

TOWNSHIP OF WYCKOFF
BERGEN COUNTY, NEW JERSEY
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2020

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TOWNSHIP OF WYCKOFF

COUNTY OF BERGEN

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Township Committee
Township of Wyckoff
Wyckoff, 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 Township of Wyckoff, as of December 31, 2020 and 2019, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year ended December 31, 2020, and the related notes to the 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.

Auditor's 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.

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Township of Wyckoff 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 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 Township of Wyckoff as of December 31, 2020 and 2019, or changes in financial position, or, where applicable, cash flows for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As discussed in Note 15 of the 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 Township’s financial statements as of and for the years ended December 31, 2020 and 2019. The LOSAP Trust Fund financial activities are included in the Township’s Trust Funds, and represent 45 percent and 39 percent of the assets and liabilities, respectively, of the Township’s Trust Funds as of December 31, 2020 and 2019.

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 Township of Wyckoff as of December 31, 2020 and 2019, and the results of operations and changes in fund balance – regulatory basis of such funds for the years then ended and the respective revenues – regulatory basis and expenditures – regulatory basis of the various funds for the year ended December 31, 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.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Township of Wyckoff 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 Township of Wyckoff.

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.

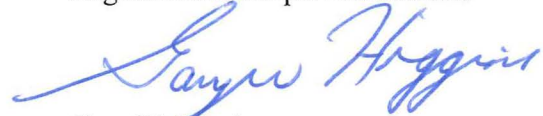
The supplementary data and letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated August 2, 2021 on our consideration of the Township of Wyckoff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Wyckoff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township of Wyckoff's internal control over financial reporting and compliance.



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



Gary W. Higgins
Registered Municipal Accountant
RMA Number CR00405

Fair Lawn, New Jersey
August 2, 2021

TOWNSHIP OF WYCKOFF
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
CURRENT FUND
AS OF DECEMBER 31, 2020 AND 2019

	<u>Reference</u>	<u>2020</u>	<u>2019</u>
ASSETS			
Cash	A-4	\$ 7,414,245	\$ 7,655,055
Cash - Change Fund	A-5	<u>600</u>	<u>500</u>
		<u>7,414,845</u>	<u>7,655,555</u>
Grants Receivable	A-11	<u>18,846</u>	<u>13,846</u>
Taxes Receivable	A-7	420,025	463,045
Tax Title Liens	A-8	16,372	14,983
Property Acquired for Taxes - Assessed Valuation	A-9	36,700	36,700
Revenue Accounts Receivable	A-10	1,286	4,554
Due from Municipal Open Space Trust Fund	A-22	34,917	
Due from Animal Control Trust Fund	B-6	<u>4,527</u>	<u>4,743</u>
		<u>513,827</u>	<u>524,025</u>
Total Assets		<u>\$ 7,947,518</u>	<u>\$ 8,193,426</u>

TOWNSHIP OF WYCKOFF
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
CURRENT FUND
AS OF DECEMBER 31, 2020 AND 2019

	<u>Reference</u>	<u>2020</u>	<u>2019</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Liabilities			
Appropriation Reserves	A-3, A-12	\$ 1,541,487	\$ 1,011,013
Encumbrances Payable	A-13	457,799	541,626
Prepaid Taxes	A-14	722,468	552,459
Tax Overpayments	A-18	74,393	156,831
County Taxes Payable	A-15	53,418	51,105
Reserve for Tax Appeals	A-19	512,322	304,061
Unappropriated Grant Reserves	A-21	-	29,735
Appropriated Grant Reserves	A-20	75,178	50,332
Due to State of NJ - Senior Citizen/Veteran Deduction	A-6	3,963	2,262
Fees Payable	A-23	<u>18,184</u>	<u>-</u>
		3,459,212	2,699,424
Reserve for Receivables and Other Assets	A	513,827	524,025
Fund Balance	A-1	<u>3,974,479</u>	<u>4,969,977</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 7,947,518</u>	<u>\$ 8,193,426</u>

TOWNSHIP OF WYCKOFF
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS - CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

REVENUE AND OTHER INCOME REALIZED	<u>Reference</u>	<u>2020</u>	<u>2019</u>
Fund Balance Utilized	A-2	\$ 2,500,000	\$ 2,200,000
Miscellaneous Revenue Anticipated	A-2	3,268,158	4,156,450
Receipts from Delinquent Taxes	A-2, A-7	463,045	384,756
Receipts from Current Taxes	A-2	86,462,217	84,755,981
Non Budget Revenue	A-2	132,715	556,288
Other Credits to Income			
Unexpended Balance of Appropriation Reserves	A-12	739,866	682,785
Interfunds Liquidated	A-1	216	412
Statutory Excess- Animal Control Fund	B-6	<u>4,283</u>	<u>3,428</u>
Total Revenue and Other Income		<u>93,570,500</u>	<u>92,740,100</u>
EXPENDITURES			
Budget Appropriations			
Operations			
Salaries and Wages	A-3	6,402,604	6,516,941
Other Expenses	A-3	8,700,963	8,467,039
Capital Improvements	A-3	958,500	689,150
Municipal Debt Service	A-3	804,573	804,836
Deferred Charges and Statutory Expenditures -			
Municipal	A-3	1,795,304	1,816,022
Other Debits			
Regional School Taxes	A-17	20,927,073	20,545,362
Local School Taxes	A-16	40,406,071	39,628,704
County Taxes	A-15	11,798,323	11,461,844
Municipal Open Space Tax	A-22	237,670	236,824
Interfunds Advanced	A-1	<u>34,917</u>	<u>95</u>
Total Expenditures		<u>92,065,998</u>	<u>90,166,817</u>
Statutory Excess in Revenue to Fund Balance		1,504,502	2,573,283
FUND BALANCE, JANUARY 1	A	<u>4,969,977</u>	<u>4,596,694</u>
		6,474,479	7,169,977
Decreased by:			
Utilized as Anticipated Revenue	A-2	<u>2,500,000</u>	<u>2,200,000</u>
FUND BALANCE, DECEMBER 31	A	<u>\$ 3,974,479</u>	<u>\$ 4,969,977</u>

TOWNSHIP OF WYCKOFF
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Reference	2020 Anticipated Budget	Added by NJS 40A:4-87	Realized in 2020	Excess or (Deficit)
Fund Balance Anticipated	A-2	\$ 2,500,000	-	\$ 2,500,000	-
Miscellaneous Revenues					
Township Clerk - Licenses					
Alcoholic Beverages	A-10	17,500		17,500	
Other	A-10	120,000		90,061	\$ (29,939)
Fees and Permits	A-2;A-10	195,000		181,880	(13,120)
Fines and Costs - Municipal Court	A-10	75,000		30,819	(44,181)
Interest and Costs on Taxes	A-10	100,000		91,147	(8,853)
Interest on Investments and Deposits	A-2	100,000		101,850	1,850
Lease of Township Property	A-10	39,484		43,380	3,896
Cable Franchise Fee	A-10	274,416		274,416	-
Lease of Cell Tower #1	A-10	335,452		160,017	(175,435)
Lease of Cell Tower #2	A-10	182,982		189,182	6,200
Lease of Cell Tower #3	A-10	30,797		31,447	650
Energy Receipts Tax	A-10	1,093,271		1,093,271	-
Uniform Construction Code Fees	A-10	480,000		450,385	(29,615)
Library Shared Service Agreement- Payroll Processing	A-10	13,104		13,104	-
Library Shared Service Agreement- Administration and Mgmt Services	A-10	5,500		5,500	-
Public and Private Revenues:					-
Reserve for Recycling Tonnage Grant	A-21	27,326		27,326	-
Drunk Driving Enforcement Fund	A-21	2,409		2,409	-
Clean Communities Program	A-21		35,175	35,175	-
Sustainable NJ	A-11	10,000		10,000	-
Other Special Items					-
Recreation Fees	A-10	540,000		387,127	(152,873)
Uniform Fire Safety Act	A-10	20,000	-	32,162	12,162
Total Miscellaneous Revenues	A-1	3,662,241	35,175	3,268,158	(429,258)
Receipts from Delinquent Taxes	A-2	450,000	-	463,045	13,045
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Taxes for Municipal Purposes	A-2	11,940,626		13,018,751	1,078,125
Minimum Library Tax	A-2	1,574,329	-	1,574,329	-
Total Amount to be Raised by Taxes		13,514,955	-	14,593,080	1,078,125
Budget Totals		\$ 20,127,196	\$ 35,175	20,824,283	\$ 661,912
Non-Budget Revenue	A-2, A-4			132,715	
				<u>\$ 20,956,998</u>	

The Accompanying Notes are an Integral Part of these Financial Statements

TOWNSHIP OF WYCKOFF
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Reference</u>	
ANALYSIS OF REALIZED REVENUES		
Allocation of Current Tax Collections		
Revenue from Collections	A-7	\$ 86,762,217
Less: Transferred to Reserve for Tax Appeals	A-19	<u>300,000</u>
	A-1	86,462,217
Less: Allocated to School, County and Open Space Taxes	A-15, A-16, A-17, A-22	<u>73,369,137</u>
		13,093,080
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>1,500,000</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 14,593,080</u>
Fees and Permits - Other		
Tax Collector		\$ 168
Board of Health		43,899
Code Enforcement		112,607
Police Department		10,932
Planning Board		3,736
Board of Adjustment		<u>10,538</u>
	A-2, A-10	<u>\$ 181,880</u>
Interest on Investments and Deposits		
Revenue Accounts Receivable	A-10	\$ 101,358
Received from Other Trust Fund	B-8	248
Received from Animal Control Fund	B-6	<u>244</u>
	A-2	<u>\$ 101,850</u>
Analysis of Receipts from Delinquent Taxes		
Taxes	A-2,A-7	<u>\$ 463,045</u>

The Accompanying Notes are an Integral Part of these Financial Statements

TOWNSHIP OF WYCKOFF
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Reference</u>	
Analysis of Non-Budget Revenue		
Recyclables - Paper/Plastic/Metal		\$ 5,527
Senior Citizen/Veteran Administrative Payment		1,785
Library Reimbursement - Pension		71,845
Sale of Assets		20,000
Miscellaneous		<u>33,558</u>
	A-2, A-4	<u>\$ 132,715</u>

The Accompanying Notes are an Integral Part of these Financial Statements

TOWNSHIP OF WYCKOFF
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2020 Appropriated</u>		<u>2020 Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT					
Administrative and Executive					
Salaries and Wages	\$ 350,063	\$ 350,063	\$ 344,427	\$ 5,636	
Other Expenses	42,000	42,000	27,878	14,122	
Township Clerk					
Salaries and Wages	202,287	202,287	195,630	6,657	
Other Expenses	72,600	72,600	57,851	14,749	
Financial Administration					
Salaries and Wages	216,216	216,216	216,216		
Other Expenses	28,520	28,520	24,753	3,767	
Audit Services	28,750	28,750	28,212	538	
Revenue Administration and Tax Collection					
Salaries and Wages	118,940	118,940	117,165	1,775	
Other Expenses	10,000	17,000	13,292	3,708	
Elections					
Other Expenses	15,000	15,000	12,815	2,185	
Assessment of Taxes					
Salaries and Wages	150,451	150,451	117,669	32,782	
Other Expenses	189,350	139,350	27,325	112,025	
Environmental Commission: NJSA 40:56A-1					
Other Expenses	2,000	2,000	400	1,600	
Legal Services and Costs					
Other Expenses	151,500	151,500	80,792	70,708	
Engineering Services					
Other Expenses	15,500	15,500	7,573	7,927	
Public Buildings and Grounds					
Salaries and Wages	40,200	40,200	40,200	-	
Other Expenses	231,000	231,000	221,095	9,905	
Shade Tree Commission					
Other Expenses	112,000	132,000	124,598	7,402	
Land Use Administration:					
Planning Board					
Salaries and Wages	20,913	20,913	19,080	1,833	
Other Expenses	30,000	30,000	16,396	13,604	
Board of Adjustment:					
Other Expenses	6,500	6,500	4,290	2,210	
Insurances					
General Liability Insurance	269,904	269,904	245,141	24,763	
Workers Compensation Insurance	221,226	221,226	221,226	-	
Employee Health Benefits Insurance	1,903,000	1,876,000	1,483,140	392,860	
Health Benefit Waivers	5,000	5,000	417	4,583	
Unemployment Compensation Insurance	20,000	25,000	20,000	5,000	
Police					
Salaries and Wages	3,194,530	3,194,530	3,094,482	100,048	
Other Expenses	123,000	123,000	108,509	14,491	
Public Safety: Volunteer First Aid Squad	50,000	50,000	50,000		
Emergency Management Services:					
Other Expenses	5,000	5,000	-	5,000	
Public Safety: Volunteer Fire Department					
Other Expenses	90,000	90,000	84,304	5,696	
Uniform Fire Safety Act					
Life Hazard Use Fees (PL 1983)					
Salaries and Wages	17,963	17,963	17,963		
Other Expenses	2,000	2,000	491	1,509	
Radio Communications Contract	13,000	13,000	11,808	1,192	
Recreation and Recreation Education					
Salaries and Wages	187,756	187,756	186,545	1,211	
Other Expenses	284,000	274,000	177,886	96,114	
Park Maintenance					
Salaries and Wages	80,309	80,309	80,309		
Other Expenses	122,000	122,000	120,945	1,055	
Celebration of Public Events					
Other Expenses	8,000	8,000	4,140	3,860	

TOWNSHIP OF WYCKOFF
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2020 Appropriated</u>		<u>2020 Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT (CONTINUED)					
Recycling					
Other Expenses	\$ 385,000	\$ 445,000	\$ 388,983	\$ 56,017	
Sanitation/Garbage and Trash Removal					
Other Expenses	493,000	493,000	493,000		
Road Repairs and Maintenance					
Salaries and Wages	1,277,686	1,277,686	1,244,466	33,220	
Other Expenses	312,500	277,500	178,641	98,859	
Inspector's Vehicle Other Expenses	2,000	2,000	343	1,657	
DPW Vehicle Other Expenses	145,000	145,000	126,987	18,013	
Police Vehicle Other Expenses	30,000	50,000	43,158	6,842	
Fire Vehicle Other Expenses	45,000	55,000	51,170	3,830	
CDL Mandate Other Expenses	1,000	1,000	729	271	
Board of Health					
Salaries and Wages	13,260	13,260	13,260		
Other Expenses	67,700	67,700	59,530	8,170	
Animal Control					
Other Expenses	19,200	19,200	9,900	9,300	
Condo Services Act					
Other Expenses	5,500	5,500	-	5,500	
Construction Code Official					
Salaries and Wages	450,121	467,621	448,903	18,718	
Other Expenses	39,500	22,000	11,416	10,584	
PEOSHA Mandate					
Hepatitis B (P.L. 1985 c. 516)	4,150	4,150	1,978	2,172	
Respiratory Protection	26,000	26,000	24,390	1,610	
Municipal Court					
Salaries and Wages	26,294	26,294	20,893	5,401	
Other Expenses	56,450	56,450	54,381	2,069	
Municipal Prosecutor					
Other Expenses	12,000	12,000	7,623	4,377	
Public Defender					
Other Expenses	6,200	6,200	4,550	1,650	
Utilities:					
Electricity	92,000	92,000	50,625	41,375	
Street Lighting	190,000	190,000	180,909	9,091	
Telephone	65,000	65,000	62,818	2,182	
Water	8,000	8,000	3,422	4,578	
Natural Gas	35,000	35,000	23,382	11,618	
Fire Hydrants	66,000	66,000	60,194	5,806	
Gasoline	102,000	102,000	45,080	56,920	
Landfill and Solid Waste Disposal	420,000	420,000	368,940	51,060	-
Total Operations Within "CAPS"	13,026,039	13,026,039	11,584,636	1,441,403	-
Detail:					
Salaries and Wages	6,346,989	6,364,489	6,157,208	207,281	-
Other Expenses	6,679,050	6,661,550	5,427,428	1,234,122	-
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
Statutory Charges					
Public Employees Retirement System	458,029	458,029	458,029		
Social Security System (O.A.S.I.)	488,000	488,000	453,659	34,341	
Defined Compensation Retirement Plan	2,500	2,500	1,809	691	
Police and Firemen's Retirement System of NJ	846,775	846,775	846,775	-	-
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	1,795,304	1,795,304	1,760,272	35,032	-
Total General Appropriations for Municipal Purposes Within "CAPS"	14,821,343	14,821,343	13,344,908	1,476,435	-

