

TOWNSHIP OF WYCKOFF
BERGEN COUNTY, NEW JERSEY
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2021

TOWNSHIP OF WYCKOFF

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TOWNSHIP OF WYCKOFF

COUNTY OF BERGEN

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Township Council
Township of Wyckoff
Wyckoff, New Jersey

Report on the Audit of the Financial Statements

Opinions

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, 2021 and 2020, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2021, and the related notes to the financial statements.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the possible effects of the matters discussed in the Basis for Qualified Opinion on Regulatory Basis of Accounting section of our report, 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, 2021 and 2020, 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, 2021 in accordance with the financial accounting and reporting provisions and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the 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, 2021 and 2020, or changes in financial position, or, where applicable, cash flows for the years then ended.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township of Wyckoff and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for 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, 2021 and 2020. The LOSAP Trust Fund financial activities are included in the Township's Trust Funds, and represent 51 percent and 45 percent of the assets and liabilities of the Township's Trust Funds as of December 31, 2021 and 2020, respectively.

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 and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township of Wyckoff's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Wyckoff's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 26, 2022 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.

Leuch Vinci & Higgins LLP

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

Gary W. Higgins

Gary W. Higgins
Registered Municipal Accountant
RMA Number CR00405

Fair Lawn, New Jersey
May 26, 2022

**TOWNSHIP OF WYCKOFF
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
CURRENT FUND
AS OF DECEMBER 31, 2021 AND 2020**

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
ASSETS			
Cash	A-4	\$ 8,463,016	\$ 7,414,245
Cash - Change Fund	A-5	<u>600</u>	<u>600</u>
		<u>8,463,616</u>	<u>7,414,845</u>
Grants Receivable	A-11	<u>5,000</u>	<u>18,846</u>
Taxes Receivable	A-7	451,825	420,025
Tax Title Liens	A-8	17,775	16,372
Property Acquired for Taxes - Assessed Valuation	A-9	36,700	36,700
Revenue Accounts Receivable	A-10	2,551	1,286
Due from Municipal Open Space Trust Fund	A-22		34,917
Due from Animal Control Trust Fund	B-6	<u>89</u>	<u>4,527</u>
		<u>508,940</u>	<u>513,827</u>
Total Assets		<u>\$ 8,977,556</u>	<u>\$ 7,947,518</u>

TOWNSHIP OF WYCKOFF
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
CURRENT FUND
AS OF DECEMBER 31, 2021 AND 2020

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Liabilities			
Appropriation Reserves	A-3, A-12	\$ 1,239,049	\$ 1,541,487
Encumbrances Payable	A-13	246,859	457,799
Prepaid Taxes	A-14	621,331	722,468
Tax Overpayments	A-18	183,181	74,393
County Taxes Payable	A-15	28,239	53,418
Due to Municipal Open Space Trust Fund	A-23	559	-
Reserve for Tax Appeals	A-19	275,403	512,322
Unappropriated Grant Reserves	A-21	886,909	-
Appropriated Grant Reserves	A-20	47,628	75,178
Due to State of NJ - Senior Citizen/Veteran Deduction	A-6	6,272	3,963
Fees Payable	A-24	<u>-</u>	<u>18,184</u>
		3,535,430	3,459,212
Reserve for Receivables and Other Assets	A	508,940	513,827
Fund Balance	A-1	<u>4,933,186</u>	<u>3,974,479</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 8,977,556</u>	<u>\$ 7,947,518</u>

TOWNSHIP OF WYCKOFF
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS - CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

REVENUE AND OTHER INCOME REALIZED	<u>Reference</u>	<u>2021</u>	<u>2020</u>
Fund Balance Utilized	A-2	\$ 2,000,000	\$ 2,500,000
Miscellaneous Revenue Anticipated	A-2	3,796,677	3,268,158
Receipts from Delinquent Taxes	A-2, A-7	416,527	463,045
Receipts from Current Taxes	A-2	87,846,648	86,462,217
Non Budget Revenue	A-2	557,131	132,715
Other Credits to Income			
Unexpended Balance of Appropriation Reserves	A-12	1,183,447	739,866
Interfunds Liquidated	A-1	39,355	216
Statutory Excess- Animal Control Fund	A-1		4,283
Cancelled Reserves	A-20	<u>2,615</u>	<u>-</u>
Total Revenue and Other Income		<u>95,842,400</u>	<u>93,570,500</u>
EXPENDITURES			
Budget Appropriations			
Operations			
Salaries and Wages	A-3	6,508,657	6,402,604
Other Expenses	A-3	8,763,750	8,700,963
Capital Improvements	A-3	490,250	958,500
Municipal Debt Service	A-3	764,547	804,573
Deferred Charges and Statutory Expenditures -			
Municipal	A-3	1,949,126	1,795,304
Other Debits			
Regional School Taxes	A-17	21,456,363	20,927,073
Local School Taxes	A-16	40,627,285	40,406,071
County Taxes	A-15	12,084,566	11,798,323
Municipal Open Space Tax	A-23	239,149	237,670
Interfunds Advanced	A-1	<u>-</u>	<u>34,917</u>
Total Expenditures		<u>92,883,693</u>	<u>92,065,998</u>
Statutory Excess in Revenue to Fund Balance		2,958,707	1,504,502
FUND BALANCE, JANUARY 1	A	<u>3,974,479</u>	<u>4,969,977</u>
		6,933,186	6,474,479
Decreased by:			
Utilized as Anticipated Revenue	A-2	<u>2,000,000</u>	<u>2,500,000</u>
FUND BALANCE, DECEMBER 31	A	<u>\$ 4,933,186</u>	<u>\$ 3,974,479</u>

TOWNSHIP OF WYCKOFF
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Reference</u>	2021 Anticipated Budget	Added by NJS 40A:4-87	Realized in 2021	Excess or (Deficit)
Fund Balance Anticipated	A-2	\$ 2,000,000	-	\$ 2,000,000	-
Miscellaneous Revenues					
Township Clerk - Licenses					
Alcoholic Beverages	A-10	17,500		17,500	-
Other	A-10	110,000		94,496	\$ (15,504)
Fees and Permits	A-10	200,000		296,316	96,316
Fines and Costs - Municipal Court	A-10	70,000		20,373	(49,627)
Interest and Costs on Taxes	A-10	90,000		108,204	18,204
Interest on Investments and Deposits	A-2	100,000		31,114	(68,886)
Lease of Township Property	A-10	43,380		43,380	-
Cable Franchise Fee	A-10	266,301		266,301	-
Lease of Cell Tower #1	A-10	160,017		165,301	5,284
Lease of Cell Tower #2	A-10	189,182		195,586	6,404
Lease of Cell Tower #3	A-10	31,447		31,999	552
Energy Receipts Tax	A-10	1,093,271		1,093,271	-
Uniform Construction Code Fees	A-10	520,000		592,480	72,480
Library Shared Service Agreement	A-10	13,564		13,564	-
Public and Private Revenues:					
Reserve for Recycling Tonnage Grant	A-21		45,802	45,802	-
Clean Communities Program	A-21		37,426	37,426	-
Other Special Items					
Recreation Fees	A-10	500,000		722,327	222,327
Uniform Fire Safety Act	A-10	25,000	-	21,237	(3,763)
Total Miscellaneous Revenues	A-1	3,429,662	83,228	3,796,677	283,787
Receipts from Delinquent Taxes	A-2	418,000	-	416,527	(1,473)
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Taxes for Municipal Purposes	A-2	12,461,875	-	13,352,467	890,592
Minimum Library Tax	A-2	1,586,818	-	1,586,818	-
Total Amount to be Raised by Taxes		14,048,693	-	14,939,285	890,592
Budget Totals		\$ 19,896,355	\$ 83,228	21,152,489	\$ 1,172,906
Non-Budget Revenue	A-2, A-4			557,131	
				<u>\$ 21,709,620</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, 2021

	<u>Reference</u>	
ANALYSIS OF REALIZED REVENUES		
Allocation of Current Tax Collections		
Revenue from Collections	A-7	\$ 88,046,648
Less: Transferred to Reserve for Tax Appeals	A-19	<u>200,000</u>
	A-1	87,846,648
Less: Allocated to School, County and Open Space Taxes	A-15, A-16, A-17, A-23	<u>74,407,363</u>
		13,439,285
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>1,500,000</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 14,939,285</u>
Fees and Permits - Other		
Tax Collector		\$ 408
Board of Health		94,588
Code Enforcement		166,386
Police Department		9,107
Planning Board		4,264
Stormwater Management		6,500
Board of Adjustment		<u>15,063</u>
	A-2, A-10	<u>\$ 296,316</u>
Interest on Investments and Deposits		
Revenue Accounts Receivable	A-10	\$ 30,939
Due from General Capital Fund	C-2	2
Due from Other Trust Fund	B-8	84
Due from Animal Control Fund	B-6	<u>89</u>
	A-2	<u>\$ 31,114</u>
Analysis of Receipts from Delinquent Taxes		
Taxes	A-2, A-7	<u>\$ 416,527</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, 2021**

Reference

Analysis of Non-Budget Revenue	
Recyclables - Paper/Plastic/Metal	\$ 14,337
Library Reimbursement - Pension	101,610
FEMA - COVID	2,967
Police Outside Duty Admin Fee	400,000
Miscellaneous	<u>38,217</u>
A-2, A-4	<u>\$ 557,131</u>

TOWNSHIP OF WYCKOFF
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>2021 Appropriated</u>		<u>2021 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	\$ 330,717	\$ 351,717	\$ 348,406	\$ 3,311	
Other Expenses	29,150	29,150	23,054	6,096	
Township Clerk					
Salaries and Wages	207,138	213,138	211,032	2,106	
Other Expenses	72,600	72,600	65,701	6,899	
Financial Administration					
Salaries and Wages	221,621	226,621	220,305	6,316	
Other Expenses	28,300	28,300	23,832	4,468	
Audit Services	28,750	28,750	25,493	3,257	
Revenue Administration and Tax Collection					
Salaries and Wages	127,853	136,853	134,681	2,172	
Other Expenses	19,000	19,000	18,438	562	
Elections					
Other Expenses	15,000	15,000	14,800	200	
Assessment of Taxes					
Salaries and Wages	154,039	144,039	127,566	16,473	
Other Expenses	182,800	146,800	92,064	54,736	
Environmental Commission: NJSA 40:56A-1					
Other Expenses	2,000	2,000	459	1,541	
Legal Services and Costs					
Other Expenses	151,500	151,500	128,628	22,872	
Engineering Services					
Other Expenses	15,500	15,500	4,484	11,017	
Public Buildings and Grounds					
Salaries and Wages	42,000	42,000	42,000	-	
Other Expenses	231,400	286,400	276,714	9,686	
Shade Tree Commission					
Other Expenses	112,000	112,000	88,850	23,150	
Land Use Administration:					
Planning Board					
Salaries and Wages	20,361	20,361	19,768	593	
Other Expenses	30,000	22,000	6,726	15,274	
Board of Adjustment:					
Other Expenses	6,500	6,500	4,756	1,744	
Insurances					
General Liability Insurance	273,176	273,176	272,158	1,018	
Workers Compensation Insurance	210,000	210,000	209,963	37	
Employee Health Benefits Insurance	1,978,000	1,898,000	1,587,757	310,243	
Health Benefit Waivers	5,000	5,000	-	5,000	
Unemployment Compensation Insurance	25,000	25,000	25,000	-	
Police					
Salaries and Wages	3,186,626	3,186,626	3,103,736	82,890	
Other Expenses	131,900	131,900	118,846	13,054	
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	89,791	209	
Uniform Fire Safety Act					
Life Hazard Use Fees (PL 1983)					
Salaries and Wages	18,412	18,412	18,412	-	
Other Expenses	2,000	2,000	547	1,453	
Radio Communications Contract	13,000	13,000	11,808	1,192	
Recreation and Recreation Education					
Salaries and Wages	192,014	205,014	203,110	1,904	
Other Expenses	283,000	251,000	246,760	4,240	
Park Maintenance					
Salaries and Wages	81,915	81,915	81,915	-	
Other Expenses	122,000	130,000	130,000	-	
Celebration of Public Events					
Other Expenses	20,000	20,000	12,925	7,075	

