	2,244.33	6,733.00
37	07/15/2043	2,244.33	4,488.67
38	01/15/2044	2,244.34	2,244.33
39	07/15/2044	2,244.33	
		<u>\$ 87,529.00</u>	

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND
SCHEDULE OF NJ DEPARTMENT OF ENVIRONMENTAL PROTECTION
(NJDEP) GREEN ACRES LOANS PAYABLE
 (Continued)

C-9

3 of 3

SCHEDULE OF PRINCIPAL AND
INTEREST PAYMENTS OUTSTANDING DECEMBER 31, 2024

<u>Improvement of DeMuro Park</u>				
Payment Number	Due Date	Interest	Principal	Balance of Loan
				\$ 182,790.00
1	03/24/2025	\$ 1,827.90	\$ 3,855.33	178,934.67
2	09/24/2025	1,789.35	3,893.89	175,040.78
3	03/24/2026	1,750.41	3,932.82	171,107.96
4	09/24/2026	1,711.08	3,972.15	167,135.81
5	03/24/2027	1,671.36	4,011.87	163,123.94
6	09/24/2027	1,631.24	4,051.99	159,071.95
7	03/24/2028	1,590.72	4,092.51	154,979.44
8	09/24/2028	1,549.79	4,133.44	150,846.00
9	03/24/2029	1,508.46	4,174.77	146,671.23
10	09/24/2029	1,466.71	4,216.52	142,454.71
11	03/24/2030	1,424.55	4,258.69	138,196.02
12	09/24/2030	1,381.96	4,301.27	133,894.75
13	03/24/2031	1,338.95	4,344.29	129,550.46
14	09/24/2031	1,295.50	4,387.73	125,162.73
15	03/24/2032	1,251.63	4,431.61	120,731.12
16	09/24/2032	1,207.31	4,475.92	116,255.20
17	03/24/2033	1,162.55	4,520.68	111,734.52
18	09/24/2033	1,117.35	4,565.89	107,168.63
19	03/24/2034	1,071.69	4,611.55	102,557.08
20	09/24/2034	1,025.57	4,657.66	97,899.42
21	03/24/2035	978.99	4,704.24	93,195.18
22	09/24/2035	931.95	4,751.28	88,443.90
23	03/24/2036	884.44	4,798.79	83,645.11
24	09/24/2036	836.45	4,846.78	78,798.33
25	03/24/2037	787.98	4,895.25	73,903.08
26	09/24/2037	739.03	4,944.20	68,958.88
27	03/24/2038	689.59	4,993.64	63,965.24
28	09/24/2038	639.65	5,043.58	58,921.66
29	03/24/2039	589.22	5,094.02	53,827.64
30	09/24/2039	538.28	5,144.96	48,682.68
31	03/24/2040	486.83	5,196.41	43,486.27
32	09/24/2040	434.86	5,248.37	38,237.90
33	03/24/2041	382.38	5,300.86	32,937.04
34	09/24/2041	329.37	5,353.86	27,583.18
35	03/24/2042	275.83	5,407.40	22,175.78
36	09/24/2042	221.76	5,461.48	16,714.30
37	03/24/2043	167.14	5,516.09	11,198.21
38	09/24/2043	111.98	5,571.25	5,626.96
39	03/24/2044	56.27	5,626.96	
		<u>\$ 38,856.08</u>	<u>\$182,790.00</u>	

TOWNSHIP OF NUTLEY
GENERAL CAPITAL FUND

C-10

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Improvement Description	Balance Dec. 31, 2023	2024 Authorizations	Funded by Hurricane Ida F.E.M.A. Reimbursements	Balance Dec. 31, 2024
3481	Repair and Restoration of Damage to Municipal Property Due to Tropical Storm Ida	\$ 245,297.53		\$ 230,877.25	\$ 14,420.28
3483	Repair and Restoration of Damage to Municipal Property Due to Tropical Storm Ida	188.00			188.00
3524	Various Improvements or Purposes	900.00			900.00
3555	Various Improvements or Purposes		\$ 1,932,500.00		1,932,500.00
3567	Improvements to Memorial Park I		580,000.00		580,000.00
		<u>\$ 246,385.53</u>	<u>\$ 2,512,500.00</u>	<u>\$ 230,877.25</u>	<u>\$ 2,528,008.28</u>

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
2024
WATER/SEWER UTILITY FUND

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY FUND
SCHEDULE OF CASH - TREASURER

