

CITY OF PASSAIC
PASSAIC COUNTY, NEW JERSEY
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2024

CITY OF PASSAIC

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CITY OF PASSAIC
PASSAIC COUNTY, NEW JERSEY

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
YEAR ENDED DECEMBER 31, 2024



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the City Council
City of Passaic
Passaic, New Jersey

Report on the Audit of Financial Statements

Opinions

We have audited the financial statements of the City of Passaic which comprise the balance sheets - regulatory basis of the various funds and account group as of December 31, 2024 and 2023, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year ended December 31, 2024, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and account group of the City of Passaic as of December 31, 2024 and 2023, and the results of operations and changes in fund balance – regulatory basis of such funds for the years then ended and the respective revenues – regulatory basis and expenditures – regulatory basis of the various funds for the year ended December 31, 2024 in accordance with the financial accounting and reporting provisions and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

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 of the City of Passaic as of December 31, 2024 and 2023, or changes in financial position, or, where applicable, cash flows for the years then ended.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 City of Passaic and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 City of Passaic on the basis of the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the financial reporting requirements of the State of New Jersey for municipal government entities. 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 the financial statements in accordance with the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1. 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 misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of 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 generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, 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 generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Passaic'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 City of Passaic'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 an opinion on the financial statements of the City of Passaic as a whole. The supplementary schedules listed in the table of contents, schedule of expenditures of federal 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 schedule of expenditures of state financial assistance as required by NJ 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 of the City of Passaic. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole on the basis of accounting described in Note 1.

Other Information

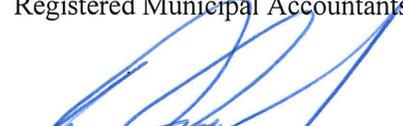
Management is responsible for the other information included in the report of audit. The other information comprises the supplementary data and letter of comments and recommendation section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 20, 2025 on our consideration of the City of Passaic'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 City of Passaic'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 City of Passaic's internal control over financial reporting and compliance.


LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Registered Municipal Accountants


Dieter P. Lerch
Registered Municipal Accountant
RMA Number CR000398

Fair Lawn, New Jersey
June 20, 2025

**CITY OF PASSAIC
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
CURRENT FUND
AS OF DECEMBER 31, 2024 AND 2023**

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
ASSETS			
REGULAR FUND			
Cash	A-4	\$ 69,014,630	\$ 64,533,299
Cash - Change Fund	A-7	2,525	2,800
Cash - Petty Cash	A-8	1,049	
Due From State of New Jersey - Senior Citizens and Veterans	A-10	<u>48,234</u>	<u>48,234</u>
		<u>69,066,438</u>	<u>64,584,333</u>
Receivables and Other Assets With Full Reserves			
Delinquent Property Taxes Receivable	A-13	14,356	154,903
Tax Title Liens Receivable	A-14	153,067	141,785
Property Acquired for Taxes	A-15	255,200	312,899
Revenue Accounts Receivable	A-16	158,966	80,194
Due from Community Development Block Grant Fund	B-16	1,012,933	935,555
Due from Home Investment Program Fund	B-20	839,560	771,749
Due from Grant Fund	A-9	520,421	
Due from Sewer Utility Operating Fund	D-11	1,994,956	2,051,407
Due from Passaic Redevelopment Authority	A-12	<u>251,032</u>	<u>250,032</u>
		<u>5,200,491</u>	<u>4,698,524</u>
Deferred Charges			
Special Emergency Authorization	A-17	<u>321,600</u>	<u>482,400</u>
		<u>321,600</u>	<u>482,400</u>
Total Regular Fund		<u><u>74,588,529</u></u>	<u><u>69,765,257</u></u>
GRANT FUND			
Cash	A-5	6,937,444	9,264,564
Grants Receivable	A-31	41,280,740	47,605,741
Due from Current Fund	A-9		2,099,768
Due from Community Development Block Grant Fund	B-17	<u>94,505</u>	<u>94,505</u>
Total Grant Fund		<u><u>48,312,689</u></u>	<u><u>59,064,578</u></u>
Grand Total		<u><u>\$ 122,901,218</u></u>	<u><u>\$ 128,829,835</u></u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF PASSAIC
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
CURRENT FUND
AS OF DECEMBER 31, 2024 AND 2023

LIABILITIES, RESERVES AND FUND BALANCE	<u>Reference</u>	<u>2024</u>	<u>2023</u>
REGULAR FUND			
Liabilities and Reserves			
Appropriation Reserves	A-3,A-20	\$ 11,772,420	\$ 8,790,725
Encumbrances Payable	A-23	2,615,214	3,250,451
Accounts Payable	A-24	795,284	819,874
Tax Overpayments	A-18	184,607	11,214
Prepaid Taxes	A-19	855,255	813,902
Fees Payable	A-27	239,027	272,428
Due to Grant Fund	A-9		2,099,768
Due to Animal Control Fund	B-4		6,357
Due to Other Trust Fund	B-7	11,691,477	11,871,456
Due to General Capital Fund	C-5	1,906,679	1,312,750
Due to Passaic Parking Authority	A-11	89,165	81,319
Reserve for Tax Appeals	A-25	4,715,425	4,676,409
Reserve for Revaluation Program	A-28	163,082	163,082
Reserve for Deferred State Aid	A-29	1,724,778	2,724,778
Reserve for Municipal Relief Fund Aid	A-30		1,308,565
Miscellaneous Reserves	A-26	429,299	443,536
		<u>37,181,712</u>	<u>38,646,614</u>
Reserve for Receivables and Other Assets	A	5,200,491	4,698,524
Fund Balance	A-1	<u>32,206,326</u>	<u>26,420,119</u>
Total Regular Fund		<u>74,588,529</u>	<u>69,765,257</u>
GRANT FUND			
Encumbrances Payable	A-32	5,456,041	2,434,836
Due to Current Fund	A-9	520,421	
Due to Other Trust Fund	B-8	3,033,817	2,391,614
Due to Home Investment Program Fund	B-18	167,036	167,036
Appropriated Grant Reserves	A-32	35,672,413	51,734,209
Unappropriated Grant Reserves	A-33	1,151,531	25,453
Reserve for Grant Reimbursement	A-34	1,922,624	1,922,624
Reserve for Program Income	A-35	388,806	388,806
Total Grant Fund		<u>48,312,689</u>	<u>59,064,578</u>
Grand Total		<u>\$ 122,901,218</u>	<u>\$ 128,829,835</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF PASSAIC
COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCE - REGULATORY BASIS
CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
REVENUES AND OTHER INCOME REALIZED:			
Fund Balance Utilized	A-2	\$ 6,114,601	\$ 5,321,000
Miscellaneous Revenue Anticipated	A-2	50,294,863	67,074,403
Receipts from Delinquent Taxes	A-2	189,486	41,415
Receipts from Current Taxes	A-2	121,603,718	117,336,716
Non-Budget Revenues	A-2	1,343,685	1,622,502
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-20	6,357,456	6,310,647
Unexpended Balance of Sewer Appropriation Reserves	D-11	13,982	12,852
Cancelled Accounts Payable	A-24	<u>27,742</u>	<u>-</u>
 Total Income		 <u>185,945,533</u>	 <u>197,719,535</u>
EXPENDITURES			
Budget Appropriations:			
Operations			
Salaries and Wages	A-3	50,323,350	49,005,950
Other Expenses	A-3	56,447,519	73,052,580
Deferred Charges and Statutory Expenditures	A-3	15,154,245	13,946,595
Capital Improvements	A-3	4,050,000	1,700,000
Municipal Debt Service	A-3	2,097,185	2,091,935
County Taxes	A-22	27,954,179	28,413,522
Local District School Taxes	A-21	17,326,498	16,986,763
Prior Year Senior Citizen/Veteran Deductions Disallowed	A-10	14,000	6,653
Pilot Fees Due County	A-1		47,378
Disallowed Grant Costs - Reserve	A-1		500,000
Refund of Prior Year Revenue	A-4	67,590	48,523
Interfunds and Other Receivables Created	A	<u>610,159</u>	<u>194,085</u>
 Total Expenditures		 <u>174,044,725</u>	 <u>185,993,984</u>
 Excess in Revenues		 11,900,808	 11,725,551
Fund Balance, Beginning of Year	A	<u>26,420,119</u>	<u>20,015,568</u>
		38,320,927	31,741,119
Decreased by:			
Utilization as Anticipated Revenue	A-1,A-2	<u>6,114,601</u>	<u>5,321,000</u>
Fund Balance, End of Year	A	<u>\$ 32,206,326</u>	<u>\$ 26,420,119</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF PASSAIC
STATEMENT OF REVENUES - STATUTORY BASIS
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Reference	Anticipated		Realized	Excess (Deficit)
		Budget	Added by 40A:4-87		
Fund Balance Utilized	A-1	\$ 6,114,601	-	\$ 6,114,601	-
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-16	137,000		141,612	\$ 4,612
Other	A-16	35,000		65,479	30,479
Fees and Permits:					
Uniform Construction Code - Fees	A-16	1,100,000		1,239,535	139,535
Other	A-16	55,000		102,182	47,182
Fines and Costs:					
Municipal Court	A-16	1,176,000		1,402,661	226,661
Energy Receipts Tax	A-16	12,695,080		12,695,080	-
Municipal Relief Fund Aid	A-30	1,308,564		1,308,565	1
Interest and Costs on Taxes	A-16	250,000		284,650	34,650
Interest on Investments & Deposit	A-16	1,000,000		2,308,421	1,308,421
Downtown Merchant's Association	A-16	87,000		116,139	29,139
Police Record Bureau	A-16	10,000		51,669	41,669
Board of Education - Security Watch and Resource Officers	A-16	3,500,000		3,600,000	100,000
Interlocal Agreement - Passaic Parking Authority	A-11	653,000		765,264	112,264
Public and Private Revenues Offset					
With Appropriations:					
AARP Community Challenge Grant 2024	A-31		\$ 12,000	12,000	
Alcohol Education and Rehab 2024	A-31		9,929	9,929	
ARP Firefighter Grant FY2024	A-31		30,000	30,000	
Assistance to Firefighters Grant FY2024	A-31		96,400	96,400	
Body Armor Grant 2023	A-31		10,802	10,802	
Byrne Memorial JAG 2024	A-31		199,558	199,558	
Childhood Lead FY2024 - Additional	A-31		12,500	12,500	
Childhood Lead FY2025	A-31		806,849	806,849	
Clean Communities Grant 2024	A-31		104,253	104,253	
Click It or Ticket 2024	A-31		10,500	10,500	
County Stigma Free Grant 2023	A-31		1,000	1,000	
County Stigma Free Grant 2024	A-31		1,000	1,000	
Distracted Driving Crackdown 2024	A-31		12,250	12,250	
Drive Sober Labor Day Crackdown 2024	A-31		7,000	7,000	
Drive Sober Year End Crackdown 2024	A-31		10,500	10,500	
Green Acres Grant 2024	A-31		1,400,000	1,400,000	
HOPWA 2022 - Additional	A-31		40,000	40,000	
HOPWA 2023	A-31		125,000	125,000	
Local Recreation Improvement Grant FY2024	A-31		70,000	70,000	
Municipal Alliance FY2025	A-31		17,312	17,312	
NJACCHO Sustaining Local Public Health Infrastructure	A-31		168,049	168,049	
NJDA Spotted Lanternfly Grant 2024-2026	A-31		20,000	20,000	
NJDEP Urban Parks Grant 2024	A-31		750,000	750,000	
NJDOT (Federal) PE Phase SRTS FY2022	A-31		98,845	98,845	
NJDOT (Federal) Safe Routes to School FY24	A-31		1,089,000	1,089,000	
NJDOT (Federal) Safe Streets and Roads for All 2024	A-31		355,000	355,000	
NJDOT Municipal Aid Program FY2024	A-31		1,076,800	1,076,800	
NJDOT Safe Streets to Transit FY2024	A-31		560,000	560,000	
NJSCA Creative Aging Initiative 2024	A-31		10,000	10,000	
NPP 2024 Year 4	A-31		125,000	125,000	
Patrick Leahy Bulletproof Vest 2024	A-31		14,979	14,979	
PCCHC Local Arts Program Re-Grant	A-31		5,078	5,078	
Pedestrian Safety Grant 2024	A-31		35,000	35,000	
Pedestrian Safety Grant 2025	A-31		45,000	45,000	
Public Safety Answering Point Grant FY2024	A-31		83,540	83,540	
Recycling Tonnage Grant 2024 (FY2021)	A-31		104,915	104,915	
ROID FY2024	A-31		20,000	20,000	
Ryan White 2024	A-31		202,705	202,705	
Safe and Secure Communities 2024	A-31		67,725	67,725	
Stationhouse Adjustment 2024 - Passaic	A-31		52,039	52,039	
Stationhouse Adjustment 2024 - Regional	A-31		49,967	49,967	
Strengthening Public Health Capacity FY2025	A-31		74,664	74,664	
Summer Food 2024	A-31		183,436	183,436	

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF PASSAIC
STATEMENT OF REVENUES - STATUTORY BASIS
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Reference	Anticipated		Excess (Deficit)
		Budget	Added by 40A:4-87	
UEZ 2024 5 Year Plan	A-31		\$ 104,500	\$ 104,500
UEZ 2024 Administration	A-31		287,079	287,079
UEZ 2024 Business Area Transportation Project	A-31		530,000	530,000
UEZ 2024 Carnie Bragg Park Phase 2	A-31		600,000	600,000
UEZ 2024 Clean Sweep/Graffiti Eradication	A-31		535,206	535,206
UEZ 2024 Quality of Life Police Project	A-31		650,000	650,000
UEZ 2024 Workforce Training	A-31		100,000	100,000
UEZ 2025 Administration	A-31		294,829	294,829
UEZ 2025 Central Business District Sidewalk Replacement	A-31		200,000	200,000
UEZ 2025 Clean Sweep & Graffiti Eradication	A-31		517,856	517,856
UEZ 2025 Marketing Project	A-31		200,000	200,000
USDOJ FY24 Rural and Small Crime Reduction	A-31		300,000	300,000
WIC FY2025	A-31		1,281,524	1,281,524
Special Items:				
American Rescue Plan - Federal Funding	A-16	\$ 8,135,000		8,135,000
Cable Franchise Fee	A-16	262,000		262,853
Saint Mary's Reise Corp. - In Lieu of Taxes	A-16	182,000		190,020
IDIL 26 Jefferson St. - In Lieu of Taxes	A-16	196,000		198,808
Chestnut Housing Phase I - In Lieu of Taxes	A-16	98,500		103,304
Jack Parker Association - In Lieu of Taxes	A-16	350,300		388,996
YMCA - In Lieu of Taxes	A-16	30,000		7,744
Highview Terrace - In Lieu of Taxes	A-16	85,000		103,759
585 Main Ave - In Lieu of Taxes	A-16	65,000		82,034
663 Main Ave - In Lieu of Taxes	A-16	54,000		171,287
Concord Estate- In Lieu of Taxes	A-16	61,000		125,638
Passaic Public Library - Health Benefit Contribution	A-16	200,000		241,159
Housing Authority Police Program	A-16	525,000		918,750
County of Passaic - Street Lighting	A-16	60,000		60,000
Payment in Lieu of Taxes - Housing Authority	A-16	212,000		255,231
Payment in Lieu of Taxes - Garden Howe	A-16	45,000		49,434
POD- Vehicle Fee	A-16	150,000		150,000
Reserve for Deferred State Aid	A-29	1,000,000	-	1,000,000
Total Miscellaneous Revenues		33,717,444	13,769,589	50,294,863
				2,807,830
Receipts from Delinquent Taxes	A-2	40,000	-	189,486
				149,486
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes		74,856,453		76,336,731
Minimum Library Tax		1,786,310	-	1,786,310
				-
Total Amount to be Raised by Taxes for Sup. of Mun. Budget	A-2	76,642,763	-	78,123,041
				1,480,278
Total Budget Revenues	A-3	\$ 116,514,808	\$ 13,769,589	134,721,991
				\$ 4,437,594
Non-Budget Revenues	A-2			1,343,685
				\$ 136,065,676

CITY OF PASSAIC
STATEMENT OF REVENUES - REGULATORY BASIS
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024
(Continued)

	<u>Reference</u>	
ANALYSIS OF REALIZED REVENUES		
Allocation of Current Tax Collections		
Revenue from Collections	A-13	\$ 122,253,718
Less: Reserve for Tax Appeals Pending	A-25	<u>650,000</u>
 Revenues Realized	 A-1	 121,603,718
Less: Allocated to School and County Taxes	A-21,A-22	<u>45,280,677</u>
 Balance for Support of Municipal Budget Appropriations		 76,323,041
 Add: Appropriation "Reserve for Uncollected Taxes"	 A-3	 <u>1,800,000</u>
 Amount for Support of Municipal Budget Appropriations	 A-2	 <u>\$ 78,123,041</u>
 Receipts from Delinquent Taxes		
Delinquent Tax Collections	A-13	\$ 168,653
Tax Title Liens	A-14	<u>20,833</u>
	A-1,A-2	<u>\$ 189,486</u>

Analysis of Non Budget Revenue

Recreation Fees		\$ 122,359
Recycling		176,886
Board of Health/Vital Statistics Fees		158,625
City Clerk Fees		14,030
Planning/Engineering Fees		40,912
Administration Fees - Police Outside Duty		187,945
Administration Fees - Senior Citizen and Veterans/Homestead Rebate		735
State PBA Payment		49,000
Senior Transportation - County		60,402
PILOT - Short Term 5 Year Abatements		242,751
Fire Alarms		32,056
Restitution		5,150
Other Miscellaneous Receipts		<u>252,834</u>
		<u>\$ 1,343,685</u>
 Cash Receipts	 A-4	 \$ 1,155,740
Due from Other Trust Fund	B-7	<u>187,945</u>
	A-2	<u>\$ 1,343,685</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF PASSAIC
STATEMENT OF EXPENDITURES - REGULATORY BASIS
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Appropriated</u>		<u>Expended</u>		<u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT					
General Administration					
Office of Business Administration					
Salaries & Wages	\$ 1,332,300	\$ 1,332,300	\$ 1,064,318	\$ 267,982	
Other Expenses	378,850	383,850	280,690	103,160	
Human Resources					
Office of Personnel					
Salaries & Wages	371,700	371,700	266,272	105,428	
Other Expenses	17,200	22,200	16,173	6,027	
Mayor and Council					
Office of the Mayor and Council					
Salaries & Wages	351,900	351,900	341,340	10,560	
Other Expenses	219,250	219,250	175,643	43,607	
City Clerk					
Salaries & Wages	520,000	520,000	466,525	53,475	
Other Expenses	261,600	261,600	163,281	98,319	
Financial Administration - Treasurer's Office					
Salaries and Wages	503,500	503,500	479,340	24,160	
Other Expenses	169,500	169,500	87,102	82,398	
Annual Audit					
Other Expenses	87,000	87,000	87,000	-	
Revenue Administration - Tax Collector					
Salaries and Wages	293,800	293,800	218,413	75,387	
Other Expenses	50,300	50,300	49,133	1,167	
Tax Assessment Administration					
Salaries and Wages	322,600	322,600	278,657	43,943	
Other Expenses	127,000	127,000	105,666	21,334	
Legal Services					
Other Expenses	927,500	927,500	827,351	100,149	
Office of Engineer					
Salaries and Wages	218,200	218,200	196,882	21,318	
Other Expenses	379,200	379,200	341,890	37,310	
Economic Development Agencies					
Planning and Economic Development					
Salaries and Wages	98,300	188,300	77,288	111,012	
Other Expenses	20,000	20,000	1,456	18,544	
Division of Housing					
Salaries and Wages	382,400	382,400	360,487	21,913	
Other Expenses	7,100	7,100	6,387	713	
Redevelopment Agency	10,000	10,000	10,000	-	
LAND USE ADMINISTRATION					
Planning Board					
Other Expenses	39,200	39,200	23,811	15,389	
Board of Adjustment					
Other Expenses	19,800	19,800	14,924	4,876	
CODE ENFORCEMENT AND ADMINISTRATION					
Rent Leveling Board					
Other Expenses	15,200	15,200	-	15,200	
INSURANCE					
Liability Insurance	1,777,095	1,777,095	1,777,095	-	
Workmen's Compensation	2,028,600	2,428,600	2,428,600	-	
Employee Group Insurance	18,456,787	18,456,787	18,132,299	324,488	
Health Benefit Waiver	157,500	157,500	112,100	45,400	
Unemployment Insurance	150,000	150,000	150,000	-	

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF PASSAIC
STATEMENT OF EXPENDITURES - REGULATORY BASIS
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Appropriated</u>		<u>Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Canceled</u>
OPERATIONS - WITHIN "CAPS" (Cont'd)					
PUBLIC SAFETY FUNCTIONS					
Police Department					
Salaries and Wages	\$ 15,684,700	\$ 15,184,700	\$ 12,626,087	\$ 2,558,613	
Salaries and Wages - ARP Funds	5,135,000	5,135,000	5,135,000	-	
Other Expenses	675,500	675,500	580,589	94,911	
BOE Security Watch and Res. Off.-Salaries & Wages	3,685,500	3,685,500	3,408,137	277,363	
Office of Emergency Management					
Salaries & Wages	52,600	52,600	46,798	5,802	
Other Expenses	10,000	10,000	9,269	731	
Fire Department					
Salaries and Wages	9,534,350	9,534,350	9,035,509	498,841	
Salaries and Wages - ARP Funds	3,000,000	3,000,000	3,000,000		
Other Expenses	282,100	282,100	264,274	17,826	
Prosecutor's Office					
Other Expenses	165,000	165,000	95,000	70,000	
Municipal Court					
Salaries and Wages	965,000	965,000	734,286	230,714	
Other Expenses	151,820	151,820	149,781	2,039	
Public Defender (PL 1997 C.256)					
Other Expenses	120,000	120,000	100,000	20,000	
Passaic Parking Authority					
Salaries & Wages	398,100	398,100	247,134	150,966	
Other Expenses	254,900	254,900	136,418	118,482	
PUBLIC WORKS FUNCTIONS					
Streets and Road Maintenance					
Salaries & Wages	2,424,900	2,424,900	2,146,370	278,530	
Other Expenses	552,300	552,300	354,113	198,187	
Solid Waste Collection					
Other Expenses				-	
Garbage Removal Contractual	3,170,000	3,170,000	3,011,602	158,398	
Buildings and Grounds					
Salaries and Wages	747,100	747,100	600,239	146,861	
Other Expenses	441,500	441,500	425,370	16,130	
Vehicle Maintenance					
Salaries & Wages	570,600	570,600	442,502	128,098	
Other Expenses	500,000	500,000	454,238	45,762	
HEALTH AND HUMAN SERVICES					
Public Health Services					
Division of Health					
Salaries and Wages	1,168,400	1,168,400	866,075	302,325	
Other Expenses	277,700	277,700	211,745	65,955	
Animal Regulation					
Salaries and Wages	239,300	239,300	202,417	36,883	
Other Expenses	33,500	33,500	14,282	19,218	

CITY OF PASSAIC
STATEMENT OF EXPENDITURES - REGULATORY BASIS
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Appropriated</u>		<u>Expended</u>		<u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS" (Cont'd)					
PARK AND RECREATION FUNCTIONS					
Division of Recreation					
Salaries and Wages	\$ 677,600	\$ 677,600	\$ 537,354	\$ 140,246	
Other Expenses	189,700	189,700	180,504	9,196	
Senior Citizens					
Salaries and Wages	272,000	272,000	223,401	48,599	
Other Expenses	13,300	13,300	9,382	3,918	
Handicapped Recreation					
Salaries & Wages	243,700	243,700	175,632	68,068	
Other Expenses	21,200	21,200	21,186	14	
Maintenance of Parks					
Salaries & Wages	635,000	635,000	564,142	70,858	
Other Expenses	176,700	176,700	132,182	44,518	
OTHER COMMON OPERATING FUNCTIONS					
Accumulated Leave					
Other Expenses	550,000	550,000	550,000	-	
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)					
Division of Code Enforcement					
Salaries and Wages	904,800	904,800	744,102	160,698	
Other Expenses	151,200	151,200	103,205	47,995	
UNCLASSIFIED:					
Utilities:					
Electricity	750,000	750,000	445,082	304,918	
Street Lighting	850,000	850,000	601,267	248,733	
Telephone and Telegraph	258,000	258,000	203,693	54,307	
Gasoline	500,000	500,000	383,429	116,571	
LANDFILL/SOLID WASTE DISPOSAL COSTS					
Tipping Fees	<u>2,802,000</u>	<u>2,802,000</u>	<u>2,750,325</u>	<u>51,675</u>	<u>-</u>
Total Operations Within "CAPS"	<u>88,928,452</u>	<u>88,928,452</u>	<u>80,462,244</u>	<u>8,466,208</u>	<u>-</u>
Detail:					
Salaries & Wages	50,733,350	50,323,350	44,484,707	5,838,643	-
Other Expenses	<u>38,195,102</u>	<u>38,605,102</u>	<u>35,977,537</u>	<u>2,627,565</u>	<u>-</u>
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
DEFERRED CHARGES					
Anticipated Deficit in Sewer Utility Operations	630,345	630,345	219,062	-	\$ 411,283
STATUTORY CHARGES					
Public Employees Retirement System	2,045,174	2,045,174	2,045,174	-	
Social Security System (O.A.S.I.)	1,700,000	1,700,000	1,542,134	157,866	
Police and Fireman's Retirement System	10,959,209	10,959,209	10,959,209	-	
Deferred Compensation Retirement Plan	<u>70,000</u>	<u>70,000</u>	<u>69,508</u>	<u>492</u>	<u>-</u>
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	<u>15,404,728</u>	<u>15,404,728</u>	<u>14,835,087</u>	<u>158,358</u>	<u>411,283</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF PASSAIC
STATEMENT OF EXPENDITURES - REGULATORY BASIS
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Appropriated</u>		<u>Expended</u>		<u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Total General Appropriations for Municipal Purposes Within "CAPS"	\$ 104,333,180	\$ 104,333,180	\$ 95,297,331	\$ 8,624,566	\$ 411,283
OPERATIONS - EXCLUDED FROM "CAPS"					
Maintenance of Free Public Library	1,786,310	1,786,310	1,786,309	1	
Recycling Tax	130,000	130,000	97,374	32,626	-
Liability Insurance	720,905	720,905	720,905		
Workmen's Compensation	828,400	828,400	828,400		
Employee Group Insurance	572,213	572,213	572,213	-	-
Total Other Operations - Excluded From "CAPS"	4,037,828	4,037,828	4,005,201	32,627	-
Public and Private Programs Offset by Revenues					
Matching Funds for Grants	35,000	35,000	-	35,000	
AARP Community Challenge Grant 2024		12,000	12,000		
Alcohol Education and Rehab 2024		9,929	9,929		
ARP Firefighter Grant FY2024		30,000	30,000		
Assistance to Firefighters Grant FY2024		96,400	96,400		
Body Armor Grant 2023		10,802	10,802		
Byrne Memorial JAG 2024		199,558	199,558		
Childhood Lead FY2024 - Additional		12,500	12,500		
Childhood Lead FY2025		806,849	806,849		
Clean Communities Grant 2024		104,253	104,253		
Click It or Ticket 2024		10,500	10,500		
County Stigma Free Grant 2023		1,000	1,000		
County Stigma Free Grant 2024		1,000	1,000		
Distracted Driving Crackdown 2024		12,250	12,250		
Drive Sober Labor Day Crackdown 2024		7,000	7,000		
Drive Sober Year End Crackdown 2024		10,500	10,500		
Green Acres Grant 2024		1,400,000	1,400,000		
HOPWA 2022 - Additional		40,000	40,000		
HOPWA 2023		125,000	125,000		
Local Recreation Improvement Grant FY2024		70,000	70,000		
Municipal Alliance FY2025		17,312	17,312		
NJACCHO Sustaining Local Public Health Infrastructure		168,049	168,049		
NJDA Spotted Lanternfly Grant 2024-2026		20,000	20,000		
NJDEP Urban Parks Grant 2024		750,000	750,000		
NJDOT (Federal) PE Phase SRTS FY2022		98,845	98,845		
NJDOT (Federal) Safe Routes to School FY24		1,089,000	1,089,000		
NJDOT (Federal) Safe Streets and Roads for All 2024		355,000	355,000		
NJDOT Municipal Aid Program FY2024		1,076,800	1,076,800		
NJDOT Safe Streets to Transit FY2024		560,000	560,000		
NJSCA Creative Aging Initiative 2024		10,000	10,000		
NPP 2024 Year 4		125,000	125,000		
Patrick Leahy Bulletproof Vest 2024		14,979	14,979		
PCCHC Local Arts Program Re-Grant		5,078	5,078		
Pedestrian Safety Grant 2024		35,000	35,000		
Pedestrian Safety Grant 2025		45,000	45,000		
Public Safety Answering Point Grant FY2024		83,540	83,540		
Recycling Tonnage Grant 2024 (FY2021)		104,915	104,915		
ROID FY2024		20,000	20,000		
Ryan White 2024		202,705	202,705		
Safe and Secure Communities 2024		67,725	67,725		
Stationhouse Adjustment 2024 - Passaic		52,039	52,039		
Stationhouse Adjustment 2024 - Regional		49,967	49,967		
Strengthening Public Health Capacity FY2025		74,664	74,664		
Summer Food 2024		183,436	183,436		

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF PASSAIC
STATEMENT OF EXPENDITURES - REGULATORY BASIS
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Appropriated</u>		<u>Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Canceled</u>
UEZ 2024 5 Year Plan		\$ 104,500	\$ 104,500		
UEZ 2024 Administration		287,079	287,079		
UEZ 2024 Business Area Transportation Project		530,000	530,000		
UEZ 2024 Carnie Bragg Park Phase 2		600,000	600,000		
UEZ 2024 Clean Sweep/Graffiti Eradication		535,206	535,206		
UEZ 2024 Quality of Life Police Project		650,000	650,000		
UEZ 2024 Workforce Training		100,000	100,000		
UEZ 2025 Administration		294,829	294,829		
UEZ 2025 Central Business District Sidewalk Replacement		200,000	200,000		
UEZ 2025 Clean Sweep & Graffiti Eradication		517,856	517,856		
UEZ 2025 Marketing Project		200,000	200,000		
USDOJ FY24 Rural and Small Crime Reduction		300,000	300,000		
WIC FY2025	-	1,281,524	1,281,524	-	-
Total Public and Private Program					
Offset by Revenues	\$ 35,000	13,804,589	13,769,589	\$ 35,000	-
Total Operations - Excluded from "CAPS"	4,072,828	17,842,417	17,774,790	67,627	-
Detail:					
Other Expenses	4,072,828	17,842,417	17,774,790	67,627	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	250,000	250,000	250,000		
Parks/Roads Improvement	450,000	450,000		450,000	
Broadband Infrastructure Project	300,000	300,000		300,000	-
Drainage and Sewer Improvements/Repairs	3,050,000	3,050,000	719,773	2,330,227	-
Total Capital Improvements - Excluded from "CAPS"	4,050,000	4,050,000	969,773	3,080,227	-
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Principal	1,635,000	1,635,000	1,635,000		
Interest on Bonds	390,000	390,000	389,980		\$ 20
Interest on Notes				-	
Payment of Loan Principal and Interest	73,000	73,000	72,205	-	795
Total Municipal Debt Service - Excluded from "CAPS"	2,098,000	2,098,000	2,097,185	-	815
DEFERRED CHARGES MUNICIPAL - EXCLUDED FROM "CAPS"					
Special Emergency Authorization - 5 Years	160,800	160,800	160,800	-	-
Total Deferred Charges Municipal - Excluded from "CAPS"	160,800	160,800	160,800	-	-
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	10,381,628	24,151,217	21,002,548	3,147,854	815
Subtotal General Appropriations	114,714,808	128,484,397	116,299,879	11,772,420	412,098
Reserve for Uncollected Taxes	1,800,000	1,800,000	1,800,000	-	-
Total General Appropriations	\$ 116,514,808	\$ 130,284,397	\$ 118,099,879	\$ 11,772,420	\$ 412,098
	A-2		A-1	A,A-1	

