

**BOROUGH OF LODI
COUNTY OF BERGEN, NEW JERSEY**

**REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2023**

BOROUGH OF LODI
 REPORT OF AUDIT
 YEAR ENDED DECEMBER 31, 2023
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BOROUGH OF LODI

Part I

Report on Audit of Financial Statements and Supplementary Schedules

Independent Auditors' Report

Honorable Mayor and Members of the Borough Council
Borough of Lodi, County of Bergen, New Jersey

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Borough of Lodi, as of December 31, 2023 and 2022, and the related statements of operations and changes in fund balance - regulatory basis, statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the Current Fund for the years ended December 31, 2023 and 2022, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independent Auditors' Report (Continued)

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 and presented by the Borough of Lodi 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.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed above in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the 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 Borough of Lodi as of December 31, 2023 and 2022, or changes in financial position for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As discussed in the notes to financial statements, the financial statements - regulatory basis of the Length of Service Awards Program (LOSAP) Trust Fund have not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Borough's financial statements as of and for the year ended December 31, 2021 and 2020. The LOSAP Trust Fund financial activities are included in the Borough's Trust Funds, and represent 15 percent and 11 percent of the assets and liabilities, respectively, of the Borough's Trust Funds as of December 31, 2023 and 2022.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the possible effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Trust Fund financial statements been audited as described in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" paragraph above, the 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 Borough of Lodi as of December 31, 2020, and the results of operations and changes in fund balance - regulatory basis and the respective revenues - regulatory basis and expenditures - regulatory basis of the Current Fund for the year ended December 31, 2020 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.

Independent Auditors' Report (Continued)

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Borough of Lodi as a whole. The supplementary schedules listed in the table of contents, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance and the supplementary data and letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the financial statements of the Borough of Lodi.

The supplementary schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 .

The supplementary data and letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 1, 2024 on our consideration of the Borough of Lodi's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Borough of Lodi's internal control over financial reporting and compliance.

Di Maria & Associates LLP
Accountants and Advisors

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

December 1, 2024

BOROUGH OF LODI
 CURRENT FUND
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>Current Fund</u>		
<u>Assets</u>		
Cash:		
Current Account.....	\$ 5,546,966	\$ 9,541,784
Change Funds.....	500	500
	<u>5,547,466</u>	<u>9,542,284</u>
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable.....	1,152	119,969
Tax Title Liens Receivable.....	266,694	369,069
Property Acquired for Taxes - Assessed Valuation.....	18,247	18,247
Due from - Other Trust Fund.....	614,449	658,822
Due from - General Capital Fund.....	524,184	-
	<u>1,424,726</u>	<u>1,166,107</u>
Deferred Charges:		
Emergency Authorizations (40A:4-47).....	-	-
Special Emergency Authorizations (40A:4-53.1).....	832,160	1,104,548
	<u>832,160</u>	<u>1,104,548</u>
	<u>7,804,352</u>	<u>11,812,939</u>
<u>Grant Fund</u>		
<u>Assets</u>		
Cash.....	776,240	-
Due from - Current Fund.....	-	658,859
Grants Receivable.....	281,710	61,140
	<u>1,057,950</u>	<u>719,999</u>
	<u>\$ 8,862,302</u>	<u>\$ 12,532,938</u>

BOROUGH OF LODI
 CURRENT FUND
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>Current Fund</u>		
<u>Liabilities, Reserves and Fund Balance</u>		
Liabilities:		
Due to - Grant Fund.....	\$ -	\$ 658,859
Due to - General Capital Fund.....	-	785,054
Local District School Tax Payable.....	-	107,144
Due County for Added & Omitted Taxes.....	11,974	7,149
Due State of New Jersey.....	7,278	7,810
Tax Overpayments.....	-	403
Appropriation Reserves.....	1,289,178	909,986
Reserve for Encumbrances.....	272,676	499,956
Pre-Paid Taxes.....	245,212	320,698
Reserve for ARP Funds.....	-	1,274,183
Reserve for Tax Maps.....	-	25,000
Tax Sale Premiums.....	-	1,375,400
Reserve for Tax Appeals.....	-	1,000,000
	<u>1,826,318</u>	<u>6,971,642</u>
Reserve for Receivables and Other Assets.....	1,424,726	1,166,107
Fund Balance.....	4,553,308	3,675,190
	<u>7,804,352</u>	<u>11,812,939</u>
	-	-

Grant Fund

Liabilities

Due to - Trust Fund.....	744	744
Reserve for Encumbrances.....	6,380	12,036
Appropriated Reserves.....	964,678	626,406
Unappropriated Reserves.....	86,148	80,813
	<u>1,057,950</u>	<u>719,999</u>
	-	-
	<u>\$ 8,862,302</u>	<u>\$ 12,532,938</u>
	-	-

BOROUGH OF LODI
 CURRENT FUND
 COMPARATIVE STATEMENT OF OPERATIONS AND
 CHANGES IN FUND BALANCE (REGULATORY BASIS)
 YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
<i><u>Revenue and Other Income Realized</u></i>		
Fund Balance Utilized.....	\$ 2,550,000	\$ 434,049
Miscellaneous Revenue Anticipated.....	9,581,890	10,611,860
Receipts from Delinquent Taxes.....	243,395	39,742
Receipts from Current Taxes.....	65,984,002	65,511,402
Non-Budget Revenue.....	883,074	768,834
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves.....	1,390,171	1,707,994
Interfund Loans Returned.....	-	-
Other Cancellations & Non-Cash Adjustments.....	1,000,000	-
Total Income.....	<u>81,632,532</u>	<u>79,073,881</u>
<i><u>Expenditures</u></i>		
Budget and Emergency Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages.....	12,989,810	11,945,500
Other Expenses.....	9,540,890	10,069,850
Deferred Charges.....	-	505,752
Statutory Expenditures.....	3,420,079	3,109,497
Excluded From "CAPS":		
Operations:		
Other Expenses.....	3,205,258	2,761,779
Capital Improvements.....	200,000	150,000
Debt Service.....	1,749,650	1,626,631
Deferred Charges and Statutory Expenditures.....	272,387	257,387
County Tax.....	6,720,694	6,487,526
County Open Space Tax.....	294,143	267,979
Local District School Tax.....	39,175,345	39,211,341
Added County Taxes.....	11,974	7,149
Refund of Prior Year Revenue.....	-	140,850
Interfund Loans Originating.....	624,184	719,384
Total Expenditures.....	<u>78,204,414</u>	<u>77,260,625</u>
Excess in Revenue.....	3,428,118	1,813,256
Adjustments to Income before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year.....	-	75,000
Statutory Excess to Fund Balance.....	3,428,118	1,888,256
Fund Balance, January 1.....	3,675,190	2,220,983
Decreased by - Utilization as Anticipated Revenue.....	2,550,000	434,049
Fund Balance, December 31.....	<u>\$ 4,553,308</u>	<u>\$ 3,675,190</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF LODI
CURRENT FUND
STATEMENT OF REVENUES (REGULATORY BASIS)
YEAR ENDED DECEMBER 31, 2023

	Anticipated		Realized	Excess/ (Deficit)
	Budget	Added by N.J.S. 40A:4-87		
Fund Balance Anticipated.....	2,550,000	-	2,550,000	-
Miscellaneous Revenues:				
Alcoholic Beverage Licenses.....	20,000	-	20,537	537
Other Licenses.....	20,000	-	80,334	60,334
Fees and Permits.....	90,000	-	106,909	16,909
Municipal Court Fines and Costs.....	495,000	-	390,348	(104,652)
Interest and Costs on Taxes.....	90,000	-	114,563	24,563
Interest on Investments and Deposits.....	50,000	-	230,915	180,915
Sewer User Charges.....	2,100,000	-	2,354,380	254,380
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167).....	1,942,882	-	1,942,882	-
Municipal Relief Fund.....	201,305	-	245,378	44,073
Uniform Construction Code Fees.....	425,000	-	337,928	(87,072)
NJ Clean Communities Program.....	40,990	-	40,990	-
NJ Alcohol Education and Rehabilitation Program.....	3,474	-	3,474	-
NJ Body Armor Replacement Fund.....	3,025	-	3,025	-
NJ Recycling Tonnage Grant.....	31,144	-	31,144	-
NJ DEP - MS4 TIER 1 I-MAPPING.....	25,000	-	25,000	-
NJ DCA - ARP FIREFIGHTING GRANT.....	43,000	-	43,000	-
NJ DCA - ROID GRANT.....	7,000	-	7,000	-
NJ DCA - LEAD PAINT ABATEMENT.....	62,800	-	62,800	-
NJ DCA - LOCAL RECREATIONAL IMPROVEMENT GRANT.....	75,000	-	75,000	-
FD HUD - SENIOR SHUTTLE BUS.....	100,000	-	100,000	-
FD CDBG - COUNTY OF BERGEN - AIR FILTRATION PROJECT.....	103,570	-	103,570	-
Uniform Fire Safety Act - State.....	255,000	-	265,161	10,161
Uniform Fire Safety Act - Local.....	80,000	-	72,767	(7,233)
Cable TV Franchise Fees.....	240,000	-	258,291	18,291
PVWC Water Utility Lease Payment.....	86,224	-	86,224	-
Host Community Fees.....	100,000	-	91,333	(8,667)
Cellular Tower Leases.....	20,000	-	134,780	114,780
School Security Program Reimb (Lodi BOE).....	145,000	-	145,000	-
Reimbursement Lodi BOE - Trash Hauling Service.....	45,500	-	45,500	-
Cannabis Transfer Tax.....	450,000	-	230,652	(219,348)
Due From - Trust Fund.....	658,822	-	658,822	-
ARP (#2) - 12/31/22 Reserve.....	1,274,183	-	1,274,183	-
Total Miscellaneous Revenues.....	9,283,919	-	9,581,890	297,971
Receipts From Delinquent Taxes.....	40,000	-	243,395	203,395
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes.....	18,633,181	-	18,807,183	174,002
Library Tax.....	974,663	-	974,663	-
	19,607,844	-	19,781,846	174,002
Budget Totals.....	31,481,763	-	32,157,131	675,368
Non-Budget Revenues.....	-	-	-	-
	\$ 31,481,763	\$ -	\$ 32,157,131	\$ 675,368

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF REVENUES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

Analysis of Realized Revenues

Allocation of Current Tax Collections

Revenue from Current Tax Collections.....	65,884,002
Add: Appropriation "Reserve for Uncollected Taxes".....	100,000
	<u>65,984,002</u>

Allocated to:

County Tax.....	6,720,694	
County Open Space Tax.....	294,143	
Local District School Tax.....	39,175,345	
Added County Taxes.....	11,974	
Reserve for Tax Appeals.....	-	
		<u>46,202,156</u>

Amount for Support of Municipal Budget Appropriations.....	<u>\$ 19,781,846</u>
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Analysis of Non-Budget Revenues

Miscellaneous Revenue Not Anticipated

Gasoline	\$	135,004
Rent		89,479
Dishonored Checks		480
Medical Reimbursements		19,974
Attorney Foreclosure Fees		3,316
Concert Donations		-
DMV Inspection Fees		750
Duplicate Tax Bills		70
Vets & SC Admin Fee		1,338
Petty Cash Return		-
Insurance Refunds		-
Scrap Iron Sales		7,420
Miscellaneous Receipts		625,243
	<u>\$</u>	<u>883,074</u>

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
<u>OPERATIONS WITHIN "CAPS"</u>							
GENERAL GOVERNMENT FUNCTIONS:							
General Administration:							
Salaries and Wages	\$ 225,000	\$ -	\$ 225,000	\$ 215,239	\$ 9,761	\$ -	\$ -
Other Expenses	350,000	-	290,000	279,951	10,049	-	-
Mayor and Council:							
Salaries and Wages	32,500	-	32,510	32,500	10	-	-
Other Expenses	5,000	-	5,000	2,060	2,940	-	-
Municipal Clerk:							
Salaries and Wages	160,000	-	179,000	175,546	3,454	-	-
Other Expenses	75,000	-	140,000	136,735	3,265	-	-
Financial Administration:							
Salaries and Wages	275,000	-	265,000	260,179	4,821	-	-
Other Expenses	75,000	-	45,000	36,872	8,128	-	-
Audit Services:							
Other Expenses	50,000	-	127,000	117,700	9,300	-	-
Computerized Data Processing:							
Other Expenses	50,000	-	16,852	6,851	10,001	-	-
Revenue Administration:							
Salaries and Wages	150,000	-	148,000	144,360	3,640	-	-
Other Expenses	25,000	-	25,000	17,566	7,434	-	-
Tax Assessment Administration:							
Salaries and Wages	110,000	-	105,000	103,208	1,792	-	-
Other Expenses	20,000	-	20,000	11,788	8,212	-	-
Legal Services:							
Other Expenses	350,000	-	360,000	337,039	22,961	-	-
Engineering Services:							
Other Expenses	75,000	-	110,000	103,820	6,180	-	-

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
<u>OPERATIONS WITHIN "CAPS" (Continued)</u>							
LAND USE ADMINISTRATION:							
Planning Board:							
Salaries and Wages	5,000	-	5,000	5,000	-	-	-
Other Expenses	10,000	-	10,000	-	10,000	-	-
Zoning Board of Adjustment:							
Salaries and Wages	400,000	-	403,000	402,750	250	-	-
Other Expenses	13,000	-	13,000	10,777	2,223	-	-
INSURANCE:							
Liability Insurance	558,500	-	1,123,500	1,122,755	745	-	-
Worker Compensation Insurance	587,800	-	17,800	-	17,800	-	-
Insurance Deductible	25,000	-	-	-	-	-	-
Other Insurance Premiums	75,100	-	35,100	23,748	11,352	-	-
Employee Group Insurance	2,800,000	-	2,501,938	2,355,342	146,596	-	-
Employee Group Insurance - Cash in Lieu	20,000	-	-	-	-	-	-
Unemployment Compensation	25,000	-	25,000	1,298	23,702	-	-

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged		
<u>OPERATIONS WITHIN "CAPS" (Continued)</u>						
PUBLIC SAFETY FUNCTIONS:						
Police:						
Salaries and Wages	5,509,616	-	6,295,816	6,260,371	35,445	-
Salaries and Wages (ARP)	1,274,183	-	1,274,183	1,274,183	-	-
Other Expenses	320,000	-	270,000	250,452	19,548	-
Police Clerical:						
Salaries and Wages	155,000	-	80,000	75,594	4,406	-
Parking Enforcement:						
Salaries and Wages	-	-	-	-	-	-
Crossing Guards:						
Salaries and Wages	660,000	-	550,000	527,174	22,826	-
Other Expenses	10,000	-	10,000	6,689	3,311	-
School Security:						
Salaries and Wages	460,000	-	460,000	457,774	2,226	-
Other Expenses	-	-	-	-	-	-
911/Dispatch:						
Other Expenses	325,000	-	325,000	324,730	270	-
Office of Emergency Management:						
Salaries and Wages	16,000	-	16,000	15,700	300	-
Other Expenses	25,000	-	5,000	699	4,301	-
Aid to Volunteer Fire Companies:						
Other Expenses	81,000	-	51,000	45,240	5,760	-
Fire Department:						
Other Expenses	110,000	-	110,000	97,241	12,759	-
Fire Prevention:						
Salaries and Wages	361,000	-	345,000	344,291	709	-
Other Expenses	15,000	-	15,000	13,402	1,598	-
Municipal Prosecutor's Office:						
Salaries and Wages	25,000	-	26,000	25,350	650	-

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
<u>OPERATIONS WITHIN "CAPS" (Continued)</u>							
PUBLIC WORKS FUNCTIONS:							
Streets and Road Maintenance:							
Salaries and Wages	1,990,000	-	1,810,000	1,773,425	36,575	-	-
Other Expenses	450,000	-	650,000	631,417	18,583	-	-
DPW Clerical:							
Salaries and Wages	162,000	-	225,300	225,174	126	-	-
Sewer Processing & Disposal:							
Other Expenses	-	-	15,100	11,825	3,275	-	-
Buildings & Grounds:							
Salaries and Wages	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-
Shade Tree:							
Other Expenses	50,000	-	10,000	6,250	3,750	-	-
Solid Waste Collection:							
Other Expenses	1,050,000	-	20,000	13,501	6,499	-	-
Recycling:							
Salaries and Wages	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-
Vehicle Maintenance:							
Other Expenses	200,000	-	191,600	179,470	12,130	-	-

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
<u>OPERATIONS WITHIN "CAPS" (Continued)</u>							
HEALTH AND HUMAN SERVICES FUNCTIONS:							
Vital Statistics:							
Salaries and Wages	-	-	-	-	-	-	-
Animal Control:							
Other Expenses	-	-	-	-	-	-	-
PARKS							
Salaries and Wages	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-
PARK AND RECREATION FUNCTIONS:							
Recreation Services and Programs:							
Salaries and Wages	225,000	-	185,000	165,482	19,518	-	-
Other Expenses	185,000	-	195,000	161,547	33,453	-	-
OTHER COMMON OPERATING FUNCTIONS:							
Celebration of Public Events:							
Other Expenses	100,000	-	100,000	81,100	18,900	-	-
MUNICIPAL COURT:							
Municipal Court Administration:							
Salaries and Wages	265,000	-	278,000	276,437	1,563	-	-
Other Expenses	25,000	-	12,000	10,730	1,270	-	-
Public Defender:							
Salaries and Wages	30,000	-	18,000	15,000	3,000	-	-

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
<u>OPERATIONS WITHIN "CAPS" (Continued)</u>							
UNIFORM CONSTRUCTION CODE:							
Code Enforcement and Administration:							
Salaries and Wages	64,000	-	64,000	61,574	2,426	-	-
Other Expenses	20,000	-	20,000	10,890	9,110	-	-
UTILITY EXPENSES AND BULK PURCHASES:							
Electricity	400,000	-	406,000	405,461	539	-	-
Street Lighting	200,000	-	225,000	223,426	1,574	-	-
Telephone	100,000	-	100,000	73,501	26,499	-	-
Water	25,000	-	25,000	17,170	7,830	-	-
Gasoline	200,000	-	200,000	177,372	22,628	-	-
LANDFILL/SOLID WASTE DISPOSAL COSTS:							
Dump Fees	900,000	-	1,720,000	1,716,897	3,103	-	-
Total Operations Within "CAPS"	22,534,699	-	22,530,699	21,859,623	671,076	-	-
Detail:							
Salaries and Wages	13,102,500	-	12,989,810	12,836,312	153,498	-	-
Other Expenses	10,224,903	-	9,540,890	9,023,312	517,578	-	-

