

**TOWNSHIP OF LITTLE FALLS**

**Financial Statements With  
Supplementary Information**

**December 31, 2022  
(With Independent Auditors' Report Thereon)**

# TOWNSHIP OF LITTLE FALLS

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and  
Members of the Township Council  
Township of Little Falls  
Little Falls, New Jersey

### **Report on the Financial Statements**

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

We have audited the accompanying balance sheets – regulatory basis of the various funds and account group of the Township of Little Falls, as of December 31, 2022 and 2021, the related statement of operations and changes in fund balance – regulatory basis for the years then ended, and the related statement of revenues -regulatory basis and the statement of expenditures – regulatory basis of the various funds for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the accompanying financial statements referred to above do not present fairly the financial position of each fund of the Township of Little Falls as of December 31, 2022 and 2021, or changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

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



Honorable Mayor and  
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As described in Note 1 of the financial statements, the financial statements are prepared by the Township of Little Falls on the basis of the financial reporting provisions 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 requirements of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Basis for Qualified Opinion on Regulatory Basis Accounting Principles***

As described in Note 14 of the financial statement, the Township participates in a Length of Service Award Program for its volunteer fire and rescue personnel. The amount reflected in the trust fund statements of \$1,549,427 and \$1,894,949 for 2022 and 2021, respectively, were not audited and, therefore, we express no opinion on the LOSAP program.

***Qualified Opinion on Regulatory Basis of Accounting***

In our opinion, except for the effects of the matter described in the “*Basis for Qualified Opinion on Regulatory Basis Accounting Principles*” paragraph, the financial statements referred to above, present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2022 and 2021, the regulatory basis statements of operations and changes in fund balance for the years then ended and the regulatory basis statements of revenues and expenditures and changes in fund balance for the year ended December 31, 2022 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and 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 Little Falls’ 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 the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, 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'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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



***Other Matters***

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Little Falls' basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

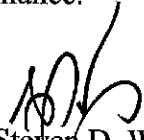
The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or any form of assurance thereon.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2023 our consideration of the Township of Little Falls' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial

Honorable Mayor and  
Members of the Township Council  
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reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Little Falls' internal control over financial reporting and compliance.



Steven D. Wielkotz, C.P.A.  
Registered Municipal Accountant  
No. CR00413



WIELKOTZ & COMPANY, LLC  
Certified Public Accountants  
Pompton Lakes, New Jersey

May 22, 2023



TOWNSHIP OF LITTLE FALLS, N.J.  
 Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2022 and 2021

|   | <u>Ref.</u> | <u>2022</u>          | <u>2021</u>       |
|---|-------------|----------------------|-------------------|
| <u>Assets</u>                                       |             |                      |                   |
| Current Fund:                                       |             |                      |                   |
| Cash  | A-4         | \$ 6,390,510         | 7,598,832         |
| Cash - Change Funds                                 | A-5         | 500                  | 500               |
|   |             | <u>6,391,010</u>     | <u>7,599,332</u>  |
| Due from State of New Jersey:                       |             |                      |                   |
| Senior Citizens and Veterans Deductions             | A-7         | 720                  | 1,673             |
| Receivables and Other Assets with Full Reserves:    |             |                      |                   |
| Tax Title Liens Receivable                          | A-8         | 100,705              | 90,733            |
| Taxes Receivable                                    | A-9         | 964,621              | 786,458           |
| Property Acquired for Taxes -<br>Assessed Valuation | A-10        | 825,100              | 825,100           |
| PILOTs Recivable                                    | A-11        | 87,869               |                   |
| Revenue Accounts Receivable                         | A-12        | 11,427               | 8,348             |
| Interfund Accounts Receivable                       | A-13        | 34,225               | 22,585            |
| Prepaid Regional School Taxes                       | A-14        | 267,777              |                   |
|   |             | <u>2,291,724</u>     | <u>1,733,224</u>  |
| Deferred Charges:                                   |             |                      |                   |
| Special Emergency Authorizations                    | A-15        | 1,098,696            | 1,395,870         |
| Emergency Authorizations                            | A-16        | 365,000              | 150,000           |
|   |             | <u>1,463,696</u>     | <u>1,545,870</u>  |
|   |             | <u>10,147,150</u>    | <u>10,880,099</u> |
| Federal and State Grant Fund:                       |             |                      |                   |
| Schedule of Interfunds                              | A-27        | 1,034,378            | 1,010,551         |
| Grants Receivable                                   | A-28        | 128,040              | 136,937           |
|   |             | <u>1,162,418</u>     | <u>1,147,488</u>  |
|   |             | <u>\$ 11,309,568</u> | <u>12,027,587</u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**  
**Comparative Balance Sheet - Regulatory Basis**

**Current Fund**

**December 31, 2022 and 2021**

|  | <u>Ref.</u> | <u>2022</u>          | <u>2021</u>       |
|--|-------------|----------------------|-------------------|
| <u>Liabilities, Reserves and Fund Balance</u>    |             |                      |                   |
| <b>Current Fund:</b>                             |             |                      |                   |
| Appropriation Reserves                           | A-3/A-17    | \$ 676,364           | 1,228,523         |
| Encumbrances Payable                             | A-3/A-18    | 83,486               | 124,206           |
| Interfund Accounts Payable                       | A-13        | 635,077              | 258,777           |
| Reserve for Other Expenditures                   | A-19        | 1,295,010            | 1,188,479         |
| Tax Overpayments                                 | A-20        | 329                  |                   |
| Local District School Taxes Payable              | A-21        | 3                    | 2                 |
| Regional School Taxes Payable                    | A-22        |                      | 1,334,034         |
| County Taxes Payable                             | A-23        |                      | 41,015            |
| Prepaid Taxes                                    | A-24        | 321,760              | 297,651           |
| State Fees Payable                               | A-25        | 38,952               | 18,027            |
| Interfund Payable - Federal and State Grant Fund | A-26        | 1,034,378            | 1,010,551         |
|  |             | <u>4,085,359</u>     | <u>5,501,265</u>  |
| Reserve for Receivables                          | Contra      | 2,291,724            | 1,733,224         |
| Fund Balance                                     | A-1         | 3,770,067            | 3,645,610         |
|  |             | <u>10,147,150</u>    | <u>10,880,099</u> |
| <b>Federal and State Grant Fund:</b>             |             |                      |                   |
| Schedule of Interfunds                           | A-25        |                      |                   |
| Appropriated Reserve for Grants                  | A-27        | 349,656              | 286,502           |
| Reserve for Grant Encumbrances                   | A-27        | 11,466               | 42,584            |
| Unappropriated Reserve for Grants                | A-28        | 801,296              | 818,402           |
|  |             | <u>1,162,418</u>     | <u>1,147,488</u>  |
|  |             | <u>\$ 11,309,568</u> | <u>12,027,587</u> |

See accompanying notes to financial statements.

## TOWNSHIP OF LITTLE FALLS, N.J.

Comparative Statement of Operations and Changes in  
Fund Balance - Regulatory Basis

## Current Fund

## Years Ended December 31, 2022 and 2021

|  | <u>2022</u> | <u>2021</u> |
|--|-------------|-------------|
| Revenues and Other Income:                                 |             |             |
| Fund Balance Utilized                                      | 1,970,000   | 1,405,400   |
| Miscellaneous Revenue Anticipated                          | 4,861,808   | 4,407,508   |
| Receipts from Delinquent Taxes                             | 454,565     | 480,823     |
| Receipts from Current Taxes                                | 50,050,553  | 49,022,208  |
| Non-Budget Revenue   | 1,227,303   | 385,575     |
| Other Credits to Income:                                   |             |             |
| Unexpended Balance of Appropriation Reserves               | 1,044,061   | 796,257     |
| Interfunds Returned  | 221         | 68,590      |
|  | <hr/>       | <hr/>       |
| Total Revenues and Other Income                            | 59,608,511  | 56,566,361  |
|  | <hr/>       | <hr/>       |
| Expenditures:  |             |             |
| Budget and Emergency Appropriations:                       |             |             |
| Operations:  |             |             |
| Salaries and Wages   | 8,030,793   | 7,861,334   |
| Other Expenses   | 8,232,743   | 7,814,006   |
| Capital Improvements                                       | 350,000     | 325,000     |
| Municipal Debt Service                                     | 2,371,468   | 1,747,586   |
| Deferred Charges and Statutory Expenditures -<br>Municipal | 2,433,373   | 1,777,826   |
| Local District School Tax                                  | 15,688,675  | 15,600,865  |
| Regional High School Taxes                                 | 8,980,751   | 7,795,207   |
| Prepaid Regional School Tax                                | 267,777     |             |
| County Taxes Including Added Taxes                         | 11,137,959  | 11,287,974  |
| County Open Space Taxes                                    | 191,216     | 162,349     |
| Municipal Open Spaces Taxes Payable                        | 77,255      | 76,997      |
| Grant Receivable Cancelled                                 | 41,563      |             |
| Interfunds Advanced  | 11,861      | 29,150      |
| Refund of Prior Year Revenue                               | 63,620      | 16,839      |
|  | <hr/>       | <hr/>       |
| Total Expenditures   | 57,879,054  | 54,495,133  |
|  | <hr/>       | <hr/>       |
| Excess (Deficit) Revenue Over Expenditures                 | 1,729,457   | 2,071,228   |

## TOWNSHIP OF LITTLE FALLS, N.J.

Comparative Statement of Operations and Changes in  
Fund Balance - Regulatory Basis

## Current Fund

## Years Ended December 31, 2022 and 2021

|   | <u>2022</u>         | <u>2021</u>      |
|---|---------------------|------------------|
| Adjustments to Income before Surplus:                     |                     |                  |
| Expenditures included above which are by Statute Deferred |                     |                  |
| Charges to Budget of Succeeding Year:                     |                     |                  |
| Emergency Authorizations                                  | <u>365,000</u>      | <u>150,000</u>   |
|   | <u>365,000</u>      | <u>150,000</u>   |
| Statutory Excess to Surplus                               | 2,094,457           | 2,221,228        |
| Fund Balance, January 1,                                  | <u>3,645,610</u>    | <u>2,829,782</u> |
|   | 5,740,067           | 5,051,010        |
| Decreased by:   |                     |                  |
| Fund Balance Utilized as Budget Revenue                   | <u>1,970,000</u>    | <u>1,405,400</u> |
| Fund Balance, December 31,                                | <u>\$ 3,770,067</u> | <u>3,645,610</u> |

See accompanying notes to the financial statements.

## TOWNSHIP OF LITTLE FALLS, N.J.

## Statement of Revenues - Regulatory Basis

## Current Fund

Year Ended December 31, 2022

|  | <u>Budget</u> | <u>Realized</u> | <u>Excess or<br/>(Deficit)</u> |
|--|---------------|-----------------|--------------------------------|
| Fund Balance Anticipated                                 | \$ 1,970,000  | 1,970,000       |                                |
| Miscellaneous Revenues:                                  |               |                 |                                |
| Licenses:  |               |                 |                                |
| Alcoholic Beverages                                      | 31,000        | 31,570          | 570                            |
| Other  | 30,000        | 26,529          | (3,471)                        |
| Fees and Permits   |               |                 |                                |
| Other  | 77,435        | 83,487          | 6,052                          |
| Fines and Costs:   |               |                 |                                |
| Municipal Court  | 95,000        | 102,819         | 7,819                          |
| Interest and Costs on Taxes                              | 95,000        | 114,511         | 19,511                         |
| Interest on Investments and Deposits                     | 10,000        | 54,488          | 44,488                         |
| Recreation Program Fees                                  | 180,000       | 207,918         | 27,918                         |
| Energy Receipts Tax                                      | 1,282,063     | 1,282,063       |                                |
| Watershed Aid  | 1,457         | 1,457           |                                |
| Reserve for Garden State Trust Fund                      | 4,509         | 4,509           |                                |
| Uniform Construction Code Fees                           | 575,000       | 651,326         | 76,326                         |
| EMS Fees - Little Falls                                  | 560,000       | 339,976         | (220,024)                      |
| Special Items of General Revenue                         |               |                 |                                |
| Anticipated With Prior Written Consent                   |               |                 |                                |
| of Director of the Division of Local Government Services |               |                 |                                |
| State and Federal Revenues Offset with Appropriations    |               |                 |                                |
| Recycling Tonnage Grant                                  | 20,813        | 20,813          |                                |
| Clean Communities  | 21,814        | 21,814          |                                |
| Click It or Ticket                                       | 6,000         | 6,000           |                                |
| Municipal Alliance on Alcoholism and Drug Abuse          | 22,440        | 22,440          |                                |
| Drunk Driving Enforcement Fund                           | 10,070        | 10,070          |                                |
| Safe Corridors   | 64,366        | 64,366          |                                |
| Body Armor Replacement                                   | 2,219         | 2,219           |                                |
| Click It or Ticket                                       | 7,000         | 7,000           |                                |
| Distracted Driving Enforcement Fund                      | 7,000         | 7,000           |                                |
| Other Special Items:                                     |               |                 |                                |
| Uniform Fire Safety Act                                  | 21,000        | 21,327          | 327                            |
| Sewer Service Fees                                       | 112,000       | 488,636         | 376,636                        |
| Cable TV Franchise Fee                                   | 166,000       | 162,950         | (3,050)                        |
| Reserve for Debt Service                                 | 20,000        | 20,000          |                                |
| General Capital Fund Balance                             | 125,000       | 125,000         |                                |
| American Rescue Plan - Revenue Loss                      | 757,486       | 757,486         |                                |
| Montclair University Sewer Fees                          | 175,000       | 157,394         | (17,606)                       |
| IRS Contribution - Debt Service                          | 58,000        | 58,000          |                                |
| Montclair University Fire Alarm Fees                     | 4,500         | 8,640           | 4,140                          |
| Total Miscellaneous Revenues                             | 4,542,172     | 4,861,808       | 319,636                        |
| Receipts from Delinquent Taxes                           | 480,000       | 454,565         | (25,435)                       |
| Subtotal General Revenues                                | 6,992,172     | 7,286,373       | 294,201                        |