**TOWNSHIP OF WYCKOFF
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>2021 Appropriated</u>		<u>2021 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	\$ 401,000	\$ 401,000	\$ 246,750	\$ 154,250	
Sanitation/Garbage and Trash Removal					
Other Expenses	502,000	502,000	418,333	\$ 83,667	
Road Repairs and Maintenance					
Salaries and Wages	1,285,896	1,295,896	1,292,737	3,159	
Other Expenses	312,500	312,500	242,091	70,409	
Inspector's Vehicle Other Expenses	2,000	2,000	-	2,000	
DPW Vehicle Other Expenses	145,000	125,000	110,106	14,894	
Police Vehicle Other Expenses	30,000	30,000	20,579	9,421	
Fire Vehicle Other Expenses	45,000	78,000	72,451	5,549	
CDL Mandate Other Expenses	1,000	1,000	814	186	
Board of Health					
Salaries and Wages	14,068	14,068	14,068	-	
Other Expenses	67,700	67,700	53,790	13,910	
Hepatitis B Vaccination					
Other Expenses	4,150	4,150	860	3,290	
Animal Control					
Other Expenses	19,200	19,200	9,000	10,200	
Condo Services Act					
Other Expenses	5,500	5,500	-	5,500	
Construction Code Official					
Salaries and Wages	502,088	504,088	502,292	1,796	
Other Expenses	24,500	21,500	18,334	3,166	
PEOSHA Mandate	26,000	26,000	26,000		
Hepatitis B (P.L. 1985 c. 516)				-	
Respiratory Protection				-	
Municipal Court					
Salaries and Wages	26,816	26,816	21,416	5,400	
Other Expenses	56,244	56,244	54,759	1,485	
Municipal Prosecutor					
Other Expenses	12,000	12,000	7,950	4,050	
Public Defender					
Other Expenses	6,200	6,200	4,800	1,400	
Utilities:					
Electricity	92,000	72,000	61,782	10,218	
Street Lighting	195,000	215,000	212,135	2,865	
Telephone	65,000	97,000	86,477	10,523	
Water	8,000	8,000	4,071	3,929	
Natural Gas	35,000	35,000	29,374	5,626	
Fire Hydrants	67,000	61,000	60,194	806	
Gasoline	96,000	91,000	73,785	17,215	
Landfill and Solid Waste Disposal	425,000	425,000	350,488	74,512	-
Total Operations Within "CAPS"	13,187,134	13,181,134	12,035,917	1,145,217	-
Detail:					
Salaries and Wages	6,411,564	6,467,564	6,341,443	126,121	-
Other Expenses	6,775,570	6,713,570	5,694,474	1,019,096	-
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
Statutory Charges					
Public Employees Retirement System	518,234	518,234	518,234	-	
Social Security System (O.A.S.I.)	495,000	500,000	488,718	11,282	
Defined Compensation Retirement Plan	2,500	2,500	2,472	28	
Police and Firemen's Retirement System of NJ	928,392	928,392	928,392	-	-
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	1,944,126	1,949,126	1,937,816	11,310	-
Total General Appropriations for Municipal Purposes Within "CAPS"	15,131,260	15,130,260	13,973,733	1,156,527	-

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, 2021

	<u>2021 Appropriated</u>		<u>2021 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	\$ 25,000	\$ 25,000	\$ 16,312	\$ 8,688	
Affordable Housing					
Salaries and Wages	40,093	41,093	40,386	707	
Other Expenses	35,500	35,500	23,882	11,618	
Tax Appeal Interest	50	50	-	50	
911 Emergency Service Contract	196,020	196,020	191,017	5,003	
Maintenance of Free Public Library	1,586,818	1,586,818	1,530,361	56,457	
Length of Service Award Program (LOSAP)	110,000	110,000	110,000	-	-
Total Other Operations Excluded from "CAPS"	1,993,481	1,994,481	1,911,958	82,523	-
Interlocal Municipal Service Agreements					
Wyckoff Public Library-Payroll Shared Service	13,564	13,564	13,564		
Wyckoff Public Library-Administration and Mgmt Services	-	-	-	-	-
Total Interlocal Municipal Service Agreements	13,564	13,564	13,564	-	-
Public and Private Programs Offset by Revenues					
Recycling Tonnage Grant		45,802	45,802		
Clean Communities Program	-	37,426	37,426	-	-
Total Public and Private Programs Offset by Revenues	-	83,228	83,228	-	-
Total Operations Excluded from "CAPS"	2,007,045	2,091,273	2,008,751	82,523	-
Detail:					
Salaries and Wages	40,093	41,093	40,386	707	-
Other Expenses	1,966,952	2,050,180	1,968,365	81,816	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	490,250	490,250	490,250	-	-
Total Capital Improvements Excluded from "CAPS"	490,250	490,250	490,250	-	-

**TOWNSHIP OF WYCKOFF
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>2021 Appropriated</u>		<u>2021 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	\$ 740,800	\$ 740,800	\$ 740,800	-	
Interest on Notes	27,000	27,000	23,747	-	\$ 3,253
Total Municipal Debt Service Excluded from "CAPS"	767,800	767,800	764,547	0	3,253
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	3,265,095	3,349,323	3,263,548	\$ 82,523	3,253
Subtotal General Appropriations	18,396,355	18,479,583	17,237,281	1,239,049	3,253
Reserve for Uncollected Taxes	1,500,000	1,500,000	1,500,000	-	-
Total General Appropriations	\$ 19,896,355	\$ 19,979,583	\$ 18,737,281	\$ 1,239,049	\$ 3,253
<u>Reference</u>	A-2			A	

TOWNSHIP OF WYCKOFF
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Reference</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>
Adopted Budget	A-2	\$ 19,896,355	
Additional Appropriations (N.J.S.A. 40A:4-87)	A-2	<u>83,228</u>	
		<u>\$ 19,979,583</u>	
Cash Disbursed - Net of Refunds	A-4		\$ 16,907,194
Encumbrances Payable	A-13		246,859
Transferred To Appropriated Grant Reserves	A-20		83,228
Reserve for Uncollected Taxes	A-2		<u>1,500,000</u>
			<u>\$ 18,737,281</u>

TOWNSHIP OF WYCKOFF
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUNDS
AS OF DECEMBER 31, 2021 AND 2020

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
ASSETS			
ANIMAL CONTROL TRUST FUND			
Cash	B-3	\$ 28,046	\$ 36,598
		<u>28,046</u>	<u>36,598</u>
OTHER TRUST FUND			
Cash	B-3	<u>3,874,266</u>	<u>4,194,900</u>
		<u>3,874,266</u>	<u>4,194,900</u>
MUNICIPAL OPEN SPACE TRUST FUND			
Cash	B-3	446,764	367,374
Due from Current Fund	B-12	<u>559</u>	<u>-</u>
		<u>447,323</u>	<u>367,374</u>
LENGTH OF SERVICE AWARDS PROGRAM TRUST FUND (UNAUDITED)			
Investments	B	4,386,806	3,692,726
Contributions Receivable	B	<u>79,350</u>	<u>80,500</u>
		<u>4,466,156</u>	<u>3,773,226</u>
Total Assets		<u>\$ 8,815,791</u>	<u>\$ 8,372,098</u>
LIABILITIES, RESERVES AND FUND BALANCE			
ANIMAL CONTROL TRUST FUND			
Reserve for Dog License Expenditures	B-4	\$ 27,458	\$ 31,462
Due to Current Fund	B-6	89	4,527
Due to the State of New Jersey	B-5	<u>499</u>	<u>609</u>
		<u>28,046</u>	<u>36,598</u>
OTHER TRUST FUND			
Reserve for Miscellaneous Reserves and Special Deposits	B-7	3,495,814	3,859,767
Reserve for Payroll Deductions Payable	B-13	315,805	298,853
Reserve for Unemployment Compensation	B-10	41,032	30,017
Due to the State of New Jersey	B-9	<u>21,615</u>	<u>6,263</u>
		<u>3,874,266</u>	<u>4,194,900</u>
MUNICIPAL OPEN SPACE TRUST FUND			
Due to Current Fund	B-12		34,917
Reserve for Municipal Open Space Trust Fund	B-11	<u>447,323</u>	<u>332,457</u>
		<u>447,323</u>	<u>367,374</u>
LENGTH OF SERVICE AWARDS PROGRAM TRUST FUND (UNAUDITED)			
Reserve for LOSAP	B	<u>4,466,156</u>	<u>3,773,226</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 8,815,791</u>	<u>\$ 8,372,098</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, 2021

	<u>Anticipated (Memo)</u>				
	<u>Reference</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>2021 Realized</u>	<u>Variance</u>
Amount to be Raised by Taxation	B-10	<u>\$ 238,590</u>	<u>\$ 238,590</u>	<u>\$ 239,149</u>	<u>\$ 559</u>
		<u>\$ 238,590</u>	<u>\$ 238,590</u>	239,149	<u>\$ 559</u>
Non-Budget Revenue	B-10			<u>573</u>	
				<u>\$ 239,722</u>	
Analysis of Non-Budget Revenue					
Interest on Deposits				<u>\$ 573</u>	

STATEMENT OF EXPENDITURES - REGULATORY BASIS - MUNICIPAL OPEN SPACE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

		<u>Appropriated (Memo)</u>			
	<u>Reference</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Variance</u>
Maintenance of Lands for Recreation and Conservation					
Other Expenses	B-10	\$ 87,000	\$ 87,000	\$ 66,427	\$ 20,573
Reserve for Future Use	B-10	<u> 151,590</u>	<u> 151,590</u>	<u> 70,400</u>	<u> 81,190</u>
		<u>\$ 238,590</u>	<u>\$ 238,590</u>	<u>\$ 136,827</u>	<u>\$ 101,763</u>

TOWNSHIP OF WYCKOFF
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL CAPITAL FUND
AS OF DECEMBER 31, 2021 AND 2020

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
ASSETS			
Cash	C-2,C-3	\$ 619,349	\$ 1,145,080
Grants Receivable	C-4	1,499,942	1,206,767
Deferred Charges to Future Taxation - Unfunded	C-5	<u>4,348,190</u>	<u>3,823,990</u>
Total Assets		<u>\$ 6,467,481</u>	<u>\$ 6,175,837</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Bond Anticipation Notes Payable	C-10	3,083,190	3,823,990
Contracts Payable	C-8	409,104	226,516
Capital Improvement Fund	C-7	53,543	43,743
Improvement Authorizations			
Funded	C-6	2,900,113	2,064,748
Unfunded	C-6	4,691	-
Fund Balance	C-1	<u>16,840</u>	<u>16,840</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 6,467,481</u>	<u>\$ 6,175,837</u>

There were no bonds and notes authorized but not issued at December 31, 2021 and 2020 of \$1,265,000 and \$0, respectively.

TOWNSHIP OF WYCKOFF
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - REGULATORY BASIS
GENERAL CAPITAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
Balance, January 1	C	\$ <u>16,840</u>	\$ <u>16,840</u>
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, 2021 AND 2020

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
ASSETS			
OPERATING FUND			
Cash	D-4	\$ 639,198	\$ 900,808
Receivables With Full Reserves			
Consumer Accounts Receivable	D-6	64,282	57,164
Total Operating Fund		703,480	957,972
CAPITAL FUND			
Cash	D-4, D-5	2,586,548	2,313,448
Fixed Capital	D-12	400,000	400,000
Fixed Capital Authorized and Uncompleted	D-14	1,200,000	1,200,000
Total Capital Fund		4,186,548	3,913,448
Total Assets		\$ 4,890,028	\$ 4,871,420
LIABILITIES, RESERVES AND FUND BALANCE			
OPERATING FUND			
Appropriation Reserves	D-3,D-7	\$ 101,169	\$ 47,197
Encumbrances Payable	D-8	3,576	2,088
Overpayments	D-9	7,589	8,625
		112,334	57,910
Reserve for Receivables	D	64,282	57,164
Fund Balance	D-1	526,864	842,898
Total Operating Fund		703,480	957,972
CAPITAL FUND			
Capital Improvement Fund	D-11	1,905,916	1,405,916
Improvement Authorizations-Funded	D-10	639,698	683,532
Contracts Payable	D-16	40,934	224,000
Reserved for Amortization	D-13	400,000	400,000
Deferred Reserve for Amortization	D-15	1,200,000	1,200,000
Total Capital Fund		4,186,548	3,913,448
Total Liabilities, Reserves and Fund Balance		\$ 4,890,028	\$ 4,871,420

There were no bonds and notes authorized and not issued at December 31, 2021 and 2020.