D-4

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2023	D	\$ 1,747,479.05	\$ 183.05
Increased by Receipts:			
Utility Collector		\$ 6,812,949.72	
Deficit - General Budget		513,000.00	
Nonbudget Revenue - Treasurer		28,001.12	
Due Current Fund:			
Interfund Returned			\$ 485,000.00
Due Water/Sewer Utility Operating Fund:			
Interest on Investments			2,855.08
Due Public Assistance Fund:			
Interfund Advanced		50,475.49	
Appropriation Refunds		72,711.66	
Budget Appropriations:			
Capital Improvement Fund			100,000.00
Down Payments on Improvements			1,000.00
		<u>7,477,137.99</u>	<u>588,855.08</u>
		9,224,617.04	589,038.13
Decreased by Disbursements:			
2024 Appropriation Expenditures		7,265,839.83	
2023 Appropriation Reserves		176,231.83	
Interest on Bonds		3,387.50	
Interest on Loans		7,669.14	
Due Current Fund:			
2024 Appropriation Expenditures		506.50	
Interfund Returned		263,446.58	
Due Water/Sewer Utility Capital Fund:			
Improvement Authorization Expenditures		21,730.40	
Refund of Water/Sewer Rent Overpayments		2,457.07	
Improvement Authorization Expenditures			48,302.29
		<u>7,741,268.85</u>	<u>48,302.29</u>
Balance December 31, 2024	D	<u>\$ 1,483,348.19</u>	<u>\$ 540,735.84</u>

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - WATER/SEWER COLLECTOR
YEAR ENDED DECEMBER 31, 2024

D-4A

Increased by:

Consumer Accounts Receivable:

Water	\$ 4,478,789.65
Sewer	1,745,072.51
Water/Sewer Rent Overpayments	68,493.32
Water Utility Maintenance Fees	349,693.67
Sewer Improvement Charges	100,000.00
Nonbudget Revenue	70,900.57
	<hr/>
	6,812,949.72

Decreased by:

Disbursed to Water/Sewer Treasurer	<hr/> <hr/> \$ 6,812,949.72
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TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY CAPITAL FUND
ANALYSIS OF WATER/SEWER UTILITY CAPITAL CASH

Ord. No.	Improvement Description	Balance/ (Deficit) Dec. 31, 2023	Receipts		Disbursements Improvement Authorizations	Transfers		Balance/ (Deficit) Dec. 31, 2024
			Budget Appropriation	Miscellaneous		From	To	
	Capital Fund Balance	\$ 703.51						\$ 703.51
	Capital Improvement Fund		\$ 100,000.00					100,000.00
	Down Payments on Improvements	25,525.85	1,000.00			\$ 13,750.00	\$ 1,000.00	13,775.85
	Due Current Fund	(485,000.00)		\$ 485,000.00				
	Due Water/Sewer Utility Operating Fund	94,215.73		2,855.08		1,000.00	21,730.40	117,801.21
<u>Improvement Authorizations:</u>								
2994	Water Capital Improvements	2,539.76						2,539.76
3140	Replacement of Water Meters and Retrofit of Meter Heads	73,877.87						73,877.87
3151	Utility Infrastructure GIS Mapping	1,368.75						1,368.75
3296	Various Water Utility Improvements	9,500.00						9,500.00
3322	Improvement of the Water Supply and Distribution System	(121,069.60)						(121,069.60)
3343	Improvement of the Water Supply and Distribution System	(6,444.18)			\$ 48,302.29	5,789.00		(60,535.47)
3370	Improvement of the Water Supply and Distribution System	8,000.00						8,000.00
3409	Various Water Utility Improvements	234,128.76						234,128.76
3424	Various Water Utility Improvements	232,836.00						232,836.00
3457	Various Water Utility Improvements	(19,999.40)						(19,999.40)
3478	Various Water Utility Improvements	(50,000.00)				3,281.40		(53,281.40)
3523	Various Water Utility Improvements					12,660.00		(12,660.00)
3556	Various Water Utility Improvements						\$ 13,750.00	13,750.00
		\$ 183.05	\$ 101,000.00	\$ 487,855.08	\$ 48,302.29	\$ 36,480.40	\$ 36,480.40	\$ 540,735.84

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF WATER CONSUMER ACCOUNTS RECEIVABLE

D-6

	<u>Ref.</u>	
Balance December 31, 2023	D	\$ 846,342.82
Increased by:		
Water Rents Levied		4,356,379.97
		<u>5,202,722.79</u>
Decreased by:		
Collections		4,478,789.65
		<u>4,478,789.65</u>
Balance December 31, 2024	D	<u><u>\$ 723,933.14</u></u>

WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF SEWER CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2024

D-6A

	<u>Ref.</u>	
Increased by:		
Sewer Rents Levied		\$ 2,503,298.34
Decreased by:		
Collections		1,745,072.51
		<u>1,745,072.51</u>
Balance December 31, 2024	D	<u><u>\$ 758,225.83</u></u>

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF INVENTORY

D-7

	<u>Ref.</u>	
Balance December 31, 2023	D	<u>\$ 61,195.00</u>
Balance December 31, 2024	D	<u><u>\$ 61,195.00</u></u>

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF RETURN ITEM ACCOUNT
YEAR ENDED DECEMBER 31, 2024

D-8

NOT APPLICABLE

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

D-9

	Balance Dec. 31, 2023	Balance Dec. 31, 2024
Water Mains	\$ 1,157,462.54	\$ 1,157,462.54
Water/Sewer Utility Improvements	43,115.11	43,115.11
Machinery and Equipment	703,348.83	703,348.83
Geographic Information System	35,000.00	35,000.00
Water Distribution System	110,000.00	110,000.00
	<u>\$ 2,048,926.48</u>	<u>\$ 2,048,926.48</u>
<u>Ref.</u>	D	D