The Accompanying Notes are an Integral Part of these Financial Statements

TOWNSHIP OF WYCKOFF
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2020 Appropriated</u>		<u>2020 Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
OPERATIONS - EXCLUDED FROM "CAPS"					
Recycling Tax	\$ 20,000	\$ 20,000	\$ 17,268	\$ 2,732	
Affordable Housing					
Salaries and Wages	38,115	38,115	38,115	-	
Other Expenses	35,500	35,500	25,833	9,667	
Tax Appeal Interest	50	50	-	50	
911 Emergency Service Contract	196,020	196,020	191,017	5,003	
Maintenance of Free Public Library	1,574,329	1,574,329	1,526,729	47,600	
Length of Service Award Program (LOSAP)	120,000	120,000	120,000	-	-
Total Other Operations Excluded from "CAPS"	1,984,014	1,984,014	1,918,963	65,051	-
Interlocal Municipal Service Agreements					
Wyckoff Public Library-Payroll Shared Service	13,104	11,524	11,524		
Wyckoff Public Library-Administration and Mgmt Services	5,500	7,080	7,080	-	-
Total Interlocal Municipal Service Agreements	18,604	18,604	18,604	-	-
Public and Private Programs Offset by Revenues					
Recycling Tonnage Grant	27,326	27,326	27,326		
Drunk Driving Enforcement Fund	2,409	2,409	2,409		
Sustainable NJ	10,000	10,000	10,000		
Clean Communities Program	-	35,175	35,175	-	-
Total Public and Private Programs Offset by Revenues	39,735	74,910	74,910	-	-
Total Operations Excluded from "CAPS"	2,042,353	2,077,528	2,012,476	65,051	-
Detail:					
Salaries and Wages	38,115	38,115	38,115	-	-
Other Expenses	2,004,238	2,039,413	1,974,361	65,051	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	958,500	958,500	958,500	-	-
Total Capital Improvements Excluded from "CAPS"	958,500	958,500	958,500	-	-

TOWNSHIP OF WYCKOFF
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2020 Appropriated</u>		<u>2020 Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Anticipation Notes and Capital Notes	\$ 747,000	\$ 747,000	\$ 747,000		
Interest on Notes	<u>58,000</u>	<u>58,000</u>	<u>57,573</u>	<u>-</u>	<u>\$ 427</u>
Total Municipal Debt Service Excluded from "CAPS"	<u>805,000</u>	<u>805,000</u>	<u>804,573</u>	<u>-</u>	<u>427</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>3,805,853</u>	<u>3,841,028</u>	<u>3,775,549</u>	<u>\$ 65,051</u>	<u>427</u>
Subtotal General Appropriations	18,627,196	18,662,371	17,120,457	1,541,487	427
Reserve for Uncollected Taxes	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>	<u>-</u>
Total General Appropriations	<u>\$ 20,127,196</u>	<u>\$ 20,162,371</u>	<u>\$ 18,620,457</u>	<u>\$ 1,541,487</u>	<u>\$ 427</u>
<u>Reference</u>	A-2			A	

TOWNSHIP OF WYCKOFF
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Reference</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>
Adopted Budget	A-2	\$ 20,127,196	
Additional Appropriations (N.J.S.A. 40A:4-87)	A-2	<u>35,175</u>	
		<u>\$ 20,162,371</u>	
Cash Disbursed - Net of Refunds	A-4		\$ 16,587,748
Encumbrances Payable	A-13		457,799
Transferred To Appropriated Grant Reserves	A-20		74,910
Reserve for Uncollected Taxes	A-2		<u>1,500,000</u>
			<u>\$ 18,620,457</u>

TOWNSHIP OF WYCKOFF
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUNDS
AS OF DECEMBER 31, 2020 AND 2019

	<u>Reference</u>	<u>2020</u>	<u>2019</u>
ASSETS			
ANIMAL CONTROL TRUST FUND			
Cash	B-3	\$ 36,598	\$ 40,161
		<u>36,598</u>	<u>40,161</u>
OTHER TRUST FUND			
Cash	B-3	<u>4,194,900</u>	<u>3,824,527</u>
		<u>4,194,900</u>	<u>3,824,527</u>
MUNICIPAL OPEN SPACE TRUST FUND			
Cash	B-3	<u>367,374</u>	<u>926,455</u>
		<u>367,374</u>	<u>926,455</u>
LENGTH OF SERVICE AWARDS PROGRAM TRUST FUND (UNAUDITED)			
Investments	B	3,692,726	3,041,792
Contributions Receivable	B	<u>80,500</u>	<u>80,500</u>
		<u>3,773,226</u>	<u>3,122,292</u>
Total Assets		<u>\$ 8,372,098</u>	<u>\$ 7,913,435</u>
LIABILITIES, RESERVES AND FUND BALANCE			
ANIMAL CONTROL TRUST FUND			
Reserve for Dog License Expenditures	B-4	\$ 31,462	\$ 34,854
Due to Current Fund	B-6	4,527	4,743
Due to the State of New Jersey	B-5	<u>609</u>	<u>564</u>
		<u>36,598</u>	<u>40,161</u>
OTHER TRUST FUND			
Reserve for Miscellaneous Reserves and Special Deposits	B-7	3,889,784	3,528,230
Reserve for Payroll Deductions Payable	B-12	298,853	285,207
Due to the State of New Jersey	B-9	<u>6,263</u>	<u>11,090</u>
		<u>4,194,900</u>	<u>3,824,527</u>
MUNICIPAL OPEN SPACE TRUST FUND			
Due to Current Fund	B-11	34,917	
Reserve for Municipal Open Space Trust Fund	B-10	<u>332,457</u>	<u>926,455</u>
		<u>367,374</u>	<u>926,455</u>
LENGTH OF SERVICE AWARDS PROGRAM TRUST FUND (UNAUDITED)			
Reserve for LOSAP	B	<u>3,773,226</u>	<u>3,122,292</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 8,372,098</u>	<u>\$ 7,913,435</u>

The Accompanying Notes are in Integral Part of these Financial Statements

TOWNSHIP OF WYCKOFF
STATEMENT OF REVENUES - REGULATORY BASIS - MUNICIPAL OPEN SPACE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Reference</u>	<u>Anticipated (Memo)</u>		<u>2020 Realized</u>	<u>Variance</u>
		<u>Budget</u>	<u>Budget After Modification</u>		
Amount to be Raised by Taxation	B-10	\$ 236,595	\$ 236,595	\$ 237,670	\$ 1,075
		<u>\$ 236,595</u>	<u>\$ 236,595</u>	237,670	<u>\$ 1,075</u>
Non-Budget Revenue	B-10			2,700	
				<u>\$ 240,370</u>	
Analysis of Non-Budget Revenue					
Interest on Deposits				\$ 2,069	
Cancelled Reserve				631	
				<u>\$ 2,700</u>	

EXHIBIT B-2

STATEMENT OF EXPENDITURES - REGULATORY BASIS - MUNICIPAL OPEN SPACE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Reference</u>	<u>Appropriated (Memo)</u>		<u>Paid or Charged</u>	<u>Variance</u>
		<u>Budget</u>	<u>Budget After Modification</u>		
Maintenance of Lands for Recreation and Conservation					
Other Expenses	B-10	\$ 87,000	\$ 87,000		\$ 87,000
Reserve for Future Use	B-10	<u>149,595</u>	<u>149,595</u>	\$ 834,368	<u>(684,773)</u>
		<u>\$ 236,595</u>	<u>\$ 236,595</u>	<u>\$ 834,368</u>	<u>\$ (597,773)</u>

TOWNSHIP OF WYCKOFF
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL CAPITAL FUND
AS OF DECEMBER 31, 2020 AND 2019

	<u>Reference</u>	<u>2020</u>	<u>2019</u>
ASSETS			
Cash	C-2,C-3	\$ 1,145,080	\$ 1,578,373
Grants Receivable	C-4	1,206,767	1,181,397
Deferred Charges to Future Taxation - Unfunded	C-5	<u>3,823,990</u>	<u>3,498,990</u>
Total Assets		<u>\$ 6,175,837</u>	<u>\$ 6,258,760</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Bond Anticipation Notes Payable	C-10	3,823,990	3,498,990
Contracts Payable	C-8	226,516	772,944
Capital Improvement Fund	C-7	43,743	68,743
Improvement Authorizations			
Funded	C-6	2,064,748	1,901,243
Fund Balance	C-1	<u>16,840</u>	<u>16,840</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 6,175,837</u>	<u>\$ 6,258,760</u>

There were no bonds and notes authorized but not issued at December 31, 2020 and 2019.

TOWNSHIP OF WYCKOFF
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - REGULATORY BASIS
GENERAL CAPITAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>Reference</u>	<u>2020</u>	<u>2019</u>
Balance, January 1	C	\$ 16,840	\$ 1,627
Increased by:			
Improvement Authorizations Cancelled	C-1	-	15,213
Balance, December 31	C	<u>\$ 16,840</u>	<u>\$ 16,840</u>

TOWNSHIP OF WYCKOFF
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
SEWER UTILITY FUND
AS OF DECEMBER 31, 2020 AND 2019

	<u>Reference</u>	<u>2020</u>	<u>2019</u>
ASSETS			
OPERATING FUND			
Cash	D-4	\$ 900,808	\$ 1,720,987
Receivables With Full Reserves			
Consumer Accounts Receivable	D-6	57,164	104,923
Total Operating Fund		957,972	1,825,910
CAPITAL FUND			
Cash	D-4, D-5	2,313,448	1,572,165
Fixed Capital	D-12	400,000	400,000
Fixed Capital Authorized and Uncompleted	D-14	1,200,000	600,000
Total Capital Fund		3,913,448	2,572,165
Total Assets		\$ 4,871,420	\$ 4,398,075
LIABILITIES, RESERVES AND FUND BALANCE			
OPERATING FUND			
Appropriation Reserves	D-3,D-7	\$ 47,197	\$ 34,663
Encumbrances Payable	D-8	2,088	36,568
Overpayments	D-9	8,625	5,265
		57,910	76,496
Reserve for Receivables	D	57,164	104,923
Fund Balance	D-1	842,898	1,644,491
Total Operating Fund		957,972	1,825,910
CAPITAL FUND			
Capital Improvement Fund	D-11	1,405,916	1,005,916
Improvement Authorizations-Funded	D-10	683,532	561,900
Contracts Payable	D-16	224,000	4,349
Reserved for Amortization	D-13	400,000	400,000
Deferred Reserve for Amortization	D-15	1,200,000	600,000
Total Capital Fund		3,913,448	2,572,165
Total Liabilities, Reserves and Fund Balance		\$ 4,871,420	\$ 4,398,075

There were no bonds and notes authorized and not issued at December 31, 2020 and 2019.

TOWNSHIP OF WYCKOFF
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN OPERATING
FUND BALANCE - REGULATORY BASIS
SEWER UTILITY OPERATING FUND
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>Reference</u>	<u>2020</u>	<u>2019</u>
REVENUES AND OTHER INCOME			
Fund Balance Utilized	D-2	\$ 908,000	\$ 200,000
Sewer Rents	D-2	2,283,170	2,252,374
Interest and Costs on Sewer Charges	D-2	8,605	10,483
Other Credits to Income			
Non Budget Revenue	D-2	31,133	60,107
Unexpended Balance of Appropriation Reserves	D-7	<u>41,026</u>	<u>19,819</u>
Total Revenues and Other Income		<u>3,271,934</u>	<u>2,542,783</u>
EXPENDITURES			
Budget Appropriations			
Operating	D-3	2,165,527	2,038,816
Capital Improvements	D-3	<u>1,000,000</u>	<u>350,000</u>
Total Expenditures		<u>3,165,527</u>	<u>2,388,816</u>
Excess in Revenues		106,407	153,967
FUND BALANCE, JANUARY 1	D	<u>1,644,491</u>	<u>1,690,524</u>
Decreased by:		1,750,898	1,844,491
Utilized as Anticipated Revenue	D-2	<u>908,000</u>	<u>200,000</u>
FUND BALANCE, DECEMBER 31	D	<u>\$ 842,898</u>	<u>\$ 1,644,491</u>

TOWNSHIP OF WYCKOFF
STATEMENT OF REVENUES - REGULATORY BASIS
SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Reference</u>	2020 <u>Anticipated</u>	2020 <u>Realized</u>	Excess or <u>(Deficit)</u>
Operating Surplus Anticipated	D-1	\$ 908,000	\$ 908,000	
Sewer Rents	D-1-D-6	2,248,367	2,283,170	\$ 34,803
Interest and Costs on Sewer Charges	D-1,D-4	<u>9,160</u>	<u>8,605</u>	<u>(555)</u>
		<u>\$ 3,165,527</u>	3,199,775	<u>\$ 34,248</u>
Non-Budget Revenue	D-1,D-4		<u>31,133</u>	
			<u>\$ 3,230,908</u>	
<u>Analysis of Non-Budget Revenue</u>				
Sewer Hook-Ups			\$ 25,884	
Miscellaneous			<u>5,249</u>	
	D-1,D-4		<u>\$ 31,133</u>	

TOWNSHIP OF WYCKOFF
STATEMENT OF EXPENDITURES - REGULATORY BASIS
SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Appropriated</u>		<u>Expended</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
OPERATING				
Salaries and Wages	\$ 103,427	\$ 103,427	\$ 102,993	\$ 434
Other Expenses	2,062,100	2,062,100	2,015,337	46,763
CAPITAL IMPROVEMENTS				
Capital Improvement Fund	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
	<u>\$ 3,165,527</u>	<u>\$ 3,165,527</u>	<u>\$ 3,118,330</u>	<u>\$ 47,197</u>

	<u>Reference</u>	D-2	D-2	D
Cash Disbursed	D-4			\$ 3,116,242
Encumbrances Payable	D-8			<u>2,088</u>
				<u>\$ 3,118,330</u>

**TOWNSHIP OF WYCKOFF
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL FIXED ASSETS ACCOUNT GROUP
AS OF DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
ASSETS		
Land	\$ 9,062,300	\$ 8,962,300
Land Improvements	1,795,351	1,795,351
Buildings and Building Improvements	2,400,786	2,400,786
Vehicles and Equipment	<u>9,532,252</u>	<u>8,795,358</u>
Total Assets	<u>\$ 22,790,689</u>	<u>\$ 21,953,795</u>
RESERVES		
Investment in General Fixed Assets	<u>\$ 22,790,689</u>	<u>\$ 21,953,795</u>
Total Reserves	<u>\$ 22,790,689</u>	<u>\$ 21,953,795</u>

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Wyckoff (the "Township") was incorporated in 1926 and operates under an elected Committee form of government. The Township Committee is comprised of five members and are elected at large for staggered three year terms. The Mayor and the Deputy Mayor who are members of the Township Committee are elected annually by the members of the Township Committee. The Mayor is the Chief Executive Officer of the Township and as such presides over all public meetings and makes appointments to various boards. The Township Committee exercises all legislative powers including final adoption of the municipal budget and bond ordinances and confirmation of the Mayor's appointments, and all executive authority which is not specifically provided to the Mayor, by state law. A Township Administrator is appointed by the Township Committee and is responsible for the implementation of the policies of the Mayor and Committee, for the administration of all Township affairs and for the day to day operations of the Township. The Township Administrator is the Chief Administrative Officer for the Township. The Township's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Township is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt or the levying of taxes. The Township 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 Township do not include the municipal library, Volunteer Fire Department and Volunteer Ambulance Corps, which are considered component units under GAAP. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

B. Description of Regulatory Basis of Accounting

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

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

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements

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

The Township has the following funds and account group:

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

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

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

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

Municipal Open Space Trust Fund - This fund is used to account for the receipts and disbursements relating to the taxes dedicated to acquisition of real property for open space.