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES WITHIN "CAPS"</u>							
DEFERRED CHARGES:							
Emergency Authorizations	-	-	-	-	-	-	-
Deficit Trust Fund Balance	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
STATUTORY EXPENDITURES:							
Public Employees' Retirement System (PERS)	586,372	-	586,372	586,372	-	-	-
Social Security System (O.A.S.I.)	575,000	-	575,000	545,007	29,993	-	-
Police and Fireman's Retirement System (PFRS)	2,233,707	-	2,233,707	2,233,707	-	-	-
Local Firemen's Pension Fund	20,000	-	20,000	12,500	7,500	-	-
DCRP	5,000	-	5,000	-	5,000	-	-
	3,420,079	-	3,420,079	3,377,586	42,493	-	-
Total General Appropriations Within "CAPS"	25,954,778	-	25,950,778	25,237,209	713,569	-	-

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged		
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
<u>OTHER APPROPRIATIONS</u>						
EDUCATIONAL FUNCTIONS:						
Municipal Library:						
Other Expenses - Third of a Mil	974,664	-	974,664	974,664	-	-
Other Expenses - Additional	-	-	-	-	-	-
UTILITY EXPENSES AND BULK PURCHASES:						
Other Expenses - PVSC	1,552,666	-	1,552,666	1,552,645	21	-
STATUTORY EXPENDITURES:						
Other Expenses - LOSAP	25,000	-	25,000	19,463	5,537	-
	<u>2,552,330</u>	<u>-</u>	<u>2,552,330</u>	<u>2,546,772</u>	<u>5,558</u>	<u>-</u>

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>	<u>Overexpended</u>
	<u>Adopted Budget</u>	<u>Emergency Appropriation</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
<u>SHARED SERVICE AGREEMENTS</u>						
County of Bergen - Sanitarian	-	-	-	-	-	-
Garfield CITY - Health Services	-	-	-	-	-	-
County of Bergen - Animal Control Services	132,925	-	132,925	132,877	48	-
County of Bergen - Miscellaneous	-	-	-	-	-	-
	<u>132,925</u>	<u>-</u>	<u>132,925</u>	<u>132,877</u>	<u>48</u>	<u>-</u>

BOROUGH OF LODI
CURRENT FUND
STATEMENT OF EXPENDITURES (REGULATORY BASIS)
YEAR ENDED DECEMBER 31, 2023

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>							
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u>							
Matching Funds for Grants	25,000	-	25,000	-	25,000	-	-
NJ Recycling Tonnage Grant	31,144	-	31,144	-	31,144	-	-
NJ Clean Communities Program	40,990	-	40,990	-	40,990	-	-
NJ Alcohol Education Rehabilitation Fund	3,474	-	3,474	-	3,474	-	-
NJ Body Armor Replacement Program	3,025	-	3,025	-	3,025	-	-
NJ DEP - MS4 Tier 1 I-Mapping	25,000	-	25,000	-	25,000	-	-
NJ DCA - ARP Firefighting Grant	43,000	-	43,000	-	43,000	-	-
NJ DCA - Roid Grant	7,000	-	7,000	-	7,000	-	-
NJ DCA - Lead Paint Abatement	62,800	-	62,800	-	62,800	-	-
NJ DCA - Local Recreation Improvement Grant	75,000	-	75,000	-	75,000	-	-
FD US Dept of Housing and Urban Development	100,000	-	100,000	-	100,000	-	-
FD CDBG - County of Bergen - Air Filtration	103,570	-	103,570	-	103,570	-	-
FD Firefighters Grant	-	-	-	-	-	-	-
FD US DOJ Cops Grant	-	-	-	-	-	-	-
	520,003	-	520,003	-	520,003	-	-
Total Operations Excluded From "CAPS"	3,205,258	-	3,205,258	2,679,649	525,609	-	-
Detail:							
Salaries and Wages	-	-	-	-	-	-	-
Other Expenses	3,205,258	-	3,205,258	2,679,649	525,609	-	-

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>							
Capital Improvement Fund	150,000	-	150,000	150,000	-	-	-
Sidewalk Replacement Program	50,000	-	50,000	-	50,000	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	200,000	-	200,000	150,000	50,000	-	-

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	Appropriated			Expended		Unexpended	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>							
Bond Principal	1,275,000	-	1,275,000	1,275,000	-	-	-
Bond Interest	246,963	-	246,963	246,963	-	-	-
Payment of Bond Anticipation Notes & Capital	115,254	-	115,254	115,254	-	-	-
Interest on Notes	68,267	-	68,267	68,267	-	-	-
Green Trust Loan Principal	43,856	-	47,856	44,166	-	3,690	-
	<u>1,749,340</u>	<u>-</u>	<u>1,753,340</u>	<u>1,749,650</u>	<u>-</u>	<u>3,690</u>	<u>-</u>

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged		
<u>DEFERRED CHARGES</u>						
Emergency Authorizations	-	-	-	-	-	-
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-1)	272,387	-	272,387	272,387	-	-
Deferred Charges to Future Taxation	-	-	-	-	-	-
	<u>272,387</u>	<u>-</u>	<u>272,387</u>	<u>272,387</u>	<u>-</u>	<u>-</u>

BOROUGH OF LODI
CURRENT FUND
STATEMENT OF EXPENDITURES (REGULATORY BASIS)
YEAR ENDED DECEMBER 31, 2023

	Appropriated		Expended		Unexpended	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	
<u>JUDGMENTS</u>						
Judgments (N.J.S. 40A:4-45.3c)	-	-	-	-	-	-

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2023

	Appropriated			Expended		Unexpended	Overexpended
	Adopted Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	
Total General Appropriations - Excluded From "CAPS"	5,426,985	-	5,430,985	4,851,686	575,609	3,690	-
Sub-Total General Appropriations	31,381,763	-	31,381,763	30,088,895	1,289,178	3,690	-
Reserve for Uncollected Taxes	100,000		100,000	100,000	-	-	-
Total General Appropriations	\$ 31,481,763	\$ -	\$ 31,481,763	\$ 30,188,895	\$ 1,289,178	\$ 3,690	\$ -
Budget as Adopted	\$ 31,481,763	\$ -	\$ 31,481,763				
Added by N.J.S. 40A:4-87 Emergency Appropriations	-	-	-				
	\$ 31,481,763	\$ -	\$ 31,481,763				
	-	-	-				

BOROUGH OF LODI
 TRUST FUND
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>Animal Control Trust</u>		
<u>Assets</u>		
Cash - Animal Control Trust Account.....	\$ 33,594	\$ 32,134
<u>Reserves</u>		
Reserve for Animal Control Expenditures.....	\$ 33,594	\$ 32,134
<u>LOSAP Trust</u>		
<u>Assets</u>		
Deferred Compensation Fund Assets.....	\$ 667,347	\$ 558,314
<u>Reserves</u>		
Reserve for Deferred Compensation Plan.....	\$ 667,347	\$ 558,314
<u>Other Trust</u>		
<u>Assets</u>		
Cash:		
Trust Account.....	\$ 809,974	\$ 1,004,833
Referee & Umpire Trust Account.....	213,967	897
Recreation Credit Card Account.....	1,907	-
Developer's Escrow Trust Account.....	869,509	833,260
Employee Benefit Trust Account.....	22,678	15,893
Flexible Spending Account.....	3,775	3,575
Payroll Account.....	41,691	185,539
Due from - Grant Fund.....	744	744
	<u>\$ 1,964,245</u>	<u>\$ 2,044,741</u>
<u>Liabilities and Reserves</u>		
Due to - Current Fund.....	614,449	658,822
Miscellaneous Reserves.....	1,349,796	1,385,919
	<u>\$ 1,964,245</u>	<u>\$ 2,044,741</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF LODI
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
AS OF DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>Assets</u>		
Cash.....	\$ 542,509	\$ 966,024
Grants Receivable.....	2,911,521	2,175,216
Due from - Current Fund.....	-	785,054
Deferred Charges to Future Taxation - Funded.....	8,505,381	9,820,723
Deferred Charges to Future Taxation - Unfunded.....	13,421,550	11,791,804
	<u>\$ 25,380,961</u>	<u>\$ 25,538,821</u>
<u>Liabilities, Reserves and Fund Balance</u>		
Due to - Current Fund.....	\$ 524,184	\$ -
Serial Bonds Payable.....	8,360,000	9,635,000
Loans Payable.....	145,381	185,723
Bond Anticipation Notes Payable.....	9,990,000	9,007,538
Improvement Authorizations - Funded.....	452,478	1,310,896
Improvement Authorizations - Unfunded.....	5,273,552	5,247,473
Capital Improvement Fund.....	205,159	148,854
Reserve for Debt Service.....	426,870	-
Fund Balance.....	3,337	3,337
	<u>\$ 25,380,961</u>	<u>\$ 25,538,821</u>
	-	-
There were bonds and notes authorized but not issued on December 31, in the amounts of.....	<u>\$ 3,431,550</u>	<u>\$ 2,784,266</u>

BOROUGH OF LODI
 GENERAL CAPITAL FUND
 COMPARATIVE STATEMENT OF CHANGES IN FUND BALANCE (REGULATORY BASIS)
 YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Fund Balance, January 1.....	\$ 3,337	\$ 3,337
Increased by:		
	-	-
	<u>-</u>	<u>-</u>
	3,337	3,337
Decreased by:		
	-	-
	<u>-</u>	<u>-</u>
Fund Balance, December 31.....	<u>\$ 3,337</u>	<u>\$ 3,337</u>

BOROUGH OF LODI
GENERAL FIXED ASSET ACCOUNT GROUP
COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
AS OF DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>Assets</u>		
Land.....	\$ 21,570,164	\$ 21,570,164
Buildings & Improvements.....	10,402,401	10,402,401
Machinery and Equipment.....	2,003,269	2,003,269
Vehicles.....	8,397,557	8,397,557
	<u>\$ 42,373,391</u>	<u>\$ 42,373,391</u>
 <u>Fund Balance</u>		
Investment in General Fixed Assets.....	<u>\$ 42,373,391</u>	<u>\$ 42,373,391</u>
	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY, ORGANIZATION AND FUNCTION

A. Reporting Entity

The Borough of Lodi (the "Borough") is a municipal corporation of the State of New Jersey located within the County of Bergen, located approximately 9 miles west of the City of New York. The Borough's population according to the 2010 census is 24,136.

The Borough operates under the 1923 Municipal Manager form of government form of government. The voters elect five members of a council and the mayor is selected from the council. The council functions strictly as a legislative body and administrative functions are prohibited. The Council may investigate the administration, may determine internal organization and may create and abolish boards and departments. The Council appoints a municipal manager, tax assessor, treasurer, auditor, municipal clerk, and an attorney. The manager is the municipal chief executive and executes laws and policies. Further duties include the preparation of the budget for council consideration and attendance at meetings with a voice, but no vote. The manager recommends improvements and implements those approved, as well as oversees contracts and franchises and reports violations. It is the responsibility of the manager to appoint and remove department heads and make all additional appointments not made by the council.

B. Component Units

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

The financial statements of the component units of the municipality are not presented in accordance with Governmental Accounting Standards Board Statement No. 14 as amended by Statement No. 61. If the provisions of this statement had been complied with, the financial statements of the following component unit would have been either blended or discretely presented with the financial statements of the municipality:

Free Public Library

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Reporting

The financial statements contain all applicable funds and account groups in accordance with the "Requirements of Audit" and the "NJ Comprehensive Annual Financial Report" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. 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 municipality accounts for its financial transactions through the following separate funds which differs from the funds required by generally accepted accounting principles (GAAP).

A. Funds and Account Groups

The accounts are organized into the following funds and account groups:

Current Fund - The Current Fund accounts for resources and expenditures for governmental operations of a general nature.

Grant Fund - The Grant Fund accounts for the budgeted and unbudgeted revenue/receipt, expenditure/disbursement of federal and state grants which qualify for accounting treatment more closely related to GAAP.

Trust Fund - The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - The General Capital fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. It is also the only fund, other than the Current Fund, that possesses the statutory authority to issue debt.

General Fixed Asset Account Group - The General Fixed Asset Account Group accounts for Borough owned real and personal property in accordance with N.J.A.C 5:30-5.6.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Budgets and Budgetary Accounting

The municipality must adopt an annual budget in accordance with N.J.S.A. 40A:4 et al. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten (10) days prior to the hearing in a newspaper published and circulated in the municipality. The public hearing must not be held less than twenty-eight (28) days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board. 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 2 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.

The Borough is not required to adopt budgets for the Trust and General Capital Funds.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Cash and Investments

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey municipal units.

The cash management plan adopted by the municipality requires that funds be deposited in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-42 requires government units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act. Public funds are defined as the funds of any government unit. Public depositories include banks (both state and national banks), savings and loan institutions and savings banks, the deposits of which are federally insured. All public depositories pledge collateral, having a market value of five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories in the collateral pool, is available to pay the full amount of their deposits to the governmental units. All certificates of deposit are recorded as cash regardless of date of maturity.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Interfunds

Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. 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.

E. Inventories of Supplies

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

F. General Fixed Assets

Accounting for Governmental Fixed Assets, as promulgated by N.J.A.C. 5:30-5.6 differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the provisions of the statute. Property and equipment purchased after December 31, 1985 are stated at cost. Donated fixed assets are recorded at estimated fair market value at the date of donation. Purchases prior to December 31, 1985 are stated as assessed value for Land & Buildings and estimated historical cost for Machinery & Equipment. Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. No depreciation on general fixed assets is recorded in the financial statements. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. Fixed assets acquired through grants-in-aid or contributed capital have not been accounted for separately. Fixed Assets acquired by the Water Utility and Sewer Utility Funds are capitalized as Fixed Capital and not depreciated.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. Foreclosed Property

Foreclosed property is recorded in the Current Fund at the assessed value when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Asset Account Group. If such property is converted to a municipal use, it will be capitalized in the General Fixed Asset Account Group. GAAP requires property to be recorded in the General Fixed Asset Account Group at the market value at the time of acquisition.

H. Deferred Charges

The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et al. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

I. Appropriation Reserves

Appropriation reserves covering unexpended appropriation balances are automatically created at year end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriation Reserves are not established under GAAP.

J. Liens Sold for Other Governmental Units

Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

K. Fund Balance

Fund Balances included in the current fund represent amounts available for anticipation as revenue in future years budgets, with certain restrictions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

L. Revenues

Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized as and when anticipated as such in the Borough's budget. Other amounts that are due the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP generally requires that grant revenues be recognized when the actual expenditures financed by the grant are made.

M. Property Tax Revenues

Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. Property taxes unpaid on April 1 of the year following their final due date are subject to tax sale in accordance with the statutes. The amount of taxes levied includes not only the amount required in support of the Borough's annual budget, but also the amounts required in support of the budgets of the local free public library (if applicable), municipal open space (if applicable) and the entities described in "N" and "O" below. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. GAAP requires such revenue to be recognized when available and measurable reduced by an allowance for doubtful accounts.

N. School Taxes

The municipality is responsible for levying, collecting and remitting school taxes for the Local School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30. GAAP would require the recording of a deferred revenue.

O. County Taxes

The municipality is responsible for levying, collecting and remitting taxes for the County. Operations are charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations are charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

P. Reserve for Uncollected Taxes

The inclusion of the "Reserve for Uncollected Taxes" appropriation in the municipality's annual budget protects from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations. A Reserve for Uncollected Taxes is not established under GAAP.

Q. 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 the encumbrance accounting system. Outstanding encumbrances at December 31, are recorded as a cash liability. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long term debt which is recognized when due.

R. Compensated Absences and Postemployment Benefits

Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis. GAAP requires that the amount that would normally be liquidated with expendable financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as long term obligations.

S. Total Columns on Combined Statements

Total columns are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

T. Use of Estimates

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

U. New Reporting Standards

GASB No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement applies to donated capital assets, donated works of art, donated historical treasures, and also to similar assets and capital assets received in a service concession arrangement. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

GASB No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability.

GASB No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.

GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will be effective beginning with the fiscal year ending June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

U. New Reporting Standards (Continued)

GASB No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify - in the context of the current governmental financial reporting environment - the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

GASB No. 77, *Tax Abatement Disclosures*, will be effective beginning with the fiscal year ending June 30, 2017. The requirements of this Statement will improve financial reporting by providing disclosure of information about the nature and magnitude of tax abatements that will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition.

GASB No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No.73*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pension, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

BOROUGH OF LODI
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 3 - CASH AND CASH EQUIVALENTS

Change funds, petty cash, cash in banks, certificates of deposit and funds on deposit with the New Jersey Cash Management Fund are considered cash and cash equivalents.

A. Deposits

The Borough's deposits of public funds are insured by either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or by New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Borough is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA which 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 all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm.

At December 31, the municipality's deposits are summarized as follows:

<u>Year</u>	<u>Bank Balance</u>	<u>Book Balance</u>
2023	\$ 9,218,546	\$ 8,863,310
2022	\$ 12,732,111	\$ 12,587,218
2021	\$ 15,633,159	\$ 15,329,618

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 Borough does not have a formal policy for custodial credit risk. As of December 31, 2023 and 2022, the Borough's bank balances were not exposed to custodial credit risk.

B. New Jersey Cash Management Fund

The State of New Jersey Cash Management Fund is managed by the State of New Jersey, Division of Investment under the Department of Treasury. It consists of U.S. Treasury obligations, government agency obligations, certificates of deposit and commercial paper. At December 31, 2023 and 2022, the Borough did not have any cash deposited with the New Jersey Cash Management Fund.

NOTE 4 - INVESTMENTS

The Borough 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, bonds or other obligations of the Borough or bonds or other obligations of the school districts which are a part of the Borough or school districts located within the Borough, Local Government investment pools, 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, 2023 and 2022, the Borough did not hold any investments:

BOROUGH OF LODI
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 5 - FIXED ASSETS

The following is a summary of general fixed asset additions, deletions and adjustments:

2023	Balance December 31, 2022	Additions	Retirements	Adjustments	Balance December 31, 2023
Land.....	\$ 21,570,164	\$ -	\$ -	\$ -	\$ 21,570,164
Buildings & Improvements.....	10,402,401	-	-	-	10,402,401
Machinery and Equipment.....	2,003,269	-	-	-	2,003,269
Vehicles.....	8,397,557	-	-	-	8,397,557
	<u>\$ 42,373,391</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,373,391</u>

2022	Balance December 31, 2021	Additions	Retirements	Adjustments	Balance December 31, 2022
Land.....	\$ 21,570,164	\$ -	\$ -	\$ -	\$ 21,570,164
Buildings & Improvements.....	10,402,401	-	-	-	10,402,401
Machinery and Equipment.....	2,003,269	-	-	-	2,003,269
Vehicles.....	8,397,557	-	-	-	8,397,557
	<u>\$ 42,373,391</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,373,391</u>

NOTE 6 - MUNICIPAL DEBT

A. Types of Municipal Debt

The "Local Bond Law" of New Jersey Statutes governs the issuance of bonds and notes to finance capital expenditures, and are permitted only from the General Capital Fund. Bonds and Notes are backed by the full faith and credit of the municipality. Capital projects financed under the Local Bond Law must have a minimum useful life of five years.