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, 2021 AND 2020

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
REVENUES AND OTHER INCOME			
Fund Balance Utilized	D-2	\$ 400,000	\$ 908,000
Sewer Rents	D-2	2,268,509	2,283,170
Interest and Costs on Sewer Charges	D-2	7,868	8,605
Other Credits to Income			
Non Budget Revenue	D-2	43,834	31,133
Unexpended Balance of Appropriation Reserves	D-7	<u>24,393</u>	<u>41,026</u>
Total Revenues and Other Income		<u>2,744,604</u>	<u>3,271,934</u>
EXPENDITURES			
Budget Appropriations			
Operating	D-3	2,160,638	2,165,527
Capital Improvements	D-3	<u>500,000</u>	<u>1,000,000</u>
Total Expenditures		<u>2,660,638</u>	<u>3,165,527</u>
Excess in Revenues		83,966	106,407
FUND BALANCE, JANUARY 1	D	<u>842,898</u>	<u>1,644,491</u>
		926,864	1,750,898
Decreased by:			
Utilized as Anticipated Revenue	D-2	<u>400,000</u>	<u>908,000</u>
FUND BALANCE, DECEMBER 31	D	<u>\$ 526,864</u>	<u>\$ 842,898</u>

TOWNSHIP OF WYCKOFF
STATEMENT OF REVENUES - REGULATORY BASIS
SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Reference</u>	<u>2021 Anticipated</u>	<u>2021 Realized</u>	<u>Excess or (Deficit)</u>
Operating Surplus Anticipated	D-1	\$ 400,000	\$ 400,000	
Sewer Rents	D-1-D-6	2,252,238	2,268,509	\$ 16,271
Interest and Costs on Sewer Charges	D-1,D-4	<u>8,400</u>	<u>7,868</u>	<u>(532)</u>
		<u>\$ 2,660,638</u>	<u>2,676,377</u>	<u>\$ 15,739</u>
Non-Budget Revenue	D-1,D-4		<u>43,834</u>	
			<u>\$ 2,720,211</u>	
<u>Analysis of Non-Budget Revenue</u>				
Sewer Hook-Ups			\$ 43,711	
Miscellaneous			<u>123</u>	
	D-1,D-4		<u>\$ 43,834</u>	

TOWNSHIP OF WYCKOFF
STATEMENT OF EXPENDITURES - REGULATORY BASIS
SEWER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<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	\$ 108,138	\$ 108,138	\$ 106,960	\$ 1,178
Other Expenses	2,052,500	2,052,500	1,952,509	99,991
CAPITAL IMPROVEMENTS				
Capital Improvement Fund	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
	<u>\$ 2,660,638</u>	<u>\$ 2,660,638</u>	<u>\$ 2,559,469</u>	<u>\$ 101,169</u>

	<u>Reference</u>	D-2	D-2	D
Cash Disbursed	D-4		\$ 2,555,893	
Encumbrances Payable	D-8		<u>3,576</u>	
			<u>\$ 2,559,469</u>	

TOWNSHIP OF WYCKOFF
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL FIXED ASSETS ACCOUNT GROUP
AS OF DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Land	\$ 9,062,300	\$ 9,062,300
Land Improvements	1,795,351	1,795,351
Buildings and Building Improvements	2,400,786	2,400,786
Vehicles and Equipment	<u>9,581,309</u>	<u>9,532,252</u>
Total Assets	<u>\$ 22,839,746</u>	<u>\$ 22,790,689</u>
RESERVES		
Investment in General Fixed Assets	<u>\$ 22,839,746</u>	<u>\$ 22,790,689</u>
Total Reserves	<u>\$ 22,839,746</u>	<u>\$ 22,790,689</u>

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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, 2021 AND 2020**

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, 2021 AND 2020**

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, 2020 balances to conform to the December 31, 2021 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, 2021 AND 2020**

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, 2021 AND 2020

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, 2021 AND 2020**

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, 2021 AND 2020

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 2021 and 2020 the Township Committee increased the original budget by \$83,228 and \$35,175, respectively. The 2021 and 2020 increase was funded by additional aid allotted to the Township. In addition, the governing body approved several budget transfers during 2021 and 2020.

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, 2021 and 2020, the book value of the Township's deposits were \$16,657,787 and \$16,373,053 and bank and brokerage firm balances of the Township's deposits amounted to \$18,697,688 and \$20,043,562, 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>2021</u>	<u>2020</u>
Insured	\$ 18,697,688	\$ 20,043,562

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, 2021 and 2020, 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 2021

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, 2021 and 2020, the Township had the following investments:

	Fair Value (Unaudited)	
	2021	2020
Investments:		
Length of Service Awards Program (LOSAP)	\$ 4,386,806	\$ 3,692,726

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, 2021 and 2020, \$4,386,806 and \$3,692,726 of the Township's investments was exposed to custodial credit risk as follows:

	Fair Value (LOSAP) Unaudited	
	2021	2020
Uninsured and Collateralized:		
Collateral held by pledging financial institution's trust department but not in the Township's name	\$ 4,386,806	\$ 3,692,726

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. 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.

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, 2021 and 2020, the Township's investment in Lincoln Financial Group was rated Baalby Moody's Investor Services.

**TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)

B. Investments (Continued)

Concentration of Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. 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.

Fair Value of Investments. The Township of Wyckoff measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- *Level 1*: Quoted prices for identical investments in active markets;
- *Level 2*: Observable inputs other than those in Level 1; and
- *Level 3*: Unobservable inputs.

Investments are valued based on price data obtained from observed transactions and market price quotations provided by Lincoln Financial Group. Since the value is not obtained from a quoted price in an active market the investments held by the Township at December 31, 2021 and 2020 are categorized as Level 2.

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, 2021 consisted of the following:

	<u>Current</u>	<u>Sewer</u>	<u>Total</u>
<u>2021</u>			
Property Taxes	\$ 451,825		\$ 451,825
Tax Title Liens	17,775		17,775
Sewer Utility Charges	<u>-</u>	<u>\$ 64,282</u>	<u>64,282</u>
	<u>\$ 469,600</u>	<u>\$ 64,282</u>	<u>\$ 533,882</u>

In 2021, the Township collected \$416,527 and \$57,164 from delinquent taxes and utility charges, which represented 99% and 100% of the delinquent tax and sewer charges receivable at December 31, 2020.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 4 TAXES AND UTILITY CHARGES RECEIVABLE (Continued)

Receivables at December 31, 2019 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>\$ 57,164</u>	<u>57,164</u>
	<u>\$ 436,397</u>	<u>\$ 57,164</u>	<u>\$ 493,561</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.

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>2021</u>		<u>2020</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	\$ 89		\$ 39,444	
Trust Funds				
Municipal Open Space Trust				\$ 34,917
Animal Control Trust Fund	<u>-</u>	<u>\$ 89</u>	<u>-</u>	<u>4,527</u>
Total	<u>\$ 89</u>	<u>\$ 89</u>	<u>\$ 39,444</u>	<u>\$ 39,444</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.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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:

	Fund Balance December 31, <u>2021</u>	Utilized in Subsequent Year's Budget	Fund Balance December 31, <u>2020</u>	Utilized in Subsequent Year's Budget
Current Fund				
Cash Surplus	\$ 4,928,186	\$ 2,300,000	\$ 3,955,633	\$ 2,000,000
Non-Cash Surplus	<u>5,000</u>	<u>-</u>	<u>18,846</u>	<u>-</u>
	<u>\$ 4,933,186</u>	<u>\$ 2,300,000</u>	<u>\$ 3,974,479</u>	<u>\$ 2,000,000</u>
Sewer Utility Operating Fund				
Cash Surplus	\$ 526,864	\$ 490,000	\$ 842,898	\$ 400,000
Non-Cash Surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 526,864</u>	<u>\$ 490,000</u>	<u>\$ 842,898</u>	<u>\$ 400,000</u>

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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, 2021 and 2020.

	Balance January 1 <u>2021</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2021</u>
<u>2021</u>				
Land	\$ 9,062,300			\$ 9,062,300
Site Improvements	1,795,351			1,795,351
Buildings	2,400,786			2,400,786
Vehicles and Equipment	<u>9,532,252</u>	<u>\$ 653,468</u>	<u>\$ 604,411</u>	<u>9,581,309</u>
	<u>\$ 22,790,689</u>	<u>\$ 653,468</u>	<u>\$ 604,411</u>	<u>\$ 22,839,746</u>
	Balance January 1 <u>2020</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2020</u>
<u>2020</u>				
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>

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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, 2021 and 2020.

<u>Sewer Utility Fund</u>	Balance January 1, 2021	Increases	Decreases	Balance, December 31, 2021
<u>2021</u>				
Fixed Capital				
Various Improvements	\$ 400,000	\$ -	\$ -	\$ 400,000
	Balance January 1, 2020	Increases	Decreases	Balance, December 31, 2020
<u>2020</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>2021</u>	<u>2020</u>
Issued		
General		
Notes	\$ 3,083,190	\$ 3,823,990
Net Debt Issued	\$ 3,083,190	\$ 3,823,990
Authorized but not Issued		
General		
Bonds and Notes	\$ 1,265,000	\$ -
Net Bonds and Notes Issued and Authorized not Issued	\$ 4,348,190	\$ 3,823,990

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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 .091% and .081% at December 31, 2021 and 2020, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2021</u>			
General Debt	\$ 4,348,190		\$ 4,348,190
School Debt	<u>23,186,272</u>	<u>\$ 23,186,272</u>	<u>-</u>
Total	<u>\$ 27,534,462</u>	<u>\$ 23,186,272</u>	<u>\$ 4,348,190</u>
	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2020</u>			
General Debt	\$ 3,823,990		\$ 3,823,990
School Debt	<u>24,118,674</u>	<u>\$ 24,118,674</u>	<u>-</u>
Total	<u>\$ 27,942,664</u>	<u>\$ 24,118,674</u>	<u>\$ 3,823,990</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>2021</u>	<u>2020</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 166,884,955	\$ 165,203,677
Net Debt	<u>4,348,190</u>	<u>3,823,990</u>
Remaining Borrowing Power	<u>\$ 162,536,765</u>	<u>\$ 161,379,687</u>

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 8 MUNICIPAL DEBT (Continued)

A. Short-Term Debt

The Township's short-term debt activity for the years ended December 31, 2021 and 2020 was as follows:

Bond Anticipation Notes

	Rate (%)	Maturity Date	Balance, January 1, 2021	Additions	Reductions	Balance, December 31, 2021
<u>2021</u>						
<u>Purpose</u>						
<u>General Capital Fund</u>						
Various Capital Improvements	0.39%	3/22/2022	\$ 1,515,000	\$ 1,165,000	\$ 1,515,000	\$ 1,165,000
Commuter Lot Repavement/Dump Truck	0.92%	3/24/2021	22,300		22,300	-
Purchase of Fire Pumper	0.39%	3/22/2022	532,440	532,440	532,440	532,440
Road Resurfacing and Purchase of Sweeper	0.39%	3/22/2022	413,750	313,750	413,750	313,750
Various Road Improvements	0.92%	3/24/2021	268,500		268,500	-
Road Resurfacing and Town Hall Roof	0.39%	3/22/2022	1,072,000	1,072,000	1,072,000	1,072,000
Total General Capital Fund			<u>\$ 3,823,990</u>	<u>\$ 3,083,190</u>	<u>\$ 3,823,990</u>	<u>\$ 3,083,190</u>

	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>

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.