Length of Service Awards Program Trust Fund (LOSAP) – This fund is established to account for the tax-deferred income benefits to active volunteer members of emergency service organizations of the Township.

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

Sewer Utility Fund - This fund is used to account for the revenues and expenditures for the operation of the Township's sanitary sewerage system and the assets and liabilities relative to such activities. Acquisition or improvement of capital facilities and other capital assets for the sewer utility is accounted for in the capital section of the fund.

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

**TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

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

Reclassifications - Certain reclassifications may have been made to the December 31, 2019 balances to conform to the December 31, 2020 presentation.

Financial Statements – Regulatory Basis

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

D. Measurement Focus and Basis of Accounting

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

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

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Investments are reported at cost and are limited by N.J.S.A. 40A:5-15.1 et seq. with the exception of LOSAP Trust Fund investments which are reported at fair value and are limited by N.J.A.C. 5:30-14.19. GAAP requires that all investments be reported at fair value.

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

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

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

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

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

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

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

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

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and sewerage and drainage systems are not capitalized.

General Fixed Assets purchased after December 31, 1985 are stated at cost. Donated fixed assets are recorded at acquisition value at the date of donation.

**TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

General Fixed Assets purchased prior to December 31, 1985 are stated as follows:

Land and Buildings	Assessed Value
Machinery and Equipment	Estimated Historical Cost

No depreciation has been provided for in the financial statements.

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

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

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

GAAP requires that capital assets be recorded in proprietary-type funds as well as the government-wide financial statement at historical or estimated historical cost if actual historical cost is not available. In addition, GAAP requires depreciation on capital assets to be recorded in proprietary-type funds as well as in the government-wide financial statements.

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

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

Trust Funds, except for the Municipal Open Space Trust Fund
General Capital Fund
Sewer Utility Capital Fund

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgets and Budgetary Accounting (Continued)

The governing body is required to introduce and approve the annual budget no later than February 10, of the fiscal year. The budget is required to be adopted no later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last two months of the fiscal year, the governing body may, by a 2/3 vote; amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the governing body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2020 and 2019 the Township Committee increased the original budget by \$35,175 and \$46,513, respectively. The 2020 and 2019 increase was funded by additional aid allotted to the Township. In addition, the governing body approved several budget transfers during 2020 and 2019.

NOTE 3 CASH DEPOSITS AND INVESTMENTS

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

A. Cash Deposits

The Township's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Township is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC or NCUSIF.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At December 31, 2020 and 2019, the book value of the Township's deposits were \$16,373,053 and \$17,318,223 and bank and brokerage firm balances of the Township's deposits amounted to \$20,043,562 and \$17,782,142, respectively. The Township's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2020</u>	<u>2019</u>
Insured	\$ 20,043,562	\$ 17,782,142

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 Township does not have a formal policy for custodial credit risk. As of December 31, 2020 and 2019, none of the Township's bank balances were exposed to custodial credit risk.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)

B. Investments

The Township is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the Township or bonds or other obligations of the school districts which are a part of the Township or school districts located within the Township, Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school district, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law, " (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investments in the Department of the Treasury for investment by local units; Local Government investment pools, deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with NJSA 40A:5-15.1 (8a-8e). In addition, the Township is permitted to invest LOSAP Funds with the types of eligible investments authorized in NJAC 5:30-14.19. LOSAP investments include interest bearing accounts or securities, in which savings banks of New Jersey are authorized to invest their funds, New Jersey Cash Management Fund, fixed and variable individual or group annuity contracts, mutual fund shares or fixed and variable life insurance contracts.

As of December 31, 2020 and 2019, the Township had the following investments:

	Fair Value (Unaudited)	
	2020	2019
Investment:		
Length of Service Awards Program (LOSAP)	\$ 3,692,726	\$ 3,041,792

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Township does not have a policy for custodial risk. As of December 31, 2020 and 2019, \$3,692,726 and \$3,041,792 of the Township's investments was exposed to custodial credit risk as follows:

	Fair Value (LOSAP) Unaudited	
	2020	2019
Uninsured and Collateralized:		
Collateral held by pledging financial institution's trust department but not in the Township's name	\$ 3,692,726	\$ 3,041,792

Interest Rate Risk – The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)

B. Investments (Continued)

Credit Risk – State law limits investments as noted above (N.J.S.A. 40A:5-15.1 and N.J.A.C. 5:30-14.19). The Township does not have an investment policy that would further limit its investment choices. As of December 31, 2020 and 2019, the Township's investment in Lincoln Financial Group was rated Baa1 by Moody's Investor Services.

Concentration of Credit Risk – The Township places no limit in the amount the Township may invest in any one issuer. More than five (5) percent of the Township's investments are in Lincoln Financial Group. These investments are 100% of the Township's total investments.

The fair value of the above-listed investment was based on other than quoted market prices.

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

NOTE 4 TAXES AND UTILITY CHARGES RECEIVABLE

Receivables at December 31, 2020 consisted of the following:

	<u>Current</u>	<u>Sewer</u>	<u>Total</u>
<u>2020</u>			
Property Taxes	\$ 420,025		\$ 420,025
Tax Title Liens	16,372		16,372
Sewer Utility Charges	<u>-</u>	<u>\$ 100,215</u>	<u>100,215</u>
	<u>\$ 436,397</u>	<u>\$ 100,215</u>	<u>\$ 536,612</u>

In 2020, the Township collected \$463,045 and \$104,923 from delinquent taxes and utility charges, which represented 97% and 100% of the delinquent tax and sewer charges receivable at December 31, 2019.

Receivables at December 31, 2019 consisted of the following:

	<u>Current</u>	<u>Sewer</u>	<u>Total</u>
<u>2019</u>			
Property Taxes	\$ 463,045		\$ 463,045
Tax Title Liens	14,983		14,983
Sewer Utility Charges	<u>-</u>	<u>\$ 104,923</u>	<u>104,923</u>
	<u>\$ 478,028</u>	<u>\$ 104,923</u>	<u>\$ 582,951</u>

In 2019, the Township collected \$384,756 and \$68,583 from delinquent taxes and utility charges, which represented 97% and 100% of the delinquent tax and sewer charges receivable at December 31, 2018.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 5 DUE TO/FROM OTHER FUNDS

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

	<u>2020</u>		<u>2019</u>	
	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund	\$ 39,444		\$ 4,743	
Trust Funds				
Municipal Open Space Trust		\$ 34,917		
Animal Control Trust Fund	<u>-</u>	<u>4,527</u>	<u>-</u>	<u>\$ 4,743</u>
Total	<u>\$ 39,444</u>	<u>\$ 39,444</u>	<u>\$ 4,743</u>	<u>\$ 4,743</u>

The above balances are the result of another or receipts received in one fund and owed to another fund.

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

NOTE 6 FUND BALANCES APPROPRIATED

Under the regulatory basis of accounting, fund balances in the Current Fund and Sewer 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>Fund Balance December 31, 2020</u>	<u>Utilized in Subsequent Year's Budget</u>	<u>Fund Balance December 31, 2019</u>	<u>Utilized in Subsequent Year's Budget</u>
Current Fund				
Cash Surplus	\$ 3,955,633	\$ 2,000,000	\$ 4,956,131	\$ 2,500,000
Non-Cash Surplus	<u>18,846</u>	<u>-</u>	<u>13,846</u>	<u>-</u>
	<u>\$ 3,974,479</u>	<u>\$ 2,000,000</u>	<u>\$ 4,969,977</u>	<u>\$ 2,500,000</u>
Sewer Utility Operating Fund				
Cash Surplus	\$ 842,898	\$ 400,000	\$ 1,644,491	\$ 908,000
Non-Cash Surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 842,898</u>	<u>\$ 400,000</u>	<u>\$ 1,644,491</u>	<u>\$ 908,000</u>

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 7 FIXED ASSETS

A. General Fixed Assets

The following is a summary of changes in the general fixed assets account group for the years ended December 31, 2020 and 2019.

2020

Land	\$ 8,962,300	\$ 100,000		\$ 9,062,300
Site Improvements	1,795,351			1,795,351
Buildings	2,400,786			2,400,786
Vehicles and Equipment	<u>8,795,358</u>	<u>775,497</u>	<u>\$ 38,603</u>	<u>9,532,252</u>
	<u>\$ 21,953,795</u>	<u>\$ 875,497</u>	<u>\$ 38,603</u>	<u>\$ 22,790,689</u>

Balance
January 1
2019

Increases

Decreases

Balance,
December 31,
2019

2019

Land	\$ 9,040,300	\$ 3,300	\$ 81,300	\$ 8,962,300
Site Improvements	1,795,351			1,795,351
Buildings	2,331,454	69,332		2,400,786
Vehicles and Equipment	<u>8,522,404</u>	<u>482,954</u>	<u>210,000</u>	<u>8,795,358</u>
	<u>\$ 21,689,509</u>	<u>\$ 555,586</u>	<u>\$ 291,300</u>	<u>\$ 21,953,795</u>

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 7 FIXED ASSETS (Continued)

B. Sewer Utility Fund Fixed Assets

The following is a summary of changes in the sewer utility fund fixed assets for the years ended December 31, 2020 and 2019.

<u>Sewer Utility Fund</u>	Balance January 1, 2020	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, 2020
<u>2020</u>				
Fixed Capital				
Various Improvements	\$ 400,000	\$ -	\$ -	\$ 400,000
	Balance January 1, 2018	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, 2018
<u>2019</u>				
Fixed Capital				
Various Improvements	\$ 400,000	\$ -	\$ -	\$ 400,000

NOTE 8 MUNICIPAL DEBT

The Local Bond Law governs the issuance of notes used to finance capital expenditures. Bond anticipation notes, which are issued to temporarily finance capital projects and acquisitions or other purposes permitted by the Local Bond Law must be paid off within ten years and four months or retired by the issuance of bonds.

	<u>2020</u>	<u>2019</u>
Issued		
General		
Notes	\$ 3,823,990	\$ 3,498,990
Net Notes Issued and Authorized But Not Issued	\$ 3,823,990	\$ 3,498,990

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 8 MUNICIPAL DEBT (Continued)

Statutory Net Debt

The statement of debt condition that follows is extracted from the Township's Annual Debt Statement and indicates a statutory net debt of .081% and .075% at December 31, 2020 and 2019, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2020</u>			
General Debt	\$ 3,823,990		\$ 3,823,990
School Debt	24,118,674	\$ 24,118,674	-
Total	<u>\$ 27,942,664</u>	<u>\$ 24,118,674</u>	<u>\$ 3,823,990</u>
	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2019</u>			
General Debt	\$ 3,498,990		\$ 3,498,990
School Debt	25,814,000	\$ 25,814,000	-
Total	<u>\$ 29,312,990</u>	<u>\$ 25,814,000</u>	<u>\$ 3,498,990</u>

Statutory Borrowing Power

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

	<u>2020</u>	<u>2019</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 165,203,677	\$ 163,532,124
Net Debt	<u>3,823,990</u>	<u>3,498,990</u>
Remaining Borrowing Power	<u>\$ 161,379,687</u>	<u>\$ 160,033,134</u>

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 8 MUNICIPAL DEBT (Continued)

A. Short-Term Debt

The Township's short-term debt activity for the years ended December 31, 2020 and 2019 was as follows:

Bond Anticipation Notes

	Rate (%)	Maturity Date	Balance, January 1, 2020	Additions	Reductions	Balance, December 31, 2020
<u>2020</u>						
<u>Purpose</u>						
<u>General Capital Fund</u>						
Various Capital Improvements	0.92%	3/24/2021	\$ 1,833,900	\$ 1,515,000	1,833,900	\$ 1,515,000
Commuter Lot Repavement/Dump Truck	0.92%	3/24/2021	200,400	22,300	200,400	22,300
Purchase of Fire Pumper	0.92%	3/24/2021	532,440	532,440	532,440	532,440
Road Resurfacing and Purchase of Sweeper	0.92%	3/24/2021	413,750	413,750	413,750	413,750
Various Road Improvements	0.92%	3/24/2021	518,500	268,500	518,500	268,500
Road Resurfacing and Town Hall Roof	0.92%	3/24/2021	-	1,072,000	-	1,072,000
Total General Capital Fund			<u>\$ 3,498,990</u>	<u>\$ 3,823,990</u>	<u>\$ 3,498,990</u>	<u>\$ 3,823,990</u>
	Rate (%)	Maturity Date	Balance, January 1, 2019	Additions	Reductions	Balance, December 31, 2019
<u>2019</u>						
<u>Purpose</u>						
<u>General Capital Fund</u>						
Various Capital Improvements	1.65%	7/21/2020	\$ 2,158,900	\$ 1,833,900	2,158,900	\$ 1,833,900
Commuter Lot Repavement/Dump Truck	1.65%	7/21/2020	410,400	200,400	410,400	200,400
Purchase of Fire Pumper	1.65%	7/21/2020		532,440		532,440
Road Resurfacing and Purchase of Sweeper	1.65%	7/21/2020		413,750		413,750
Various Road Improvements	1.65%	7/21/2020	718,500	518,500	718,500	518,500
Total General Capital Fund			<u>\$ 3,287,800</u>	<u>\$ 3,498,990</u>	<u>\$ 3,287,800</u>	<u>\$ 3,498,990</u>

The purpose of these short-term borrowings was to provide resources for capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq. The amounts issued for general governmental activities are accounted for in the General Capital Fund.

**TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 8 MUNICIPAL DEBT (Continued)

A. Short-Term Debt (Continued)

Bond Anticipation Notes (Continued)

State law requires that notes are to be issued for a period not exceeding one year and may be renewed from time to time for additional periods, none of which shall exceed one year. All bond anticipation notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes. In addition any note renewed beyond the third anniversary date of the original note, requires one legally payable installment to be paid.