Bond Anticipated Notes - Bond Anticipation Note ("BANs") are issued to temporarily finance projects prior to the issuance of permanent bonds. Generally, the term of BANs can not exceed one year, but may be renewed from time to time for periods not exceeding one year, and ultimately paid or permanently financed no later than the first day of the fifth month following the close of the tenth fiscal year following the original issue date of the BAN. New Jersey Statutes require that on or before the third anniversary date of the original BAN issue date, an amount at least equal to the first legally payable installment must be paid towards the BAN upon each renewal until permanently funded or retired.

Bonds - Bonds issued are retired in serial installments within statutory periods of usefulness. New Jersey Statutes limit installment increments unless approval for a non-conforming maturity schedule is approved by the Local Finance Board.

Loans - Loans issued are retired in accordance with the issuer's amortization requirements.

NOTE 6 - MUNICIPAL DEBT

A. Types of Municipal Debt (Continued)

The Borough's long term debt consisted of the following at December 31, 2023:

General Serial Bonds:

\$11,350,000 - General Obligation Bonds Series 2013 issued 4/15/2013 payable in annual installments through 4/15/2028. Interest is paid semi-annually at varying rates from 1.00% to 3.00% per annum. The balance remaining on this issue as of December 31, 2023 is \$4,475,000.

\$6,470,000 - General Obligation Bonds Series 2017 issued 11/1/2017 payable in annual installments through 11/1/2030. Interest is paid semi-annually at varying rates from 1.05% to 3.00% per annum. The balance remaining on this issue as of December 31, 2023 is \$3,885,000.

Loans:

\$257,500 - Green Trust Loan (Memorial Park Improvements) issued 6/5/2006 payable in semi-annual installments through 3/5/2026. Interest is paid semi-annually at 2.00% per annum. The balance remaining on this issue as of December 31, 2023 is \$38,857.

\$200,000 - Green Trust Loan (Kennedy Park Improvements) issued 10/15/2007 payable in semi-annual installments through 7/15/2027. Interest is paid semi-annually at 2.00% per annum. The balance remaining on this issue as of December 31, 2023 is \$47,581.

\$231,929 - Green Trust Loan (Memorial Park Improvements) issued 8/27/2009 payable in semi-annual installments through 8/27/2027. Interest is paid semi-annually at 2.00% per annum. The balance remaining on this issue as of December 31, 2023 is \$58,943.

NOTE 6 - MUNICIPAL DEBT

B. Summary of Debt and Remaining Borrowing Power

The following information summarizes the statutory debt calculations of the municipality as reported on the Borough's Annual Debt Statement:

	<u>2023</u>	<u>2022</u>
<i>Issued:</i>		
School Bonds and Notes.....	\$ -	\$ -
General Bonds	8,360,000	9,635,000
Loans.....	145,381	185,723
Bond Anticipation Notes - General.....	9,990,000	9,007,538
	<u>18,495,381</u>	<u>18,828,261</u>
<i>Authorized but not Issued:</i>		
School Bonds and Notes.....	-	-
General Bonds and Notes.....	3,431,550	2,784,266
	<u>3,431,550</u>	<u>2,784,266</u>
Gross Debt.....	<u>21,926,931</u>	<u>21,612,527</u>
Deductions.....	<u>-</u>	<u>-</u>
Net Debt.....	<u>\$ 21,926,931</u>	<u>\$ 21,612,527</u>
Equalized Valuation Basis.....	\$2,993,869,412	\$2,772,273,706
Statutory Net Debt Percentage.....	0.732%	0.780%
3-1/2% of Equalized Valuation Basis.....	\$ 104,785,429	\$ 97,029,580
Remaining Borrowing Power.....	\$ 82,858,498	\$ 75,417,053

BOROUGH OF LODI
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 6 - MUNICIPAL DEBT

C. Long-Term Bonded Debt Service Requirements to Maturity

General Obligation Bonds

<u>Calendar Year</u>	4/15/2013		11/1/2017	
	<u>General Improvement Bonds</u>		<u>General Improvement Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 825,000	\$ 119,297	\$ 500,000	\$ 99,869
2025	850,000	96,750	510,000	89,869
2026	875,000	70,875	525,000	79,030
2027	925,000	43,875	525,000	67,218
2028	1,000,000	15,000	525,000	54,750
2029	-	-	650,000	39,000
2030	-	-	650,000	19,500
	<u>\$ 4,475,000</u>	<u>\$ 345,797</u>	<u>\$ 3,885,000</u>	<u>\$ 449,236</u>

NOTE 6 - MUNICIPAL DEBT

C. Long-Term Bonded Debt Service Requirements to Maturity (Continued)

General Obligation Bonds Continued)

<u>Calendar Year</u>	<u>Totals</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 1,325,000	\$ 219,166
2025	1,360,000	186,619
2026	1,400,000	149,905
2027	1,450,000	111,093
2028	1,525,000	69,750
2029	650,000	39,000
2030	650,000	19,500
	<u>\$ 8,360,000</u>	<u>\$ 795,033</u>

NOTE 6 - MUNICIPAL DEBT

C. Long-Term Bonded Debt Service Requirements to Maturity (Continued)

Loans

<u>Calendar Year</u>	<u>10/15/2007 Green Trust Loan Kennedy Park Improvements</u>		<u>08/27/2009 Green Trust Loan Memorial Park Improvements</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 11,542	\$ 894	\$ 14,299	\$ 1,108
2025	11,774	662	14,586	820
2026	12,011	426	14,880	527
2027	12,254	184	15,178	228
	<u>\$ 47,581</u>	<u>\$ 2,166</u>	<u>\$ 58,943</u>	<u>\$ 2,683</u>

NOTE 6 - MUNICIPAL DEBT

C. Long-Term Bonded Debt Service Requirements to Maturity (Continued)

Loans (Continued)

<u>Calendar Year</u>	<u>06/05/2006 Green Trust Loan Memorial Park Improvements</u>		<u>Totals</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 15,311	\$ 701	\$ 41,152	\$ 2,703
2025	15,619	394	41,979	1,876
2026	7,927	79	34,818	1,032
2027	-	-	27,432	412
	<u>\$ 38,857</u>	<u>\$ 1,174</u>	<u>\$ 145,381</u>	<u>\$ 6,023</u>

BOROUGH OF LODI
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 6 - MUNICIPAL DEBT

D. Summary of Changes in Municipal Debt

General Debt

<u>2023</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<i>Short-Term Debt:</i>					
Bond Anticipation Notes.....	\$ 9,007,538	\$ 1,097,716	\$ 115,254	\$ 9,990,000	\$ 9,990,000
<i>Long-Term Debt:</i>					
Serial Bonds.....	9,635,000	-	1,275,000	8,360,000	1,325,000
Loans.....	185,722	-	40,341	145,381	41,152
Authorized/not Issued.....	2,784,266	1,745,000	1,097,716	3,431,550	-
	<u>12,604,988</u>	<u>1,745,000</u>	<u>2,413,057</u>	<u>11,936,931</u>	<u>1,366,152</u>
	<u>\$ 21,612,526</u>	<u>\$ 2,842,716</u>	<u>\$ 2,528,311</u>	<u>\$ 21,926,931</u>	<u>\$ 11,356,152</u>

NOTE 6 - MUNICIPAL DEBT

E. Summary of Changes in Other 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.

Changes in other long-term liabilities for the year ended December 31, 2023 was as follows:

2023	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated Absences (1).....	\$ 2,000,000	\$ 350,000	\$ 250,000	\$ 2,100,000	\$ -
Net Pension Liability - PFRS #41100.....	19,659,175	-	495,304	19,163,871	-
Net Pension Liability - PERS #20460.....	7,017,307	338,741	-	7,356,048	-
Net OPEB Liability #0937-00.....	21,126,578	1,410,543	-	22,537,121	-
	<u>\$ 49,803,060</u>	<u>\$ 2,099,284</u>	<u>\$ 745,304</u>	<u>\$ 51,157,040</u>	<u>\$ -</u>

(1) Complete records for compensated absences were not maintained. CFO provided best estimates.

Note 7 - Risk Management

The Borough is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur. The Borough of Lodi is a member of the Bergen County Municipal Joint Insurance Fund (BJIF) and Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance funds are both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment and worker's compensation. The BJIF and MEL coverage amounts are on file with the Borough. The relationship between the Borough and respective insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Borough is contractually obligated to make all annual and supplementary contributions to insurance, to report claims on a timely basis, cooperate with the management of the Fund, its claims investigation and settlement, and to follow risk management procedures as outlined by the insurance pools. Members have a contractual obligation to fund any deficit of the insurance fund attributable to a membership year during which the municipality was a member. The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and preventive procedures to be followed by the members. 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. Contributions to the Funds, including a reserve for contingencies, are payable in four installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the State of New Jersey provides the administration of payments to former employees of the Borough. The Borough is billed quarterly for benefits paid to former employees. A separate dedicated unemployment Trust account is not maintained. Unemployment expenditures are charged against Current fund budget appropriations under the title "Unemployment Compensation".

Unemployment expenditures for the past 3 years are as follows:

CY2023 - \$1,298
CY2022 - \$1,416
CY2021 - \$1,428

BOROUGH OF LODI
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 8 - INTERFUNDS

As of December 31, interfund balances on the Borough's various balance sheets were as follows:

2023	Interfunds Receivable	Interfunds Payable
Current Fund.....	\$ 1,138,633	\$ -
Grant Fund.....	-	744
Trust Fund.....	744	614,449
General Capital Fund.....	-	524,184
	<u>\$ 1,139,377</u>	<u>\$ 1,139,377</u>
		-

2022	Interfunds Receivable	Interfunds Payable
Current Fund.....	\$ 658,822	\$ 1,443,913
Grant Fund.....	658,859	744
Trust Fund.....	744	658,822
General Capital Fund.....	785,054	-
	<u>\$ 2,103,479</u>	<u>\$ 2,103,479</u>
		-

BOROUGH OF LODI
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 9 - DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges are shown on the Borough's various balance sheets:

<u>2023</u>	<u>Balance December 31,</u>	<u>Appropriated in Subsequent Year's Budget</u>	<u>Balance to Succeeding</u>
Current Fund:			
Emergency Authorizations (40A:4-47).....	\$ -	\$ -	\$ -
Special Emergency Authorizations (40A:4-53).....	832,160	272,388	559,772
	<u>\$ 832,160</u>	<u>\$ 272,388</u>	<u>\$ 559,772</u>

<u>2022</u>	<u>Balance December 31,</u>	<u>Appropriated in Subsequent Year's Budget</u>	<u>Balance to Succeeding</u>
Current Fund:			
Emergency Authorizations (40A:4-47).....	\$ -	\$ -	\$ -
Special Emergency Authorizations (40A:4-53).....	1,104,548	272,388	832,160
	<u>\$ 1,104,548</u>	<u>\$ 272,388</u>	<u>\$ 832,160</u>

NOTE 10 - RETIREMENT PLANS

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 Borough 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, refer to the State Division of Pension and Benefits ("Division's") Comprehensive Annual Financial Report ("CAFR") 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:

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

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

NOTE 10 - RETIREMENT PLANS

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, refer to the State Division of Pension and Benefits ("Division's") Comprehensive Annual Financial Report ("CAFR") 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, except for medical benefits, which, if applicable, vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/5 5th 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.

NOTE 10 - RETIREMENT PLANS

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 Borough 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. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. 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 and do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. DCRP is a defined contribution pension plan.

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 State also administers the Pensions Adjustment Fund (PAF). Prior to the adoption of pension reform legislation, P.L. 2011, C.78, it provided cost of living increases equal to 60 percent of the change in the average consumer price index, to eligible retirees in some State-sponsored pension systems which includes the CPFPPF. Cost-of-living increases provided under the State's pension adjustment program are currently suspended as a result of the reform legislation. This benefit is funded by the State as benefit allowances become payable.

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.

NOTE 10 - RETIREMENT PLANS

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. 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/treasury/doinvest.

Collective Net Pension Liability

The collective net pension liability of the participating employers for PERS at June 30, 2023 was not available and for 2022 is \$13.5 billion, and the plan fiduciary net position as a percentage of the total pension liability is 68.33% at June 30, 2022. The collective net pension liability of the participating employers for PFRS at June 30, 2023 was not available and for June 30, 2022 was \$14.9 billion and \$14.2 billion, respectively and the plan fiduciary net position as a percentage of total pension liability is 62.91% at June 30, 2022. The total pension liabilities were determined based on actuarial valuations as of July 1, 2021 which were rolled forward to June 30, 2022.

Actuarial Methods and Assumptions

In the July 1, 2021 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.

NOTE 10 - RETIREMENT PLANS

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 2023 and 2022 based on 10.0% for PFRS, 7.50% for PERS and 5.50% for DCRP of employee's annual compensation.

For the years ended December 31, 2023 and 2022 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 Borough for 2023, 2022 and 2021 were equal to the required contributions.

During the years ended December 31, 2023, 2022 and 2021, the Borough, 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:

Year Ended December 31,	PFRS	PERS	DCRP
2023	\$ 2,233,707	\$ 586,372	\$ -
2022	\$ 1,973,942	\$ 560,055	\$ -
2021	\$ 1,822,137	\$ 491,495	\$ -

BOROUGH OF LODI
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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 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. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PFRS during the fiscal years ended June 30, 2021 and 2020.

	2021		2020	
	Liability	Actuarial Valuation Percentage	Liability	Actuarial Valuation Percentage
The Borough's PFRS liability and proportionate share at December 31 was.....	\$ 21,075,034	0.1631028050%	\$ 19,276,004	0.1575117600%

	2021		2020	
	Actuarial Valuation	Actual Contributions	Actuarial Valuation	Actual Contributions
The Borough's pension expense calculations for years ended December 31, were.....	\$ 1,378,958	\$ 1,591,043	\$ 1,808,232	\$ 1,577,203

The Borough's deferred outflows of resources and deferred inflows of resources related to PFRS pension; which are not reported on the Borough's financial statements are from the following sources at December 31:

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience.....	\$ 212,472	\$ 75,636	\$ 162,714	\$ 122,040
Changes of assumptions.....	53,035	5,650,090	660,501	6,229,828
Net difference between projected and actual earnings on pension plan investments.....	1,235,728	-	-	261,184
Changes in proportion and differences between Borough contributions and proportionate share of contributions.....	1,379,779	515,706	1,011,383	824,173
Total	\$ 2,881,014	\$ 6,241,432	\$ 1,834,598	\$ 7,437,225

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Actuarial Assumptions

The Borough's total pension liability reported for the year ended December 31, 2020 was based on the June 30, 2020 measurement date as determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The total pension liability reported for the year ended December 31, 2019 was based on the June 30, 2019 measurement date as determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2021	2020
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:		
Thru 2026		
Thereafter		
All Future Years	3.25% - 15.25% based on service years	3.25% - 15.25% based on service years
Investment Rate of Return	7.00%	7.00%
Mortality Rate Table	Pub-2010	Pub-2010

Assumptions for mortality improvements are based on Society of Actuaries Scale MP for 2020 and AA for 2019.

The actuarial assumptions used in the July 1, 2019 and 2018 valuations were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Long-Term Expected Rate of Return

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 5y 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, 2020 and 2019, as reported for the years ended December 31, 2020 and 2019, respectively, are summarized in the following tables:

Asset Class	2021		2020	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Risk Mitigation Strategies	3.00%	3.40%	3.00%	4.67%
Cash Equivalents	4.00%	50.00%	5.00%	2.00%
U.S. Treasuries	5.00%	1.94%	5.00%	2.68%
Investment Grade Credit	8.00%	2.67%	10.00%	4.25%
US Equity	27.00%	7.71%	28.00%	8.26%
Non-US Developed Markets Equity	13.50%	8.57%	12.50%	9.00%
Emerging Markets Equity	5.50%	10.23%	6.50%	11.37%
High Yield	2.00%	5.95%	2.00%	5.37%
Real Assets	3.00%	9.73%	2.50%	9.31%
Private Credit	8.00%	7.59%	6.00%	7.92%
Real Estate	8.00%	9.56%	7.50%	8.33%
Private Equity	13.00%	11.42%	12.00%	10.85%
	<u>100.00%</u>		<u>100.00%</u>	

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Discount Rate

	2020		2020	
	Measurement Date	Discount Rate	Measurement Date	Discount Rate
The discount rate used to measure total pension liabilities was as follows.....	06/30/20	7.00%	06/30/19	6.85%

The following table represents the crossover period, if applicable, for the PFRS defined benefit plan:

	2021	2020
Period of Projected Benefit Payments for which the Following Rates were Applied:		
Long-Term Expected Rate of Return	All Periods	Through June 30, 2076
Municipal Bond Rate *	Not Applicable	From July 1, 2076 and Thereafter

*The municipal bond return rate used is 3.50% as of the measurement dates of June 30, 2019. 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 AAa or higher.

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Sensitivity of Net Pension Liability

The following presents the Borough's proportionate share of the PFRS net pension liability as of December 31, 2020 and 2019 calculated using the discount rate of 7.00% and 6.85%, respectively, as well as what the Borough'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% and 5.85%, respectively or 1-percentage-point higher 8.00% and 7.85%, respectively than the current rate:

<u>2021</u>	1.00% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1.00% Increase <u>8.00%</u>
The Borough's Proportionate Share of the PFRS Net Pension Liability.....	\$ 21,267,345	\$ 21,075,034	\$ 20,814,848
<u>2020</u>	1.00% Decrease <u>5.85%</u>	Current Discount Rate <u>6.85%</u>	1.00% Increase <u>7.85%</u>
The Borough's Proportionate Share of the PFRS Net Pension Liability.....	\$ 19,412,084	\$ 19,276,004	\$ 18,999,719

The sensitivity analysis was based on the proportionate share of the Borough's net pension liability at December 31, 2021 and 2020. A sensitivity analysis specific to the Borough's net pension liability was not provided by the pension system.

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Special Funding Situation

Under N.J.S.A. 43:16A-15, the Borough 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 20 I, P .L. 200 I. The amounts contributed on behalf of the Borough 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 non-employer contributing entity. Accordingly, the Borough'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.

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. report may be accessed via the New Jersey, Division of Pensions and Benefits, website www.state.nj.us/treasury/pensions.

BOROUGH OF LODI
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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 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. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the fiscal years ended June 30, 2021 and 2020.