**TOWNSHIP OF LITTLE FALLS, N.J.**  
**Statement of Revenues - Regulatory Basis**

**Current Fund**

**Year Ended December 31, 2022**

|   | <u>Budget</u>        | <u>Realized</u>   | <u>Excess or<br/>(Deficit)</u> |
|---|----------------------|-------------------|--------------------------------|
| Amount to be Raised by Taxes for Support of<br>Municipal Budget |                      |                   |                                |
| Local Tax for Municipal Purposes                                | 14,038,414           | 13,880,425        | (157,989)                      |
| Library Purposes  | <u>594,272</u>       | <u>594,272</u>    |                                |
|   | <u>14,632,686</u>    | <u>14,474,697</u> | <u>(157,989)</u>               |
| Budget Totals   | 21,624,858           | 21,761,070        | 136,212                        |
| Non-Budget Revenue  |                      | <u>1,227,303</u>  | <u>1,227,303</u>               |
|   | <u>\$ 21,624,858</u> | <u>22,988,373</u> | <u>1,363,515</u>               |

Analysis of Realized Revenues

|   |                      |
|---|----------------------|
| Revenue from Current Tax Collections                      | \$ 50,050,553        |
| Allocated to County and Local and Regional School Taxes   | <u>36,075,856</u>    |
| Balance for Support of Municipal<br>Budget Appropriations | 13,974,697           |
| Add : Appropriation - Reserve for Uncollected Taxes       | <u>500,000</u>       |
| Amount for Support of Municipal<br>Budget Appropriations  | <u>\$ 14,474,697</u> |
| Receipts from Delinquent Taxes:                           |                      |
| Taxes Receivable  | <u>454,565</u>       |
| Delinquent Taxes  | <u>\$ 454,565</u>    |
| Non-Budget Revenue:                                       |                      |
| Municipal Clerk Fees                                      | \$ 9,959             |
| Developer Contributions                                   | 434,700              |
| County Election Reimbursements                            | 4,676                |
| Old Outstanding Checks Voided                             | 10,492               |
| PILOT Revenue   | 64,823               |
| Opioid Settlement   | 7,000                |
| FEMA  | 156,438              |
| Billboard Leases  | 64,578               |
| PVSC Reimbursements                                       | 41,286               |
| Miscellaneous   | 67                   |
| Library Reimbursements                                    | 124,166              |
| Offsets Not Applied                                       | <u>309,118</u>       |
|   | <u>\$ 1,227,303</u>  |

See accompanying notes to the financial statements.



TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

|                           | Budget    | Budget after<br>Modification<br>and Transfer | Paid or<br>Charged | Reserved | Unexpended<br>Balance<br>Canceled |
|---------------------------|-----------|--|--------------------|----------|-----------------------------------|
| General Government:       |           |  |                    |          |                                   |
| Administration:           |           |  |                    |          |                                   |
| Salaries and Wages        | \$ 50,000 | 50,000                                       | 50,000             |          |                                   |
| Other Expenses            | 61,300    | 63,300                                       | 63,072             | 228      |                                   |
| Mayor and Council:        |           |  |                    |          |                                   |
| Salaries and Wages        | 17,500    | 17,500                                       | 16,771             | 729      |                                   |
| Other Expenses            | 2,000     | 2,000  | 545                | 1,455    |                                   |
| Municipal Clerk:          |           |  |                    |          |                                   |
| Salaries and Wages        | 250,455   | 246,455                                      | 246,441            | 14       |                                   |
| Other Expenses            | 85,000    | 85,000                                       | 80,936             | 4,064    |                                   |
| Financial Administration: |           |  |                    |          |                                   |
| Salaries and Wages        | 148,841   | 148,841                                      | 147,916            | 925      |                                   |
| Other Expenses            | 70,000    | 63,800                                       | 60,129             | 3,671    |                                   |
| Audit Services            | 58,000    | 58,000                                       | 38,825             | 19,175   |                                   |
| Collection of Taxes:      |           |  |                    |          |                                   |
| Salaries and Wages        | 104,840   | 104,840                                      | 103,972            | 868      |                                   |
| Other Expenses            | 39,500    | 35,500                                       | 23,625             | 11,875   |                                   |
| Assessment of Taxes       |           |  |                    |          |                                   |
| Salaries and Wages        | 59,939    | 59,939                                       | 59,430             | 509      |                                   |
| Other Expenses            | 32,900    | 33,100                                       | 32,390             | 710      |                                   |
| Legal Services and Cost:  |           |  |                    |          |                                   |
| Other Expenses            | 175,000   | 175,000                                      | 98,710             | 76,290   |                                   |

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

|   | Budget    | Budget after<br>Modification<br>and Transfer | Paid or<br>Charged | Reserved | Unexpended<br>Balance<br>Canceled |
|---|-----------|--|--------------------|----------|-----------------------------------|
| Engineering Services and Costs:                       |           |  |                    |          |                                   |
| Other Expenses  | 125,000   | 109,500                                      | 101,196            | 8,304    |                                   |
| Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.)    |           |  |                    |          |                                   |
| Planning Board:                                       |           |  |                    |          |                                   |
| Salaries and Wages                                    | 5,216     | 5,216  | 4,999              | 217      |                                   |
| Other Expenses  | 16,500    | 16,500                                       | 8,272              | 8,228    |                                   |
| Insurance:  |           |  |                    |          |                                   |
| Liability   | 35,000    | 35,000                                       | 32,438             | 2,562    |                                   |
| Liability - NJIF                                      | 283,400   | 283,400                                      | 283,103            | 297      |                                   |
| Workers Compensation                                  | 234,800   | 234,800                                      | 233,800            | 1,000    |                                   |
| Employee Group Insurance                              | 1,419,000 | 1,419,000                                    | 1,418,858          | 142      |                                   |
| Employee Group Insurance-Delta Dental                 | 70,000    | 70,000                                       | 70,000             |          |                                   |
| Unemployment Insurance                                | 15,000    | 15,000                                       | 15,000             |          |                                   |
| Public Safety:  |           |  |                    |          |                                   |
| Police:   |           |  |                    |          |                                   |
| Salaries and Wages - Regular                          | 3,291,043 | 3,291,043                                    | 3,288,742          | 2,301    |                                   |
| Salaries and Wages - Dispatchers/911                  | 517,100   | 502,100                                      | 499,047            | 3,053    |                                   |
| Salaries and Wages - Police Civilian                  | 185,939   | 189,939                                      | 188,541            | 1,398    |                                   |
| Other Expenses  | 237,350   | 237,350                                      | 237,026            | 324      |                                   |
| Acquisition of Police Vehicles                        | 110,000   | 110,000                                      | 109,083            | 917      |                                   |
| American Rescue Plan - Revenue Loss - Police Salaries | 757,486   | 757,486                                      | 757,486            |          |                                   |
| Fire Department                                       |           |  |                    |          |                                   |
| Other Expenses - Miscellaneous                        | 184,865   | 184,865                                      | 179,816            | 5,049    |                                   |
| Fire Prevention                                       |           |  |                    |          |                                   |
| Salaries and Wages                                    | 131,119   | 131,119                                      | 130,889            | 230      |                                   |
| Other Expenses  | 13,500    | 13,500                                       | 5,940              | 7,560    |                                   |

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

|  | <u>Budget</u> | <u>Budget after<br/>Modification<br/>and Transfer</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u> | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|--|---------------|---|----------------------------|-----------------|--|
| EMS/Ambulance                          | 71,850        | 121,850   | 118,608                    | 3,242           |  |
| Other Expenses                         |               |   |                            |                 |  |
| Fire Hydrant Service                   | 182,000       | 182,000   | 181,378                    | 622             |  |
| Other Expenses                         |               |   |                            |                 |  |
| Emergency Management:                  |               |   |                            |                 |  |
| Salaries and Wages                     | 15,000        | 15,000  | 15,000                     |                 |  |
| Other Expenses                         | 20,000        | 20,000  | 19,769                     | 231             |  |
| Municipal Prosecutor:                  |               |   |                            |                 |  |
| Salaries and Wages                     | 21,102        | 21,102  | 20,623                     | 479             |  |
| Public Works:                          |               |   |                            |                 |  |
| Road Repairs and Maintenance:          |               |   |                            |                 |  |
| Salaries and Wages                     | 1,104,675     | 1,104,675   | 1,080,996                  | 23,679          |  |
| Other Expenses                         | 215,000       | 215,000   | 214,465                    | 535             |  |
| Shade Tree                             |               |   |                            |                 |  |
| Salaries and Wages                     | 1,200         | 1,200   |                            | 1,200           |  |
| Other Expenses                         | 30,370        | 30,370  | 30,185                     | 185             |  |
| Solid Waste Collection                 |               |   |                            |                 |  |
| Salaries and Wages                     | 75,000        | 75,000  | 41,394                     | 33,606          |  |
| Other Expenses                         | 526,000       | 526,000   | 481,471                    | 44,529          |  |
| Sanitation:                            |               |   |                            |                 |  |
| Landfill & Solid Waste Disposal Costs: |               |   |                            |                 |  |
| Other Expenses                         | 520,000       | 520,000   | 515,029                    | 4,971           |  |
| Public Building and Grounds            |               |   |                            |                 |  |
| Salaries and Wages                     | 125,000       | 125,000   | 121,110                    | 3,890           |  |
| Other Expenses                         |               |   |                            |                 |  |
| Vehicle Maintenance:                   |               |   |                            |                 |  |
| Salaries and Wages                     | 90,000        | 77,000  | 74,789                     | 2,211           |  |
| Other Expenses                         | 115,000       | 115,000   | 111,445                    | 3,555           |  |

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

|                                     | Budget  | Budget after<br>Modification<br>and Transfer | Paid or<br>Charged | Reserved | Unexpended<br>Balance<br>Canceled |
|-------------------------------------|---------|--|--------------------|----------|-----------------------------------|
| Community Services Act:             |         |  |                    |          |                                   |
| Other Expenses                      | 15,000  | 15,000                                       | 1,016              | 13,984   |                                   |
| Health and Welfare:                 |         |  |                    |          |                                   |
| Public Health Services:             |         |  |                    |          |                                   |
| Other Expenses                      | 19,025  | 19,025                                       | 3,852              | 15,173   |                                   |
| Flood Board                         |         |  |                    |          |                                   |
| Other Expenses                      | 500     | 500  |                    | 500      |                                   |
| Administration of Public Assistance |         |  |                    |          |                                   |
| Salaries and Wages                  | 14,880  | 14,880                                       | 14,260             | 620      |                                   |
| Other Expenses                      | 550     | 550  |                    | 550      |                                   |
| Parks and Recreation:               |         |  |                    |          |                                   |
| Recreation Services and Programs:   |         |  |                    |          |                                   |
| Salaries and Wages                  | 231,634 | 211,634                                      | 202,935            | 8,699    |                                   |
| Other Expenses                      | 178,680 | 178,680                                      | 170,433            | 8,247    |                                   |
| Senior Citizen Transportation       |         |  |                    |          |                                   |
| Other Expenses                      | 2,900   | 2,900  | 1,200              | 1,700    |                                   |
| Senior Citizen Activities           |         |  |                    |          |                                   |
| Salaries and Wages                  |         |  |                    |          |                                   |
| Other Expenses                      | 6,000   | 6,000  | 6,000              |          |                                   |
| PEOSHA Mandated Costs               |         |  |                    |          |                                   |
| Other Expenses                      | 5,000   | 5,000  | 5,000              |          |                                   |
| Municipal Court                     |         |  |                    |          |                                   |
| Salaries and Wages                  | 167,962 | 167,962                                      | 160,126            | 7,836    |                                   |
| Other Expenses                      | 33,600  | 33,600                                       | 9,700              | 23,900   |                                   |
| Public Defender:                    |         |  |                    |          |                                   |
| Other Expenses                      | 7,500   | 7,500  | 5,100              | 2,400    |                                   |