NOTE 9 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

As of December 31, the Township had the following other significant commitments.

<u>Capital Project</u>	<u>Construction/Other Commitment</u>	<u>Estimated Date of Completion/Acquisition</u>
<u>2020</u>		
Acquisition of Two Police Vehicles and Equipment	\$90,343	2021
<u>2019</u>		
Purchase of Fire Apparatus	\$639,940	2020

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 10 OTHER LONG-TERM LIABILITIES

Changes in Other Long-Term Liabilities

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

The Township's changes in other long-term liabilities for the years ended December 31, 2020 and 2019 were as follows:

	Balance January 1, <u>2020</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2020</u>	Due Within <u>One Year</u>
<u>2020</u>					
Net Pension Liability - PERS	\$ 8,468,084		\$ 742,842	\$ 7,725,242	
Net Pension Liability - PFRS	10,258,955	\$ 478,927		10,737,882	
Net OPEB Liability (1)	<u>12,718,542</u>	<u>-</u>	<u>-</u>	<u>12,718,542</u>	<u>-</u>
	<u>\$ 31,445,581</u>	<u>\$ 478,927</u>	<u>\$ 742,842</u>	<u>\$ 31,181,666</u>	<u>\$ -</u>
	Balance January 1, <u>2019</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2019</u>	Due Within <u>One Year</u>
<u>2019</u>					
Net Pension Liability - PERS	\$ 9,353,928		\$ 885,844	\$ 8,468,084	
Net Pension Liability - PFRS	11,189,160		930,205	10,258,955	
Net OPEB Liability	<u>16,337,776</u>	<u>-</u>	<u>3,619,234</u>	<u>12,718,542</u>	<u>-</u>
	<u>\$ 36,880,864</u>	<u>\$ -</u>	<u>\$ 5,435,283</u>	<u>\$ 31,445,581</u>	<u>\$ -</u>

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

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS

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

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

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

The following represents the membership tiers for PFRS:

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.

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

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits. All benefits vest after ten years of service, 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

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

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

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS on or after July 1, 2017 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for Social Security deduction). 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 PERS and new employees who would otherwise be eligible to participate in PERS and do not earn the minimum salary required or do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Other Pension Funds

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

The cost of living increase for PERS 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.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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 local PERS at June 30, 2020 and 2019 is \$16.4 billion and \$18.1 billion, respectively, and the plan fiduciary net position as a percentage of the total pension liability is 58.32% and 56.27%, respectively. The collective net pension liability of the participating employers for local PFRS at June 30, 2020 and 2019 is \$14.9 billion and \$14.2 billion, respectively and the plan fiduciary net position as a percentage of total pension liability is 63.52% and 65.00%, respectively.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2019 and 2018 which were rolled forward to June 30, 2020 and 2019, respectively.

Actuarial Methods and Assumptions

In the July 1, 2019 and 2018 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.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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 2020 and 2019 based on 10.0% for PFRS, 7.50% for PERS and 5.50% for DCRP of employee's annual compensation.

For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, employer's contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liabilities. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All contributions made by the Township for 2020, 2019 and 2018 were equal to the required contribution.

During the years ended December 31, 2020, 2019 and 2018, the Township, was required to contribute for normal cost pension contributions, accrued liability pension contributions and non-contributory life insurance premiums the following amounts which equaled the required contributions for each respective year:

<u>Year Ended</u> <u>December 31</u>	<u>PFRS</u>	<u>PERS</u>	<u>DCRP</u>
2020	\$ 846,775	\$ 457,142	\$ 1,809
2019	808,405	472,543	4,791
2018	722,343	415,519	6,203

In addition for the years ended December 31, 2020, 2019 and 2018 the Township contributed for long-term disability insurance premiums (LTDI) of \$887, \$1,074 and \$2,256, respectively for 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 and PFRS to disclose in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No.68) their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS and PFRS during the fiscal years ended June 30, 2020 and 2019. Employer allocation percentages have been rounded for presentation purposes.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS)

At December 31, 2020 and 2019, the Township reported a liability of \$7,725,242 and \$8,468,084, respectively, for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020 and 2019, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 and 2018, respectively. The Township's proportionate share of the net pension liability was based on the ratio of the Township's contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2020, the Township's proportionate share was .04737 percent, which was an increase of .00137 percent from its proportionate share measured as of June 30, 2019 of .04600 percent.

For the years ended December 31, 2020 and 2019, the pension system has determined the Township's pension expense to be \$276,618 and \$515,002, respectively, for PERS based on the actuarial valuations which is less than the actual contribution for 2020 and more than the actual contribution for 2019 reported in the Township's financial statements of \$457,142 and \$472,543, respectively. At December 31, 2020 and 2019, the Township's deferred outflows of resources and deferred inflows of resources related to PERS pension which are not reported on the Township's financial statements are from the following sources:

	2020		2019	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 140,664	\$ 27,320	\$ 151,991	\$ 37,408
Changes of Assumptions	250,616	3,234,632	845,569	2,939,245
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	264,055			133,672
Changes in Proportion and Differences Between Township Contributions and Proportionate Share of Contributions	<u>347,853</u>	<u>212,403</u>	<u>497,985</u>	<u>355,061</u>
Total	<u>\$ 1,003,188</u>	<u>\$ 3,474,355</u>	<u>\$ 1,495,545</u>	<u>\$ 3,465,386</u>

At December 31, 2020 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense (benefit) as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2020	\$ (829,126)
2021	(1,121,970)
2022	(698,730)
2023	(301,738)
2024	480,397
Thereafter	<u>-</u>
	<u>\$ (2,471,167)</u>

TOWNSHIP OF WYCKOFF
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The Township'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:

<u>PERS</u>	<u>2020 and 2019</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00%
	Based on Years of Service
Thereafter	3.00%-7.00%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010

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.

TOWNSHIP OF WYCKOFF
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term 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 table:

<u>Asset Class</u>	<u>2020</u>		<u>2019</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	3.40%	3.00%	4.67%
Cash Equivalents	4.00%	0.50%	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%

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Calendar Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2020	June 30, 2020	7.00%
2019	June 30, 2019	6.28%

TOWNSHIP OF WYCKOFF
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

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

	<u>2020</u>	<u>2019</u>
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 date 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 AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the Township'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 Township'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:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
<u>2020</u>			
Township's Proportionate Share of the PERS Net Pension Liability	\$ <u>9,724,791</u>	\$ <u>7,725,242</u>	\$ <u>6,028,570</u>
	1% Decrease (5.28%)	Current Discount Rate (6.28%)	1% Increase (7.28%)
<u>2019</u>			
Township's Proportionate Share of the PERS Net Pension Liability	\$ <u>10,696,566</u>	\$ <u>8,468,084</u>	\$ <u>6,590,272</u>

The sensitivity analysis was based on the proportionate share of the Township's net pension liability at December 31, 2020 and 2019. A sensitivity analysis specific to the Township's net pension liability was not provided by the pension system.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Pension Plan Fiduciary Net Position

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

Police and Firemen's Retirement System (PFRS)

At December 31, 2020 and 2019, the Township reported a liability of \$10,737,882 and \$10,258,955 respectively, for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2020 and 2019, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 and 2018, respectively. The Township's proportionate share of the net pension liability was based on the ratio of the Township's contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2020, the Township's proportionate share was .08310 percent, which was a decrease of .00073 percent from its proportionate share measured as of June 30, 2019 of .08383 percent.

For the years ended December 31, 2020 and 2019, the pension system has determined the Township pension expense to be \$861,181 and \$850,196, respectively, for PFRS based on the actuarial valuations which are more than the actual contributions reported in the Township's financial statements of \$846,775 and \$808,405, respectively. At December 31, 2020 and 2019, the Township's deferred outflows of resources and deferred inflows of resources related to PFRS pension which are not reported on the Township's financial statements are from the following sources:

	2020		2019	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 108,256	\$ 44,317	\$ 86,599	\$ 64,951
Changes of Assumptions	27,022	3,310,558	351,528	3,315,600
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	629,612			139,006
Changes in Proportion and Differences Between Township Contributions and Proportionate Share of Contributions	<u>199,938</u>	<u>827,529</u>	<u>279,588</u>	<u>228,455</u>
Total	<u>\$ 964,828</u>	<u>\$ 4,182,404</u>	<u>\$ 717,715</u>	<u>\$ 3,748,012</u>

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

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

At December 31, 2020 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PFRS pension will be recognized in pension expense (benefit) as follows:

Year Ending <u>December 31,</u>	<u>Total</u>
2020	\$ (1,483,342)
2021	(1,300,840)
2022	(901,341)
2023	(371,101)
2024	839,048
Thereafter	<u>-</u>
	<u>\$ (3,217,576)</u>

Actuarial Assumptions

The Township'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:

PFRS **2020 and 2019**

Inflation Rate:

Price	2.75%
Wage	3.25%

Salary Increases:

Through	All Future Years 3.25%-15.25% Based on Years of Service
Thereafter	Not Applicable

Investment Rate of Return	7.00%
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Mortality Rate Table	Pub - 2010
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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, 2013 to June 30, 2018.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

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

Long-Term 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 table:

<u>Asset Class</u>	<u>2020</u>		<u>2019</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	3.40%	3.00%	4.67%
Cash Equivalents	4.00%	0.50%	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%

Discount Rate

The discount rate used to measure the total pension liabilities of the PFRS plan was as follows:

<u>Calendar</u>		
<u>Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2020	June 30, 2020	7.00%
2019	June 30, 2019	6.85%

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

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

Discount Rate (Continued)

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

	<u>2020</u>	<u>2019</u>
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 date 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 AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the Township'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 Township'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>2020</u>	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Township's Proportionate Share of the PFRS Net Pension Liability	\$ 14,279,173	\$ 10,737,882	\$ 7,796,569
<u>2019</u>	<u>1% Decrease (5.85%)</u>	<u>Current Discount Rate (6.85%)</u>	<u>1% Increase (7.85%)</u>
Township's Proportionate Share of the PFRS Net Pension Liability	\$ 13,866,369	\$ 10,258,955	\$ 7,273,300

The sensitivity analysis was based on the proportionate share of the Township's net pension liability at December 31, 2020 and 2019. A sensitivity analysis specific to the Township's net pension liability was not provided by the pension system.

**TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

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

Special Funding Situation – PFRS

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

At December 31, 2020 and 2019, the State's proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is \$1,666,470 and \$1,619,908, respectively. For the years ended December 31, 2020 and 2019, the pension system has determined the State's proportionate share of the pension expense attributable to the Township for the PFRS special funding situation is \$188,861 and \$188,220, respectively, which are more than the actual contributions the State made on behalf of the Township of \$128,234 and \$109,148, respectively. At December 31, 2020 (measurement date June 30, 2020) the State's share of the PFRS net pension liability attributable to the Township was .08310 percent, which was a decrease of 0.00073 percent from its proportionate share measured as of December 31, 2019 (measurement date June 30, 2019) of .08383 percent. The State's proportionate share attributable to the Township was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Township's financial statements.

Pension Plan Fiduciary Net Position

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

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS

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

Plan Description and Benefits Provided

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

State Health Benefit Program Fund – Local Government Retired (the Plan) (including Prescription Drug Program Fund) – The Plan is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. 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 assessed via, the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)

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, 2020 was not available and for 2019 is \$13.5 billion and the plan fiduciary net position as a percentage of the total OPEB liability is 1.98% at June 30, 2019.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2018 which was rolled forward to June 30, 2019

Actuarial Methods and Assumptions

In the June 30, 2018 and 2017 OPEB 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 their 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 \$346.4 million and the State of New Jersey, as the non-employer contributing entity, contributed \$43.9 million for fiscal year 2019.

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 Township's contributions to the State Health Benefits Program Fund-Local Government Retired Plan for post-retirement benefits for the years ended December 31, 2020, 2019 and 2018 were \$495,304, \$463,787 and \$750,383, respectively, which equaled the required contributions for each year (or were not available). In addition, the Township's reimbursements to eligible retired employees for Medicare Part B insurance coverage for the years ended December 31, 2020, 2019 and 2018 were \$43,580, \$53,658 and \$38,324, respectively.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)

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

The regulatory basis of accounting requires participating employers in the State Health Benefit Program Fund – Local Government Retired Plan to disclose in accordance with GASB Statement No. 75, Accounting and *Financial Reporting for Postemployment Benefits other than Pension (GASB No. 75)* their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense excluding that attributable to retiree-paid member contributions. The employer allocation percentages presented are based on the ratio of the contributions made as an individual employer toward the actuarially determined contribution amount to total contributions to the plan during the fiscal years ended June 30, 2019 and 2018. Employer allocation percentages have been rounded for presentation purposes.

At December 31, 2019, the Township reported a liability of \$12,718,542 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018. The Township's proportionate share of the net OPEB liability was based on the ratio of the Township's proportionate share of the OPEB liability attributable to the Township at June 30, 2019 to the total OPEB liability for the State Health Benefit Program Fund – Local Government Retired Plan at June 30, 2019. As of the measurement date of June 30, 2019 the Township's proportionate share was .09389 percent, which was a decrease of .01039 percent from its proportionate share measured as of June 30, 2018 of .10428 percent.

For the years ended December 31, 2019, the Plan has determined the Township's OPEB (benefit) expense to be \$(668,625), based on the actuarial valuations which is less than the actual contributions reported in the Township's financial statements of \$463,787. At December 31, 2019, the Township's deferred outflows of resources and deferred inflows of resources related to the OPEB plan which are not reported on the Township's financial statements are from the following sources:

	2019	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience		\$ 3,719,397
Changes of Assumptions		4,507,168
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	\$ 10,477	
Changes in Proportion and Differences Between Township Contributions and Proportionate Share of Contributions	<u>67,057</u>	<u>3,419,466</u>
Total	<u>\$ 77,534</u>	<u>\$ 11,646,031</u>

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)

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

At December 31, 2019 the amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in OPEB expense as follows:

Year Ending <u>December 31,</u>	<u>Total</u>
2020	\$ (1,989,610)
2021	(1,989,612)
2022	(1,991,771)
2023	(1,992,770)
2024	(1,993,560)
Thereafter	<u>(1,611,174)</u>
	<u>\$ (11,568,497)</u>

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)

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

Actuarial Assumptions

The Township's total OPEB 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 June 30, 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:

<u>2019</u>	
Inflation Rate	2.50%
Salary Increases*	
PERS:	
Initial Fiscal Year Applied Through	2026
Rate	2.00% to 6.00%
Rate Thereafter	3.00% to 7.00%
PFRS:	
Initial Fiscal Year Applied Through	Rate for All Future Years
Rate	3.25% to 15.25%
Rate Thereafter	Not Applicable
Mortality	
PERS	Pub-2010 General Classification Headcount-Weighted Healthy Employee Male/Female Mortality Table with fully generational mortality improvement projections from the central year using Scale MP-2019.
PFRS	Pub-2010 Safety Classification Headcount- Weighted Healthy Employee Male/Female Mortality Table with fully generational mortality improvement projections from the central year using Scale MP-2019.
Long-Term Rate of Return	2.00%

*Salary increases are based on the defined benefit pension plan that the member is enrolled in and for 2019 the members years of service.