	2021		2020	
	Liability	Actuarial Valuation Percentage	Liability	Actuarial Valuation Percentage
The Borough's PERS liability and proportionate share at December 31 was.....	\$ 7,326,661	0.0449284882%	\$ 8,386,671	0.0465448206%

	2021		2020	
	Actuarial Valuation	Actual Contributions	Actuarial Valuation	Actual Contributions
The Borough's pension expense calculations for years ended December 31, were.....	\$ 130,926	\$ 454,682	\$ 286,780	\$ 427,827

The Borough's deferred outflows of resources and deferred inflows of resources related to PERS pension; which are not reported on the Borough's financial statements are from the following sources at December 31:

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience.....	\$ 133,406	\$ 25,910	\$ 150,530	\$ 37,049
Changes of assumptions.....	237,685	3,067,742	837,440	2,910,987
Net difference between projected and actual earnings on pension plan investments.....	250,431	-	-	132,387
Changes in proportion and differences between Borough contributions and proportionate share of contributions.....	578,653	561,240	861,656	524,480
Total	\$ 1,200,175	\$ 3,654,892	\$ 1,849,626	\$ 3,604,903

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

Actuarial Assumptions

The Borough's total pension liability reported for the year ended December 31, 2020 was based on the June 30, 2020 measurement date as determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The total pension liability reported for the year ended December 31, 2019 was based on the June 30, 2019 measurement date as determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2021	2020
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:		
Thru 2026	2.00% - 6.00% based on years of service	2.00% - 6.00% based on years of service
Thereafter	3.00% - 7.00% based on years of service	3.00% - 7.00% based on years of service
Investment Rate of Return	7.00%	7.00%
Mortality Rate Table	RP-2000	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale MP for 2020 and 2019.

The actuarial assumptions used in the July 1, 2019 and 2018 valuations were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

Long-Term Expected Rate of Return

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, 2020 and 2019, as reported for the years ended December 31, 2020 and 2019, respectively, are summarized in the following tables:

Asset Class	2021		2020	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Risk Mitigation Strategies	3.00%	3.40%	3.00%	4.67%
Cash Equivalents	4.00%	50.00%	5.00%	2.00%
U.S. Treasuries	5.00%	1.94%	5.00%	2.68%
Investment Grade Credit	8.00%	2.67%	10.00%	4.25%
US Equity	27.00%	7.71%	28.00%	8.26%
Non-US Developed Markets Equity	13.50%	8.57%	12.50%	9.00%
Emerging Markets Equity	5.50%	10.23%	6.50%	11.37%
High Yield	2.00%	5.95%	2.00%	5.37%
Real Assets	3.00%	9.73%	2.50%	9.31%
Private Credit	8.00%	7.59%	6.00%	7.92%
Real Estate	8.00%	9.56%	7.50%	8.33%
Private Equity	13.00%	11.42%	12.00%	10.85%
	<u>100.00%</u>		<u>100.00%</u>	

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

Discount Rate

	2021		2020	
	Measurement Date	Discount Rate	Measurement Date	Discount Rate
The discount rate used to measure total pension liabilities was as follows.....	06/30/20	7.00%	06/30/19	6.28%

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

	2021	2020
Period of Projected Benefit Payments for which the Following Rates were Applied:		
Long-Term Expected Rate of Return	All Periods	Through June 30, 2057
Municipal Bond Rate *	Not Applicable	From July 1, 2057 and Thereafter

*The municipal bond return rate used is 3.50% as of the measurement dates of June 30, 2019. 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 AAa or higher.

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

Sensitivity of Net Pension Liability

The following presents the Borough's proportionate share of the PERS net pension liability as of December 31, 2020 and 2019 calculated using the discount rate of 7.00% and 6.28%, respectively, as well as what the Borough'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% and 5.28%, respectively or 1-percentage-point higher 8.00% and 7.28%, respectively than the current rate:

<u>2021</u>	1.00% Decrease <u>6.00%</u>	Current Discount Rate <u>7.00%</u>	1.00% Increase <u>8.00%</u>
The Borough's Proportionate Share of the PERS Net Pension Liability.....	<u>\$ 7,348,551</u>	<u>\$ 7,326,661</u>	<u>\$ 7,192,198</u>

<u>2020</u>	1.00% Decrease <u>5.28%</u>	Current Discount Rate <u>6.28%</u>	1.00% Increase <u>7.28%</u>
The Borough's Proportionate Share of the PERS Net Pension Liability.....	<u>\$ 8,420,453</u>	<u>\$ 8,386,671</u>	<u>\$ 8,242,656</u>

The sensitivity analysis was based on the proportionate share of the Borough's net pension liability at December 31, 2020 and 2019. A sensitivity analysis specific to the Borough'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. report may be accessed via the New Jersey, Division of Pensions and Benefits, website www.state.nj.us/treasury/pensions.

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Post-Retirement Medical Benefits

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

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. The plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) 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 accessed via, the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Post-Retirement Medical Benefits

Plan Membership and Contributing Employers

Membership and contributing employers/nonemployers of the defined benefit OPEB plan consisted of the following at June 30, 2022:

Active Plan Members	65,360
Inactive Plan Members or Beneficiaries Currently receiving Benefits	33,684
Total	<u>99,044</u>
Contributing Employers	591
Contributing Nonemployers	1

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Post-Retirement Medical Benefits

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.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

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, 2019 and 2018 is \$13.5 billion and \$15.7 billion, respectively, and the plan fiduciary net position as a percentage of the total OPEB liability is -0.36% at June 30, 2022. The total OPEB liabilities were determined based on actuarial valuations as of July 1, 2021 which were rolled forward to June 30, 2022.

Actuarial Methods and Assumptions

In the July 1, 2021 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 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 the belief that the assumptions represent reasonable expectations of anticipated plan experience.

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 is 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 \$389.5 million and the State of New Jersey, as the non-employer contributing entity, contributed \$45.8 million for fiscal year 2022.

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Post-Retirement Medical Benefits

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 Borough's contributions to the State Health Benefits Program Fund Local Government Retired Plan for post-retirement benefits for the years ended December 31, 2023, 2022 and 2021 were \$864,941, \$713,211 and \$563,145, respectively, which equaled the required contributions for each year.

BOROUGH OF LODI
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Post-Retirement Medical Benefits

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

	2023		2022	
	Liability	Actuarial Valuation Percentage	Liability	Actuarial Valuation Percentage
The Borough's OPEB (0937-00) liability and proportionate share at December 31 was.....	\$ 22,537,121	0.076902	\$ 21,126,578	0.082075

	2023		2022	
	Actuarial Valuation	Actual Contributions	Actuarial Valuation	Actual Contributions
The Borough's OPEB expense calculations for years ended December 31, were.....	\$ 1,041,037	\$ 950,000	\$ -	\$ -

The Borough's deferred outflows of resources and deferred inflows of resources related to OPEB; which are not reported on the Borough's financial statements are from the following sources at December 31:

	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience.....	\$ 1,039,296	\$ (6,120,346)	\$ -	\$ -
Changes of assumptions.....	2,919,403	(6,370,523)	-	-
Net difference between projected and actual earnings on pension plan investments.....	-	(3,719)	-	-
Changes in proportion and differences between Borough contributions and proportionate share of contributions.....	10,994,752	(680,688)	-	-
Total	\$ 14,953,451	\$ (13,175,276)	\$ -	\$ -

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Post-Retirement Medical Benefits

Actuarial Assumptions

The Borough'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 June 30, 2022, which was rolled forward to June 30, 2023. The total OPEB liability reported for the year ended December 31, 2022 was based on the June 30, 2022 measurement date as determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2023	2022
Inflation	2.50%	2.50%
Salary Increases:		
Thru 2026	1.65% - 8.98% based on age	1.65% - 8.98% based on age
Thereafter	2.65% - 9.98% based on age	2.65% - 9.98% based on age
Long-Term Rate of Return	1.00%	1.00%
Mortality Rate Table	RP-2006	RP-2006

For the June 30, 2018 measurement date healthcare cost trend rates for pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits, the trend rate is initially 5.8% and decreases to a 5.0% long-term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long-term trend rate after seven years. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

For the June 30, 2017 measurement date healthcare cost trend rates for pre-Medicare Preferred Provider Organization (PPO) medical benefits, this amount initially is 5.9 percent and decreases to a 5.0 percent long-term trend rate after nine year. For self-insured post-65 PPO medical benefits, the trend rate is 4.5 percent. For health maintenance organization (HMO) medical benefit, the trend rate is initially 5.9 percent and decreases to a 5.0 percent long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5 percent and decreases to a 5.0 percent long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0 percent. This reflects the known underlying cost of the Part B premium. The Medicare Advantage trend rate is 4.5 percent and will continue in all future years.

The actuarial assumptions used in the June 30, 2017 and 2016 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2010 to June 30, 2013 and July 1, 2011 to June 30, 2014, respectively.

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Post-Retirement Medical Benefits

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Post-Retirement Medical Benefits

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Post-Retirement Medical Benefits

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Post-Retirement Medical Benefits

Special Funding Situation

Under N.J.S.A. 43:3C-24 the Borough 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 or 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 Borough 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 non-employer contributing entity. Accordingly, the Borough'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.

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB 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. report may be accessed via the New Jersey, Division of Pensions and Benefits, website www.state.nj.us/treasury/pensions.

NOTE 12 - CONTINGENCIES

A. Litigation

The Borough is a party to various legal proceedings which normally occur in the operation of government. These proceedings are not likely to have a materially adverse affect on the various funds of the Borough.

B. Tax Appeals

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2023. Amounts claimed have not yet been determined. The Borough is vigorously defending its assessments in each case. Under the prescribed accounting principles, the Borough does not recognize any liability, until the cases have been adjudicated. The Borough expects such amounts, if any, to be material. Funding of any liability would be provided for in succeeding years' budgets, from fund balance or by issuance of refunding bonds.

C. Federal and State Awards

The Borough 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 grantor agency. If expenditures are disallowed, the Borough may be required to reimburse the grantor agency. As of December 31, 2023, significant amounts of grant expenditures have not been audited. The Borough believes that any future disallowed expenditures will not have a material effect on its financial position.

D. Federal Arbitrage Rebate

The Borough 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, 2023 and 2022, the Borough has not estimated its estimated arbitrage earnings due to the IRS, if any.

BOROUGH OF LODI
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 13 - 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>2022</u>		<u>2023</u>	
	<u>Fund Balance</u> <u>December 31,</u>	<u>Utilized in</u> <u>Subsequent</u> <u>Years' Budget</u>	<u>Fund Balance</u> <u>December 31,</u>	<u>Utilized in</u> <u>Subsequent</u> <u>Years' Budget</u>
Current Fund:				
Cash Surplus	\$ 3,675,190	\$ 2,550,000	\$ 4,553,308	\$ 3,550,000
Non-Cash Surplus	-	-	-	-
	<u>\$ 3,675,190</u>	<u>\$ 2,550,000</u>	<u>\$ 4,553,308</u>	<u>\$ 3,550,000</u>

NOTE 14 - ECONOMIC DEPENDENCY

The Borough of Lodi is not economically dependent on any one business or industry as a major source of tax revenue for the Borough.

NOTE 15 - SUBSEQUENT EVENTS

The following material events occurring subsequent to the December 31, 2023 balance sheet date require disclosure:

A. Capital Projects

Subsequent to December 31, 2023, the Borough adopted capital ordinances appropriating \$4,005,000 capital improvements to be funded with \$1,091,009 grants, \$139,741 capital improvement fund and \$2,774,250 debt authorized.

SUPPLEMENTARY SCHEDULES

CURRENT FUND

BOROUGH OF LODI
CURRENT FUND
STATEMENT OF CHANGE FUNDS
YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022.....		\$	500
Increased by:			
			-
			-
			500
Decreased by:			
			-
			-
Balance, December 31, 2023.....		\$	<u>500</u>

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF DELINQUENT PROPERTY TAXES RECEIVABLE
 YEAR ENDED DECEMBER 31, 2023

Tax Year	Balance	Levied	Cash Received		Vets & SC Deductions	Transferred to TTL	Cancelled & Adjusted	Balance
	December 31, 2019		2019	2020				December 31, 2020
2018	\$ 12,633	\$ -	\$ -	\$ 12,633	\$ -	\$ -	\$ -	\$ -
2019	33,421	11,561	-	36,063	-	-	-	8,919
2020	-	64,765,378	500,261	63,516,507	85,434	36,215	66,640	560,321
	<u>\$ 46,054</u>	<u>\$ 64,776,939</u>	<u>\$ 500,261</u>	<u>\$ 63,565,203</u>	<u>\$ 85,434</u>	<u>\$ 36,215</u>	<u>\$ 66,640</u>	<u>\$ 569,240</u>

Analysis of 2020 Property Tax Levy

Tax Yield:

General Purpose Tax.....	\$ 64,687,517
Omitted Taxes (N.J.S.A. 54:4-63.12 et. seq.).....	-
Added Taxes (N.J.S.A. 54:4-63.1 et. seq.).....	77,861
	<u>\$ 64,765,378</u>

Current Taxes Realized:

Cash Received - 2019.....	\$ 500,261
Cash Received - 2020.....	63,516,507
Vets & SC Deductions.....	85,434
	<u>\$ 64,102,202</u>

Tax Levy:

County Levy.....	\$ 6,298,220
County Open Space Levy.....	265,946
Local District School Levy.....	38,953,395
Library Levy.....	886,260
Municipal Levy.....	18,273,978
	64,677,799
Duplicate Rounding (Surplus).....	9,718
Omitted Taxes (N.J.S.A. 54:4-63.12 et. seq.).....	-
Added Taxes (N.J.S.A. 54:4-63.1 et. seq.).....	77,861
	<u>\$ 64,765,378</u>

Receipts from Delinquent Taxes:

Cash Received - 2018 Taxes.....	\$ 12,633
Cash Received - 2019 Taxes.....	36,063
	48,696
Tax Title Lien Redemptions.....	30,637
	<u>\$ 79,333</u>

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF TAX TITLE LIENS RECEIVABLE
 YEAR ENDED DECEMBER 31, 2020

Balance, December 31, 2019.....		\$	286,106
Increased by:			
Adjustments.....	48,474		
Taxes Transferred - Existing Liens.....	36,215		
Taxes Transferred - New Liens.....	-		
Interest and Costs - Tax Sale.....	-		
			<u>84,689</u>
			370,795
Decreased by:			
Redemptions.....	30,637		
Adjustments.....	-		
			<u>30,637</u>
Balance, December 31, 2020.....		\$	<u><u>340,158</u></u>

BOROUGH OF LODI
CURRENT FUND
STATEMENT OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION
YEAR ENDED DECEMBER 31, 2020

Balance, December 31, 2019.....		\$	18,247
Increased by:			
			-
			-
			18,247
Decreased by:			
			-
			-
Balance, December 31, 2020.....		\$	<u>18,247</u>

BOROUGH OF LODI
 CURRENT FUND
 STATEMENT OF DEFERRED CHARGES
 YEAR ENDED DECEMBER 31, 2022

Purpose	Amount Authorized	1/5 of Amount Authorized	Balance December 31, 2019	Authorized	Reduced by Budget Appropriation	Adjustments	Balance December 31, 2020
<i>Emergency Authorizations (40A:4-47):</i>							
Capital Improvement Fund	50,000	N/A	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvement Fund	7,150	N/A	-	-	-	-	-
			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>N.J.S.A. 40A:4-53 Special Emergency Authorizations:</i>							
Compensated Absences	1,080,000	216,000	216,000	-	216,000	-	-
Compensated Absences	240,000	48,000	48,000	-	48,000	-	-
			<u>264,000</u>	<u>-</u>	<u>264,000</u>	<u>-</u>	<u>-</u>
COVID-19	1,286,935	-	-	1,286,935	-	-	1,286,935
			<u>\$ 264,000</u>	<u>\$ 1,286,935</u>	<u>\$ 264,000</u>	<u>\$ -</u>	<u>\$ 1,286,935</u>

BOROUGH OF LODI
 GRANT FUND
 SCHEDULE OF GRANTS RECEIVABLE
 YEAR ENDED DECEMBER 31, 2022

Program	Balance December 31, 2021	Revenue Realized	Cash Received	Unappropriated Reserve Applied	Adjustments	Balance December 31, 2022
NJ Body Worn Camera Grant	\$ 61,140	\$ -	\$ -	\$ -	\$ -	\$ 61,140
	<u>\$ 61,140</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,140</u>

BOROUGH OF LODI
 GRANT FUND
 SCHEDULE OF APPROPRIATED RESERVES
 YEAR ENDED DECEMBER 31, 2022

Program	Balance December 31, 2021	Amount Budgeted	Paid or Charged	Cancellations & Adjustments	Balance December 31, 2022
NJ Municipal Alliance on Alcoholism and Drug Abuse	\$ -	\$ -	\$ 3,240	\$ -	\$ (3,240)
NJ Recycling Tonnage Grant	152,137	23,837	11,307	-	164,667
NJ Body Armor Replacement Program	4,772	3,385	-	-	8,157
Drunk Driving Enforcement Fund	-	-	-	-	-
NJ Body Worn Camera Grant	61,140	-	-	-	61,140
NJ Drunk Driving Enforcement Fund	12,353	-	-	-	12,353
NJ Clean Communities Program	270,072	40,482	19,704	-	290,850
NJ Alcohol Education & Rehabilitation Program	40,569	-	-	-	40,569
NJ Alcohol Education & Rehabilitation Fund DWI - Municipal	6,584	-	-	-	6,584
Global Fire Prevention Grant	-	2,859	-	-	2,859
NJ DOT Pipe Cleanout	-	57,200	14,734	-	42,466
	<u>\$ 547,627</u>	<u>\$ 127,763</u>	<u>\$ 48,985</u>	<u>\$ -</u>	<u>\$ 626,405</u>

BOROUGH OF LODI
 GRANT FUND
 SCHEDULE OF UNAPPROPRIATED RESERVES
 YEAR ENDED DECEMBER 31, 2022

Program	Balance December 31, 2021	Amount Budgeted	Amount Received	Adjustments	Balance December 31, 2022
NJ Alcohol Education Rehabilitation Fund	\$ -	\$ -	\$ 3,475	\$ -	\$ 3,475
FD Bullet Proof Vest Partnership	\$ 7,369	\$ 7,359	\$ -	\$ -	\$ 10
NJ Recycling Tonnage Grant	23,837	23,837	31,144	-	31,144
NJ Clean Communities Program	40,482	40,482	40,990	-	40,990
NJ Body Armor Fund	3,385	3,385	5,195	-	5,195
	<u>\$ 75,073</u>	<u>\$ 75,063</u>	<u>\$ 77,329</u>	<u>\$ -</u>	<u>\$ 77,339</u>