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

|                                       | <u>Budget</u>     | <u>Budget after<br/>Modification<br/>and Transfer</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u> | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|---------------------------------------|-------------------|---|----------------------------|-----------------|--|
| Uniform Construction Code:            |                   |   |                            |                 |  |
| Construction Code Official:           |                   |   |                            |                 |  |
| Salaries and Wages                    | 218,947           | 218,947   | 218,898                    | 49              |  |
| Other Expenses                        | 42,100            | 37,100  | 21,773                     | 15,327          |  |
| Sub-Code Official:                    |                   |   |                            |                 |  |
| Plumbing Inspector                    | 24,130            | 29,130  | 29,094                     | 36              |  |
| Salaries and Wages                    |                   |   |                            |                 |  |
| Electrical Inspector                  |                   |   |                            |                 |  |
| Salaries and Wages                    | 28,285            | 29,785  | 29,462                     | 323             |  |
| Other Expenses                        |                   |   |                            |                 |  |
| Utility Expenses and Bulk Purchases   |                   |   |                            |                 |  |
| Street Lighting                       | 80,000            | 95,000  | 94,904                     | 96              |  |
| Telephone                             | 138,000           | 138,000   | 117,985                    | 20,015          |  |
| Gas (Natural or Propane)              | 250,000           | 255,000   | 254,469                    | 531             |  |
| Water                                 | 35,000            | 35,000  | 29,271                     | 5,729           |  |
| Fuel Oil                              | 70,000            | 70,000  | 41,035                     | 28,965          |  |
| Gasoline                              | 160,000           | 160,000   | 151,330                    | 8,670           |  |
| Landfill/Solid Waste Disposal Costs   |                   |   |                            |                 |  |
| Celebration of Events                 |                   |   |                            |                 |  |
| Other Expenses                        | 10,000            | 10,000  | 8,175                      | 1,825           |  |
| Municipal Alliance                    |                   |   |                            |                 |  |
| Salaries and Wages                    |                   |   |                            |                 |  |
| Emergency Appropriation-Hurricane Ida |                   |   |                            |                 |  |
| Other Expenses                        |                   |   |                            |                 |  |
| Total Operations within "CAPS"        | <u>13,639,483</u> | <u>13,639,483</u>                                     | <u>13,189,278</u>          | <u>450,205</u>  |  |

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

|   | Budget     | Budget after Modification and Transfer | Paid or Charged | Reserved | Unexpended Balance Canceled |
|---|------------|--|-----------------|----------|-----------------------------|
| B. Contingent   |            |  |                 |          |                             |
| Total Operations Including Contingent-within "CAPS"                       | 13,639,483 | 13,639,483                             | 13,189,278      | 450,205  |                             |
| Detail:   |            |  |                 |          |                             |
| Salaries & Wages  | 7,512,293  | 7,470,793                              | 7,381,811       | 88,982   |                             |
| Other Expenses (Including Contingent)                                     | 6,127,190  | 6,168,690                              | 5,807,467       | 361,223  |                             |
| (E) Deferred Charges and Statutory Expenditures-Municipal within "CAPS"   |            |  |                 |          |                             |
| (1) DEFERRED CHARGES  |            |  |                 |          |                             |
| Municipal Alliance Contributions  | 68         | 68                                     | 68              |          |                             |
| (2) STATUTORY EXPENDITURES:   |            |  |                 |          |                             |
| Contribution to:  |            |  |                 |          |                             |
| Public Employees' Retirement System                                       | 457,998    | 457,998                                | 457,998         |          |                             |
| Social Security System (O.A.S.I.)   | 350,000    | 350,000                                | 348,076         | 1,924    |                             |
| Police and Firemen's Retirement System of NJ                              | 1,153,133  | 1,153,133                              | 1,153,133       |          |                             |
| Pension of Widow Volunteer Firemen  | 5,000      | 5,000                                  | 5,000           |          |                             |
| Defined Contribution Pension Plan   | 20,000     | 20,000                                 | 11,500          | 8,500    |                             |
| Total Deferred Charged and Statutory Expenditures-Municipal within "CAPS" | 1,986,199  | 1,986,199                              | 1,975,775       | 10,424   |                             |
| Total General Appropriations for Municipal Purposes within "CAPS"         | 15,625,682 | 15,625,682                             | 15,165,053      | 460,629  |                             |

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

|   | <u>Budget</u>    | <u>Budget after<br/>Modification<br/>and Transfer</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u> | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|---|------------------|---|----------------------------|-----------------|--|
| Operations - Excluded from "CAPS":            |                  |   |                            |                 |  |
| Sewerage Processing and Disposal              |                  |   |                            |                 |  |
| Passaic Valley Sewer Commission               | 1,022,059        | 1,022,059   | 1,021,933                  | 126             |  |
| Operating and Maintenance Costs               | 15,500           | 15,500  | 4,400                      | 11,100          |  |
| Second River Joint                            | 2,500            | 2,500   | 2,469                      | 31              |  |
| Third River Joint                             | 25,000           | 25,000  |                            | 25,000          |  |
| Township of Montclair                         | 7,500            | 7,500   |                            | 7,500           |  |
| City of Clifton                               | 115,000          | 115,000   | 115,000                    |                 |  |
| City of Clifton-Health Officer                | 594,272          | 594,272   | 594,272                    |                 |  |
| Maintenance of Free Public Library            | 105,000          | 105,000   |                            | 105,000         |  |
| LOSAP Program                                 | 15,500           | 15,500  | 15,500                     |                 |  |
| Recycling Tax                                 |                  |   |                            |                 |  |
| Total Other Operations - Excluded from "CAPS" | <u>1,902,331</u> | <u>1,902,331</u>                                      | <u>1,753,574</u>           | <u>148,757</u>  |  |
| Interlocal Municipal Service Agreements       |                  |   |                            |                 |  |
| Emergency Medical Services                    | 560,000          | 560,000   | 499,169                    | 60,831          |  |
| Salaries and Wages                            |                  |   |                            |                 |  |
| Total Interlocal Municipal Service Agreements | <u>560,000</u>   | <u>560,000</u>  | <u>499,169</u>             | <u>60,831</u>   |  |

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

|   | <u>Budget</u>    | <u>Budget after<br/>Modification<br/>and Transfer</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u> | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|---|------------------|---|----------------------------|-----------------|--|
| Public and Private Programs Offset<br>by Revenues               |                  |   |                            |                 |  |
| Municipal Alliance  | 22,440           | 22,440  | 22,440                     |                 |  |
| Drunk Driving Enforcement Fund                                  | 10,070           | 10,070  | 10,070                     |                 |  |
| Body-Worn Cameras   | 2,219            | 2,219   | 2,219                      |                 |  |
| Click-It or Ticket  | 13,000           | 13,000  | 13,000                     |                 |  |
| Distracted Driving  | 7,000            | 7,000   | 7,000                      |                 |  |
| Recycling Tonnage Grant   | 20,813           | 20,813  | 20,813                     |                 |  |
| NJ Highway  | 64,366           | 64,366  | 64,366                     |                 |  |
| Clean Communities   | 21,814           | 21,814  | 21,814                     |                 |  |
| <b>Total Public and Private Programs Offset<br/>by Revenues</b> | <u>161,722</u>   | <u>161,722</u>  | <u>161,722</u>             |                 |  |
| <b>Total Operations-Excluded from "CAPS"</b>                    | <u>2,624,053</u> | <u>2,624,053</u>                                      | <u>2,414,465</u>           | <u>209,588</u>  |  |
| Detail:   |                  |   |                            |                 |  |
| Salaries and Wages  | 560,000          | 560,000   | 499,169                    | 60,831          |  |
| Other Expenses  | 2,064,053        | 2,064,053   | 1,915,296                  | 148,757         |  |
| <b>Capital Improvements - Excluded from "CAPS"</b>              |                  |   |                            |                 |  |
| Capital Improvement Fund  | 275,000          | 275,000   | 275,000                    |                 |  |
| Acquisition of Computers  | 75,000           | 75,000  | 68,853                     | 6,147           |  |
| <b>Total Capital Improvements Excluded from "CAPS"</b>          | <u>350,000</u>   | <u>350,000</u>  | <u>343,853</u>             | <u>6,147</u>    |  |



TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

|   | <u>Budget</u>     | <u>Budget after<br/>Modification<br/>and Transfer</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u> | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|---|-------------------|---|----------------------------|-----------------|--|
| Municipal Debt Service - Excluded from "CAPS"   |                   |   |                            |                 |  |
| Payment of Bond Principal   | 1,471,000         | 1,471,000   | 1,471,000                  |                 |  |
| Payment of BANs and Capital Notes   | 265,000           | 265,000   | 265,000                    |                 |  |
| Interest on Bonds   | 691,211           | 691,211   | 619,960                    |                 | 71,251                                     |
| Interest on Notes   | 15,739            | 15,739  | 15,508                     |                 | 231  |
| <b>Total Municipal Debt Service-Excluded from "CAPS"</b>                                    | <b>2,442,950</b>  | <b>2,442,950</b>                                      | <b>2,371,468</b>           |                 | <b>71,482</b>                              |
| Deferred Charges and Statutory Expenditures-<br>Municipal excluded from "CAPS"              |                   |   |                            |                 |  |
| Emergency Authorization   | 150,000           | 150,000   | 150,000                    |                 |  |
| Special Emergency - 5 Year (N.J.S. 40A:4-55)  | 297,174           | 297,174   | 297,174                    |                 |  |
| <b>Total Deferred Charged and Statutory<br/>Expenditures-Municipal excluded from "CAPS"</b> | <b>447,174</b>    | <b>447,174</b>  | <b>447,174</b>             |                 |  |
| <b>Total General Appropriations for<br/>Municipal Purposes Excluded from "CAPS"</b>         | <b>5,864,177</b>  | <b>5,864,177</b>                                      | <b>5,576,960</b>           | <b>215,735</b>  | <b>71,482</b>                              |
| <b>Subtotal General Appropriations</b>  | <b>21,489,859</b> | <b>21,489,859</b>                                     | <b>20,742,013</b>          | <b>676,364</b>  | <b>71,482</b>                              |

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

|                               | <u>Budget</u> | <u>Budget after<br/>Modification<br/>and Transfer</u> | <u>Paid or<br/>Charged</u> | <u>Reserved</u> | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|-------------------------------|---------------|---|----------------------------|-----------------|--|
| Reserve for Uncollected Taxes | 500,000       | 500,000   | 500,000                    |                 |  |
| Total General Appropriations  | \$ 21,989,859 | 21,989,859  | 21,242,013                 | 676,364         | 71,482                                     |

Appropriation by 40A:4-87 \$ 78,366  
 Emergency Authorization 365,000  
 Adopted Budget 21,546,493

\$ 21,989,859

Reserve for Uncollected Taxes \$ 500,000  
 Federal and State Grants 161,722  
 Reserve for Other Expenditures-JIF Retro 52,000  
     Deferred Charges 447,174  
     Interfunds-Unemployment Trust Fund 15,000  
 Interfunds-Municipal Alliance Trust Fund 68  
     Interfunds-General Capital Fund 288,621  
     Encumbrances 83,486  
     Cash 19,693,942

\$ 21,242,013

See accompanying notes to the financial statements.

TOWNSHIP OF LITTLE FALLS, N.J.