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

D-10

Ord. No.	Ord. Date	Improvement Description	Balance Dec. 31, 2023	2024 Authorizations	Balance Dec. 31, 2024
2994	11/21/06	Water Capital Improvements	\$ 67,811.50		\$ 67,811.50
3140	06/15/10	Replacement of Water Meters and Retrofit of Meter Heads	3,100,000.00		3,100,000.00
3151	11/09/10	Utility Infrastructure GIS Mapping	27,375.00		27,375.00
3296	09/02/14	Various Water Utility Improvements	104,500.00		104,500.00
3322	10/06/15	Improvement of the Water Supply and Distribution System	297,000.00		297,000.00
3343	09/06/16	Improvement of the Water Supply and Distribution System	178,000.00		178,000.00
3370	11/08/17	Improvement of the Water Supply and Distribution System	169,000.00		169,000.00
3409	12/20/18	Various Water Utility Improvements	256,600.00		256,600.00
3424	08/06/19	Various Water Utility Improvements	257,250.00		257,250.00
3457	11/05/20	Various Water Utility Improvements	255,000.00		255,000.00
3478	10/05/21	Various Water Utility Improvements	285,000.00		285,000.00
3523	08/15/23	Various Water Utility Improvements	288,750.00		288,750.00
3556	07/02/24	Various Water Utility Improvements		\$ 285,000.00	285,000.00
			<u>\$ 5,286,286.50</u>	<u>\$ 285,000.00</u>	<u>\$ 5,571,286.50</u>
		<u>Ref.</u>	D		D

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY OPERATING FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024

D-11

	Balance Dec. 31, 2023	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 7,121.36	\$ 7,121.36		\$ 7,121.36
Other Expenses	26,346.86	26,346.86	\$ 19,686.27	6,660.59
Other Expenses:				
N.J. Water Supply	3,494.00	3,494.00		3,494.00
Passaic Valley Water Commission	143,134.25	143,134.25	141,379.01	1,755.24
City of Newark Water Purchase	59,997.16	59,997.16	15,166.55	44,830.61
Capital Improvements:				
Down Payments on Improvements	1,000.00	1,000.00	1,000.00	
Deferred Charges and Statutory Expenditures:				
Statutory Expenditures:				
Contribution to:				
Public Employees' Retirement System	1,000.00	1,000.00		1,000.00
Social Security System (O.A.S.I.)	6,912.87	6,912.87		6,912.87
Unemployment Compensation Insurance - (N.J.S.A. 43:21-3 et. seq.)	1,000.00	1,000.00		1,000.00
Other Insurance	1,000.00	1,000.00		1,000.00
	<u>\$ 251,006.50</u>	<u>\$ 251,006.50</u>	<u>\$ 177,231.83</u>	<u>\$ 73,774.67</u>

Ref.

Analysis of Balance December 31, 2023:

Unencumbered	D	\$ 90,411.32
Encumbered	D	<u>160,595.18</u>
		<u>\$ 251,006.50</u>

Cash Disbursed	\$ 176,231.83
Due to Water/Sewer Utility Capital Fund - Down Payment on Improvements	<u>1,000.00</u>
	<u>\$ 177,231.83</u>

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

D-12

Ord. No.	Improvement Description	Date	Ordinance Amount	Balance December 31, 2023		2024 Authorizations		Paid or		Balance December 31, 2024	
				Funded	Unfunded	Down Payments on Improvements	Deferred Charges to Future Revenue	Charged	Funded	Unfunded	
2994	Water Capital Improvements	11/21/06	\$ 79,200.00	\$ 2,539.76					\$ 2,539.76		
3140	Replacement of Water Meters and Retrofit of Meter Heads	06/15/10	3,100,000.00	73,877.87	\$ 1,638,303.00				73,877.87	\$ 1,638,303.00	
3151	Utility Infrastructure GIS Mapping	11/09/10	27,375.00	1,368.75					1,368.75		
3296	Various Water Utility Improvements	09/02/14	104,500.00	9,500.00					9,500.00		
3322	Improvement of the Water Supply and Distribution System	10/06/15	297,000.00		23,851.65					23,851.65	
3343	Improvement of the Water Supply and Distribution System	09/06/16	178,000.00		162,655.82			\$ 54,091.29		108,564.53	
3370	Improvement of the Water Supply and Distribution System	11/08/17	169,000.00	8,000.00	161,000.00				8,000.00	161,000.00	
3409	Various Water Utility Improvements	12/20/18	256,600.00	234,128.76					234,128.76		
3424	Various Water Utility Improvements	08/06/19	257,250.00	232,836.00					232,836.00		
3457	Various Water Utility Improvements	11/05/20	255,000.00		235,000.60					235,000.60	
3478	Various Water Utility Improvements	10/05/21	285,000.00		235,000.00			3,281.40		231,718.60	
3523	Various Water Utility Improvements	08/15/23	288,750.00		288,750.00			12,660.00		276,090.00	
3556	Various Water Utility Improvements	07/02/24	285,000.00			\$ 13,750.00	\$ 271,250.00		13,750.00	271,250.00	
				\$562,251.14	\$ 2,744,561.07	\$ 13,750.00	\$ 271,250.00	\$ 70,032.69	\$576,001.14	\$ 2,945,778.38	