For the June 30, 2019 measurement date healthcare cost trend rates for pre-Medicare medical benefits, the trend is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)

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

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

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

Long-Term Expected Rate of Return

As the OPEB plan only invests in the State of New Jersey Cash Management Fund, the long-term expected rate of return on OPEB investments was based off the best-estimate ranges of future real rates of return (expected returns, net of OPEB plan investment expense and inflation) for cash equivalents, which is 2.00% as of June 30, 2019.

Discount Rate

The discount rate used to measure the total OPEB liabilities of the plan was as follows:

Calendar

<u>Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2019	3.50%

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

Sensitivity of Net OPEB Liability to Changes in the Discounts Rate

The following presents the Township's proportionate share of the OPEB net liability as of December 31, 2019 calculated using the discount rate of 3.50% as well as what the Township's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower 2.50% or 1-percentage-point higher 4.50% than the current rate:

	1% Decrease <u>(2.50%)</u>	Current Discount Rate <u>(3.50%)</u>	1% Increase <u>(4.50%)</u>
<u>2019</u>			
Township's Proportionate Share of the Net OPEB Liability	<u>\$ 14,705,870</u>	<u>\$ 12,718,542</u>	<u>\$ 11,103,575</u>

The sensitivity analysis was based on the proportionate share of the Township's net OPEB liability at December 31, 2019. A sensitivity analysis specific to the Township's net OPEB liability was not provided by the Plan.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)

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

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

The following presents the Township's proportionate share of the OPEB net liability as of December 31, 2019 calculated using the healthcare trend rates as disclosed above as well as what the Township's proportionate share of the net OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

<u>2019</u>	<u>1%</u> <u>Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rates</u>	<u>1%</u> <u>Increase</u>
Township's Proportionate Share of the Net OPEB Liability	\$ 10,732,882	\$ 12,718,542	\$ 15,251,586

The sensitivity analysis was based on the proportionate share of the Township's net OPEB liability at December 31, 2019. A sensitivity analysis specific to the Township's net OPEB liability was not provided by the pension system.

OPEB Plan Fiduciary Net Position

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

NOTE 13 RISK MANAGEMENT

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

The Township of Wyckoff 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 liability and worker's compensation. The Funds are risk-sharing public entity pools. The BJIF and MEL coverage amounts are on file with the Township.

The relationship between the Township 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 Township is contractually obligated to make all annual and supplementary contributions to the insurance funds, to report claims on a timely basis, to cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds 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 prevention procedures to be followed by the members. Complete financial statements of the funds can be obtained by contacting the respective fund's Treasurer.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 13 RISK MANAGEMENT (Continued)

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.

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State. The following is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Township's unemployment compensation trust fund for the current and previous two years:

<u>Year Ended</u> <u>December 31</u>	<u>Township</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2020	\$ 20,000	\$ 23,571	\$ 12,630	\$ 30,017
2019	20,100	6,657	15,852	(924)
2018	100	10,209	32,117	(739)

NOTE 14 CONTINGENT LIABILITIES

The Township is a party defendant in some lawsuits, none of a kind unusual for a municipality of its size and scope of operation except for the following:

The Township of Wyckoff is a Defendant in an action entitled M.B. v. The Township of Wyckoff, et als., pending in the Superior Court of New Jersey, Passaic County, Law Division. The Township of Wyckoff has notified its insurance carrier and is seeking coverage with respect to the matter which has a potential liability which is unknown at this time and may or may not exceed a material amount.

Pending Tax Appeals - Certain tax appeal cases were pending in the New Jersey Tax Court at December 31, 2020 and 2019. Amounts claimed have not yet been determined. The Township is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of community Affairs, State of New Jersey, the Township does not recognize a liability, if any, until these cases have been adjudicated. The Township expects such amounts, if any, could be material. As of December 31, 2020 and 2019, the Township reserved \$512,322 and \$304,061, respectively in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

Federal and State Awards - The Township participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Township may be required to reimburse the grantor government. As of December 31, 2020 and 2019, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Township believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Township.

NOTE 15 LENGTH OF SERVICE AWARD PROGRAM (LOSAP)-UNAUDITED

The Township of Wyckoff Length of Service Award Program (the Plan) was created by a Township ordinance adopted on August 31, 1999 pursuant to 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the Township of Wyckoff approved the adoption of the Plan at the general election held on November 2, 1999.

**TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 15 LENGTH OF SERVICE AWARD PROGRAM (LOSAP)-UNAUDITED (Continued)

The first year of eligibility for entrance into the Plan was calendar year 2000. The tax deferred income benefits for emergency services volunteers, consisting of the Volunteer Fire Department and the Volunteer Ambulance Corps, come from contributions made solely by the Township on behalf of those volunteers who meet the criteria of a plan created by the governing body.

If an active member meets the year of active service requirement, a LOSAP must provide a benefit between the minimum contribution of \$100 and a maximum contribution of \$1,150 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services issues the permitted maximum increase annually.

The Township of Wyckoff has contributed \$1,150 for 2020 and 2019, respectively, for each eligible Volunteer Fire Department and Volunteer Ambulance Corps member into the Plan. The total Township contributions was \$80,500 for both 2020 and 2019, respectively.

In accordance with the amendments to Section 457 of the Internal Revenue Code and the State Deferred Revenue Regulations, the Township has placed the amounts deferred, including earnings, in a trust for the exclusive benefit of the plan participants and their beneficiaries.

Lincoln Financial Group is the administrator of the plan. The Township's practical involvement in administering the plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the plan administrator.

Vesting and Benefits

A volunteer is eligible to receive a distribution of funds upon completing 5 (five) cumulative years as an active member of the volunteer organization. Certain restrictions and tax implications may result in the event of a withdrawal of funds from the Plan.

If a volunteer member does not vest and terminates their association with the emergency service organization, the funds are returned to the sponsoring agency's surplus.

Reporting Requirements

The New Jersey Administrative Code NJAC 5:30-14.49 requires that the Township perform a separate review report of the plan in accordance with the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Accounting and Auditing Review Services. Since a review does not constitute an audit, the financial statements pertaining to the Plan are presented as unaudited in this report as part of the Township's Trust Fund.

**TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

NOTE 16 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC

The World Health Organization has declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, which was first discovered in China and has since spread to other countries, including the United States (and to the Township) (the “COVID-19 Crisis”). On March 13, 2020, President Trump declared a national emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. Governor Phil Murphy of the State of New Jersey, has also instituted mandatory measures via various executive orders to contain the spread of the virus, including closing schools and nonessential businesses and limiting social gatherings. These measures, which alter the behavior of businesses and people, are expected to have negative impacts on regional, state and local economies and significant declines in the financial markets in the United States and volatility attributed to concerns about the duration of the pandemic and its continued economic impact. Recently, the United States Congress has passed relief and stimulus legislation. This legislation is intended to address the financial impact of the pandemic on the U.S. economy and financial markets. It is too early to predict if the legislation will have its intended affect.

In compliance with the Governor’s executive orders, the Township has instituted necessary precautions and procedures, so as to allow the Township to continue to provide services during this time. The Township is functioning administratively, and its departments continue to operate both remotely and on-site, where safe and practicable. The Township will continue to collect property taxes and other municipal revenues. At this time, it is not possible to predict any other financial impacts as a result of this pandemic on the Township’s operations; however, such amounts, if any, could be material.

NOTE 17 SUBSEQUENT EVENTS

On May 18, 2021 the Township adopted a bond ordinance authorizing the issuance of \$1,340,000 in bonds or bond anticipation notes to fund certain capital projects. As of the date of this report the Township has not issued nor awarded the sale of said bonds or notes.

CURRENT FUND

TOWNSHIP OF WYCKOFF
STATEMENT OF CURRENT CASH - TREASURER

Balance, January 1, 2020		\$ 7,655,055
Increased by Receipts:		
Taxes Receivable	\$ 86,585,254	
Non-Budget Revenues	132,715	
State of NJ - Senior Citizens' and Vet. Deductions	89,250	
Revenue Accounts Receivable	3,192,756	
Grants Receivable	5,000	
Prepaid Taxes	722,468	
Unappropriated Grant Reserves	35,175	
Tax Overpayments	74,393	
Reserve for Payroll Account	8,916,645	
Fees Payable	58,594	
Receipts from Municipal Open Space Trust Fund	229	
Receipts from Animal Control Trust Fund	4,743	
Receipts from Other Trust Fund	<u>248</u>	
		<u>99,817,470</u>
		107,472,525
Decreased by Disbursements:		
2020 Budget Appropriations	16,587,748	
2019 Appropriation Reserves	325,818	
Encumbrances Payable	486,955	
County Taxes Payable	11,796,010	
Local District School Taxes Payable	40,406,071	
Regional School Taxes Payable	20,927,073	
Tax Overpayments	156,831	
Reserve for Payroll Account	8,916,645	
Appropriated Grant Reserves	50,064	
Payments to Municipal Open Space Trust Fund	272,816	
Reserve for Tax Appeals	91,739	
Fees Payable	40,410	
Change Fund Advance	<u>100</u>	
		<u>100,058,280</u>
Balance, December 31, 2020		<u>\$ 7,414,245</u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF CASH - CHANGE FUNDS**

	Balance, January 1, <u>2020</u>	<u>Advance</u>	Balance, December 31, <u>2020</u>
Tax Collector	\$ <u>500</u>	\$ <u>100</u>	\$ <u>600</u>

**STATEMENT OF DUE TO STATE OF NEW JERSEY
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS**

Balance, January 1, 2020	\$ 2,262
Increased by:	
Senior Citizens/Veterans Disallowed Per Tax Collector - 2020	\$ 1,701
Cash Received	<u>89,250</u>
	<u>90,951</u>
	93,213
Decreased by:	
Senior Citizens /Veterans Deductions Per Tax Billings - 2020	<u>89,250</u>
Balance, December 31, 2020	<u>\$ 3,963</u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF TAXES RECEIVABLE**

<u>Year</u>	<u>Balance, January 1, 2020</u>	<u>2020 Levy</u>	<u>Senior Citizens' and Veterans' Deductions Disallowed</u>	<u>Collections</u>	<u>2019</u>	<u>2020</u>	<u>Senior Citizens' and Veterans' Deductions Allowed</u>	<u>Cancelled</u>	<u>Transferred to Tax Title Liens</u>	<u>Balance, December 31, 2020</u>
2019	\$ 463,045	-	-	-	\$ 463,045	-	-	-	-	-
	463,045	-	-	-	463,045	-	-	-	-	-
2020	\$ -	\$ 87,224,374	\$ 1,701	\$ 552,459	86,122,209	\$ 89,250	\$ 40,743	\$ 1,389	\$ 420,025	
	\$ 463,045	\$ 87,224,374	\$ 1,701	\$ 552,459	\$ 86,585,254	\$ 89,250	\$ 40,743	\$ 1,389	\$ 420,025	

Analysis of 2020 Property Tax Levy

Tax Yield

General Purpose Tax
Added Taxes

\$ 86,830,305
394,069

\$ 87,224,374

Tax Levy

County Taxes \$ 11,270,456
County Open Space Taxes 474,449
Due County for Added and Omitted Taxes 53,418

11,798,323

Municipal Open Space Preservation 236,595
Due Municipal Open Space for Added and Omitted Taxes 1,075

237,670

Regional High School Tax
Local District School Tax

20,927,073
40,406,071

73,369,137

Local Tax for Municipal Purposes 11,940,626
Minimum Library Tax 1,574,329
Added Taxes (54:4-63.1 et seq.) 339,575
Additional Tax Levied 707

13,855,237

\$ 87,224,374

**TOWNSHIP OF WYCKOFF
STATEMENT OF TAX TITLE LIENS RECEIVABLE**

Balance, January 1, 2020	\$ 14,983
Increased by:	
Transfers from Taxes Receivable	<u>1,389</u>
Balance, December 31, 2020	<u>\$ 16,372</u>

**STATEMENT OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)**

Balance, January 1, 2020	<u>\$ 36,700</u>
Balance, December 31, 2020	<u>\$ 36,700</u>

STATEMENT OF REVENUE ACCOUNTS RECEIVABLE

	Balance, January 1, <u>2020</u>	Accrued <u>in 2020</u>	<u>Collected</u>	Balance, December 31, <u>2020</u>
Township Clerk - Licenses				
Alcoholic Beverages		\$ 17,500	\$ 17,500	
Other		90,061	90,061	
Fees and Permits				
Other		181,880	181,880	
Fines and Costs - Municipal Court	\$ 4,554	27,551	30,819	\$ 1,286
Interest and Costs on Taxes		91,147	91,147	
Interest on Investments		101,358	101,358	
Lease of Township Property		43,380	43,380	
Cable Franchise Fee		274,416	274,416	
Lease of Cell Tower Space #1		160,017	160,017	
Lease of Cell Tower Space #2		189,182	189,182	
Lease of Cell Tower Space #3		31,447	31,447	
Energy Receipts Tax		1,093,271	1,093,271	
Uniform Construction Code Fees		450,385	450,385	
Library Shared Service Agreement- Payroll		13,104	13,104	
Library Shared Service Agreement- Admin.		5,500	5,500	
Recreation Fees		387,127	387,127	
Uniform Fire Safety Act	-	<u>32,162</u>	<u>32,162</u>	-
	<u>\$ 4,554</u>	<u>\$ 3,189,488</u>	<u>\$ 3,192,756</u>	<u>\$ 1,286</u>
		Cash Receipts	<u>\$ 3,192,756</u>	

**TOWNSHIP OF WYCKOFF
STATEMENT OF GRANTS RECEIVABLE**

	Balance, January 1, <u>2020</u>	Revenue <u>Realized</u>	<u>Received</u>	Balance, December 31, <u>2020</u>
Municipal Alliance Program	\$ 11,263			\$ 11,263
Drunk Driving Enforcement Fund	1,169			1,169
Drive Sober Get Pulled Over	1,414			1,414
Sustainable NJ	<u>-</u>	<u>\$ 10,000</u>	<u>\$ 5,000</u>	<u>5,000</u>
	<u><u>\$ 13,846</u></u>	<u><u>\$ 10,000</u></u>	<u><u>\$ 5,000</u></u>	<u><u>\$ 18,846</u></u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF 2019 APPROPRIATION RESERVES**

	Balance, January 1, 2020	Prior Year Encumbrances Restored	Transfers	Balance After Modification	Paid or Charged	Balance Lapsed
SALARIES AND WAGES						
Administrative and Executive	\$ 12,816			\$ 12,816	\$ 1,044	\$ 11,772
Township Clerk	1,658			1,658		1,658
Revenue Administration and Tax Collection	347			347		347
Assessment of Taxes	23,121			23,121	1,190	21,931
Planning Board	587			587	90	497
Police	86,681			86,681	59,962	26,719
Recreation	8,089			8,089	1,772	6,317
Road Repairs and Maintenance	28,000			28,000	25,631	2,369
Public Buildings and Grounds	740			740		740
Municipal Court	202			202		202
Affordable Housing	69			69		69
OTHER EXPENSES						
Administrative and Executive	1,153	\$ 98		1,251		1,251
Township Clerk	149			149	149	-
Financial Administration	5,190			5,190	5,154	36
Audit Services	9			9	9	-
Revenue Administration and Tax Collection	1,463			1,463		1,463
Elections	743			743		743
Assessment of Taxes	29,752			29,752	11,842	17,910
Environmental Commission: NJSA 40:56A-1	1,650			1,650		1,650
Legal Services and Costs	59,000	11,754		70,754		70,754
Engineering Services	5,744			5,744	950	4,794
Public Buildings and Grounds	4,986		\$ 3,400	8,386	5,645	2,741
Shade Tree Commission	47,703			47,703	47,703	-
Board of Health	5,128			5,128	40	5,088
Planning Board	7,637	2,373		10,010		10,010
Board of Adjustment	708			708		708
General Liability Insurance	9,665			9,665		9,665
Workers Compensation Insurance	93			93		93
Employee Health Benefits Insurance	333,842			333,842	948	332,894
Police	1,988			1,988	866	1,122
Emergency Management Services	55			55		55
Public Safety Volunteer Fire Department	2,352			2,352	2,333	19
Life Hazard Use Fees (Uniform Fire Safety)	1,272			1,272	-	1,272
Radio Communications Contract	1,192			1,192		1,192
Recreation	22,195			22,195	13,180	9,015
Park Maintenance	10,603			10,603	6,214	4,389
Recycling	14,137			14,137	5,542	8,595