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2022 and 2021

| <u>Assets</u>  | <u>Ref.</u> | <u>2022</u>         | <u>2021</u>      |
|--|-------------|---------------------|------------------|
| Animal Control Trust Fund                              |             |                     |                  |
| Cash   | B-1         | \$ <u>8,707</u>     | <u>6,940</u>     |
| Other Trust Fund                                       |             |                     |                  |
| Cash   | B-1         | <u>1,315,744</u>    | <u>1,037,045</u> |
| Deferred Charge-Deficit in Municipal Alliance Reserve  |             |                     | <u>68</u>        |
|  |             | <u>1,315,744</u>    | <u>1,037,113</u> |
| Unemployment Compensation Insurance Trust Fund         |             |                     |                  |
| Cash   | B-1         | <u>74,008</u>       | <u>61,025</u>    |
| Due from Current Fund                                  | B-2         | <u>14,733</u>       | <u>14,733</u>    |
| Due to the State of New Jersey                         | B-8         | <u>305</u>          |                  |
|  |             | <u>89,046</u>       | <u>75,758</u>    |
| Affordable Housing Trust Fund                          |             |                     |                  |
| Cash   | B-1         | <u>988,605</u>      | <u>942,177</u>   |
| Open Space Trust Fund                                  |             |                     |                  |
| Cash   | B-1         | <u>216,428</u>      | <u>61,040</u>    |
| Due from Current Fund                                  | B-2         | <u>110</u>          | <u>76,998</u>    |
|  |             | <u>216,538</u>      | <u>138,038</u>   |
| Length of Service Award Program Trust Fund (Unaudited) |             |                     |                  |
| Investments  | B-1         | <u>1,505,190</u>    | <u>1,852,311</u> |
| Contribution Receivable                                | B-12        | <u>44,237</u>       | <u>42,638</u>    |
|  |             | <u>1,549,427</u>    | <u>1,894,949</u> |
|  |             | <u>\$ 4,168,067</u> | <u>4,094,975</u> |

## TOWNSHIP OF LITTLE FALLS, N.J.

## Comparative Balance Sheet - Regulatory Basis

## Trust Funds

December 31, 2022 and 2021.

| <u>Liabilities, Reserves &amp; Fund Balance</u>               | <u>Ref.</u> | <u>2022</u>         | <u>2021</u>      |
|---|-------------|---------------------|------------------|
| <b>Animal Control Trust Fund</b>                              |             |                     |                  |
| Due to Current Fund   | B-2         | \$ 6,136            | 3,578            |
| Reserve for Animal Control Fund Expenditures                  | B-4         | 2,570               | 3,357            |
| Due to State of New Jersey                                    | B-3         | 1                   | 5                |
|   |             | <u>8,707</u>        | <u>6,940</u>     |
| <b>Other Trust Fund</b>                                       |             |                     |                  |
| Interfunds Payable:   |             |                     |                  |
| Due to Current Fund   | B-2         | 11,012              | 6,393            |
| Due to Current Fund - Escrow                                  | B-2         | 275                 | 248              |
| Due to Current Fund - Tax Title Liens                         | B-2         | 4,486               | 1,303            |
| Reserve for Escrow Deposits                                   | B-5         | 256,814             | 210,055          |
| Reserve for Inspection Fees                                   | B-5         | 38,997              | 24,130           |
| Miscellaneous Reserves  | B-6         | 961,548             | 755,622          |
| Building Surcharge Fees - Due to State of New Jersey          | B-7         | 42,612              | 39,362           |
|   |             | <u>1,315,744</u>    | <u>1,037,113</u> |
| <b>Unemployment Compensation Insurance Trust Fund</b>         |             |                     |                  |
| Reserve for Unemployment Compensation Insurance               | B-9         | 89,046              | 75,758           |
|   |             | <u>89,046</u>       | <u>75,758</u>    |
| <b>Affordable Housing Trust Fund</b>                          |             |                     |                  |
| Reserve for Affordable Housing                                | B-10        | 988,605             | 942,177          |
| <b>Open Space Trust Fund</b>                                  |             |                     |                  |
| Reserve for Open Space  | B-11        | 216,538             | 138,038          |
|   |             | <u>216,538</u>      | <u>138,038</u>   |
| <b>Length of Service Award Program Trust Fund (Unaudited)</b> |             |                     |                  |
| Reserve for LOSAP   | B-13        | 1,549,427           | 1,894,949        |
|   |             | <u>\$ 4,168,067</u> | <u>4,094,975</u> |

See accompanying notes to financial statements.

**TOWNSHIP OF LITTLE FALLS, N.J.**  
**Comparative Balance Sheet - Regulatory Basis**  
**General Capital Fund**  
**December 31, 2022 and 2021**

| <u>Assets</u>                                 | <u>Ref.</u> | <u>2022</u>          | <u>2021</u>       |
|---|-------------|----------------------|-------------------|
| Cash  | C-2/C-3     | \$ 2,199,791         | 3,508,289         |
| Due from Current Fund                         | C-4         | 620,234              | 167,046           |
| Deferred Charges to Future Taxation:          |             |                      |                   |
| Funded  | C-5         | 23,004,000           | 24,475,000        |
| Unfunded                                      | C-6         | 9,118,633            | 6,921,633         |
| Grants Receivable                             | C-11        | 8,951,297            | 8,391,569         |
|   |             | <u>\$ 43,893,955</u> | <u>43,463,537</u> |
| <u>Liabilities, Reserves and Fund Balance</u> |             |                      |                   |
| General Serial Bonds                          | C-7         | 23,004,000           | 24,475,000        |
| Bond Anticipation Notes Payable               | C-8         | 5,222,113            | 3,987,113         |
| Contracts Payable                             | C-9         | 1,633,558            | 449,794           |
| Improvement Authorizations:                   |             |                      |                   |
| Funded  | C-10        | 8,708,788            | 9,876,144         |
| Unfunded                                      | C-10        | 4,755,550            | 4,443,025         |
| Capital Improvement Fund                      | C-12        | 208,850              | 63,850            |
| Reserve for I & I                             | C-13        | 21,696               | 21,696            |
| Reserve for Payment of Debt                   | C-14        |                      | 20,000            |
| Fund Balance                                  | C-1         | 339,400              | 126,915           |
|   |             | <u>\$ 43,893,955</u> | <u>43,463,537</u> |

There were \$3,896,520 and \$2,934,520 of Bonds and Notes Authorized But Not Issued on December 31, 2022 and 2021 respectively (Exhibit C-15).

See accompanying notes to the financial statements.

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Comparative Statement of Changes in Fund Balance - Regulatory Basis**

**General Capital Fund**

**Year Ended December 31, 2022**

|                                      | <u>2022</u>       | <u>2021</u>    |
|--------------------------------------|-------------------|----------------|
| Balance - December 31,               | \$ 126,915        | 37,250         |
| Increased By:                        |                   |                |
| Bond Interest                        |                   | 2,391          |
| Premium from Bond Sale               |                   | 124,524        |
| Prior Year's Void Checks             | 1,990             |                |
| Improvement Authorizations Cancelled | <u>335,495</u>    |                |
|                                      | 337,485           | 126,915        |
| Decreased By:                        |                   |                |
| Utilized as Revenue in Current Fund  | <u>125,000</u>    | <u>37,250</u>  |
| Balance - December 31,               | <u>\$ 339,400</u> | <u>126,915</u> |

See accompanying notes to the financial statements.

TOWNSHIP OF LITTLE FALLS, N.J.

Comparative Balance Sheet - Regulatory Basis

Public Assistance Fund

For the Years Ended December 31, 2022 and 2021

|                               | <u>Ref.</u> | <u>2022</u>     | <u>2021</u>   |
|-------------------------------|-------------|-----------------|---------------|
| <u>Assets</u>                 |             |                 |               |
| Public Assistance Fund:       |             |                 |               |
| Cash                          | D-1         | \$ <u>7,102</u> | <u>14,145</u> |
| <u>Reserves</u>               |             |                 |               |
| Public Assistance Fund:       |             |                 |               |
| Reserve for Public Assistance | D-2         | \$ <u>7,102</u> | <u>14,145</u> |

TOWNSHIP OF LITTLE FALLS, N.J.

Comparative Balance Sheet-Regulatory Basis

Payroll Account

December 31, 2022 and 2021

|                                      | <u>2022</u>      | <u>2021</u>    |
|--------------------------------------|------------------|----------------|
| <u>Assets</u>                        |                  |                |
| Cash - Net Payroll                   | \$ 21,536        | 28,969         |
| Cash - Payroll Agency                | <u>18,488</u>    | <u>15,779</u>  |
|                                      | <u>\$ 40,024</u> | <u>116,268</u> |
| <u>Reserves</u>                      |                  |                |
| Due to Current Fund - Net Payroll    | \$ 11,769        | 10,988         |
| Due to Current Fund - Payroll Agency | 547              | 75             |
| Reserve for Net Payroll              | 17,941           | 17,981         |
| Payroll Deductions and Withholdings  | <u>9,767</u>     | <u>15,704</u>  |
|                                      | <u>\$ 40,024</u> | <u>116,268</u> |

See accompanying notes to financial statements.



TOWNSHIP OF LITTLE FALLS, N.J.

Comparative Statement of General Fixed Assets - Regulatory Basis

December 31, 2022 and 2021

|                                     | <u>2022</u>              | <u>2021</u>           |
|-------------------------------------|--------------------------|-----------------------|
| <u>General Fixed Assets:</u>        |                          |                       |
| Land and Improvements               | \$ 21,990,291            | 21,978,441            |
| Buildings and Building Improvements | 10,937,998               | 10,661,490            |
| Vehicles and Equipment              | <u>12,526,998</u>        | <u>12,603,448</u>     |
|                                     | <u>\$ 45,455,287</u>     | <u>45,243,379</u>     |
| <br>Investment in Fixed Assets      | <br><u>\$ 45,455,287</u> | <br><u>45,243,379</u> |

See accompanying notes to financial statements.

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB Codification establishes seven fund types and two account groups 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 financial statements of the Township of Little Falls have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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 the following separate funds which differ from the fund structure required by GAAP.

**A. Reporting Entity**

The Township of Little Falls (the "Township") was incorporated in 1868 and operates under an elected Mayor and Council form of government. The Mayor is elected to a four-year term as authorized by the New Jersey Faulkner Act and the five council members are elected at-large, to four year staggered terms. 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 Council exercises all legislative powers including final adoption of the municipal budget and bond ordinances and confirmation of the Mayor's appointments, and all executive authority which is not specifically provided to the Mayor, by state law. A Township Administrator is appointed by the Township Council and is responsible for the implementation of the policies of the Mayor and Council, 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 has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

**TOWNSHIP OF LITTLE FALLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**  
**(CONTINUED)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

A. Reporting Entity, (continued)

However, 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. 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 volunteer fire department which is considered a component unit under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

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. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those Funds.

The Township has the following funds and account group:

Current Fund - This fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grants.

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

Other Trust Fund - This fund is established to account for the assets and resources which are also held by the Township as a trustee or agent for individuals, private organizations, other governments and/or other funds.

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

Unemployment Trust Fund - This fund is used to account for all employee deductions and budget appropriations and subsequent payment of unemployment compensation bills from the State of New Jersey.

**TOWNSHIP OF LITTLE FALLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**  
**(CONTINUED)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**B. Measurement Focus, Basis of Accounting and Basis of Presentation**

Affordable Housing Trust Fund - This fund is used to account for the receipts and disbursements relating to affordable housing.

Open Space Trust Fund - This fund is used to account for the receipts and disbursements relating to the preservation of open space.

Length of Service Award Program 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 for acquisition or improvement of general capital facilities, other than those acquired in the Current Fund.

Public Assistance Fund - This fund is used to account for the receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey Statutes.

General Fixed Assets Account Group - This fund is used to account for all fixed assets of the Township. The Township's infrastructure is not reported in the group.

**Basis of Accounting**

A modified accrual basis of accounting is followed by the Township of Little Falls. 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 for municipalities by the Division 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:

Property Tax Revenues - 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

**TOWNSHIP OF LITTLE FALLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**  
**(CONTINUED)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)**

**Basis of Accounting, (continued)**

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. 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 June 30, 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 the 11<sup>th</sup> day of the 11<sup>th</sup> month in the current year taxes are levied, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Township. 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 taxes 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, reduced by an allowance for doubtful accounts.

Miscellaneous Revenues - 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.

Grant Revenues - 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 in the accounting period when they become susceptible to accrual.

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 per N.J.S.A. 40A:4 et seq.

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)**

**Basis of Accounting, (continued)**

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

- General Capital Fund
- Trust Fund
- Public Assistance Fund

The governing body shall introduce and approve the annual budget not later than February 10, of the fiscal year. The budget shall be adopted not 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. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. 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 the years ended December 31, 2022 and 2021, the Governing Body approved additional revenues and appropriations of \$78,366 and \$61,140, respectively, in accordance with N.J.S.A. 40A:4-87. In addition, several budget transfers were approved by the governing body in 2022 and 2021. The Mayor and Council approved Current Fund Emergency appropriations of \$365,000 and \$150,000, respectively, in 2022 and 2021 for operational cost from increased fuel costs and Hurricane repairs.

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 canceled 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, which should be recognized when due.

**TOWNSHIP OF LITTLE FALLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**  
**(CONTINUED)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)**

**Basis of Accounting, (continued)**

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

Appropriation Reserves - 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.

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes - Is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at market value on the date of acquisition.

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

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.

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at cost which approximates fair value and are limited by N.J.S.A. 40A:5-15.1(a).

**TOWNSHIP OF LITTLE FALLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**  
**(CONTINUED)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)**

**Basis of Accounting, (continued)**

Deferred Charges to Future Taxation Funded and Unfunded - Upon the authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or nonfunding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

General Fixed Assets - The Township of Little Falls has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles.

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital have not been accounted for separately.

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available.



**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

**Basis of Accounting, (continued)**

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 revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Comparative Data - Comparative data for the prior year has been presented in the accompanying balance sheets and statements of operations 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 or notes to the financial statements because their inclusion would make certain statements unduly complex and difficult to understand.

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

There were no new accounting pronouncements adopted by the Township during 2022.