Ref.	D	D	D	D
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Cash Disbursed	\$ 48,302.29
Due to Water/Sewer Utility Operating Fund	21,730.40
	<u>\$ 70,032.69</u>

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF DOWN PAYMENTS ON IMPROVEMENTS

D-13

	<u>Ref.</u>	
Balance December 31, 2023	D	\$ 25,525.85
Increased by:		
2024 Budget Appropriation	\$ 1,000.00	
Due from Water/Sewer Utility Operating Fund:		
2023 Appropriation Reserves	<u>1,000.00</u>	<u>2,000.00</u>
		<u>27,525.85</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>13,750.00</u>
Balance December 31, 2024	D	<u><u>\$ 13,775.85</u></u>

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2024

D-14

	<u>Ref.</u>	
Increased by:		
2024 Budget Appropriation		<u>\$ 100,000.00</u>
Balance December 31, 2024	D	<u><u>\$ 100,000.00</u></u>

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

D-15

	<u>Ref.</u>	
Balance December 31, 2023	D	\$ 3,511,848.75
Increased by:		
Paid by Operating Budget:		
Serial Bonds	\$ 70,000.00	
New Jersey Infrastructure Bank (NJIB) Loans	<u>100,617.68</u>	
		<u>170,617.68</u>
Balance December 31, 2024	D	<u><u>\$ 3,682,466.43</u></u>

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

D-15A

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2023</u>	<u>2024 Authorizations</u>	<u>Balance Dec. 31, 2024</u>
2994	Water Capital Improvements	11/21/06	\$ 67,811.50		\$ 67,811.50
3151	Utility Infrastructure GIS Mapping	11/09/10	11,868.75		11,868.75
3296	Various Water Utility Improvements	09/02/14	5,225.00		5,225.00
3343	Improvement of the Water Supply and Distribution System	09/06/16	8,900.00		8,900.00
3370	Improvement of the Water Supply and Distribution System	11/08/17	8,000.00		8,000.00
3409	Various Water Utility Improvements	12/20/18	12,850.00		12,850.00
3424	Various Water Utility Improvements	08/06/19	12,860.00		12,860.00
3556	Various Water Utility Improvements	07/02/24		\$ 13,750.00	13,750.00
			<u>\$ 127,515.25</u>	<u>\$ 13,750.00</u>	<u>\$ 141,265.25</u>
		<u>Ref.</u>	D		D

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2024

D-16

NOT APPLICABLE

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF NJ INFRASTRUCTURE BANK (NJIB) LOAN PAYABLE

D-18

	<u>Ref.</u>	
Balance December 31, 2023	D	\$ 398,774.73
Decreased by:		
Matured		<u>100,617.68</u>
Balance December 31, 2024		<u><u>\$ 298,157.05</u></u>

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS OUTSTANDING DECEMBER 31, 2024

Payment Number	Due Date	Trust		Principal	Balance of Loan
		Interest	Principal		
					\$ 298,157.05
26	02/01/2025	\$ 3,872.50		\$ 25,205.89	272,951.16
27	08/01/2025	3,872.50	\$ 25,000.00	50,411.79	197,539.37
28	02/01/2026	3,247.50		7,539.37	190,000.00
29	08/01/2026	3,247.50	30,000.00		160,000.00
30	02/01/2027	2,497.50			160,000.00
31	08/01/2027	2,497.50	30,000.00		130,000.00
32	02/01/2028	2,047.50			130,000.00
33	08/01/2028	2,047.50	30,000.00		100,000.00
34	02/01/2029	1,597.50			100,000.00
35	08/01/2029	1,597.50	30,000.00		70,000.00
36	02/01/2030	1,128.75			70,000.00
37	08/01/2030	1,128.75	35,000.00		35,000.00
38	02/01/2031	568.75			35,000.00
39	08/01/2031	568.75	35,000.00		-0-
		<u>\$ 29,920.00</u>	<u>\$ 215,000.00</u>	<u>\$ 83,157.05</u>	-

TOWNSHIP OF NUTLEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

D-19

Ord.			Balance	2024	Balance
No.	Date	Improvement Description	Dec. 31, 2023	Authorizations	Dec. 31, 2024
3140	06/15/10	Replacement of Water Meters and Retrofit of Meter Heads	\$ 1,638,303.00		\$ 1,638,303.00
3322	10/06/15	Improvement of the Water Supply and Distribution System	144,921.25		144,921.25
3343	09/06/16	Improvement of the Water Supply and Distribution System	169,100.00		169,100.00
3370	11/08/17	Improvement of the Water Supply and Distribution System	161,000.00		161,000.00
3457	11/05/20	Various Water Utility Improvements	255,000.00		255,000.00
3478	10/05/21	Various Water Utility Improvements	285,000.00		285,000.00
3523	08/15/23	Various Water Utility Improvements	288,750.00		288,750.00
3556	07/02/24	Various Water Utility Improvements		\$ 271,250.00	271,250.00
			<u>\$ 2,942,074.25</u>	<u>\$ 271,250.00</u>	<u>\$ 3,213,324.25</u>