**TOWNSHIP OF WYCKOFF
STATEMENT OF 2019 APPROPRIATION RESERVES**

	Balance, January 1, 2020	Prior Year Encumbrances Restored	Transfers	Balance After Modification	Paid or Charged	Balance Lapsed
OTHER EXPENSES (Continued)						
Road Repair and Maintenance	\$ 16,372		\$ 12,000	\$ 28,372	\$ 27,284	\$ 1,088
DPW Vehicle Other Expenses	19,956		(5,900)	14,056	739	13,317
Police Vehicle Other Expenses	2,079			2,079	1,888	191
Fire Vehicle Other Expenses	2,243		2,500	4,743	2,090	2,653
CDL	240			240	240	-
Animal Control	7,500	\$ 900		8,400		8,400
Municipal Court	1,599			1,599	180	1,419
Condo Services Act	1,367			1,367		1,367
Municipal Prosecutor	5,230			5,230	298	4,932
Public Defender	1,823			1,823		1,823
Construction Code Official	10,665	46		10,711		10,711
PEOSHA - Hepatitis B	1,854			1,854		1,854
PEOSHA - Respiratory Protection	1,918			1,918	1,175	743
Utilities						
Electricity	30,210		(12,400)	17,810	5,842	11,968
Street Lighting	256		8,700	8,956	8,617	339
Telephone	45			45	40	5
Water	245		3,700	3,945	1,877	2,068
Natural Gas	3,739			3,739		3,739
Fire Hydrants	5,462			5,462	-	5,462
Gasoline	21,899			21,899	21,899	-
Landfill and Solid Waste Disposal	110,457		(12,000)	98,457	57,395	41,062
Recycling Tax	5,662			5,662	3,307	2,355
Social Security System (OASI)	18,747			18,747	683	18,064
Defined Compensation Retirement Plan	2,209			2,209	-	2,209
Affordable Housing	8,040			8,040	2,000	6,040
Tax Appeal Interest	50			50	-	50
LOSAP	-	39,500		39,500		39,500
Interlocal Services Agreements - 911 Services	427	-	-	427	-	427
	<u>\$ 1,011,013</u>	<u>\$ 54,671</u>	<u>\$ -</u>	<u>\$ 1,065,684</u>	<u>\$ 325,818</u>	<u>\$ 739,866</u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF ENCUMBRANCES PAYABLE**

Balance, January 1, 2020		\$ 541,626
Increased by:		
Charges to 2020 Appropriations		<u>457,799</u>
		999,425
Decreased by:		
Restored to 2019 Appropriation Reserves	\$ 54,671	
Cash Disbursements	<u>486,955</u>	
		<u>541,626</u>
Balance, December 31, 2020		<u><u>\$ 457,799</u></u>

STATEMENT OF PREPAID TAXES

Balance, January 1, 2020		\$ 552,459
Increased by:		
Collection of 2021 Taxes		<u>722,468</u>
		1,274,927
Decreased by:		
Application to 2020 Taxes Receivable		<u>552,459</u>
Balance, December 31, 2020		<u><u>\$ 722,468</u></u>

STATEMENT OF COUNTY TAXES PAYABLE

Balance, January 1, 2020		\$ 51,105
Increased by:		
2020 Tax Levy	\$ 11,270,456	
2020 Open Space Preservation	474,449	
2020 Added and Omitted Taxes	<u>53,418</u>	
		<u>11,798,323</u>
		11,849,428
Decreased by:		
Cash Disbursed		<u>11,796,010</u>
Balance, December 31, 2020		<u><u>\$ 53,418</u></u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF LOCAL DISTRICT SCHOOL TAXES PAYABLE**

Increased by:	
Levy - Calendar Year 2020	\$ 40,406,071
Decreased by:	
Cash Disbursed	<u>\$ 40,406,071</u>

STATEMENT OF REGIONAL HIGH SCHOOL DISTRICT SCHOOL TAXES PAYABLE

Increased by:	
Levy - Calendar Year 2020	\$ 20,927,073
Decreased by:	
Cash Disbursed	<u>\$ 20,927,073</u>

STATEMENT OF TAX OVERPAYMENTS

Balance, January 1, 2020	\$ 156,831
Increased by:	
Cash Receipts	<u>74,393</u>
	231,224
Decreased by:	
Cash Disbursements	<u>156,831</u>
Balance, December 31, 2020	<u>\$ 74,393</u>

STATEMENT OF RESERVE FOR TAX APPEALS

Balance, January 1, 2020	\$ 304,061
Increased by:	
Transferred from 2020 Taxes Collected	<u>300,000</u>
	604,061
Decreased by:	
Cash Disbursements	<u>91,739</u>
Balance, December 31, 2020	<u>\$ 512,322</u>

TOWNSHIP OF WYCKOFF
STATEMENT OF APPROPRIATED GRANT RESERVES

	Balance, January 1, <u>2020</u>	Budget <u>Appropriation</u>	<u>Expenditures</u>	Balance, December 31, <u>2020</u>
Clean Communities Grant	\$ 29,339	\$ 35,175	\$ 21,092	\$ 43,422
Municipal Alliance Against Alcohol and Drug Abuse Grant	11,263			11,263
Municipal Share	2,614			2,614
Drunk Driving Enforcement Fund	3,473	2,409	1,123	4,759
Recycling Tonnage		27,326	27,326	-
Drive Sober Get Pulled Over	1,415			1,415
Distracted Driver Crackdown	1,169			1,169
Sustainable NJ	561	10,000	425	10,136
Alcohol Education and Rehabilitation Program	498	-	98	400
	<u>\$ 50,332</u>	<u>\$ 74,910</u>	<u>\$ 50,064</u>	<u>\$ 75,178</u>

STATEMENT OF UNAPPROPRIATED GRANT RESERVES

	Balance, January 1, <u>2020</u>	Cash <u>Receipts</u>	Realized as 2020 Anticipated <u>Revenue</u>	Balance, December 31, <u>2020</u>
Recycling Tonnage	\$ 27,326		\$ 27,326	\$ -
Alcohol Education and Rehabilitation Program				
Clean Communities		\$ 35,175	35,175	
Sustainable NJ				-
Distracted Driver Crackdown				
Drunk Driving Enforcement Fund	2,409	-	2,409	-
	<u>\$ 29,735</u>	<u>\$ 35,175</u>	<u>\$ 64,910</u>	<u>\$ -</u>

STATEMENT OF DUE FROM MUNICIPAL OPEN SPACE TRUST FUND

Balance, January 1, 2020			
Increased by:			
Cash Disbursements			\$ 272,816
Decreased by:			
2020 Tax Levy		\$ 236,595	
2020 Added Taxes		1,075	
Cash Receipts		229	
			<u>237,899</u>
Balance, December 31, 2020			<u>\$ 34,917</u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF FEES PAYABLE**

	Balance, January 1, <u>2020</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, December 31, <u>2020</u>
Uniform Construction Code-DCA	\$ <u>-</u>	\$ <u>58,594</u>	\$ <u>40,410</u>	\$ <u>18,184</u>

STATEMENT OF RESERVE FOR PAYROLL

Increased by:	
Cash Receipts	\$ <u>8,916,645</u>
Decreased by:	
Cash Disbursements	\$ <u>8,916,645</u>

TRUST FUND

TOWNSHIP OF WYCKOFF
STATEMENT OF TRUST CASH - TREASURER

	Animal Control Trust <u>Fund</u>	Other <u>Trust Fund</u>	Municipal Open Space <u>Trust Fund</u>
Balance, January 1, 2020	\$ 40,161	\$ 3,824,527	\$ 926,455
Increased by Receipts:			
State of New Jersey Dog License Fees Collected	\$ 1,881		
Interest on Deposits	244	\$ 248	\$ 2,069
Receipts from Current Fund	-	-	272,816
Receipts from Other Trust			631
Payroll and Payroll Deductions		4,364,566	
Miscellaneous Reserves		1,709,256	
Dog License Fees	<u>14,935</u>	<u>-</u>	<u>-</u>
	<u>17,060</u>	<u>6,074,070</u>	<u>275,516</u>
	57,221	9,898,597	1,201,971
Decreased by Disbursements:			
Expenditures Under			
R.S. 4:19-15.11	14,044		
Due to State of New Jersey	1,836	17,457	
Payments to Open Space		631	
Payments to Current Fund	4,743	248	229
Payments to Capital Fund			554,000
Municipal Open Space Expenditures			280,368
Payroll and Payroll Deductions		4,350,920	
Miscellaneous Reserves	<u>-</u>	<u>1,334,441</u>	<u>-</u>
	<u>20,623</u>	<u>5,703,697</u>	<u>834,597</u>
Balance, December 31, 2020	<u>\$ 36,598</u>	<u>\$ 4,194,900</u>	<u>\$ 367,374</u>

**TOWNSHIP OF WYCKOFF
ANIMAL CONTROL TRUST FUND
STATEMENT OF RESERVE FOR ANIMAL CONTROL EXPENDITURES**

Balance, January 1, 2020		\$	34,854
Increased by:			
Dog License Fees			
Municipal Share	\$	13,720	
Late Fees & Miscellaneous		1,210	
Lost Tags		<u>5</u>	
			<u>14,935</u>
			49,789
Decreased by:			
Expenditures Under R.S. 4:19-15-11		14,044	
Statutory Excess - Due to Current Fund		<u>4,283</u>	
			<u>18,327</u>
Balance, December 31, 2020		\$	<u>31,462</u>

**TOWNSHIP OF WYCKOFF
ANIMAL CONTROL TRUST FUND
STATEMENT OF DUE TO STATE OF NEW JERSEY - ANIMAL CONTROL FUND**

Balance, January 1, 2020	\$ 564
Increased by:	
Dog License Fees Collected	<u>1,881</u>
	2,445
Decreased by:	
Payments Made to State of New Jersey	<u>1,836</u>
Balance, December 31, 2020	<u><u>\$ 609</u></u>

**ANIMAL CONTROL TRUST FUND
STATEMENT OF DUE TO CURRENT FUND**

Balance, January 1, 2020	\$ 4,743
Increased by:	
Interest on Deposits	\$ 244
Statutory Excess	<u>4,283</u>
	<u>4,527</u>
	9,270
Decreased by:	
Cash Disbursements	<u>4,743</u>
Balance, December 31, 2020	<u><u>\$ 4,527</u></u>

**TOWNSHIP OF WYCKOFF
OTHER TRUST FUND
STATEMENT OF MISCELLANEOUS RESERVES AND SPECIAL DEPOSITS**

	Balance, January 1, <u>2020</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2020</u>
Special Deposits	\$ 450,680	\$ 723,701	\$ 436,274	\$ 738,107
Storm Recovery	434,006	120,301	59,127	495,180
Developer's Escrow	287,978	3,962	102,316	189,624
Performance Bonds	382,781	36,074	15,090	403,765
Gardens of Wyckoff Bequest	100,664	197	-	100,861
Unemployment	(924)	43,571	12,630	30,017
Developer Fees - Housing Trust	964,892	196,248	914	1,160,226
Community Development	953	21	18	956
Flexible Spending	1,506	1,455	1,872	1,089
Escrow Deposits Payable	<u>905,694</u>	<u>583,726</u>	<u>719,461</u>	<u>769,959</u>
	<u>\$ 3,528,230</u>	<u>\$ 1,709,256</u>	<u>\$ 1,347,702</u>	<u>\$ 3,889,784</u>
Cash Receipts		<u>\$ 1,709,256</u>		
		Cash Disbursements	\$ 1,334,441	
		Du to Municipal Open Space Trust	631	
		Due to State of New Jersey-Unemployment	<u>12,630</u>	
			<u>\$ 1,347,702</u>	

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

Increased by:	
Cash Disbursements	<u>\$ 248</u>
Decreased by:	
Interest Earned	<u>\$ 248</u>

**TOWNSHIP OF WYCKOFF
OTHER TRUST FUND
STATEMENT OF DUE TO STATE OF NEW JERSEY - UNEMPLOYMENT COMPENSATION**

Balance, January 1, 2020	\$ 11,090
Increased by:	
Unemployment Claims	<u>12,630</u>
	23,720
Decreased By:	
Cash Disbursements	<u>17,457</u>
Balance, December 31, 2020	<u>\$ 6,263</u>

**MUNICIPAL OPEN SPACE TRUST FUND
STATEMENT OF RESERVE FOR OPEN SPACE**

Balance, January 1, 2020	\$ 926,455
Increased by:	
Interest on Deposits	\$ 2,069
Reserve Cancelled from Other Trust	631
2020 Municipal Open Space Tax Levy	236,595
2020 Added Municipal Open Space Tax Levy	<u>1,075</u>
	<u>240,370</u>
	1,166,825
Decreased by:	
Cash Disbursements	\$ 280,368
Due to General Capital Fund	<u>554,000</u>
	<u>834,368</u>
Balance, December 31, 2020	<u>\$ 332,457</u>

**TOWNSHIP OF WYCKOFF
MUNICIPAL OPEN SPACE TRUST FUND
STATEMENT OF DUE TO CURRENT FUND**

Increased by:		
Cash Receipts		<u>\$ 272,816</u>
		272,816
Decreased by:		
2020 Municipal Open Space Tax Levy	\$ 236,595	
2020 Added Municipal Open Space Tax Levy	1,075	
Cash Disbursements	<u>229</u>	
		<u>\$ 237,899</u>
Balance, December 31, 2020		<u><u>\$ 34,917</u></u>

**OTHER TRUST FUND
STATEMENT OF RESERVE FOR PAYROLL AND PAYROLL DEDUCTIONS**

Balance, January 1, 2020		\$ 285,207
Increased by:		
Cash Receipts		<u>4,364,566</u>
		4,649,773
Decreased by:		
Cash Disbursements		<u>4,350,920</u>
Balance, December 31, 2020		<u><u>\$ 298,853</u></u>

GENERAL CAPITAL FUND

**TOWNSHIP OF WYCKOFF
STATEMENT OF GENERAL CAPITAL CASH**

Balance, January 1, 2020		\$	1,578,373
Increased by Receipts:			
Open Space Trust Fund	\$	554,000	
Grants Receivable		206,928	
Bond Anticipation Note Proceeds		1,072,000	
Donations		476,609	
Current Fund Budget Appropriations:			
Capital Improvement Fund		<u>958,500</u>	
			<u>3,268,037</u>
			4,846,410
Decreased by Disbursements:			
Improvement Authorizations		2,928,386	
Encumbrances Payable		<u>772,944</u>	
			<u>3,701,330</u>
Balance, December 31, 2020		\$	<u>1,145,080</u>