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF PASSAIC
STATEMENT OF EXPENDITURES - REGULATORY BASIS
CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Reference</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>
Budget	A-3	\$ 116,514,808	
Appropriation by 40A:4-87	A-2	<u>13,769,589</u>	
		<u>\$ 130,284,397</u>	
Cash Disbursed	A-4		\$ 92,702,194
Encumbrances Payable	A-23		2,615,214
Due to Passaic Redevelopment Authority	A-12		10,000
Due to Other Trust Fund	B-7		6,573,020
Due to Grant Fund - Appropriated Grants	A-32		13,769,589
Due to General Capital Fund	C-4		250,000
Due to Sewer Utility Operating Fund	D-11		219,062
Deferred Charges - Special Emergency Authorization	A-17		160,800
Reserve for Uncollected Taxes	A-2		<u>1,800,000</u>
			<u>\$ 118,099,879</u>

CITY OF PASSAIC
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
TRUST FUNDS
AS OF DECEMBER 31, 2024 AND 2023

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
ASSETS			
ANIMAL CONTROL FUND			
Cash	B-1	\$ 9,755	\$ 8,013
Due from Current Fund	B-4	<u>-</u>	<u>6,357</u>
		<u>9,755</u>	<u>14,370</u>
OTHER TRUST FUND			
Cash	B-1	13,020,989	12,356,578
Cash - Change Fund	B-6	200	200
Due from Current Fund	B-7	11,691,477	11,871,456
Due from Grant Fund	B-8	<u>3,033,817</u>	<u>2,391,614</u>
		<u>27,746,483</u>	<u>26,619,848</u>
COMMUNITY DEVELOPMENT BLOCK GRANT FUND			
Cash	B-1	1,073,193	1,062,467
Due from HUD	B-10	2,809,073	3,578,920
Other Receivables	B-13	<u>155,454</u>	<u>155,454</u>
		<u>4,037,720</u>	<u>4,796,841</u>
HOME INVESTMENT PROGRAM FUND			
Cash	B-1	604,669	657,858
Due from HUD	B-12	6,692,178	8,159,671
Mortgage Receivable	B-14	455,237	455,237
Due from Grant Fund	B-18	167,036	167,036
Due from CDBG Fund	B-19	<u>94,562</u>	<u>94,562</u>
		<u>8,013,682</u>	<u>9,534,364</u>
Total Assets		<u>\$ 39,807,640</u>	<u>\$ 40,965,423</u>

**CITY OF PASSAIC
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
TRUST FUNDS
AS OF DECEMBER 31, 2024 AND 2023**

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
LIABILITIES, RESERVES AND FUND BALANCE			
ANIMAL CONTROL FUND			
Encumbrances Payable	B-5	\$ 2,854	\$ 2,715
Due State of New Jersey	B-2	166	203
Reserve for Animal Control Expenditures	B-3	<u>6,735</u>	<u>11,452</u>
		<u>9,755</u>	<u>14,370</u>
OTHER TRUST FUND			
Miscellaneous Reserves and Deposits	B-9	<u>27,746,483</u>	<u>26,619,848</u>
		<u>27,746,483</u>	<u>26,619,848</u>
COMMUNITY DEVELOPMENT BLOCK GRANT FUND			
Due to Current Fund	B-16	1,012,933	935,555
Due to Grant Fund	B-17	94,505	94,505
Due to Home Investment Program Fund	B-19	94,562	94,562
Reserve for Program Expenditures - UDAG	B-15	8,122	8,122
Reserve for Program Expenditures - CDBG	B-11	<u>2,827,598</u>	<u>3,664,097</u>
		<u>4,037,720</u>	<u>4,796,841</u>
HOME INVESTMENT PROGRAM FUND			
Due to Current Fund	B-20	839,560	771,749
Reserve for Mortgage Receivable	B-14	455,237	455,237
Reserve for Home Investment Program	B-21	<u>6,718,885</u>	<u>8,307,378</u>
		<u>8,013,682</u>	<u>9,534,364</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 39,807,640</u>	<u>\$ 40,965,423</u>

CITY OF PASSAIC
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL CAPITAL FUND
AS OF DECEMBER 31, 2024 AND 2023

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
ASSETS			
Cash	C-2,C-3	\$ 2,547,734	\$ 1,577,150
Grants Receivable	C-4	2,500,000	
Due from Current Fund	C-5	1,906,679	1,312,750
Deferred Charges to Future Taxation			
Funded	C-7	14,157,339	15,852,611
Unfunded	C-8	<u>3,702,075</u>	<u>2,075</u>
 Total Assets		 <u>\$ 24,813,827</u>	 <u>\$ 18,744,586</u>
 LIABILITIES, RESERVES AND FUND BALANCE			
General Serial Bonds	C-12	\$ 13,606,000	\$ 15,241,000
Green Acres Loans	C-13	551,339	611,611
Improvement Authorizations			
Funded	C-11	552,414	602,103
Unfunded	C-11	1,158,224	
Encumbrances Payable	C-10	6,572,709	11,810
Capital Improvement Fund	C-9	939,806	1,214,806
Reserve for Parking Improvements	C-15	112,000	
Reserve for Road, Park and Sewer Improvements	C-14	905,621	647,542
Reserve for Sale of Property	C-16	100,000	100,000
Fund Balance	C-1	<u>315,714</u>	<u>315,714</u>
 Total Liabilities, Reserves and Fund Balance		 <u>\$ 24,813,827</u>	 <u>\$ 18,744,586</u>

There were Bonds and Notes Authorized But Not Issued on December 31, 2024 and December 31, 2023 of \$3,702,075 and \$2,075, respectively, (See Exhibit C-17).

CITY OF PASSAIC
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - REGULATORY BASIS
GENERAL CAPITAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
Balance, December 31, 2023	C	<u>\$ 315,714</u>	<u>\$ 315,714</u>
Balance, December 31, 2024	C	<u>\$ 315,714</u>	<u>\$ 315,714</u>

CITY OF PASSAIC
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
SEWER UTILITY FUND
AS OF DECEMBER 31, 2024 AND 2023

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
ASSETS			
OPERATING FUND			
Cash	D-4	\$ 2,323,953	\$ 2,213,596
Due from Sewer Utility Capital Fund	D-12	64	57
		<u>2,324,017</u>	<u>2,213,653</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-6	948,515	1,227,670
Other Accounts Receivable	D-7	-	6,246
		<u>948,515</u>	<u>1,233,916</u>
Deferred Charges			
Special Emergency Authorization	D-8	195,200	292,800
		<u>195,200</u>	<u>292,800</u>
Total Operating Fund		<u>3,467,732</u>	<u>3,740,369</u>
CAPITAL FUND			
Cash	D-4,D-5	6,624	6,617
Fixed Capital	D-9	5,887,974	5,887,974
Fixed Capital Authorized and Uncompleted	D-10	35,766	35,766
Total Capital Fund		<u>5,930,364</u>	<u>5,930,357</u>
		<u>\$ 9,398,096</u>	<u>\$ 9,670,726</u>
LIABILITIES, RESERVES AND FUND BALANCE			
OPERATING FUND			
Liabilities			
Appropriation Reserves	D-3,D-16	\$ 255,785	\$ 41,918
Encumbrances Payable	D-13	178,353	87,083
Prepaid Rents	D-14		234,113
Accrued Interest on Bonds	D-15	2,174	3,983
Due to Current Fund	D-11	1,994,956	2,051,407
		<u>2,431,268</u>	<u>2,418,504</u>
Reserve for Receivables	D	948,515	1,233,916
Fund Balance	D-1	87,949	87,949
Total Operating Fund		<u>3,467,732</u>	<u>3,740,369</u>
CAPITAL FUND			
Serial Bonds	D-20	446,000	576,000
Due to Sewer Utility Operating Fund	D-12	64	57
Improvement Authorizations			
Funded	D-17	35,766	35,766
Reserve for Amortization	D-18	5,397,974	5,267,974
Reserve for Deferred Amortization	D-19	35,766	35,766
Reserve for Payment of Debt	D-21	14,794	14,794
Total Capital Fund		<u>5,930,364</u>	<u>5,930,357</u>
		<u>\$ 9,398,096</u>	<u>\$ 9,670,726</u>

There were Bonds and Notes Authorized But Not Issued on December 31, 2024 and December 31, 2023 of \$44,000 and \$44,000, respectively, (See Exhibit D-22).

CITY OF PASSAIC
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN OPERATING FUND BALANCE
REGULATORY BASIS
SEWER UTILITY OPERATING FUND
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
REVENUES AND OTHER INCOME REALIZED			
Sewer Rents	D-2	\$ 7,558,123	\$ 7,173,434
Non-Budget Revenues	D-2	<u>21,237</u>	<u>9,714</u>
Total Income		<u>7,579,360</u>	<u>7,183,148</u>
EXPENDITURES			
Operating	D-3	7,554,000	7,039,000
Debt Service	D-3	146,822	141,780
Deferred Charges	D-3	<u>97,600</u>	<u>515,345</u>
Total Expenditures		<u>7,798,422</u>	<u>7,696,125</u>
Excess/(Deficit) in Revenues		(219,062)	(512,977)
Adjustment to Income Before Fund Balance Realized from General Budget for Anticipated Deficit	D-2	<u>219,062</u>	<u>512,977</u>
Statutory Excess to Fund Balance		-	-
Fund Balance, Beginning of Year,	D	<u>87,949</u>	<u>87,949</u>
Fund Balance, End of Year,	D	<u>\$ 87,949</u>	<u>\$ 87,949</u>

CITY OF PASSAIC
STATEMENT OF REVENUES - REGULATORY BASIS
SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Reference</u>	<u>Anticipated</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Sewer Rents and Charges	D-1	\$ 7,170,255	\$ 7,558,123	\$ 387,868
Deficit (General Budget)	D-1	<u>630,345</u>	<u>219,062</u>	<u>(411,283)</u>
 Total Budget Revenues	 D-3	 <u>\$ 7,800,600</u>	 7,777,185	 <u>\$ (23,415)</u>
 Non-Budget Revenues	 D-2		 <u>21,237</u>	
			 <u>\$ 7,798,422</u>	
Analysis of Revenue Realized:				
Sewer Rents and Charges:				
Consumer Accounts Receivable Collections	D-6		\$ 7,458,755	
Other Accounts Receivable Collections	D-7		<u>99,368</u>	
			 <u>\$ 7,558,123</u>	
 Non-Budget Revenue:				
Prior Year Reimbursements			\$ 21,230	
Interest Earned			<u>7</u>	
			 <u>\$ 21,237</u>	
 Due from Sewer Utility Capital Fund	 D-12		 \$ 7	
Cash Receipts	D-4		<u>21,230</u>	
			 <u>\$ 21,237</u>	

CITY OF PASSAIC
STATEMENT OF EXPENDITURES - REGULATORY BASIS
SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Appropriated</u>		<u>Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
OPERATING					
Other Expenses	\$ 375,000	\$ 375,000	\$ 122,778	\$ 252,222	
Sewer Treatment Expenses	6,229,000	6,229,000	6,225,437	3,563	
Sewer Maintenance Fee - Contractual	<u>950,000</u>	<u>950,000</u>	<u>950,000</u>	<u>-</u>	<u>-</u>
Total Operating	<u>7,554,000</u>	<u>7,554,000</u>	<u>7,298,215</u>	<u>255,785</u>	<u>-</u>
DEBT SERVICE					
Payment of Bond Principal	130,000	130,000	130,000		
Interest on Bonds	<u>19,000</u>	<u>19,000</u>	<u>16,822</u>	<u>-</u>	<u>\$ 2,178</u>
Total Debt Service	<u>149,000</u>	<u>149,000</u>	<u>146,822</u>	<u>-</u>	<u>2,178</u>
DEFERRED CHARGES					
Special Emergency Authorization - 5 Years	<u>97,600</u>	<u>97,600</u>	<u>97,600</u>	<u>-</u>	<u>-</u>
Total Deferred Charges	<u>97,600</u>	<u>97,600</u>	<u>97,600</u>	<u>-</u>	<u>-</u>
	<u>\$ 7,800,600</u>	<u>\$ 7,800,600</u>	<u>\$ 7,542,637</u>	<u>\$ 255,785</u>	<u>\$ 2,178</u>
	<u>Reference</u>	D-2	D-3	D-1	D,D-1
Disbursed		D-4		\$ 7,115,881	
Encumbrances Payable		D-13		178,353	
Due to Current Fund		D-11		148,629	
Accrued Interest on Bonds		D-15		2,174	
Deferred Charges					
Special Emergency Authorization		D-8		<u>97,600</u>	
				<u>\$ 7,542,637</u>	

CITY OF PASSAIC
 COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
 GENERAL FIXED ASSETS ACCOUNT GROUP
 AS OF DECEMBER 31, 2024 AND 2025

	December 31, <u>2024</u>	December 31, <u>2023</u>
ASSETS		
Construction in Progress	\$ 8,668,720	\$ 321,335
Land	47,610,504	47,610,504
Land Improvements	2,187,410	2,187,410
Buildings and Building Improvements	22,320,721	22,196,957
Machinery and Equipment	5,890,832	5,474,903
Vehicles	<u>6,988,524</u>	<u>5,575,165</u>
	<u>\$ 93,666,711</u>	<u>\$ 83,366,274</u>
LIABILITIES		
Investments in General Fixed Assets	<u>\$ 93,666,711</u>	<u>\$ 83,366,274</u>

NOTES TO FINANCIAL STATEMENTS

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Passaic (the "City") was incorporated in 1917 and operates under an elected Mayor and Council form of government. The Mayor and seven council members are elected at-large to four-year terms. The Mayor is the Chief Executive Officer of the City and as such presides over all public meetings and makes appointments to various boards. The City Council exercises all legislative powers including final adoption of the municipal budget and bond ordinances and confirmation of the Mayor's appointments, and all executive authority which is not specifically provided to the Mayor, by State law. A City Administrator is appointed by the City Council and is responsible for the implementation of the policies of the Mayor and Council, for the administration of all City affairs and for the day to day operations of the City. The City Administrator is the Chief Administrative Officer for the City. The City's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. The City is not includable in any other reporting entity as a component unit.

The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the City do not include the Passaic Public Library, Passaic Redevelopment Agency, Passaic Parking Authority and Passaic Enterprise Zone Development Corporation which are considered component units under GAAP. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

B. Description of Regulatory Basis of Accounting

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

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. (GAAP). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. However under the regulatory basis of accounting municipalities are required to follow GASB pronouncements with regard to disclosure requirements for notes to the financial statements.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements

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

The City has the following funds and account group:

Current Fund – This fund is used to account for the revenues and expenditures for governmental operations of a general nature and the assets and liabilities related to such activities, including Federal and State grants not accounted for in another fund.

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

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

Other Trust Fund - This fund is established to account for the assets and resources, which are held by the City as a trustee or agent for individuals, private organizations, other governments and/or other funds. These funds include dedicated fees/proceeds collected, developer deposits, payroll related deposits and funds deposited with the City as collateral.

Community Development Block Grant Fund - This fund is used to account for grant proceeds, program income and related expenditures for Federal Block grant entitlements.

Home Investment Program Fund - This fund is used to account for the grant proceeds, program income and related expenditures for the Federal Home Investment Partnership Program.

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

Sewer Utility Fund - This fund is used to account for the revenues and expenditures for the operation of the City's sanitary sewerage system and the assets and liabilities relative to such activities. Special benefit assessments levied against properties for specific purposes are accounted for in the assessment trust section of the fund. Acquisition or improvement of capital facilities and other capital assets for the sewer utility is accounted for in the capital section of the fund.

General Fixed Assets Account Group - This account group is used to account for all general fixed assets of the City, other than those accounted for in the sewer utility fund. The City's infrastructure is not reported in the account group.

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

Reclassifications - Certain reclassifications may have been made to the December 31, 2023 balances to conform to the December 31, 2024 presentation.

CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

Financial Statements – Regulatory Basis

The GASB Codification also requires the financial statements of a governmental unit to be presented in the basic financial statements in accordance with GAAP. The City presents the regulatory basis financial statements listed in the table of contents which are required by the Division and which differ from the basic financial statements required by GAAP. In addition, the Division requires the regulatory basis financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from reporting requirements under GAAP.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the accounting principles and practices prescribed by the Division in accordance with the regulatory basis of accounting. Measurement focus indicates the type of resources being measured. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Investments are reported at cost and are limited by N.J.S.A. 40A:5-15.1 et seq. GAAP requires that all investments be reported at fair value.

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires inventories to be recorded as assets in proprietary-type funds.

Property Tax Revenues/Receivables - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one-quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. A penalty of up to 6% of the delinquency may be imposed on a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the fiscal year in which the charges become delinquent. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of December 31, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the City. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April first in the year following the calendar year levy when the same became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing the property on a standard tax sale. The City also has the option when unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears on the 11th day of the eleventh month in the fiscal year when the taxes or lien became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing property on an accelerated tax sale, provided that the sale is conducted and completed no earlier than in the last month of the fiscal year. The City may institute annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the tax receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both levied and available), reduced by an allowance for doubtful accounts.

CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Miscellaneous Revenues/Receivables - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the City's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both measurable and available).

Sewer Utility Revenues/Receivables - Utility charges are levied quarterly based upon a flat service charge and if applicable, an excess consumption or usage charge. Revenues from these sources are recognized on a cash basis. Receivables that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the City's sewer utility operating fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant and Similar Award Revenues/Receivables - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the City's budget. GAAP requires such revenues to be recognized as soon as all eligibility requirements imposed by the grantor or provider have been met.

Property Acquired for Taxes – Property acquired for taxes is recorded in the Current Fund at the assessed valuation when such property was acquired, and is fully reserved. GAAP requires such property to be recorded as a capital asset in the government-wide financial statements at fair value on the date of acquisition.

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

Deferred Charges – Certain expenditures, operating deficits and other items are required to be deferred to budgets of succeeding years. GAAP requires expenditures, operating deficits and certain other items generally to be recognized when incurred, if measurable.

Funded and unfunded debt authorizations for general capital projects are also recorded as deferred charges and represent permanent long-term debt issues outstanding (funded) and temporary debt issues outstanding or unissued debt authorizations (unfunded), respectively. GAAP does not permit the recording of deferred charges for funded and unfunded debt authorizations.

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

CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations are recorded as a long-term obligation in the proprietary funds and government-wide financial statements.

Incurred But Not Reported (IBNR) Reserves and Claims Payable - The City has not created a reserve for any potential unreported self-insurance losses which have taken place but in which the City has not received notices or report of losses (i.e. IBNR). Additionally, the City has not recorded a liability for those claims filed, but which have not been paid (i.e. claims payable). GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining potential claims are recorded as a long-term obligation in the proprietary funds and government-wide financial statements.

Tax Appeals and Other Contingent Losses - Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. GAAP requires such amounts to be recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

Reserve for Uncollected Taxes – Reserve for Uncollected Taxes is a non-spending budget appropriation account required to provide assurance that cash collected for property taxes levied in the current year will provide sufficient cash flow to meet expected budgetary obligations. The minimum amount required to be budgeted in Reserve for Uncollected Taxes is determined utilizing the actual percentage of property taxes collected in the immediate preceding budget year, unless allowable alternative methods are utilized with the approval of the Division. A Reserve for Uncollected Taxes is not established or required under GAAP.

Pensions – The City appropriates in its annual budget the amount required to be paid for pension contributions as determined by the State administered pension systems. Under the regulatory basis of accounting the City is only required to disclose in the Notes to the Financial Statements its share of the actuarially determined net pension liabilities, deferred outflow of resources, deferred inflow of resources and pension expense (benefit) related to the State administered pension system. GAAP requires these actuarially determined amounts to be reported in the proprietary funds and government-wide financial statements.

Other Post-Employment Benefits (OPEB) – The City funds its employer paid post-retirement medical benefits on a pay-as-you-go basis. Under the regulatory basis of accounting the City is only required to disclose in the Notes to the Financial Statements its actuarially determined net OPEB liability, deferred outflow of resources, deferred inflow of resources and OPEB expense (benefit). GAAP requires these actuarially determined amounts to be reported in the proprietary funds and government-wide financial statements.

**CITY OF PASSAIC
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

General Fixed Assets - In accordance with NJAC 5:30-5.6, Accounting for Governmental Fixed Assets, the City of Passaic has developed a fixed assets accounting and reporting system. Fixed assets are defined by the City as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two years.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and sewerage and drainage systems are not capitalized. General fixed assets acquired under capital financing agreements are capitalized at their acquisition cost. Intangible right-to-use leased assets and intangible right-to-use IT software (SBITAs) are not capitalized.

General Fixed Assets purchased after December 31, 2018 are stated at cost. Donated fixed assets are recorded at acquisition value at the date of donation.

General Fixed Assets purchased prior to December 31, 2018 are stated as follows:

Land and Buildings	Assessed Value
Machinery and Equipment	Replacement Cost

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and put into operation for general fixed assets.

Accounting for utility fund "fixed capital" remains unchanged under NJAC 5:30-5.6.

Property and equipment purchased by the sewer utility funds are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Fund represents charges to operations for the costs of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

GAAP requires that capital assets, including intangible right-to-use leased assets and intangible right-to-use IT software (SBITAs), be recorded in proprietary funds as well as the government-wide financial statement at historical or estimated historical cost if actual historical cost is not available. In addition, GAAP requires depreciation on capital assets to be recorded in proprietary funds as well as in the government-wide financial statements.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgets and Budgetary Accounting (Continued)

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

Trust Funds
General Capital Fund
Sewer Utility Capital Fund

The City must prepare its budget in compliance with applicable laws limiting or capping the amounts by which both the budget appropriations and the municipal tax levy can increase in the annual budget.

1977 Appropriation “CAP”: The 1977 Appropriation Cap is calculated using the formulas and provisions of N.J.S.A. 40A:4-45.1 through 4-45.43a. The law was originally adopted in 1976 and was most recently amended in 2003. Under this law, the City is permitted to increase its overall Current Fund appropriations (with certain exceptions) by 2.5% or the “cost of living adjustment” (COLA), whichever is less. The COLA is calculated based on the Implicit Price Deflator for Local Governments computed by the U.S. Department of Commerce. The City can, when the COLA is less than or equal to 2.5%, increase its allowable inside-the-cap appropriations to 3.5%, upon adoption of a COLA Rate Ordinance by the governing body and beyond 3.5% upon voter passage of a referendum. Additionally, municipalities can bank the unused appropriation increases for use in any of the next two (2) succeeding budget years.

2010 Levy “CAP”: The 2010 Levy Cap is calculated using the formulas and provisions of N.J.S.A. 40A:4-45.44 through 45.47. It established limits on the increase in the total amount to be raised by taxation for municipal purposes (municipal tax levy). The core of the levy cap formula is a 2% increase to the previous year’s amount to be raised by taxation for municipal purposes, exclusive of certain appropriations and allowable adjustments and extraordinary costs related to a declared emergency. Voter approval may be requested to increase the municipal tax levy by more than the allowable adjusted tax levy. Additionally, municipalities can bank the unused tax levy for use in any of the next three (3) succeeding budget years.

The governing body is required to introduce and approve the annual budget no later than February 10, of the fiscal year. The budget is required to be adopted no later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last two months of the fiscal year, the governing body may, by a 2/3 vote; amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the governing body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2024 and 2023 the City Council increased the original budget by \$13,769,589 and \$34,264,404. The increases were funded by additional aid allotted to the City. In addition, the governing body approved several budget transfers during 2024 and 2023.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 3 CASH DEPOSITS AND INVESTMENTS

The City considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as cash and cash equivalents.

A. Cash Deposits

The City’s deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The City is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for deposits in excess of the FDIC or NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, bail funds, withholdings from an employee’s salary or funds which may pass to the local government upon the happening of a future condition.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At December 31, 2024 and 2023, the book value of the City's deposits were \$95,542,765 and \$91,683,142 and bank and brokerage firm balances of the City's deposits amounted to \$95,032,964 and \$92,673,997, respectively. The City's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2024</u>	<u>2023</u>
Insured	\$ 91,291,251	\$ 89,365,141
Uninsured and Collateralized	<u>3,741,713</u>	<u>3,308,856</u>
	<u>\$ 95,032,964</u>	<u>\$ 92,673,997</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The City does not have a formal policy for custodial credit risk. As of December 31, 2024 and 2023, the City’s bank balances of \$3,741,713 and \$3,308,856 were exposed to custodial credit risk as follows:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2024</u>	<u>2023</u>
Uninsured and Collateralized		
Collateral held by pledging financial institution's trust department but not in the City's name	<u>\$ 3,741,713</u>	<u>\$ 3,308,856</u>
	<u>\$ 3,741,713</u>	<u>\$ 3,308,856</u>

**CITY OF PASSAIC
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)

B. Investments

The City is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, 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 obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the City or bonds or other obligations of the school districts which are a part of the City or school districts located within the City, Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school district, municipalities, counties, and entities subject to the “Local Authorities Fiscal Control Law, “ (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; Local Government investment pools, 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); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with NJSA 40A:5-15.1 (8a-8e).

As of December 31, 2024 and 2023 the City had no outstanding investments.

Interest earned in the General Capital Fund, Animal Control Fund and certain Other Trust Funds are assigned to the Current Fund in accordance with the regulatory basis of accounting. Interest earned in the Sewer Utility Capital Fund is assigned to the Sewer Utility Operating Fund in accordance with the regulatory basis of accounting.

NOTE 4 TAXES AND UTILITY CHARGES AND FEES RECEIVABLE

Receivables at December 31, 2024 consisted of the following:

	<u>Current</u>	<u>Utility Sewer</u>	<u>Total</u>
<u>2024</u>			
Property Taxes	\$ 14,356		\$ 14,356
Tax Title Liens	153,067		153,067
Utility Rents and Fees	<u>-</u>	<u>\$ 948,515</u>	<u>948,515</u>
	<u>\$ 167,423</u>	<u>\$ 948,515</u>	<u>\$ 1,115,938</u>

In 2024, the City collected \$189,489 and \$1,233,916 from delinquent taxes and sewer utility charges and fees, which represented 64% and 100% of the delinquent tax and sewer charges receivable at December 31, 2023.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 4 TAXES AND UTILITY CHARGES AND FEES RECEIVABLE (Continued)

Receivables at December 31, 2023 consisted of the following:

	<u>Current</u>	<u>Utility Sewer</u>	<u>Total</u>
<u>2023</u>			
Property Taxes	\$ 154,903		\$ 154,903
Tax Title Liens	141,785		141,785
Utility Rents and Fees	-	\$ 1,233,916	1,233,916
	<u>\$ 296,688</u>	<u>\$ 1,233,916</u>	<u>\$ 1,530,604</u>

In 2023, the City collected \$41,415 and \$1,456,624 from delinquent taxes and sewer utility charges and fees, which represented 16% and 100% of the delinquent tax and sewer charges receivable at December 31, 2022.

NOTE 5 DUE TO/FROM OTHER FUNDS

As of December 31, interfund receivables and payables that resulted from various interfund transactions were as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund:				
Regular	\$ 4,367,870	\$ 13,598,156	\$ 3,758,711	\$ 15,290,331
Grant	94,505	3,721,274	2,194,273	2,558,650
Trust Fund:				
Animal Control			6,357	
Other Trust	14,725,294		14,263,070	
Community Development		1,202,000		1,124,622
Home Investment Program	261,598	839,560	261,598	771,749
General Capital Fund	1,906,679		1,312,750	
Sewer Utility Fund:				
Operating	64	1,994,956	57	2,051,407
Capital	-	64	-	57
	<u>-</u>	<u>64</u>	<u>-</u>	<u>57</u>
Total	<u>\$ 21,356,010</u>	<u>\$ 21,356,010</u>	<u>\$ 21,796,816</u>	<u>\$ 21,796,816</u>

The above balances are the result of expenditures being paid by one fund on behalf of another.

The City expects all interfund balances to be liquidated within one year.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 6 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Under the regulatory basis of accounting, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges are reported on the balance sheets of the following funds:

	<u>Balance December 31,</u>	<u>Subsequent Year Budget Appropriation</u>	<u>Balance</u>
<u>2024</u>			
Current Fund			
Special Emergency Authorization	\$ 321,600	\$ 160,800	\$ 160,800
Sewer Utility			
Special Emergency Authorization	\$ 195,200	\$ 97,600	\$ 97,600
<u>2023</u>			
Current Fund			
Special Emergency Authorization	\$ 482,400	\$ 160,800	\$ 321,600
Sewer Utility			
Special Emergency Authorization	\$ 292,800	\$ 97,600	\$ 195,200

NOTE 7 FUND BALANCES APPROPRIATED

Under the regulatory basis of accounting, fund balances in the Current Fund and Utility Operating Fund are comprised of cash surplus (fund balance) and non-cash surplus (fund balance). All or part of cash surplus as of December 31 may be anticipated in the subsequent year's budget. The non-cash surplus portion of fund balance may be utilized in the subsequent year's budget with the prior written consent of the Director of the Division of Local Government Services if certain guidelines are met as to its availability. Fund balances at December 31, which were appropriated and included as anticipated revenue in their own respective fund's budget for the succeeding year were as follows:

	<u>2024 (A)</u>		<u>2023</u>	
	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget</u>	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget</u>
Current Fund				
Cash Surplus	\$ 31,836,492	\$ 13,600,000	\$ 25,889,485	\$ 6,114,601
Non-Cash Surplus	<u>369,834</u>	<u>-</u>	<u>530,634</u>	<u>-</u>
	<u>\$ 32,206,326</u>	<u>\$ 13,600,000</u>	<u>\$ 26,420,119</u>	<u>\$ 6,114,601</u>
Sewer Utility Operating Fund				
Cash Surplus				
Non-Cash Surplus	\$ 87,949	-	\$ 87,949	-
	<u>\$ 87,949</u>	<u>\$ -</u>	<u>\$ 87,949</u>	<u>\$ -</u>

(A) The above fund balance amounts appropriated represent the surplus anticipated in the 2025 introduced municipal budget. The 2025 municipal budget has not been legally adopted as of the date of audit.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 8 FIXED ASSETS

A. General Fixed Assets

The following is a summary of changes in the general fixed assets account group for the years ended December 31, 2024 and 2023.

	Balance December 31, <u>2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustment</u>	Balance, December 31, <u>2024</u>
<u>2024</u>					
Construction in Progress	\$ 321,335	\$ 8,347,385			\$ 8,668,720
Land	47,610,504				47,610,504
Land Improvements	2,187,410				2,187,410
Buildings and Building Improvements	22,196,957	123,764			22,320,721
Machinery and Equipment	5,474,903	415,929			5,890,832
Vehicles	<u>5,575,165</u>	<u>1,413,359</u>	<u>\$ -</u>	<u>\$ -</u>	<u>6,988,524</u>
	<u>\$ 83,366,274</u>	<u>\$ 10,300,437</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93,666,711</u>
	Balance December 31, <u>2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustment</u>	Balance, December 31, <u>2023</u>
<u>2023</u>					
Construction in Progress				\$ 321,335	\$ 321,335
Land	\$ 47,610,504				47,610,504
Land Improvements	761,356	\$ 1,426,054			2,187,410
Buildings and Building Improvements	18,117,732	4,207,225		(128,000)	22,196,957
Machinery and Equipment	5,245,984	228,919			5,474,903
Vehicles	<u>4,511,766</u>	<u>1,020,869</u>	<u>\$ -</u>	<u>42,530</u>	<u>5,575,165</u>
	<u>\$ 76,247,342</u>	<u>\$ 6,883,067</u>	<u>\$ -</u>	<u>\$ 235,865</u>	<u>\$ 83,366,274</u>

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 8 FIXED ASSETS (Continued)

B. Sewer Utility Fund Fixed Assets

The following is a summary of changes in the utility fund fixed assets for the years ended December 31, 2024 and 2023.