TOWNSHIP OF NUTLEY
COUNTY OF ESSEX
2024
PUBLIC ASSISTANCE FUND

TOWNSHIP OF NUTLEY
PUBLIC ASSISTANCE FUND
SCHEDULE OF CASH - TREASURER

E-1

	<u>Ref.</u>	<u>P.A.T.F. I</u>
Balance December 31, 2023	F	\$ 76,911.44
Increased by Receipts:		
Interest		<u>631.67</u>
		77,543.11
Decreased by Disbursements:		
Due Water/Sewer Utility Operating Fund - Interfund Advanced	\$ 50,475.49	
Ineligible Assistance	<u>2,106.92</u>	
		<u>52,582.41</u>
Balance December 31, 2024	F	<u><u>\$ 24,960.70</u></u>

TOWNSHIP OF NUTLEY

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2024

TOWNSHIP OF NUTLEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

				MEMO					
				Cumulative Total Expenditures	Amounts Provided to Subrecipients				
Federal Funding Department	Program	Assistance Listing #	State Program Account #	Grant Award	Grant Receipts	Grant Period From	Grant Period To	Expenditures	
US Department of Health and Human Services: Passed through the County of Essex	National Association of County and City Health Officials (NACCHO) Strengthening Local Public Health Sustaining Local Public Health	93.967	100-046-4230-588-038810	\$ 74,664.00	\$ 18,666.00	01/01/24	12/31/25	\$ 37,332.00	\$ 37,332.00
		93.967	N/A	168,030.00	38,085.72	01/01/24	12/31/25	35,202.25	35,202.25
					56,751.72			72,534.25	72,534.25
		Total US Department of Health and Human Services							
US Department of Transportation: Highway Safety Cluster: Passed through NJ Department of Law and Public Safety	Pedestrian Safety Education and Enforcement Grant	20.616	100-066-1160-163-030340	20,000.00	7,595.00	01/01/24	12/31/25	14,595.00	14,595.00
		20.616	100-066-1160-155-031000	7,000.00	5,040.00	01/01/24	12/31/25	5,040.00	5,040.00
		20.616	100-066-1160-158-031030	7,000.00	7,000.00	01/01/24	12/31/25		
		Total US Department of Transportation / Highway Safety Cluster							
US Department of Homeland Security: Passed through NJ Department of Law and Public Safety	Disaster Grants - Public Assistance - F.E.M.A. Tropical Storm Isaias F.E.M.A. Hurricane Ida	97.036	100-066-1200-C73-069820	452,398.68	120,239.62	08/05/20	12/31/20	120,239.62	* 452,398.68
		97.036	C84-069910	1,820,588.90	230,877.25	09/01/21	12/31/21	230,877.25	* 1,820,588.90
					351,116.87			351,116.87	2,272,987.58
		Total US Department of Homeland Security							
Passed through NJ Department of Law and Public Safety	Emergency Management Performance Grants - F.E.M.A. Non-Terrorism	97.042	100-066-1200-726-062600	10,000.00	10,000.00	01/01/22	12/31/22		
				10,000.00	10,000.00	01/01/23	12/31/23	-0-	-0-
					20,000.00				
					371,116.87			351,116.87	2,272,987.58
Total US Department of Homeland Security									
US Department of Housing & Urban Development: CDBG - Entitlement/Special Purpose Grants Cluster: Passed through Essex County Office of Community Development	Community Development Block Grant: Ravine Avenue Sunset Drive	14.218	N/A	358,033.50	171,620.55	01/01/23	12/31/24	171,620.55	348,829.05
				215,000.00	169,965.40	01/01/24	12/31/24	169,965.40	169,965.40
					341,585.95			341,585.95	518,794.45
		Total CDBG - Entitlement/Special Purpose Grants Cluster							
Total US Department of Housing & Urban Development / CDBG - Entitlement Grants Cluster	COVID-19 - American Rescue Plan Act: Coronavirus State and Local Fiscal Recovery Funds	21.027	100-022-8030-687-046010	2,976,145.68	21,230.64	03/03/21	12/31/24	62,513.87	445,013.87
		21.027	689-046180	31,000.00	21,230.64	01/01/23	12/31/25	5,079.46	26,310.10
					21,230.64			67,593.33	471,323.97
		Total US Department of Treasury							
TOTAL FEDERAL AWARDS									
				\$ 810,320.18	\$ 852,465.40	\$ 3,355,275.25	\$ - 0 -		

N/A - Not Available/Applicable
* - Expended in prior year(s)