TRUST FUND

BOROUGH OF LODI
 TRUST FUND
 STATEMENT OF TRUST FUND RESERVES
 YEAR ENDED DECEMBER 31, 2021

Purpose	Balance December 31, 2020	Receipts	Disbursements	Balance December 31, 2021
Employee Benefit	\$ 1,480	\$ 110,018	\$ 89,914	\$ 21,584
Recreation	402	7,000	6,705	697
Flexible Spending	3,514	1,362	3,822	1,054
Escrow Reserves	748,765	548,190	430,917	866,038
Reserve for Payroll Agency	-	15,652,867	15,632,440	20,427
Reserve for Net Payroll	-	37,179	34,635	2,544
Reserve for April '07 Nor'easter Expenditure	4,935	-	-	4,935
Reserve for Code Enforcement Penalties	24,807	4,100	-	28,907
Reserve for Fire Department Penalties	3,148	13,475	22,375	(5,752)
Reserve for JIF Accreditation Program	11,895	-	-	11,895
Reserve for Miscellaneous Trust Expenditure	36,909	-	-	36,909
Reserve for Outside Police Employment	705,952	1,131,279	1,217,902	619,329
Reserve for POAA Expenditures	76,854	3,816	366	80,304
Reserve for Public Defender Fees	31,427	1,800	-	33,227
Reserve for Tax Sale Premiums	(28,859)	5,000	63,300	(87,159)
Unallocated	22,040	-	22,040	-
Reserve for Uniform Fire Safety	-	22,565	22,565	-
	\$ 1,643,269	\$ 17,538,651	\$ 17,546,981	\$ 1,634,939

GENERAL CAPITAL FUND

BOROUGH OF LODI
GENERAL CAPITAL FUND
STATEMENT OF CASH
YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2020.....		\$	434,399
Cash Receipts:			
Reserve for Debt Service.....	61,140		
Contra.....	1,000,000		
Contra.....	1,000,000		
Contra.....	1,000,000		
Contra.....	6,293,850		
BAN Proceeds.....	8,136,850		
	-		
			<u>17,491,840</u>
			17,926,239
Cash Disbursements:			
Improvement Authorizations.....	3,374,992		
Contra.....	1,000,000		
Contra.....	1,000,000		
Contra.....	1,000,000		
Contra.....	6,293,850		
I/F Current - BAN Interest paid by General Capital.....	18,951		
	-		
			<u>12,687,793</u>
Balance, December 31, 2020.....		\$	<u><u>5,238,446</u></u>

BOROUGH OF LODI
GENERAL CAPITAL FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2023

Improvement Description	Balance December 31, 2021	Authorized in 2021				Paid or Charged	Canceled	Balance December 31, 2022	
		Capital Improvement Fund	Deferred Charges Unfunded	Grants/ Other				Funded	Unfunded
Grants Receivable.....	-	-	-	-	-	-	-	-	-
Interfund - Current Fund.....	-	-	-	-	-	-	-	-	-
Capital Improvement Fund.....	-	-	-	-	-	-	-	-	-
Reserve for Debt Service.....	-	-	-	-	-	-	-	-	-
Fund Balance.....	-	-	-	-	-	-	-	-	-
Contra.....	-	-	-	-	-	-	-	-	-
#202-21 2001 Shade Tree Program.....	-	-	-	-	-	-	-	-	-
#404-04 SFY 2004 Roadway Improvement Program.....	-	-	-	-	-	-	-	-	-
#404-05 Route 46 Redevelopment - Phase I (Supplemental).....	-	-	-	-	-	-	-	-	-
#505-19 Downtown Redevelopment - Phase III.....	-	-	-	-	-	-	-	-	-
#505-24 Improvement of Memorial Park (Supplemental).....	-	-	-	-	-	-	-	-	-
#808-09 Downtown Redevelopment - Phase III (Supplemental).....	-	-	-	-	-	-	-	-	-
#909-11 Improvements to Sanitary Sewer System.....	-	-	-	-	-	-	-	-	-
#909-14 SFY 2009 Road, Curb & Sidewalk Program (Community Development).....	-	-	-	-	-	-	-	-	-
#909-20 SFY 2009 Road, Curb & Sidewalk Program (State).....	-	-	-	-	-	-	-	-	-
#2010-04 Improvements to Sanitary Sewer System.....	-	-	-	-	-	-	-	-	-
#2010-05 2009 Road, Curb & Sidewalk Program (Local).....	-	-	-	-	-	-	-	-	-
#2010-06 2009 Road, Curb & Sidewalk Program (State).....	-	-	-	-	-	-	-	-	-
#2010-07 2009 Road, Curb & Sidewalk Program (Community Development).....	-	-	-	-	-	-	-	-	-
#2010-12 Refunding Bond Ordinance	-	-	-	-	-	-	-	-	-
#2010-28 Improvements to Sanitary Sewer System	-	-	-	-	-	-	-	-	-
#2010-30 2010 Road, Curb & Sidewalk Program (Community Development)	-	-	-	-	-	-	-	-	-
#2011-09 CY2011 Road Improvement Program (NJDOT)	-	-	-	-	-	-	-	-	-
#2011-11 Acquisition of Equipment	-	-	-	-	-	-	-	-	-
#2011-12 Improvements to Sanitary Sewer System	-	-	-	-	-	-	-	-	-
#2012-06 H.S. Turf Athletic Field	-	-	-	-	-	-	-	-	-
#2012-11 Acquisition of Machinery & Equipment	-	-	-	-	-	-	-	-	-
#2012-12 Church Street Resurfacing (NJDOT)	-	-	-	-	-	-	-	-	-
#2012-15 Improvement to Various Sanitary Sewer Lines	-	-	-	-	-	-	-	-	-
#2013-05 Acquisition of Equipment	-	-	-	-	-	-	-	-	-
#2013-06 Improvements to Sanitary Sewer System	-	-	-	-	-	-	-	-	-
#2013-07 2012 Road Reconstruction and Curb & Sidewalk Program (Local)	-	-	-	-	-	-	-	-	-
#2013-08 Acquisition of New Fire Pumper	-	-	-	-	-	-	-	-	-
#2014-02 Various Improvements to Municipal Facilities	-	-	-	-	-	-	-	-	-
#2014-04 Acquisition of New Equipment & Machinery for Various Departments	-	-	-	-	-	-	-	-	-
#2014-05 2014 Road Recon. and Curb & Sidewalk Replacement Program (Local)	-	-	-	-	-	-	-	-	-
#2014-06 Resurfacing of Central Avenue - Phase I (NJDOT)	-	-	-	-	-	-	-	-	-
#2014-07 2014 Road Recon. and Curb & Sidewalk Replacement Program (Federal)	-	-	-	-	-	-	-	-	-
#2015-06 Acquisition of Equipment - Police Department	-	-	-	-	-	-	-	-	-
#2015-08 Improvements to Municipal Facilities	-	-	-	-	-	-	-	-	-
#2015-10 Acquisition of New Equipment & Machinery for Various Departments	-	-	-	-	-	-	-	-	-
#2015-11 2015 Road Recon. and Curb & Sidewalk Replacement Program (Local)	-	-	-	-	-	-	-	-	-
#2015-12 Stream Bank Stabilization	-	-	-	-	-	-	-	-	-
#2015-13 Improvements to Voto/Tedesco Field	-	-	-	-	-	-	-	-	-
#2016-11 Improvements to Municipal Facilities	-	-	-	-	-	-	-	-	-
#2016-12 Acquisition of New Automotive Vehicles	-	-	-	-	-	-	-	-	-
#2016-13 Acquisition of Various Equipment & Machinery	-	-	-	-	-	-	-	-	-
#2016-14 2106 Road Reconstruction	-	-	-	-	-	-	-	-	-
#2016-15 Sanitary Sewer Improvements	-	-	-	-	-	-	-	-	-
#2016-17 Road Reconstruction and Curb & Sidewalk Replacement Program (Local)	-	-	-	-	-	-	-	-	-
#2017-06 Acquisition of New Vehicles	-	-	-	-	-	-	-	-	-
#2017-07 Acquisition of New Equipment	-	-	-	-	-	-	-	-	-
#2017-08 Road Reconstruction & Curb/Sidewalk Replacement Program (LOCAL)	-	-	-	-	-	-	-	-	-
#2017-09 Sanitary Sewer System Improvements	-	-	-	-	-	-	-	-	-
#2017-10 Acquisition of New Public Safety Equipment	-	-	-	-	-	-	-	-	-
#2018-02 Stream Bank Stabilization - Supplemental	-	-	-	-	-	-	-	-	-
#2018-04 Improvements to Municipal Facilities	-	-	-	-	-	-	-	-	-
#2018-05 Acquisition of New Vehicles	-	-	-	-	-	-	-	-	-
#2018-06 Acquisition of New Equipment	-	-	-	-	-	-	-	-	-
#2018-07 2018 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL)	-	-	-	-	-	-	-	-	-

BOROUGH OF LODI
GENERAL CAPITAL FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2023

Improvement Description	Balance December 31, 2021	Authorized in 2021				Balance December 31, 2022		
		Capital Improvement Fund	Deferred Charges Unfunded	Grants/ Other	Paid or Charged	Canceled	Funded	Unfunded
#2018-08 Sanitary Sewer System Improvements	-	-	-	-	-	-	-	-
#2018-09 2018 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL)	-	-	-	-	-	-	-	-
#2018-15 HVAC Improvements at the Municipal Complex	-	-	-	-	-	-	-	-
#2018-21 Various Public Improvements	-	-	-	-	-	-	-	-
#2018-24 Sanitary Sewer Replacement	-	-	-	-	-	-	-	-
#2019-03 Roof Replacement at Community Center	-	-	-	-	-	-	-	-
#2019-10 2019 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL)	-	-	-	-	-	-	-	-
#2019-11 Acquisition of New Vehicles	-	-	-	-	-	-	-	-
#2019-12 Improvements to Municipal Facilities	-	-	-	-	-	-	-	-
#2019-13 Sanitary Sewer System Improvements	-	-	-	-	-	-	-	-
#2019-15 Acquisition of New Equipment	-	-	-	-	-	-	-	-
#2019-16 Acquisition of New Equipment (Public Safety)	-	-	-	-	-	-	-	-
#2020-06 Refurbish fueling system at DPW	-	-	-	-	-	-	-	-
#2020-07 Improvements to Municipal Facilities	-	-	-	-	-	-	-	-
#2020-08 Acquisition of New Vehicles	-	-	-	-	-	-	-	-
#2020-09 Acquisition of New Equipment	-	-	-	-	-	-	-	-
#2020-10 2020 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL)	-	-	-	-	-	-	-	-
#2020-11 Sanitary Sewer System Improvements	-	-	-	-	-	-	-	-
#2020-12 Improvements to Library	-	-	-	-	-	-	-	-
#2020-13 FY2020 Road Reconstruction and Curb & Sidewalk Replacement Program (STATE)	-	-	-	-	-	-	-	-
#2020-14 Acquisition of Fire Pumper and Fire Rescue Pumper	-	-	-	-	-	-	-	-
#2020-15 ADA BARRIER-FREE CURB RAMPS	-	-	-	-	-	-	-	-
#2020-25 2020 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL)	-	-	-	-	-	-	-	-
#2020-27 Acquisition of Sewer Jetter/Vacuum	-	-	-	-	-	-	-	-
#2021-02 Improvements to Municipal Facilities	-	-	-	-	-	-	-	-
#2021-03 Acquisition of New Vehicles	-	-	-	-	-	-	-	-
#2021-04 Acquisition of New Equipment	-	-	-	-	-	-	-	-
#2021-05 2021 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL)	-	-	-	-	-	-	-	-
#2021-06 Sanitary Sewer System Improvements	-	-	-	-	-	-	-	-
#2021-07 Installation of Multi-Purpose Field Enclosure at Kennedy Park	-	-	-	-	-	-	-	-
#2021-08 Acquisition of New DPW Truck/Hook Loader	-	-	-	-	-	-	-	-
#2021-09 Acquisition of Public Safety Equipment	-	-	-	-	-	-	-	-
#2021-10 Improvements to Jet-Age Park	-	-	-	-	-	-	-	-
#2021-23 Multi-Park Improvements	-	-	-	-	-	-	-	-
#2021-24 2021 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL)	-	-	-	-	-	-	-	-
#2021-25 Installation of Senior Center Air Filtration System	-	-	-	-	-	-	-	-
#2021-26 Industrial Road Improvements (STATE)	-	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
					\$ 3,374,992	Cash Disbursed		
					(85,596)	Refunded - #2021-09		
					<u>\$ 3,289,396</u>			

BOROUGH OF LODI
GENERAL CAPITAL FUND
STATEMENT OF INTERFUND - CURRENT FUND
YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2020 (Due from).....		\$	1,105,043
Increased by:			
Contra.....	1,000,000		
Contra.....	1,000,000		
Contra.....	1,000,000		
Contra.....	6,293,850		
Contra.....	8,136,850		
BAN Interest Paid by General Capital.....	18,951		
CIF Not Remitted.....	100,000		
DOT Grant First Street - Not Transferred.....	170,184		
#2021-09 Grant - Not Transferred.....	85,596		
			<u>17,805,431</u>
			18,910,474
Decreased by:			
Contra.....	1,000,000		
Contra.....	1,000,000		
Contra.....	1,000,000		
Contra.....	6,293,850		
Contra.....	8,136,850		
Reserve for Debt Service - Not Remitted.....	130,416		
Capital Surplus - Not Remitted.....	230,000		
	<u>2,813,850</u>		
			<u>20,604,966</u>
Balance, December 31, 2020 (Due to).....		\$	<u><u>(1,694,492)</u></u>

BOROUGH OF LODI
GENERAL CAPITAL FUND
STATEMENT OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2023

Improvement Description	Balance December 31, 2020	Improvement Authorized	Cash Received	Adjustments	Balance December 31, 2021
Federal:					
Community Development	\$ 1,690	\$ -	\$ -	\$ -	\$ 1,690
Community Development:					
#2014-07 2014 Road Recon. and Curb & Sidewalk Replacement Program	109,360	-	-	-	109,360
State:					
State of N.J. Department of Transportation	551,694	-	-	-	551,694
State of N.J. Department of Consumer Affairs	13,500	-	-	-	13,500
State of N.J. Department of Transportation:					
#2012-12 Church Street Resurfacing (NJDOT)	17,083	-	-	-	17,083
#2014-06 Resurfacing of Central Avenue - Phase I (NJDOT)	26,053	-	-	-	26,053
State of N.J. Green Acres Program:					
#2021-23 Multi-Park Improvements	-	941,250	-	-	941,250
County:					
Bergen County Open Space:					
#2015-13 Improvements to Voto/Tedesco Field	55,000	-	-	-	55,000
#2021-10 Improvements to Jet-Age Park	-	149,759	-	-	149,759
#2020-15 ADA BARRIER-FREE CURB RAMPS	465,000	-	-	-	465,000
Total Grants Receivable	<u>\$ 1,239,380</u>	<u>\$ 1,091,009</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,330,389</u>

BOROUGH OF LODI
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
YEAR ENDED DECEMBER 31, 2023

Date of Issue - Purpose	Interest Rate	Amount of Issue	Balance December 31, 2022	Issued	Paid by Budget Appropriation	Balance December 31, 2023
04/15/13 General Improvement Bonds	Various	11,350,000	\$ 5,275,000	\$ -	\$ 800,000	\$ 4,475,000
11/01/17 General Improvement Bonds	Various	6,470,000	4,360,000	-	475,000	3,885,000
06/05/06 Green Trust Loan (Memorial	2.00%	257,500	53,866	-	15,009	38,857
10/15/07 Green Trust Loan (Kennedy I	2.00%	200,000	58,896	-	11,315	47,581
08/27/09 Green Trust Loan (Memorial	2.00%	231,929	72,960	-	14,017	58,943
			<u>\$ 9,820,722</u>	<u>\$ -</u>	<u>\$ 1,315,341</u>	<u>\$ 8,505,381</u>