Sewer Utility Fund	Balance December 31, <u>2023</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2024</u>
<u>2024</u>				
Fixed Capital				
System and System Improvements	\$ 5,577,974			\$ 5,577,974
Vehicles and Equipment	<u>310,000</u>	\$ -	\$ -	<u>310,000</u>
	<u>\$ 5,887,974</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,887,974</u>
Sewer Utility Fund	Balance December 31, <u>2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2023</u>
<u>2023</u>				
Fixed Capital				
System and System Improvements	\$ 5,577,974			\$ 5,577,974
Vehicles and Equipment	<u>310,000</u>	\$ -	\$ -	<u>310,000</u>
	<u>\$ 5,887,974</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,887,974</u>

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 9 MUNICIPAL DEBT

The Local Bond Law (N.J.S.A. 40A:2 et.seq.) governs the issuance of bonds and notes used to finance capital expenditures. General obligation bonds have been issued for both general capital and utility capital fund projects and acquisitions or other purposes permitted by the Local Bond Law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the City are general obligation bonds, backed by the full faith and credit of the City. Bond anticipation notes, which are issued to temporarily finance capital projects and acquisitions or other purposes permitted by the Local Bond Law, must be paid off within ten years and four months or retired by the issuance of bonds.

The City's debt is summarized as follows:

	<u>2024</u>	<u>2023</u>
Issued		
General		
Bonds and Loans	\$ 14,157,339	\$ 15,852,611
Sewer Utility		
Bonds	<u>446,000</u>	<u>576,000</u>
	14,603,339	16,428,611
Less Funds Temporarily Held to Pay Bonds and Notes	<u>(14,794)</u>	<u>(14,794)</u>
Net Debt Issued	14,588,545	16,413,817
Authorized But Not Issued		
General		
Bonds and Notes	3,702,075	2,075
Sewer Utility		
Bonds and Notes	<u>44,000</u>	<u>44,000</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 18,334,620</u>	<u>\$ 16,459,892</u>

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 9 MUNICIPAL DEBT (Continued)

Statutory Net Debt

The statement of debt condition that follows is in the format of the City's Annual Debt Statement and indicates a statutory net debt of .33% and .33% at December 31, 2024 and 2023, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2024</u>			
General Debt	\$ 17,859,414		\$ 17,859,414
Sewer Utility Debt	<u>490,000</u>	<u>\$ 14,794</u>	<u>475,206</u>
Total	<u>\$ 18,349,414</u>	<u>\$ 14,794</u>	<u>\$ 18,334,620</u>
	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2023</u>			
General Debt	\$ 15,854,686		\$ 15,854,686
Sewer Utility Debt	<u>620,000</u>	<u>\$ 14,794</u>	<u>605,206</u>
Total	<u>\$ 16,474,686</u>	<u>\$ 14,794</u>	<u>\$ 16,459,892</u>

Statutory Borrowing Power

The City's remaining borrowing power under N.J.S. 40A:2-6, as amended, at December 31, was as follows:

	<u>2024</u>	<u>2023</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 188,351,400	\$ 170,309,777
Less: Net Debt	<u>18,334,620</u>	<u>16,459,892</u>
Remaining Borrowing Power	<u>\$ 170,016,780</u>	<u>\$ 153,849,885</u>

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt

The City’s long-term debt consisted of the following at December 31:

General Obligation Bonds

The City levies ad valorem taxes to pay debt service on general obligation bonds. General obligation bonds outstanding at December 31 are as follows:

	<u>2024</u>	<u>2023</u>
\$8,581,000 2017 General Obligation Bonds, due in annual installments of \$600,000 to \$1,100,000 through June 15, 2029, interest at 2.00% to 3.00%	\$ 4,481,000	\$ 5,081,000
\$3,775,000 2020 General Obligation Refunding Bonds, due in annual installments of \$635,000 to \$645,000 through August 1, 2026, interest rate at 5.00%	1,285,000	1,920,000
\$8,916,000 2021 General Obligation Bonds, due in annual installments of \$400,000 to \$600,000 through August 15, 2038, interest rate at 2.00%	<u>7,840,000</u>	<u>8,240,000</u>
	<u>\$ 13,606,000</u>	<u>\$ 15,241,000</u>

General Intergovernmental Loans Payable

The City has entered into a loan agreements with the State of New Jersey Green Acres Program for the financing relating to the Dundee Island Field Rehabilitation, Pulaski Park Renovations and Roberto Clemente Field Improvements. The City levies ad valorem taxes to pay debt service on general intergovernmental loans issued. General intergovernmental loans outstanding at December 31 are as follows:

	<u>2024</u>	<u>2023</u>
\$200,000, 2006 Loan, due in semi-annual installments of \$5,917 to 6,157 through March, 2026, interest at 2%	\$ 18,288	\$ 30,180
\$100,000, 2008 Loan, due in semi-annual installments of \$2,900 to \$3,078 through June, 2027, interest at 2%	15,090	20,919

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

General Intergovernmental Loans Payable (Continued)

	<u>2024</u>	<u>2023</u>
\$21,000, 2009 Loan, due in semi-annual installments of \$597 to \$646 through June, 2028, interest at 2%	\$ 4,393	\$ 5,593
\$250,000, 2018 Loan, due in semi-annual installments of \$6,860 to \$8,624 through September, 2035, interest at 2%	171,242	185,030
\$499,770, 2018 Loan, due in semi-annual installments of \$13,713 to \$17,240 through September, 2035, interest at 2%	<u>342,326</u>	<u>369,889</u>
	<u>\$ 551,339</u>	<u>\$ 611,611</u>

Sewer Utility Bonds

The City pledges revenue from operations to pay debt service on utility bonds issued. The sewer utility bonds outstanding at December 31 are as follows:

Sewer Utility

	<u>2024</u>	<u>2023</u>
\$646,000, 2017 Sewer Bonds, due in annual installments of \$45,000 to \$80,000 through June 15, 2029, interest at 2.00% to 3.00%	\$ 361,000	\$ 406,000
\$420,000, 2020 Sewer Refunding Bonds, due in annual installments of \$85,000 through August 1, 2025, interest at 5.00%	<u>85,000</u>	<u>170,000</u>
	<u>\$ 446,000</u>	<u>\$ 576,000</u>

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

The City's principal and interest for long-term debt issued and outstanding as of December 31, 2024 is as follows:

Calendar Year	General						Total
	Bonds		Loans		Sewer Utility		
	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ 1,665,000	\$ 338,230	\$ 61,484	\$ 10,721	\$ 130,000	\$ 13,480	\$ 2,218,915
2026	1,695,000	285,355	56,501	9,485	80,000	7,930	2,134,271
2027	1,600,000	221,230	48,248	8,412	80,000	5,880	1,963,770
2028	1,625,000	178,230	45,424	7,473	80,000	3,480	1,939,607
2029	1,631,000	135,015	45,678	6,566	76,000	1,140	1,895,399
2030-2034	2,990,000	419,800	242,534	18,686	-	-	3,671,020
2035-2038	2,400,000	120,000	51,470	773	-	-	2,572,243
	<u>\$ 13,606,000</u>	<u>\$ 1,697,860</u>	<u>\$ 551,339</u>	<u>\$ 62,116</u>	<u>\$ 446,000</u>	<u>\$ 31,910</u>	<u>\$ 16,395,225</u>

Changes in Long-Term Municipal Debt

The City's long-term capital debt activity for the years ended December 31, 2024 and 2023 were as follows:

	Balance, December 31, <u>2023</u>	Additions	Reductions	Balance, December 31, <u>2024</u>	Due Within One Year
<u>2024</u>					
General Capital Fund					
Serial Bonds	\$ 15,241,000	-	\$ 1,635,000	\$ 13,606,000	\$ 1,665,000
Green Acres Loan Payable	611,611	-	60,272	551,339	61,484
General Capital Fund Long-Term Liabilities	<u>\$ 15,852,611</u>	<u>\$ -</u>	<u>\$ 1,695,272</u>	<u>\$ 14,157,339</u>	<u>\$ 1,726,484</u>
Sewer Utility Capital					
Serial Bonds	\$ 576,000	-	\$ 130,000	\$ 446,000	\$ 130,000
Sewer Utility Capital Fund Long-Term Liabilities	<u>\$ 576,000</u>	<u>\$ -</u>	<u>\$ 130,000</u>	<u>\$ 446,000</u>	<u>\$ 130,000</u>

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Changes in Long-Term Municipal Debt (Continued)

	Balance, December 31, <u>2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2023</u>	Due Within <u>One Year</u>
<u>2023</u>					
General Capital Fund					
Serial Bonds	\$ 16,821,000	-	\$ 1,580,000	\$ 15,241,000	\$ 1,635,000
Green Acres Loan Payable	<u>670,695</u>	<u>-</u>	<u>59,084</u>	<u>611,611</u>	<u>60,272</u>
General Capital Fund Long-Term Liabilities	<u>\$ 17,491,695</u>	<u>\$ -</u>	<u>\$ 1,639,084</u>	<u>\$ 15,852,611</u>	<u>\$ 1,695,272</u>
Sewer Utility Capital Serial Bonds	<u>\$ 696,000</u>	<u>-</u>	<u>\$ 120,000</u>	<u>\$ 576,000</u>	<u>\$ 130,000</u>
Sewer Utility Capital Fund Long-Term Liabilities	<u>\$ 696,000</u>	<u>\$ -</u>	<u>\$ 120,000</u>	<u>\$ 576,000</u>	<u>\$ 130,000</u>

NOTE 10 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

As of December 31, the City had the following commitments with respect to unfinished capital projects:

<u>Project/Purpose</u>	<u>Construction / Other Commitment</u>	<u>Estimated Date of Acquisition/ Completion</u>
<u>2024</u>		
Two Way Radio System	\$ 172,200	2025
Sanitary and Storm Sewer Improvements	132,683	2025
NJ DOT - Multi Road Improvement Project	1,400,691	2025
NJ DOT - Multi Intersection Road Improvement Project	288,473	2025
Construction of One Story Building - 69 Jefferson St.	858,768	2025
New Municipal Parking Deck	6,511,379	2025
Road Improvements - Pennington/Aycrigg and Monroe/Hope	505,157	2025
Myrtle Ave. Roadway Improvements Project	218,793	2025
Various Sidewalk Improvements - Broadway	225,300	2025
NJ DOT Municipal Aid Program	978,763	2025

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 10 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS (Continued)

<u>Project/Purpose</u>	<u>Construction / Other Commitment</u>	<u>Estimated Date of Acquisition/ Completion</u>
<u>2023</u>		
Two Way Radio System	\$ 172,200	2024
Upgrade Police Department Radio Room	195,136	2024
Sanitary and Storm Sewer Improvements	590,015	2024
2024 Isuzu Model NRR	158,382	2024
2 - 2024 GMC Trucks	210,506	2024
Health Department Computer Upgrades	201,626	2024
6 - Message Boards	322,078	2024
2 - 2024 16 Passenger Vans w/ Wheel Accessibility	243,234	2024
Columbia Ave and Jefferson St Improvements	330,053	2024
Municipal Parking Lot Repaving	133,647	2024

NOTE 11 OTHER LONG-TERM LIABILITIES

A. Compensated Absences

Under the existing policies and labor agreements of the City, employees are allowed to accumulate (with certain restrictions) unused vacation benefits or sick leave over the life of their working careers and to redeem such unused leave time in cash (with certain limitations) upon death, retirement or by extended absence immediately preceding retirement.

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$6,133,925 and \$6,089,365 at December 31, 2024 and 2023, respectively. These amounts which is are considered material to the financial statements, are not reported either as an expenditure or liability.

As of December 31, 2024 and 2023, the City has reserved in the Other Trust Fund \$6,569,999 and \$6,138,164, respectively to fund compensated absences in accordance with NJSA 40A:4-39.

NOTE 12 OTHER LONG-TERM LIABILITIES

A. Deferred Pension Obligation

During the year ended December 31, 2009 the City elected to contribute 50% of its normal and accrued liability components of the PFRS and PERS obligations and deferred the remaining 50% in accordance with P.L. 2009, c.19. The deferred amount totaled \$3,644,176 and will be paid back with interest over 15 years beginning in the 2012 year. The City is permitted to payoff the deferred PFRS and PERS pension obligations at any time. It is estimated that the total deferred liability including accrued interest (7.00% effective July 1, 2017) at December 31, 2024 and 2023 is \$872,487 and \$1,293,240, respectively.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 12 OTHER LONG-TERM LIABILITIES (Continued)

A. Deferred Pension Obligation (Continued)

During the years ended December 31, 2024, 2023 and 2022 the City was required to contribute for the deferred pension obligation the following amounts which equaled the required contribution for each year.

Years Ended December 31,	<u>PERS</u>	<u>PFRS</u>
2024	\$ 67,200	\$ 444,080
2023	66,371	437,913
2022	68,984	455,102

Changes in Other Long-Term Liabilities

Under the regulatory basis of accounting, certain other long-term liabilities which may be considered material to the financial statements are not reported either as an expenditure or a liability. However, under the regulatory basis of accounting, these other long-term liabilities and related information are required to be disclosed in the notes to the financial statements in conformity with the disclosure requirements of the Governmental Accounting Standards Board.

The City's changes in other long-term liabilities for the years ended December 31, 2024 and 2023 were as follows:

	Balance, December 31, <u>2023</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2024</u>	<u>Due Within One Year</u>
<u>2024</u>					
Compensated Absences	\$ 6,089,365	\$ 662,725	\$ 618,165	\$ 6,133,925	
Deferred Pension Obligation	1,293,240	90,527	511,280	872,487	\$ 515,205
Net Pension Liability - PERS (1)	21,435,916			21,435,916	
Net Pension Liability - PFRS (1)	86,294,550			86,294,550	
Net OPEB Liability (1)	<u>153,318,062</u>	<u>-</u>	<u>-</u>	<u>153,318,062</u>	<u>-</u>
Total Other Long-Term Liabilities	<u>\$ 268,431,133</u>	<u>\$ 753,252</u>	<u>\$ 1,129,445</u>	<u>\$ 268,054,940</u>	<u>\$ 515,205</u>

(1) GASB Statement Numbers 68 Pension and 75 OPEB financial information was not provided by the State's Division of Pensions and Benefits as of the date of audit.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 12 OTHER LONG-TERM LIABILITIES (Continued)

Changes in Other Long-Term Liabilities (Continued)

	Balance, December 31, <u>2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2023</u>	Due Within <u>One Year</u>
<u>2023</u>					
Compensated Absences	\$ 6,151,782	\$ 1,189,349	\$ 1,251,766	\$ 6,089,365	
Deferred Pension Obligation	1,679,929	117,595	504,284	1,293,240	\$ 511,280
Net Pension Liability - PERS	23,029,844	384,046	1,977,974	21,435,916	
Net Pension Liability - PFRS	87,125,369	9,566,290	10,397,109	86,294,550	
Net OPEB Liability	142,718,174	10,599,888	-	153,318,062	-
 Total Other Long-Term Liabilities	 <u>\$ 260,705,098</u>	 <u>\$ 21,857,168</u>	 <u>\$ 14,131,133</u>	 <u>\$ 268,431,133</u>	 <u>\$ 511,280</u>

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees which includes those City employees who are eligible for pension coverage.

Police and Firemen’s Retirement System (PFRS) – established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after December 31, 1944. Membership is mandatory for such employees. PFRS is a cost-sharing multi-employer defined benefit pension plan with a special funding situation. For additional information about PFRS, please refer to the State Division of Pension and Benefits (Division’s) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

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

The following represents the membership tiers for PFRS:

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tier 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.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees’ Retirement System (PERS) – established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full-time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost-sharing multi-employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division’s) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

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:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 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 tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members 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 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 a least 25 years of service. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those City employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollment but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Other Pension Funds

The state established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The cost of living increase for PFRS and PERS are funded directly by each of the respective systems, but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

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 each of the above systems, funds, and trust. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Empower (formerly Prudential Retirement) is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290, or at www.state.nj.us/treasury/doinvest.

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2024 was not available and for June 30, 2023 is \$14.6 billion, and the plan fiduciary net position as a percentage of the total pension liability is 65.22% at June 30, 2023. The collective net pension liability of the participating employers for local PFRS at June 30, 2024 was not available and for June 30, 2023 is \$13.1 billion and the plan fiduciary net position as a percentage of total pension liability is 70.16% at June 30, 2023.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2022 which were rolled forward to June 30, 2023.

**CITY OF PASSAIC
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Actuarial Methods and Assumptions

In the July 1, 2022 PERS and PFRS actuarial valuations, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary’s report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions for 2024 and 2023 based on 10.0% for PFRS, 7.50% for PERS and 5.50% for DCRP of employee’s annual compensation.

For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, employers’ contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All contributions made by the City for 2024, 2023 and 2022 were equal to the required contributions.

During the years ended December 31, 2024, 2023 and 2022, the City, was required to contribute for normal cost pension contributions, accrued liability pension contributions and non-contributory life insurance premiums the following amounts which equaled the required contributions for each respective year:

<u>Year Ended</u> <u>December 31</u>	<u>PFRS</u>	<u>PERS</u>	<u>DCRP</u>
2024	\$ 10,397,109	\$ 1,977,974	\$ 69,508
2023	9,899,324	1,924,393	49,802
2022	8,830,938	1,758,810	40,080

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

The regulatory basis of accounting requires participating employers in PERS and PFRS to disclose in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, (GASB No. 68)* their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions.

Under GASB Statement No. 68 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer’s prior fiscal year. The GASB No. 68 financial information from the State’s Division of Pensions and Benefits to be reported for the year ended December 31, 2024 for the measurement date of June 30, 2024 was not available as of the date of audit. Accordingly, N.J.A.C. 5:30-6.1(c)2 authorized and permits New Jersey municipalities to present the most recent available audited GASB No. 68 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB No. 68 financial information for the year ended December 31, 2024 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the contributions made as an individual employer to the total contributions to the plan during the fiscal years ended June 30, 2023 and 2022. Employer allocation percentages have been rounded for presentation purposes.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS)

At December 31, 2023, the City reported a liability of \$21,435,916, for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City's proportionate share of the net pension liability was based on the ratio of the City's contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2023, the City's proportionate share was .14799 percent, which was a decrease of .00461 percent from its proportionate share measured as of June 30, 2022 of .15260 percent.

For the year ended December 31, 2023, the pension system has determined the City's pension benefit to be \$382,133, for PERS based on the actuarial valuations which is more or less than the actual contribution reported in the City's financial statements of \$1,924,393. At December 31, 2023, the City's deferred outflows of resources and deferred inflows of resources related to PERS pension which are not reported on the City's financial statements are from the following sources:

	<u>2023</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 204,955	\$ 87,623
Changes of Assumptions	47,090	1,299,108
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	98715	-
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	<u>299,486</u>	<u>723,155</u>
Total	<u>\$ 650,246</u>	<u>\$ 2,109,886</u>

At December 31, 2023 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense (benefit) as follows:

Year Ending <u>December 31,</u>	<u>Total</u>
2024	\$ (179,397)
2025	(799,839)
2026	82,787
2027	(618,101)
2028	54,910
Thereafter	<u>-</u>
	<u>\$ (1,459,640)</u>

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The City’s total pension liability reported for the year ended December 31, 2023 was based on the June 30, 2023 measurement date as 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, applied to all periods in the measurement date:

	<u>2023</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Rate for All Future Years	2.75 - 6.55%
	Based on Years of Service
Investment Rate of Return	7.00%

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.

Mortality Rates

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

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the pension plans' target asset allocation as of June 30, 2023, as reported for the year ended December 31, 2023, are summarized in the following table:

<u>Asset Class</u>	2023	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	6.21%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Investment Grade Credit	7.00%	5.19%
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
High Yield	4.50%	6.97%
Real Assets	3.00%	8.40%
Private Credit	8.00%	9.20%
Real Estate	8.00%	8.58%
Private Equity	13.00%	12.50%

Discount Rate

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS) (Continued)

Sensitivity of Net Pension Liability

The following presents the City’s proportionate share of the PERS net pension liability as of December 31, 2023 calculated using the discount rate of 7.00%, as well as what the City’s proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 6.00% or 1-percentage-point higher 8.00% than the current rate:

<u>2023</u>	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
City's Proportionate Share of the PERS Net Pension Liability	\$ <u>27,905,002</u>	\$ <u>21,435,916</u>	\$ <u>15,929,869</u>

The sensitivity analysis was based on the proportionate share of the City’s net pension liability at December 31, 2023. A sensitivity analysis specific to the City’s net pension liability was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Police and Firemen’s Retirement System (PFRS)

At December 31, 2023, the City reported a liability of \$86,294,550, for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City’s proportionate share of the net pension liability was based on the ratio of the City’s contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2023, the City’s proportionate share was .78103 percent, which was an increase of .01987 percent from its proportionate share measured as of June 30, 2022 of .76116 percent.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police and Firemen’s Retirement System (PFRS) (Continued)

For the year ended December 31, 2023, the pension system has determined the City pension expense to be \$4,851,053 for PFRS based on the actuarial valuations which is less than the actual contribution reported in the City’s financial statements of \$9,899,324. At December 31, 2023, the City’s deferred outflows of resources and deferred inflows of resources related to PFRS pension which are not reported on the City’s financial statements are from the following sources:

	<u>2023</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 3,726,011	\$ 4,115,483
Changes of Assumptions	186,204	5,825,950
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,363,818	
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	<u>3,813,384</u>	<u>2,481,480</u>
Total	<u>\$ 12,089,417</u>	<u>\$ 12,422,913</u>

At December 31, 2023 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PFRS pension will be recognized in pension expense (benefit) as follows:

Year Ending <u>December 31,</u>	<u>Total</u>
2024	(2,943,937)
2025	(3,063,117)
2026	5,137,444
2027	(60,637)
2028	523,540
Thereafter	<u>73,211</u>
	<u>\$ (333,496)</u>

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police and Firemen’s Retirement System (PFRS) (Continued)

Actuarial Assumptions

The City’s total pension liability reported for the year ended December 31, 2023 was based on the June 30, 2023 measurement date as 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, applied to all periods in the measurement date:

	<u>2023</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	
Rate for All Future Years	3.25%-16.25%
	Based on Years of Service
Investment Rate of Return	7.00%

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.

Mortality Rates

Employee mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 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.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police and Firemen’s Retirement System (PFRS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the pension plans’ target asset allocation as of June 30, 2023, as reported for the year ended December 31, 2023, are summarized in the following table:

<u>Asset Class</u>	<u>2023</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	6.21%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Investment Grade Credit	7.00%	5.19%
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
High Yield	4.50%	6.97%
Real Assets	3.00%	8.40%
Private Credit	8.00%	9.20%
Real Estate	8.00%	8.58%
Private Equity	13.00%	12.50%

Discount Rate

The discount rate used to measure the total pension liability for PFRS 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 will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police and Firemen’s Retirement System (PFRS) (Continued)

Sensitivity of Net Pension Liability

The following presents the City’s proportionate share of the PFRS net pension liability as of December 31, 2023 calculated using the discount rate of 7.00%, as well as what the City’s proportionate share of the PFRS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 6.00% or 1-percentage-point higher 8.00% than the current rate:

<u>2023</u>	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's Proportionate Share of the PFRS Net Pension Liability	<u>\$ 120,236,345</u>	<u>\$ 86,294,550</u>	<u>\$ 58,029,144</u>

The sensitivity analysis was based on the proportionate share of the City’s net pension liability at December 31, 2023. A sensitivity analysis specific to the City’s net pension liability was not provided by the pension system.

Special Funding Situation – PFRS

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

At December 31, 2023, the State’s proportionate share of the net pension liability attributable to the City for the PFRS special funding situation is \$15,900,775. For the year ended December 31, 2023, the pension system has determined the State’s proportionate share of the pension expense attributable to the City for the PFRS special funding situation is \$1,808,681, which is more or less than the actual contribution the State made on behalf of the City of \$1,818,436. At December 31, 2023 (measurement date June 30, 2023) the State’s share of the PFRS net pension liability attributable to the City was .78103 percent, which was an increase of .01987 percent from its proportionate share measured as of December 31, 2022 (measurement date June 30, 2022) of .76116 percent. The State’s proportionate share attributable to the City was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported in the City’s financial statements.

Pension Plan Fiduciary Net Position

Detailed information about the PFRS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 POST-RETIREMENT MEDICAL BENEFITS

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for participating municipalities including the City.

Plan Description and Benefits Provided

The State of New Jersey sponsors and administers the following post-retirement health benefit program covering substantially all eligible local government employees from local participating employers.

State Health Benefit Program Fund – Local Government Retired (the Plan) (including Prescription Drug Program Fund) – 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 Comprehensive Financial Report (ACFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug to retirees and their covered dependents of the 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) retires 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) retires and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

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

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement 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 coverage.

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 above Fund. The financial reports may be assessed via, the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Plan Membership and Contributing Employers

Membership and contributing employers/nonemployers of the defined benefit OPEB plan consisted of the following at June 30, 2023:

Active Plan Members	65,613
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>34,771</u>
Total	<u>100,384</u>
Contributing Employers	574
Contributing Nonemployers	1

Measurement Focus and Basis of Accounting

The financial statements of the OPEB plan are prepared in accordance with U.S. generally accepted accounting principles as applicable to government organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the other postemployment benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Collective Net OPEB Liability

The collective net OPEB liability of the participating employers and the State, as the non-employer contributing entity, of the Plan at June 30, 2024 was not available and for June 30, 2023 is \$15.0 billion, and the plan fiduciary net (deficit) as a percentage of the total OPEB liability is (0.79)% at June 30, 2023.

The total OPEB liabilities were determined based on actuarial valuations as of July 1, 2022 which was rolled forward to June 30, 2023.

Actuarial Methods and Assumptions

In the July 1, 2022 OPEB actuarial valuation, the actuarial assumptions and methods used in this valuation were described in the Actuarial Assumptions and Methods section of the Actuary’s report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Post-Retirement Medical Benefits Contribution

The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there can be a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members. The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1967, as disclosed previously. Local employers remit employer contributions on a monthly basis. Retired member contributions are generally received on a monthly basis.

The employers participating in the OPEB plan made contributions of \$431.4 million and the State of New Jersey, as the non-employer contributing entity, contributed \$55.6 million for fiscal year 2023.

The State sets the employer contribution rate based on a pay-as-you-go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The City's contributions to the State Health Benefits Program Fund-Local Government Retired Plan for post-retirement benefits for the years ended December 31, 2024, 2023 and 2022 were \$9,092,859, \$8,413,716 and \$7,169,119, respectively, which equaled the required contributions for each year (or were not available). In addition, the City's reimbursements to eligible retired employees for Medicare Part B insurance coverage for the years ended December 31, 2024, 2023 and 2022 were \$813,999, \$771,830 and \$687,789, respectively.

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The regulatory basis of accounting requires participating employers in the State Health Benefit Program Fund – Local Government Retired Plan to disclose in accordance with GASB Statement No. 75, Accounting and *Financial Reporting for Postemployment Benefits other than Pension (GASB No. 75)* their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense excluding that attributable to retiree-paid member contributions.

Under GASB Statement No. 75 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer's prior fiscal year. The GASB No. 75 financial information from the State's Division of Pensions and Benefits to be reported for the year ended December 31, 2024 for the measurement date of June 30, 2024 was not available as of the date of audit. Accordingly, N.J.A.C. 5:30-6.1(c)2 authorizes and permits New Jersey municipalities to present the most recent available audited GASB No. 75 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB No. 75 financial information for the year ended December 31, 2024 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the plan members as an individual employer to the total plan members to the plan during the fiscal years ended June 30, 2023 and 2022. Employer allocation percentages have been rounded for presentation purposes.

At December 31, 2023, the City reported a liability of \$153,318,062 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2022. The City's proportionate share of the net OPEB liability was based on the ratio of the City's proportionate share of the OPEB liability attributable to the City at June 30, 2023 to the total OPEB liability for the State Health Benefit Program Fund – Local Government Retired Plan at June 30, 2023. As of the measurement date of June 30, 2023 the City's proportionate share was 1.02168 percent, which was an increase of .13792 percent from its proportionate share measured as of June 30, 2022 of .88376 percent.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 POST-RETIREMENT MEDICAL BENEFITS (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

For the year ended December 31, 2023, the Plan has determined the City’s OPEB expense to be \$4,712,791 based on the actuarial valuation which is less than the actual contributions reported in the City’s financial statements of \$8,413,716. At December 31, 2023, the City’s deferred outflows of resources and deferred inflows of resources related to the OPEB plan which are not reported on the City’s financial statements are from the following sources:

	2023	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 7,070,238	\$ 41,636,176
Changes of Assumptions	19,860,441	43,338,107
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments		25,298
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	59,981,733	6,677,117
Contributions made Subsequent to the Measurement Date	-	-
Total	<u>\$ 86,912,412</u>	<u>\$ 91,676,698</u>

At December 31, 2023 the amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in OPEB expense (benefit) as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2024	\$ (5,093,199)
2025	(1,510,681)
2026	2,232,902
2027	4,355,683
2028	(3,470,200)
Thereafter	<u>(1,278,791)</u>
	<u>\$ (4,764,286)</u>

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Actuarial Assumptions

The City’s total OPEB liability reported for the year ended December 31, 2023 was based on the June 30, 2023 measurement date as determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	<u>2023</u>
Inflation Rate	2.50%
Salary Increases*	
PERS:	
Rate For All Future Years	2.75% to 6.55%
	Based on Years of Service
PFRS:	
Rate For All Future Years	3.25% to 16.25%
	Based on Years of Service

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

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

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

Mortality Rates

Pre-retirement and post-retirement mortality rates were based on the Pub-2010 Healthy “Safety” for PFRS and Healthy “General” for PERS classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality rates were based on the Pub-2010 Disabled “Safety” for PFRS and Disabled “General” for PERS classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Health Care Trends

The trend rate for pre-Medicare medical benefits is initially 6.50% and decreases to a 4.50% long-term trend rate after 9 years. For post-65 medical benefits PPO, the trend is, increasing to 14.80% in Fiscal Year 2026 and decreasing to 4.50% in Fiscal Year 2033. For HMO the trend is increasing to 17.40% in Fiscal Year 2026 and decreasing 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 trend rate after 7 years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2023 measurement date was 3.65%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less 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.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Sensitivity of Net OPEB Liability to Changes in the Discounts Rate

The following presents the City’s proportionate share of the net OPEB liability as of December 31, 2023 calculated using the discount rate of 3.65% as well as what the City’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower 2.65% or 1-percentage-point higher 4.65% than the current rate:

<u>2023</u>	<u>1% Decrease 2.65%</u>	<u>Current Discount Rate 3.65%</u>	<u>1% Increase 4.65%</u>
City's Proportionate Share of the Net OPEB Liability	<u>\$ 177,591,185</u>	<u>\$ 153,318,062</u>	<u>\$ 133,794,078</u>

The sensitivity analysis was based on the proportionate share of the City’s net OPEB liability at December 31, 2023. A sensitivity analysis specific to the City’s net OPEB liability was not provided by the Plan.

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

The following presents the City’s proportionate share of the net OPEB liability as of December 31, 2023 calculated using the healthcare trend rates as disclosed above as well as what the City’s proportionate share of the net OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

<u>2023</u>	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
City's Proportionate Share of the Net OPEB Liability	<u>\$ 130,302,312</u>	<u>\$ 153,318,062</u>	<u>\$ 182,785,255</u>

The sensitivity analysis was based on the proportionate share of the City’s net OPEB liability at December 31, 2023. A sensitivity analysis specific to the City’s net OPEB liability was not provided by the pension system.

Special Funding Situation

Under N.J.S.A. 43:3C-24 the City is responsible for their own OPEB contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 330, P.L. 1997 and Chapter 271, P.L., 1989. Under Chapter 330, P.L. 1997, the State pays the premiums or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium of periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. 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. The amounts contributed on behalf of the City by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Accordingly, the City’s proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 75 is zero percent and the State’s proportionate share is 100% of OPEB under this legislation.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 14 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Special Funding Situation (Continued)

The non-employer special funding allocation percentages presented as the State's proportion share was based on eligible plan members subject to the special fund situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

At December 31, 2023, the State's proportionate share of the net OPEB liability attributable to the City for the OPEB special funding situation is \$531,668. For the year ended December 31, 2023 the plan has determined the State's proportionate share of the OPEB benefit attributable to the City for the OPEB special funding situation is \$96,402. At December 31, 2023, (measurement date June 30, 2023), the State's share of the OPEB liability attributable to the City was .01524 percent, which was a decrease of .00301 percent from its proportionate share measured as of December 31, 2022 (measurement date June 30, 2022) of .01825 percent. The State's proportionate share attributable to the City was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits. These on-behalf contributions have not been reported in the City's financial statements.