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**TOWNSHIP OF LITTLE FALLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**  
**(CONTINUED)**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

C. Basic Financial Statements

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

**NOTE 2. PENSION PLANS**

Description of Plans:

Township employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employees' Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

*Public Employees' Retirement System (PERS)*

Plan Description

The State of New Jersey Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the "Division"). For additional information about the PERS, please refer to the Division's Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS. The following represents the membership tiers for PERS:

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (continued)**

*Public Employees' Retirement System (PERS), (continued)*

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

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

*Police and Firemens' Retirement System (PFRS)*

Plan Description

The State of New Jersey Police and Firemen's Retirement System (PFRS), is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey Division of Pensions and Benefits (the "Division"). For additional information about the PFRS, please refer to the Division's Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

Benefits Provided

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

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (continued)**

*Police and Firemens' Retirement System (PFRS), (continued)*

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (Tiers 1 and 2 members) and 60% (Tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Defined Contribution Retirement Program

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

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

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

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (continued)**

Significant Legislation

On March 17, 2009, the legislative of the State of New Jersey enacted Public Laws 2009, c.19 (S-21) the “Pension Deferral Program”. This law allows the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying their full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the Public Employees’ Retirement System and/or the Police and Firemen’s Retirement System obligation for payment due to the State Fiscal Year ending June 30, 2009. The amount deferred will be repaid starting in April 2012 over a 15-year period at 8¼ percent. The amount will fluctuate based on pension system investment earnings on the deferred amount. The local employer is allowed to payoff the obligation at any time prior to April 2012.

The Township of Little Falls opted for this deferral in the amount of \$351,303. The amount outstanding at December 31, 2022 was \$102,778.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS. This amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning 2012 and 8.5% for PFRS, which increased to 10% in October 2011, of the employee’s annual compensation, as defined by law. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

The Township’s contribution to the various plans, equal to the required contributions for each year, were as follows:

| <u>Year</u> | <u>PERS</u> | <u>PFRS</u> |
|-------------|-------------|-------------|
| 2022        | \$449,281   | \$1,244,629 |
| 2021        | 402,139     | 1,082,976   |
| 2020        | 326,089     | 982,215     |

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (continued)**

Statement No's 68 and 71 require a state or local government employer to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. However, since the financial statements are prepared on another comprehensive basis of accounting, the net pension liability of the various pension systems is not recorded in the financial statements and is only required to be disclosed in the notes to the financial statements.

The following pension information is as of June 30, 2021 which is the latest information available. This information is eighteen months prior to December 31, 2022. GASB Statement No. 68 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since The Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current pension information is available.

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

**Public Employees Retirement System (PERS)**

At December 31, 2021, the Township had a liability of \$4,067,862 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2021, the Township's proportion was 0.0343380948 percent, which was an increase of 0.00452968 percent from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the Township recognized pension expense of \$402,139. At December 31, 2021, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (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)**

|  | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> |
|--|---|--|
| Difference between expected and actual experience  | \$64,155                                      | \$29,121                                     |
| Changes of assumptions   | 21,185  | 1,448,185                                    |
| Net difference between projected and actual earnings<br>on pension plan investments                                    |   | 1,071,582                                    |
| Changes in proportion and differences between the Township's<br>contributions and proportionate share of contributions | <u>1,013,018</u>                              | <u>204,895</u>                               |
| Total  | <u>\$1,098,358</u>                            | <u>\$2,753,783</u>                           |

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**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (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)**

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2021) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

|                     |             |
|---------------------|-------------|
| Year ended June 30: |             |
| 2022                | \$(959,839) |
| 2023                | (685,322)   |
| 2024                | (467,273)   |
| 2025                | (351,250)   |
| 2026                | 136         |

**Changes in Proportion**

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.13, 5.16, 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years for 2021, 2020, 2019, 2018, 2017 and 2016 amounts, respectively.

**Additional Information**

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2021 and June 30, 2020 are as follows:

|   | <u>June 30, 2021</u> | <u>June 30, 2020</u> |
|---|----------------------|----------------------|
| Collective deferred outflows of resources | \$1,164,738,169      | \$2,347,583,337      |
| Collective deferred inflows of resources  | 8,339,123,762        | 7,849,949,467        |
| Collective net pension liability          | 11,972,782,878       | 16,435,616,426       |
| Township's Proportion                     | 0.0343380948%        | 0.0298084127%        |



**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (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)**

**Actuarial Assumptions**

The collective total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which rolled forward to June 30, 2021. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

|                           |  |
|---------------------------|--|
| 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 Percent                           |

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

**Mortality Rates**

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

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (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 Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

| <u>Asset Class</u>               | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------------|--------------------------|---|
| U.S. Equity                      | 27.00%                   | 8.09%   |
| Non-U.S. Developed Market Equity | 13.50%                   | 8.71%   |
| Emerging Market Equity           | 5.50%                    | 10.96%  |
| Private Equity                   | 13.00%                   | 11.30%  |
| Real Assets                      | 3.00%                    | 7.40%   |
| Real Estate                      | 8.00%                    | 9.15%   |
| High Yield                       | 2.00%                    | 3.75%   |
| Private Credit                   | 8.00%                    | 7.60%   |
| Investment Grade Credit          | 8.00%                    | 1.68%   |
| Cash Equivalents                 | 4.00%                    | 0.50%   |
| U.S. Treasuries                  | 5.00%                    | 0.95%   |
| Risk Mitigation Strategies       | 3.00%                    | 3.35%   |

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (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**

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the participating employers as of June 30, 2021, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1 - percentage-point higher than the current rate:

|  | June 30, 2021                  |   |                                |
|--|--------------------------------|---|--------------------------------|
|  | 1%<br>Decrease<br><u>6.00%</u> | At Current<br>Discount Rate<br><u>7.00%</u> | 1%<br>Increase<br><u>8.00%</u> |
| Township's proportionate share of<br>the pension liability | \$5,555,292                    | \$4,067,862                                 | \$2,805,567                    |

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (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)**

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

At December 31, 2021, the Township had a liability of \$7,023,373 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2021, the Township's proportion was 0.0960901150 percent, which was an increase of 0.005097316 percent from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the Township recognized pension expense of \$1,082,976. At December 31, 2021, deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

|  | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> |
|--|---|--|
| Difference in actual and expected experience   | \$80,128                                      | \$841,328                                    |
| Changes of assumptions   | 37,372  | 2,104,873                                    |
| Net difference between projected and actual earnings<br>on pension plan investments                              |   | 2,992,888                                    |
| Changes in proportion and differences between Township<br>contributions and proportionate share of contributions | <u>2,186,917</u>                              | <u>74,993</u>                                |
| Total  | <u>\$2,304,417</u>                            | <u>\$6,014,082</u>                           |

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (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)**

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2021) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

|                     |               |
|---------------------|---------------|
| Year ended June 30: |               |
| 2022                | \$(1,863,712) |
| 2023                | (1,398,984)   |
| 2024                | (1,200,426)   |
| 2025                | (1,183,766)   |
| 2026                | (149,319)     |
| Thereafter          | (25,384)      |

**Changes in Proportion**

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 6.17, 5.90, 5.92, 5.73, 5.59 and 5.58 years for 2021, 2020, 2019, 2018, 2017 and 2016 amounts, respectively.

**Additional Information**

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2021 and June 30, 2020 are as follows:

|   | <u>June 30, 2021</u> | <u>June 30, 2020</u> |
|---|----------------------|----------------------|
| Collective deferred outflows of resources | \$817,271,932        | \$1,601,195,680      |
| Collective deferred inflows of resources  | 6,875,738,520        | 4,191,274,402        |
| Collective net pension liability          | 9,364,849,587        | 14,926,648,722       |
| Township's Proportion                     | 0.0960901150%        | 0.0909279898%        |

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (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, (continued)**

**Actuarial Assumptions**

The collective total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020 which rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions:

|                           |   |
|---------------------------|---|
| Inflation Rate:           |   |
| Price                     | 2.75%                                   |
| Salary Increases:         |   |
| Through all Future Years  | 3.25-15.25% (based on years of service) |
| Investment Rate of Return | 7.00%                                   |

**Mortality Rates**

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (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, (continued)**

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 202 are summarized in the following table:

| <u>Asset Class</u>               | <u>Target<br/>Allocation</u> | <u>Long-Term<br/>Expected Real<br/>Rate of Return</u> |
|----------------------------------|------------------------------|---|
| U.S. Equity                      | 27.00%                       | 8.09%   |
| Non-U.S. Developed Market Equity | 13.50%                       | 8.71%   |
| Emerging Market Equity           | 5.50%                        | 10.96%  |
| Private Equity                   | 13.00%                       | 11.30%  |
| Real Assets                      | 3.00%                        | 7.40%   |
| Real Estate                      | 8.00%                        | 9.15%   |
| High Yield                       | 2.00%                        | 3.75%   |
| Private Credit                   | 8.00%                        | 7.60%   |
| Investment Grade Credit          | 8.00%                        | 1.68%   |
| Cash Equivalents                 | 4.00%                        | 0.50%   |
| U.S. Treasuries                  | 5.00%                        | 0.95%   |
| Risk Mitigation Strategies       | 3.00%                        | 3.35%   |

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (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, (continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the participating employers as of June 30, 2021, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

|  | June 30, 2021                  |   |                                |
|--|--------------------------------|---|--------------------------------|
|  | 1%<br>Decrease<br><u>6.00%</u> | At Current<br>Discount Rate<br><u>7.00%</u> | 1%<br>Increase<br><u>8.00%</u> |
| Township's proportionate share of<br>the pension liability | \$11,688,914                   | \$7,023,373                                 | \$3,319,813                    |



**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 2. PENSION PLANS, (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, (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, 2021 and 2020, the State proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is \$1,975,322 and \$1,823,406, respectively. For the years ended December 31, 2021 and 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 \$219,993 and \$206,647, respectively, which is more than the actual contributions the State made on behalf of the Township of \$171,595 and \$140,310, respectively. 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 pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The financial report may be accessed at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 3. MUNICIPAL DEBT**

Long-term debt as of December 31, 2022 consisted of the following:

|  | <u>Balance</u><br><u>Dec. 31, 2021</u> | <u>Additions</u>           | <u>Reductions</u>         | <u>Balance</u><br><u>Dec. 31, 2022</u> | <u>Amounts Due</u><br><u>Within</u><br><u>One Year</u> |
|--|--|----------------------------|---------------------------|--|--|
| Bonds Payable - General<br>Obligation Debt | \$24,475,000                           | \$                         | \$1,471,000               | \$23,004,000                           | \$1,525,000  |
| Other Liabilities:                         |  |                            |                           |  |  |
| Compensated Absences                       | 2,798,050                              | 258,025                    | 876,150                   | 2,179,925                              |  |
| Deferred PERS/PFRS<br>Pension Contribution | <u>134,421</u>                         |                            | <u>31,643</u>             | <u>102,778</u>                         | <u>33,022</u>  |
|  | <u><u>\$27,407,471</u></u>             | <u><u>\$258,025</u></u>    | <u><u>\$2,378,793</u></u> | <u><u>\$25,286,703</u></u>             | <u><u>\$1,558,022</u></u>                              |
|  |  |                            |                           |  |  |
|  | <u>Balance</u><br><u>Dec. 31, 2020</u> | <u>Additions</u>           | <u>Reductions</u>         | <u>Balance</u><br><u>Dec. 31, 2021</u> | <u>Amounts Due</u><br><u>Within</u><br><u>One Year</u> |
| Bonds Payable - General<br>Obligation Debt | \$11,176,000                           | \$14,250,000               | \$951,000                 | \$24,475,000                           | \$1,471,000  |
| Other Liabilities:                         |  |                            |                           |  |  |
| Compensated Absences                       | 1,984,492                              | 813,558                    |                           | 2,798,050                              |  |
| Deferred PERS/PFRS<br>Pension Contribution | <u>163,360</u>                         |                            | <u>28,939</u>             | <u>134,421</u>                         | <u>31,643</u>  |
|  | <u><u>\$13,323,852</u></u>             | <u><u>\$15,063,558</u></u> | <u><u>\$979,939</u></u>   | <u><u>\$27,407,471</u></u>             | <u><u>\$1,502,643</u></u>                              |

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 3. MUNICIPAL DEBT, (continued)**

The Local Bond Law governs the issuance of bonds and notes to finance capital expenditures. General obligation bonds have been issued for the general capital fund. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and five months or retired by the issuance of bonds.

The Township's debt is summarized as follows:

Summary of Municipal Debt (Excluding Current Operating Debt)

|  | <u>Year 2022</u>         | <u>Year 2021</u>            | <u>Year 2020</u>            |
|--|--------------------------|-----------------------------|-----------------------------|
| <u>Issued:</u>   |                          |                             |                             |
| General - Bonds and Notes  | \$28,226,113             | \$ 28,462,113               | \$ 25,622,000               |
|  | <u>28,226,113</u>        | <u>28,462,113</u>           | <u>25,622,000</u>           |
| <u>Authorized But Not Issued</u>                                 |                          |                             |                             |
| General - Bonds and Notes  | 3,896,520                | 2,934,520                   | 4,393,183                   |
|  | <u>3,896,520</u>         | <u>2,934,520</u>            | <u>4,393,183</u>            |
| Total Bonds, Notes and Loans Issued<br>and Authorized Not Issued | 32,122,633               | 31,396,633                  | 30,015,183                  |
| Less: Deductions   |                          | 20,000                      | 1,037,947                   |
| Net Debt   | <u><u>32,122,633</u></u> | <u><u>\$ 31,376,633</u></u> | <u><u>\$ 28,977,236</u></u> |

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.777% for 2022.

| <u>2022</u>  | <u>Gross Debt</u>          | <u>Deductions</u>         | <u>Net Debt</u>            |
|--------------|----------------------------|---------------------------|----------------------------|
| School Debt  | \$2,503,380                | \$2,503,380               | \$0                        |
| General Debt | <u>32,122,633</u>          | <u>0</u>                  | <u>32,122,633</u>          |
|              | <u><u>\$34,626,013</u></u> | <u><u>\$2,503,380</u></u> | <u><u>\$32,122,633</u></u> |

Net debt of \$32,122,633 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$1,807,268,780 equals 1.777%.