BOROUGH OF LODI
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2023

Improvement Description	Balance	Notes Paid by Budget Appropriation	Deferred Charges Paid by Budget Appropriation	Cash Receipts Applied	Transferred to Deferred Charges Funded	Adjustments	Balance	Analysis of Balance		
	December 31, 2022						December 31, 2023	Financed by BANs	B&N Authorized	Deficit Cash Balance
#2018-02 Stream Bank Stabilization - Supplemental.....	\$ 270,344	\$ -	\$ 9,656	\$ -	\$ -	\$ -	\$ 260,688	\$ 260,688	\$ -	\$ -
#2018-04 Improvements to Municipal Facilities.....	91,724	-	3,276	-	-	-	88,448	88,448	-	-
#2018-05 Acquisition of New Vehicles.....	84,444	-	10,556	-	-	-	73,888	73,888	-	-
#2018-06 Acquisition of New Equipment.....	135,172	-	4,828	-	-	-	130,344	130,344	-	-
#2018-07 2018 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	270,000	-	15,000	-	-	-	255,000	255,000	-	-
#2018-08 Sanitary Sewer System Improvements.....	138,227	-	1,773	-	-	-	136,454	136,454	-	-
#2018-09 2018 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL).....	132,631	-	7,369	-	-	-	125,262	125,262	-	-
#2018-15 HVAC Improvements at the Municipal Complex.....	226,896	-	8,104	-	-	-	218,792	218,792	-	-
#2018-24 Sanitary Sewer Replacement.....	142,850	-	1,809	-	-	-	141,041	141,041	-	-
#2019-03 Roof Replacement at Community Center.....	57,000	-	1,966	-	-	-	55,034	55,034	-	-
#2019-10 2019 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	285,000	-	15,000	-	-	-	270,000	270,000	-	-
#2019-11 Acquisition of New Vehicles.....	95,000	-	10,556	-	-	-	84,444	84,444	-	-
#2019-12 Improvements to Municipal Facilities.....	425,000	-	14,656	-	-	-	410,344	410,344	-	-
#2019-13 Sanitary Sewer System Improvements.....	140,000	-	1,773	-	-	-	138,227	138,227	-	-
#2019-15 Acquisition of New Equipment.....	140,000	-	4,828	-	-	-	135,172	135,172	-	-
#2019-16 Acquisition of New Equipment (Public Safety).....	119,000	-	4,104	-	-	-	114,896	114,896	-	-
#2020-06 Refurbish Fueling System at DPW Complex.....	190,000	-	-	-	-	-	190,000	190,000	-	-
#2020-07 Improvements to Municipal Facilities.....	425,000	-	-	-	-	-	425,000	425,000	-	-
#2020-08 Acquisition of New Vehicles.....	95,000	-	-	-	-	-	95,000	95,000	-	-
#2020-09 Acquisition of New Equipment.....	140,000	-	-	-	-	-	140,000	140,000	-	-
#2020-10 2020 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	285,000	-	-	-	-	-	285,000	285,000	-	-
#2020-11 Sanitary Sewer System Improvements.....	140,000	-	-	-	-	-	140,000	140,000	-	-
#2020-12 Improvements to Library.....	190,000	-	-	-	-	-	190,000	190,000	-	-
#2020-13 FY2020 Road Reconstruction and Curb & Sidewalk Replacement Program (STATE).....	190,000	-	-	-	-	-	190,000	190,000	-	-
#2020-14 Acquisition of Fire Pumper and Fire Rescue Pumper.....	1,140,000	-	-	-	-	-	1,140,000	1,140,000	-	-
#2020-25 2020 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL).....	235,000	-	-	-	-	-	235,000	235,000	-	-
#2020-27 Acquisition of Sewer Jetter/Vacuum.....	450,000	-	-	-	-	-	450,000	450,000	-	-
#2021-02 Improvements to Municipal Facilities.....	425,000	-	-	-	-	-	425,000	425,000	-	-
#2021-03 Acquisition of New Vehicles.....	95,000	-	-	-	-	-	95,000	95,000	-	-
#2021-04 Acquisition of New Equipment.....	140,000	-	-	-	-	-	140,000	140,000	-	-
#2021-05 2021 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	285,000	-	-	-	-	-	285,000	285,000	-	-
#2021-06 Sanitary Sewer System Improvements.....	140,000	-	-	-	-	-	140,000	140,000	-	-
#2021-07 Installation of Multi-Purpose Field Enclosure at Kennedy Park.....	285,000	-	-	-	-	-	285,000	285,000	-	-
#2021-08 Acquisition of New DPW Truck/Hook Loader.....	190,000	-	-	-	-	-	190,000	190,000	-	-
#2021-09 Acquisition of Public Safety Equipment.....	140,000	-	-	-	-	-	140,000	140,000	-	-
#2021-10 Improvements to Jet-Age Park.....	143,000	-	-	-	-	-	143,000	143,000	-	-
#2021-23 Multi-Park Improvements.....	313,750	-	-	-	-	-	313,750	313,750	-	-
#2021-24 2021 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL).....	190,000	-	-	-	-	-	190,000	190,000	-	-
#2021-25 Installation of Senior Center Air Filtration System.....	47,500	-	-	-	-	-	47,500	47,500	-	-
#2021-26 Industrial Road Improvements (STATE).....	380,000	-	-	-	-	-	380,000	380,000	-	-
#2022-02 Improvements to Memorial Park.....	665,000	-	-	-	-	-	665,000	650,000	15,000	-
#2022-03 Rehabilitation of Memorial Park Amphitheater.....	158,000	-	-	-	-	-	158,000	158,000	-	-
#2022-06 ADA-Accessible Playground Adjacent to Memorial Park.....	119,000	-	-	-	-	-	119,000	119,000	-	-
#2022-07 Rehabilitation of Memorial Field Playground.....	141,000	-	-	-	-	-	141,000	141,000	-	-
#2022-09 Acquisition of Police Department Equipment.....	165,000	-	-	-	-	-	165,000	29,716	135,284	-
#2022-10 Acquisition of Police Department Vehicles.....	140,000	-	-	-	-	-	140,000	-	140,000	-
#2022-11 Acquisition of New Vehicles.....	140,000	-	-	-	-	-	140,000	-	140,000	-
#2022-12 Sanitary Sewer System Improvements.....	140,000	-	-	-	-	-	140,000	-	140,000	-
#2022-13 Improvements to Municipal Facilities.....	425,000	-	-	-	-	-	425,000	-	425,000	-
#2022-14 2022 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	285,000	-	-	-	-	-	285,000	-	285,000	-
#2022-15 Acquisition of Fire Department Equipment.....	95,000	-	-	-	-	-	95,000	-	95,000	-
#2022-19 Hancock Street and Brook Street Improvements (STATE).....	311,266	-	-	-	-	-	311,266	-	311,266	-
#2023-09 Improvements to Municipal Facilities.....	-	475,000	-	-	-	-	475,000	-	475,000	-
#2023-10 Sanitary Sewer System Improvements.....	-	140,000	-	-	-	-	140,000	-	140,000	-
#2023-11 Acquisition of Police Department Equipment.....	-	190,000	-	-	-	-	190,000	-	190,000	-
#2023-12 Acquisition of Police Department Vehicles.....	-	140,000	-	-	-	-	140,000	-	140,000	-
#2023-13 Acquisition of New Vehicles (Various Depts).....	-	140,000	-	-	-	-	140,000	-	140,000	-
#2023-14 2023 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	-	285,000	-	-	-	-	285,000	-	285,000	-
#2023-15 Acquisition of Fire Department Equipment.....	-	95,000	-	-	-	-	95,000	-	95,000	-
#2023-16 Redstone Lane and Branca Court Improvements (NJDOT FY2022 MAP).....	-	82,000	-	-	-	-	82,000	-	82,000	-
#2023-17 Westminster Place from Warren to Arnot Street Improvements (NJDOT FY2023 MAP).....	-	98,000	-	-	-	-	98,000	-	98,000	-
#2023-18 Washington Street Improvements (CDBG FY 2022-2023).....	-	100,000	-	-	-	-	100,000	-	100,000	-
	<u>\$ 11,791,804</u>	<u>\$ 1,745,000</u>	<u>\$ 115,254</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,421,550</u>	<u>\$ 9,990,000</u>	<u>\$ 3,431,550</u>	<u>\$ -</u>

Bond Anticipation Notes	\$ 9,007,538	\$ 9,990,000
Bonds and Notes Authorized but not Issued	2,784,266	3,431,550
	<u>\$ 11,791,804</u>	<u>\$ 13,421,550</u>

BOROUGH OF LODI
 GENERAL CAPITAL FUND
 STATEMENT OF SERIAL BONDS PAYABLE
 YEAR ENDED DECEMBER 31, 2023

Date of Issue - Purpose	Interest Rate	Amount of Issue	Balance December 31, 2022	Issued	Paid by Budget Appropriation	Balance December 31, 2023
04/15/13 General Improvement Bonds.....	Various	11,350,000	\$ 5,275,000	\$ -	\$ 800,000	\$ 4,475,000
11/01/17 General Improvement Bonds.....	Various	6,470,000	4,360,000	-	475,000	3,885,000
			<u>\$ 9,635,000</u>	<u>\$ -</u>	<u>\$ 1,275,000</u>	<u>\$ 8,360,000</u>

BOROUGH OF LODI
 GENERAL CAPITAL FUND
 STATEMENT OF LOANS PAYABLE
 YEAR ENDED DECEMBER 31, 2023

Date of Issue - Purpose	Interest Rate	Amount of Issue	Balance December 31, 2022	Issued	Paid by Budget Appropriation	Balance December 31, 2023
06/05/06 Green Trust Loan (Memorial Park Improvements)...	2.00%	257,500	\$ 53,866	\$ -	\$ 15,009	\$ 38,857
10/15/07 Green Trust Loan (Kennedy Park Improvements)....	2.00%	200,000	58,896	-	11,315	47,581
08/27/09 Green Trust Loan (Memorial Park Improvements)...	2.00%	231,929	72,960	-	14,017	58,943
			<u>\$ 185,722</u>	<u>\$ -</u>	<u>\$ 40,341</u>	<u>\$ 145,381</u>

BOROUGH OF LODI
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2023

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2022	Increased by		Decreased by		Serial Bonds Issued	Balance December 31, 2023
							New Cash	Renewal	Budget Appropriation Paydown	Renewal		
No. 22-1R												
#2018-02 Stream Bank Stabilization - Supplemental.....	280,000	02/15/19	02/15/22	02/14/23	0.760%	\$ 270,344	\$ -	\$ -	\$ 9,656	\$ 260,688	\$ -	\$ -
#2018-04 Improvements to Municipal Facilities.....	95,000	02/15/19	02/15/22	02/14/23	0.760%	91,724	-	-	3,276	88,448	-	-
#2018-05 Acquisition of New Vehicles.....	95,000	02/15/19	02/15/22	02/14/23	0.760%	84,444	-	-	10,556	73,888	-	-
#2018-06 Acquisition of New Equipment.....	140,000	02/15/19	02/15/22	02/14/23	0.760%	135,172	-	-	4,828	130,344	-	-
#2018-07 2018 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	285,000	02/15/19	02/15/22	02/14/23	0.760%	270,000	-	-	15,000	255,000	-	-
#2018-08 Sanitary Sewer System Improvements.....	140,000	02/15/19	02/15/22	02/14/23	0.760%	138,227	-	-	1,773	136,454	-	-
#2018-09 2018 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL).....	140,000	02/15/19	02/15/22	02/14/23	0.760%	132,631	-	-	7,369	125,262	-	-
#2018-15 HVAC Improvements at the Municipal Complex.....	235,000	02/15/19	02/15/22	02/14/23	0.760%	226,896	-	-	8,104	218,792	-	-
#2018-24 Sanitary Sewer Replacement.....	142,850	02/14/20	02/15/22	02/14/23	0.760%	142,850	-	-	1,809	141,041	-	-
#2019-03 Roof Replacement at Community Center.....	57,000	02/14/20	02/15/22	02/14/23	0.760%	57,000	-	-	1,966	55,034	-	-
#2019-10 2019 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	285,000	02/14/20	02/15/22	02/14/23	0.760%	285,000	-	-	15,000	270,000	-	-
#2019-11 Acquisition of New Vehicles.....	95,000	02/14/20	02/15/22	02/14/23	0.760%	95,000	-	-	10,556	84,444	-	-
#2019-12 Improvements to Municipal Facilities.....	425,000	02/14/20	02/15/22	02/14/23	0.760%	425,000	-	-	14,656	410,344	-	-
#2019-13 Sanitary Sewer System Improvements.....	140,000	02/14/20	02/15/22	02/14/23	0.760%	140,000	-	-	1,773	138,227	-	-
#2019-15 Acquisition of New Equipment.....	140,000	02/14/20	02/15/22	02/14/23	0.760%	140,000	-	-	4,828	135,172	-	-
#2019-16 Acquisition of New Equipment (Public Safety).....	119,000	02/14/20	02/15/22	02/14/23	0.760%	119,000	-	-	4,104	114,896	-	-
#2020-06 Refurbish Fueling System at DPW Complex.....	190,000	02/11/21	02/15/22	02/14/23	0.760%	190,000	-	-	-	190,000	-	-
#2020-07 Improvements to Municipal Facilities.....	425,000	02/11/21	02/15/22	02/14/23	0.760%	425,000	-	-	-	425,000	-	-
#2020-08 Acquisition of New Vehicles.....	95,000	02/11/21	02/15/22	02/14/23	0.760%	95,000	-	-	-	95,000	-	-
#2020-09 Acquisition of New Equipment.....	140,000	02/11/21	02/15/22	02/14/23	0.760%	140,000	-	-	-	140,000	-	-
#2020-10 2020 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	285,000	02/11/21	02/15/22	02/14/23	0.760%	285,000	-	-	-	285,000	-	-
#2020-11 Sanitary Sewer System Improvements.....	140,000	02/11/21	02/15/22	02/14/23	0.760%	140,000	-	-	-	140,000	-	-
#2020-12 Improvements to Library.....	190,000	02/11/21	02/15/22	02/14/23	0.760%	190,000	-	-	-	190,000	-	-
#2020-13 FY2020 Road Reconstruction and Curb & Sidewalk Replacement Program (STATE).....	190,000	02/11/21	02/15/22	02/14/23	0.760%	190,000	-	-	-	190,000	-	-
#2020-14 Acquisition of Fire Pumper and Fire Rescue Pumper.....	1,140,000	02/11/21	02/15/22	02/14/23	0.760%	1,140,000	-	-	-	1,140,000	-	-
#2020-25 2020 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL).....	235,000	02/11/21	02/15/22	02/14/23	0.760%	235,000	-	-	-	235,000	-	-
#2020-27 Acquisition of Sewer Jetter/Vacuum.....	450,000	02/11/21	02/15/22	02/14/23	0.760%	450,000	-	-	-	450,000	-	-
#2021-02 Improvements to Municipal Facilities.....	425,000	11/12/21	02/15/22	02/14/23	0.760%	425,000	-	-	-	425,000	-	-
#2021-03 Acquisition of New Vehicles.....	95,000	11/12/21	02/15/22	02/14/23	0.760%	95,000	-	-	-	95,000	-	-
#2021-04 Acquisition of New Equipment.....	140,000	11/12/21	02/15/22	02/14/23	0.760%	140,000	-	-	-	140,000	-	-
#2021-05 2021 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	285,000	11/12/21	02/15/22	02/14/23	0.760%	285,000	-	-	-	285,000	-	-
#2021-06 Sanitary Sewer System Improvements.....	140,000	11/12/21	02/15/22	02/14/23	0.760%	140,000	-	-	-	140,000	-	-
#2021-07 Installation of Multi-Purpose Field Enclosure at Kennedy Park.....	285,000	11/12/21	02/15/22	02/14/23	0.760%	285,000	-	-	-	285,000	-	-
#2021-08 Acquisition of New DPW Truck/Hook Loader.....	190,000	11/12/21	02/15/22	02/14/23	0.760%	190,000	-	-	-	190,000	-	-
#2021-09 Acquisition of Public Safety Equipment.....	140,000	11/12/21	02/15/22	02/14/23	0.760%	140,000	-	-	-	140,000	-	-
#2021-10 Improvements to Jet-Age Park.....	143,000	11/12/21	02/15/22	02/14/23	0.760%	143,000	-	-	-	143,000	-	-
#2021-23 Replacement and Upgrading of field Lighting at Little League Field and Voto/Tedesco Park.....	313,750	02/15/22	02/15/22	02/14/23	0.760%	313,750	-	-	-	313,750	-	-
#2021-24 Road Reconstruction Program.....	190,000	02/15/22	02/15/22	02/14/23	0.760%	190,000	-	-	-	190,000	-	-
#2021-25 Installation of an Air Filtration System at Senior Center.....	47,500	02/15/22	02/15/22	02/14/23	0.760%	47,500	-	-	-	47,500	-	-
#2021-26 Resurfacing of Industrial Avenue.....	380,000	02/15/22	02/15/22	02/14/23	0.760%	380,000	-	-	-	380,000	-	-
						9,007,538	-	-	115,254	8,892,284	-	-

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2022	Increased by		Decreased by			Balance December 31, 2023
							New Cash	Renewal	Budget Appropriation Paydown	Renewal	Serial Bonds Issued	
No. 23-1R												
#2018-02 Stream Bank Stabilization - Supplemental.....	280,000	02/15/19	02/14/23	02/09/24	4.500%	-	-	260,688	-	-	-	260,688
#2018-04 Improvements to Municipal Facilities.....	95,000	02/15/19	02/14/23	02/09/24	4.500%	-	-	88,448	-	-	-	88,448
#2018-05 Acquisition of New Vehicles.....	95,000	02/15/19	02/14/23	02/09/24	4.500%	-	-	73,888	-	-	-	73,888
#2018-06 Acquisition of New Equipment.....	140,000	02/15/19	02/14/23	02/09/24	4.500%	-	-	130,344	-	-	-	130,344
#2018-07 2018 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	285,000	02/15/19	02/14/23	02/09/24	4.500%	-	-	255,000	-	-	-	255,000
#2018-08 Sanitary Sewer System Improvements.....	140,000	02/15/19	02/14/23	02/09/24	4.500%	-	-	136,454	-	-	-	136,454
#2018-09 2018 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL).....	140,000	02/15/19	02/14/23	02/09/24	4.500%	-	-	125,262	-	-	-	125,262
#2018-15 HVAC Improvements at the Municipal Complex.....	235,000	02/15/19	02/14/23	02/09/24	4.500%	-	-	218,792	-	-	-	218,792
#2018-24 Sanitary Sewer Replacement.....	142,850	02/14/20	02/14/23	02/09/24	4.500%	-	-	141,041	-	-	-	141,041
#2019-03 Roof Replacement at Community Center.....	57,000	02/14/20	02/14/23	02/09/24	4.500%	-	-	55,034	-	-	-	55,034
#2019-10 2019 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	285,000	02/14/20	02/14/23	02/09/24	4.500%	-	-	270,000	-	-	-	270,000
#2019-11 Acquisition of New Vehicles.....	95,000	02/14/20	02/14/23	02/09/24	4.500%	-	-	84,444	-	-	-	84,444
#2019-12 Improvements to Municipal Facilities.....	425,000	02/14/20	02/14/23	02/09/24	4.500%	-	-	410,344	-	-	-	410,344
#2019-13 Sanitary Sewer System Improvements.....	140,000	02/14/20	02/14/23	02/09/24	4.500%	-	-	138,227	-	-	-	138,227
#2019-15 Acquisition of New Equipment.....	140,000	02/14/20	02/14/23	02/09/24	4.500%	-	-	135,172	-	-	-	135,172
#2019-16 Acquisition of New Equipment (Public Safety).....	119,000	02/14/20	02/14/23	02/09/24	4.500%	-	-	114,896	-	-	-	114,896
#2020-06 Refurbish Fueling System at DPW Complex.....	190,000	02/11/21	02/14/23	02/09/24	4.500%	-	-	190,000	-	-	-	190,000
#2020-07 Improvements to Municipal Facilities.....	425,000	02/11/21	02/14/23	02/09/24	4.500%	-	-	425,000	-	-	-	425,000
#2020-08 Acquisition of New Vehicles.....	95,000	02/11/21	02/14/23	02/09/24	4.500%	-	-	95,000	-	-	-	95,000
#2020-09 Acquisition of New Equipment.....	140,000	02/11/21	02/14/23	02/09/24	4.500%	-	-	140,000	-	-	-	140,000
#2020-10 2020 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	285,000	02/11/21	02/14/23	02/09/24	4.500%	-	-	285,000	-	-	-	285,000
#2020-11 Sanitary Sewer System Improvements.....	140,000	02/11/21	02/14/23	02/09/24	4.500%	-	-	140,000	-	-	-	140,000
#2020-12 Improvements to Library.....	190,000	02/11/21	02/14/23	02/09/24	4.500%	-	-	190,000	-	-	-	190,000
#2020-13 FY2020 Road Reconstruction and Curb & Sidewalk Replacement Program (STATE).....	190,000	02/11/21	02/14/23	02/09/24	4.500%	-	-	190,000	-	-	-	190,000
#2020-14 Acquisition of Fire Pumper and Fire Rescue Pumper.....	1,140,000	02/11/21	02/14/23	02/09/24	4.500%	-	-	1,140,000	-	-	-	1,140,000
#2020-25 2020 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL).....	235,000	02/11/21	02/14/23	02/09/24	4.500%	-	-	235,000	-	-	-	235,000
#2020-27 Acquisition of Sewer Jetter/Vacuum.....	450,000	02/11/21	02/14/23	02/09/24	4.500%	-	-	450,000	-	-	-	450,000
#2021-02 Improvements to Municipal Facilities.....	425,000	11/12/21	02/14/23	02/09/24	4.500%	-	-	425,000	-	-	-	425,000
#2021-03 Acquisition of New Vehicles.....	95,000	11/12/21	02/14/23	02/09/24	4.500%	-	-	95,000	-	-	-	95,000
#2021-04 Acquisition of New Equipment.....	140,000	11/12/21	02/14/23	02/09/24	4.500%	-	-	140,000	-	-	-	140,000
#2021-05 2021 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL).....	285,000	11/12/21	02/14/23	02/09/24	4.500%	-	-	285,000	-	-	-	285,000
#2021-06 Sanitary Sewer System Improvements.....	140,000	11/12/21	02/14/23	02/09/24	4.500%	-	-	140,000	-	-	-	140,000
#2021-07 Installation of Multi-Purpose Field Enclosure at Kennedy Park.....	285,000	11/12/21	02/14/23	02/09/24	4.500%	-	-	285,000	-	-	-	285,000
#2021-08 Acquisition of New DPW Truck/Hook Loader.....	190,000	11/12/21	02/14/23	02/09/24	4.500%	-	-	190,000	-	-	-	190,000
#2021-09 Acquisition of Public Safety Equipment.....	140,000	11/12/21	02/14/23	02/09/24	4.500%	-	-	140,000	-	-	-	140,000
#2021-10 Improvements to Jet-Age Park.....	143,000	11/12/21	02/14/23	02/09/24	4.500%	-	-	143,000	-	-	-	143,000
#2021-23 Replacement and Upgrading of field Lighting at Little League Field and Voto/Tedesco Park.....	313,750	02/15/22	02/14/23	02/09/24	4.500%	-	-	313,750	-	-	-	313,750
#2021-24 Road Reconstruction Program.....	190,000	02/15/22	02/14/23	02/09/24	4.500%	-	-	190,000	-	-	-	190,000
#2021-25 Installation of an Air Filtration System at Senior Center.....	47,500	02/15/22	02/14/23	02/09/24	4.500%	-	-	47,500	-	-	-	47,500
#2021-26 Resurfacing of Industrial Avenue.....	380,000	02/15/22	02/14/23	02/09/24	4.500%	-	-	380,000	-	-	-	380,000
#2022-02 Various Improvements to Memorial Park.....	650,000	02/14/23	02/14/23	02/09/24	4.500%	-	650,000	-	-	-	-	650,000
#2022-03 Rehabilitation of Memorial Park Amphitheater.....	158,000	02/14/23	02/14/23	02/09/24	4.500%	-	158,000	-	-	-	-	158,000
#2022-06 Construction of ADA Accessible Playground Adjacent to Memorial Park.....	119,000	02/14/23	02/14/23	02/09/24	4.500%	-	119,000	-	-	-	-	119,000
#2022-07 Rehabilitation of Memorial Field Playground.....	141,000	02/14/23	02/14/23	02/09/24	4.500%	-	141,000	-	-	-	-	141,000
#2022-09 Acquisition of Various Equipment and Machinery for Police Department.....	29,716	02/14/23	02/14/23	02/09/24	4.500%	-	29,716	-	-	-	-	29,716
						-	1,097,716	8,892,284	-	-	-	9,990,000
						\$ 9,007,538	\$ 1,097,716	\$ 8,892,284	\$ 115,254	\$ 8,892,284	\$ -	\$ 9,990,000