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

NOTE 15 RISK MANAGEMENT

The City is exposed to various risks of loss related to general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; termination of employees and natural disasters. The City has obtained insurance coverage to guard against these events to minimize the exposure to the City should they occur.

The City has established a workman's compensation benefit plan for its employees and a general liability plan of the City. Transactions related to the plans are accounted for in the Other Trust Fund. The City contributes to fund the entire cost of the plan. Claims are paid directly by the plan with any excess benefit being reimbursed through a Re-Insurance Agreement with Specialty Claims Management, LLC and D&H Alternative Risk Solutions. The City has not created a liability for loss reserves for claims incurred which were unpaid at December 31, 2024 and 2023. In addition, the City has not created a liability for reserves for any potential unreported losses which have taken place but in which the City has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but is probably material. A contingent liability exists with respect to reinsurance, which would become an actual liability in the event the reinsuring company might be unable to meet their obligations to the City under existing reinsurance agreements. As of December 31, 2024 and 2023 the City has available in the Other Trust Fund \$3,061,725 and \$2,654,024, respectively for the payment of self-insurance claims.

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

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 16 CONTINGENT LIABILITIES

The City is a party defendant in some lawsuits, none of a kind unusual for a municipality of its size and scope of operation. In the opinion of the City's Attorney, the potential claims against the City not covered by insurance policies would not materially affect the financial condition of the City.

Pending Tax Appeals - Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2024 and 2023. Amounts claimed have not yet been determined. The City is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of community Affairs, State of New Jersey, the City does not recognize a liability, if any, until these cases have been adjudicated. The City expects such amounts, if any, could be material. As of December 31, 2024 and 2023, the City reserved \$4,715,425 and \$4,676,409, respectively in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

Federal and State Awards - The City participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of December 31, 2024 and 2023, significant amounts of grant expenditure have not been audited by the various grantor agencies but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the City.

Overlapping Debt

1. City is a contracting municipality with the North Jersey District Water Supply Commission – Wanaque North Project (NJDWSC - North). As such, it is entitled to 11% of the water supplied by the NJDWSC - North, and is liable for 11% of the annual operating charges, including debt service, of the NJDWSC - North. The total debt of NJDWSC - North as of December 31, 2024 and 2023 was \$26,332,695 and \$29,290,571, respectively, of which the City the Passaic's share was \$2,896,596 and \$3,221,963, respectively. The operating charges from NJDWSC – North are defrayed by water rates established by the Passaic Valley Water Commission.
2. The City owns a portion of the Passaic Valley Water Commission (PVWC). The bonds of the PVWC are secured by water revenues derived from water rate charges by the PVWC. In the event the PVWC funds are inadequate to make principal and interest payments on the bonds, the PVWC is required to adjust its rates to produce amounts sufficient to cover debt service. PVWC had \$195,341,633 and \$102,030,857 of debt outstanding as of December 31, 2024 and 2023, respectively, of which the City of Passaic's share was \$55,809,105 and \$29,150,214, respectively.
3. The City's obligations with respect to debt issued for facilities of PVWC and NJDWSC are not joint and are several with the contracting municipalities. Therefore, the City's contingent liability cannot increase as a result of nonpayment by any other contracting party.
4. The City may also be responsible for its share of County debt, Passaic County Utilities Authority debt and the PVSC debt. The County is repaid through taxes and the PVSC debt is repaid through sewer service charges.

NOTE 17 FEDERAL ARBITRAGE REGULATIONS

The City is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At December 31, 2024 and 2023, the City has not estimated its estimated arbitrage earnings due to the IRS, if any.

**CITY OF PASSAIC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 18 TAX ABATEMENTS

For the years ended December 31, 2024 and 2023, the City provided property tax abatements through certain programs authorized under State statutes. These programs include the Long Term Tax Exemption Law (the “LTTE Law”), the Five-Year Exemption and Abatement Law (the “FYEA”) and the New Jersey Housing and Mortgage Financing Act (NJHMFA).

- The Long Term Tax Exemption Law (NJSA 40A:20 et.seq.) is focused on broad areas of redevelopment. It allows for a longer abatement term to carry out a larger development plan through declaring an area as being “in need of redevelopment”. These long-term property abatements may last up to 30 years from completion of a project or 35 years from execution of the financial agreement. The process is initiated when the municipality passes a resolution calling for the municipal planning board to study the need for designating an area “in need of redevelopment”. Upon adopting the planning board’s recommendations and formalizing the redevelopment area designation, a municipality adopts a redevelopment plan, engages redevelopment entities to carry out the plan, and may authorize long-term tax abatements in the process. Developers submit abatement applications to the governing body for review. The financial agreement is approved through adoption of a local ordinance. The agreement exempts a project from taxation, but requires a payment in lieu of taxes (PILOTs) in an amount based generally on a percentage of project costs or revenue generated by the project, depending on the type of project. For the years ended December 31, 2024 and 2023 the City abated property taxes totaling \$3,749,811 and \$3,641,582, respectively under the LTTE program. The City received \$1,421,024 and \$1,152,103 in PILOT payments under this program for the years ended December 31, 2024 and 2023, respectively.
- The Five-Year Exemption and Abatement Law (NJSA 40:21et.seq.) generally concerns rehabilitation of particular buildings and structures, with an abatement period that lasts no more than five years. These “short-term” property tax abatements can be structured as reduced property tax bills that exclude all or part of improvement value or as payments in lieu of taxes (PILOTs). Procedurally, a municipality must first adopt an ordinance invoking its five-year abatement authority and setting forth application procedures. This ordinance, referred to as the general ordinance, defines the eligibility criteria, which may include types of structures, types of permissible improvements, as well as qualifying geographic zones or similar designations. An applicant must satisfy all of the criteria stipulated in the statute and general ordinance to be entitled to approval. Applications for individual short-term abatements are presented to the local governing body and must include a general description of the project, plans demonstrating the structure of the project, a statement of reasons for seeking the abatement, claimed benefits to be realized by the applicant if the application is approved, and a statement of taxes currently being assessed and taxes to be paid during the period of the abatement. The application is approved by an ordinance authorizing execution of a tax agreement. If during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the property tax which would have otherwise been payable for each year shall become due and payable from the property owner as if no exemption and abatement had been granted. The City received \$242,751 and \$151,489 in PILOT payments under this program for the years ended December 31, 2024 and 2023, respectively.

CURRENT FUND

CITY OF PASSAIC
STATEMENT OF CASH AND INVESTMENTS - CURRENT FUND

Balance, December 31, 2023		\$ 64,533,299
Increased by Receipts:		
Tax Collector	\$ 124,565,744	
Change Fund	275	
Revenue Accounts Receivable	23,028,658	
Nonbudget Revenue	1,155,740	
Due from State of New Jersey - Senior Citizen/Veterans Deductions	36,750	
Receipts from the Parking Authority	1,207,285	
Receipts from Grant Fund	8,000,000	
Receipts for Grant Fund	528,400	
Receipts for Animal Control Fund	1,532	
Receipts for Other Trust Fund	41,590	
Fees Payable	<u>72,200</u>	
		<u>158,638,174</u>
		223,171,473
Decreased by Disbursements:		
2024 Budget Appropriations	92,702,194	
2023 Appropriation Reserves	744,204	
Petty Cash Fund	1,049	
Accounts Payable	455,309	
Encumbrances Payable	3,008,976	
County Taxes	27,954,179	
Local School Taxes	17,326,498	
Tax Overpayments	154,173	
Payments for Parking Authority	434,175	
Payments for Redevelopment Authority	11,000	
Payments for Grant Fund	2,860,282	
Payments to Animal Control Fund	7,885	
Payments to Other Trust Fund	1,906,679	
Payments for Other Trust Fund	5,656,857	
Payments for Community Development Block Grant Fund	75,065	
Payments for Home Investment Program Fund	67,811	
Payments for Sewer Utility Operating Fund	148,629	
Fees Payable	105,601	
Reserve for Tax Appeals	454,450	
Miscellaneous Reserves	14,237	
Refund of Prior Year Revenue	<u>67,590</u>	
		<u>154,156,843</u>
Balance, December 31, 2024		<u>\$ 69,014,630</u>

**CITY OF PASSAIC
STATEMENT OF CASH AND INVESTMENTS - GRANT FUND**

Balance, December 31, 2023		\$ 9,264,564
Increased by:		
Grants Receivable	\$ 9,555,388	
Receipts for Current Fund	153,307	
Receipts for Other Trust Fund	642,203	
Unappropriated Grant Reserves	<u>1,136,880</u>	
		<u>11,487,778</u>
		20,752,342
Decreased by:		
Payments to Current Fund	8,000,000	
Appropriated Grant Reserves	<u>5,814,898</u>	
		<u>13,814,898</u>
Balance, December 31, 2024		<u>\$ 6,937,444</u>

SCHEDULE OF TAX COLLECTOR'S CASH

Increased by:		
Taxes Receivable	\$ 121,557,719	
Tax Title Liens Receivable	20,833	
Interest and Cost on Taxes	284,650	
Payment in Lieu of Taxes	1,676,255	
Tax Overpayments	171,032	
Prepaid Taxes	<u>855,255</u>	
		\$ 124,565,744
Decreased by:		
Payment to Treasurer		<u>\$ 124,565,744</u>

**CITY OF PASSAIC
SCHEDULE OF CASH - CHANGE FUND**

Balance, December 31, 2023	\$	2,800
Decreased by:		
Treasurer's Receipt		275
Balance, December 31, 2024	\$	2,525

SCHEDULE OF CASH - PETTY CASH FUND

Increased by:		
Treasurer's Disbursement	\$	1,049
Balance, December 31, 2024	\$	1,049

**STATEMENT OF DUE FROM/TO CURRENT FUND
GRANT FUND**

Balance, December 31, 2023 - Due From	\$	2,099,768
Increased by:		
Cash Disbursed to Current Fund	\$	8,000,000
2024 Budget Appropriation for Grants:		
Appropriated Grants		13,769,589
Grant Fund Receipts Deposited in Current Fund		528,400
		22,297,989
		24,397,757
Decreased By:		
Grants Receivable Anticipated as 2024 Budget Revenue		13,758,787
Anticipated Current Fund Revenue - ARP Funds		8,135,000
Current Fund Receipts Deposited in Grant Fund		153,307
Unappropriated Grants Anticipated as 2023 Budget Revenue		10,802
Grant Fund Expenditures Paid by Current Fund		2,860,282
		24,918,178
Balance, December 31, 2024 - Due To	\$	520,421

**CITY OF PASSAIC
STATEMENT OF DUE FROM STATE OF NEW JERSEY
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS**

Balance, December 31, 2023		\$ 48,234
Increased by:		
Senior Citizens/Veterans Deductions Per Tax Duplicate		50,750
		98,984
Decreased by:		
Cash Received from State	\$ 36,750	
Deductions Disallowed by Tax Collector - Prior Years	14,000	
		50,750
Balance, December 31, 2024		\$ 48,234

EXHIBIT A-11

STATEMENT OF DUE TO PASSAIC PARKING AUTHORITY

Balance, December 31, 2023		\$ 81,319
Increased by:		
Cash Receipts		1,207,285
		1,288,604
Decreased by:		
Current Fund Revenue-2024 Interlocal Agreement	\$ 765,264	
Payments Made for Parking Authority	434,175	
		1,199,439
Balance, December 31, 2024		\$ 89,165

EXHIBIT A-12

STATEMENT OF DUE FROM PASSAIC REDEVELOPMENT AUTHORITY

Balance, December 31, 2023		\$ 250,032
Increased by:		
Cash Disbursements		
2024 Budget Appropriation	\$ 10,000	
Payments Made for Redevelopment Authority	1,000	
		11,000
		261,032
Decreased by:		
2024 Budget Appropriation		10,000
Balance, December 31, 2024		\$ 251,032

CITY OF PASSAIC
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

<u>Fiscal Year Ended</u>	<u>Balance, December 31, 2023</u>	<u>2024 Levy</u>	<u>Senior Citizens and Veterans Deductions Disallowed</u>	<u>Collections 2023</u>	<u>Collections 2024</u>	<u>Senior Citizens and Veterans Deductions Allowed</u>	<u>Transferred to Tax Title Liens</u>	<u>Cancelled</u>	<u>Balance, December 31, 2024</u>
2022	\$ 1,829				\$ 1,829				
2023	<u>153,074</u>	-	\$ 14,000	-	<u>166,824</u>	-	-	-	\$ 250
	154,903	-	14,000	-	168,653	-	-	-	250
2024	<u>-</u>	<u>\$ 122,555,082</u>	<u>-</u>	<u>\$ 813,902</u>	<u>121,389,066</u>	<u>\$ 50,750</u>	<u>\$ 31,627</u>	<u>\$ 255,631</u>	<u>14,106</u>
	<u>\$ 154,903</u>	<u>\$ 122,555,082</u>	<u>\$ 14,000</u>	<u>\$ 813,902</u>	<u>\$ 121,557,719</u>	<u>\$ 50,750</u>	<u>\$ 31,627</u>	<u>\$ 255,631</u>	<u>\$ 14,356</u>
					<u>\$ 121,557,719</u>				
Tax Yield:									
General Purpose Tax			\$ 121,751,625						
Added Taxes			<u>803,457</u>						
					<u>\$ 122,555,082</u>				
Tax Levy:									
Local District School Tax Levy			\$ 17,326,498						
County Taxes:									
County Tax - General	\$ 27,222,422								
County Tax Open Space	547,978								
County Tax - Added/Omitted	<u>183,779</u>								
					27,954,179				
Local Tax for Municipal Purposes	74,856,453								
Minimum Library Tax	1,786,310								
Add Additional Tax Levied	<u>631,642</u>								
					<u>77,274,405</u>				
					<u>\$ 122,555,082</u>				

**CITY OF PASSAIC
STATEMENT OF TAX TITLE LIEN RECEIVABLE**

Balance, December 31, 2023		\$ 141,785
Increased by:		
Transfers from Taxes Receivable - 2024	\$ 31,627	
Interest and Costs Accrued by Tax Sale	<u>488</u>	
		<u>32,115</u>
		173,900
Decreased by:		
Receipts		<u>20,833</u>
Balance, December 31, 2024		<u>\$ 153,067</u>

EXHIBIT A-15

STATEMENT OF PROPERTY ACQUIRED FOR TAXES

Balance, December 31, 2023		\$ 312,899
Decreased by:		
Transfer - Court Judgement		<u>57,699</u>
Balance, December 31, 2024		<u>\$ 255,200</u>

**CITY OF PASSAIC
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE**

	Balance, December 31, <u>2023</u>	Accrued	<u>Decreased by:</u>		Balance, December 31, <u>2024</u>
			<u>Treasurer</u>	<u>Tax Collector</u>	
Licenses					
Alcoholic Beverages		\$ 141,612	\$ 141,612		
Other		65,479	65,479		
Fees and Permits					
Construction Code Official		1,239,535	1,239,535		
Other		102,182	102,182		
Fines and Costs					
Municipal Court	\$ 80,194	1,481,433	1,402,661		\$ 158,966
Energy Receipts Tax		12,695,080	12,695,080		
Interest and Costs on Taxes		284,650		\$ 284,650	
Interest on Investments and Deposits		2,308,421	2,308,421		
Downtown Merchants Association		116,139	116,139		
Police Record Bureau		51,669	51,669		
Board of Education - Security Watch		3,600,000	3,600,000		
Cable Franchise Fee		262,853	262,853		
Passaic Public Library - Health Benefit Contributions		241,159	241,159		
Housing Authority Police Program		918,750	918,750		
County of Passaic - Street Lighting		60,000	60,000		
Police Outside Duty Vehicle Fee		150,000	150,000		
Payment in Lieu of Taxes:					
St. Mary's Reise Corp.		190,020		190,020	
IDIL - 26 Jefferson St		198,808		198,808	
Chestnut Housing Phase I		103,304		103,304	
Jack Parker Associates		388,996		388,996	
Housing Authority		255,231		255,231	
Garden Howe		49,434		49,434	
YMCA - River Road		7,744		7,744	
Highview Terrace		103,759		103,759	
585 Main Street		82,034		82,034	
663 Main Street		171,287		171,287	
Concord Estate		125,638		125,638	
American Rescue Plan - Federal Funding	-	8,135,000	8,135,000	-	-
	<u>\$ 80,194</u>	<u>\$ 33,530,217</u>	<u>\$ 31,490,540</u>	<u>\$ 1,960,905</u>	<u>\$ 158,966</u>
			Cash Receipts	\$ 23,028,658	\$ 1,960,905
			Due from Grant Fund	8,288,307	
			Due from Animal Control Fund	4	
			Due from Other Trust	168,108	
			Due from CDBG Fund	2,313	
			Due from General Capital Fund	3,150	-
				<u>\$ 31,490,540</u>	<u>\$ 1,960,905</u>

**CITY OF PASSAIC
STATEMENT OF DEFERRED CHARGES
SPECIAL EMERGENCY AUTHORIZATION**

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	Net Amount <u>Authorized</u>	1/5 of Net Amount <u>Authorized</u>	Balance December 31, <u>2023</u>	2024 Budget <u>Appropriation</u>	Balance December 31, <u>2024</u>
12/8/2020	COVID - 19	\$ 804,000	\$ 160,800	<u>\$ 482,400</u>	<u>\$ 160,800</u>	<u>\$ 321,600</u>

EXHIBIT A-18

STATEMENT OF TAX OVERPAYMENTS

Balance, December 31, 2023				\$ 11,214
Increased by:				
Cash Receipts				\$ 171,032
Prior Year Cancelled Taxes Transferred to Overpayments				<u>156,534</u>
				<u>327,566</u>
				338,780
Decreased by:				
Overpayments Refunded				<u>154,173</u>
Balance, December 31, 2024				<u>\$ 184,607</u>

EXHIBIT A-19

STATEMENT OF PREPAID TAXES

Balance, December 31, 2023				\$ 813,902
Increased by:				
Cash Receipts for 2025 Taxes				<u>855,255</u>
				1,669,157
Decreased by:				
Applied to 2024 Taxes Receivable				<u>813,902</u>
Balance, December 31, 2024				<u>\$ 855,255</u>

CITY OF PASSAIC
STATEMENT OF 2023 APPROPRIATION RESERVES

	Balance, December 31, <u>2023</u>	Encumbrances <u>Cancelled</u>	Balance After <u>Modifications</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
GENERAL GOVERNMENT					
DEPARTMENT OF ADMINISTRATION					
Office of Business Administration					
Salaries & Wages	\$ 133,419		\$ 133,419		\$ 133,419
Other Expenses	95,870		95,870	2,325	93,545
Mayor and Council					
Salaries and Wages	23,687		23,687		23,687
Other Expenses	27,440		27,440	17,130	10,310
City Clerk					
Salaries and Wages	31,709		31,709		31,709
Other Expenses	11,277		11,277	3,777	7,500
Human Resources					
Salaries and Wages	36,771		36,771		36,771
Other Expenses	3,053	\$ 132	3,185		3,185
Financial Administration-Treasurer's Office					
Salaries and Wages	1,535		1,535		1,535
Other Expenses	77,801		77,801	42,362	35,439
Revenue Administration					
Salaries and Wages	31,873		31,873		31,873
Other Expenses	5,974		5,974	1,140	4,834
Tax Assessment Administration					
Salaries and Wages	30,945		30,945		30,945
Other Expenses	28,947	387	29,334		29,334
Legal Services					
Other Expenses	47,437	123,314	170,751		170,751
Office of Engineer					
Salaries and Wages	55,101		55,101		55,101
Other Expenses	65,254		65,254	32,118	33,136
Planning and Economic Development					
Salaries and Wages	60,418		60,418		60,418
Other Expenses	18,580		18,580	9,599	8,981
Division of Housing					
Salaries and Wages	51,682		51,682		51,682
Other Expenses	2,474		2,474	190	2,284
Planning Board					
Other Expenses	25,394		25,394	2,498	22,896
Board of Adjustment					
Other Expenses	10,328		10,328	6,751	3,577
Rent Leveling Board					
Other Expenses	15,200		15,200		15,200
Insurance					
Workmen's Compensation			200,000	200,000	
Employee Group Insurance	278,916		278,916	27,299	251,617
Health Benefit Waiver	8,800		8,800		8,800
DEPARTMENT OF PUBLIC WORKS					
Streets and Road Maintenance					
Salaries & Wages	408,849		408,849		408,849
Other Expenses	217,291		217,291	202,957	14,334
Solid Waste Collection					
Other Expenses	111,494		111,494	3,043	108,451
Building and Grounds					
Salaries & Wages	130,520		130,520		130,520
Other Expenses	18,429		18,429	18,388	41
Vehicle Maintenance					
Salaries & Wages	98,848		98,848	20,324	78,524
Other Expenses	31,926	18,073	49,999		49,999

CITY OF PASSAIC
STATEMENT OF 2023 APPROPRIATION RESERVES

	Balance, December 31, <u>2023</u>	Encumbrances <u>Cancelled</u>	Balance After <u>Modifications</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
DEPARTMENT OF PUBLIC SAFETY					
Police Department					
Salaries and Wages	\$ 2,512,342		\$ 1,802,342	\$ 523,821	\$ 1,278,521
Other Expenses	143,260		143,260	111,348	31,912
BOE Security Watch and Res. Officer	273,555		273,555	21,566	251,989
Fire Department					
Salaries and Wages	999,071		999,071		999,071
Other Expenses	7,808	\$ 275	8,083		8,083
Municipal Court					
Salaries and Wages	222,896		222,896		222,896
Other Expenses	20,639		20,639	3,496	17,143
Office of Emergency Management					
Salaries and Wages	9,658		9,658		9,658
Other Expenses	5,601		5,601	1,921	3,680
Prosecutor 's Office					
Other Expenses	59,000	29,775	88,775		88,775
Public Defender					
Other Expenses	28,400	18,150	46,550		46,550
Passaic Parking Authority					
Salaries and Wages	96,836		96,836		96,836
Other Expenses	114,164		114,164	114,064	100
DEPARTMENT OF HUMAN RESOURCES					
Division of Health					
Salaries & Wages	128,282		128,282		128,282
Other Expenses	55,565		55,565	52,262	3,303
Animal Regulation					
Salaries & Wages	48,413		48,413		48,413
Other Expenses	9,471		9,471	8,848	623
DEPARTMENT OF PARKS AND RECREATION					
Division of Recreation					
Salaries & Wages	189,253		189,253		189,253
Other Expenses	11,695		11,695	5,434	6,261
Senior Citizens					
Salaries & Wages	68,424		68,424	-	68,424
Other Expenses	1,660		1,660	906	754
Handicapped Recreation					
Salaries & Wages	69,074		69,074		69,074
Other Expenses	4,395		4,395		4,395
Maintenance of Parks					
Salaries & Wages	41,917		41,917		41,917
Other Expenses	36,355	5,375	41,730		41,730
UNIFORM CONSTRUCTION CODE- APPROPRIATIONS OFFSET BY DEDICATED REVENUES					
Division of Code Enforcement					
Salaries & Wages	62,434		62,434		62,434
Other Expenses	15,271		15,271	7,439	7,832

**CITY OF PASSAIC
STATEMENT OF 2023 APPROPRIATION RESERVES**

	Balance, December 31, <u>2023</u>	Encumbrances <u>Cancelled</u>	Balance After <u>Modifications</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
UNCLASSIFIED					
Utilities:					
Electricity	\$ 171,022		\$ 321,022	\$ 187,001	\$ 134,021
Telephone and Telegraph	78,136		78,136	7,843	70,293
Street Lighting	191,948		341,948	341,948	-
Gasoline	110,124	\$ 11,417	121,541		121,541
LANDFILL/SOLID WASTE DISPOSAL COSTS					
Tipping Fees	37,983		77,983	46,046	31,937
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"					
Statutory Expenditures					
Social Security System (O.A.S.I.)	206,661	-	206,661		206,661
PFRS	1		170,001	170,000	1
Deferred Compensation Retirement Plan	20,198	-	20,198		20,198
GENERAL APPROPRIATIONS - ALL OTHER OPERATIONS EXCLUDED FROM "CAPS"					
Recycling Tax		34,577	34,577		34,577
Matching Funds for Grants	35,000		35,000		35,000
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Parks/Roads Improvements	444,600		444,600	444,600	
Parking Lots	36,300		36,300	36,300	
Public Works Equipment	26,071	-	26,071	-	26,071
	<u>\$ 8,790,725</u>	<u>\$ 241,475</u>	<u>\$ 9,032,200</u>	<u>\$ 2,674,744</u>	<u>\$ 6,357,456</u>
				\$ 744,204	
				458,461	
				347,079	
				<u>1,125,000</u>	
				<u>\$ 2,674,744</u>	

**CITY OF PASSAIC
STATEMENT OF LOCAL DISTRICT SCHOOL TAXES PAYABLE**

Increased by:		
Levy	\$	17,326,498
Decreased by:		
Cash Disbursements	\$	<u>17,326,498</u>

STATEMENT OF COUNTY TAXES PAYABLE

Increased by:			
Levy			
General County	\$	27,222,422	
County Open Space Preservation		547,978	
County Added/Omitted Taxes		<u>183,779</u>	
	\$		<u>27,954,179</u>
			27,954,179
Decreased by:			
Cash Disbursements	\$		<u>27,954,179</u>

STATEMENT OF ENCUMBRANCES PAYABLE

Balance, December 31, 2023	\$	3,250,451
Increased by:		
Charges to 2024 Budget Appropriations		<u>2,615,214</u>
		5,865,665
Decreased by:		
Cash Disbursements	\$	3,008,976
Cancelled Encumbrances Restored to Appropriation Reserves		<u>241,475</u>
		<u>3,250,451</u>
Balance, December 31, 2024	\$	<u>2,615,214</u>

**CITY OF PASSAIC
STATEMENT OF ACCOUNTS PAYABLE**

Balance, December 31, 2023		\$ 819,874
Increased by:		
Transfer from 2023 Appropriation Reserves		<u>458,461</u>
		1,278,335
Decreased by:		
Cancellations	\$ 27,742	
Cash Disbursements	<u>455,309</u>	
		<u>483,051</u>
Balance, December 31, 2024		<u>\$ 795,284</u>

STATEMENT OF RESERVE FOR TAX APPEALS

Balance, December 31, 2023		\$ 4,676,409
Increased by:		
Transferred from 2024 Tax Collections		<u>650,000</u>
		5,326,409
Decreased by:		
Cash Disbursements	\$ 454,450	
Prior Year Cancelled Taxes Transferred to Overpayments	<u>156,534</u>	
		<u>610,984</u>
Balance, December 31, 2024		<u>\$ 4,715,425</u>

CITY OF PASSAIC
STATEMENT OF MISCELLANEOUS RESERVES

	Balance, December 31, <u>2023</u>	Cash <u>Disbursements</u>	Balance, December 31, <u>2024</u>
Tax Map	\$ 130,005	\$ 14,237	\$ 115,768
Sale of Municipal Assets	129,780		129,780
PILOT - Housing Authority	<u>183,751</u>	<u>-</u>	<u>183,751</u>
	<u>\$ 443,536</u>	<u>\$ 14,237</u>	<u>\$ 429,299</u>

STATEMENT OF FEES PAYABLE

	Balance, December 31, <u>2023</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, December 31, <u>2024</u>
Construction Code Training Fees	\$ 47,554	\$ 67,950	\$ 102,301	\$ 13,203
Burial Fees		30	15	15
Health Rental Lead Program		4,220	3,285	935
Bail Bond Forfeiture Fees	213,723			213,723
Ambulance Billing Fees	<u>11,151</u>	<u>-</u>	<u>-</u>	<u>11,151</u>
	<u>\$ 272,428</u>	<u>\$ 72,200</u>	<u>\$ 105,601</u>	<u>\$ 239,027</u>

**CITY OF PASSAIC
STATEMENT OF RESERVE FOR REVALUATION PROGRAM**

Balance, December 31, 2023	\$ <u>163,082</u>
Balance, December 31, 2024	\$ <u>163,082</u>

STATEMENT OF RESERVE FOR DEFERRED STATE AID

Balance, December 31, 2023	\$ 2,724,778
Decreased by:	
Anticipated Revenue - 2024 Budget	<u>1,000,000</u>
Balance, December 31, 2024	<u>\$ 1,724,778</u>

STATEMENT OF RESERVE FOR MUNICIPAL RELIEF FUND AID

Balance, December 31, 2023	\$ 1,308,565
Decreased by:	
Anticipated Revenue - 2024 Budget	<u>\$ 1,308,565</u>

CITY OF PASSAIC
STATEMENT OF GRANTS RECEIVABLE
GRANT FUND

	Balance, December 31, <u>2023</u>	Revenue <u>Accrued</u>	Cash <u>Received</u>	<u>Adjustments</u>	<u>Cancellations</u>	Balance, December 31, <u>2024</u>
Market Streetscape Enhancement	\$ 750,000					\$ 750,000
Drive Sober or Get Pulled Over - 2015	50					50
Dig In Community Garden - 2016	2,500					2,500
Downtown Merchant Summer Employment - 2016	11,250					11,250
Juvenile Accountability - Station House Adjustment	1,478					1,478
Green Acres - McDonald Brook Project	1,100,000		\$ 1,100,000			-
DOT Various Street Projects - 2016	26,988					26,988
Municipal Alliance - 2016	12,765					12,765
Municipal Alliance - 2015	26,650					26,650
OEM - Hazard Mitigation - Generators - 2016	13,958					13,958
Byrne Memorial - TY 2016	23,633					23,633
Ryan White - TY 2016	20,846					20,846
Drive Sober or Get Pulled Over - TY 2016	200					200
NJ Highway Pedestrian Safety - TY 2016	581					581
Summer Food Program - TY 2016	215,788					215,788
Municipal Alliance - TY 2016	225					225
Drive Sober or Get Pulled Over - 2017	5,610					5,610
Green Acres - 3rd Ward & Veterans Memorial Park	1,000,000					1,000,000
Municipal Alliance - 2017/2018	313					313
Summer Food Program - 2017	85,228					85,228
DOT - Various Road Improvements 2017	195,824					195,824
NJDOT - Various 2018 Road Improvements	805,600					805,600
Distracted Driving Crackdown - 2018	165					165
NJDOT - Various Roadway Safety Improvements	469,676					469,676
Pedestrian Safety Grant - 2018	2,105					2,105
Recreation Opport. For Individuals w/ Disab. - 2018	20,000			19,956		44
Municipal Alliance - 2018	992					992
Ryan White - 2018	80,647					80,647
Summer Food - 2018	286,588					286,588
Passaic Co. Open Space - Madison & Hope Plaza	261					261
Target Grant - Youth Soccer 2019	1,000					1,000
County Historic Partnership Program	1,591					1,591
WIC - 2019	146,707					146,707
Byrne Memorial - 2017	15,169					15,169
Byrne Memorial - 2018	8,582					8,582
Pedestrian Safety Grant - 2019	20,710					20,710
FEMA - Fire SAFER Program - 2018	222,930					222,930
Drive Sober or Get Pulled Over - 2018	220					220
FEMA - Fire SAFER Program - 2018	10,000					10,000
WIC Grant - 2019 (NJ Dept. of Health & Senior Services)	17,000					17,000
GS Autolex (Honda) Donation	300					300
Green Acres Program	1,000,000					1,000,000
NJDOT-Municipal Aid Program- 2020	440,270					440,270
NJDEP-It Pays to Plug In	6,000					6,000
PC- Station House Adjustment Grant	11,359					11,359
WIC Grant-2020	125,384					125,384
Municipal Alliance - 2019	13,796					13,796
HOPWA 2019	87,440			48,749		38,691
PC-City Green Grant	500					500
NJDEP - Stewardship - Forestry Program	17,335					17,335
Ryan White - 2019	21,995					21,995
Summer Food Program - 2019	167,570					167,570
Ryan White Part A - HIV/AIDS Grant	162,017					162,017
NJDOT - Municipal Aid & Urban AID	454,446					454,446
NJDCA - Recreation Opportunity - 2019	13,311					13,311
Distracted Driving Statewide Crackdown	440					440
Summer Food Program - 2020 (2 of 2)	132,188					132,188
Patrick Leahy Bulletproof Vest 2019	8,396					8,396
Census Participation Grant 2020	29					29
Dig In! City Green Amory Park	438					438
Dig in! City Green Dignity House	460					460
Dig in City Green Senior Center	500					500