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

TOWNSHIP OF NUTLEY

SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

2

State Funding Department	State Program	State Grant Account #	Grant Award	Grant Receipts	Grant Period		Expenditures	MEMO Cumulative Total Expenditures	
					From	To			
					08/01/23	07/31/25			
Department of Law & Public Safety	Safe & Secure Communities Program	100-066-1020-	\$ 32,400.00	\$ 45,150.00	08/01/24	07/31/25	\$ 6,853.88	\$ 6,853.88	
		232-090940	45,150.00	45,150.00			6,853.88	6,853.88	
	Body Armor Replacement Fund	718-066-1020-	6,543.29		01/01/20	12/31/24	2,047.04	6,543.29	
		001-090160	4,796.79		01/01/21	12/31/24	2,680.39	4,796.79	
			4,787.20		01/01/23	12/31/25	2,279.55	2,279.55	
			4,997.16	4,997.16	01/01/24	12/31/25	7,006.98	13,619.63	
	NJ Statewide Body Worn Camera Program	100-066-1020-	173,230.00		01/01/21	12/31/25	8,136.50	138,369.17	
		495-092120		50,147.16			21,997.36	158,842.68	
	Department of Environmental Protection	Clean Communities Program	765-042-4900-	51,991.26		01/01/15	12/31/24	2,439.88	51,991.26
			004-178910	59,433.17		01/01/16	12/31/24	18,244.36	59,433.17
			50,492.21		01/01/17	12/31/25	10,404.05	36,191.41	
			59,675.87		01/01/23	12/31/25	7,157.98	16,068.40	
			67,781.82	67,781.82	01/01/24	12/31/25	1,153.80	1,153.80	
				67,781.82			39,400.07	164,838.04	
Water Resources Monitoring and Planning - Constitutional Dedication: Stormwater Assistance		100-042-4850-	25,000.00		01/01/23	12/31/24	2,115.30	25,000.00	
		099-290400							
		Green Acres Loan - Improvement of DeMuro Park	582-042-4800	182,790.00	182,790.00	01/01/24	12/31/24	182,790.00	182,790.00
		003-956890							
Department of Community Affairs	Green Acres Grant - Improvement of DeMuro Park	533-042-4800	548,370.00	548,370.00	01/01/20	12/31/21		548,370.00	
		003-852000	1,028,755.00	548,370.00	01/01/23	12/31/25	1,001,630.94	1,001,630.94	
							1,001,630.94	1,550,000.94	
							1,225,936.31	1,922,628.98	
	Total Department of Environmental Protection			798,941.82					
	Department of Community Affairs	Local Recreational Improvement Grant	495-022-8030-	72,000.00	72,000.00	01/01/23	12/31/24	72,000.00	72,000.00
			668-041190	65,000.00		01/01/24	12/31/24	65,000.00	65,000.00
	Total Department of Community Affairs			72,000.00	72,000.00			137,000.00	137,000.00
Department of Treasury: Passed through the County of Essex	Governor's Council on Alcoholism & Drug Abuse - Municipal Alliance Program	100-082-2000-	8,700.00	3,350.65	07/01/23	06/30/24	500.52	3,487.64	
		044-995120	9,321.27	1,890.07	07/01/24	06/30/25	6,990.95	6,990.95	
				5,240.72			7,491.47	10,478.59	
Total Department of Treasury									

TOWNSHIP OF NUTLEY
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Continued)

State Funding Department	State Program	State Grant Account #	Grant Award	Grant Receipts	Grant Period		MEMO Cumulative Total Expenditures
					From	To	
Department of Human Services	Division of Mental Health and Addiction Services (DMHAS) - Youth Leadership Grant	N/A	\$ 6,736.60	\$ 3,330.27	01/01/23	12/31/24	\$ 6,736.60
Total Department of Human Services				3,330.27			6,736.60
Department of Transportation	NJ Transportation Trust Fund Authority Act - Municipal Aid: Grant Avenue	480-078-6300- AN8-606280 & AOA-606480	424,193.00	84,510.37	01/01/19	12/31/25	329,421.43
	Vreeland Avenue	APH-606283 & APH-606483	532,772.00		01/01/23	12/31/25	443,949.53
	Coeyman Avenue	480- 078- 6320- APS- 606284	481,926.00	361,426.50	01/01/24	12/31/25	
Total Department of Transportation				445,936.87			773,370.96
TOTAL STATE AWARDS				\$ 1,303,596.84			\$ 1,836,829.59
							\$ 2,872,057.81

N/A - Not Available/Applicable

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

TOWNSHIP OF NUTLEY
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2024

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 Nutley under programs of the federal and state governments for the year ended December 31, 2024. 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 Nutley, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Township of Nutley.

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.

D. STATE LOANS OUTSTANDING

The Township of Nutley has the following loans outstanding as of December 31, 2024:

General Capital Fund:

NJ Department of Environmental Protection Green Acres Loans:

Redevelopment of Monsignor Owens Park	\$ 265,112
Improvement of Father Glotzbach Soccer Field	87,529
Improvement of DeMuro Park	182,790
	<hr/>
	\$ 535,431
	<hr/>

Water/Sewer Utility Capital Fund:

NJ Infrastructure Bank Trust Loan	\$ 215,000
NJ Infrastructure Bank Fund Loan	83,157
	<hr/>
	\$ 298,157
	<hr/>

TOWNSHIP OF NUTLEY
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2024
(Continued)

D. STATE LOANS OUTSTANDING (Cont'd)

Currently, the Township is in the process of repaying the NJ Infrastructure Bank loan balances. The Water/Sewer Utility Capital Fund project which relates to the NJ Infrastructure Bank loan is complete. With regard to the General Capital Fund NJ Department of Environmental Protection Green Acres loans, there was \$182,790 received and expended in the current year. The first and third projects which they relate to are complete and loan payments commenced in 2017 and will commence in 2025. The third project has not begun and loan payments on the \$87,529 loan will tentatively commence in 2025.