BOROUGH OF LODI
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2023

Improvement Description	Adoption Date	Balance		Authorized in 2022						Balance		
		January 1, 2022								December 31, 2022		
		Amount	Funded	Unfunded	Capital Improvement Fund	Deferred Charges Unfunded	Grants/Other	Paid or Charged	Canceled	Funded	Unfunded	
#202-21 2001 Shade Tree Program.....	06/17/02	\$ 90,000	\$ 156	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 156	\$ -
#404-04 SFY 2004 Roadway Improvement Program.....	08/26/03	450,000	324	-	-	-	-	-	-	-	324	-
#404-05 Route 46 Redevelopment - Phase I (Supplemental).....	08/26/03	150,000	514	-	-	-	-	-	-	-	514	-
#505-19 Downtown Redevelopment - Phase III.....	04/25/05	600,000	1,248	-	-	-	-	-	-	-	1,248	-
#505-24 Improvement of Memorial Park (Supplemental).....	06/24/05	100,000	172	-	-	-	-	-	-	-	172	-
#808-09 Downtown Redevelopment - Phase III (Supplemental).....	10/15/07	100,000	266	-	-	-	-	-	-	-	266	-
#909-11 Improvements to Sanitary Sewer System.....	03/26/09	500,000	57	-	-	-	-	-	-	-	57	-
#909-14 SFY 2009 Road, Curb & Sidewalk Program (Community Development).....	03/26/09	450,000	11	-	-	-	-	-	-	-	11	-
#909-20 SFY 2009 Road, Curb & Sidewalk Program (State).....	03/26/09	250,000	5,370	-	-	-	-	-	-	-	5,370	-
#2010-04 Improvements to Sanitary Sewer System.....	08/17/09	200,000	198	-	-	-	-	-	-	-	198	-
#2010-05 2009 Road, Curb & Sidewalk Program (Local).....	08/17/09	100,000	12,089	-	-	-	-	-	-	-	12,089	-
#2010-06 2009 Road, Curb & Sidewalk Program (State).....	08/17/09	200,000	57,290	-	-	-	-	-	-	-	57,290	-
#2010-07 2009 Road, Curb & Sidewalk Program (Community Development).....	08/17/09	400,000	981	-	-	-	-	-	-	-	981	-
#2010-12 Refunding Bond Ordinance	10/20/09	820,000	-	19,229	-	-	-	-	-	-	-	19,229
#2010-28 Improvements to Sanitary Sewer System	08/16/10	450,000	165	-	-	-	-	-	-	-	165	-
#2010-30 2010 Road, Curb & Sidewalk Program (Community Development)	08/16/10	450,000	751	-	-	-	-	-	-	-	751	-
#2011-09 CY2011 Road Improvement Program (NJDOT)	08/16/11	180,000	19,716	-	-	-	-	-	-	-	19,716	-
#2011-11 Acquisition of Equipment	08/16/11	100,000	171	-	-	-	-	-	-	-	171	-
#2011-12 Improvements to Sanitary Sewer System	08/16/11	250,000	4	-	-	-	-	-	-	-	4	-
#2012-06 H.S. Turf Athletic Field	05/15/12	2,000,000	-	2	-	-	-	-	-	-	-	2
#2012-11 Acquisition of Machinery & Equipment	06/20/12	100,000	251	-	-	-	-	-	-	-	251	-
#2012-12 Church Street Resurfacing (NJDOT)	06/20/12	385,000	153,625	-	-	-	-	-	-	-	153,625	-
#2012-15 Improvement to Various Sanitary Sewer Lines	06/20/12	250,000	179	-	-	-	-	-	-	-	179	-
#2013-05 Acquisition of Equipment	07/16/13	100,000	3	-	-	-	-	-	-	-	3	-
#2013-06 Improvements to Sanitary Sewer System	07/16/13	250,000	42,988	-	-	-	-	-	-	-	42,988	-
#2013-07 2012 Road Reconstruction and Curb & Sidewalk Program (Local)	07/16/13	300,000	3,630	-	-	-	-	-	-	-	3,630	-
#2014-02 Various Improvements to Municipal Facilities	07/15/14	250,000	637	-	-	-	-	-	-	-	637	-
#2014-04 Acquisition of New Equipment & Machinery for Various Departments	07/15/14	100,000	24	-	-	-	-	-	-	-	24	-
#2014-05 2014 Road Recon. and Curb & Sidewalk Replacement Program (Local)	07/15/14	300,000	47,798	-	-	-	-	-	-	-	47,798	-
#2014-06 Resurfacing of Central Avenue - Phase I (NJDOT)	07/15/14	175,000	13	-	-	-	-	-	-	-	13	-
#2014-07 2014 Road Recon. and Curb & Sidewalk Replacement Program (Federal)	07/15/14	300,000	2,789	-	-	-	-	-	-	-	2,789	-
#2015-06 Acquisition of Equipment - Police Department	07/14/15	200,000	65	-	-	-	-	-	-	-	65	-
#2015-08 Improvements to Municipal Facilities	07/14/15	300,000	234	-	-	-	-	-	-	-	234	-
#2015-10 Acquisition of New Equipment & Machinery for Various Departments	07/14/15	150,000	63	-	-	-	-	-	-	-	63	-
#2015-11 2015 Road Recon. and Curb & Sidewalk Replacement Program (Local)	07/14/15	300,000	5,495	-	-	-	5,495	-	-	-	5,495	(5,495)
#2015-12 Stream Bank Stabilization	07/14/15	200,000	2,334	-	-	-	-	-	-	-	2,334	-
#2015-13 Improvements to Voto/Tedesco Field	10/20/15	110,000	11,492	-	-	-	-	-	-	-	11,492	-
#2016-11 Improvements to Municipal Facilities	08/09/16	100,000	21	-	-	-	-	-	-	-	21	-
#2016-12 Acquisition of New Automotive Vehicles	08/09/16	100,000	40	-	-	-	-	-	-	-	40	-
#2016-13 Acquisition of Various Equipment & Machinery	08/09/16	150,000	94	-	-	-	-	-	-	-	94	-
#2016-14 2106 Road Reconstruction	08/09/16	300,000	126,200	-	-	-	-	126,200	-	-	126,200	(126,200)
#2016-15 Sanitary Sewer Improvements	08/09/16	150,000	88,503	-	-	-	-	69,719	-	-	88,503	(69,719)
#2016-17 Road Reconstruction and Curb & Sidewalk Replacement Program (Local)	08/09/16	1,125,000	76,072	-	-	-	-	-	-	-	76,072	-
#2017-06 Acquisition of New Vehicles	05/16/17	100,000	11,340	-	-	-	-	-	-	-	11,340	-
#2017-07 Acquisition of New Equipment	05/16/17	150,000	18	-	-	-	-	-	-	-	18	-
#2017-08 Road Reconstruction & Curb/Sidewalk Replacement Program (LOCAL)	05/16/17	300,000	18,834	-	-	-	-	-	-	-	18,834	-
#2017-09 Sanitary Sewer System Improvements	05/16/17	150,000	45,627	-	-	-	-	-	-	-	45,627	-
#2017-10 Acquisition of New Public Safety Equipment	05/16/17	200,000	74	-	-	-	-	-	-	-	74	-
#2018-02 Stream Bank Stabilization - Supplemental	02/20/18	300,000	-	23,047	-	-	-	465	-	-	-	22,582
#2018-04 Improvements to Municipal Facilities	03/20/18	100,000	-	9	-	-	-	-	-	-	-	9
#2018-05 Acquisition of New Vehicles	03/20/18	100,000	-	30	-	-	-	-	-	-	-	30
#2018-06 Acquisition of New Equipment	03/20/18	150,000	-	53	-	-	-	-	-	-	-	53
#2018-07 2018 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL)	03/20/18	300,000	-	207,397	-	-	-	174,576	-	-	-	32,821
#2018-08 Sanitary Sewer System Improvements	03/20/18	150,000	-	59,049	-	-	-	116	-	-	-	58,933
#2018-09 2018 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL)	03/20/18	150,000	-	136,648	-	-	-	15,333	-	-	-	121,315
#2018-15 HVAC Improvements at the Municipal Complex	06/19/18	250,000	-	70,513	-	-	-	116	-	-	-	70,397
#2018-21 Various Public Improvements	10/16/18	2,600,000	-	470,301	-	-	-	5,904	-	-	-	464,397
#2018-24 Sanitary Sewer Replacement	12/11/18	150,000	-	14,308	-	-	-	349	-	-	-	13,959
#2019-03 Roof Replacement at Community Center	03/19/19	60,000	3,000	-	-	-	-	-	-	-	3,000	57,000
#2019-10 2019 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL)	08/20/19	300,000	-	25,514	-	-	-	25,514	-	-	-	-

BOROUGH OF LODI
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2023

Improvement Description	Ordinance	Balance		Authorized in 2022					Balance		
		January 1, 2022		Capital Improvement Fund	Deferred Charges Unfunded	Grants/ Other	Paid or Charged	Canceled	December 31, 2022		
		Adoption Date	Amount						Funded	Unfunded	Funded
#2019-11 Acquisition of New Vehicles	08/20/19	100,000	-	318	-	-	-	116	-	-	202
#2019-12 Improvements to Municipal Facilities	08/20/19	450,000	-	19,557	-	-	-	19,325	-	-	232
#2019-13 Sanitary Sewer System Improvements	08/20/19	150,000	-	86,523	-	-	-	2,023	-	-	84,500
#2019-15 Acquisition of New Equipment	08/20/19	150,000	-	658	-	-	-	116	-	-	542
#2019-16 Acquisition of New Equipment (Public Safety)	08/20/19	125,000	-	2,701	-	-	-	116	-	-	2,585
#2020-07 Improvements to Municipal Facilities	06/16/20	450,000	-	185,800	-	-	-	180,031	-	-	5,769
#2020-08 Acquisition of New Vehicles	06/16/20	100,000	-	1,098	-	-	-	349	-	-	749
#2020-10 2020 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL)	06/16/20	300,000	-	12,839	-	-	-	12,703	-	-	136
#2020-11 Sanitary Sewer System Improvements	06/16/20	150,000	-	113,697	-	-	-	22,766	-	-	90,931
#2020-12 Improvements to Library	06/16/20	200,000	-	176,118	-	-	-	34,025	-	-	142,093
#2020-13 FY2020 Road Reconstruction and Curb & Sidewalk Replacement Program (STATE)	06/16/20	200,000	-	47,687	-	-	-	47,687	-	-	-
#2020-14 Acquisition of Fire Pumper and Fire Rescue Pumper	06/16/20	1,200,000	-	203	-	-	-	-	-	-	203
#2020-15 ADA BARRIER-FREE CURB RAMPS	06/16/20	465,000	-	210,242	-	-	-	-	-	-	210,242
#2020-25 2020 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL)	11/17/20	250,000	-	76,568	-	-	-	11,813	-	-	64,755
#2020-27 Acquisition of Sewer Jetter/Vacuum	12/15/20	475,000	-	1,250	-	-	-	116	-	-	1,134
#2021-02 Improvements to Municipal Facilities	05/18/21	450,000	24,069	425,000	-	-	-	41,092	-	(41,092)	449,069
#2021-03 Acquisition of New Vehicles	05/18/21	100,000	4,069	95,000	-	-	-	98,553	-	(98,553)	99,069
#2021-04 Acquisition of New Equipment	05/18/21	150,000	-	97,337	-	-	-	96,402	-	-	935
#2021-05 2021 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL)	05/18/21	300,000	-	64,416	-	-	-	35,163	-	-	29,253
#2021-06 Sanitary Sewer System Improvements	05/18/21	150,000	9,069	140,000	-	-	-	116	-	(116)	149,069
#2021-07 Installation of Multi-Purpose Field Enclosure at Kennedy Park	05/18/21	300,000	14,069	285,000	-	-	-	10,629	-	(10,629)	299,069
#2021-08 Acquisition of New DPW Truck/Hook Loader	05/18/21	200,000	9,069	190,000	-	-	-	172,006	-	(172,006)	199,069
#2021-09 Acquisition of Public Safety Equipment	05/18/21	150,000	-	102,955	-	-	-	28,035	-	-	74,920
#2021-10 Improvements to Jet-Age Park	05/18/21	300,000	125,813	143,000	-	-	-	37,283	-	(37,283)	268,813
#2021-23 Multi-Park Improvements		1,255,000	928,639	313,750	-	-	-	521,566	-	(521,566)	1,242,389
#2021-24 2021 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL)		200,000	8,500	190,000	-	-	-	135,633	-	(135,633)	198,500
#2021-25 Installation of Senior Center Air Filtration System		50,000	2,500	47,500	-	-	-	36,320	-	(36,320)	50,000
#2021-26 Industrial Road Improvements (STATE)		400,000	20,000	380,000	-	-	-	148,289	-	(148,289)	400,000
#2022-02 Improvements to Memorial Park		-	-	-	700,000	-	-	593,434	-	106,566	-
#2022-03 Rehabilitation of Memorial Park Amphitheater		-	-	-	275,000	-	-	102,396	-	-	172,604
#2022-06 ADA-Accessible Playground		-	-	-	200,000	-	-	27,801	-	-	172,199
#2022-07 Rehabilitation of Memorial Field Playground		-	-	-	250,000	-	-	2,377	-	247,623	-
#2022-09 Acquisition of Police Department Equipment		-	-	-	175,000	-	-	82,813	-	92,187	-
#2022-10 Acquisition of Police Department Vehicles		-	-	-	150,000	-	-	998	-	149,002	-
#2022-11 Acquisition of New Vehicles		-	-	-	150,000	-	-	6,997	-	-	143,003
#2022-12 Sanitary Sewer System Improvements		-	-	-	150,000	-	-	996	-	149,004	-
#2022-13 Improvements to Municipal Facilities		-	-	-	450,000	-	-	232,308	-	217,692	-
#2022-14 2022 Road Reconstruction and Curb & Sidewalk Replacement Program (FEDERAL)		-	-	-	300,000	-	-	55,927	-	244,073	-
#2022-15 Acquisition of Fire Department Equipment		-	-	-	100,000	-	-	47,217	-	52,783	-
#2022-19 Hancock Street & Brook Street Improvement		-	-	-	550,000	-	-	1,347	-	548,653	-
			<u>\$ 1,886,723</u>	<u>\$ 4,492,317</u>	<u>\$ 3,450,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,270,671</u>	<u>\$ -</u>	<u>\$ 1,347,022</u>	<u>\$ 5,211,347</u>
								\$ 3,374,992	Cash Disbursed		
								(85,596)	Refunded - #2021-09		
								<u>\$ 3,289,396</u>			

BOROUGH OF LODI
 GENERAL CAPITAL FUND
 STATEMENT OF CAPITAL IMPROVEMENT FUND
 YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2020.....		\$	231,630
Increased by:			
Budget Appropriation.....	\$	100,000	
		-	
		-	
		<hr/>	100,000
			<hr/> 331,630
Decreased by:			
Appropriated - Capital Ordinances.....	\$	139,741	
		-	
		-	
		<hr/>	139,741
Balance, December 31, 2021.....		<hr/> \$	<hr/> 191,889

BOROUGH OF LODI
 GENERAL CAPITAL FUND
 STATEMENT OF RESERVE FOR DEBT SERVICE
 YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2020.....		\$	130,416
Increased by:			
Cash Receipts.....	\$	61,140	
		170,184	
		-	
			<u>231,324</u>
			361,740
Decreased by:			
Appropriated to Current Fund Revenue.....	\$	130,416	
		-	
		-	
			<u>130,416</u>
Balance, December 31, 2021.....		\$	<u><u>231,324</u></u>

BOROUGH OF LODI
GENERAL CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2023

Improvement Description	Balance December 31, 2022	Authorized	BANs Issued	Raised by Budget Appropriation	Cancelled & Adjusted	Balance December 31, 2023
#2022-02 Improvements to Memorial Park	\$ 665,000	\$ -	650,000	\$ -	\$ -	\$ 15,000
#2022-03 Rehabilitation of Memorial Park Amphitheater	158,000	-	158,000	-	-	-
#2022-06 ADA-Accessible Playground Adjacent to Memorial Park	119,000	-	119,000	-	-	-
#2022-07 Rehabilitation of Memorial Field Playground	141,000	-	141,000	-	-	-
#2022-09 Acquisition of Police Department Equipment	165,000	-	29,716	-	-	135,284
#2022-10 Acquisition of Police Department Vehicles	140,000	-	-	-	-	140,000
#2022-11 Acquisition of New Vehicles	140,000	-	-	-	-	140,000
#2022-12 Sanitary Sewer System Improvements	140,000	-	-	-	-	140,000
#2022-13 Improvements to Municipal Facilities	425,000	-	-	-	-	425,000
#2022-14 2022 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL)	285,000	-	-	-	-	285,000
#2022-15 Acquisition of Fire Department Equipment	95,000	-	-	-	-	95,000
#2022-19 Hancock Street and Brook Street Improvements (STATE)	311,266	-	-	-	-	311,266
#2023-09 Improvements to Municipal Facilities	-	475,000	-	-	-	475,000
#2023-10 Sanitary Sewer System Improvements	-	140,000	-	-	-	140,000
#2023-11 Acquisition of Police Department Equipment	-	190,000	-	-	-	190,000
#2023-12 Acquisition of Police Department Vehicles	-	140,000	-	-	-	140,000
#2023-13 Acquisition of New Vehicles (Various Depts)	-	140,000	-	-	-	140,000
#2023-14 2023 Road Reconstruction and Curb & Sidewalk Replacement Program (LOCAL)	-	285,000	-	-	-	285,000
#2023-15 Acquisition of Fire Department Equipment	-	95,000	-	-	-	95,000
#2023-16 Redstone Lane and Branca Court Improvements (NJDOT FY2022 MAP)	-	82,000	-	-	-	82,000
#2023-17 Westminster Place from Warren to Arnot Street Improvements (NJDOT FY2023 MAP)	-	98,000	-	-	-	98,000
#2023-18 Washington Street Improvements (CDBG FY 2022-2023)	-	100,000	-	-	-	100,000
	<u>\$ 2,784,266</u>	<u>\$ 1,745,000</u>	<u>\$ 1,097,716</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,431,550</u>

BOROUGH OF LODI

Part II

Government Auditing Standards

245 Union Street
Lodi, New Jersey 07644
Voice 973.779.6890

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Independent Auditors' Report

Honorable Mayor and Members of the Borough Council
Borough of Lodi, County of Bergen, 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 Borough of Lodi as of and for the year ended December 31, 2023, and the related notes to the financial statements, and have issued our report thereon dated December 1, 2024. 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. In addition, our report on the financial statements - regulatory basis was modified on the regulatory basis of accounting because of the presentation of the unaudited LOSAP Trust Fund financial statements.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Borough'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, as defined above. However, material weaknesses may exist that have not been identified.