**TOWNSHIP OF WYCKOFF
ANALYSIS OF GENERAL CAPITAL CASH**

		Balance, December 31, <u>2020</u>
Fund Balance		\$ 16,840
Capital Improvement Fund		43,743
Contracts Payable		226,516
Grants Receivable		(1,206,767)
Ord.		
<u>No.</u>		
	<u>Improvement Authorizations</u>	
1619/1646/1688/1738/1773/1829/1853	Field Enhancement	164,004
1826	Various Capital Improvements	5,218
1851	Reconstruction of Lafayette Avenue	24,592
1852	Various Capital Improvements	55,948
1863	Improvements to Russell Farms Community Park	16,240
1877	Various Capital Improvements	25,239
1878/1911	Major Vehicle Repairs	43,287
1881	Greenwood Ave Rehab	122,736
1882	Acquisition of Maple Lake	1,200,000
1904	Purchase Inspection Vehicle	1,600
1905	Install Turf Field	48,723
1909	Russell Farm Park	8,962
1912	Various Capital Improvements	236,347
1914	Road Resurfacing and Roof	<u>111,852</u>
		<u>\$ 1,145,080</u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF GRANTS RECEIVABLE**

Balance, January 1, 2020	\$ 1,181,397
Increased by:	
Grant Awards	<u>232,298</u>
	1,413,695
Decreased by:	
Cash Receipts	<u>206,928</u>
Balance, December 31, 2020	<u>\$ 1,206,767</u>
 Bergen County Open Space Trust Fund - Ordinance #1863 - Russell Farms Community Park	 \$ 4,270
Bergen County Open Space Trust Fund - Ordinance #1882 - Acquisition of Maple Lake	900,000
Bergen County Open Space Trust Fund - Ordinance #1909 - Russell Park Improvements	81,000
Department of Transportation - Ordinance #1881 - Greenwood Avenue Improvements	153,802
Department of Transportation - Ordinance #1851 - Reconstruction of Lafayette Avenue	16,397
Bergen County - Ordinance #1922 - ADA Ramps	<u>51,298</u>
	 <u>\$ 1,206,767</u>

TOWNSHIP OF WYCKOFF
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	Balance, January 1, 2020	2020 Authori- zations	Bond Anticipation Notes Paid by 2020 Budget Appropriation	Balance, December 31, 2020	Analysis of Balance, December 31, 2020		Unexpended Improvement Authorization
						Bond Anticipation Notes	Expended	
1740	Various Capital Improvements	\$ 568,900		\$ 318,900	\$ 250,000	\$ 250,000		
1774	Various Road Improvements	518,500		250,000	268,500	268,500		
1830	Commuter Lot Repavement/Dump Truck	200,400		178,100	22,300	22,300		
1855	Various Capital Improvements and Purchase of Dump Truck	1,265,000			1,265,000	1,265,000		
1871	Purchase of Fire Pumper	532,440			532,440	532,440		
1880	Road Resurfacing and Purchase of Sweeper	413,750			413,750	413,750		
1914	Road Resurfacing and Roof	-	\$ 1,072,000	-	1,072,000	1,072,000	-	-
		<u>\$ 3,498,990</u>	<u>\$ 1,072,000</u>	<u>\$ 747,000</u>	<u>\$ 3,823,990</u>	<u>\$ 3,823,990</u>	<u>\$ -</u>	<u>\$ -</u>

\$ 226,516	Encumbrances Payable
<u>2,928,386</u>	Cash Disbursements
\$ 3,154,902	

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**TOWNSHIP OF WYCKOFF
STATEMENT OF CAPITAL IMPROVEMENT FUND**

Balance, January 1, 2020	\$ 68,743
Increased by:	
2020 Budget Appropriation	<u>958,500</u>
	1,027,243
Decreased by:	
Appropriations to Finance Improvement Authorizations	<u>983,500</u>
Balance, December 31, 2020	<u><u>\$ 43,743</u></u>

STATEMENT OF CONTRACTS PAYABLE

Balance, January 1, 2020	\$ 772,944
Increased by:	
Charges to Improvement Authorizations	<u>226,516</u>
	999,460
Decreased by:	
Cash Disbursements	<u>772,944</u>
Balance, December 31, 2020	<u><u>\$ 226,516</u></u>

STATEMENT OF DUE FROM OPEN SPACE TRUST FUND

Increased by:	
Appropriated to Finance Improvement Authorization	<u>\$ 554,000</u>
Decreased by:	
Cash Receipts	<u><u>\$ 554,000</u></u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF BOND ANTICIPATION NOTES**

<u>Ordinance #</u>	<u>Improvement Description</u>	<u>Original Amount of Issue</u>	<u>Original Date of Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance January 1, 2020</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance December 31, 2020</u>
1740	Various Capital Improvements	\$ 1,437,970	7/29/2014	7/22/2019 7/21/2020	7/21/2020 3/24/2021	1.65% 0.92%	\$ 568,900	\$ 250,000	\$ 568,900	\$ 250,000
1774	Various Road Improvements	950,000	7/27/2015	7/22/2019 7/21/2020	7/21/2020 3/24/2021	1.65% 0.92%	518,500	268,500	518,500	268,500
1830	Commuter Lot Repavement/Dump Truck	410,400	7/25/2017	7/22/2019 7/21/2020	7/21/2020 3/24/2021	1.65% 0.92%	200,400	22,300	200,400	22,300
1855	Various Capital Improvements and Purchase of Dump Truck	1,265,000	7/24/2018	7/22/2019 7/21/2020	7/21/2020 3/24/2021	1.65% 0.92%	1,265,000	1,265,000	1,265,000	1,265,000
1871	Purchase of Fire Pumper	532,400	7/22/2019	7/22/2019 7/21/2020	7/21/2020 3/24/2021	1.65% 0.92%	532,440	532,440	532,440	532,440
1880	Road Resurfacing and Purchase of Sweeper	413,750	7/22/2019	7/22/2019 7/21/2020	7/21/2020 3/24/2021	1.65% 0.92%	413,750	413,750	413,750	413,750
1914	Road Resurfacing and Town Hall Roof	1,072,000	7/21/2020	7/21/2020	3/24/2021	0.92%	-	1,072,000	-	1,072,000
							<u>\$ 3,498,990</u>	<u>\$ 3,823,990</u>	<u>\$ 3,498,990</u>	<u>\$ 3,823,990</u>
									\$ 747,000	
								\$ 1,072,000		
								<u>2,751,990</u>	<u>2,751,990</u>	
								<u>\$ 3,823,990</u>	<u>\$ 3,498,990</u>	

Paid by Budget Appropriation
Issued for Cash
Renewals

TOWNSHIP OF WYCKOFF
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ord.</u> <u>No.</u>	<u>Improvement Description</u>	<u>2020</u> <u>Authorizations</u>	<u>Bond</u> <u>Anticipation</u> <u>Notes</u> <u>Issued</u>
1914	Road Resurfacing and Town Hall Roof	\$ <u>1,072,000</u>	\$ <u>1,072,000</u>
		\$ <u>1,072,000</u>	\$ <u>1,072,000</u>

SEWER UTILITY FUND

**TOWNSHIP OF WYCKOFF
STATEMENT OF SEWER UTILITY CASH**

	<u>Operating</u>	<u>Capital</u>
Balance, January 1, 2020	\$ 1,720,987	\$ 1,572,165
Increased by Receipts:		
Overpayments	\$ 3,361	
Consumer Rents Accounts Receivable (Net of Refunds)	2,283,169	
Capital Improvement Fund		\$ 1,000,000
Interest and Costs on Sewer Charges	8,605	
Miscellaneous Revenues Not Anticipated	<u>31,133</u>	<u>-</u>
	<u>2,326,268</u>	<u>1,000,000</u>
	4,047,255	2,572,165
Decreased by Disbursements:		
2020 Budget Appropriations	3,116,242	
2019 Appropriation Reserves	30,205	
Contracts Payable		4,349
Improvement Authorizations	<u>-</u>	<u>254,368</u>
	<u>3,146,447</u>	<u>258,717</u>
Balance, December 31, 2020	<u>\$ 900,808</u>	<u>\$ 2,313,448</u>

**TOWNSHIP OF WYCKOFF
SEWER CAPITAL FUND
ANALYSIS OF SEWER CAPITAL CASH**

	December 31, <u>2020</u>
Capital Improvement Fund	\$ 1,405,916
Contracts Payable	224,000
Ordinance	
1873 Various Sewer Improvements	83,532
1903 Various Sewer Improvements	<u>600,000</u>
	<u>\$ 2,313,448</u>

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

Balance, January 1, 2020	\$ 104,923
Increased by:	
Sewer Rents Levied	<u>2,235,411</u>
	2,340,334
Decreased by:	
Sewer Overpayments Applied	\$ 1
Collections	<u>2,283,169</u>
	<u>2,283,170</u>
Balance, December 31, 2020	<u>\$ 57,164</u>

**TOWNSHIP OF WYCKOFF
SEWER UTILITY OPERATING FUND
STATEMENT OF APPROPRIATION RESERVES**

	Balance, January 1, <u>2020</u>	Balance After Transfer and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
OPERATING				
Salaries and Wages	\$ 8,553	\$ 8,553	\$ 630	\$ 7,923
Other Expenses	<u>26,110</u>	<u>62,678</u>	<u>29,575</u>	<u>33,103</u>
	<u>\$ 34,663</u>	<u>\$ 71,231</u>	<u>\$ 30,205</u>	<u>\$ 41,026</u>
		Cash Disbursements	<u>\$ 30,205</u>	
Appropriation Reserves	\$ 34,663			
Encumbrance Payable Restored	<u>36,568</u>			
		<u>\$ 71,231</u>		

**TOWNSHIP OF WYCKOFF
SEWER UTILITY OPERATING FUND
STATEMENT OF ENCUMBRANCES PAYABLE**

Balance, January 1, 2020	\$ 36,568
Increased by:	
Charges to 2020 Budget Appropriations	<u>2,088</u>
	38,656
Decreased by:	
Restored to 2019 Appropriation Reserves	<u>36,568</u>
Balance, December 31, 2020	<u><u>\$ 2,088</u></u>

**SEWER UTILITY OPERATING FUND
STATEMENT OF OVERPAYMENTS**

Balance, January 1, 2020	\$ 5,265
Increased by:	
Cash Receipts	<u>3,361</u>
	8,626
Decreased by:	
Applied to Sewer Billings	<u>1</u>
Balance, December 31, 2020	<u><u>\$ 8,625</u></u>

**TOWNSHIP OF WYCKOFF
SEWER UTILITY CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

Ordinance Number	Improvement Description	Balance, January 1, 2020		2020 Authorizations	Expended	Balance, December 31, 2020	
		Funded	Unfunded			Funded	Unfunded
1849	Various Sewer Improvements	\$ 261,900			\$ 261,900		
1873	Various Sewer Improvements	300,000	-		216,468	\$ 83,532	
1903	Various Sewer Improvements	-	-	\$ 600,000	-	600,000	-
		<u>\$ 561,900</u>	<u>\$ -</u>	<u>\$ 600,000</u>	<u>\$ 478,368</u>	<u>\$ 683,532</u>	<u>\$ -</u>
		Capital Improvement Fund <u>\$ 600,000</u>					
				Contracts Payable	\$ 224,000		
				Cash Disbursements	<u>254,368</u>		
					<u>\$ 478,368</u>		

**TOWNSHIP OF WYCKOFF
SEWER UTILITY CAPITAL FUND
STATEMENT OF CAPITAL IMPROVEMENT FUND**

Balance, January 1, 2020	\$ 1,005,916
Increased by:	
2020 Budget Appropriation	<u>1,000,000</u>
	2,005,916
Decreased by:	
Appropriated to Finance Improvement Authorization	<u>600,000</u>
Balance, December 31, 2020	<u><u>\$ 1,405,916</u></u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF FIXED CAPITAL
SEWER UTILITY CAPITAL FUND**

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Amount</u>	Balance January 1, <u>2020</u>	Balance December 31, <u>2020</u>
1561	Various Sewer Improvements	6/19/2007	\$ 150,000	\$ 150,000	\$ 150,000
1693	Various Sewer Improvements	8/7/2012	150,000	150,000	150,000
1768	Various Sewer Improvements	4/28/2015	100,000	<u>100,000</u>	<u>100,000</u>
				<u>\$ 400,000</u>	<u>\$ 400,000</u>

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Amount</u>	Balance, January 1, <u>2020</u>	Balance, December 31, <u>2020</u>
1561	Various Sewer Improvements	6/19/2007	\$ 150,000	\$ 150,000	\$ 150,000
1693	Various Sewer Improvements	8/7/2012	150,000	150,000	150,000
1768	Various Sewer Improvements	4/28/2015	100,000	<u>100,000</u>	<u>100,000</u>
				<u>\$ 400,000</u>	<u>\$ 400,000</u>

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Amount</u>	<u>Balance January 1, 2020</u>	<u>Deferred Reserve for Authorization</u>	<u>Balance December 31, 2020</u>
1849	Various Sewer Improvements	6/5/2018	\$ 300,000	\$ 300,000		\$ 300,000
1873	Various Sewer Improvements	3/5/2019	300,000	300,000		300,000
1903	Various Sewer Improvements	2/4/2020	600,000	-	\$ 600,000	600,000
				<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ 1,200,000</u>

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Amount</u>	<u>Balance, January 1, 2020</u>	<u>Fixed Capital Authorized and Uncompleted</u>	<u>Balance, December 31, 2020</u>
1849	Various Sewer Improvements	6/5/2018	\$ 300,000	\$ 300,000		\$ 300,000
1873	Various Sewer Improvements	3/5/2019	300,000	300,000		300,000
1903	Various Sewer Improvements	2/4/2020	600,000	-	\$ 600,000	600,000
				<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ 1,200,000</u>

**TOWNSHIP OF WYCKOFF
SEWER UTILITY CAPITAL FUND
STATEMENT OF CONTRACTS PAYABLE**

Balance, January 1, 2020	\$ 4,349
Increased by:	
Contracts Payable	<u>224,000</u>
	228,349
Decreased by:	
Cash Disbursements	<u>4,349</u>
Balance, December 31, 2020	<u><u>\$ 224,000</u></u>

TOWNSHIP OF WYCKOFF
PART II
GOVERNMENT AUDITING STANDARDS



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS

REGISTERED MUNICIPAL ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Committee
Township of Wyckoff
Wyckoff, 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 Township of Wyckoff as of and for the year ended December 31, 2020, and the related notes to the financial statements, and have issued our report thereon dated August 2, 2021. 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 Township of Wyckoff's internal 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 Township of Wyckoff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Wyckoff's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

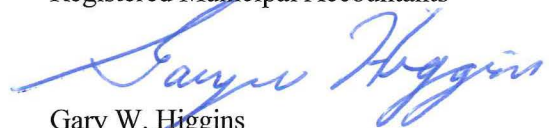
As part of obtaining reasonable assurance about whether the Township of Wyckoff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Purpose of this Report

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



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



Gary W. Higgins
Registered Municipal Accountant
RMA Number CR00405

Fair Lawn, New Jersey
August 2, 2021

TOWNSHIP OF WYCKOFF
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED DECEMBER 31, 2020

	<u>Grant Year</u>	<u>Account Number</u>	<u>Federal CFDA Number</u>	<u>Grant Award</u>	<u>Grant Award Received</u>	<u>Balance, January 1, 2020</u>	<u>2020 Revenue Realized</u>	<u>Expenditures</u>	<u>Balance, December 31, 2020</u>	<u>(Memo) Cumulative Expenditures</u>
U.S. Dept. of Transportation (Passed through NJ Dept of Transportation)										
Drunk Driving Enforcement Fund	2016	066-1160-100-057	20.601	\$ 3,137		\$ 452		\$ 452		\$ 3,137
Drunk Driving Enforcement Fund	2017	066-1160-100-057	20.601	1,510		1,510		671	\$ 839	671
Drunk Driving Enforcement Fund	2018	066-1160-100-057	20.601	1,511		1,511			1,511	-
Drunk Driving Enforcement Fund	2020	066-1160-100-057	20.601	2,409		-	\$ 2,409		2,409	-
U.S. Dept of Homeland Security (Passed through NJ Depart of Law and Public Safety)										
Drive Sober Get Pulled Over	2018	066-1160-100-157	20.616	5,500		1,415			1,415	
Distracted Driver	2019	066-1160-100-158	20.616	5,500		1,169	-	-	1,169	-
Coronavirus Pandemic	2020	N/A	97.036	23,006	\$ 23,006	-	20,597	20,597	-	-
						<u>\$ 6,057</u>	<u>\$ 23,006</u>	<u>\$ 21,720</u>	<u>\$ 7,343</u>	

Note - This schedule was not subject to an audit in accordance with U.S. Uniform Guidance.