CITY OF PASSAIC
STATEMENT OF GRANTS RECEIVABLE
GRANT FUND

	Balance, December 31, 2023	Revenue Accrued	Cash Received	Adjustments	Cancellations	Balance, December 31, 2024
Drive Sober Year End Crackdown 2019	\$ 110					\$ 110
Drive Sober Year End Crackdown 2020	120					120
Municipal Alliance 20/21	4					4
Pedestrian Safety Grant 2020	3,105					3,105
Roots for Rivers	233					233
Child Lead Prevention	14,637					14,637
Stationhouse Adjustment Grant- 2021	1,970					1,970
WIC 2020	218,459					218,459
Pedestrian Safety Grant 2021	15,060					15,060
Municipal Alliance 5th Q	3,158					3,158
Bryne Memorial JAG - 2019	21					21
USDOJ - Coronavirus Emerg Supplemental 2020	3,964					3,964
COPS Hiring Grant	499,984					499,984
Mental Health Stigma Free - County Grant	500					500
NJ DOT 2021 - Various Streets	281,019					281,019
Childhood Lead 2022	72,794					72,794
Distracted Drvng Crckdwn 2021 -Utext Udrv	60					60
Drive Sober Labor Day 2021	1,080					1,080
Municipal Alliance 2021-2022	2					2
Municipal Lead Abatement Grant 2020	82,949					82,949
County Open Space - 100 Steps & Plygrnd	200,000					200,000
Ryan White Initiative & MAI 2021	9,315					9,315
Summer Food Program 2021	78,206					78,206
Stationhouse Adj - Regional Grant 2021	15,496					15,496
Strengthening Health Capacity Grant FY 2022	5,735					5,735
Strengthening Health Capacity Grant FY 2021	61,302					61,302
WIC 2021-2022 Grant	95,496					95,496
NJ DOT Youth Corp Program	22,435					22,435
NJ OAG - FY21 Body Worn Camera Grant	244,560					244,560
NJ DOT FY2022	782,700		\$ 301,449			481,251
NJDOT - Safe Streets to Transit FY 2021	200,000		150,000			50,000
WIC Infrastructure Grant FY 2022	4,557					4,557
DOT TAPS - Mrkt St - PE & FD Phase	141,024					141,024
Byrne Memorial JAG 2020	169,234		169,234			-
COVID 19 Vaccination Supplemental Funding 2022	14,012		9,085			4,927
NJDOT TAPS - Railroad ROW	1,000,000					1,000,000
Assistance to Firefighters Grant	24,164		1,087	-		23,077
Click It or Ticket 2022 Seat Belt Mobil	770					770
Distracted Driving Crackdown 2022	490					490
Pedestrian Safety Grant	6,040					6,040
Ryan White FY 2022	2,876					2,876
Stationhouse Adjustment - Passaic 2022	158					158
Stationhouse Adjustment - Regional Grant 2022	101					101
Strengthening Health Capacity Grant FY 2023	100,092		54,158			45,934
NJDOT Local Transportation Projects Fund	2,000,000					2,000,000
NJDOT Local Freight Impact Fund	950,000					950,000
Vaccination Supplement FY2022 Year 2	4,743		4,078			665
Childhood Lead HY23	5,468					5,468
Municipal Alliance FY23	2					2
Green Acres 2021	1,200,000					1,200,000
ROID FY22	9,500					9,500
WIC FY23	83,242					83,242
Byrne Memorial JAG 2021	203,161					203,161
Drive Sober or Get Pulled Over - 2022 YE Crackdown	2,555					2,555
ARP Firefighter Grant FY2022	31,000		31,000			-
Assistance to Firefighters Grant FY 2022	406,319					406,319
ARP Automated License Plate Reader Init.	148,253		148,253			-
Byrne Memorial 2022 Grant	230,839					230,839
Patrick Leahy Bulletproof Vest 2021	31,956		21,808			10,148
Patrick Leahy Bulletproof Vest 2022	25,561					25,561
Byrne Memorial 2023 Grant	260,492					260,492
USDA FY2023 Community Garden Project	20,000					20,000
Childhood LEAD 2024	714,141	\$ 12,500	344,647			381,994

**CITY OF PASSAIC
STATEMENT OF GRANTS RECEIVABLE
GRANT FUND**

	Balance, December 31, <u>2023</u>	Revenue <u>Accrued</u>	Cash <u>Received</u>	<u>Adjustments</u>	<u>Cancellations</u>	Balance, December 31, <u>2024</u>
Click it or Ticket 2023 Seat Belt Mobil	\$ 140					\$ 140
Community Mental Health Grant 2023 - Local	1,000		\$ 1,000			-
COPS Hiring Grant 2023	2,000,000		-			2,000,000
Community Project Funding FY2022 - Conformative RR Project	883,000					883,000
Distracted Driving Crackdown 2023 U-Tecto U-Drive	7,210					7,210
Drunk Driving Enforcement Fund 23-24	33,903					33,903
Drive Sober Labor Day Crackdown 2023	2,642					2,642
NJACCHO Enhancing Local Public Health Infr	728,740		717,461			11,279
Food Security Planning Grant	62,500		62,500			
NJDEP Green Acres 2023-3rd Ward Memorial Park Impvts.	1,400,000		-			1,400,000
HOWPA 2022	-	\$ 40,000	40,000			-
NJDOT Local Aid Infrastructure Fund FY22-Myrtle Ave.	365,000		242,873			122,127
NJDOT Local Aid Municipal Aid FY 2023	922,775					922,775
Lead Remediation and Abatement 2023	480,189		-			480,189
Local Recreation Improvement Grant 2023-Colonel Johnson Park	76,000		-			76,000
NJDOT Local Transp. Projects Fund FY23-Delaware Ave., Oak, etc.	1,700,000		-			1,700,000
Municipal Alliance 23-24	17,312		17,310			2
NPP ARP FY2023	238,764		-			238,764
NPP Year 3 (2023)	12,500		9,814			2,686
FY23 Legislative Grant Parking Deck	10,000,000		-		\$ 10,000,000	-
Patrick Leahy Bulletproof Vest 2023	14,745		-			14,745
FY23 Legislative Grant Pulaski Park Extension	6,000,000		-			6,000,000
Pedestrian Safety Grant - 2023	2,450		-			2,450
Rec Opp (ROID) FY2023	20,000		13,113			6,887
Ryan White 2023 Grant	95,111		38,952			56,159
Summer Food Program 2023	81,704		-			81,704
Stationhouse Adj - Passaic Grant 2023	20,193		19,446			747
Stationhouse Adj - Regional Grant 2023	22,568		21,982			586
Strengthening Health Capacity Grant FY 2024	339,843		250,512			89,331
Spotted Lanternfly Program NJDA	43		-			43
NJDOT Safe Routes to School FY2022	425,000		-			425,000
Safe & Secure 2023	14,985		14,985			-
NJDOT Safe Streets to Transit FY2023-Multi Intersection Project 16	510,000		347,681			162,319
Stormwater Assistance Grant	10,000		-			10,000
NJDOT (Federal) TAPS Grant 2023-Hamilton Ave. and State St.	454,000		-			454,000
NJDEP Urban Park Initiative Grant 2023-3rd Ward Memorial Park In	500,000		-			500,000
COVID-19 Vaccination Spplmntl FY22- Yr3	10,750		8,848			1,902
WIC 2023-2024 Grant	1,147,446		1,146,739			707
NJDOT Youth Corps'Urban Gateway 2023	32,000		28,964			3,036
Alcohol Ed & Rehab Grant		9,929	9,929			-
Assistance to Firefighters Grant FY 2021		96,400				96,400
NJSCA Creative Aging Initiative		10,000	7,500			2,500
Clean Communities Grant 2024		104,253	104,253			-
Click It or Ticket 2024 Seat Belt Mobil		10,500	10,080			420
County Stigma Free Grant 2023		1,000	977			23
County Stigma Free Grant 2024		1,000	1,000			-
Distracted Driving Crackdown 2024 Utext Udrive Upay		12,250	8,190			4,060
HOWPA 2023		125,000	49,203			75,797
PC Hist. Pres. Gmt. 2024 Local Arts Prgm.		5,078	3,809			1,269
NPP Year 4 (2024)		125,000	37,500			87,500
Public Safety Answering Point FY2024		83,540	83,540			-
Pedestrian Safety Grant - 2024		35,000	27,125			7,875
Recycling Tonnage Grant		104,915	104,915			-
Ryan White 2024 Grant		202,705	65,296			137,409
Summer Food Program		183,436	103,730			79,706
Stationhouse Adj. Passaic Grant		52,039	23,458			28,581
Stationhouse Adj. Regional Grant		49,967	23,467			26,500
NJACCHO Sustaining Local Public Health Inf.		168,049	5,999			162,050
Spotted Lanternfly Program NJDA 2024-2026		20,000	1,663			18,337
UEZ 2024 5 Year Plan		104,500	104,500			-

CITY OF PASSAIC
STATEMENT OF GRANTS RECEIVABLE
GRANT FUND

	Balance, December 31, <u>2023</u>	Revenue <u>Accrued</u>	Cash <u>Received</u>	<u>Adjustments</u>	<u>Cancellations</u>	Balance, December 31, <u>2024</u>
UEZ 2024 Administrative Budget		\$ 287,079	\$ 287,079			
UEZ 2025 Administrative Budget		294,829	294,829			
UEZ 2024 Business Transportation Project		530,000	530,000			
UEZ 2024 Carnie Grabb Park Phase 2		600,000	600,000			
UEZ 2024 Clean Sweep/Graffiti Erad.		535,206	535,206			
UEZ 2025 Clean Sweep/Graffiti Erad.		517,856	517,856			
UEZ 2025 Marketing Program		200,000	200,000			
UEZ 2024 Quality of Life Police Project		650,000	650,000			
UEZ Sidewalk Replacement Project		200,000	200,000			
UEZ 2024 Workforce Training		100,000	100,000			
AARP Community Challenge Grant 2024		12,000				\$ 12,000
ARP Firefighter Grant FY2024		30,000				30,000
Byrne Memorial JAG 2024		199,558				199,558
Childhood Lead FY2025		806,849				806,849
Drive Sober Labor Day Crackdown 2024		7,000	7,000			-
Drive Sober Year End Crackdown 2024		10,500				10,500
Green Acres Grant 2024		1,400,000				1,400,000
Local Recreation Improvements Grant 2024		70,000				70,000
Municipal Alliance FY2025		17,312				17,312
NJEP Urban Parks Grant 2024		750,000				750,000
NJDOT Federal PE Phase SRTS FY2022		98,845				98,845
NJDOT Safe Routes to School FY2024		1,089,000				1,089,000
NJDOT Safe Streets and Roads for All		355,000				355,000
NJDOT Municipal Aid Program FY2024		1,076,800				1,076,800
NJDOT Safe Streets to Transit FY2024		560,000				560,000
Patrick Leahy Bulletproof Vest 2024		14,979				14,979
Pedestrian Safety Grant 2025		45,000				45,000
ROID FY2024		20,000				20,000
Safe & Secure Communities 2024		67,725				67,725
Strengthening Public Health Capacity FY2025		74,664				74,664
USDOJ FY2024 Rural and Small Dept Crime Red.		300,000				300,000
WIC 2024-2025 Grant	-	1,281,524	-	-	-	1,281,524
	<u>\$ 47,605,741</u>	<u>13,758,787</u>	<u>10,083,788</u>	<u>-</u>	<u>10,000,000</u>	<u>\$ 41,280,740</u>
Due to/from Current Fund		\$ 13,758,787	\$ 528,400			
Cash Receipts		<u>-</u>	<u>9,555,388</u>			
		<u>\$ 13,758,787</u>	<u>\$ 10,083,788</u>			

CITY OF PASSAIC
STATEMENT OF RESERVE FOR APPROPRIATED GRANTS
GRANT FUND

	Balance December 31, 2023		Increased by: Budget Appropriation	Expended	Cancelled	Balance December 31, 2024	
	Encumbered	Reserved				Encumbered	Reserved
Ryan White Title I - 2008	\$ 100					\$ 100	
NJDOT - Transportation Trust - Howel/Lincoln/St. Francis		\$ 61,555					\$ 61,555
Byrne Memorial - 2013		7,954					7,954
Highlands Council Transfer Development Rights	17,193	15,000				17,193	15,000
Stationhouse Adj. - 2015		36					36
Ryan White - 2015		83,667					83,667
Mayor's Wellness - 2015		140					140
DOT Market Streetscape Enhancement - 2014		684,396					684,396
Multi Culture - 2015		700					700
HOPWA - 2014		23,543					23,543
Hep Inoculation - 2015		428					428
Distracted Driving Crackdown - 2015		50					50
Drive Sober - 2015		3,800					3,800
Clean Communities - 2015		149					149
Safe & Secure Communities		48,750					48,750
Byrne Memorial - 2015		4					4
UEZA - Commodities - 2015		2,781					2,781
UEZA - Dundee Canal Redevelopment		3,012					3,012
DOT Various Street Improvements - 2016	3,527	90,676				3,527	90,676
Municipal Alliance - 2016		1,979					1,979
Drunk Driving Enforcement Fund - 2016		4,000					4,000
Childhood Lead Paint - 2016		5,579					5,579
Dig In Community Garden - 2016		2,500					2,500
Downtown Merchant Summer Employment - 2016		12,554					12,554
Drive Sober - 2015		5,000					5,000
Green Acres - McDonald Brook - 2016		1,034				\$	1,034
High Drug Traffic Youth Empowerment - 2016		2,160					2,160
HOPWA - 2015		9,247					9,247
Municipal Alliance - 2015		9,964					9,964
OEM - Hazard Mitigation - Generators - 2016		13,958					13,958
Recreation Opportunity - 2016		9,860					9,860
WIC - 2015		4,713					4,713
WIC - 2016		19,326					19,326
Alcohol Ed. - TY 2016		26,650					26,650
Byrne Memorial - TY 2016		23,633					23,633
Childhood Lead Paint - TY 2016		344					344
Drive Sober - TY 2016		425					425
Fire SAFER - TY 2016		147,840					147,840
HOPWA - TY 2016		1,194					1,194

**CITY OF PASSAIC
STATEMENT OF RESERVE FOR APPROPRIATED GRANTS
GRANT FUND**

	Balance December 31, 2023		Increased by: Budget Appropriation	Expended	Cancelled	Balance December 31, 2024	
	Encumbered	Reserved				Encumbered	Reserved
Municipal Alliance - TY 2016		\$ 119				\$ 119	
Ryan White - TY 2016		23,518				23,518	
Summer Food - TY 2016		157,226				157,226	
WIC - 2017		8,573				8,573	
Pedestrian Safety Grant - TY 2016		5,850				5,850	
Alcohol Education - 2017		8,291				8,291	
Click It or Ticket - 2017		55				55	
Childhood Lead Paint - 2017/2018		1,647				1,647	
DOT Various Road Improvements - 2017		78,032				78,032	
Green Acres - 3rd Ward & Veterans Memorial Park - 2017		70,462				70,462	
Hep Inoculation - 2017		1,362				1,362	
HOPWA - 2017/2018		12,254				12,254	
Municipal Alliance - 2017/2018		313				313	
Recycling Tonnage - 2016	\$ 1,277	-		\$ 1,142		\$ 135	-
Ryan White - 2017		66,380				66,380	
Stationhouse Adj. - 2017		870				870	
Summer Food - 2017		123,383				123,383	
Smile Donation - School Walkability		5,000				5,000	
UEZA - 2017		78,038				78,038	
UEZA - Taste of Market Street		915				915	
Byrne Memorial - 2017		15,169				15,169	
Drive Sober or Get Pulled Over- 2017		5,610				5,610	
Walk Safe Pedestrian Safety Grant - 2017		2,925				2,925	
Municipal Alliance - 2018		1,102				1,102	
Municipal Alliance Alcohol Education - 2018		489				489	
Bill Belichick Foundation		4,718				4,718	
Byrne Memorial - 2018		8,584				8,584	
Child Lead Prevention Grant - 2018		235,998				235,998	
County Historic Partnership Program		1,591				1,591	
Drive Sober or Get Pulled Over- 2018		1,375				1,375	
Distracted Driving Crackdown Statewide - 2018		2,915				2,915	
DOT - 2018 Various Roads Improvements		328,991				328,991	
DOT - 2018 Roadway Safety		158,318				158,318	
FM Global Fire Prevention - 2018 - Local		12				12	
FEMA Fire Safer - 2018		187,492				187,492	
Hep Inoculation - 2018		3,235				3,235	
HOPWA - 2018		40,581				40,581	
Open Space 2018 - Madison and Hope Plaza		261				261	
National Recreation & Park Association - 2018 - Local	126	5,556		2,901		709	2,072
Recreation Opportunity Grant - 2018		10,044				10,044	
Ryan White - 2018		71,831				71,831	
Stationhouse Adj. - 2018		237				237	

**CITY OF PASSAIC
STATEMENT OF RESERVE FOR APPROPRIATED GRANTS
GRANT FUND**

	Balance December 31, 2023		Increased by: Budget Appropriation	Expended	Cancelled	Balance December 31, 2024	
	Encumbered	Reserved				Encumbered	Reserved
Summer Food - 2018		\$ 71,076				\$ 71,076	
Taste of Market Street Small Grants Program - 2018 - Local		1,869				1,869	
Safe & Secure - 2017		90,000				90,000	
Safe & Secure - 2018		90,000				90,000	
Target Grant - Youth Soccer		1,000				1,000	
National Diversity - US Lacrosse - 2018		2,000				2,000	
Walk Safe Pedestrian Safety Grant - 2018		21,535				21,535	
WIC - 2018		18,806				18,806	
WIC - 2019		73,550				73,550	
NJDOT - Various Road Improvements - 2019	\$ 181	264,571				\$ 181	264,571
NJDOT - Municipal AID Program - 2020		129,384					129,384
Municipal Alliance - 2019		5,980					5,980
Alcohol Education - 2019		6,269					6,269
Childhood Lead Prevention - 2019		844					844
Distracted Driving Crackdown - 2019		330					330
Green Acres Program - 2019	1,278	187,566		\$ 6,421		21,508	160,915
GS Autolex (Honda) Donation		300					300
HOPWA - 2019		1,707					1,707
PC- Cultural Heritage Local Art Program		220					220
NJDEP - Stewardship - Forestry Program		6,170					6,170
PC - Green Grant		93					93
Women's Sports Foundation		1,864		1,051			813
NJDCA - Recreation Opportunity - 2019		198					198
Ryan White - Part A HIV/AIDS Grant - 2019		80,363					80,363
Ryan White - 2019		21,995					21,995
Summer Food - 2019		272,614					272,614
Stationhouse Adjustment - 2019		84					84
Stationhouse Adjustment - 2019 Addition		3,094					3,094
Safe and Secure - 2019		10,399					10,399
WIC Grant - 2020		23,226					23,226
NJACCHO CV-19 Health Grant - (Local)		38,824					38,824
Bryne Memorial 2019 Grant		4					4
Patrick Leahy Bulletproof Vest -2019	10	8,396		10			8,396
Patrick Leahy Bulletproof Vest -2020	28	3,572		28		3,509	63
USDOJ - Covid Emergency Supplemental		3,964					3,964
Census Participation Grant - 2020 County		29					29
Dig In City Green - Amory Park		500					500
Dig In City Green - Christopher Columbus Park		250					250

CITY OF PASSAIC
STATEMENT OF RESERVE FOR APPROPRIATED GRANTS
GRANT FUND

	Balance December 31, 2023		Increased by: Budget Appropriation	Expended	Cancelled	Balance December 31, 2024	
	Encumbered	Reserved				Encumbered	Reserved
Dig In City Green - Dignity House		\$ 500				\$ 500	
Dig In City Green - Senior Center		500				500	
DOT FY 2021 Various Streets	\$ 27,070	7,929		\$ (2,241)		\$ 154	37,086
Drive Sober Year End Crack Down - 2019		110					110
HOPWA 2020		22,358					22,358
Municipal Alliance - 2020/2021		3					3
Pedestrian Safety Grant - 2020		10,557					10,557
Pedestrian Safety Grant - 2021		7,964					7,964
Roots for Rivers		229					229
Ryan White 2020		3,272					3,272
2020 Summer Food Program		112,936					112,936
WIC 2020/2021 Grant		100,360					100,360
COPS Hiring Grant		499,984		499,984			-
Municipal Alliance 5th Q		3,158					3,158
Body Armor Grant	100	-		100			-
Stationhouse Adjustment Grant Additional		7,756					7,756
Mental Health County Grant		500					500
Stationhouse Adjustment Grant - 2021		377					377
Childhood Lead Prevention - 2021		188,066					188,066
Drive Sober Year End Crack Down		840					840
Alcohol Education and Rehab 2021		9,315					9,315
American Rescue Plan Federal Fndg	435,584	8,371,161		8,588,594		218,151	
Clean Communities 2020	3,078	55,043		50,618		7,503	-
Clean Communities 2019		3,116		2,075		1,041	-
Childhood Lead 2022		155,771					155,771
Click It or Ticket 2021 Seat Belt Mblztn		960					960
Distracted Drvng Crckfwn 2021-Utext Udrv		480					480
Drive Sober Labor Day 2021		1,560					1,560
HOPWA 2021		1,612					1,612
Municipal Alliance 2021-2022		2					2
Municipal Lead Abatement Grant 2020	10,228	102,155				10,228	102,155
NPP Year 2 (2021-2022)		9,205		9,205			-
County Open Space - 100 Steps & Plygrnd		19,115		9,968			9,147
Recycling Tonnage Grant 2019 (FY 17)	70,944	-		70,944			-
Recycling Tonnage Grant 2020 (FY 18)	13,776	139,561		59,021		32,635	61,681
Ryan White 2021 Grant		14,926					14,926
Summer Food Program 2021		49,971					49,971
Stationhouse Adj - Regional Grant 2021		30,383					30,383

CITY OF PASSAIC
STATEMENT OF RESERVE FOR APPROPRIATED GRANTS
GRANT FUND

	Balance December 31, 2023		Increased by: Budget Appropriation	Expended	Cancelled	Balance December 31, 2024	
	Encumbered	Reserved				Encumbered	Reserved
Strengthening Health Capacity Grant FY 2022		\$ 68,786				\$ 68,786	
Strengthening Health Capacity Grant FY 2021		72,549				72,549	
COVID-19 Vaccination Spplmntl Fdng FY22		215				215	
WIC 2021-2022 Grant		58,590				58,590	
NJ DOT Youth Corp Program		23,211				23,211	
Youth Serv of America Afterschool Grant		192				192	
Assistance to Firefighters Grant		27,451				27,451	
Byrne Memorial JAG 2021		115,249				115,249	
NJDOT TAPS - Railroad ROW		1,000,000				1,000,000	
Safe and Secure 2021		48,600				48,600	
WIC Infrastructure Frant FY 2022	\$ 28,242	4,558		\$ 28,242		-	4,558
NJDOT - Safe Streets to Transit FY 2021		200,000		182,347		17,653	-
HOPWA COVID-19-20-21 Additional		3,394				3,394	
NJ DOT FY2022	58,414	331,168		29,837		104,323	255,422
NJ OAG - FY21 Body Worn Camera Grant		60				60	
DOT TAPS - Mrkt St - PE & FD Phase		141,024				141,024	
Body Armor Grant 2021	194	-		194		-	-
Byrne Memorial 2021 Grant		172,615		-		33,564	139,051
Childhood Lead 2023		87,384		2,135			85,249
Click It or Ticket 2022 Seat Belt Mobil		560				560	
Distracted Driving Crackdown 2022 -Utext Udrv		630				630	
NJDOT FY2022 Local Freight Impact Fund	51,651	860,316		16,664		51,934	843,369
NJDOT FY22 Local Trans. Projects Fund	26,293	1,930,598		618,840		1,270,295	67,756
Drive Sober - YE Crackdown 2022		2,835					2,835
Green Acres Grant 2021	6,137	410,707		(101,095)		49,195	468,744
Municipal Alliance Grant 2022-2023		-					-
Pedestrian Safety Grant - 2022		11,160					11,160
Rec Opp (ROID) FY2022		-					-
Ryan White 2022 Grant		36,642		635			36,007
Summer Food Program 2022		6,677					6,677
Stationhouse Adj - Passaic Grant 2022		2,871					2,871
Stationhouse Adj - Regional Grant 2022		970					970
Strengthening Health Capacity Grant FY2023		82,214					82,214
Safe and Secure Communities 2022		2,835					2,835
COVID-19 Vaccination Spplmentl FY22-Yr2		12,083		10,987			1,096
WIC 2022-2023 Grant		56,567					56,567
Recycling Tonnage Grant (FY2019)		100,892					100,892
Alcohol Education Rehab 2022		13,424					13,424
Clean Communities 2022		81,831				12,197	69,634

CITY OF PASSAIC
STATEMENT OF RESERVE FOR APPROPRIATED GRANTS
GRANT FUND

	Balance December 31, 2023		Increased by: Budget Appropriation	Expended	Cancelled	Balance December 31, 2024	
	Encumbered	Reserved				Encumbered	Reserved
Senior Transportation County Reimb - 2014	\$ 120,804			\$ 120,804			
Senior Transportation County Reimb - 2017	60,402			60,402			
Senior Transportation County Reimb - 2018	60,402			60,402			
Ryan White FY2019		\$ 118,803				\$ 118,803	
Alcohol Education and Rehab 2020		6,835				6,835	
Senior Transportation County Reimb - 2019	1,432	58,970		1,432		58,970	
Senior Transportation County Reimb - 2020		60,402				60,402	
Clean Communities 2021		79,303				79,303	
Alcohol Education and Rehab 2023		17,522				17,522	
ARP Automated License Plate Reader Initiative		148,253		148,253			
Assistance to Firefighter Grant (AFG) FY 2022	406,319	-		406,319			
Body Armor Grant 2022	722	-		722			
Byrne Memorial JAG 2022		230,839				230,839	
Byrne Memorial JAG 2023		260,492				260,492	
Childhood Lead FY2024	2,685	649,022	\$ 12,500	290,917		\$ 23,701	349,589
Clean Communities Grant 2023		91,785					91,785
Click It or Ticket 2023 Seat Belt Mobilization		420					420
Community Mental Health Grant 2023-Local		9,152		9,104			48
Community Project Funding FY2022-Transformative RR Project		883,000					883,000
COVID-19 Vaccination Supplemental FY22 Year 3		3,189		819			2,370
Distracted Driving Crackdown 2023		7,210					7,210
Drive Sober Labor Day Crackdown 2023		1,785					1,785
Food Security Planning Grant		125,000		125,000			-
HOPWA 2022	4,982	6,335	40,000	43,664		-	7,653
Lead Grant Assistance Program 2023		111,400		2,131			109,269
Lead Remediation and Abatement FY2023	48,000	432,189				48,000	432,189
Local Recreation Improvements 2023-Colonel Johnson Park	59,718	11,100		21,003		46,215	3,600
Municipal Alliance FY2024	484	9,998		10,480		-	2
National Opioids Settlement Funds		258,111		70,920		126,040	61,151
National WIC Association Sub-Grant		1,382		1,349			33
NJACCHO Enhancing Local Public Health Infrastructure	554,998	157,223		700,382		7,461	4,378
NJDA Spotted Lanternfly Grant		43					43
NJDCA FY23 Legislative Grant Parking Deck		10,000,000			\$ (10,000,000)		-
NJDCA FY23 Legislative Grant Pulaski Park Extension		6,000,000					6,000,000
NJDEP Green Acres 2023-3rd Ward Memorial Park Impvts.		1,400,000		55,762		78,588	1,265,650
NJDEP Stormwater Assistance Grant		25,000					25,000
NJDEP Urban Parks Initiative 2023-3rd Ward Memorial Park Impvts.		500,000					500,000
NJDOT (Federal) Safe Routes to School FY2022		425,000					425,000
NJDOT (Federal) TAPS Grant 2023-Hamilton Ave and State St.		454,000					454,000
NJDOT Local Aid Infrastructure Fund FY2022-Myrtle Ave.	20,644	343,393		154,417		209,620	-
NJDOT Local Transportation Projects Fund FY2023-Delaware Ave., Oak, etc.		1,700,000		53,678		60,682	1,585,640
NJDOT Municipal Aid Program FY2023	39,965	875,382		13,953		901,394	-

**CITY OF PASSAIC
STATEMENT OF RESERVE FOR APPROPRIATED GRANTS
GRANT FUND**

	Balance December 31, 2023		Increased by: Budget Appropriation	Expended	Cancelled	Balance December 31, 2024	
	Encumbered	Reserved				Encumbered	Reserved
NJDOT Safe Streets to Transit FY2023-Multi Intersection Project 16	\$ 19,478	\$ 482,014		\$ 203,041		\$ 255,012	\$ 43,439
NJDOT Youth Corps' Urban Gateway Enhance 2023	2,100	2,942					5,042
NPP 2023 Year 3		11,489		8,803			2,686
NPP ARP FY2023		238,764				238,764	-
Patrick Leahy Bulletproof Vest 2021		26,407				18,438	7,969
Patrick Leahy Bulletproof Vest 2022		25,561					25,561
Patrick Leahy Bulletproof Vest 2023		14,746					14,746
Pedestrian Safety Grant 2023		5,880					5,880
Public Safety Answering Point Grant FY2023	195,136	-		195,136			-
Recycling Tonnage Grant 2023 (FY2020)		104,958					104,958
ROID FY23		-					-
Ryan White 2023	488	66,551		57,069		-	9,970
Safe and Secure 2023		48,600					48,600
Stationhouse Adjustment 2023 - Passaic	1,739	1,084		1,739		-	1,084
Stationhouse Adjustment 2023 - Regional	423	253		423		-	253
Strengthening Public Health Capacity FY2024	24,963	300,259		109,458		-	215,764
Summer Food 2023		66,876					66,876
UEZ Administration 2023		35,665		35,665			-
UEZ Camie Bragg Park Phase 1		50,000		45,950			4,050
UEZ Clean Sweep 2022-2023	31,325	128,542		159,867		-	-
UEZ Façade and Signage 2022-2023		200,000		67,243		4,840	127,917
UEZ Graffiti Eradication 2022-2023	5,488	33,951		39,439		-	-
UEZ Loan Program 2022-2023		330,000					330,000
UEZ Market St. Improvements 2022-2023		50,000				50,000	-
UEZ Marketing Project 2023		144,700		102,085			42,615
UEZ Riverwalk at Market and South St.	9,950	210,050		16,503		132,000	71,497
USDA FY2023 Community Garden Project]		20,000					20,000
WIC FY2024	6,758	937,567		943,619		-	706
COPS Hiring Grant 2023		2,000,000		187,506			1,812,494
Drunk Driving Enforcement Fund 23-24		33,902					33,902
UEZ 2023 Business District Surveillance Camera Project		199,748				199,376	372
UEZ 2023 Business Expansion Grant Project	-	100,000					100,000
AARP Community Challenge Grant 2024			\$ 12,000			10,710	1,290
Alcohol Education and Rehab 2024			9,929				9,929
ARP Firefighter Grant FY2024			30,000				30,000
Assistance to Firefighters Grant FY2024			96,400			23,480	72,920
Body Armor Grant 2023			10,802			9,807	995
Byrne Memorial JAG 2024			199,558				199,558
Childhood Lead FY2025			806,849	235,512		5,450	565,887
Clean Communities Grant 2024			104,253	16,625			87,628
Click It or Ticket 2024			10,500	10,080			420
County Stigma Free Grant 2023			1,000	979			21
County Stigma Free Grant 2024			1,000	1,000			-
Distracted Driving Crackdown 2024			12,250	8,190			4,060
Drive Sober Labor Day Crackdown 2024			7,000	7,000			-
Drive Sober Year End Crackdown 2024			10,500	5,880			4,620
Green Acres Grant 2024			1,400,000				1,400,000
HOPWA 2023			125,000	84,005		21,703	19,292