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.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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>2021</u>		
Acquisition of Maple Lake Property	\$1,200,000	2022
Affordable Housing Rehabilitation	594,000	2022
<u>2020</u>		
Acquisition of Two Police Vehicles and Equipment	\$90,343	2021

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:

	<u>Balance January 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, December 31, 2021</u>	<u>Due Within One Year</u>
<u>2021</u>					
Net Pension Liability - PERS (1)	\$ 7,725,242			\$ 7,725,242	
Net Pension Liability - PFRS (1)	10,737,882			10,737,882	
Net OPEB Liability (1)	17,740,047	-	-	17,740,047	-
	<u>\$ 36,203,171</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,203,171</u>	<u>\$ -</u>
	<u>Balance January 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, December 31, 2020</u>	<u>Due Within 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	12,718,542	5,021,505	-	17,740,047	-
	<u>\$ 31,445,581</u>	<u>\$ 5,500,432</u>	<u>\$ 742,842</u>	<u>\$ 36,203,171</u>	<u>\$ -</u>

- (1) GASB Statement numbers 68 and 75 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, 2021 AND 2020

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, 2021 AND 2020**

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

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

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trust. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

**TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

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, 2021 was not available and at June 30, 2020 is \$16.4 billion and the plan fiduciary net position as a percentage of the total pension liability is 58.32% at June 30, 2020. The collective net pension liability of the participating employers for local PFRS at June 30, 2021 was not available and at June 30, 2020 is \$14.9 billion and the plan fiduciary net position as a percentage of total pension liability is 63.52% at June 30, 2020.

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

Actuarial Methods and Assumptions

In the July 1, 2019 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, 2021 AND 2020

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 2021 and 2020 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 2021, 2020 and 2019 were equal to the required contribution.

During the years ended December 31, 2021, 2020 and 2019, 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>
2021	\$ 928,392	\$ 518,234	\$ 2,472
2020	846,775	457,142	1,809
2019	808,405	472,543	4,791

In addition for the years ended December 31, 2021, 2020 and 2019 the Township contributed for long-term disability insurance premiums (LTDI) of \$0, \$887 and \$1,074, 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.

Under GASB Statement No. 68 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer's prior fiscal year. The GASB 68 financial information from the State's Division of Pensions and Benefits to be reported for the year ended December 31, 2021 for the measurement date of June 30, 2021 was not available as of the date of audit. Accordingly, the State's Division of Local Government Services authorized and permits New Jersey municipalities to present the most recent available audited GASB 68 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB 68 financial information for the year ended December 31, 2021 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the contributions made as an individual employer toward the actuarially determined contribution amount to total contributions to the plan 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, 2021 AND 2020

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS)

At December 31, 2020, the Township reported a liability of \$7,725,242, for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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 year ended December 31, 2020, the pension system has determined the Township's pension expense to be \$276,618, for PERS based on the actuarial valuations which is less than the actual contribution for 2020 reported in the Township's financial statements of \$457,142. At December 31, 2020, 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	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 140,664	\$ 27,320
Changes of Assumptions	250,616	3,234,632
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	264,055	
Changes in Proportion and Differences Between Township Contributions and Proportionate Share of Contributions	<u>347,853</u>	<u>212,403</u>
Total	<u>\$ 1,003,188</u>	<u>\$ 3,474,355</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>
2021	\$ (972,015)
2022	(817,940)
2023	(443,878)
2024	(195,228)
2025	(42,106)
Thereafter	<u>-</u>
	<u>\$ (2,471,167)</u>

**TOWNSHIP OF WYCKOFF
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

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. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

<u>PERS</u>	<u>2020</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 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, 2021 AND 2020

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, as reported for the year ended December 31, 2020, are summarized in the following table:

<u>Asset Class</u>	<u>2020</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	3.40%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Investment Grade Credit	8.00%	2.67%
US Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
High Yield	2.00%	5.95%
Real Assets	3.00%	9.73%
Private Credit	8.00%	7.59%
Real Estate	8.00%	9.56%
Private Equity	13.00%	11.42%

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%

TOWNSHIP OF WYCKOFF
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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>
Period of Projected Benefit	
Payments for which the Following	
Rates were Applied:	
Long-Term Expected Rate of Return	All Periods

Sensitivity of Net Pension Liability

The following presents the Township's proportionate share of the PERS net pension liability as of December 31, 2020 calculated using the discount rate of 7.00%, 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% or 1-percentage-point higher 8.00% than the current rate:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
<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>

The sensitivity analysis was based on the proportionate share of the Township's net pension liability at December 31, 2020. 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, 2021 AND 2020

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, the Township reported a liability of \$10,737,882, for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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 year ended December 31, 2020, the pension system has determined the Township pension expense to be \$861,181, for PFRS based on the actuarial valuations which is more than the actual contribution reported in the Township's financial statements of \$846,775. At December 31, 2020, 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	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 108,256	\$ 44,317
Changes of Assumptions	27,022	3,310,558
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	629,612	
Changes in Proportion and Differences Between Township Contributions and Proportionate Share of Contributions	<u>199,938</u>	<u>827,529</u>
Total	<u>\$ 964,828</u>	<u>\$ 4,182,404</u>

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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:

<u>Year Ending December 31,</u>	<u>Total</u>
2021	\$ (1,243,934)
2022	(875,999)
2023	(467,958)
2024	(323,132)
2025	(306,553)
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. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	<u>2020</u>
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%
Mortality Rate Table	Pub - 2010

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

The actuarial assumptions used in the July 1, 2019 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, 2021 AND 2020

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, as reported for the year ended December 31, 2020, respectively, are summarized in the following table:

<u>Asset Class</u>	<u>2020</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	3.40%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Investment Grade Credit	8.00%	2.67%
US Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
High Yield	2.00%	5.95%
Real Assets	3.00%	9.73%
Private Credit	8.00%	7.59%
Real Estate	8.00%	9.56%
Private Equity	13.00%	11.42%

Discount Rate

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

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

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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>
Period of Projected Benefit	
Payments for which the Following	
Rates were Applied:	
Long-Term Expected Rate of Return	All Periods

Sensitivity of Net Pension Liability

The following presents the Township's proportionate share of the PFRS net pension liability as of December 31, 2020 calculated using the discount rate of 7.00%, 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% or 1-percentage-point higher 8.00% than the current rate:

<u>2020</u>	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Township's Proportionate Share of the PFRS Net Pension Liability	\$ 14,279,173	\$ 10,737,882	\$ 7,796,569

The sensitivity analysis was based on the proportionate share of the Township's net pension liability at December 31, 2020. 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, 2021 AND 2020**

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, the State's proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is \$1,666,470. For the year ended December 31, 2020, 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, which is more than the actual contribution the State made on behalf of the Township of \$128,234. 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, 2021 AND 2020

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. 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, 2021 AND 2020

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, 2021 was not available and for 2020 is \$17.9 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is 0.91% at June 30, 2020.

The total OPEB liabilities were determined based on actuarial valuations as of July 1, 2019 which was rolled forward to June 30, 2020.

- Actuarial Methods and Assumptions

In the July 1, 2019 OPEB actuarial valuation, the actuarial assumptions and methods used in this valuation were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

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 \$292.4 million and the State of New Jersey, as the non-employer contributing entity, contributed \$35.0 million for fiscal year 2020.

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, 2021, 2020 and 2019 were \$544,237, \$495,304 and \$463,787, 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, 2021, 2020 and 2019 were \$50,865, \$43,580 and \$53,658, respectively.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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.

Under GASB Statement No. 75 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer's prior fiscal year. The GASB 75 financial information from the State's Division of Pensions and Benefits to be reported for the year ended December 31, 2021 for the measurement date of June 30, 2021 was not available as of the date of audit. Accordingly, the State's Division of Local Government Services issued Local Finance Notice 2021-10 which authorizes and permits New Jersey municipalities to present the most recent available audited GASB 75 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB 75 financial information for the year ended December 31, 2021 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the contributions made as an individual employer toward the actuarially determined contribution amount to total contributions to the plan during the fiscal years ended June 30, 2020 and 2019. Employer allocation percentages have been rounded for presentation purposes.

At December 31, 2020, the Township reported a liability of \$17,740,047 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020 to the total OPEB liability for the State Health Benefit Program Fund – Local Government Retired Plan at June 30, 2020. As of the measurement date of June 30, 2020 the Township's proportionate share was .09885 percent, which was an increase of .00496 percent from its proportionate share measured as of June 30, 2019 of .09389 percent.

For the year ended December 31, 2020, the Plan has determined the Township's OPEB (benefit) expense to be \$(269,260) based on the actuarial valuation which is less than the actual contributions reported in the Township's financial statements of \$495,304. At December 31, 2020, 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:

	2020	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 467,259	\$ 3,303,528
Changes of Assumptions	2,653,353	3,945,113
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	11,266	
Changes in Proportion and Differences Between Township Contributions and Proportionate Share of Contributions	1,021,141	2,858,463
Contributions made Subsequent to the Measurement Date	-	-
Total	<u>\$ 4,153,019</u>	<u>\$ 10,107,104</u>

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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, 2020 the amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in OPEB expense (benefit) as follows:

<u>Year</u> <u>Ending</u> <u>December 31,</u>	<u>Total</u>
2022	\$ (1,246,451)
2023	(1,246,453)
2024	(1,248,612)
2025	(1,249,610)
2026	(1,250,598)
Thereafter	<u>287,639</u>
	<u>\$ (5,954,085)</u>

**TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

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, 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. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	<u>2020</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 Mortality Table with fully generational mortality improvement projections from the central year using Scale MP-2020.
PFRS	Pub-2010 Safety Classification Headcount- Weighted Mortality Table with fully generational mortality improvement projections from the central year using Scale MP-2020.

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

For the June 30, 2020 measurement date healthcare cost trend rates for pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The rates used for 2023 and 2024 are 21.83% and 18.53%, respectively, trending to 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

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, 2019 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018.

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

Discount Rate

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

<u>Calendar</u> <u>Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2020	June 30, 2020	2.21%

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

Sensitivity of Net OPEB Liability to Changes in the Discounts Rate

The following presents the Township's proportionate share of the net OPEB liability as of December 31, 2020 calculated using the discount rate of 2.21% 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 1.21% or 1-percentage-point higher 3.21% than the current rate:

<u>2020</u>	<u>1%</u> <u>Decrease</u> <u>(1.21%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(2.21%)</u>	<u>1%</u> <u>Increase</u> <u>(3.21%)</u>
Township's Proportionate Share of the Net OPEB Liability	<u>\$ 20,972,484</u>	<u>\$ 17,740,047</u>	<u>\$ 15,181,279</u>

The sensitivity analysis was based on the proportionate share of the Township's net OPEB liability at December 31, 2020. 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, 2021 AND 2020

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 net OPEB liability as of December 31, 2020 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:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
<u>2020</u>			
Township's Proportionate Share of the Net OPEB Liability	<u>\$ 20,512,007</u>	<u>\$ 17,740,047</u>	<u>\$ 15,487,463</u>

The sensitivity analysis was based on the proportionate share of the Township's net OPEB liability at December 31, 2020. 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.

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.

TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

NOTE 13 RISK MANAGEMENT (Continued)

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>
2021	\$ 25,000	\$ 7,627	\$ 21,615	\$ 41,032
2020	20,000	23,571	12,630	30,017
2019	20,100	6,657	15,852	(924)

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, 2021 and 2020. 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, 2021 and 2020, the Township reserved \$275,403 and \$512,322, 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, 2021 and 2020, 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.

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.

**TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

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 2021 and 2020, respectively, for each eligible Volunteer Fire Department and Volunteer Ambulance Corps member into the Plan. The total Township contributions was \$79,350 and \$80,500 for 2021 and 2020, 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.

NOTE 16 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC

The World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus. On March 13, 2020, the President of the United States 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, also declared a public health emergency on March 9, 2020 and 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 altered the behaviors of businesses and people, had negative impacts on regional, state and local economies. The Governor, pursuant to various executive orders, then implemented a multi-stage approach to restarting New Jersey's economy. The declaration of the state of emergency and of a public health emergency was terminated by the Governor, by executive order, on June 4, 2021. Also, on June 4, 2021, the Governor signed into law Assembly Bill No. 5820 which terminates most of the Governor's pandemic-related executive orders in early July. The remaining executive orders (dealing with coronavirus testing and vaccinations, moratoriums on evictions and utility shutoffs and various other matters) will terminate on January 1, 2022. On January 11, 2022, the Governor reinstated, via Executive Order No. 280, the state of emergency and declared a new public health emergency in response to a surge in cases tied to new variants of COVID-19, in particular the Omicron variant. Such public health emergency was set to expire 30 days from January 11, 2022, but was later extended, via Executive Order No. 288, for an additional 30 days on February 10, 2022. In the event of substantial increases in COVID-19 hospitalizations, spot positivity or rates of transmission, the Governor is empowered to impose more restrictive measures than currently in place.