**TOWNSHIP OF LITTLE FALLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**  
**(CONTINUED)**

**NOTE 3. MUNICIPAL DEBT, (continued)**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.834% for 2021.

| <u>2021</u>  | <u>Gross Debt</u>   | <u>Deductions</u>  | <u>Net Debt</u>     |
|--------------|---------------------|--------------------|---------------------|
| School Debt  | \$2,890,609         | \$2,890,609        | \$0                 |
| General Debt | <u>31,396,633</u>   | <u>20,000</u>      | <u>31,376,633</u>   |
|              | <u>\$34,287,242</u> | <u>\$2,910,609</u> | <u>\$31,376,633</u> |

Net debt of \$31,376,633 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$1,710,804,216 equals 1.834%.

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

|   | <u>2022</u>         | <u>2021</u>         |
|---|---------------------|---------------------|
| 3 ½% of Equalized Valuation Basis (Municipal) | \$63,254,407        | \$59,878,148        |
| Net Debt                                      | <u>32,122,633</u>   | <u>31,376,633</u>   |
| Remaining Borrowing Power                     | <u>\$31,131,774</u> | <u>\$28,501,515</u> |

The Township's long-term debt consisted of the following at December 31, 2022:

General Obligation Bonds

|   | <u>2022</u>         | <u>2021</u>         |
|---|---------------------|---------------------|
| \$3,599,000, 2010 Bonds, due in annual installments of \$148,000 to \$289,000 through August 1, 2030, interest at 1.66% to 6.54%*                     | \$1,885,000         | \$2,066,000         |
| \$8,754,000, 2015 Bonds, due in annual installments of \$250,000 to \$500,000 through August 15, 2036, interest at 2.00% to 4.00%                     | 6,964,000           | 7,254,000           |
| \$4,440,000, 2015 Refunding Bonds, due in annual installments of \$380,000 to \$800,000 through August 1, 2023, interest at 4.00%                     | 380,000             | 905,000             |
| \$14,250,000, 2021 General Improvement Bonds, due in annual installments of \$475,000 to \$950,000 through August 1, 2037, interest at 0.05% to 2.00% | <u>13,775,000</u>   | <u>14,250,000</u>   |
|   | <u>\$23,004,000</u> | <u>\$24,475,000</u> |

\*This bond issue is taxable since it was issued pursuant to the American Recovery and Reinvestment Act of 2009 and the Township is entitled to a federal subsidy of up to 45% of the amount of interest paid.

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 3. MUNICIPAL DEBT, (continued)**

Aggregate bonded and loan debt service requirements during the next five years and thereafter are as follows:

| <u>Year</u> | <u>Total</u>        | <u>General Capital</u> |                    |
|-------------|---------------------|------------------------|--------------------|
|             |                     | <u>Principal</u>       | <u>Interest</u>    |
| 2023        | \$2,101,975         | \$1,525,000            | \$576,975          |
| 2024        | 2,168,255           | 1,636,000              | 532,255            |
| 2025        | 2,163,511           | 1,663,000              | 500,511            |
| 2026        | 2,143,087           | 1,675,000              | 468,087            |
| 2027        | 2,120,372           | 1,689,000              | 431,372            |
| 2028-2032   | 9,500,581           | 8,066,000              | 1,434,581          |
| 2033-2037   | <u>7,204,375</u>    | <u>6,750,000</u>       | <u>454,375</u>     |
|             | <u>\$27,402,156</u> | <u>\$23,004,000</u>    | <u>\$4,398,156</u> |

General capital serial bonds are direct obligations of the Township for which its full faith and credit are pledged, and are payable from taxes levied on all taxable property located within the Township.

At December 31, 2022, the Township had authorized but not issued debt as follows:

|                      |                    |                    |
|----------------------|--------------------|--------------------|
|                      | <u>2022</u>        | <u>2021</u>        |
| General Capital Fund | <u>\$3,896,520</u> | <u>\$2,934,520</u> |

**NOTE 4. BOND ANTICIPATION NOTES**

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally, such notes must be paid no later than the first day of the fifth month following the close of the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 4. BOND ANTICIPATION NOTES, (continued)**

On December 31, 2022 and 2021, the Township had \$5,222,113 and \$3,987,113 in General Capital bond anticipation notes.

The following activity related to bond anticipation notes occurred during the calendar years ended December 31, 2022 and 2021:

| <u>2022</u>          | <u>Beginning<br/>Balance</u> | <u>Additions</u>   | <u>Reductions</u>   | <u>Ending<br/>Balance</u> |
|----------------------|------------------------------|--------------------|---------------------|---------------------------|
| Notes Payable:       |                              |                    |                     |                           |
| General Capital Fund |                              |                    |                     |                           |
| Municipal Excess     | \$                           | \$5,222,113        | \$                  | \$5,222,113               |
| Amboy Bank           | <u>3,987,113</u>             |                    | <u>3,987,113</u>    | <u>0</u>                  |
|                      | <u>\$3,987,113</u>           | <u>\$5,222,113</u> | <u>\$3,987,113</u>  | <u>\$5,222,113</u>        |
|                      |                              |                    |                     |                           |
| <u>2021</u>          | <u>Beginning<br/>Balance</u> | <u>Additions</u>   | <u>Reductions</u>   | <u>Ending<br/>Balance</u> |
| Notes Payable:       |                              |                    |                     |                           |
| General Capital Fund |                              |                    |                     |                           |
| CEDE & Co.           | \$14,446,000                 | \$                 | \$14,446,000        | \$0                       |
| Amboy Bank           |                              | <u>3,987,113</u>   |                     | <u>3,987,113</u>          |
|                      | <u>\$14,446,000</u>          | <u>\$3,987,113</u> | <u>\$14,446,000</u> | <u>\$3,987,113</u>        |

**NOTE 5. FUND BALANCE APPROPRIATED**

The fund balances at December 31, 2022 and 2021, which have been appropriated as revenue in the 2023 and 2022 budgets, are as follows:

|              | <u>2023</u>        | <u>2022</u>        |
|--------------|--------------------|--------------------|
| Current Fund | <u>\$2,278,000</u> | <u>\$1,970,000</u> |

**NOTE 6. ACCRUED SICK AND VACATION BENEFITS**

The Township permits employees to accrue (with certain restrictions) unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$2,179,925 as of December 31, 2022. This amount is not reported either as an expenditure or liability.

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 7. CASH, CASH EQUIVALENTS AND INVESTMENTS**

**Cash**

**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's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2022 and 2021, the Township's bank balance of \$11,384,261 and \$13,570,295, respectively, \$-0- was exposed to custodial credit risk.

**Investments**

**Investment Rate Risk**

The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

**Credit Risk**

New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the towns or bonds or other obligations of the local unit or units within which the town is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk**

The Township places no limit on the amount the Township may invest in any one issuer.

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 7. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)**

**Unaudited Investments**

As more fully described in Note 16, the Township has created a Length of Service Award Program (LOSAP) for emergency service volunteers. The LOSAP investments are similar to those allowed in a deferred compensation program as specified in NJSA 43:15B-1 et. seq. except that all investments are retained in the name of the Township. All investments are valued at fair value. In accordance with NJAC 5:30-14.37, the investments are maintained by the Variable Annuity Life Insurance Company (VALIC), which is an authorized provider approved by the Division of Local Government Services. The balance in the account on December 31, 2022 and 2021 amounted to \$1,505,190 and \$1,852,311, respectively.

The following investments represent 5% or more of the total invested with the Variable Annuity Life Insurance Company (VALIC) on December 31, 2021 and 2020:

|                         | <u>2021</u>        | <u>2020</u>        |
|-------------------------|--------------------|--------------------|
| Fixed Accounts Plus     | \$393,957          | \$417,211          |
| Government Money Market | 141,201            | 88,849             |
| Health Sciences Fund    | 90,652             | 108,705            |
| Stock Index Fund        | 722,018            | 752,143            |
| All Other               | <u>157,362</u>     | <u>276,822</u>     |
| Total                   | <u>\$1,505,190</u> | <u>\$1,643,730</u> |

**NOTE 8. LITIGATION**

The Township is a defendant in various legal proceedings. These cases, if decided against the Township, would either be funded by insurance or raised by future taxation. The Township expects such amounts, if any, to be immaterial.



**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 8. LITIGATION, (continued)**

**Pending Tax Appeals**

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2022 and 2021. 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. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

**NOTE 9. FIXED ASSETS**

The following is a summary of changes in the General Fixed Assets Account Group as of December 31, 2022 and 2021:

|                         | <u>Balance</u><br><u>Dec. 31, 2021</u> | <u>Additions</u>   | <u>Deletions</u>    | <u>Balance</u><br><u>Dec. 31, 2022</u> |
|-------------------------|--|--------------------|---------------------|--|
| Land and Improvements   | \$21,978,441                           | \$11,850           | \$                  | \$21,990,291                           |
| Building Improvements   | 10,661,490                             | 276,508            |                     | 10,937,998                             |
| Machinery and Equipment | <u>12,603,448</u>                      | <u>473,514</u>     | <u>549,964</u>      | <u>12,526,998</u>                      |
|                         | <u>\$45,243,379</u>                    | <u>\$761,872</u>   | <u>\$549,964</u>    | <u>\$45,455,287</u>                    |
|                         |  |                    |                     |  |
|                         | <u>Balance</u><br><u>Dec. 31, 2020</u> | <u>Additions</u>   | <u>Deletions</u>    | <u>Balance</u><br><u>Dec. 31, 2021</u> |
| Land and Improvements   | \$21,344,975                           | \$633,466          | \$                  | \$21,978,441                           |
| Building Improvements   | 9,766,818                              | 894,672            |                     | 10,661,490                             |
| Machinery and Equipment | <u>12,399,131</u>                      | <u>204,317</u>     | <u>          </u>   | <u>12,603,448</u>                      |
|                         | <u>\$43,510,924</u>                    | <u>\$1,732,455</u> | <u>\$          </u> | <u>\$45,243,379</u>                    |

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 10. INTERFUND BALANCES AND ACTIVITY**

Balances due to/from other funds at December 31, 2022 consist of the following:

|                    |  |
|--------------------|--|
| \$1,081,335        | Due to the Federal and State Grant Fund from the Current Fund for grant monies received less expenditures paid.  |
| 620,234            | Due to the General Capital Fund from the Capital to reimburse General Capital for expenses paid on behalf of Current.  |
| 14,733             | Due to the Unemployment Insurance Compensation Trust Fund from the Current Fund for the balance of the prior year interfund and the current year budget appropriation not transferred. |
| 6,136              | Due to the Current Fund from the Animal License Trust Fund for the current year statutory excess calculation.  |
| 11,012             | Due to the Current Fund from the Other Trust Fund for reimbursement of expense paid, interest earned on investments.   |
| 275                | Due to the Current Fund from the Escrow Trust Fund for interest earned on investments.   |
| 4,486              | Due to the Current Fund from the Tax Title Lien Redemption and Premium account for interest earned on investments and premiums forfeited to the Township.                              |
| 110                | Due to the Municipal Open Space Trust Fund for the balance of taxes collected not transferred.   |
| 11,769             | Due to the Current Fund from the Net Payroll account for void checks and interest earned on investments.   |
| <u>547</u>         | Due to the Current Fund from the Payroll Agency account for interest earned on investments.  |
| <u>\$1,750,637</u> |  |

It is anticipated that all interfunds will be liquidated during the fiscal year.