TOWNSHIP OF WYCKOFF
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

<u>State Grant Program</u>	<u>Grant Number</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>Grant Amount Received</u>	<u>Balance, January 1, 2020</u>	<u>2020 Revenue</u>	<u>Expended</u>	<u>Balance, December 31, 2020</u>	<u>(Memo) Cumulative Expenditures</u>
Clean Communities Program	4900-752-178810-60	2019	39,013		\$ 29,339		21,092	\$ 8,247	\$ 30,766
		2020	35,175	\$ 35,175		\$ 35,175		35,175	
Recycling Tonnage Grant	N/A	2019	52,206			27,326	27,326		27,326
Municipal Alliance Program - State Share	N/A	2018	11,677		11,263			11,263	414
Alcohol Education and Rehabilitation	N/A	2019	586		498		98	400	186
Sustainable NJ	N/A	2019	2,000		561		425	136	1,864
		2020	10,000	5,000	-	10,000		10,000	-
Department of Transportation									
Improvements to Lafayette Ave - Ord #1851	078-6320-480-AM2	2018	215,000		16,397			16,397	198,603
Improvements to Greenwood Ave - Ord #1881	078-6320-ANP-6010	2019	217,000	63,198	217,000	-	63,198	153,802	63,198
					<u>\$ 275,058</u>	<u>\$ 72,501</u>	<u>\$ 112,139</u>	<u>\$ 235,420</u>	

N/A - Not Available

Note - This schedule was not subject to an audit in accordance with NJ OMB Circular 15-08.

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

TOWNSHIP OF WYCKOFF
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2020

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal awards and state financial assistance programs of the Township of Wyckoff. The Township is defined in Note 1(A) to the Township's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedules of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and 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 described in Note 1 to the Township's financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current Fund	\$ 2,409	\$ 72,501	\$ 74,910
Other Trust Fund	<u>20,597</u>	<u>-</u>	<u>20,597</u>
Total Financial Awards	<u>\$ 23,006</u>	<u>\$ 72,501</u>	<u>\$ 95,507</u>

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 Township's fiscal year and grant program year.

**TOWNSHIP OF WYCKOFF
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Part I – Summary of Auditor's Results

Financial Statements

- | | |
|---|--|
| A) Type of auditors' report issued on financial statements | <u>Modified - Regulatory Basis, Unaudited LOSAP Trust Fund</u> |
| B) Internal control over financial reporting: | |
| 1) Material weakness(es) identified | _____ yes <u> X </u> no |
| 2) Significant deficiency(ies) that are not considered to be material weakness(es)? | _____ yes <u> X </u> none reported |
| C) Noncompliance material to the financial statements noted? | _____ yes <u> X </u> no |

Federal Awards Section

NOT APPLICABLE

State Awards Section

NOT APPLICABLE

**TOWNSHIP OF WYCKOFF
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Part 2 – Schedule of Financial Statement Findings

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

There are none.

**TOWNSHIP OF WYCKOFF
SCHEDULE OF FINDINGS AND REPOSSES
FOR THE YEAR ENDED DECEMBER 31, 2020**

This section identifies the status of prior-year findings related to the financial statements are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*.

STATUS OF PRIOR YEAR FINDINGS

None reported.

TOWNSHIP OF WYCKOFF

PART III

SUPPLEMENTARY DATA

LETTER OF COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2020

**TOWNSHIP OF WYCKOFF
SUPPLEMENTARY DATA**

**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
CURRENT FUND**

	<u>Year 2020</u>			<u>Year 2019</u>	
	<u>Amount</u>	<u>Percent</u>		<u>Amount</u>	<u>Percent</u>
REVENUES AND OTHER INCOME					
Fund Balance Utilized	\$ 2,500,000	2.68 %	\$	2,200,000	2.38 %
Miscellaneous - From Other Than Local Property Tax Levies	3,400,873	3.63		4,712,738	5.08
Collection of Delinquent Taxes and Tax Title Liens	463,045	0.49		384,756	0.41
Collection of Current Tax Levy	86,462,217	92.40		84,755,981	91.39
Other Credits	<u>744,365</u>	<u>0.80</u>		<u>686,625</u>	<u>0.74</u>
Total Revenues and Other Income	<u>93,570,500</u>	<u>100.00 %</u>		<u>92,740,100</u>	<u>100.00 %</u>
EXPENDITURES					
Budget Expenditures					
Municipal Purposes	18,661,944	20.27 %		18,293,988	20.29 %
County Taxes	11,798,323	12.81		11,461,844	12.71
Local School Taxes	40,406,071	43.89		39,628,704	43.95
Regional School Taxes	20,927,073	22.73		20,545,362	22.79
Municipal Open Space Taxes	237,670	0.26		236,824	0.26
Other Debits	<u>34,917</u>	<u>0.04</u>		<u>95</u>	<u>0.00</u>
Total Expenditures	<u>92,065,998</u>	<u>100.00 %</u>		<u>90,166,817</u>	<u>100.00 %</u>
Excess in Revenues	1,504,502			2,573,283	
Fund Balance, January 1	<u>4,969,977</u>			<u>4,596,694</u>	
	6,474,479			7,169,977	
Less Utilization as Anticipated Revenue	<u>2,500,000</u>			<u>2,200,000</u>	
Fund Balance, December 31	<u>\$ 3,974,479</u>			<u>\$ 4,969,977</u>	

**TOWNSHIP OF WYCKOFF
SUPPLEMENTARY DATA**

**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
SEWER UTILITY OPERATING FUND**

	<u>Year 2020</u>			<u>Year 2019</u>	
	<u>Amount</u>	<u>Percent</u>		<u>Amount</u>	<u>Percent</u>
REVENUES AND OTHER INCOME					
Fund Balance Utilized	\$ 908,000	27.75 %	\$	200,000	7.87 %
Collection of Sewer Rents	2,283,170	69.78		2,252,374	88.58
Interest and Costs on Sewer Charges	8,605	0.27		10,483	0.41
Other Credits to Income:					
Miscellaneous Revenue Not Anticipated	31,133	0.95		60,107	2.36
Unexpended Balance of Appropriation Reserves	<u>41,026</u>	<u>1.25</u>		<u>19,819</u>	<u>0.78</u>
Total Revenues and Other Income	<u>3,271,934</u>	<u>100.00 %</u>		<u>2,542,783</u>	<u>100.00 %</u>
EXPENDITURES					
Budget Appropriations					
Operating	2,165,527	68.41 %		2,038,816	85.35 %
Capital Improvements	<u>1,000,000</u>	<u>31.59</u>		<u>350,000</u>	<u>14.65</u>
Total Expenditures	<u>3,165,527</u>	<u>100.00 %</u>		<u>2,388,816</u>	<u>100.00 %</u>
Excess in Revenues	106,407			153,967	
Fund Balance, January 1	<u>1,644,491</u>			<u>1,690,524</u>	
	1,750,898			1,844,491	
Decreased by					
Utilized as Anticipated Revenue	<u>908,000</u>			<u>200,000</u>	
Fund Balance, December 31	<u>\$ 842,898</u>			<u>\$ 1,644,491</u>	

**TOWNSHIP OF WYCKOFF
SUPPLEMENTARY DATA**

Comparative Schedule of Tax Rate Information

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Tax Rate	<u>\$1.835</u>	<u>\$1.810</u>	<u>\$1.782</u>

Apportionment of Tax Rate

Municipal (Including Library)	.290	.291	.287
County	.249	.243	.242
Local School	.854	.841	.827
Regional School	.442	.435	.426

Assessed Valuation

2020	<u>\$4,731,896,000</u>	
2019		<u>\$4,715,435,100</u>
2018		<u>\$4,699,781,200</u>

Comparison of Tax Levies and Collection Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2020	\$ 87,224,374	\$ 86,762,717	99.47%
2019	85,729,660	84,955,981	99.09%
2018	84,020,293	83,481,500	99.35%

Property Acquired by Tax Title Lien Foreclosure

No properties have been acquired in 2020 by foreclosure or deed, as a result of liquidation of tax title liens.

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

<u>Year</u>	<u>Amount</u>
2020	\$36,700
2019	36,700
2018	36,700

**TOWNSHIP OF WYCKOFF
SUPPLEMENTARY DATA**

Delinquent Taxes and Tax Title Liens

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

<u>December 31 Year</u>	<u>Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2020	\$ 16,372	\$ 420,025	\$ 436,397	0.50%
2019	14,983	463,045	478,028	0.56%
2018	19,531	378,236	397,767	0.47%

Comparison of Sewer Utility Billings

<u>Year</u>	<u>Levy</u>	<u>Collections *</u>	<u>Percent of Collection</u>
2020	\$2,235,411	\$2,283,170	100.21%
2019	2,288,714	2,252,374	98.41%
2018	2,198,050	2,205,219	100.32%

* Includes collections of prior years receivables

Comparative Schedule of Fund Balances

	<u>Year</u>	<u>Balance, December 31</u>	<u>Utilized In Budget of Succeeding Year</u>
Current Fund	2020	\$3,974,479	\$2,000,000
	2019	4,969,977	2,500,000
	2018	4,596,694	2,200,000
	2017	4,616,480	2,350,000
	2016	3,772,783	2,000,000
Sewer Utility Operating Fund	2020	\$842,898	\$400,000
	2019	1,644,491	908,000
	2018	1,690,524	200,000
	2017	1,725,558	100,000
	2016	2,111,340	550,000

**TOWNSHIP OF WYCKOFF
SUPPLEMENTARY DATA**

OFFICIALS IN OFFICE AND SURETY BONDS AS OF DECEMBER 31, 2020

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

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Corporate Surety</u>
Timothy Shanley	Mayor		
Thomas Madigan	Township Committee		
Rudolf Boonstra	Township Committee		
Melissa D Rubenstein	Township Committee		
Peter J. Melchionne	Township Committee		
Robert Shannon	Administrator	\$1,000,000	Municipal Excess Liability Joint Insurance Fund
Nancy A. Brown	Acting Township Clerk		
Diana McLeod	Chief Financial Officer, Tax Collector	\$1,000,000	Municipal Excess Liability Joint Insurance Fund
Pamela Steele	Tax Assessor		
Robert Landel	Township Attorney		
Russell Teschon	Municipal Judge (Shared Service Agreement with the Township of Glen Rock)		
Kimberly McWilliams	Court Administrator (Shared Service Agreement with the Township of Glen Rock)		

The Bergen County Municipal Joint Insurance Fund and Municipal Excess Liability Joint Insurance Fund provides statutory bond coverage in the amounts of \$50,000 and \$950,000, respectively.

TOWNSHIP OF WYCKOFF SUPPLEMENTARY DATA

General Comments

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

NJS 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$29,000, except by contract or agreement." As of July 1, 2011, the bidding threshold was increased to \$36,000. As of July 1, 2021 the State increased the bidding threshold to \$44,000.

If the Township's purchasing agent is qualified pursuant to subsection 3b. of Section 9 of P.L. 1971, c.198 (C.40A:11-9), the Township may establish the bid threshold up to a maximum of \$44,000. The Township's Administrator is qualified and the Township, by resolution, has increased the bid threshold to \$44,000.

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$44,000 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Counsel's opinion should be sought before a commitment is made.

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

Purchase of Woodchipper	Russell Farm Improvements.
Recreation Equipment	Memorial Town Hall Field Improvements
Greenwood Ave. Improvements	Road Improvements
Tree and Stump Removal	Installation of Walking Trail at Community Park
Fire Equipment	

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per NJSA 40A:11-5.

Our examination of expenditures did not reveal any instances where individual payments exceeded \$44,000 "for the performance of any work or the furnishing or hiring of any materials or supplies," where bids had not been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of NJSA. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the non-payment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 1, 2020, adopted the following resolution authorizing the amount of interest to be charged on delinquent taxes and assessments:

WHEREAS, Chapter 435 of the Laws of 1980 allows a governing body to set interest rates on delinquent taxes at a higher level than previously permitted by law;

**TOWNSHIP OF WYCKOFF
SUPPLEMENTARY DATA**

General Comments (Continued)

Collection of Interest on Delinquent Taxes and Assessments (Continued)

NOW, THEREFORE, BE IT ORDAINED by the Governing Body of the Township of Wyckoff, County of Bergen, State of New Jersey, that the interest rate to be charged by the Township of Wyckoff on taxes or assessments not timely paid shall be eight (8%) percent per annum on the first \$1,500 of delinquent assessments and taxes; and eighteen (18%) percent per annum on delinquent assessments and taxes in excess of \$1,500, all to be calculated from the date the tax was payable until the date of actual payment.

A penalty of 6% to be charged to a taxpayer where there is a tax and/or other municipal charge delinquency in excess of \$10,000 at the end of the calendar year.

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

Delinquent Taxes and Tax Title Liens

The tax sale for 2020 taxes and utility charges was held on October 29, 2020 and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

<u>Year</u>	<u>Number of Liens</u>
2020	4
2019	4
2018	4

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

**TOWNSHIP OF WYCKOFF
SUPPLEMENTARY DATA**

RECOMMENDATIONS

There are none.

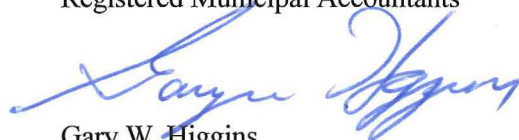
No recommendations were reported in the prior year audit.

* * * * *

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



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



Gary W. Higgins
Registered Municipal Accountant
RMA Number CR00405