**TOWNSHIP OF WYCKOFF
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

NOTE 16 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC (Continued)

In order to provide additional means for local governmental units to address the financial impact of the COVID-19 outbreak, the Governor signed into law P.L. 2020 c. 74 ("Chapter 74") on August 31, 2020. Chapter 74, which took effect immediately, adds two new purposes to the list of special emergency appropriations which may be raised by municipalities or counties over a five year period (either through the issuance of special emergency notes or raised internally without borrowing): (1) direct COVID-19 response expenses; and (2) deficits in prior year's operations attributable to COVID-19 (the beginning of the five year repayment schedule is delayed by one year for these new purposes). Upon approval by the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, in cases of significant fiscal distress, the five year period may be extended to up to ten years. In addition, the statute permits school districts and public authorities to issue debt with a maximum five year maturity schedule for direct COVID-19 expenses. Chapter 74 provides for State supervision of all local government unit borrowings. The statute also grants the Director the authority to modify municipal budgeting rules concerning anticipated revenues in order to lessen the impact of revenue reductions due to COVID-19.

The Township of Wyckoff's finances and operations may be materially and adversely affected as a result of the continued spread of COVID-19 through reduced or delayed revenue streams, which include the collection of property taxes, which are the Township of Wyckoff's primary revenue source for supporting its budget. The Township of Wyckoff cannot predict costs associated with a potential infectious disease outbreak like COVID-19 such as operational costs to clean, sanitize and maintain its facilities, or costs to operate remotely and support Township functions and critical government actions during an outbreak or any resulting impact such costs could have on the operations of the Township. However, as of the date of audit, even though the Township finances and operations had certain reduced revenue streams due to the COVID-19 outbreak, the overall finances and operations of the Township have not been materially and adversely affected due to the COVID-19 outbreak.

The degree of any such impact on the operations and finances of the Township cannot be predicted due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the Township and its economy. The Township is monitoring the situation and will take such proactive measures as may be required to maintain its functionality and meet its obligations.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by President Biden on March 11, 2021, comprises \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic.

The Plan includes various forms of financial relief including up to a \$1,400 increase in direct stimulus payment to individuals and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the Township.

The Township will receive \$1,773,818 from the Plan in two equal payments. On May 24, 2021, the Township received its first installment of funds under the Plan in the amount of \$886,909. The Township utilized this first installment in the 2022 budget to replace lost public sector revenue. The Township has not yet determined how it will spend the second installment to be received. The deadline to obligate the funds is December 31, 2024 and to spend them is December 31, 2026.

NOTE 17 SUBSEQUENT EVENTS

Bond Anticipation Notes

On March 15, 2022 the Township issued bond anticipation notes in the amount of \$3,598,190 to temporarily finance expenditures related to various capital projects. The Township have awarded the sale of said notes to Lakeland Bank at an interest rate of .91%. These notes dated March 21, 2022 will mature on December 20, 2022.

Capital Ordinances

As of May 20, 2022 the Township adopted certain capital ordinances appropriating \$494,500 of the Capital Improvement Fund balance to fund capital projects.

CURRENT FUND

**TOWNSHIP OF WYCKOFF
STATEMENT OF CURRENT CASH - TREASURER**

Balance, January 1, 2021		\$ 7,414,245
Increased by Receipts:		
Taxes Receivable	\$ 87,659,967	
Non-Budget Revenues	557,131	
State of NJ - Senior Citizens' and Vet. Deductions	83,049	
Revenue Accounts Receivable	3,713,274	
Prepaid Taxes	621,331	
Unappropriated Grant Reserves	970,137	
Tax Overpayments	128,196	
Reserve for Payroll Account	8,708,743	
Fees Payable	22,513	
Receipts from Municipal Open Space Trust Fund	34,917	
Receipts from Animal Control Trust Fund	4,527	
Receipts from General Capital	2	
Receipts from Other Trust Fund	84	
General Capital Fund Grant Receipts Deposited in Current Fund	<u>273,695</u>	
		<u>102,777,566</u>
		110,191,811
Decreased by Disbursements:		
2021 Budget Appropriations	16,907,194	
2020 Appropriation Reserves	815,839	
County Taxes Payable	12,109,745	
Local District School Taxes Payable	40,627,285	
Regional School Taxes Payable	21,456,363	
Tax Overpayments	19,408	
Reserve for Payroll Account	8,708,743	
Appropriated Grant Reserves	94,317	
Payments to General Capital	273,695	
Payments to Municipal Open Space Trust Fund	238,590	
Reserve for Tax Appeals	436,919	
Fees Payable	<u>40,697</u>	
		<u>101,728,795</u>
Balance, December 31, 2021		<u>\$ 8,463,016</u>

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

	Balance, January 1, <u>2021</u>	Balance, December 31, <u>2021</u>
Tax Collector	\$ <u>600</u>	\$ <u>600</u>

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

Balance, January 1, 2021		\$ 3,963
Increased by:		
Senior Citizens/Veterans Disallowed Per Tax Collector - 2021	\$ 2,260	
Cash Received	<u>83,049</u>	
		<u>85,309</u>
		89,272
Decreased by:		
Senior Citizens /Veterans Deductions Per Tax Billings - 2021		<u>83,000</u>
Balance, December 31, 2021		\$ <u>6,272</u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF TAXES RECEIVABLE**

<u>Year</u>	<u>Balance, January 1, 2021</u>	<u>2021 Levy</u>	<u>Senior Citizens' and Veterans' Deductions Disallowed</u>	<u>Collections</u> <u>2020</u>	<u>2021</u>	<u>Senior Citizens' and Veterans' Deductions Allowed</u>	<u>Cancelled</u>	<u>Transferred to Tax Title Liens</u>	<u>Balance, December 31, 2021</u>
2020	\$ 420,025	-	-	-	\$ 416,527	-	\$ 3,498	-	-
	420,025	-	-	-	416,527	-	3,498	-	-
2021	\$ -	\$ 88,633,907	\$ 2,260	\$ 722,468	87,243,440	\$ 83,000	134,031	\$ 1,403	\$ 451,825
	\$ 420,025	\$ 88,633,907	\$ 2,260	\$ 722,468	\$ 87,659,967	\$ 83,000	\$ 137,529	\$ 1,403	\$ 451,825
<u>Analysis of 2021 Property Tax Levy</u>									
Tax Yield									
General Purpose Tax				\$ 88,427,266					
Added Taxes				206,641					
					<u>\$ 88,633,907</u>				
Tax Levy									
County Taxes	\$ 11,575,769								
County Open Space Taxes	480,558								
Due County for Added and Omitted Taxes	28,239								
				12,084,566					
Municipal Open Space Preservation	238,590								
Due Municipal Open Space for Added and Omitted Taxes	559								
				239,149					
Regional High School Tax				21,456,363					
Local District School Tax				40,627,285					
				74,407,363					
Local Tax for Municipal Purposes	12,461,875								
Minimum Library Tax	1,586,818								
Added Taxes (54:4-63.1 et seq.)	177,851								
				14,226,544					
					<u>\$ 88,633,907</u>				

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

Balance, January 1, 2021	\$ 16,372
Increased by:	
Transfers from Taxes Receivable	<u>1,403</u>
Balance, December 31, 2021	<u>\$ 17,775</u>

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

Balance, January 1, 2021	<u>\$ 36,700</u>
Balance, December 31, 2021	<u>\$ 36,700</u>

STATEMENT OF REVENUE ACCOUNTS RECEIVABLE

	Balance, January 1, <u>2021</u>	Accrued in 2021	<u>Collected</u>	Balance, December 31, <u>2021</u>
Township Clerk - Licenses				
Alcoholic Beverages		\$ 17,500	\$ 17,500	
Other		94,496	94,496	
Fees and Permits				
Other		296,316	296,316	
Fines and Costs - Municipal Court	\$ 1,286	21,638	20,373	\$ 2,551
Interest and Costs on Taxes		108,204	108,204	
Interest on Investments		30,939	30,939	
Lease of Township Property		43,380	43,380	
Cable Franchise Fee		266,301	266,301	
Lease of Cell Tower Space #1		165,301	165,301	
Lease of Cell Tower Space #2		195,586	195,586	
Lease of Cell Tower Space #3		31,999	31,999	
Energy Receipts Tax		1,093,271	1,093,271	
Uniform Construction Code Fees		592,480	592,480	
Library Shared Service Agreement		13,564	13,564	
Recreation Fees		722,327	722,327	
Uniform Fire Safety Act	-	21,237	21,237	-
	<u>\$ 1,286</u>	<u>\$ 3,714,539</u>	<u>\$ 3,713,274</u>	<u>\$ 2,551</u>
		Cash Receipts	<u>\$ 3,713,274</u>	

TOWNSHIP OF WYCKOFF
STATEMENT OF GRANTS RECEIVABLE

	Balance, January 1, <u>2021</u>	<u>Cancelled</u>	Balance, December 31, <u>2021</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>5,000</u>	<u>-</u>	<u>5,000</u>
	<u>\$ 18,846</u>	<u>\$ 13,846</u>	<u>\$ 5,000</u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF 2020 APPROPRIATION RESERVES**

	Balance, January 1, 2021	Prior Year Encumbrances Restored	Balance After Modification	Paid or Charged	Balance Lapsed
SALARIES AND WAGES					
Administrative and Executive	\$ 5,636		\$ 5,636	\$ 671	\$ 4,965
Township Clerk	6,657		6,657	149	6,508
Revenue Administration and Tax Collection	1,775		1,775		1,775
Assessment of Taxes	32,782		32,782	1,943	30,839
Planning Board	1,833		1,833	135	1,698
Police	100,048		100,048	40,747	59,301
Recreation	1,211		1,211		1,211
Road Repairs and Maintenance	33,220		33,220	33,220	-
Construction Code Official	18,718		18,718	4,916	13,802
Municipal Court	5,401		5,401		5,401
OTHER EXPENSES					
Administrative and Executive	14,122	\$ 575	14,697	1,575	13,122
Township Clerk	14,749	3,561	18,310	10,060	8,250
Financial Administration	3,767		3,767	2,920	847
Audit Services	538		538		538
Revenue Administration and Tax Collection	3,708	646	4,354	646	3,708
Elections	2,185		2,185		2,185
Assessment of Taxes	112,025	222	112,247	65,749	46,498
Environmental Commission: NJSA 40:56A-1	1,600		1,600		1,600
Legal Services and Costs	70,708	660	71,368	11,036	60,332
Engineering Services	7,927	2,184	10,111	2,458	7,653
Public Buildings and Grounds	9,905	8,539	18,444	18,319	125
Shade Tree Commission	7,402	11,692	19,094	16,342	2,752
Board of Health	8,170		8,170		8,170
Planning Board	13,604		13,604	14	13,590
Board of Adjustment	2,210	350	2,560	384	2,176
General Liability Insurance	24,763	63,278	88,041	63,278	24,763
Workers Compensation Insurance	-	55,307	55,307	53,307	2,000
Employee Health Benefits Insurance	392,860	2,603	395,463	6,994	388,469
Health Benefit Waivers	4,583		4,583		4,583
Unemployment Compensation Insurance	5,000		5,000		5,000
Police	14,491	19,125	33,616	32,653	963
Emergency Management Services	5,000		5,000	4,993	7
Public Safety Volunteer Fire Department	5,696	15,752	21,448	13,986	7,462
Life Hazard Use Fees (Uniform Fire Safety)	1,509		1,509		1,509
Radio Communications Contract	1,192	984	2,176	984	1,192
Recreation	96,114	27,429	123,543	28,293	95,250
Park Maintenance	1,055	3,522	4,577	4,577	-
Celebration of Public Events	3,860		3,860		3,860
Recycling	56,017	31,109	87,126	57,609	29,517
Sanitation		41,083	41,083	41,083	-