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 11. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Under the regulatory basis of accounting, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2022 and 2021, the following deferred charges are shown on the balance sheets of the various funds:

|   | <u>2022</u> | Balance<br>Dec. 31, 2022 | 2023 Budget<br>Appropriation | Balance to<br>Succeeding<br>Year's<br>Budget |
|---|-------------|--------------------------|------------------------------|--|
| Current Fund:   |             |                          |                              |  |
| Emergency Appropriations  |             | \$365,000                | \$365,000                    | \$   |
| Special Emergency Authorizations - 5 Years<br>(N.J.S.A. 40A4:53): |             |                          |                              |  |
| Tax Maps  |             | 30,000                   | 30,000                       |  |
| COVID-19  |             | <u>1,068,696</u>         | <u>267,174</u>               | <u>801,522</u>                               |
| Total Current Fund  |             | <u>\$1,463,696</u>       | <u>\$662,174</u>             | <u>\$801,522</u>                             |
|   |             |                          |                              |  |
|   | <u>2021</u> | Balance<br>Dec. 31, 2021 | 2022 Budget<br>Appropriation | Balance to<br>Succeeding<br>Year's<br>Budget |
| Current Fund:   |             |                          |                              |  |
| Emergency Appropriations  |             | \$150,000                | \$150,000                    | \$   |
| Special Emergency Authorizations - 5 Years<br>(N.J.S.A. 40A4:53)  |             |                          |                              |  |
| Tax Maps  |             | 60,000                   | 30,000                       | 30,000                                       |
| COVID-19  |             | 1,335,870                | 267,174                      | 1,068,696                                    |
| Other Trust Fund:   |             |                          |                              |  |
| Deficit in Municipal Alliance Reserve                             |             | <u>68</u>                | <u>        </u>              | <u>68</u>                                    |
| Total Current Fund  |             | <u>\$1,545,938</u>       | <u>\$447,174</u>             | <u>\$1,098,764</u>                           |

**TOWNSHIP OF LITTLE FALLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**  
**(CONTINUED)**

**NOTE 12. DEFERRED SCHOOL TAXES**

Under the regulatory basis of accounting, regulations allow for the deferral to fund balance of not more than 50% of the annual levy when school taxes are raised in advance for a school year and have not been requisitioned by the school district as of December 31. The balance of unpaid school taxes levied, amount deferred and the amount reported as a liability (payable) at December 31, 2022 and 2021 are as follows:

|                    | 2022<br>Regional<br><u>High School</u> | 2021<br>Regional<br><u>High School</u> |
|--------------------|--|--|
| Balance of Tax     | \$3,965,912                            | \$5,299,946                            |
| Deferred Liability | <u>3,965,912</u>                       | <u>3,965,912</u>                       |
| Taxes Payable      | <u>\$0</u>                             | <u>\$1,334,034</u>                     |

**NOTE 13. RISK MANAGEMENT**

The Township is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township has obtained insurance coverage to guard against these events which will provide minimum exposure to the Township should they occur. During the 2021 calendar year, the Township did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Township of Little Falls is a member of the Statewide Insurance Fund (SIT). The joint insure fund is 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 Fund is a risk-sharing public entity pool. The SIT 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 insurance funds, to report claims on a timely basis, cooperate with the management of the Fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the insurance funds. Members have a contractual obligation to fund any deficit of the insurance funds attributable to a membership year during which they were a member.

**TOWNSHIP OF LITTLE FALLS  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 and 2021  
(CONTINUED)**

**NOTE 13. RISK MANAGEMENT, (continued)**

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.

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

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

| <b>Year Ended<br/>Dec. 31,</b> | <b>Township<br/>Contributions</b> | <b>Employee<br/>Contributions</b> | <b>Amount<br/>Reimbursed</b> | <b>Ending<br/>Balance</b> |
|--------------------------------|-----------------------------------|-----------------------------------|------------------------------|---------------------------|
| 2022                           | \$15,000                          | \$9,209                           | \$11,226                     | \$89,046                  |
| 2021                           | 15,000                            | 11,558                            | 11,969                       | 75,758                    |
| 2020                           | 15,000                            | 11,431                            | 3,665                        | 61,169                    |

**NOTE 14. TAXES COLLECTED IN ADVANCE**

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

|  | <b>Balance<br/>Dec. 31, 2022</b> | <b>Balance<br/>Dec 31, 2021</b> |
|--|----------------------------------|---------------------------------|
| Prepaid Taxes                                    | <u>\$321,760</u>                 | <u>\$297,651</u>                |
| Cash Liability for Taxes Collected<br>in Advance | <u>\$321,760</u>                 | <u>\$297,651</u>                |

**TOWNSHIP OF LITTLE FALLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**  
**(CONTINUED)**

**NOTE 15. OTHER POST EMPLOYMENT BENEFITS (OPEB)**

In addition to the pension described in Note 2, the Township does not provide post employment health care benefits as part of the State Health Benefits Local Government Retired Employments Plan. However, benefits are provided as described below:

**Special Funding Situation PFRS With State Health Local Government Retired Employees Plan**

The following other postemployment benefit information is as of June 30, 2020 which is the latest information available. This information is eighteen months prior to December 31, 2022. GASB Statement No. 75 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting regulatory basis statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current other postemployment benefit information is available.

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under chapter 271, P.L. 1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred inflows of resources or deferred outflows of resources to report in the financial statements of the local participating employers related to this legislation.

At December 31, 2022, the State's proportionate share of the net OPEB liability attributable to the Township for the PFRS special funding situation is \$9,505,466 and the State's proportionate share of the OPEB expense for the PFRS special funding situation is \$(1,297,056).

**TOWNSHIP OF LITTLE FALLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**  
**(CONTINUED)**

**NOTE 16. LENGTH OF SERVICE AWARD PROGRAM (LOSAP) - UNAUDITED**

The Township of Little Falls Length of Service Award Program (the Plan) was created by a Township ordinance adopted on August 7, 2000 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 Little Falls approved the adoption of the Plan at the general election held on November 7, 2000.

The first year of eligibility for entrance into the Plan was calendar year 2001. The tax deferred income benefits for emergency services volunteers, consisting of the Volunteer Fire Department and the First Aid Organization come from contributions made solely by the Township on behalf of those volunteers who meet the criteria of a plan created by the governing body.

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

The Township of Little Falls has contributed \$1,350 and \$1,350 for 2022 and 2021, respectively, for each eligible volunteer fire department and volunteer ambulance corp. member into the Plan. The total Township contributions were \$44,237 and \$42,638 for 2022 and 2021, 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.

VALIC is the administer 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 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.

**TOWNSHIP OF LITTLE FALLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**  
**(CONTINUED)**

**NOTE 16. LENGTH OF SERVICE AWARD PROGRAM (LOSAP) - UNAUDITED, (continued)**

**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 Service. 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 Funds.

**NOTE 17. OTHER MATTERS**

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into effect. This plan, among other things, provides direct federal funding to aid county and municipal governments to help offset revenue losses, cover increased costs incurred during the coronavirus pandemic response and to make necessary investments in water, sewer or broadband infrastructure. The amount of federal aid available to the Township of Little Falls is \$1,514,973 which will be available for use until December 31, 2024.

**NOTE 18. SUBSEQUENT EVENT**

The Township has evaluated subsequent events through May 22, 2023, the date which the financial statements were available to be issued and no additional items were noted for disclosure.



**SUPPLEMENTARY DATA**

**TOWNSHIP OF LITTLE FALLS**

**Supplementary Data**

Comparative Schedule of Tax Rate Information

|                               | <u>2022</u>     | <u>2021</u>   | <u>2020</u>  |
|-------------------------------|-----------------|---------------|--------------|
| Tax rate                      | \$ <u>3.286</u> | <u>3.212</u>  | <u>3.183</u> |
| Apportionment of tax rate:    |                 |               |              |
| Municipal (Including Library) | 0.948           | 0.930         | 0.904        |
| Municipal Open Space          | 0.004           | 0.004         | 0.005        |
| County                        | 0.734           | 0.744         | 0.750        |
| Local School                  | 1.017           | 1.017         | 1.017        |
| Regional High School          | <u>0.583</u>    | <u>0.517</u>  | <u>0.507</u> |
| Assessed valuation            |                 |               |              |
| 2022                          | \$              | 1,542,914,400 |              |
| 2021                          |                 | 1,535,481,900 |              |
| 2020                          |                 | 1,508,451,600 |              |

Comparison of Tax Levies and Collections Currently

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

| <u>Year</u> | <u>Tax levy</u> | <u>Currently</u>        |                                 |
|-------------|-----------------|-------------------------|---------------------------------|
|             |                 | <u>Cash collections</u> | <u>Percentage of collection</u> |
| 2022        | \$ 50,788,868   | 50,050,553              | 98.55%                          |
| 2021        | 49,504,642      | 49,022,208              | 99.03%                          |
| 2020        | 48,446,956      | 47,965,036              | 99.01%                          |

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>Dec. 31,</u> | <u>Amount of tax title liens</u> | <u>Amount of delinquent taxes</u> | <u>Total delinquent</u> | <u>Percentage of tax levy</u> |
|-----------------|----------------------------------|-----------------------------------|-------------------------|-------------------------------|
| 2022            | \$ 100,706                       | 964,621                           | 1,065,327               | 2.10%                         |
| 2021            | 90,733                           | 786,458                           | 877,191                 | 1.77%                         |
| 2020            | 80,984                           | 768,265                           | 849,249                 | 1.75%                         |

**TOWNSHIP OF LITTLE FALLS**

**Supplementary Data**

Property Acquired by Tax Title Lien Liquidation

No properties were acquired in 2022 by foreclosure or deed as a result of liquidation of tax title liens.

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

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2022        | \$ 825,100    |
| 2021        | 825,100       |
| 2020        | 825,100       |

Comparative Schedule of Fund Balance

|               | <u>Year</u> | <u>Balance,<br/>Dec. 31</u> | <u>Utilized in<br/>budget of<br/>succeeding<br/>year</u> |
|---------------|-------------|-----------------------------|--|
| Current Fund: | 2022        | \$ 3,770,067                | 2,278,000  |
|               | 2021        | 3,645,610                   | 1,970,000  |
|               | 2020        | 2,829,782                   | 1,405,400  |
|               | 2019        | 2,817,959                   | 1,950,000  |
|               | 2018        | 2,039,657                   | 1,400,000  |

**TOWNSHIP OF LITTLE FALLS**

**Supplementary Data**

Officials in Office and Surety Bonds

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

| <u>Name</u>           | <u>Title</u>                         | <u>Amount<br/>of bond</u> |
|-----------------------|--------------------------------------|---------------------------|
| James Belford Damiano | Mayor                                |                           |
| Anthony Sgobba        | Council President                    |                           |
| Christine Hablitz     | Councilwoman                         |                           |
| Christopher Vancheri  | Councilman                           |                           |
| Tanya Seber           | Councilwoman                         |                           |
| Albert Kahwaty        | Councilman                           |                           |
| Charles Cuccia        | Administrator                        |                           |
| Cynthia Kraus         | Township Clerk                       |                           |
| Susan Fett            | Treasurer's Clerk                    |                           |
| Joseph Wenzel, Esq.   | Attorney                             |                           |
| Charles Cuccia        | Chief Finance Officer                |                           |
| Denise Whiteside      | Tax Collector                        | (A)                       |
| Richard Hamilton      | Tax Assessor (01/01/2022-06/30/2022) |                           |
| John Bang             | Tax Assessor (07/01/2022-12/31/2022) |                           |
| Steven Post           | Chief of Police                      |                           |
| Ronald Campbell       | Superintendent of Public Works       |                           |
| James DiMaria         | Construction Code Official           |                           |
| Ernest P. Fronzuto    | Magistrate                           | (A)                       |
| Andrea Trombino       | Court Administrator                  | (A)                       |
| Robert D'Antonio      | Public Assistance Director           |                           |
| John Biegel III, M.A. | Health Officer                       |                           |

(A) - Statutory positions are covered under the Passaic County Municipal Joint Insurance Fund (\$50,000 and the Municipal Excess Joint Insurance Fund (Excess Crime Policy - Public Employee Bond of \$950,0

## TOWNSHIP OF LITTLE FALLS, N.J.

## Schedule of Cash - Collector-Treasurer

## Current Fund

Year Ended December 31, 2022

|   |                | Current<br><u>Fund</u> |
|---|----------------|------------------------|
| Balance - December 31, 2021                               | \$             | 7,598,832              |
| Increased by Receipts:                                    |                |                        |
| Tax Collector   | \$ 50,154,688  |                        |
| Miscellaneous Revenue Not Anticipated                     | 1,227,303      |                        |
| Petty Cash  | 1,850          |                        |
| Due from State - Senior Citizen and<br>Veteran Deductions | 53,732         |                        |
| Revenue Accounts Receivable                               | 3,796,135      |                        |
| Tax Overpayments  | 55,600         |                        |
| Interfunds  | 138,933        |                        |
| Reserve for Other Expenditures                            | 68,334         |                        |
| Prepaid Taxes   | 321,760        |                        |
| State Fees Payable  | 25,381         |                        |
| Grants Receivable   | 68,140         |                        |
| Unappropriated Grant Reserves                             | <u>801,296</u> |                        |
|   |                | <u>56,713,152</u>      |
|   |                | 64,311,984             |
| Decreased by Disbursements:                               |                |                        |
| Current Year Budget Appropriations                        | 19,693,942     |                        |
| Appropriation Reserves                                    | 308,668        |                        |
| Petty Cash  | 1,850          |                        |
| Prepaid Regional School Taxes                             | 267,777        |                        |
| Interfunds  | 89,566         |                        |
| Reserve for Other Expenditures                            | 13,803         |                        |
| Tax Overpayment Refunds                                   | 55,271         |                        |
| Local District School Taxes                               | 15,688,674     |                        |
| Regional School District Taxes                            | 10,314,785     |                        |
| County Taxes Payable                                      | 11,370,190     |                        |
| State Fees Payable  | 4,506          |                        |
| Refund of Prior Year Revenue                              | 63,620         |                        |
| Appropriated Grant Reserves                               | <u>48,822</u>  |                        |
|   |                | <u>57,921,474</u>      |
| Balance - December 31, 2022                               | \$             | <u>6,390,510</u>       |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Cash - Change Fund**