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 Board of Commissioners
Township of Nutley
Nutley, 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 Nutley, in the County of Essex (the "Township") as of, and for the years ended, December 31, 2024 and 2023, and the related notes to the financial statements and have issued our report thereon dated May 16, 2025. 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 qualified report also indicated that we did not audit the general fixed assets account group.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material deficiencies or significant deficiencies may exist that were not identified.

The Honorable Mayor and Members
of the Board of Commissioners
Township of Nutley
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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 16, 2025

NISIVOCCIA LLP

Raymond A. Sarinelli

Raymond A. Sarinelli
Certified Public Accountant
Registered Municipal Accountant No. 563

Report on Compliance for Each Major Federal and State Program; Report on Internal Control
Over Compliance Required by the Uniform Guidance and New Jersey's OMB Circular 15-08

Independent Auditors' Report

The Honorable Mayor and Members
of the Board of Commissioners
Township of Nutley
Nutley, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Township of Nutley's (the "Township's") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Township's major federal and state programs for the year ended December 31, 2024. The Township's major federal and state programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Township complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*) and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state programs. Our audit does not provide a legal determination of the Township's compliance with the compliance requirements referred to above.

The Honorable Mayor and Members
of the Board of Commissioners
Township of Nutley
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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Township's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Township's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and NJOMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Township's compliance with the requirements of each major federal and state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and NJOMB 15-08, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Township's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Township's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJOMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over compliance. Accordingly, no such opinion is expressed.

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

The Honorable Mayor and Members
of the Board of Commissioners
Township of Nutley
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Report on Internal Control Over Compliance

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

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

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

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

Mount Arlington, New Jersey
May 16, 2025

NISIVOCCIA LLP

Raymond A. Sarinelli

Raymond A. Sarinelli

Certified Public Accountant

Registered Municipal Accountant No. 563

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

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 general fixed assets account group was not audited.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as 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 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.
- There were no material weaknesses or significant deficiencies in internal control over the major federal and state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major Federal and State Program; Report on Internal Control Over Compliance Required by the Uniform Guidance and New Jersey's OMB Circular 15-08*.
- The auditor's report on compliance for the major federal and state programs for the Township expresses an unmodified opinion on each of its major federal and state programs.
- The audit did not disclose any findings which are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance or NJOMB 15-08.
- The threshold for distinguishing between Type A and B federal and state programs was \$750,000.
- The Township was not determined to be a "low-risk" auditee for federal programs.
- The Township was not determined to be a "low-risk" auditee for state programs.

TOWNSHIP OF NUTLEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024
(Continued)

Summary of Auditors' Results: (Cont'd)

- The Township's programs tested as a major federal and state programs for the current fiscal year consisted of the following awards:

<u>State:</u>	<u>State Grant Account Number</u>	<u>Grant Expenditures</u>
Green Acres Grant - Improvements to Monsignor Owens Park	533-042-4800 003-852000	\$ 1,001,630.94
Green Acres Loan - Improvement of DeMuro Park	582-042-4800 003-956890	182,790.00
		<u>\$ 1,184,420.94</u>
 <u>Federal:</u>	 <u>Assistance Listing Number</u>	 <u>Grant Expenditures</u>
Community Development Block Grants:	14.218	
Ravine Avenue		\$ 171,620.55
Sunset Drive		169,965.40
		<u>\$ 341,585.95</u>

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

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any audit findings which are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any audit findings which are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance or NJOMB 15-08.

TOWNSHIP OF NUTLEY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024

The Township had no prior year audit findings.

TOWNSHIP OF NUTLEY

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2024

TOWNSHIP OF NUTLEY
COMMENTS AND RECOMMENDATIONS

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

N.J.S. 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. 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. 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. 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. 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 threshold in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is \$17,500 for a contracting unit without a qualified purchasing agent and \$44,000 for a contracting unit with a qualified purchasing agent.

TOWNSHIP OF NUTLEY
COMMENTS AND RECOMMENDATIONS
(Continued)

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

The governing body of the Township of Nutley has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year and 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. 40A:11-4. The minutes also indicated that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" or "Extraordinary Unspecifiable Services" in accordance with N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any 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 or water/sewer rents on or before the date when they would become delinquent.

On January 2, 2024, the governing body adopted a resolution authorizing interest to be charged on delinquent taxes and water/sewer rents at the rate of 8% per annum to \$1,500 and any amount in excess of \$1,500 shall be fixed at the rate of 18% per annum. An additional penalty of 6% will be imposed on delinquencies in excess of \$10,000 at year end.

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

Delinquent Taxes and Tax Title Liens

The last tax sale was held on September 10, 2024 and was complete with respect to all items eligible for sale.

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

<u>Year</u>	<u>Number of Liens</u>
2024	0
2023	0
2022	0

TOWNSHIP OF NUTLEY
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's Magistrate under separate cover. Reflected below is a summary of receipts and disbursements for the year ended December 31, 2024.