**TOWNSHIP OF WYCKOFF
STATEMENT OF 2020 APPROPRIATION RESERVES**

	Balance, January 1, 2021	Prior Year Encumbrances Restored	Balance After Modification	Paid or Charged	Balance Lapsed
OTHER EXPENSES (Continued)					
Road Repair and Maintenance	\$ 98,859	\$ 34,312	\$ 133,171	\$ 82,829	\$ 50,342
Inspector's Vehicle Other Expenses	1,657		1,657		1,657
DPW Vehicle Other Expenses	18,013	1,423	19,436	9,960	9,476
Police Vehicle Other Expenses	6,842	359	7,201	4,023	3,178
Fire Vehicle Other Expenses	3,830	6,750	10,580	7,441	3,139
CDL	270		270	237	33
Animal Control	9,300		9,300	1,800	7,500
Municipal Court	2,069		2,069		2,069
Condo Services Act	5,500		5,500	3,833	1,667
Municipal Prosecutor	4,377	925	5,302	925	4,377
Public Defender	1,650	400	2,050	400	1,650
Construction Code Official	10,584	544	11,128	2,688	8,440
PEOSHA - Hepatitis B	2,172		2,172		2,172
PEOSHA - Respiratory Protection	1,610	4,162	5,772	4,752	1,020
Utilities					
Electricity	41,375		41,375	4,370	37,005
Street Lighting	9,091		9,091	7,269	1,822
Telephone	2,182	303	2,485	2,135	350
Water	4,578		4,578	1,297	3,281
Natural Gas	11,618		11,618	4,671	6,947
Fire Hydrants	5,806		5,806	-	5,806
Gasoline	56,920		56,920	20,943	35,977
Landfill and Solid Waste Disposal	51,060		51,060		51,060
Recycling Tax	2,732		2,732		2,732
Social Security System (OASI)	34,341		34,341		34,341
Defined Compensation Retirement Plan	691		691	270	421
Affordable Housing	9,667		9,667	8,855	812
Tax Appeal Interest	50		50		50
LOSAP		120,000	120,000	80,500	39,500
Maintenance of Library	47,600		47,600	47,600	-
Interlocal Services Agreements - 911 Services	5,002	-	5,002	-	5,002
	<u>\$ 1,541,487</u>	<u>\$ 457,799</u>	<u>\$ 1,999,286</u>	<u>\$ 815,839</u>	<u>\$ 1,183,447</u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF ENCUMBRANCES PAYABLE**

Balance, January 1, 2021	\$ 457,799
Increased by:	
Charges to 2021 Appropriations	<u>246,859</u>
	704,658
Decreased by:	
Restored to 2020 Appropriation Reserves	<u>457,799</u>
Balance, December 31, 2021	<u>\$ 246,859</u>

STATEMENT OF PREPAID TAXES

Balance, January 1, 2021	\$ 722,468
Increased by:	
Collection of 2022 Taxes	<u>621,331</u>
	1,343,799
Decreased by:	
Application to 2021 Taxes Receivable	<u>722,468</u>
Balance, December 31, 2021	<u>\$ 621,331</u>

STATEMENT OF COUNTY TAXES PAYABLE

Balance, January 1, 2021	\$ 53,418
Increased by:	
2021 Tax Levy	\$ 11,575,769
2021 Open Space Preservation	480,558
2021 Added and Omitted Taxes	<u>28,239</u>
	12,084,566
	12,137,984
Decreased by:	
Cash Disbursed	<u>12,109,745</u>
Balance, December 31, 2021	<u>\$ 28,239</u>

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

Increased by:	
Levy - Calendar Year 2021	<u>\$ 40,627,285</u>
Decreased by:	
Cash Disbursed	<u>\$ 40,627,285</u>

STATEMENT OF REGIONAL HIGH SCHOOL DISTRICT SCHOOL TAXES PAYABLE

Increased by:	
Levy - Calendar Year 2021	<u>\$ 21,456,363</u>
Decreased by:	
Cash Disbursed	<u>\$ 21,456,363</u>

STATEMENT OF TAX OVERPAYMENTS

Balance, January 1, 2021	\$ 74,393
Increased by:	
Cash Receipts	<u>128,196</u>
	202,589
Decreased by:	
Cash Disbursements	<u>19,408</u>
Balance, December 31, 2021	<u>\$ 183,181</u>

STATEMENT OF RESERVE FOR TAX APPEALS

Balance, January 1, 2021	\$ 512,322
Increased by:	
Transferred from 2021 Taxes Collected	<u>200,000</u>
	712,322
Decreased by:	
Cash Disbursements	<u>436,919</u>
Balance, December 31, 2021	<u>\$ 275,403</u>

TOWNSHIP OF WYCKOFF
STATEMENT OF APPROPRIATED GRANT RESERVES

	Balance, January 1, <u>2021</u>	Budget <u>Appropriation</u>	<u>Expenditures</u>	<u>Cancelled</u>	Balance, December 31, <u>2021</u>
Clean Communities Grant	\$ 43,422	\$ 37,426	\$ 39,136		\$ 41,712
Municipal Alliance Against Alcohol and Drug Abuse					
Grant	11,263			11,263	-
Municipal Share	2,614			2,614	-
Drunk Driving Enforcement Fund	4,759		179		4,580
Recycling Tonnage		45,802	45,802		-
Drive Sober Get Pulled Over	1,415			1,415	-
Distracted Driver Crackdown	1,169			1,169	-
Sustainable NJ	10,136		9,200		936
Alcohol Education and Rehabilitation Program	400	-	-	-	400
	<u>\$ 75,178</u>	<u>\$ 83,228</u>	<u>\$ 94,317</u>	<u>\$ 16,461</u>	<u>\$ 47,628</u>
		Grants Receivable Operations		\$ 13,846 <u>2,615</u>	
				<u>\$ 16,461</u>	

EXHIBIT A-21

STATEMENT OF UNAPPROPRIATED GRANT RESERVES

	Balance, January 1, <u>2021</u>	Cash <u>Receipts</u>	Realized as 2021 Anticipated <u>Revenue</u>	Balance, December 31, <u>2021</u>
Recycling Tonnage		\$ 45,802	\$ 45,802	\$ -
Clean Communities		37,426	37,426	-
American Rescue Plan Act	-	886,909	-	886,909
	<u>\$ -</u>	<u>\$ 970,137</u>	<u>\$ 83,228</u>	<u>\$ 886,909</u>

EXHIBIT A-22

STATEMENT OF DUE FROM MUNICIPAL OPEN SPACE TRUST FUND

Balance, January 1, 2021 (Due from)	\$ 34,917
Increased by:	
Cash Disbursements	<u>238,590</u>
	273,507
Decreased by:	
2021 Tax Levy	\$ 238,590
2021 Added Taxes	559
Cash Receipts	<u>34,917</u>
	<u>274,066</u>
Balance, December 31, 2021 (Due to)	<u>\$ 559</u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF FEES PAYABLE**

	Balance, January 1, <u>2021</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, December 31, <u>2021</u>
Uniform Construction Code-DCA	\$ <u>18,184</u>	\$ <u>22,513</u>	\$ <u>40,697</u>	\$ <u>-</u>

STATEMENT OF RESERVE FOR PAYROLL

Increased by:	
Cash Receipts	\$ <u>8,708,743</u>
Decreased by:	
Cash Disbursements	\$ <u>8,708,743</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, 2021	\$ 36,598	\$ 4,194,900	\$ 367,374
Increased by Receipts:			
State of New Jersey Dog License Fees Collected	\$ 1,782		
Interest on Deposits	89	\$ 87	\$ 573
Budget Appropriations from Current		25,000	
Receipts from Current Fund	-	-	238,590
Receipts from General Capital			11,971
Employee Contributions		7,627	
Payroll and Payroll Deductions		4,690,504	
Miscellaneous Reserves		1,562,294	
Dog License Fees	14,886	-	-
	<u>16,757</u>	<u>6,285,512</u>	<u>251,134</u>
	53,355	10,480,412	618,508
Decreased by Disbursements:			
Expenditures Under			
R.S. 4:19-15.11	18,890		
Due to State of New Jersey	1,892	6,263	
Payments to Open Space		-	
Payments to Current Fund	4,527	84	34,917
Payments to Capital Fund			70,400
Municipal Open Space Expenditures			66,427
Payroll and Payroll Deductions		4,673,552	
Miscellaneous Reserves	-	1,926,247	-
	<u>25,309</u>	<u>6,606,146</u>	<u>171,744</u>
Balance, December 31, 2021	<u>\$ 28,046</u>	<u>\$ 3,874,266</u>	<u>\$ 446,764</u>

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

Balance, January 1, 2021		\$	31,462
Increased by:			
Dog License Fees			
Municipal Share	\$	13,586	
Late Fees & Miscellaneous		1,260	
Lost Tags		<u>40</u>	
			<u>14,886</u>
			46,348
Decreased by:			
Expenditures Under R.S. 4:19-15-11			<u>18,890</u>
Balance, December 31, 2021		\$	<u>27,458</u>

EXHIBIT B-5

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

Balance, January 1, 2021	\$ 609
Increased by:	
Dog License Fees Collected	<u>1,782</u>
	2,391
Decreased by:	
Payments Made to State of New Jersey	<u>1,892</u>
Balance, December 31, 2021	<u>\$ 499</u>

EXHIBIT B-6

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

Balance, January 1, 2021	\$ 4,527
Increased by:	
Interest on Deposits	<u>89</u>
	4,616
Decreased by:	
Cash Disbursements	<u>4,527</u>
Balance, December 31, 2021	<u>\$ 89</u>

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

	Balance, January 1, <u>2021</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2021</u>
Special Deposits	\$ 738,107	\$ 469,563	\$ 428,742	\$ 778,928
Storm Recovery	495,180	31,992	35,526	491,646
Developer's Escrow	189,624	90,000	80,246	199,378
Performance Bonds	403,765	87,405	13,397	477,773
Gardens of Wyckoff Bequest	100,861	75	-	100,936
Developer Fees - Housing Trust	1,160,226	251,724	594,000	817,950
Community Development	956	1		957
Flexible Spending	1,089	2,043	1,909	1,223
Escrow Deposits Payable	<u>769,959</u>	<u>629,491</u>	<u>772,427</u>	<u>627,023</u>
	<u>\$ 3,859,767</u>	<u>\$ 1,562,294</u>	<u>\$ 1,926,247</u>	<u>\$ 3,495,814</u>
Cash Receipts		<u>\$ 1,562,294</u>		
Cash Disbursements			<u>\$ 1,926,247</u>	

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

Increased by:	
Interest Earned	<u>\$ 84</u>
Decreased by:	
Cash Disbursements	<u>\$ 84</u>

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

Balance, January 1, 2021	\$ 6,263
Increased by:	
Unemployment Claims	<u>21,615</u>
	27,878
Decreased By:	
Cash Disbursements	<u>6,263</u>
Balance, December 31, 2021	<u>\$ 21,615</u>

EXHIBIT B-10

**OTHER TRUST FUND
STATEMENT OF RESERVE FOR UNEMPLOYMENT COMPENSATION**

Balance, January 1, 2021	\$ 30,017
Increased by:	
Budget Appropriation	25,000
Employee Contributions	7,627
Interest Earned	<u>3</u>
	<u>32,630</u>
	62,647
Decreased By:	
Unemployment Claims	<u>21,615</u>
Balance, December 31, 2021	<u>\$ 41,032</u>

EXHIBIT B-11

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

Balance, January 1, 2021	\$ 332,457
Increased by:	
Interest on Deposits	\$ 573
Receipts from General Capital Fund - Cancelled Ordinance	11,971
2021 Municipal Open Space Tax Levy	238,590
2021 Added Municipal Open Space Tax Levy	<u>559</u>
	<u>251,693</u>
	584,150
Decreased by:	
Cash Disbursements	\$ 66,427
Payments to General Capital Fund - Improvement Authorization	<u>70,400</u>
	<u>136,827</u>
Balance, December 31, 2021	<u>\$ 447,323</u>

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

Balance, January 1, 2021 (Due to)		\$ 34,917
Increased by:		
Cash Receipts		<u>238,590</u>
		273,507
Decreased by:		
2021 Municipal Open Space Tax Levy	\$ 238,590	
2021 Added Municipal Open Space Tax Levy	559	
Cash Disbursements	<u>34,917</u>	
		<u>274,066</u>
Balance, December 31, 2021 (Due from)		<u>\$ 559</u>