CITY OF PASSAIC
STATEMENT OF RESERVE FOR APPROPRIATED GRANTS
GRANT FUND

	Balance December 31, 2023		Increased by: Budget	Expended	Cancelled	Balance December 31, 2024	
	Encumbered	Reserved	Appropriation			Encumbered	Reserved
Local Recreation Improvement Grant FY2024			\$ 70,000			\$ 70,000	
Municipal Alliance FY2025			17,312	\$ 6,518		\$ 826	9,968
NJACCHO Sustaining Local Public Health Infrastructure			168,049	5,999		136,319	25,731
NJDA Spotted Lanternfly Grant 2024-2026			20,000	1,663		18,291	46
NJDEP Urban Parks Grant 2024			750,000				750,000
NJDOT (Federal) PE Phase SRTS FY2022			98,845				98,845
NJDOT (Federal) Safe Routes to School FY24			1,089,000				1,089,000
NJDOT (Federal) Safe Streets and Roads for All 2024			355,000				355,000
NJDOT Municipal Aid Program FY2024			1,076,800	19,920		41,280	1,015,600
NJDOT Safe Streets to Transit FY2024			560,000	7,447		551,962	591
NJSCA Creative Aging Initiative 2024			10,000	10,000			-
NPP 2024 Year 4			125,000	35,886		44,600	44,514
Patrick Leahy Bulletproof Vest 2024			14,979				14,979
PCCHC Local Arts Program Re-Grant			5,078				5,078
Pedestrian Safety Grant 2024			35,000	27,125			7,875
Pedestrian Safety Grant 2025			45,000				45,000
Public Safety Answering Point Grant FY2024			83,540				83,540
Recycling Tonnage Grant 2024 (FY2021)			104,915				104,915
ROID FY2024			20,000	16,519		3,248	233
Ryan White 2024			202,705	110,489			92,216
Safe and Secure Communities 2024			67,725				67,725
Stationhouse Adjustment 2024 - Passaic			52,039	45,237		6,712	90
Stationhouse Adjustment 2024 - Regional			49,967	44,257		3,970	1,740
Strengthening Public Health Capacity FY2025			74,664	29,894			44,770
Summer Food 2024			183,436	103,730			79,706
UEZ 2024 5 Year Plan			104,500	3,519		73,302	27,679
UEZ 2024 Administration			287,079	221,109		19,556	46,414
UEZ 2024 Business Area Transportation Project			530,000			91,998	438,002
UEZ 2024 Carnie Bragg Park Phase 2			600,000	15,324		71,959	512,717
UEZ 2024 Clean Sweep/Graffiti Eradication			535,206	228,660		29,352	277,194
UEZ 2024 Quality of Life Police Project			650,000	552,436		10,583	86,981
UEZ 2024 Workforce Training			100,000	71,346		24,425	4,229
UEZ 2025 Administration			294,829				294,829
UEZ 2025 Central Business District Sidewalk Replacement			200,000				200,000
UEZ 2025 Clean Sweep & Graffiti Eradication			517,856				517,856
UEZ 2025 Marketing Project			200,000	786		180	199,034
USDOJ FY24 Rural and Small Crime Reduction			300,000				300,000
WIC FY2024			1,281,524	268,979		462	1,012,083
	<u>-</u>	<u>-</u>	<u>13,769,589</u>	<u>268,979</u>	<u>-</u>	<u>462</u>	<u>1,012,083</u>
	<u>\$ 2,434,836</u>	<u>\$ 51,734,209</u>	<u>\$ 13,769,589</u>	<u>\$ 16,810,180</u>	<u>\$ (10,000,000)</u>	<u>\$ 5,456,041</u>	<u>\$ 35,672,413</u>
Cash Disbursements				\$ 5,814,898			
Due to Current Fund - ARP Funds				8,135,000			
Due to Current Fund				<u>2,860,282</u>			
				<u>\$ 16,810,180</u>			

**CITY OF PASSAIC
STATEMENT OF RESERVE FOR UNAPPROPRIATED GRANTS - GRANT FUND**

	Balance December 31, <u>2023</u>	<u>Cash</u> <u>Receipts</u>	Realized as Current Fund <u>Revenue</u>	Balance December 31, <u>2024</u>
Multicultural - 2015	\$ 700			\$ 700
Multicultural-2019	1,591			1,591
Opioid Settlement Funds	12,360	\$ 525,573		537,933
Body Armor Grant 2022	10,802	11,307	\$ 10,802	11,307
UEZ 2025 Business Loan Program	<u>-</u>	<u>600,000</u>	<u>-</u>	<u>600,000</u>
	<u>\$ 25,453</u>	<u>\$ 1,136,880</u>	<u>\$ 10,802</u>	<u>\$ 1,151,531</u>

STATEMENT OF RESERVE FOR GRANT REIMBURSEMENT - GRANT FUND

Balance, December 31, 2023	<u>\$ 1,922,624</u>
Balance, December 31, 2024	<u>\$ 1,922,624</u>

STATEMENT OF RESERVE FOR PROGRAM INCOME - GRANT FUND

Balance, December 31, 2023	<u>\$ 388,806</u>
Balance, December 31, 2024	<u>\$ 388,806</u>

TRUST FUND

**CITY OF PASSAIC
STATEMENT OF TRUST CASH AND INVESTMENTS**

	Animal Control <u>Fund</u>	Other Trust <u>Fund</u>	Community Development Block Grant <u>Fund</u>	Home Investment Program <u>Fund</u>
Balance, December 31, 2023	\$ 8,013	\$ 12,356,578	\$ 1,062,467	\$ 657,858
Increased by:				
Animal Licenses	8,301			
Late Fees/Adoption Fees	6,737			
Due State of New Jersey	1,644			
Interest Earned	4		2,313	
Miscellaneous Reserves and Deposits		72,735,621		
Receipts for Current Fund		206,053		
Received from Current Fund	7,885	1,906,679		
Program Income				37,604
HUD - CDBG Program Allotments			1,997,407	
HUD - HOME Program Allotments	-	-	-	2,350,200
	<u>24,571</u>	<u>74,848,353</u>	<u>1,999,720</u>	<u>2,387,804</u>
	<u>32,584</u>	<u>87,204,931</u>	<u>3,062,187</u>	<u>3,045,662</u>
Decreased by:				
Due State of New Jersey	1,681			
Animal Control Expenditures	18,433			
Miscellaneous Reserves and Deposits		74,183,942		
Encumbrances Payable	2,715			
HUD-CDBG Program Expenditures			1,988,994	
HUD - Home Investment Program Expenditures	-	-	-	2,440,993
	<u>22,829</u>	<u>74,183,942</u>	<u>1,988,994</u>	<u>2,440,993</u>
Balance, December 31, 2024	<u>\$ 9,755</u>	<u>\$ 13,020,989</u>	<u>\$ 1,073,193</u>	<u>\$ 604,669</u>

**CITY OF PASSAIC
STATEMENT OF DUE TO STATE OF NEW JERSEY
ANIMAL CONTROL FUND**

Balance, December 31, 2023		\$ 203
Increased by:		
Cash Receipts		<u>1,644</u>
		1,847
Decreased by:		
Cash Disbursed		<u>1,681</u>
Balance, December 31, 2024		<u>\$ 166</u>

**STATEMENT OF RESERVE FOR EXPENDITURES
ANIMAL CONTROL FUND**

Balance, December 31, 2023		\$ 11,452
Increased by:		
Cash Receipts		
Dog Licenses	\$ 7,308	
Cat Licenses	993	
Late Fees/Adoption Fees	<u>6,737</u>	
		\$ 15,038
Received by Current Fund		<u>1,532</u>
		<u>16,570</u>
		28,022
Decreased by:		
Cash Disbursements	18,433	
Encumbrances Payable	<u>2,854</u>	
		<u>21,287</u>
Balance, December 31, 2024		<u>\$ 6,735</u>

**CITY OF PASSAIC
STATEMENT OF DUE FROM CURRENT FUND
ANIMAL CONTROL FUND**

Balance, December 31, 2023		\$ 6,357
Increased by:		
Cash received by Current Fund		<u>1,532</u>
		7,889
Decreased by:		
Interest Earned	\$ 4	
Cash Received from Current Fund	<u>7,885</u>	
		<u>\$ 7,889</u>

**STATEMENT OF ENCUMBRANCES PAYABLE
ANIMAL CONTROL FUND**

Balance, December 31, 2023		\$ 2,715
Increased by:		
Charges to Reserve for Expenditures		<u>2,854</u>
		5,569
Decreased by:		
Cash Disbursements		<u>2,715</u>
Balance, December 31, 2024		<u>\$ 2,854</u>

**CITY OF PASSAIC
STATEMENT OF CASH - CHANGE FUND
OTHER TRUST FUND**

Balance, December 31, 2023	\$ <u>200</u>
Balance, December 31, 2024	\$ <u>200</u>

**STATEMENT OF DUE FROM CURRENT FUND
OTHER TRUST FUND**

Balance, December 31, 2023	\$ 11,871,456
Increased by:	
Other Trust Reserves and Deposits:	
2024 Appropriations	\$ 6,573,020
2023 Appropriation Reserves	1,125,000
Deposits Received in Current Fund	<u>41,590</u>
	<u>7,739,610</u>
	19,611,066
Decreased by:	
Other Trust Reserves and Deposits:	
Anticipated as Current Fund Revenue - POD Vehicle Fee	\$ 150,000
Payments made by Current Fund	<u>5,656,857</u>
	5,806,857
Receipts for Current Fund - MRNA	187,945
Receipts for Current Fund - MRA	18,108
Receipts from Current Fund	<u>1,906,679</u>
	<u>7,919,589</u>
Balance, December 31, 2024	\$ <u>11,691,477</u>

**STATEMENT OF DUE FROM GRANT FUND
OTHER TRUST FUND**

Balance, December 31, 2023	\$ 2,391,614
Increased by:	
Other Trust Fund Receipts Deposited in the Grant Fund	<u>642,203</u>
Balance, December 31, 2024	\$ <u>3,033,817</u>

**CITY OF PASSAIC
STATEMENT OF MISCELLANEOUS RESERVES AND DEPOSITS
OTHER TRUST FUND**

	Balance, December 31, <u>2023</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2024</u>
Police Funds	\$ 38,261	\$ 6,310	\$ 7,796	\$ 36,775
Police Donation SWAT	900			900
EMS Facility	751			751
Fire Line Safety Reg.	309,358	492,723	228,917	573,164
Fire Permits and Fines	15,969	2,250		18,219
Fire Dedicated Funds	571	6,520	1,274	5,817
Developers Performance Bond	20,000			20,000
Unemployment Compensation Insurance	2,350,388	218,779	165,981	2,403,186
Self Insurance Workman's Compensation Claims	100,765	3,077,433	2,772,829	405,369
Parking Offences Adjudication Act Fees	93,155	25,722	14,065	104,812
Self-Insurance General Liability Claims	2,553,259	3,100,855	2,997,758	2,656,356
Storm Recovery	2,239,658	573,274	448,730	2,364,202
Donations - Mayor	3,740			3,740
Donations - Animal Control	14,470	27,232		41,702
Donations - Dignity House	300			300
Donations - Relocation Assistance	3,388	30,000	30,000	3,388
Donations - Multicultural Affairs	650	14,200	13,400	1,450
Donations - Toys for Kids	525			525
Donations - Turkey Giveaways	200			200
Donations - Special Needs		1,000	1,000	
Donations - Target	1			1
Donations - Senior Citizen	4,547	1,612	2,800	3,359
Donations - WIC		400	400	
Substance Abuse - Treatment	34,400	9,509	7,090	36,819
Substance Abuse - NJ Medical Assistance Program	136,570	356,417	276,192	216,795
NJ ACH Death Certificate	208,322	17,720		226,042
Recreation - Donations	21,147	26,700	10,382	37,465
Recreation Official Fee	7,955			7,955
Recreation Team Ceremony Fees	71			71
Affordable Housing - Reserve	30,662			30,662
Accumulated Sick and Vacation	6,138,164	1,050,000	618,165	6,569,999
Flexible Spending Deposits	43,067	30,702	17,449	56,320
Health Benefit Insurance	6,878,062			6,878,062
Payroll Deductions/Pension/ Salary Deposits	449,665	65,230,036	65,266,528	413,173
Regional Contribution Agreement	64,748			64,748
Marriage License Fees	15,397	13,075	15,495	12,977
Festival Performance Bonds	59,443	26,573	29,190	56,826
Primary General Election Deposits	2,112	1,250	186	3,176
Tax Sale Premium Deposits	1,583,351	1,280,600	1,029,000	1,834,951
Tax Redemption Deposits	271,230	2,924,714	3,086,758	109,186
Soccer Game Escrow (BOE)	1,340			1,340
Park Improvements - Recreation Donation	10,000			10,000
Demolition & Performance Bond Deposits	127,042	5,000	1,000	131,042
Developers Housing Escrow Deposits	472,500	89,400	58,700	503,200
Zoning Developers Escrow	183,466	65,256	70,168	178,554
Planning Developers Escrow	258,254	80,496	75,872	262,878
UCC Permit Fees	714,251		15,164	699,087
Elevator Inspection Fees	379,724	112,399	63,282	428,841
Nextel Rebanding Escrow Deposit	10,239			10,239
Fire Prevention Security	970			970
Police Off Duty Fees	288,840	2,199,277	2,167,228	320,889
Payment in Lieu of Parking	478,000	20,000	498,000	-
	<u>\$ 26,619,848</u>	<u>\$ 81,117,434</u>	<u>\$ 79,990,799</u>	<u>\$ 27,746,483</u>

Cash Receipts	\$ 72,735,621	
Cash Disbursed		\$ 74,183,942
Due to/from Current Fund	7,739,610	5,806,857
Due from Grant Fund	<u>642,203</u>	<u>-</u>
	<u>\$ 81,117,434</u>	<u>\$ 79,990,799</u>

**CITY OF PASSAIC
STATEMENT OF DUE FROM HUD
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, December 31, 2023	\$ 3,578,920
Increased by:	
Program Allotment - CDBG Year 50	<u>1,227,560</u>
	4,806,480
Decreased by:	
Cash Receipts	
CDBG	<u>1,997,407</u>
Balance, December 31, 2024	<u><u>\$ 2,809,073</u></u>

CITY OF PASSAIC
STATEMENT OF RESERVE FOR PROGRAM EXPENDITURE - CDBG/ESG
COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Balance, December 31, 2023		\$ 3,664,097
Increased by:		
Program Allotment - CDBG Year 50		<u>1,227,560</u>
		4,891,657
Decreased by:		
CDBG/ESG Expenditures:		
Cash Disbursements Grant Allotment/Program Income	\$ 1,988,994	
Payments made by Current Fund	<u>75,065</u>	
		<u>2,064,059</u>
Balance, December 31, 2024		<u>\$ 2,827,598</u>
	<u>Analysis of Balance - December 31, 2024</u>	
	Program Income - CDBG - Unapprop.	\$ 94,856
	Program Years CDBG - Approp. Res.	2,729,744
	Program Income - ESG - Unapprop.	<u>2,998</u>
		<u>\$ 2,827,598</u>

**CITY OF PASSAIC
STATEMENT OF DUE FROM HUD -
HOME INVESTMENT PROGRAM FUND**

Balance, December 31, 2023	\$ 8,159,671
Increased by:	
Grant Allotments	
Current Year Allotment - Year 50	<u>882,707</u>
	9,042,378
Decreased by:	
Cash Receipts - HUD	<u>2,350,200</u>
Balance, December 31, 2024	<u>\$ 6,692,178</u>

**STATEMENT OF OTHER RECEIVABLES
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, December 31, 2023	\$ <u>155,454</u>
Balance, December 31, 2024	<u>\$ 155,454</u>

Analysis of Balance

Business and Housing Loans	<u>\$ 155,454</u>
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**STATEMENT OF MORTGAGE RECEIVABLE
HOME INVESTMENT PROGRAM FUND**

Balance, December 31, 2023	\$ <u>455,237</u>
Balance, December 31, 2024	<u>\$ 455,237</u>

CITY OF PASSAIC
STATEMENT OF RESERVE FOR PROGRAM EXPENDITURES - UDAG
COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Balance, December 31, 2023	\$ <u>8,122</u>
Balance, December 31, 2024	\$ <u>8,122</u>

EXHIBIT B-16

STATEMENT OF DUE TO CURRENT FUND
COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Balance, December 31, 2023		\$ 935,555
Increased by:		
Payments made by Current Fund	\$ 75,065	
Interest Earned	<u>2,313</u>	
		<u>77,378</u>
Balance, December 31, 2024		\$ <u>1,012,933</u>

EXHIBIT B-17

STATEMENT OF DUE TO GRANT FUND
COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Balance, December 31, 2023	\$ <u>94,505</u>
Balance, December 31, 2024	\$ <u>94,505</u>

EXHIBIT B-18

STATEMENT OF DUE FROM GRANT FUND
HOME INVESTMENT PROGRAM FUND

Balance, December 31, 2023	\$ <u>167,036</u>
Balance, December 31, 2024	\$ <u>167,036</u>

EXHIBIT B-19

STATEMENT OF DUE FROM CDBG FUND
HOME INVESTMENT PROGRAM FUND

Balance, December 31, 2023	\$ <u>94,562</u>
Balance, December 31, 2024	\$ <u>94,562</u>

**CITY OF PASSAIC
STATEMENT OF DUE TO CURRENT FUND
HOME INVESTMENT PROGRAM FUND**

Balance, December 31, 2023	\$ 771,749
Increased by:	
Payments made by Current Fund	67,811
Balance, December 31, 2024	\$ 839,560

EXHIBIT B-21

**STATEMENT OF RESERVE FOR HOME INVESTMENT PROGRAM -
HOME INVESTMENT PROGRAM FUND**

Balance, December 31, 2023	\$ 8,307,378
Increased by:	
Grant Allotments	
Current Year Allotment - Year 50	\$ 882,707
Program Income - Loan Program	37,604
	920,311
	9,227,689
Decreased by:	
Cash Disbursements Grant Allotment/Program Income	2,440,993
Payments made by Current Fund	67,811
	2,508,804
Balance, December 31, 2024	\$ 6,718,885

Analysis of Balance - December 31, 2024

Program Income - Unappropriated	\$ 47,128
Program Years Appropriated Reserves	6,671,757
	\$ 6,718,885

GENERAL CAPITAL FUND

CITY OF PASSAIC
STATEMENT OF GENERAL CAPITAL CASH AND INVESTMENTS - TREASURER

Balance, December 31, 2023		\$ 1,577,150
Increased by Receipts:		
Grants Receivables	\$ 7,500,000	
Interest Earned	3,150	
Receipts for Other Trust Fund	<u>498,000</u>	
		<u>8,001,150</u>
		9,578,300
Decreased by Disbursements:		
Improvement Authorizations	7,019,935	
Encumbrances Payable	<u>10,631</u>	
		<u>7,030,566</u>
Balance, December 31, 2024		<u>\$ 2,547,734</u>

**CITY OF PASSAIC
ANALYSIS OF GENERAL CAPITAL CASH**

		Balance December 31, <u>2024</u>
Capital Improvement Fund		\$ 939,806
Fund Balance		315,714
Encumbrances Payable		6,572,709
Grants Receivable		(2,500,000)
Due From Current Fund		(1,906,679)
Reserve for Road, Park and Sewer Improvements		905,621
Reserve for Parking Improvements		112,000
Reserve for Sale of Property		100,000
Improvement Authorizations		
<u>Ord. No.</u>	<u>Improvement Description</u>	
1036-88	Various Improvements	(2,075)
1542-02/1784-08	Various Improvements	21,800
1587-03	Various Improvements	6,667
1675-05/1442-98	Various Park Improvements	217
2012-15	Improvement of Website	3,155
2050-16	Various Capital Improvements	8,219
2101-17	Various Capital Improvements	1,545
2158-18	Remediation of DPW Garage and NJ Clean Energy Direct Install	142,249
2169-18	Various Capital Improvements	270,011
2242-19	Purchase of 99-11 Passaic Street	52,807
2305-21	Various Capital Improvements	45,744
2450-24	New Parking Garage Facility - Passaic Street	<u>(2,541,776)</u>
		<u>\$ 2,547,734</u>

**CITY OF PASSAIC
STATEMENT OF GRANTS RECEIVABLE**

Ord. No.	Grantor Agency	Grant Awards	Receipts	Balance December 31, 2024
2450-24	NJDCA	\$ 10,000,000	\$ 7,500,000	\$ 2,500,000
		<u>\$ 10,000,000</u>	<u>\$ 7,500,000</u>	<u>\$ 2,500,000</u>

EXHIBIT C-5

STATEMENT OF DUE FROM CURRENT FUND

Balance, December 31, 2023	\$ 1,312,750
Increased by:	
Reserve for Road, Sewer, and Park - 2023 Budget Appropriation	\$ 258,079
Reserve for Parking Improvements - 2023 Budget Appropriation	89,000
Capital Improvement Fund - 2024 Budget Appropriation	<u>250,000</u>
	<u>597,079</u>
	1,909,829
Decreased by:	
Interest Earned	<u>3,150</u>
Balance, December 31, 2024	<u>\$ 1,906,679</u>

EXHIBIT C-6

STATEMENT DUE FROM OTHER TRUST FUND

Increased by:	
Reserved for Parking Improvements	<u>\$ 498,000</u>
Decreased by:	
Cash Receipts	<u>\$ 498,000</u>

EXHIBIT C-7

STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Balance, December 31, 2023	\$ 15,852,611
Decreased by:	
Payment of Bonds - Budget Appropriation	\$ 1,635,000
Payment of Loans- Budget Appropriation	<u>60,272</u>
	<u>1,695,272</u>
Balance, December 31, 2024	<u>\$ 14,157,339</u>

**CITY OF PASSAIC
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

Ord. No.	<u>Improvement Description</u>	Balance, December 31, <u>2023</u>	2024 <u>Authorizations</u>	Balance, December 31, <u>2024</u>	Analysis of Balance December 31, 2024	
					<u>Expended</u>	<u>Unexpended Improvement Authorizations</u>
1036-88	Various Improvements	\$ 2,075		\$ 2,075	\$ 2,075	
2450-24	New Parking Garage Facility - Passaic Street	-	\$ 3,700,000	3,700,000	2,541,776	\$ 1,158,224
		\$ 2,075	\$ 3,700,000	\$ 3,702,075	\$ 2,543,851	\$ 1,158,224
					Improvement Authorizations - Unfunded	\$ 1,158,224

**CITY OF PASSAIC
STATEMENT OF CAPITAL IMPROVEMENT FUND**

Balance, December 31, 2023		\$ 1,214,806
Increased by:		
Due from Current Fund - 2024 Budget Appropriation		<u>250,000</u>
		1,464,806
Decreased by:		
Appropriated to Finance Improvement Authorization		<u>525,000</u>
Balance, December 31, 2024		<u><u>\$ 939,806</u></u>

EXHIBIT C-10

STATEMENT OF ENCUMBRANCES PAYABLE

Balance, December 31, 2023		\$ 11,810
Increased by:		
Charges to Improvement Authorizations		<u>6,572,709</u>
		6,584,519
Decreased by:		
Cash Disbursements	\$ 10,631	
Encumbrances Payable Cancelled	<u>1,179</u>	
		<u>11,810</u>
Balance, December 31, 2024		<u><u>\$ 6,572,709</u></u>

**CITY OF PASSAIC
STATEMENT OF GENERAL SERIAL BONDS**

<u>Purpose.</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding, December 31, 2024</u>		<u>Interest Rate</u>	<u>Balance, December 31, 2023</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, December 31, 2024</u>
General Obligation Bonds	6/6/2017	\$ 8,581,000	6/15/2025	\$ 600,000	2.000%	\$ 5,081,000			
			6/15/2026	600,000	2.125%				
			6/15/2027	1,100,000	3.000%				
			6/15/2028	1,100,000	3.000%				
			6/15/2029	1,081,000	3.000%				
							\$ 600,000	\$ 4,481,000	
General Obligation Refunding Bonds	12/9/2020	3,775,000	8/1/2025	640,000	5.00%	1,920,000			
			8/1/2026	645,000	5.00%				
							635,000	1,285,000	
General Obligation Bonds	8/25/2021	8,916,000	8/15/2025	425,000	2.00%	8,240,000			
			8/15/2026	450,000	2.00%				
			8/15/2027	500,000	2.00%				
			8/15/2028	525,000	2.00%				
			8/15/2029	550,000	2.00%				
			8/15/2030	590,000	2.00%				
			8/15/2031	600,000	2.00%				
			8/15/2032	600,000	2.00%				
			8/15/2033	600,000	2.00%				
			8/15/2034	600,000	2.00%				
			8/15/2035	600,000	2.00%				
			8/15/2036	600,000	2.00%				
			8/15/2037	600,000	2.00%				
			8/15/2038	600,000	2.00%				
						<u>\$ 15,241,000</u>	<u>\$ -</u>	<u>\$ 1,635,000</u>	<u>\$ 13,606,000</u>
Paid by Budget Appropriation								<u>\$ 1,635,000</u>	

**CITY OF PASSAIC
STATEMENT OF GREEN ACRES LOANS**

Balance, December 31, 2023	\$ 611,611
Decreased by:	
Paid by Budget Appropriation	60,272
Balance, December 31, 2024	\$ 551,339

<u>Ord. No.</u>	<u>Description</u>	
1442-98/1622-04/ 1675-05	Dundee Island Field Rehabilitation	\$ 33,378
1655-05	Pulaski Park Renovation	4,393
1643-04	Roberto Clemente Field Improvements	171,242
1839-10	Pulaski Park Improvements	342,326
		\$ 551,339

CITY OF PASSAIC
STATEMENT OF RESERVE FOR ROAD, SEWER, AND PARK IMPROVEMENTS

Balance, December 31, 2023	\$ 647,542
Increase:	
Due from Current Fund - 2023 Appropriation Reserves	258,079
Balance, December 31, 2024	\$ 905,621

STATEMENT OF RESERVE FOR PARKING IMPROVEMENTS

Increase:	
Due from Current Fund	\$ 89,000
Due from Other Trust Fund	498,000
	\$ 587,000
Decrease:	
Appropriated to Finance Improvement Authorization	475,000
Balance, December 31, 2024	\$ 112,000

STATEMENT OF RESERVE FOR SALE OF PROPERTY

Balance, December 31, 2023	\$ 100,000
Balance, December 31, 2024	\$ 100,000

CITY OF PASSAIC
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	<u>Description</u>	Balance December 31, <u>2023</u>	2024 <u>Authorizations</u>	Balance December 31, <u>2024</u>
1036-88	Various Improvements	\$ 2,075		\$ 2,075
2450-24	New Parking Garage Facility - Passaic Street	<u>-</u>	<u>\$ 3,700,000</u>	<u>3,700,000</u>
		<u>\$ 2,075</u>	<u>\$ 3,700,000</u>	<u>\$ 3,702,075</u>

SEWER UTILITY FUND

**CITY OF PASSAIC
STATEMENT OF SEWER UTILITY CASH**

	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance, December 31, 2023	\$ 2,213,596	\$ 6,617
Increased by Receipts:		
Sewer Rents Received	\$ 7,224,642	
Other Accounts Receivable	99,368	
Interest Earned		\$ 7
Received from Current Fund		
Miscellaneous Revenue Not Anticipated	<u>21,230</u>	<u>-</u>
	<u>7,345,240</u>	<u>7</u>
	9,558,836	6,624
Decreased by Disbursements:		
2024 Budget Appropriations	7,115,881	
2023 Appropriation Reserves	27,936	
Encumbrances Payable	87,083	
Interest on Bonds	<u>3,983</u>	<u>-</u>
	<u>7,234,883</u>	<u>-</u>
Balance, December 31, 2024	<u>\$ 2,323,953</u>	<u>\$ 6,624</u>

EXHIBIT D-5

ANALYSIS OF SEWER CAPITAL CASH

	Balance December 31, <u>2024</u>
Due to Sewer Utility Operating Fund	\$ 64
Reserve for Payment of Debt	14,794
Improvement Authorizations:	
<u>Ord. No.</u>	
1611-04 Various Sewer Improvements	(44,000)
2032-15 Improvements and Repairs to Sewer Pipes	<u>35,766</u>
Balance, December 31, 2023	<u>\$ 6,624</u>

**CITY OF PASSAIC
STATEMENT OF CONSUMERS' ACCOUNTS RECEIVABLE
SEWER UTILITY OPERATING FUND**

Balance, December 31, 2023		\$ 1,227,670
Increased by:		
Sewer Rents Levied - Net		<u>7,179,600</u>
		8,407,270
Decreased by:		
Sewer Rents Collected:		
Cash Receipts from Passaic Valley Water Commission	\$ 7,224,642	
Prepaid Rents Applied	<u>234,113</u>	
		<u>7,458,755</u>
Balance, December 31, 2024		<u>\$ 948,515</u>

EXHIBIT D-7

**STATEMENT OF OTHER ACCOUNTS RECEIVABLE
SEWER UTILITY OPERATING FUND**

Balance, December 31, 2023		\$ 6,246
Increased by:		
St. Mary's Sewer Rents Levied - Net		<u>93,122</u>
		99,368
Decreased by:		
Cash Receipts		<u>\$ 99,368</u>

EXHIBIT D-8

**STATEMENT OF DEFERRED CHARGES
SEWER UTILITY OPERATING FUND**

	Balance December 31, 2023	Reduced in 2024 Budget		Balance December 31, 2024
Special Emergency Authorization - COVID 19	<u>\$ 292,800</u>	<u>\$ 97,600</u>		<u>\$ 195,200</u>
	<u>\$ 292,800</u>	<u>\$ 97,600</u>		<u>\$ 195,200</u>

**CITY OF PASSAIC
STATEMENT OF FIXED CAPITAL
SEWER UTILITY CAPITAL FUND**

	<u>Balance, December 31, 2023</u>	<u>Balance, December 31, 2024</u>
Sanitary Sewer System	\$ 5,577,974	\$ 5,577,974
Sewer Jet Cleaning Truck	185,000	185,000
T.V. Camera Truck	<u>125,000</u>	<u>125,000</u>
	<u>\$ 5,887,974</u>	<u>\$ 5,887,974</u>

**STATEMENT OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
SEWER UTILITY CAPITAL FUND**

<u>Ordinance Number</u>	<u>Description</u>	<u>Balance, December 31, 2023</u>	<u>Balance, December 31, 2024</u>
2032-15	Improvements and Repairs to Sewer Pipes	<u>\$ 35,766</u>	<u>\$ 35,766</u>
		<u>\$ 35,766</u>	<u>\$ 35,766</u>

**CITY OF PASSAIC
STATEMENT OF DUE TO CURRENT FUND
SEWER UTILITY OPERATING FUND**

Balance, December 31, 2023		\$ 2,051,407
Increased by:		
Cancelled 2023 Appropriation Reserves	\$ 13,982	
Payments Made by Current Fund for Sewer Utility Operating Fund Budget	<u>148,629</u>	
		<u>162,611</u>
		2,214,018
Decreased by:		
Anticipated Revenue - Deficit (General Budget)		<u>219,062</u>
Balance, December 31, 2024		<u><u>\$ 1,994,956</u></u>

**STATEMENT OF DUE FROM SEWER UTILITY CAPITAL FUND
SEWER UTILITY OPERATING FUND**

Balance, December 31, 2023		\$ 57
Increased by:		
Interest Earned		<u>7</u>
Balance, December 31, 2024		<u><u>\$ 64</u></u>

**CITY OF PASSAIC
STATEMENT OF ENCUMBRANCES PAYABLE
SEWER UTILITY OPERATING FUND**

Balance, December 31, 2023	\$	87,083
Increased by:		
Charges to Budget Appropriations		178,353
		265,436
Decreased by:		
Payments		87,083
Balance, December 31, 2024	\$	178,353

**STATEMENT OF PREPAID RENTS
SEWER UTILITY OPERATING FUND**

Balance, December 31, 2023	\$	234,113
Decreased by:		
Applied to 2024 Sewer Rents	\$	234,113