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance Dec. 31, 2023	Receipts	Disbursements	Balance Dec. 31, 2024
Municipal Treasurer:				
Fines and Costs	\$ 13,541.55	\$ 297,747.76	\$ 275,993.92	\$ 35,295.39
P.O.A.A. Fines	406.00	5,578.00	4,858.00	1,126.00
Public Defender	482.96	4,305.00	4,787.96	
State Treasurer	10,157.50	230,810.01	216,236.88	24,730.63
County Treasurer	2,672.00	72,000.75	68,377.75	6,295.00
Conditional Discharge/Dismissal		1,459.00	1,354.00	105.00
Restitution	613.00	5,997.00	6,610.00	
Cash Bail	1,500.00	32,130.00	33,090.00	540.00
	<u>\$ 29,373.01</u>	<u>\$ 650,027.52</u>	<u>\$ 611,308.51</u>	<u>\$ 68,092.02</u>

During our review of the Municipal Court records, we noted that the tickets and special complaints assigned but not issued reports at December 31, 2024 still include tickets and special complaints which were assigned over six months ago which the Court Administrator is currently in the process of addressing. As significant improvement was made and the Court Administrator is currently in the process of addressing the remaining tickets and special complaints not issued which were assigned over six months ago, no formal recommendation is deemed to be warranted.

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 is currently in compliance with the above accounting requirements.

Financial Reporting

Recommendation:

During our audit, we noted that the use of the financial technology system used by the Township had improved over prior years, however it was still not being used to its full capacity, which on occasion delayed certain reconciliations. It is recommended that the Township continue to implement the full capacity of the financial technology system to identify any additional areas of implementation to ensure records are maintained in the most effective manner as possible.

TOWNSHIP OF NUTLEY
COMMENTS AND RECOMMENDATIONS
(Continued)

Financial Reporting (Continued)

Management's Response:

The Chief Financial Officer began overseeing the implementation of the full capacity of the financial technology system in 2023, and will continue to implement procedures to effectively use the technology system and ensure all records are effectively and efficiently maintained by September of 2025.

Water/Sewer Utility Capital Fund

There are two ordinances, 3322 and 3343, in the Water/Sewer Utility Capital Fund that over five years old with deficit cash balances in the combined amount of \$181,605 as of December 31, 2024. This situation arises when expenditures are made from an ordinance without the related debt being issued. As the deficit cash balances are not significant and funding for these ordinances will be included in the Water/Sewer Utility Operating Fund's 2026 budget, a formal recommendation is judged to be unnecessary at this time.

Tax Abatement Agreement Documentation

During the audit, it was noted that the Township did not have a copy of the executed tax abatement agreement for a senior citizen housing development that has been granted a tax abatement. Additionally, it was noted that the Township has not prepared a separate billing analysis that is agreed to the tax abatement contracts. It is recommended that the Township prepare a separate billing analysis that is agreed and reconciled to the tax abatement contracts.

Management Response:

The Township will prepare a separate billing analysis based on the Township's tax abatement agreements and will reconcile the analysis on a quarterly basis.

Management Suggestions

Improvement Authorizations

During the course of our audit, we noticed that there are various older improvement authorizations in the General Capital and Water/Sewer Utility Capital Funds with unexpended balances. We suggest that the Township review these various older improvement authorizations with unexpended balances for possible cancellation.

Appropriated Grant Reserves and Grants and Loans Receivable

During our review of the Federal and State Grant and General Capital Funds, we noticed that there are various older appropriated grant reserve balances in the Federal and State Grant Fund and grants receivable balances in the General Capital Fund and an older loan receivable in the General Capital Fund. We suggest that the Township review these older appropriated grant reserves and grants and loans receivable balances for continued recognition. The Chief Financial Officer will review and pursue collection or cancel all receivable balances older than five years in fiscal year 2025.

TOWNSHIP OF NUTLEY
COMMENTS AND RECOMMENDATIONS
(Continued)

Management Suggestions (Cont'd)

Open Payroll Purchase Orders

During our review of the accounting records, we noticed that there were open purchase orders for the final payroll of 2024. This occurred due to the 2024 accounting records being closed prior to the liquidation of the final payroll for 2024 being posted and required manual adjustment as of December 31, 2024 for audit presentation. The open purchase orders for the final payroll of 2024 were liquidated as of January 1, 2025 in the 2025 accounting records. We suggest that, in the future, a review of open purchase orders be performed to ensure that those related to payroll are liquidated prior to closing the accounting records.

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, being 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 2023 audit report. Prior year recommendation 1 regarding employees' health insurance deductions being withheld on a pre-tax basis going forward and all new employees having their payroll information reviewed prior to receiving wages has been resolved. The Township began implementing procedures to ensure that the accounting software was fully utilized and will continue to implement procedures to fully implement the accounting software and correct recommendation 2.

TOWNSHIP OF NUTLEY
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. The Township continue to implement the full capacity of the financial technology system to identify any additional areas of implementation to ensure records are maintained in the most effective manner as possible.
2. The Township prepare a separate billing analysis that is agreed and reconciled to the tax abatement contracts.

* * * * *