Independent Auditors' Report (Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as 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 Borough of Lodi in the section of this report of audit entitled; "Supplementary Data and 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 result of that testing, and not to provide an opinion on the effectiveness of the Borough'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 Borough's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Di Maria & Associates LLP
Accountants and Consultants

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

December 1, 2024

BOROUGH OF LODI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED DECEMBER 31, 2023

log of Federal Domestic Assistance Program	Federal C.F.D.A. Number	State Aid/Grant Program Titles	State Project Number	Award Amount	Grant Period		Balance December 31, 2019	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts	Deferred	Due to
					From	To							Receivable) December 31, 2020	Revenue December 31, 2020	Grantor at December 31, 2020

NOT APPLICABLE

BOROUGH OF LODI
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 YEAR ENDED DECEMBER 31, 2023

SCHEDULE B

State Grantor / Program Title	Grant or State Project Number	Award Amount	Balance December 31, 2020	Revenue Realized	Budgetary Expenditures	Adjustments	Balance December 31, 2021
Environmental Solid Waste Administration:							
NJ Clean Communities Program	042-4900-765-004	42,181	202,708	42,161	12,815	-	232,054
NJ Recycling Tonnage Grant	042-4910-100-224	46,270	123,336	46,270	17,469	-	152,137
Law and Public Division of Criminal Justice:							
NJ Body Armor Replacement Program	066-1020-718.001	4,595	5,358	4,595	9,625	-	328
Division of Motor Vehicles:							
NJ Drunk Driving Enforcement Fund	6400-100-078-6400		12,661	-	309	-	12,352
Municipal Court:							
NJ Alcohol Education Rehabilitation Program	098-9735-760-001	6,350	30,468	6,350	-	-	36,818
NJ Alcohol Education Rehabilitation Program	098-9735-760-001		7,104	-	520	-	6,584
NJ Municipal Alliance			23,071	-	4,445	-	18,626
			<u>\$ 404,706</u>	<u>\$ 99,376</u>	<u>\$ 45,183</u>	<u>\$ -</u>	<u>\$ 458,899</u>

*Not subject to single audit NJ OMB 15-08

BOROUGH OF LODI
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2023

NOTE 1 - GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Borough of Lodi, County of Bergen, State of New Jersey. The Borough of Lodi is defined in Note 1 to the basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2 - BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented using the regulatory basis of accounting as prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. This basis of accounting is further described in Note 2 to the basic financial statements. The information in these schedules are presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

BOROUGH OF LODI
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2023

NOTE 3 - RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

Organization

The Borough of Lodi, New Jersey is the prime sponsor and recipient of various federal and state grant funds. The Borough has delegated the general administration of grant programs and the reporting function to the Borough Treasurer. Substantially all grant and program cash funds are commingled with the Borough's other funds, although each grant is accounted for separately within the Borough's financial records. The Borough Treasurer's office performs accounting functions for all grants.

Basis of Accounting

The Borough's grants are presented on the modified accrual basis of accounting utilizing the following methods:

Current Fund Grant

In accordance with a directive from the State Department of Community Affairs, Division of Local Government Services, all grant revenues and expenditures are fully realized within the current fund budget and corresponding receivables and spending reserves are recorded to account for grant activity.

Trust Fund and Capital Fund Grants

In accordance with accounting principles prescribed by the State of New Jersey, grant receivables are offset with grant spending reserves.

Local Contributions

Local matching contributions are raised in the current fund budget. The percentage of matching contributions varies with each program. Local and state shares of grants are reflected separately on the Schedule of State Financial Assistance
Expenditures

Expenditures, as reported on the accompanying schedules of federal and state grants, reflect actual cash disbursements charged directly to a grant program and, in certain instances, do not include allocated expenses or accrued expenses. Differences between budget and actual cash disbursements, as well as differences between budget revenues and actual cash receipts, are transferred to current fund balance when the grant is closed out.

Expenditures per Financial Reports

Expenditures, as reported on the accompanying schedules of federal and state grants, reflect the sum of all expenditures including allocated expenses and accrued expenses reported to the grant funding agency from January 1, 2019 to December 31, 2019.

BOROUGH OF LODI
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2023

NOTE 4 - 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 Borough's fiscal year and grant program years.

NOTE 5 - FEDERAL AND STATE LOANS OUTSTANDING

The Borough's federal and state loans outstanding at of December 31, 2020 was \$264,037.

NOTE 6 - CONTINGENCIES

Each of the grantor agencies reserve the right to conduct additional audits of the Borough's grant programs for economy, efficiency and program results.

BOROUGH OF LODI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Section I -- Summary of Auditors' Results

Financial Statements

- A) Type of auditors' report issued: Adverse - GAAP; Qualified - Regulatory
- B) Internal control over financial reporting:
1. Material weakness(es) identified? yes X no
 2. Significant deficiency(ies) identified not considered to be material weakness(es)? yes X no
- C) Noncompliance material to general-purpose financial statements noted? yes X no

BOROUGH OF LODI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

BOROUGH OF LODI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED DECEMBER 31, 2023

Section I -- Summary of Auditors' Results (Continued)

Federal Awards

NOT APPLICABLE - EXPENDITURES UNDER \$750,000

A) Internal control over major programs:

1. Material weakness(es) identified? _____ yes _____ no

2. Significant deficiency(ies) identified not considered to be material weakness(es)? _____ yes _____ no

B) Type of auditors' report issued on compliance for major programs: _____

C) Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) section .510(a)? _____ yes _____ no

D) Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____
_____	_____
_____	_____

E) Dollar threshold used to distinguish between type A and type B programs:

F) Auditee qualified as low-risk auditee? _____ yes _____ no

BOROUGH OF LODI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

BOROUGH OF LODI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Section I -- Summary of Auditors' Results (Continued)

State Awards

****NOT APPLICABLE - EXPENDITURES UNDER \$750,000****

A) Internal control over major programs:

1. Material weakness(es) identified? _____ yes _____ no

2. Significant deficiency(ies) identified not considered to be material weakness(es)? _____ yes _____ no

B) Type of auditors' report issued on compliance for major programs:

C) Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?

_____ yes _____ no

D) Identification of major programs:

Program GMIS Number(s)

Name of State Program

E) Dollar threshold used to distinguish between type A and type B programs:

F) Auditee qualified as low-risk auditee? _____ yes _____ no

BOROUGH OF LODI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

BOROUGH OF LODI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Section II -- Financial Statement Findings

None

BOROUGH OF LODI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

Section III -- Federal and State Award Findings and Questioned Costs

Current Year

Federal Awards:

There were no findings or questioned costs identified.

State Awards:

There were no findings or questioned costs identified.

Prior Year

Federal Awards:

There were no prior year findings or questioned costs.

State Awards:

There were no prior year findings or questioned costs.

BOROUGH OF LODI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023

BOROUGH OF LODI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2023

Not Applicable - None in 2019

BOROUGH OF LODI

Part III

Part III - Supplementary Data and Letter of Comments and Recommendations

BOROUGH OF LODI
 SUPPLEMENTARY DATA
 TAX REQUIREMENT AND RATE DATA
 (UNAUDITED)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net Valuations Taxable.....	\$ 2,008,995,460	\$ 2,007,638,060	\$ 1,970,941,660	\$ 1,969,178,620	\$ 1,979,218,820	\$ 1,940,565,000	\$ 1,932,449,000	\$ 1,932,485,260	\$ 1,934,136,080	\$ 1,933,596,590
TAX REQUIREMENTS										
County.....	\$ 6,720,694	\$ 6,487,526	\$ 6,451,748	\$ 6,298,220	\$ 5,849,585	\$ 5,391,619	\$ 4,985,526	\$ 5,183,507	\$ 4,905,707	\$ 4,512,632
County Open Space.....	294,143	267,979	267,251	265,946	251,472	230,115	207,466	53,299	51,795	49,437
Local School.....	39,175,345	39,211,341	39,234,353	38,953,395	38,829,533	38,580,231	38,746,566	39,034,770	38,953,742	39,170,900
Library.....	974,664	912,589	885,094	886,260	817,553	759,873	687,470	707,228	686,546	657,205
Municipal.....	18,633,181	18,630,881	18,290,339	18,273,978	18,367,151	18,009,557	18,009,557	17,659,069	17,338,878	17,338,878
Total.....	\$ 65,798,027	\$ 65,510,316	\$ 65,128,785	\$ 64,677,799	\$ 64,115,294	\$ 62,971,395	\$ 62,636,585	\$ 62,637,873	\$ 61,936,668	\$ 61,729,052
TAX RATES										
County.....	0.335	0.324	0.328	0.320	0.296	0.278	0.258	0.269	0.254	0.234
County Open Space.....	0.015	0.014	0.013	0.014	0.012	0.012	0.011	0.003	0.003	0.003
Local School.....	1.950	1.954	1.991	1.978	1.962	1.989	2.005	2.020	2.014	2.026
Library.....	0.049	0.045	0.045	0.045	0.042	0.039	0.036	0.037	0.035	0.033
Municipal.....	0.927	0.927	0.928	0.928	0.928	0.928	0.932	0.913	0.897	0.897
Total.....	3.276	3.264	3.305	3.285	3.240	3.246	3.242	3.242	3.203	3.193

Source: Municipal Tax Collector

BOROUGH OF LODI
 SUPPLEMENTARY DATA
 TAX LEVY AND COLLECTION DATA
 (UNAUDITED)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Tax Levy.....	\$ 65,926,769	\$ 65,598,341	\$ 65,713,451	\$ 64,765,378	\$ 64,171,067	\$ 63,554,643	\$ 62,570,188	\$ 62,523,795	\$ 61,923,519	\$ 61,398,660
Current Tax Collections.....	\$ 65,884,002	\$ 65,511,402	\$ 65,599,186	\$ 64,102,202	\$ 63,530,958	\$ 63,142,895	\$ 62,439,799	\$ 62,403,960	\$ 61,864,593	\$ 61,297,747
Percentage Collected.....	99.94%	99.87%	99.83%	98.98%	99.00%	99.35%	99.79%	99.81%	99.90%	99.84%
Delinquent Taxes.....	\$ 1,152	\$ 119,969	\$ 85,735	\$ 569,240	\$ 46,054	\$ 97,928	\$ 168,665	\$ 120,337	\$ 100,877	\$ 253,574
Tax Title Liens.....	266,694	369,069	375,340	340,158	286,106	353,504	509,540	704,057	454,854	339,525
Total Delinquent.....	\$ 267,846	\$ 489,038	\$ 461,075	\$ 909,398	\$ 332,160	\$ 451,432	\$ 678,205	\$ 824,394	\$ 555,731	\$ 593,099
Percentage of Tax Levy.....	0.41%	0.75%	0.70%	1.40%	0.52%	0.71%	1.08%	1.32%	0.90%	0.97%
Property Acquired for Taxes....	\$ 18,247	\$ 18,247	\$ 18,247	\$ 18,247	\$ 18,247	\$ 18,247	\$ 18,247	\$ 18,247	\$ 18,247	\$ 18,247

Source: Municipal Tax Collector

BOROUGH OF LODI
 SUPPLEMENTARY DATA
 FUND BALANCE SUMMARIES
 (UNAUDITED)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Current Fund Balance Year End.....	\$ 4,553,308	\$ 3,675,190	\$ 2,220,983	\$ 3,014,024	\$ 5,234,015	\$ 8,700,242	\$ 8,552,408	\$ 8,431,503	\$ 7,966,739	\$ 5,807,828
Utilized in Budget of Succeeding Year....	\$ 3,550,000	\$ 2,550,000	\$ 434,049	\$ 1,700,000	\$ 4,635,744	\$ 4,453,981	\$ 2,143,446	\$ 1,372,500	\$ 1,000,000	\$ 678,919
Percentage Utilized.....	77.97%	69.38%	19.54%	56.40%	88.57%	51.19%	25.06%	16.28%	12.55%	11.69%

Source: Chief Financial Officer

BOROUGH OF LODI
MUNICIPAL OFFICIALS
YEAR ENDED DECEMBER 31, 2023

Name	Title	Term Expires
<u>GENERAL ADMINISTRATION</u>		
Scott Luna	Councilman - Mayor	6/30/2027
Vincent Martin	Councilman - Deputy Mayor	6/30/2027
Emil Carafa, Jr.	Councilman	6/30/2027
Joseph Leto	Councilman	6/30/2027
Bruce Masopust	Councilman	6/30/2027
Marc N. Schrieks	Municipal Manager	
Rebecca Paladino	Municipal Clerk	
	Registrar of Vital Statistics	
Alan Spiniello, Esq.	Borough Attorney	
Neglia Engineering Associates	Borough Engineer	
Di Maria & Associates LLP	Borough Auditor	
Professional Insurance Associates, Inc.	Risk Management Consultants	
Rogut McCarthy, LLC	Bond Counsel	
Sheryl A. Luna	Chief Financial Officer	
Sheryl A. Luna	Treasurer	
Evelyn Trujillo	Tax Assessor	
Gary Stramandino	Tax Collector	
Martin P. Geisler, Esq.	Municipal Court Judge	6/30/2022
Patricia Biegel	Certified Municipal Court Administrator	
Carmine DeRosa	Deputy Court Administrator	
Donald Scorzetti	Chief of Police	
Mark DiPisa, Esq.	Municipal Prosecutor	
Frank P. Luciano, Esq.	Public Defender	
Paul Wanco	Fire Official	
Nicholas Melfi, Jr.	Construction Official & Building Sub-Code Official	
Nicholas Melfi, Jr.	Building Inspector	
Robert Schultz	Electrical Sub-Code Official	
Gerald Walis	Fire Sub-Code Official	
Frank Giordano	Plumbing Sub-Code Official	
Arthur Woods	Housing & Zoning Inspector	
Brian Paladino	Superintendent of Public Works	

BOROUGH OF LODI
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

Cash Cycle

Ref.

None

BOROUGH OF LODI
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

Revenues/Receipts Cycle

Ref.

None

BOROUGH OF LODI
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

<u>Expenditures/Disbursements Cycle</u>	<u>Ref.</u>
Required dedication by rider approvals were not obtained for all trust accounts.	#1.
Resolutions for the expenditure of public funds to vendors did not contain the required written certification of availability of funds in accordance with N.J.A.C. 5:30-5.4.	#3.
Not all contract awards over the bid threshold were made by Council resolution.	#4.
Not all open contracts were fully encumbered at year end.	#5.

BOROUGH OF LODI
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

Fixed Assets

Ref.

A fixed asset accounting system was not maintained in accordance with N.J.A.C. Section 5:30-5.6 - #7.
Accounting for governmental fixed assets.

BOROUGH OF LODI
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

Payroll Cycle

Ref.

None

BOROUGH OF LODI
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

Other Significant Matters

Ref.

Tax Exempt Organizations

Tax exempt organizations associated with the Borough did not provide financial reports as required by Borough Resolution.

#6.

Compensated Absences

A record of compensated absences was not maintained in accordance with N.J.A.C. Section 5:30-15 - Accumulated Absence Management and Financing.

#8.

Severance Pay

Severance pay was made to retiring employees without specific statutory authority.

#9.

BOROUGH OF LODI
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

Recommendations

1. That required dedication by rider approvals be obtained for all trust accounts. *
2. That the miscellaneous trust balance be reviewed and cleared of record. *
3. That all resolutions for the expenditure of public funds to a vendor contain the required written certification of availability of funds in accordance with N.J.A.C. 5:30-5.4. *
4. That all contract awards above the bid threshold be made by Council resolution. *
5. That all open contracts be fully encumbered by year end. *
6. That tax exempt organizations associated with the Borough provide financial reports as required by Borough Resolution. *
7. That a fixed asset accounting system be maintained in accordance with N.J.A.C. Section 5:30-5.6 - Accounting for governmental fixed assets.
8. That a record of compensated absences be maintained in accordance with N.J.A.C. Section 5:30-15 - Accumulated Absence Management and Financing.
9. That the practice of paying severance pay be referred to the Borough's labor Council.

BOROUGH OF LODI
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

Status of Prior Years' Recommendations

A review was made of all prior year's recommendations, and corrective action was taken on all with the exception of those denoted with an asterisk.

The synopsis of this report, together with the recommendations must be published as required by statute. We wish to express our appreciation of the assistance and courtesies extended by the municipal officials during the course of the audit.

Di Maria & Associates LLP
Accountants and Advisors

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

December 1, 2024