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

Balance, January 1, 2021		\$ 298,853
Increased by:		
Cash Receipts		<u>4,690,504</u>
		4,989,357
Decreased by:		
Cash Disbursements		<u>4,673,552</u>
Balance, December 31, 2021		<u>\$ 315,805</u>

GENERAL CAPITAL FUND

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

Balance, January 1, 2021		\$ 1,145,080
Increased by Receipts:		
Grants Receivable	\$ 142,852	
Bond Anticipation Note Proceeds	3,083,190	
Receipts from Current Fund	273,695	
Receipts from Open Space Trust Fund	70,400	
Payments from Affordable Housing Trust	594,000	
Interest on Deposits	2	
Current Fund Budget Appropriations:		
Bond Anticipation Note Maturity	740,800	
Capital Improvement Fund	<u>490,250</u>	
		<u>5,395,189</u>
		6,540,269
Decreased by Disbursements:		
Improvement Authorizations	1,858,441	
Encumbrances Payable	226,516	
Bond Anticipation Note Maturity	3,823,990	
Payments to Current Fund	2	
Payments to Open Space Trust	<u>11,971</u>	
		<u>5,920,920</u>
Balance, December 31, 2021		<u>\$ 619,349</u>

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

		Balance, December 31, <u>2021</u>
Fund Balance		\$ 16,840
Capital Improvement Fund		53,543
Contracts Payable		409,104
Grants Receivable		(1,499,942)
Ord.		
<u>No.</u>		
<u>Improvement Authorizations</u>		
1619/1646/1688/1738/1773/1829/1853	Field Enhancement	194,004
1852	Various Capital Improvements	42,655
1877	Various Capital Improvements	189
1878/1911	Major Vehicle Repairs	68,162
1881	Greenwood Ave Rehab	122,736
1882	Acquisition of Maple Lake	1,200,000
1905	Install Turf Field	48,723
1909	Russell Farm Park	8,962
1912	Various Capital Improvements	100,277
1914	Road Resurfacing and Roof	111,852
1928	OST Sr. Center/Larkin Rehab	18,425
1929	Mountain Ave Reconstruction	27,843
1931	Improvements to Memorial Field Campus	109,520
1932	Road Resurfacing and Police Computer System	(1,260,309)
1935	Various Public Improvements	59,765
1942	Affordable Housing Rehab	594,000
1951	Improvements to Grandview Ave	193,000
		<u>\$ 619,349</u>

**TOWNSHIP OF WYCKOFF
STATEMENT OF GRANTS RECEIVABLE**

Balance, January 1, 2021		\$ 1,206,767
Increased by:		
Grant Awards		<u>730,388</u>
		1,937,155
Decreased by:		
Cash Receipts	142,852	
Receipts from Current	273,695	
Cancellations	<u>20,666</u>	
		<u>437,213</u>
Balance, December 31, 2021		<u>\$ 1,499,942</u>
Department of Transportation - Ordinance #1881 - Greenwood Avenue Improvements		\$ 153,802
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		1,022
Bergen County Community Development Block Grant - Ordinance #1928 - Senior Citizen/Larkin Building Improvements		18,425
Department of Transportation - Ordinance #1929 - Mountain Ave Improvements		152,695
Bergen County Open Space Trust Fund - Ordinance #1931 - Memorial Field Campus Improvements		70,400
Department of Law & Safety - Ordinance #1940 - Police Body-Worn Cameras		10,598
Department of Transportation - Ordinance #1951 - Grandview Ave		<u>193,000</u>
		<u>\$ 1,499,942</u>

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

Ord. No.	Improvement Description	Balance, January 1, 2021	2021 Authori- zations	Bond Anticipation Notes Paid by 2021 Budget Appropriation	Balance, December 31, 2021	Analysis of Balance, December 31, 2021		Unexpended Improvement Authorization
						Bond Anticipation Notes	Expended	
1740	Various Capital Improvements	\$ 250,000		\$ 250,000	\$ -			
1774	Various Road Improvements	268,500		268,500	-			
1830	Commuter Lot Repavement/Dump Truck	22,300		22,300	-			
1855	Various Capital Improvements and Purchase of Dump Truck	1,265,000		100,000	1,165,000	1,165,000		
1871	Purchase of Fire Pumper	532,440			532,440	532,440		
1880	Road Resurfacing and Purchase of Sweeper	413,750		100,000	313,750	313,750		
1914	Road Resurfacing and Roof	1,072,000			1,072,000	1,072,000	-	-
1932	Road Resurfacing and Police Computer System	-	\$ 1,265,000	-	1,265,000	-	1,260,309	4,691
		<u>\$ 3,823,990</u>	<u>\$ 1,265,000</u>	<u>\$ 740,800</u>	<u>\$ 4,348,190</u>	<u>\$ 3,083,190</u>	<u>\$ 1,260,309</u>	<u>\$ 4,691</u>

TOWNSHIP OF WYCKOFF
STATEMENT OF IMPROVEMENT AUTHORIZATIONS

2021 Authorizations												
Ord. No.	Improvement Description	Balance, January 1, 2021		Capital	Deferred Charges	Open Space Trust Fund	Affordable Housing Trust	Grants Receivable	Expended	Funded	Balance, December 31, 2021	
		Funded	Unfunded	Improvement Fund	to Future Taxation Unfunded					Cancelled	Funded Unfunded	
1619/1646/1688/1738/1773/1829/1853/1933	Field Enhancement	\$ 164,004		\$ 30,000							\$ 194,004	
1826	Various Capital Improvements	5,218							5,218		-	
1851	Reconstruction of Lafayette Avenue	24,592							8,195	16,397	-	
1852	Various Capital Improvements	55,948							13,293		42,655	
1863/1901	Improvements to Russell Farms Community Park	16,240								16,240	-	
1877	Various Capital Improvements	25,239							25,050		189	
1878/1911/1934	Major Vehicle Repairs	43,287		\$ 30,000					5,125		68,162	
1881	Greenwood Ave Rehab	122,736									122,736	
1882	Acquisition of Maple Lake	1,200,000									1,200,000	
1904	Purchase Builder Inspector's Vehicle	1,600							1,600		-	
1905	Install Turf Field	48,723									48,723	
1909	Russell Farm Park	8,962									8,962	
1912	Various Capital Improvements	236,347								136,070	100,277	
1914	Road Resurfacing and Roof	111,852									111,852	
1928	OST Sr. Center/Larkin Rehab							30,000	11,575		18,425	
1929	Mountain Ave Reconstruction							384,000	356,157		27,843	-
1931	Improvements to Memorial Field Campus					70,400		70,400	31,280		109,520	
1932	Road Resurfacing and Police Computer Server			75,000	1,265,000				1,335,309		-	4,691
1935	Various Public Improvements			345,450					285,685		59,765	
1940	Body Worn Cameras							52,988	52,988		-	
1942	Affordable Housing Rehab							594,000			594,000	
1951	Improvements to Grandview Ave	-	-	-	-	-	-	193,000	-	-	193,000	-
		\$ 2,064,748	\$ -	\$ 480,450	\$ 1,265,000	\$ 70,400	\$ 594,000	\$ 730,388	\$ 2,267,545	\$ 32,637	\$ 2,900,113	\$ 4,691

Encumbrances Payable \$ 409,104
Cash Disbursements 1,858,441
\$ 2,267,545

Due to Open Space Trust Fund \$ 11,971
Grants Receivable 20,666
\$ 32,637

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

Balance, January 1, 2021	\$ 43,743
Increased by:	
2021 Budget Appropriation	<u>490,250</u>
	533,993
Decreased by:	
Appropriations to Finance Improvement Authorizations	<u>480,450</u>
Balance, December 31, 2021	<u><u>\$ 53,543</u></u>

STATEMENT OF CONTRACTS PAYABLE

Balance, January 1, 2021	\$ 226,516
Increased by:	
Charges to Improvement Authorizations	<u>409,104</u>
	635,620
Decreased by:	
Cash Disbursements	<u>226,516</u>
Balance, December 31, 2021	<u><u>\$ 409,104</u></u>

STATEMENT OF DUE TO OPEN SPACE TRUST FUND

Increased by:		
Improvement Authorization Balance Cancelled		
Ordinance 1863	\$ 11,971	
Receipts from Open Space Trust Fund	<u>70,400</u>	
		\$ 82,371
Decreased by:		
Cash Disbursements	11,971	
Downpayment on Improvement Authorization	<u>70,400</u>	
		<u><u>\$ 82,371</u></u>

STATEMENT OF DUE FROM AFFORDABLE HOUSING TRUST FUND

Increased by:		
Appropriated to Finance Improvement Authorization		
Ordinance 1942	<u>\$ 594,000</u>	
Decreased by:		
Cash Receipts		<u><u>\$ 594,000</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, 2021</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance December 31, 2021</u>
1740	Various Capital Improvements	\$ 1,437,970	7/29/2014	7/21/2020	3/24/2021	0.92%	\$ 250,000		250,000	\$ -
1774	Various Road Improvements	950,000	7/27/2015	7/21/2020	3/24/2021	0.92%	268,500		268,500	-
1830	Commuter Lot Repavement/Dump Truck	410,400	7/25/2017	7/21/2020	3/24/2021	0.92%	22,300		22,300	-
1855	Various Capital Improvements and Purchase of Dump Truck	1,265,000	7/24/2018	7/21/2020	3/24/2021 3/22/2022	0.92% 0.39%	1,265,000	1,165,000	1,265,000	- 1,165,000
1871	Purchase of Fire Pumper	532,400	7/22/2019	7/21/2020	3/24/2021 3/22/2022	0.92% 0.39%	532,440	532,440	532,440	- 532,440
1880	Road Resurfacing and Purchase of Sweeper	413,750	7/22/2019	7/21/2020	3/24/2021 3/22/2022	0.92% 0.39%	413,750	313,750	413,750	- 313,750
1914	Road Resurfacing and Town Hall Roof	1,072,000	7/21/2020	7/21/2020	3/24/2021 3/22/2022	0.92% 0.39%	1,072,000 -	1,072,000 1,072,000	1,072,000 -	- 1,072,000
							<u>\$ 3,823,990</u>	<u>\$ 3,083,190</u>	<u>\$ 3,823,990</u>	<u>\$ 3,083,190</u>
							Paid by Budget Appropriation		\$ 740,800	
							Renewals		<u>\$ 3,083,190</u>	
									<u>\$ 3,083,190</u>	
									<u>\$ 3,823,990</u>	

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

Ord. <u>No.</u>	<u>Improvement Description</u>	2021 <u>Authorizations</u>	Balance December 31, <u>2021</u>
1932	Road Resurfacing and Police Computer System	\$ <u>1,265,000</u>	\$ <u>1,265,000</u>
		\$ <u>1,265,000</u>	\$ <u>1,265,000</u>

SEWER UTILITY FUND

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

	<u>Operating</u>	<u>Capital</u>
Balance, January 1, 2021	\$ 900,808	\$ 2,313,448
Increased by Receipts:		
Consumer Rents Accounts Receivable (Net of Refunds)	\$ 2,267,473	
Capital Improvement Fund		\$ 500,000
Interest and Costs on Sewer Charges	7,868	
Miscellaneous Revenues Not Anticipated	<u>43,834</u>	<u>-</u>
	<u>2,319,175</u>	<u>500,000</u>
	3,219,983	2,813,448
Decreased by Disbursements:		
2021 Budget Appropriations	2,555,893	
2020 Appropriation Reserves	24,892	
Contracts Payable	-	224,000
Improvement Authorizations	<u>-</u>	<u>2,900</u>
	<u>2,580,785</u>	<u>226,900</u>
Balance, December 31, 2021	<u>\$ 639,198</u>	<u>\$ 2,586,548</u>

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

	December 31, <u>2021</u>
Capital Improvement Fund	\$ 1,905,916
Contracts Payable	40,934
Ordinance	
1873 Various Sewer Improvements	39,698
1903 Various Sewer Improvements	<u>600,000</u>
	<u>\$ 2,586,548</u>

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

Balance, January 1, 2021	\$ 57,164
Increased by:	
Sewer Rents Levied	<u>2,275,627</u>
	2,332,791
Decreased by:	
Collections	\$ 2,267,473
Overpayments Applied	<u>1,036</u> ^
	<u>2,268,509</u>
Balance, December 31, 2021	<u>\$ 64,282</u>