**CITY OF PASSAIC
STATEMENT OF ACCRUED INTEREST ON BONDS
SEWER UTILITY OPERATING FUND**

Balance, December 31, 2023	\$ 3,983
Increased by:	
Charges to Budget Appropriations	
Interest on Bonds	<u>2,174</u>
	6,157
Decreased by:	
Interest Paid	<u>3,983</u>
Balance, December 31, 2024	<u><u>\$ 2,174</u></u>

**CITY OF PASSAIC
STATEMENT OF 2023 APPROPRIATION RESERVES
SEWER UTILITY OPERATING FUND**

	Balance December 31, <u>2023</u>	Encumbrances <u>Cancelled</u>	Balance After <u>Modifications</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
OPERATING					
Other Expenses	\$ 35,880		\$ 35,880	\$ 27,936	\$ 7,944
Sewer Treatment Expenses	<u>6,038</u>	<u>-</u>	<u>6,038</u>	<u>-</u>	<u>6,038</u>
	<u>\$ 41,918</u>	<u>\$ -</u>	<u>\$ 41,918</u>	<u>\$ 27,936</u>	<u>\$ 13,982</u>
			Due to Current Fund		<u>\$ 13,982</u>

**CITY OF PASSAIC
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
SEWER UTILITY CAPITAL FUND**

<u>Ordinance Number</u>	<u>Description</u>	<u>Ordinance Amount</u>	<u>Balance December 31, 2023</u>		<u>Balance December 31, 2024</u>	
			<u>Funded</u>	<u>Unfunded</u>	<u>Funded</u>	<u>Unfunded</u>
2032-15	Improvements and Repairs to Sewer Pipes	\$ 35,766	\$ 35,766	-	\$ 35,766	-
			<u>\$ 35,766</u>	<u>\$ -</u>	<u>\$ 35,766</u>	<u>\$ -</u>

**CITY OF PASSAIC
STATEMENT OF RESERVE FOR AMORTIZATION
SEWER UTILITY CAPITAL FUND**

Balance, December 31, 2023	\$ 5,267,974
Increased by:	
Serial Bonds Paid by Operating Budget	130,000
Balance, December 31, 2024	\$ 5,397,974

**STATEMENT OF DEFERRED RESERVE FOR AMORTIZATION
SEWER UTILITY CAPITAL FUND**

Balance, December 31, 2023	\$ 35,766
Balance, December 31, 2024	\$ 35,766

Analysis of Balance - December 31, 2024

<u>Ord.</u>	<u>Description</u>	<u>Amount</u>
2032-15	Improvements and Repairs to Sewer Pipes	\$ 35,766

**CITY OF PASSAIC
STATEMENT OF SERIAL BONDS
SEWER UTILITY CAPITAL FUND**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2024</u>		<u>Interest Rate</u>	<u>Balance, December 31, 2023</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, December 31, 2024</u>
			<u>Date</u>	<u>Amount</u>					
Sewer Bonds of 2017	6/6/2017	\$ 646,000	6/15/2025	\$ 45,000	2.000%				
			6/15/2026	80,000	2.125%				
			6/15/2027	80,000	3.000%				
			6/15/2028	80,000	3.000%				
			6/15/2029	76,000	3.000%	\$ 406,000		\$ 45,000	\$ 361,000
Sewer Refunding Bonds of 2020	12/9/2020	420,000	8/1/2025	85,000	5.000%	<u>170,000</u>	\$ -	<u>85,000</u>	<u>\$ 85,000</u>
						<u>\$ 576,000</u>	<u>\$ -</u>	<u>\$ 130,000</u>	<u>\$ 446,000</u>
								<u>\$ 130,000</u>	
								<u>\$ 130,000</u>	

**CITY OF PASSAIC
STATEMENT OF RESERVE FOR PAYMENT OF DEBT
SEWER UTILITY CAPITAL FUND**

Balance, December 31, 2023	\$ <u>14,794</u>
Balance, December 31, 2024	\$ <u><u>14,794</u></u>

**STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
SEWER UTILITY CAPITAL FUND**

<u>Ord. No.</u>	<u>Improvement Description</u>	Balance, December 31, <u>2023</u>	Balance, December 31, <u>2024</u>
1611-04	Various Sewer Improvements	\$ <u>44,000</u>	\$ <u>44,000</u>
		<u>\$ 44,000</u>	<u>\$ 44,000</u>

CITY OF PASSAIC

PART II

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

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 AUDITOR'S REPORT

Honorable Mayor and Members
of the City Council
City of Passaic
Passaic, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of the City of Passaic, which comprise the balance sheets – regulatory basis of the various funds and account group as of December 31, 2024, and the related statements of operations and changes in fund balance – regulatory basis, statements of revenues – regulatory basis and statements of expenditures – regulatory basis of the various funds for the year then ended and the related notes to the financial statements, and have issued our report thereon dated June 20, 2025. Our report on the financial statements – regulatory basis was modified to indicate that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the financial reporting requirements of the State of New Jersey for municipal government entities as described in Note 1.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Passaic'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 City of Passaic's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Passaic'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

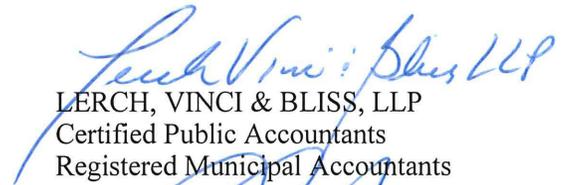
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Passaic’s financial statements are free from 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 and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the City of Passaic in Part III of this report of audit entitled, “Letter of Comments and Recommendations”.

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 City of Passaic’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 City of Passaic’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Registered Municipal Accountants



Dieter P. Lerch
Registered Municipal Accountant
RMA Number CS000398

Fair Lawn, New Jersey
June 20, 2025



LERCH, VINCI & BLISS, LLP

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF
STATE FINANCIAL ASSISTANCE AS REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the City Council
City of Passaic
Passaic, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the City of Passaic's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the City of Passaic's major federal and state programs for the year ended December 31, 2024. The City of Passaic's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Passaic 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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; 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 audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular 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 City of Passaic 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 program. Our audit does not provide a legal determination of the City of Passaic's compliance with the compliance requirements referred to above.

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, regulation, rules, and provisions of contracts or grant agreements applicable to the City of Passaic's federal and state programs.

Auditor's 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 City of Passaic'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 generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, U.S. Uniform Guidance and New Jersey OMB Circular 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 omission, misrepresentation, 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 City of Passaic's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

- Exercise professional judgement 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 City of Passaic'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 City of Passaic'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 U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the City of Passaic'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.

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 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.

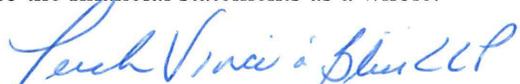
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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 U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements - regulatory basis of the City of Passaic, which comprise the balance sheets - regulatory basis of the various funds and account group as of December 31, 2024, and the related statements of operations and changes in fund balance - regulatory basis, statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year then ended and the related notes to the financial statements and have issued our report thereon dated June 20, 2025, which contained an unmodified opinion on those financial statements prepared in accordance with the regulatory basis of accounting and also contained a modified opinion on those financial statements because they were not prepared in accordance with accounting principles generally accepted in the United States of America. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards as required by U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.



LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Registered Municipal Accountants



Dieter P. Lerch
Registered Municipal Accountant
RMA Number CS000398

Fair Lawn, New Jersey
June 20, 2025

CITY OF PASSAIC
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

State Grant Program	CFDA Number	State Acct Number	Grant Award Amount	Grant Receipts	Balance, December 31, 2023	Revenue Realized	Program Income	Expenditures	Adjustment	Balance, December 31, 2024	Cumulative Expended
U.S. Department of Health and Human Services											
Ryan White Title I - 2024	93.924	N/A	\$ 202,705	\$ 65,296		\$ 202,705		\$ 110,489		\$ 92,216	\$ 110,489
Ryan White Title I - 2023	93.924	N/A	146,840	38,952	67,039			57,069		9,970	136,870
Ryan White Title I - 2022	93.924	N/A	143,279		36,642			635		36,007	107,272
Ryan White Title I - 2021	93.924	N/A	137,441		14,926					14,926	122,515
Ryan White Title I - 2020	93.924	N/A	163,806		3,272					3,272	160,534
Ryan White Title I - 2019	93.924	N/A	118,803		118,803					118,803	-
Ryan White Title I - 2019	93.924	N/A	162,017		80,362					80,362	81,655
Ryan White Title I Substance Abuse - 2019	93.924	N/A	21,995		21,995					21,995	-
Ryan White Title I - 2018	93.924	N/A	166,948		71,831					71,831	95,117
Ryan White Title I - 2017	93.924	N/A	166,931		66,381					66,381	100,550
Ryan White Title I - 2016 - TY	93.924	N/A	34,084		23,518					23,518	10,566
Ryan White Title I - 2015	93.924	N/A	152,343		83,667					83,667	68,676
Total Ryan White Title I Cluster					588,436	202,705	-	168,193	-	622,948	994,244
U.S. Department of Health - (Pass through State Division of Family Health Services)											
Women, Infants, and Children-2024	10.557	046-4220-100-113-24	1,281,524			1,281,524		268,979		1,012,545	268,979
Women, Infants, and Children-2023	10.557	046-4220-100-113-23	1,226,260	1,146,739	944,326			943,619		707	1,225,553
Women, Infants, and Children-2023 Sub Grant	10.557	046-4220-100-113-23	3,089		1,382			1,349		33	3,056
Women, Infants, and Children-2022	10.557	046-4220-100-113-22	1,121,619		56,567					56,567	1,065,052
Women, Infants, and Children-2022 - Infrastructure	10.557	046-4220-100-113-22	32,800		32,800					28,242	28,242
Women, Infants, and Children-2021	10.557	046-4220-100-113-21	1,116,055		58,590					58,590	1,057,465
Women, Infants, and Children-2020	10.557	046-4220-100-113-20	1,141,189		100,359					100,359	1,040,830
Women, Infants, and Children-2019	10.557	046-4220-100-113-19	1,109,988		23,226					23,226	1,086,762
Women, Infants, and Children-2018	10.557	046-4220-100-113-19	1,091,752		73,554					73,554	1,018,198
Women, Infants, and Children-2018	10.557	046-4220-100-113-18	1,091,091		18,805					18,805	1,072,286
Women, Infants, and Children-2017	10.557	046-4220-100-113-17	1,099,400		8,573					8,573	1,090,827
Women, Infants, and Children-2016	10.557	046-4220-100-113-16	1,045,311		19,326					19,326	1,025,985
Women, Infants, and Children-2015	10.557	046-4220-100-113-15	278,420		4,713					4,713	273,707
Total Women, Infants, and Children Cluster					1,342,221	1,281,524	-	1,242,189	-	1,381,556	10,256,942
U.S. Department of Agriculture - (Pass through State Division of Food and Nutrition)											
24 Summer Food Program	10.559	010-3350-100-033-24	183,436	103,730		183,436		103,730		79,706	103,730
23 Summer Food Program	10.559	010-3350-100-033-23	149,741		66,876					66,876	82,865
22 Summer Food Program	10.559	010-3350-100-033-22	121,342		6,677					6,677	114,665
21 Summer Food Program	10.559	010-3350-100-033-21	217,563		49,973					49,973	167,590
20 Summer Food Program	10.559	010-3350-100-033-20	226,476		112,936					112,936	113,540
19 Summer Food Program	10.559	010-3350-100-033-19	356,070		272,614					272,614	83,456
18 Summer Food Program	10.559	010-3350-100-033-18	380,807		71,076					71,076	309,731
17 Summer Food Program	10.559	010-3350-100-033-17	259,759		123,383					123,383	136,376
16 Summer Food Program	10.559	010-3350-100-033-16	374,560		157,226					157,226	217,334
Total Summer Food Program Cluster					860,761	183,436	-	103,730	-	940,467	1,329,287
U.S. Department of Agriculture - (Pass through State Division of Natural Resources Conservation Services)											
23 Community Garden Project	10.902	NR242B29XXXXC001	20,000		20,000					20,000	-
Pass through Dept of Law and Public Safety-Division of Criminal Justice:											
Byrne Memorial Justice Asst. 2024	16.738	066-1020-100-364-24	199,558			199,558				199,558	-
Byrne Memorial Justice Asst. 2023	16.738	066-1020-100-364-23	260,492		260,492					260,492	-
Byrne Memorial Justice Asst. 2022	16.738	066-1020-100-364-22	230,839		230,839					230,839	-
Byrne Memorial Justice Asst. 2022	16.738	066-1020-100-364-22	203,161		172,615					172,615	30,546
Byrne Memorial Justice Asst. 2021	16.738	066-1020-100-364-21	169,234	169,234	115,249					115,249	53,985
Byrne Memorial Justice Asst. 2019	16.738	066-1020-100-364-19	180,339		4					4	180,335
Byrne Memorial Justice Asst. 2018	16.738	066-1020-100-364-18	191,956		8,584					8,584	183,372
Byrne Memorial Justice Asst. 2017	16.738	066-1020-100-364-17	203,547		15,169					15,169	188,378
Byrne Memorial Justice Asst. 2016 - TY	16.738	066-1020-100-364-16	225,070		23,633					23,633	201,437
Byrne Memorial Justice Asst. 2015	16.738	066-1020-100-364-15	246,078		4					4	246,074
Byrne Memorial Justice Asst. 2014	16.738	066-1020-100-364-14	223,632		7,954					7,954	215,678
Total Byrne Memorial Justice Asst. Cluster					834,543	199,558	-	-	-	1,034,101	1,299,805

**CITY OF PASSAIC
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

State Grant Program	CFDA Number	State Acct Number	Grant Award Amount	Grant Receipts	Balance, December 31, 2023	Revenue Realized	Program Income	Expenditures	Adjustment	Balance, December 31, 2024	Cumulative Expended
U.S. Department of Homeland Security											
Assistance to Firefighters - 2024	97.044		\$ 96,400			\$ 96,400		\$ 23,480		\$ 72,920	
Assistance to Firefighters - 2022	97.044	EMW-2022-FG-05193	406,319	\$ 1,087	\$ 406,319			406,319		-	
Assistance to Firefighters - 2020	97.044	EMW-2020-FG-15839	142,651		27,451	-	-	-	-	27,451	\$ 115,200
					433,770	96,400	-	429,799	-	100,371	115,200
U.S. Department of Homeland Security (Passed through State Department of Law and Public Safety)											
Fire Safer Program	97.083	N/A	1,202,209		187,492					187,492	1,014,717
Fire Safer Program	97.083	N/A	1,094,988		147,840					147,840	947,148
Total Fire Safer Program Cluster					335,332	-	-	-	-	335,332	1,961,865
U.S. Department of Transportation - (Pass through State Department of Transportation - Local Municipal Aid Highway Planning and Construction Program Urban Gateway Enhancement Program - 2021 Transportation Trust - Howel/Lincoln/St. Francis Transportation Alternatives Set Aside Program Hamilton Ave and State St Impvmts Market Street PE and FD Phase Railroad ROW Safe Streets to Transit Program Safe Routes to School - 2022 Safe Streets to Transit - 2024 Safe Streets to Transit - 2023 Multi Intersection Project 16 Safe Routes to School - 2024 Safe Routes to School - 2022 Safe Streets to Transit Improvements - 2021 Safe Streets and Roads for All - 2024	20.205	N/A	32,000	28,964	23,211					23,211	8,789
		078-6320-480-XXX	260,500		61,555				-	61,555	198,945
	20.205	TA-2020	454,000		454,000					454,000	-
			141,024		141,024					141,024	-
			1,000,000		1,000,000					1,000,000	-
	20.205	SST-2021	98,845			98,845				98,845	
			560,000			560,000		7,447		552,553	7,447
			510,000	347,681	501,492			203,041		298,451	211,549
			1,089,000			1,089,000				1,089,000	-
			425,000		425,000					425,000	-
			200,000	150,000	200,000			182,347		17,653	182,347
	20.939	DOT-SS4A_FY25-01	355,000		-	355,000				355,000	-
Total Department of Transportation - Cluster					2,806,282	2,102,845	-	392,835	-	4,516,292	609,077
U.S. Department of Justice - (Pass through Dept of Law and Public Safety- Division of Highway Traffic Safety)											
Drunk Driver Prevention (Drive Sober) - 2023	20.616	066-1160-100-057-22	10,500		1,785					1,785	8,715
Drunk Driver Prevention (Drive Sober) - Dec 2021	20.616	066-1160-100-057-22	12,250		2,835					2,835	9,415
Drunk Driver Prevention (Drive Sober) - Dec 2021	20.616	066-1160-100-057-21	9,000		1,560					1,560	7,440
Drunk Driver Prevention (Drive Sober) - Dec 2020	20.616	066-1160-100-057-20	9,000		840					840	8,160
Drunk Driver Prevention (Drive Sober) - Dec 2019	20.616	066-1160-100-057-19	5,500		110					110	5,390
Drunk Driver Prevention (Drive Sober) - Dec 2018	20.616	066-1160-100-057-18	5,500		1,375					1,375	4,125
Drunk Driver Prevention (Drive Sober) - Dec 2017	20.616	066-1160-100-057-17	5,500		5,500					5,500	-
Drunk Driver Prevention (Drive Sober) - Sept 2017	20.616	066-1160-100-057-17	5,500		110					110	5,390
Drunk Driver Prevention (Drive Sober)	20.616	066-1160-100-057-16	10,000		425					425	9,575
Drunk Driver Prevention (Drive Sober)	20.616	066-1160-100-057-15	5,000		5,000					5,000	-
Drunk Driver Prevention (Drive Sober)	20.616	066-1160-100-057-XX	7,500		3,800					3,800	3,700
Click It or Ticket - Seat Belt Campaign	20.616	066-1160-100-146-24	10,500	10,080		10,500		10,080		420	10,080
Click It or Ticket - Seat Belt Campaign	20.616	066-1160-100-146-23	10,500		420					420	10,080
Click It or Ticket - Seat Belt Campaign	20.616	066-1160-100-146-22	10,500		560					560	9,940
Click It or Ticket - Seat Belt Campaign	20.616	066-1160-100-146-21	9,000		960					960	8,040
Click It or Ticket - Seat Belt Campaign	20.616	066-1160-100-146-17	5,500		55					55	5,445
Pedestrian Safety Grant - Walk Safe - 2025	20.609	066-1160-100-146-XX	45,000							45,000	-
Pedestrian Safety Grant - Walk Safe - 2024	20.609	066-1160-100-146-XX	35,000	27,125		35,000		27,125		7,875	27,125
Pedestrian Safety Grant - Walk Safe - 2023	20.609	066-1160-100-146-XX	35,000		5,880					5,880	29,120
Pedestrian Safety Grant - Walk Safe - 2022	20.609	066-1160-100-146-XX	35,000		11,160					11,160	23,840
Pedestrian Safety Grant - Walk Safe - 2020	20.609	066-1160-100-146-XX	30,000		10,557					10,557	19,443
Pedestrian Safety Grant - Walk Safe - 2021	20.609	066-1160-100-146-XX	30,000		7,964					7,964	22,036
Pedestrian Safety Grant - Walk Safe	20.609	066-1160-100-146-XX	25,000		21,535					21,535	3,465
Pedestrian Safety Grant - Walk Safe	20.609	066-1160-100-146-XX	18,000		2,925					2,925	14,875
Pedestrian Safety Grant	20.609	066-1160-100-146-XX	16,000		5,850					5,850	10,150
Drive Sober Labor Day Crackdown	20.616	AL-24-45-09-MS-28	7,000			7,000		7,000		-	7,000
Drive Sober Year End Crackdown	20.616	AL-24-45-09-MS-28	10,500			10,500		5,880		4,620	5,880
Distracted Driving Crackdown - 2024	20.616	N/A-2024	12,250	8,190		12,250		8,190		4,060	8,190
Distracted Driving Crackdown - 2023	20.616	N/A-2023	12,250		7,210					7,210	5,040
Distracted Driving Crackdown - 2022	20.616	N/A-2022	12,250		630					630	11,620
Distracted Driving Crackdown - 2021	20.616	N/A-2021	10,500		480					480	10,020
Distracted Driving Crackdown - 2019	20.616	N/A-2018	5,500		330					330	5,170
Distracted Driving Crackdown	20.616	N/A-2018	6,600		2,915					2,915	3,685
Distracted Driving Crackdown	20.616	N/A	5,000		50					50	4,950
Total Highway Safety Cluster					102,821	120,250	-	58,275	-	164,796	317,104

CITY OF PASSAIC
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

State Grant Program	CFDA Number	State Acct Number	Grant Award Amount	Grant Receipts	Balance, December 31, 2023	Revenue Realized	Program Income	Expenditures	Adjustment	Balance, December 31, 2024	Cumulative Expended
U.S. Department of Justice - (Pass through Dept of Law and Public Safety- Office of Community Policing)											
COPS Hiring Grant	16.710	2023-UMWX-0143	\$ 2,000,000		\$ 2,000,000			\$ 187,506		\$ 1,812,494	\$ 187,506
COPS Hiring Grant	16.710	2020-UMWX-0143	1,000,000		499,984	-	-	499,984	-	-	1,000,000
Total COPS Hiring Grant					2,499,984	-	-	687,490	-	1,812,494	1,187,506
U.S. Department of Justice - (Pass through Dept of Law and Public Safety- Office of Community Policing)											
Rural and Small Crim Reduction	16.039	O-BJA-2024-172045	300,000		-	\$ 300,000	-	-	-	300,000	-
U.S. Department of Justice - (Pass through Dept of Law and Public Safety- Bureau of Justice assistance)											
Corona Virus Emerg. Supplemental Funding Prog.	16.034	2020-VDBX-1360	128,904	\$ 8,848	3,964					3,964	124,940
U.S. Department of Justice - (Pass through Dept of Law and Public Safety- Equitable Sharing Program)											
Patrick Leahy Bullet Proof Vest - 2024	16.922	N/A	14,979			14,979				14,979	-
Patrick Leahy Bullet Proof Vest - 2023	16.922	N/A	14,746		14,746					14,746	-
Patrick Leahy Bullet Proof Vest - 2022	16.922	N/A	25,561		25,561					25,561	-
Patrick Leahy Bullet Proof Vest - 2021	16.922	N/A	37,150	21,808	26,407					26,407	10,743
Patrick Leahy Bullet Proof Vest - 2020	16.922	N/A	3,600		3,600			28		3,572	28
Patrick Leahy Bullet Proof Vest - 2019	16.922	N/A	31,546		8,406	-	-	10	-	8,396	23,150
Total Patrick Leahy Cluster					78,720	14,979	-	38	-	93,661	33,921
U.S. Department of Housing and Urban Development											
CDBG Entitlement Grants	14.218	N/A	1,370,222		2,950,977	1,227,560		1,554,460		2,624,077	1,554,460
CDBG - COVID-CV	14.218		1,952,247		710,122			509,599		200,523	509,599
Emergency Solutions Grant	14.231	N/A			2,998	-	-	-	-	2,998	-
Total CDBG/ESG Cluster					3,664,097	1,227,560	-	2,064,059	-	2,827,598	2,064,059
U.S. Department of Housing and Urban Development											
Home Investment Partnership Program	14.239	N/A	870,442		5,165,347	882,707	\$ 37,604	2,507,666		3,577,992	2,507,666
Home Investment Partnership Program - ARP	14.239	N/A	3,154,749		3,142,031	-	-	1,138	-	3,140,893	1,138
Total HOME Cluster					8,307,378	882,707	37,604	2,508,804	-	6,718,885	2,508,804
U.S. Department of Housing and Urban Development											
Community Project Funding - Transformative RR Project	14.251	B-22-CP-NJ-0611	883,000		883,000	-	-	-	-	883,000	-
U.S. Department of Treasury											
Corona Virus State and Local Fiscal Recovery Funds - ARP	21.027		31,131,607		8,806,745			8,588,594		218,151	30,913,456
Automated License Plate Reader - ARP	21.027	21-100-066-1020-580	148,253	148,253	148,253		-	148,253	-	-	148,253
(Passed Through NJ Department of Community Affairs)											
ARP Firefighter Grant	21.021		30,000		-	30,000	-	-	-	30,000	-
Total State and Local Fiscal Recovery Funds ARP - Cluster					8,954,998	30,000	-	8,736,847	-	248,151	31,061,709
					\$ 31,716,307	\$ 6,641,964	\$ 37,604	\$ 16,392,259	\$ -	\$ 22,003,616	\$ 56,069,549

N/A - Not Applicable

CITY OF PASSAIC
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

State Grant Program	Account Numbers	Grant Year	Grant Award	Grant Receipts	Balance, December 31, 2023	Revenue Realized	Local Match	Expended	Adjustments	Balance, December 31, 2024	Cumulative Expended
Department of Community Affairs											
Clean Communities Grant	042-4900-765-004-20	2024	\$ 104,253	\$ 104,253		\$ 104,253		\$ 16,625		\$ 87,628	\$ 16,625
Clean Communities Grant	042-4900-765-004-20	2023	91,785		91,785					91,785	-
Clean Communities Grant	042-4900-765-004-20	2022	81,831		81,831					81,831	-
Clean Communities Grant	042-4900-765-004-20	2022	79,304		79,304					79,304	-
Clean Communities Grant	042-4900-765-004-20	2020	74,472		58,121			50,618		7,503	66,969
Clean Communities Grant	042-4900-765-004-19	2019	82,586		3,116			2,075		1,041	81,545
Clean Communities Grant	042-4900-765-004-15	2015	79,122		149			-		149	78,973
Total Clean Communities Cluster					314,306	104,253	-	69,318	-	349,241	244,112
Department of Community Affairs											
Lead Grant Assistance Program	1607	2023	111,400		111,400			2,131		109,269	2,131
Lead Remediation and Abatement	2023-02335-0202-00	2023	480,189		480,189			-		480,189	-
Total Dept of Community Affairs Lead Cluster					591,589	-	-	2,131	-	589,458	2,131
Department of Community Affairs											
Local Rec Improvement		2024	70,000			70,000				70,000	-
Local Rec Improvements - Colonel Johnson Pk	2023-04960-0871	2023	76,000		70,818			21,003		49,815	26,185
Recreation Opportunity	022-8050-100-035-13	2024	20,000			20,000		16,519		3,481	16,519
Recreation Opportunity	022-8050-100-035-13	2023	20,000	13,113	-					-	20,000
Recreation Opportunity	022-8050-100-035-13	2022	9,500		-					-	9,500
Recreation Opportunity	022-8050-100-035-13	2019	13,311		198					198	13,113
Recreation Opportunity	022-8050-100-035-13	2018	20,000	19,956	10,043					10,043	9,957
Recreation Opportunity	022-8050-100-035-13	2015	19,860		9,860			-		9,860	10,000
Total Recreation Opportunity Cluster					90,919	90,000	-	37,522	-	143,397	105,274
Recycling Tonnage	042-4900-752-001-20	2024	104,915	104,915		104,915				104,915	-
Recycling Tonnage	042-4900-752-001-20	2023	104,958		104,958					104,958	-
Recycling Tonnage	042-4900-752-001-20	2021	100,892		100,892					100,892	-
Recycling Tonnage	042-4900-752-001-20	2020	153,337		153,337			59,021		94,316	59,021
Recycling Tonnage	042-4900-752-001-19	2019	160,267		70,943			70,943		-	160,267
Recycling Tonnage	042-4900-752-001-16	2016	95,963		1,277			1,142		135	95,828
Total Recycling Tonnage Cluster					431,407	104,915	-	131,106	-	405,216	315,116
Municipal Lead Abatement (DCA)	2020-02330-0500	2020	166,877		112,383			-		112,383	54,494
Department of Health											
Alcohol Education and Rehabilitation	760-046-4240-001	2024	9,929	9,929		9,929				9,929	-
Alcohol Education and Rehabilitation	760-046-4240-001	2023	17,522		17,522					17,522	-
Alcohol Education and Rehabilitation	760-046-4240-001	2022	13,424		13,424					13,424	-
Alcohol Education and Rehabilitation	760-046-4240-001	2021	9,315		9,315					9,315	-
Alcohol Education and Rehabilitation	760-046-4240-001	2020	6,835		6,835					6,835	-
Alcohol Education and Rehabilitation	760-046-4240-001	2019	6,269		6,269					6,269	-
Alcohol Education and Rehabilitation	760-046-4240-001	2018	12,889		489					489	12,400
Alcohol Education and Rehabilitation	760-046-4240-001	2017	18,337		8,291					8,291	10,046
Alcohol Education and Rehabilitation	760-046-4240-001	2016	26,650		26,650			-		26,650	-
Total Alcohol Education & Rehabilitation Cluster					88,795	9,929	-	-	-	98,724	22,446

CITY OF PASSAIC
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

State Grant Program	Account Numbers	Grant Year	Grant Award	Grant Receipts	Balance, December 31, 2023	Revenue Realized	Local Match	Expended	Adjustments	Balance, December 31, 2024	Cumulative Expended
Department of Health											
Child Health - Childhood Lead Exposure - 2019	DFHS19CHD023	2019	\$ 817,000		\$ 235,998					\$ 235,998	\$ 581,002
Child Health - Childhood Lead Exposure - 2018	DFHS18CHD007	2017/2018	575,665		1,647	-	-	-	-	1,647	574,018
Total Child Health					237,645	-	-	-	-	237,645	1,155,020
Childhood Lead - 2025	OLPH21CLPO10	2025	806,849			\$ 806,849		\$ 235,512		571,337	235,512
Childhood Lead - 2024	OLPH21CLPO10	2024	806,849	\$ 344,647	651,707	12,500		290,917		373,290	433,559
Childhood Lead - 2023	OLPH21CLPO10	2023	562,500	54,158	87,384			2,135		85,249	477,251
Childhood Lead - 2022	OLPH21CLPO10	2022	562,500		155,771					155,771	406,729
Childhood Lead - 2021	OLPH21CLPO10	2021	562,500		188,066					188,066	374,434
Childhood Lead - 2019	OLPH20CLPO10	2019	750,000		844					844	749,156
Childhood Lead Poisoning Prevention - TY	16-348-CHS-L-0	2016	159,250		344					344	158,906
Childhood Lead Poisoning Prevention	16-348-CHS-L-0	2016	159,250		5,579	-	-	-	-	5,579	153,671
Total Childhood Lead					1,089,695	819,349	-	528,564	-	1,380,480	2,989,218
Total Childhood Health/Lead Cluster					1,327,340	819,349	-	528,564	-	1,618,125	4,144,238
Department of Health											
COVID-19 Vaccination Supp. Funding -Year 3	OLPH22VSF059	2023	20,000		3,189			819		2,370	17,630
COVID-19 Vaccination Supp. Funding -2022	OLPH22VSF059	2022	50,000	9,085	12,081			10,987	-	1,094	48,906
COVID-19 Vaccination Supp. Funding -2022	OLPH22VSF059	2021	50,000		215	-	-	-	-	215	49,785
					15,485	-	-	11,806	-	3,679	116,321
Department of Health											
Strength Loc Pub Health Capa Prog - 2025	N/A	2025	74,664			74,664		29,894		44,770	29,894
Strength Loc Pub Health Capa Prog - 2024	N/A	2024	406,046	250,512	325,222			109,458		215,764	190,282
Strength Loc Pub Health Capa Prog - 2023	N/A	2023	274,735	54,158	82,214			-		82,214	192,521
Strength Loc Pub Health Capa Prog - 2022	N/A	2022	291,042		68,786			-		68,786	222,256
Strength Loc Pub Health Capa Prog - 2021	N/A	2021	142,236		72,549	-	-	-	-	72,549	69,687
Total Strength Loc Pub Health Capa Prog - Cluster					548,771	74,664	-	139,352	-	484,083	704,640
Department of Agriculture											
NJDA Spotted Lanternfly Grant	N/A	2024	20,000	1,663		20,000		1,663		18,337	1,663
NJDA Spotted Lanternfly Grant	N/A	2023	15,000		43	-	-	-	-	43	14,957
Total NJDA Spotted Lanternfly Grant					43	20,000	-	1,663	-	18,380	16,620
Passed Thru County of Passaic											
Municipal Alliance	N/A	24/25	17,312			17,312		6,518		10,794	6,518
Municipal Alliance	N/A	23/24	17,312	17,310	10,482			10,480		2	17,310
Municipal Alliance	N/A	22/23	17,312		-			-		-	17,312
Municipal Alliance	N/A	21/22	17,312		2			-		2	17,310
Municipal Alliance - 5th Q	N/A	2020	3,158		3,158			-		3,158	-
Municipal Alliance	N/A	2020	12,985		3			-		3	12,982
Municipal Alliance	N/A	2019	39,478		5,980			-		5,980	33,498
Municipal Alliance	N/A	2018	39,478		1,102			-		1,102	38,376
Municipal Alliance	N/A	2017	39,478		313			-		313	39,165
Municipal Alliance - TY	N/A	2016	39,478		119			-		119	39,359
Municipal Alliance	N/A	2016	10,194		9,964			-		9,964	230
Municipal Alliance	N/A	2015	39,478		1,979	-	-	-	-	1,979	37,499
Total Municipal Alliance Cluster					33,102	17,312	-	16,998	-	33,416	259,559