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

	Balance, January 1, <u>2021</u>	Balance After Transfer and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
OPERATING				
Salaries and Wages	\$ 434	\$ 434	\$ -	\$ 434
Other Expenses	<u>46,763</u>	<u>48,851</u>	<u>24,892</u>	<u>23,959</u>
	<u>\$ 47,197</u>	<u>\$ 49,285</u>	<u>\$ 24,892</u>	<u>\$ 24,393</u>
Cash Disbursements				<u>\$ 24,892</u>
Appropriation Reserves	\$	47,197		
Encumbrance Payable Restored		<u>2,088</u>		
		<u>\$ 49,285</u>		

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

Balance, January 1, 2021	\$ 2,088
Increased by:	
Charges to 2021 Budget Appropriations	<u>3,576</u>
	5,664
Decreased by:	
Restored to 2020 Appropriation Reserves	<u>2,088</u>
Balance, December 31, 2021	<u>\$ 3,576</u>

**SEWER UTILITY OPERATING FUND
STATEMENT OF OVERPAYMENTS**

Balance, January 1, 2021	\$ 8,625
Decreased by:	
Applied to Sewer Billings	<u>1,036</u>
Balance, December 31, 2021	<u>\$ 7,589</u>

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

Ordinance Number	Improvement Description	Balance, January 1, 2021		Expended	Balance, December 31, 2021	
		<u>Funded</u>	<u>Unfunded</u>		<u>Funded</u>	<u>Unfunded</u>
1873	Various Sewer Improvements	\$ 83,532	-	43,834	\$ 39,698	
1903	Various Sewer Improvements	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>600,000</u>	<u>-</u>
		<u>\$ 683,532</u>	<u>\$ -</u>	<u>\$ 43,834</u>	<u>\$ 639,698</u>	<u>\$ -</u>
				Contracts Payable	\$ 40,934	
				Cash Disbursements	<u>2,900</u>	
					<u>\$ 43,834</u>	

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

Balance, January 1, 2021	\$ 1,405,916
Increased by:	
2021 Budget Appropriation	<u>500,000</u>
Balance, December 31, 2021	<u>\$ 1,905,916</u>

EXHIBIT D-12

**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>2021</u>	Balance December 31, <u>2021</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>

EXHIBIT D-13

**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>2021</u>	Balance, December 31, <u>2021</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, 2021</u>	<u>Balance December 31, 2021</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	<u>600,000</u>	<u>600,000</u>
				<u>\$ 1,200,000</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, 2021</u>	<u>Balance, December 31, 2021</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	<u>600,000</u>	<u>600,000</u>
				<u>\$ 1,200,000</u>	<u>\$ 1,200,000</u>

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

Balance, January 1, 2021	\$ 224,000
Increased by:	
Contracts Payable	<u>40,934</u>
	264,934
Decreased by:	
Cash Disbursements	<u>224,000</u>
Balance, December 31, 2021	<u><u>\$ 40,934</u></u>

TOWNSHIP OF WYCKOFF
PART II
GOVERNMENT AUDITING STANDARDS



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA

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, 2021, and the related notes to the financial statements, and have issued our report thereon dated May 26, 2022. 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) as a basis for designing 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

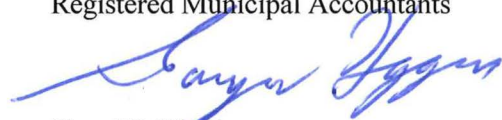
As part of obtaining reasonable assurance about whether the Township of Wyckoff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements 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
May 26, 2022

**TOWNSHIP OF WYCKOFF
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED DECEMBER 31, 2021**

	<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, 2021</u>	<u>2021 Revenue Realized</u>	<u>Expenditures</u>	<u>Cancelled</u>	<u>Balance, December 31, 2021</u>	<u>(Memo) Cumulative Expenditures</u>
U.S. Dept. of Transportation (Passed through NJ Dept of Transportation)											
Drunk Driving Enforcement Fund	2017	066-1160-100-057	20.601	\$ 1,510		\$ 839		\$ 179		\$ 660	\$ 850
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		
American Rescue Plan	2021	N/A	21.027	1,773,818	\$ 886,909	-	-	-	-	-	
						<u>\$ 7,343</u>	<u>\$ -</u>	<u>\$ 179</u>	<u>\$ 2,584</u>	<u>\$ 4,580</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, 2021

<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, 2021</u>	<u>2021 Revenue</u>	<u>Expended</u>	<u>Adjustments/ (Cancelled)</u>	<u>Balance, December 31, 2021</u>	<u>(Memo) Cumulative Expenditures</u>
Clean Communities Program	4900-752-178810-60	2019	39,013		\$ 8,247		8,247		\$ -	\$ 39,013
		2020	35,175		35,175		25,081		10,094	25,081
		2021	37,426	\$ 37,426		\$ 37,426	5,808		31,618	5,808
Recycling Tonnage Grant	N/A	2021	45,802	45,802		45,802	45,802		-	
Municipal Alliance Program - State Share	N/A	2018	11,677		11,263			(11,263)	-	414
Alcohol Education and Rehabilitation	N/A	2019	586		400				400	186
Sustainable NJ	N/A	2019	2,000		136		136		-	2,000
		2020	10,000		10,000		9,064		936	9,064
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	153,802	-	31,439	-	122,363	94,637
					<u>\$ 235,420</u>	<u>\$ 83,228</u>	<u>\$ 125,577</u>	<u>\$ (27,660)</u>	<u>\$ 165,411</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, 2021

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	<u>-</u>	<u>\$ 83,228</u>	<u>\$ 83,228</u>
Total Financial Awards	<u>\$ -</u>	<u>\$ 83,228</u>	<u>\$ 83,228</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, 2021**

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, 2021**

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, 2021**

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, 2021

**TOWNSHIP OF WYCKOFF
SUPPLEMENTARY DATA**

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

	<u>Year 2021</u>			<u>Year 2020</u>	
	<u>Amount</u>	<u>Percent</u>		<u>Amount</u>	<u>Percent</u>
REVENUES AND OTHER INCOME					
Fund Balance Utilized	\$ 2,000,000	2.09 %	\$ 2,500,000	2.68 %	
Miscellaneous - From Other Than Local Property Tax Levies	4,353,808	4.54	3,400,873	3.63	
Collection of Delinquent Taxes and Tax Title Liens	416,527	0.43	463,045	0.49	
Collection of Current Tax Levy	87,846,648	91.66	86,462,217	92.40	
Other Credits	<u>1,225,417</u>	<u>1.28</u>	<u>744,365</u>	<u>0.80</u>	
Total Revenues and Other Income	<u>95,842,400</u>	<u>100.00 %</u>	<u>93,570,500</u>	<u>100.00 %</u>	
EXPENDITURES					
Budget Expenditures					
Municipal Purposes	18,476,330	19.89 %	18,661,944	20.27 %	
County Taxes	12,084,566	13.01	11,798,323	12.81	
Local School Taxes	40,627,285	43.74	40,406,071	43.89	
Regional School Taxes	21,456,363	23.10	20,927,073	22.73	
Municipal Open Space Taxes	239,149	0.26	237,670	0.26	
Other Debits	<u>-</u>	<u>-</u>	<u>34,917</u>	<u>0.04</u>	
Total Expenditures	<u>92,883,693</u>	<u>100.01 %</u>	<u>92,065,998</u>	<u>100.00 %</u>	
Excess in Revenues	2,958,707		1,504,502		
Fund Balance, January 1	<u>3,974,479</u>		<u>4,969,977</u>		
	6,933,186		6,474,479		
Less Utilization as Anticipated Revenue	<u>2,000,000</u>		<u>2,500,000</u>		
Fund Balance, December 31	<u>\$ 4,933,186</u>		<u>\$ 3,974,479</u>		

**TOWNSHIP OF WYCKOFF
SUPPLEMENTARY DATA**

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

	<u>Year 2021</u>			<u>Year 2020</u>	
	<u>Amount</u>	<u>Percent</u>		<u>Amount</u>	<u>Percent</u>
REVENUES AND OTHER INCOME					
Fund Balance Utilized	\$ 400,000	14.57 %	\$	908,000	27.75 %
Collection of Sewer Rents	2,268,509	82.65		2,283,170	69.78
Interest and Costs on Sewer Charges	7,868	0.30		8,605	0.27
Other Credits to Income:					
Miscellaneous Revenue Not Anticipated	43,834	1.59		31,133	0.95
Unexpended Balance of Appropriation Reserves	<u>24,393</u>	<u>0.89</u>		<u>41,026</u>	<u>1.25</u>
Total Revenues and Other Income	<u>2,744,604</u>	<u>100.00 %</u>		<u>3,271,934</u>	<u>100.00 %</u>
EXPENDITURES					
Budget Appropriations					
Operating	2,160,638	81.21 %		2,165,527	68.41 %
Capital Improvements	<u>500,000</u>	<u>18.79</u>		<u>1,000,000</u>	<u>31.59</u>
Total Expenditures	<u>2,660,638</u>	<u>100.00 %</u>		<u>3,165,527</u>	<u>100.00 %</u>
Excess in Revenues	83,966			106,407	
Fund Balance, January 1	<u>842,898</u>			<u>1,644,491</u>	
	926,864			1,750,898	
Decreased by					
Utilized as Anticipated Revenue	<u>400,000</u>			<u>908,000</u>	
Fund Balance, December 31	<u>\$ 526,864</u>			<u>\$ 842,898</u>	

**TOWNSHIP OF WYCKOFF
SUPPLEMENTARY DATA**

Comparative Schedule of Tax Rate Information

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Tax Rate	<u>\$1.854</u>	<u>\$1.835</u>	<u>\$1.810</u>

Apportionment of Tax Rate

Municipal (Including Library)	.299	.290	.291
County	.254	.249	.243
Local School	.852	.854	.841
Regional School	.449	.442	.435

Assessed Valuation

2021	<u>\$4,771,800,100</u>	
2020		<u>\$4,731,896,000</u>
2019		<u>\$4,715,435,100</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>
2021	\$ 88,633,907	\$ 88,046,648	99.33%
2020	87,224,374	86,762,717	99.47%
2019	85,729,660	84,955,981	99.09%

Property Acquired by Tax Title Lien Foreclosure

No properties have been acquired in 2021 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>
2021	\$36,700
2020	36,700
2019	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>
2021	\$ 17,775	\$ 451,825	\$ 469,600	0.53%
2020	16,372	420,025	436,397	0.50%
2019	14,983	463,045	478,028	0.56%

Comparison of Sewer Utility Billings

<u>Year</u>	<u>Levy</u>	<u>Collections *</u>	<u>Percent of Collection</u>
2021	\$2,275,627	\$2,268,509	99.68%
2020	2,235,411	2,283,170	100.21%
2019	2,288,714	2,252,374	98.41%

* 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	2021	\$4,933,186	\$2,300,000
	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
Sewer Utility Operating Fund	2021	\$526,864	\$490,000
	2020	842,898	400,000
	2019	1,644,491	908,000
	2018	1,690,524	200,000
	2017	1,725,558	100,000

**TOWNSHIP OF WYCKOFF
SUPPLEMENTARY DATA**

OFFICIALS IN OFFICE AND SURETY BONDS AS OF DECEMBER 31, 2021

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

<u>Name</u>	<u>Title</u>
Melissa D. Rubenstein	Mayor
Thomas J. Madigan	Township Committee
Rudolf E. Boonstra	Township Committee
Timothy E. Shanley	Township Committee
Peter J. Melchionne	Township Committee
Robert J. Shannon Jr.	Administrator
Nancy A. Brown	Acting Township Clerk
Diana E. McLeod	Chief Financial Officer, Tax Collector
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, 2021, 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 2021 taxes and utility charges was held on November 18, 2021 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>
2021	4
2020	4
2019	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.

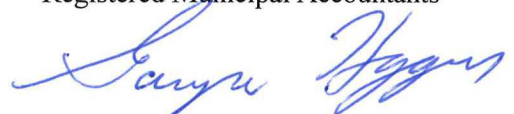
No recommendations were reported in the prior year audit.

* * * * *

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