CITY OF PASSAIC
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

<u>State Grant Program</u>	<u>Account Numbers</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>Grant Receipts</u>	Balance, <u>December 31,</u> <u>2023</u>	<u>Revenue Realized</u>	<u>Local Match</u>	<u>Expended</u>	<u>Adjustments</u>	Balance, <u>December 31,</u> <u>2024</u>	<u>Cumulative Expended</u>
Multi Cultural	N/A	2015	\$ 700		\$ 700					\$ 700	-
Department of Law and Public Safety											
Drunk Driving Enforcement	1110-448-031020-23	2023	33,902		33,902					33,902	-
Drunk Driving Enforcement	1110-448-031020-22	2016	28,629		4,000	-	-	-	-	4,000	\$ 24,629
Total Drunk Driving Enforcement Cluster					<u>37,902</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,902</u>	<u>24,629</u>
Body Armor Replacement	066-1020-718-001-11	2023	10,802			\$ 10,802				10,802	-
Body Armor Replacement	066-1020-718-001-11	2022	9,148		722		\$ 722			-	9,148
Body Worn Camera Grant	066-1020-495	2021	244,560		60					60	244,500
Body Armor Replacement	066-1020-718-001-11	2021	6,092		194			194		-	6,092
Body Armor Replacement	066-1020-718-001-11	2020	14,601		100	-	-	100	-	-	14,601
Total Body Armor Replacement Cluster					<u>1,076</u>	<u>10,802</u>	<u>-</u>	<u>1,016</u>	<u>-</u>	<u>10,862</u>	<u>274,341</u>
Department of Law and Public Safety											
Safe and Secure	066-1020-100-232-16	2024	67,725			67,725				67,725	-
Safe and Secure	066-1020-100-232-16	2023	48,600	\$ 14,985	48,600					48,600	-
Safe and Secure	066-1020-100-232-16	2022	48,600		2,835					2,835	45,765
Safe and Secure	066-1020-100-232-16	2021	48,600		48,600					48,600	-
Safe and Secure	066-1020-100-232-16	2019	90,000		10,399					10,399	79,601
Safe and Secure	066-1020-100-232-16	2018	90,000		90,000					90,000	-
Safe and Secure	066-1020-100-232-16	2017	90,000		90,000					90,000	-
Safe and Secure	066-1020-100-232-14	2014	90,000		48,750	-	-	-	-	48,750	41,250
Total Safe and Secure Cluster					<u>339,184</u>	<u>67,725</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>406,909</u>	<u>166,616</u>
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2024	52,039	23,458		52,039		45,237		6,802	45,237
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2024	49,967	23,467		49,967		44,257		5,710	44,257
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2023	45,000	19,446	676			423		253	44,747
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2023	41,091	21,982	2,823			1,739		1,084	40,007
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2022	39,801		2,871					2,871	36,930
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2022	45,000		970					970	44,030
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2021	45,000		30,383					30,383	14,617
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2020	35,462		377					377	35,085
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2020	8,209		7,756					7,756	453
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2019	34,762		84					84	34,678
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2019	11,359		3,094					3,094	8,265
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2018	34,762		237					237	34,525
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2017	19,762		870					870	18,892
Juvenile Acct. Incen. BI Grant (Station House)	JAIBG-16-01-02	2015	19,792		36	-	-	-	-	36	19,756
Total Juvenile Acct. Incentive Block Cluster					<u>50,177</u>	<u>102,006</u>	<u>-</u>	<u>91,656</u>	<u>-</u>	<u>60,527</u>	<u>421,479</u>

**CITY OF PASSAIC
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>State Grant Program</u>	<u>Account Numbers</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>Grant Receipts</u>	<u>Balance, December 31, 2023</u>	<u>Realized</u>	<u>Local Match</u>	<u>Expended</u>	<u>Adjustments</u>	<u>Balance, December 31, 2024</u>	<u>Cumulative Expended</u>
Department of Commerce and Economic Development											
Urban Enterprise Zone Assistance Fund (UEZ) 2830-763-250-XXXX-50											
25-Administrative Budget	UEZA	2025	\$ 294,829	\$ 294,829		\$ 294,829				294,829	
25-Clean Sweep/Graffiti Erad.	UEZA	2025	517,856	517,856		517,856				517,856	
25-Marketing Program	UEZA	2025	200,000	200,000		200,000		\$ 786		199,214	\$ 786
24-5 Year Plan	UEZA	2024	104,500	104,500		104,500		3,519		100,981	3,519
24-Administrative Budget	UEZA	2024	287,079	287,079		287,079		221,109		65,970	221,109
24-Business Transportation Project	UEZA	2024	530,000	530,000		530,000				530,000	-
24-Carnie Grabb Park Phase 2	UEZA	2024	600,000	600,000		600,000		15,324		584,676	15,324
24-Clean Sweep/Graffiti Erad.	UEZA	2024	535,206	535,206		535,206		228,660		306,546	228,660
24-Quality of Life Police Project	UEZA	2024	650,000	650,000		650,000		552,436		97,564	552,436
24-Sidewalk Replacement	UEZA	2024	200,000	200,000		200,000				200,000	-
24-Workforce Training	UEZA	2024	100,000	100,000		100,000		71,346		28,654	71,346
23- Administration	UEZA	2023	283,237		\$ 35,665			35,665		-	283,237
23-Carnie Bragg Park Phase I	UEZA	2023	50,000		50,000			45,950		4,050	45,950
23-Clean Sweep	UEZA	2023	522,500					159,867	\$ 159,867	-	522,500
23-Façade and Signage	UEZA	2023	200,000		200,000			67,243		132,757	67,243
23-Graffiti Eradication	UEZA	2023	98,700		39,439			39,439		-	98,700
23-Loan Program	UEZA	2023	330,000		330,000					330,000	-
23-Market Street Improvements	UEZA	2023	50,000		50,000					50,000	-
23-Marketing Project	UEZA	2023	150,000		144,700			102,085		42,615	107,385
23- Riverwalk at Market and South St	UEZA	2023	220,000		220,000			16,503		203,497	16,503
23-Business District Surveillance Camera Proj	UEZA	2023	199,748		199,748					199,748	-
23-UEZ 2023 Business Expansion Project	UEZA	2023	100,000		100,000					100,000	-
17 - Urban Enterprise Zone	UEZA	2017	139,902		78,038					78,038	61,864
17 - Taste of Market Street	UEZA	2017	5,000		915					915	4,085
15 - Administration - Commodities	UEZA	2015	16,925		2,781					2,781	14,144
15 - Dundee Canal Redevelopment	UEZA	2015	15,000		3,012					3,012	6,988
15 - Downtown Merchants - Youth Corps	UEZA	2015	32,000		12,554					12,554	19,446
14 - Administration - Commodities	UEZA	2014	123,615		-					-	123,603
Total Urban Enterprise Zone Cluster					<u>1,466,852</u>	<u>4,019,470</u>	<u>-</u>	<u>1,559,932</u>	<u>159,867</u>	<u>4,086,257</u>	<u>2,464,828</u>
Department of Economic Development											
Food Security Planning Grant	N/A	2023	125,000	62,500	125,000	-	-	125,000	-	-	125,000
Department of Transportation											
Youth Corp's Urban Gateway Enhanc. Prog	N/A	2023	32,000	28,964	5,042			2,100	2,100	5,042	26,958
Local Transp. Proj. Fd. - Delaware Ave, Oak, etc.	N/A	2023	1,700,000		1,700,000			53,678		1,646,322	53,678
Local Aid Infrastructure Fund - Myrtle Ave	N/A	2022	365,000	242,873	364,037			154,417		209,620	155,380
Local Freight Impact Fund - 8th St. Impvt.	N/A	2022	950,000		911,967			16,664		895,303	54,697
Municipal Aid Program - 2024	078-6320-480-XXXX	2024	1,076,800			1,076,800		19,920		1,056,880	19,920
Municipal Aid Program - 2023	078-6320-480-XXXX	2023	922,775		915,347			13,953		901,394	21,381
Municipal Aid Program - 2022	078-6320-480-XXXX	2022	782,700	301,449	389,582			29,837		359,745	422,955
Municipal Aid Program - 2021	078-6320-480-XXXX	2021	754,435		34,999				2,241	37,240	717,195
Municipal Aid Program - 2020	078-6320-480-XXXX	2020	883,174		129,384					129,384	753,790
Transp. Trust - Multi Impvt Project - 2022	078-6320-480-XXXX	2022	2,000,000		1,956,891			618,840		1,338,051	661,949
Transp. Trust - Various Road Imp - 2019	078-6320-480-XXXX	2019	895,426		264,752					264,752	630,674
Transp. Trust - Various Road Imp - 2018	078-6320-480-XXXX	2018	805,600		328,991					328,991	476,609
Transp. Trust - Roadway Safety - 2018	078-6320-480-XXXX	2018	600,000		158,318					158,318	441,682
Transp. Trust - Various Road Imp - 2017	078-6320-480-XXXX	2017	385,456		78,032					78,032	307,424
Transp. Trust - Various St Imp - 2016	078-6320-480-XXXX	2016	353,273		94,203					94,203	259,070
Transportation Trust - Market Streetscape Enhance	078-6320-480-XXXX-XX	2014	750,000		684,396					684,396	-
Total Transportation Cluster					<u>8,015,941</u>	<u>1,076,800</u>	<u>-</u>	<u>909,409</u>	<u>4,341</u>	<u>8,187,673</u>	<u>5,003,362</u>

CITY OF PASSAIC
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

State Grant Program	Account Numbers	Grant Year	Grant Award	Grant Receipts	Balance, December 31, 2023	Realized	Local Match	Expended	Adjustments	Balance, December 31, 2024	Cumulative Expended
Other State Departments											
Hepatitis B Inoculation	046-4230-100-241-18	2018	\$ 3,235		\$ 3,235					\$ 3,235	-
Hepatitis B Inoculation	046-4230-100-241-17	2017	8,369		1,361					1,361	\$ 7,008
Hepatitis B Inoculation	046-4230-100-241-15	2015	5,000		428	-	-	-	-	428	4,572
Total Hepatitis B Inoculation Cluster					5,024	-	-	-	-	5,024	11,580
Housing Opportunity Grant	N/A	2023	125,000	\$ 49,203		\$ 125,000		\$ 84,005		40,995	84,005
Housing Opportunity Grant	N/A	2022	122,500	40,000	11,317	40,000		43,664		7,653	114,847
Housing Opportunity Grant - Covid 19	N/A	2021	10,224		3,394					3,394	6,830
Housing Opportunity Grant	N/A	2021	150,000		1,612					1,612	148,388
Housing Opportunity Grant	N/A	2020	150,000		22,359					22,359	127,641
Housing Opportunity Grant	N/A	2019	150,000	48,749	1,707					1,707	148,293
Housing Opportunity Grant	N/A	2018	125,000		40,582					40,582	84,418
Housing Opportunity Grant	N/A	2017	120,000		12,254					12,254	107,746
Housing Opportunity Grant - TY	N/A	2016	160,000		1,194					1,194	158,806
Housing Opportunity Grant	N/A	2016	69,610		9,247					9,247	60,363
Housing Opportunity Grant	N/A	2015	75,000		23,543	-	-	-	-	23,543	51,457
Total Housing Opportunity Cluster					127,209	165,000	-	127,669	-	164,540	1,092,794
Highlands Council Transfer Development	N/A	2014	40,000		32,193					32,193	7,807
High Drug Traffic Youth Empowerment	N/A	2016	2,160		2,160	-	-	-	-	2,160	-
Total High Drug Traffic Youth Empowerment Cluster					2,160	-	-	-	-	2,160	-
NJ Office of Information Technology - Eme											
Emergency Telecom. Serv. - Public Safety Answering Point Grant		2024	83,540	83,540		83,540	-		-	83,540	-
Emergency Telecom. Serv. - Public Safety Answering Point Grant		2023	195,136		195,136	-	-	195,136	-	-	195,136
Total Emergency Telecom. Serv. - Public Safety Answering Point Grant					195,136	83,540	-	195,136	-	83,540	195,136
NJ Office of Emergency Management											
Hazard Mitigation Grant		2016	250,000		13,958					13,958	236,042
US Lacrosse National Diversity	N/A	2018	2,000		2,000					2,000	-
Recreation - Womens Sports		2019	5,000		1,864			1,051		813	4,187
NJ Department of Community Affairs											
Neighborhood Preservation Program	N/A	2021	125,000		9,205	-	-	9,205	-	-	125,000
Neighborhood Preservation Program		2024	125,000	37,500		125,000		35,886		89,114	35,886
Neighborhood Preservation Program - 2023		2023	125,000	9,814	11,489			8,803		2,686	122,314
Neighborhood Preservation Program - ARP 2023		2023	238,764		238,764	-	-	-	-	238,764	-
Total NJ Dept of Community Affairs - Neighborhood Preservation Program					259,458	125,000	-	53,894	-	330,564	283,200

CITY OF PASSAIC
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

<u>State Grant Program</u>	<u>Account Numbers</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>Grant Receipts</u>	<u>Balance, December 31, 2023</u>	<u>Realized</u>	<u>Local Match</u>	<u>Expended</u>	<u>Adjustments</u>	<u>Balance, December 31, 2024</u>	<u>Cumulative Expended</u>
NJ Department of Community Affairs											
Legislative Grant - Parking Deck - Ord. 2450-24	2023-09027-0121-00	2023	\$ 10,000,000		\$ 10,000,000			\$ 7,030,397		\$ 2,969,603	-
Legislative Grant - Pulaski Park Extension	2023-09032-0126-00	2023	6,000,000		6,000,000	-	-	-	-	6,000,000	-
Total NJ Dept of Community Affairs - Legislative Grant Program					16,000,000	-	-	7,030,397	-	8,969,603	-
NJ Association of County and City Health Officials (NJACCHO)											
Sustaining Local Public Health Infr	N/A	2024	168,049	\$ 5,999		\$ 168,049		5,999		162,050	\$ 5,999
Enhancing Local Public Health Infr	N/A	2023	728,740	717,461	712,221	-	-	700,382	-	11,839	716,901
Total NJ Association of County and City Health Officials (NJACCHO)					712,221	168,049	-	706,381	-	173,889	722,900
Department of Environmental Protection											
Stormwater Assistance Grant	NJG0148083	2024	25,000		25,000	-	-	-	-	25,000	-
Department of Environmental Protection											
Urban Parks - 3rd Ward Memorial Pk Impvts	1607-24-UPG	2024	750,000			750,000				750,000	-
Urban Parks - 3rd Ward Memorial Pk Impvts	1607-23-UPG	2023	500,000		500,000	-	-	-	-	500,000	-
					500,000	750,000	-	-	-	1,250,000	-
Department of Environmental Protection											
Green Acres - 2024	1607-24-016	2024	1,400,000			1,400,000				1,400,000	-
Green Acres - 3rd Ward Memorial Pk Impvts	1607-23-016	2023	1,400,000		1,400,000			55,762		1,344,238	55,762
Green Trust Grant - Multi Park Impvts -2021	1607-21-080	2021	1,200,000		416,844				\$ 101,095	517,939	682,061
Green Trust Grant - 3rd Ward & Vet Mem Park	1607-19-073	2019	1,000,000		188,845			6,421		182,424	817,576
Stewardship Award	N/A	2019	23,000		6,170					6,170	16,830
Green Trust Grant - Veterans Memorial Park	4800-533-852000-60	2017	1,000,000		70,462					70,462	929,538
Green Trust Grant - MacDonald's Brook	4800-533-852000-60	2016	1,100,000	1,100,000	1,034					1,034	1,098,966
Total Green Trust Cluster					2,083,355	1,400,000	-	62,183	101,095	3,522,267	3,600,733
					\$ 33,550,550	\$ 9,208,814	\$ -	\$ 11,802,184	\$ 265,303	\$ 31,222,483	\$ 20,619,585

N/A - Not Available

Adjustments - Amendments to original grant awards.

**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE**

**CITY OF PASSAIC
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2024**

NOTE 1 REPORTING ENTITY

The City of Passaic (the “City”) received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The City is the reporting entity for these programs. The City is defined in Note 1 (A) to the City’s Financial Statements.

NOTE 2 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (the “Schedules”) present the activity of all federal and state programs of the City. All federal awards received directly from federal agencies or passed through other government agencies are included on the schedule of expenditures of federal awards. All state awards received directly from state agencies or passed through other government agencies are included in the schedule of expenditures of state financial assistance. The information in these Schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principals, and audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular Letter 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”) which is a regulatory basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the City accounts for federal awards and state financial assistances through separate funds and accounts which differ from those required by accounting principles generally accepted in the United States of America. The City’s summary of significant accounting policies are described in Note 1 to the City’s Financial Statements.

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the City’s financial statements. Financial assistance revenues are reported in the City’s financial statements on a basis of accounting described above as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current Fund	\$ 4,531,697	\$ 9,208,814	\$ 13,740,511
Community Development Grant Fund	1,227,560		1,227,560
Home Loan Program	<u>882,707</u>	<u>-</u>	<u>882,707</u>
Total Financial Awards	<u>\$ 6,641,964</u>	<u>\$ 9,208,814</u>	<u>\$ 15,850,778</u>

**CITY OF PASSAIC
 NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
 AND STATE FINANCIAL ASSISTANCE
 YEAR ENDED DECEMBER 31, 2024**

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the City’s fiscal year and grant program year.

NOTE 6 FEDERAL AND STATE LOANS OUTSTANDING

Certain state loans at the beginning of the year and loans made during the year are included in The Schedules, while others are not required to be included in The Schedules. The City’s state loans outstanding at December 31, 2024, which are not required to be reported on the schedules of expenditures of federal awards and state financial assistance, are as follows:

<u>Loan Program</u>	<u>State</u>
N.J. Dept. of Environmental Protection	
Green Acres Loans	
Dundee Island	\$ 33,378
Pulaski Park Renovation	4,393
Roberto Clemente Field Improvements	171,242
Pulaski Park Improvements	<u>342,326</u>
	<u>\$ 551,339</u>

NOTE 7 INDIRECT COST RATE

The City has not elected to use the 10 percent de minimis indirect cost rate allowed under the U.S. Uniform Guidance.

**CITY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Part I – Summary of Auditor’s Results

Financial Statement Section

- A) Type of auditors' report issued: Unmodified - Regulatory Basis
- B) Internal control over financial reporting:
- 1) Material weakness(es) identified? yes X no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? yes X none reported
- C) Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

- D) Dollar threshold used to determine Type A programs: \$750,000
- E) Auditee qualified as low-risk auditee? X yes no
- F) Type of auditors' report on compliance for major programs: Unmodified
- G) Internal Control over compliance:
- 1) Material weakness(es) identified? yes X no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? yes X none reported
- H) Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance? yes X no

I) Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds - ARP
97.044	Assistance to Fire Fighters

**CITY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2024**

Part I – Summary of Auditor’s Results

State Awards Section

- J) Dollar threshold used to determine Type A programs: \$ 750,000
- K) Auditee qualified as low-risk auditee? X yes no
- L) Type of auditors' report on compliance for major programs: Unmodified
- M) Internal Control over compliance:
- 1) Material weakness(es) identified? yes X no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? yes X none reported
- N) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08, as amended? yes X no
- O) Identification of major programs:

GMIS Number(s)	Name of State Program
2023-09027-0121-00	DCA - Legislative Grant
2830-763-250-000-50	Urban Enterprise Zone - Cluster
078-6320-480	Dept. of Transportation - Cluster

**CITY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Paragraph 5.18-5.20 of *Government Auditing Standards*.

There are none.

**CITY OF PASSAIC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08, as amended.

CURRENT YEAR FEDERAL AWARDS

There are none.

CURRENT YEAR STATE AWARDS

There are none.

**CITY OF PASSAIC
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

This section identifies the status of prior-year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Paragraph 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

There were none.

CITY OF PASSAIC

PART III

SUPPORTING DATA

LETTER OF COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2024

**CITY OF PASSAIC
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
CURRENT FUND**

	<u>Year 2024</u>			<u>Year 2023</u>	
	<u>Amount</u>	<u>Percent</u>		<u>Amount</u>	<u>Percent</u>
REVENUE AND OTHER INCOME REALIZED					
Fund Balance Utilized	\$ 6,114,601	3.29 %	\$	5,321,000	2.69 %
Miscellaneous - From Other Than Local					
Property Tax Levies	51,638,548	27.77		68,696,905	34.74
Collection of Delinquent Taxes and Tax Title Liens	189,486	0.10		41,415	0.02
Collection of Current Tax Levy	121,603,718	65.40		117,336,716	59.35
Other Credits	<u>6,399,180</u>	<u>3.44</u>		<u>6,323,499</u>	<u>3.20</u>
Total Income	<u>185,945,533</u>	<u>100.00</u> %		<u>197,719,535</u>	<u>100.00</u> %
EXPENDITURES					
Budget Expenditures					
Municipal Purposes	128,072,299	73.59		139,797,060	75.16 %
County Taxes	27,954,179	16.06		28,413,522	15.28
Local School Taxes	17,326,498	9.95		16,986,763	9.13
Other Expenditures	<u>691,749</u>	<u>0.40</u>		<u>796,639</u>	<u>0.43</u>
Total Expenditures	<u>174,044,725</u>	<u>100.00</u> %		<u>185,993,984</u>	<u>100.00</u> %
Excess in Revenue	11,900,808			11,725,551	
Fund Balance, January 1	<u>26,420,119</u>			<u>20,015,568</u>	
	38,320,927			31,741,119	
Less Utilization as Anticipated Revenue	<u>6,114,601</u>			<u>5,321,000</u>	
Fund Balance, December 31	<u>\$ 32,206,326</u>			<u>\$ 26,420,119</u>	

**CITY OF PASSAIC
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
SEWER UTILITY OPERATING FUND**

	<u>2024</u>			<u>2023</u>	
	<u>Amount</u>	<u>Percent</u>		<u>Amount</u>	<u>Percent</u>
REVENUE AND OTHER INCOME REALIZED					
Collection of Sewer Rents	\$ 7,558,123	99.72 %		\$ 7,173,434	99.86 %
Non-Budget Revenues	<u>21,237</u>	<u>0.28</u>		<u>9,714</u>	<u>0.14</u>
Total Income	<u>7,579,360</u>	<u>100.00</u> %		<u>7,183,148</u>	<u>100.00</u> %
EXPENDITURES					
Budget Expenditures					
Operating	7,554,000	96.87 %		7,039,000	91.46 %
Debt Service	146,822	1.88		141,780	1.84
Deferred Charges	<u>97,600</u>	<u>1.25</u>		<u>515,345</u>	<u>6.70</u>
Total Expenditures	<u>7,798,422</u>	<u>100.00</u> %		<u>7,696,125</u>	<u>100.00</u> %
Excess/(Deficit) in Revenues	(219,062)			(512,977)	
Adjustments to Income Before Fund Balance					
Realized from General Budget for Anticipated Deficit	<u>219,062</u>			<u>512,977</u>	
Statutory Excess to Fund Balance	-			-	
Fund Balance, Beginning of Year	<u>87,949</u>			<u>87,949</u>	
Fund Balance, End of Year	<u>\$ 87,949</u>			<u>\$ 87,949</u>	

**CITY OF PASSAIC
COMPARATIVE SCHEDULE OF TAX RATE INFORMATION – CALENDAR YEAR**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<u>Tax Rate</u>	<u>\$ 4.123</u>	<u>\$ 4.004</u>	<u>\$ 3.884</u>

Apportionmen of Tax Rate

Municipal/Library	\$ 2.595	\$ 2.470	\$ 2.375
County	0.941	0.959	0.937
Local School	0.587	0.575	0.572

Assessed Valuation

2024	<u>\$ 2,952,986,202</u>		
2023		<u>\$ 2,955,195,608</u>	
2022			<u>\$ 2,940,752,492</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
December 31, 2024	\$ 122,555,082	\$ 122,253,718	99.75%
December 31, 2023	118,647,682	118,336,716	99.74%
December 31, 2022	114,575,296	114,543,288	99.97%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>December 31 Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2024	\$ 153,067	\$ 14,356	\$ 167,423	0.14%
2023	141,785	154,903	296,688	0.25%
2022	248,895	14,343	263,238	0.23%

**CITY OF PASSAIC
PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

COMPARISON OF SEWER UTILITY LEVIES

<u>Year</u>	<u>Levy</u>	<u>Cash Collections(A)</u>	<u>Percentage of Collection</u>
2024	\$ 7,179,600	\$ 7,458,755	103.89%
2023	6,847,477	7,067,106	103.21%
2022	6,224,410	6,045,337	97.12%

(A) Includes collection of prior year receivable balance.

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>Year</u>	<u>Balance, June 30</u>	<u>Utilized In Budget of Succeeding Year</u>
Current Fund	2024	\$ 32,206,326	\$ 13,600,000 (B)
	2023	26,420,119	6,114,601
	2022	20,015,568	5,321,000
Sewer Utility	2024	87,949	- (B)
	2023	87,949	-
	2022	87,949	-

(B) The above fund balance amounts appropriated represent the surplus anticipated in the 2025 introduced municipal budget. The 2025 municipal budget has not been legally adopted as of the date of audit.

**CITY OF PASSAIC
OFFICIALS IN OFFICE AND SURETY BONDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Hector C. Lora	Mayor	
Gary S. Schaer	Council President	
Maritza Colon-Montenez	Councilwoman	
Jose R. Garcia	Councilman	
Terrence L. Love	Councilman	
Thania Melo	Councilwoman	
Chaim M. Munk	Councilman	
Daniel J. Schwartz	Councilman	
Ricardo Fernandez	Business Administrator	
Omar J. Garcia	Director of Finance	(A)
Barbara Williams	Tax Assessor	
Weatherly Frias	City Clerk/Registrar of Vital Statistics	
Doris Dudek	Purchasing Agent	
Sean Nolan	Tax Collector	(A)
Kenneth Pincus	Health Officer	
Luis Guzman	Police Chief	
Patrick Trentacost	Fire Chief	
Jeremias E. Batista	Municipal Judge	(A)
Kecia Clarke Michel	Municipal Judge	(A)
Giuseppe C. Randazzo	Municipal Judge	

(A) All statutory personnel are covered by a \$1,000,000 policy of Fidelity and Deposit Company.

All other City employees are also covered by a \$1,000,000 policy of Fidelity and Deposit Company.

**CITY OF PASSAIC
GENERAL COMMENTS**

Prior Year Findings Unresolved

Grant receivable and grant appropriation reserve reports were not in agreement with audit balances. It is recommended that grant receivable and appropriated reserve reports be reviewed and adjusted to agree with audit balances.

Our audit of the Grant Fund revealed numerous grant receivable balances due to the City at year end. Many of the receivable balances are several years old with no activity. It is recommended that grant receivable balances be reviewed and continued efforts be made to collect balances due or cancelled of record where deemed uncollectible.

Our audit of the Municipal Court revealed 6,991 tickets assigned but not issued which were outstanding over six months and not recalled. It is recommended that outstanding tickets over six months be recalled and reassigned.

Our audit of the City's bank reconciliations noted several accounts with prior year outstanding checks. It is recommended that prior year outstanding checks be reviewed and cleared of record.

Current Year Findings

Our audit of the Municipal Court monthly ticket reports revealed the following:

- 154 tickets that were issued and not assigned.
- 762 tickets reported on the ticket error report.

It is recommended that the various other monthly reports be reviewed and updated in a timely manner.

Contracts and Agreements Required to be Advertised for NJS 40A:11-4

NJS 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the bid threshold, except by contract or agreement."

The bid threshold in accordance with N.J.S.A. 40A:11-3 was \$17,500. The City has adopted a resolution increasing the threshold to \$44,000 and has appointed the City Purchasing Agent as qualified purchasing agent in accordance with regulations established by the Division of Local Government Services.

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

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

- | | |
|---|--|
| Oak Street & Gregory Ave. Storm and Sanitary Improvements | Heating and AC Repair and Maintenance |
| NJ DOT Multi Intersection Road Improvement Project | NJDOT – Multi Road Improvement Project |
| New Municipal Parking Deck | Replacement Generator – West Side Firehouse |
| Recreation Uniforms | Construction of One Story Building – 69 Jefferson St. |
| Myrtle Ave. Roadway Improvements | Repair of Ladder Track #1 |
| Mercer St. Roadway and Drainage Improvements | Road Improvements – Pennington/Aycrigg and Monroe/Hope |
| NJ DOT 2023 Municipal Aid Program | Various Sidewalk Improvements – Broadway |

CITY OF PASSAIC

GENERAL COMMENTS

Contracts and Agreements Required to be Advertised for NJS 40A:11-4 (Continued)

The minutes indicate that resolutions were adopted and advertised, authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 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.

Our examination of expenditures did not reveal any payments, contracts or agreements in excess of \$44,000 "for the performance of any work or the furnishing or hiring of any materials or supplies," for which bids had not been previously sought by public advertisement or where a resolution had not been previously adopted under the provisions of N.J.S.A. 40A:11-6.

Collection of Interest of Delinquent Taxes and Assessments

R.S. 54:4-67 provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The Governing Body on January 2, 2024 adopted the following resolution authorizing interest to be charged on delinquent taxes:

"BE IT RESOLVED, by the Mayor and Municipal Council of the City of Passaic, that, pursuant to the power and authority vested in the said body by N.J.S.A. 54:4-67, the rate of interest to be charged by the City of Passaic for the nonpayment of taxes or assessments on or before the date when they would become delinquent be and the same is hereby fixed at 8% per annum on the first \$1,500 of the delinquency and 18% per annum on any amount in excess of \$1,500; provided, however, that no interest shall be charged if payment of any installment of such taxes or assessments is made within the tenth calendar day following the date upon which the same became payable.

BE IT FURTHER RESOLVED that said interest rate shall be and become effective upon the adoption of this resolution.

BE IT FURTHER RESOLVED that the Collector of Taxes of the City of Passaic and all other officers and employees of the City of Passaic concerned with the collection of taxes be and they are hereby ordered and directed to take all actions as may be necessary to affect this resolution.

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 December 17, 2024.

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

**CITY OF PASSAIC
RECOMMENDATIONS**

It is recommended that:

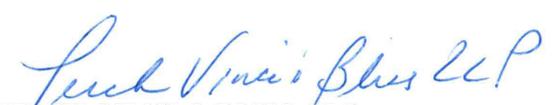
- * 1. Grant receivable and appropriated reserve reports be reviewed and adjusted to agree with the audit balances.
- * 2. Grant receivable balances be reviewed and continued efforts be made to collect balances due or cancelled of record where deemed uncollectible.
- * 3. Prior year outstanding checks be reviewed and cleared of record.
- 4. With regards to the Municipal Court
 - * a) Outstanding tickets over six months be recalled and reassigned.
 - b) Various other monthly reports be reviewed and updated in a timely manner.

* * * * *

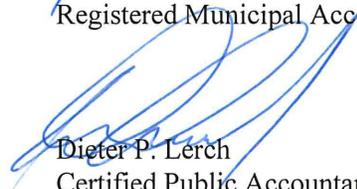
A review was performed on all prior years' recommendations. Corrective action was not taken on those recommendations denoted with an asterisk (*).

The problems and weaknesses noted in our audit were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to our comments and recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.



LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Registered Municipal Accountants



Dieter P. Lerch
Certified Public Accountant
RMA Number CR000398