**Current Fund**

**Year Ended December 31, 2022**

|                | <u>Balance</u><br><u>Dec. 31, 2021</u> | <u>Balance</u><br><u>Dec. 31, 2022</u> |
|----------------|--|--|
| Office:        |  |  |
| Tax Collector  | \$ 275                                 | 275                                    |
| Township Clerk | 125                                    | 125                                    |
| Court Clerk    | <u>100</u>                             | <u>100</u>                             |
|                | <u>\$ 500</u>                          | <u>500</u>                             |

**Schedule of Cash - Petty Cash**

**Current Fund**

**Year Ended December 31, 2022**

|                    |    |                        |
|--------------------|----|------------------------|
| Increased by:      |    |                        |
| Cash Receipts      |    | \$ <u>1,850</u>        |
| Decreased by:      |    |                        |
| Cash Disbursements |    | \$ <u><u>1,850</u></u> |
| <u>Department</u>  |    |                        |
| Police             | \$ | 500                    |
| Municipal Alliance |    | 100                    |
| Clerk              |    | 250                    |
| Recreation         |    | <u>1,000</u>           |
|                    | \$ | <u><u>1,850</u></u>    |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Amount Due (to)/from State of New Jersey  
for Senior Citizens' and Veterans' Deductions - CH. 129 P.L. 1976**

**Current Fund**

**Year Ended December 31, 2022**

|   |    |              |                   |
|---|----|--------------|-------------------|
| Balance - December 31, 2021   |    | \$           | 1,673             |
| Increased by:   |    |              |                   |
| Senior Citizens' Deductions Per Tax Billing                               | \$ | 11,750       |                   |
| Veterans' Deductions Per Tax Billing                                      |    | 47,500       |                   |
| Senior Citizen's and Veteran's Allowed - 2022                             |    | <u>500</u>   |                   |
|   |    |              | <u>59,750</u>     |
|   |    |              | 61,423            |
| Decreased by:   |    |              |                   |
| State Share of Senior Citizens and Veteran<br>Deductions Received in Cash |    | 53,732       |                   |
| Senior Citizen's and Veteran's Disallowed - 2022                          |    | <u>6,971</u> |                   |
|   |    |              | <u>60,703</u>     |
| Balance - December 31, 2022   |    | \$           | <u><u>720</u></u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Municipal Liens**

**Current Fund**

**Year Ended December 31, 2022**

|                                     |    |                       |
|-------------------------------------|----|-----------------------|
| Balance - December 31, 2021         | \$ | 90,733                |
| Increased by:                       |    |                       |
| Transferred from Current Year Taxes |    | <u>9,972</u>          |
| Balance - December 31, 2022         | \$ | <u><u>100,705</u></u> |



**TOWNSHIP OF LITTLE FALLS, N.J.**  
**Schedule of Taxes Receivable and Analysis of Property Tax Levy**

Current Fund

Year Ended December 31, 2022

| Year | Balance,<br>Dec. 31,<br>2021 | 2022<br>Levy | Added<br>Taxes | Collected<br>2021 | 2022       | Senior Citizen<br>and Veteran<br>Deductions | Transferred<br>to Tax<br>Title Liens | Canceled | Balance,<br>Dec. 31,<br>2022 |
|------|------------------------------|--------------|----------------|-------------------|------------|---|--------------------------------------|----------|------------------------------|
| 2016 | 310,656                      |              |                |                   |            |   |                                      |          | 310,656                      |
| 2020 | 3,082                        |              |                |                   | 841        |   |                                      |          | 2,241                        |
| 2021 | 472,720                      |              | 1,763          |                   | 453,724    |   |                                      | 16,239   | 4,520                        |
|      | 786,458                      |              | 1,763          |                   | 454,565    |   |                                      | 16,239   | 317,417                      |
| 2022 |                              | 50,700,167   | 88,701         | 297,651           | 49,700,123 | 52,779                                      | 9,972                                | 81,139   | 647,204                      |
|      | \$ 786,458                   | 50,700,167   | 90,464         | 297,651           | 50,154,688 | 52,779                                      | 9,972                                | 97,378   | 964,621                      |

Cash \$ 50,154,688

Analysis of 2022 Tax Levy

|                                    |                      |
|------------------------------------|----------------------|
| Tax yield:                         |                      |
| General Purpose Tax                | \$ 50,700,167        |
| Added Tax (R.S. 54:4-63.1 et seq.) | 88,701               |
|                                    | <u>\$ 50,788,868</u> |

Tax Levy:

|                           |               |
|---------------------------|---------------|
| Local District School Tax | 15,688,675    |
| Regional School Taxes     | 8,980,751     |
| County Tax                | \$ 11,117,738 |
| County Open Space Tax     | 191,216       |
| County Tax - Added Taxes  | <u>19,813</u> |
|                           | 11,328,767    |

|                                    |               |
|------------------------------------|---------------|
| Local Tax for Municipal Purposes   | \$ 14,038,415 |
| Municipal Open Space Taxes         | 77,145        |
| Municipal Open Space - Added Taxes | 594,272       |
| Add: Additional Taxes Levied       | <u>80,843</u> |

|                                  |                      |
|----------------------------------|----------------------|
| Local Tax for Municipal Purposes | 14,790,675           |
|                                  | <u>\$ 50,788,868</u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Property Acquired for Taxes -  
Assessed Valuation**

**Current Fund**

**Year Ended December 31, 2022**

|                             |                          |
|-----------------------------|--------------------------|
| Balance - December 31, 2021 | \$ <u>825,100</u>        |
| Balance - December 31, 2022 | \$ <u><u>825,100</u></u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Payment in Lieu of Taxes Receivable**

**Current Fund**

**Year Ended December 31, 2022**

|   |    |                      |
|---|----|----------------------|
| Increased by:                                   |    |                      |
| 2022 Billings                                   | \$ | <u>152,692</u>       |
| Decreased by:                                   |    |                      |
| Collections - Recorded as Miscellaneous Revenue |    | <u>64,823</u>        |
| Balance - December 31, 2022                     | \$ | <u><u>87,869</u></u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**  
**Schedule of Revenue Accounts Receivable**  
**Current Fund**  
**Year Ended December 31, 2022**

|                                      | <u>Balance</u><br><u>Dec. 31, 2021</u> | <u>Accrued</u>   | <u>Collected</u>                 | <u>Balance</u><br><u>Dec. 31, 2022</u> |
|--------------------------------------|--|------------------|----------------------------------|--|
| Township Clerk                       |  |                  |                                  |  |
| Licenses                             |  |                  |                                  |  |
| Alcoholic beverages                  | \$                                     | 31,570           | 31,570                           |  |
| Other                                |  | 26,529           | 26,529                           |  |
| Fees and Permits                     |  | 83,479           | 83,479                           |  |
| Municipal Court                      |  |                  |                                  |  |
| Fines and Costs                      | 8,348                                  | 105,898          | 102,819                          | 11,427                                 |
| Construction Code Official           |  |                  |                                  |  |
| Fees and Permits                     |  | 651,326          | 651,326                          |  |
| Interest and Costs on Taxes          |  | 114,511          | 114,511                          |  |
| Interest on Investments and Deposits |  | 54,488           | 54,488                           |  |
| Recreation Fees                      |  | 207,918          | 207,918                          |  |
| Energy Receipts Tax                  |  | 1,282,063        | 1,282,063                        |  |
| Watershed Aid                        |  | 1,457            | 1,457                            |  |
| Garden State Trust Fund              |  | 4,509            | 4,509                            |  |
| EMS Fees                             |  | 339,976          | 339,976                          |  |
| Uniform Fire Safety Act              |  | 21,327           | 21,327                           |  |
| Sewer Service Fees                   |  | 488,636          | 488,636                          |  |
| Cable TV Franchise Fee               |  | 162,950          | 162,950                          |  |
| Reserve for Debt Service             |  | 20,000           | 20,000                           |  |
| General Capital Fund - Fund Balance  |  | 125,000          | 125,000                          |  |
| American Rescuc Plan - Revenue Loss  |  | 757,486          | 757,486                          |  |
| Montclair University Sewer Fees      |  | 157,394          | 157,394                          |  |
| IRS Contribution - Debt Service      |  | 58,000           | 58,000                           |  |
| Montclair University Fire Alarm Fees |  | 8,640            | 8,640                            |  |
|                                      | <u>\$ 8,348</u>                        | <u>4,703,157</u> | <u>4,700,078</u>                 | <u>11,427</u>                          |
|                                      |  |                  | Interfunds \$ 145,000            |  |
|                                      |  |                  | Federal and State Grants 757,486 |  |
|                                      |  |                  | Reserve for Receivables 1,457    |  |
|                                      |  |                  | Cash <u>3,796,135</u>            |  |
|                                      |  |                  | <u>\$ 4,700,078</u>              |  |

## TOWNSHIP OF LITTLE FALLS, N.J.

## Schedule of Interfunds

## Current Fund

Year Ended December 31, 2022

| <u>Fund</u>                                    | Due from/(to)            |                                       |                   | Due from/(to)            |
|--|--------------------------|---------------------------------------|-------------------|--------------------------|
|  | Balance<br>Dec. 31, 2021 | Increased                             | Decreased         | Balance<br>Dec. 31, 2022 |
| Animal Control Trust Fund                      | \$ 3,578                 | 2,558                                 |                   | 6,136                    |
| Unemployment Compensation Insurance Trust Fund | (14,733)                 | 15,000                                | 15,000            | (14,733)                 |
| Other Trust Fund:                              |                          |                                       |                   |                          |
| Other Trust Fund                               | 6,393                    | 4,840                                 | 221               | 11,012                   |
| Escrow Trust Fund                              | 248                      | 27                                    |                   | 275                      |
| Tax Title Lien Premium Trust Fund              | 1,303                    | 3,183                                 |                   | 4,486                    |
| Open Space Trust Fund                          | (76,998)                 | 154,143                               | 77,255            | (110)                    |
| Net Payroll                                    | 10,988                   | 781                                   |                   | 11,769                   |
| Payroll Agency                                 | 75                       | 472                                   |                   | 547                      |
| General Capital Fund                           | (167,046)                | 175,592                               | 628,780           | (620,234)                |
|  | <u>\$ (236,192)</u>      | <u>356,596</u>                        | <u>721,256</u>    | <u>(600,852)</u>         |
| Due to Current Fund                            | 22,585                   | 11,861                                | 221               | 34,225                   |
| Due from Current Fund                          | (258,777)                | 344,735                               | 721,035           | (635,077)                |
|  | <u>\$ (236,192)</u>      | <u>356,596</u>                        | <u>721,256</u>    | <u>(600,852)</u>         |
|  |                          |                                       |                   |                          |
|  |                          |                                       | Cash Receipts \$  | 138,933                  |
|  |                          | Capital Fund Balance Surplus          | 125,000           |                          |
|  |                          | Municipal Open Space Levy             |                   | 77,255                   |
|  |                          | Cash Disbursements                    | 89,566            |                          |
|  |                          | Budget Offsets - Capital              |                   | 201,379                  |
|  |                          | Reserve for Debt Service              | 20,000            |                          |
|  |                          | Interest on Investments               | 9,302             |                          |
|  |                          | Reimbursement of Expenditures         | 110,170           |                          |
|  |                          | Statutory Excess                      | 2,558             |                          |
|  |                          | <u>Budget Appropriations:</u>         |                   |                          |
|  |                          | Unemployment Compensation Trust       |                   | 15,000                   |
|  |                          | Municipal Alliance Contribution       |                   | 68                       |
|  |                          | Capital Improvement Fund              |                   | 275,000                  |
|  |                          | Debt Service Payments made by Capital |                   | 13,621                   |
|  |                          |                                       | <u>\$ 356,596</u> | <u>721,256</u>           |

**TOWNSHIP OF LITTLE FALLS, N.J.**  
**Schedule of Prepaid Regional School Taxes**  
**Current Fund**  
**Year Ended December 31, 2022**

|                             |                          |
|-----------------------------|--------------------------|
| Increased by:               |                          |
| Disbursements               | \$ <u>267,777</u>        |
| Balance - December 31, 2022 | \$ <u><u>267,777</u></u> |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Deferred Charges N.J.S.A. 40A:4-53 Special Emergency

Current Fund

Year Ended December 31, 2022

| <u>Date</u><br><u>Authorized</u> | <u>Purpose</u>         | <u>Amount</u><br><u>Authorized</u> | <u>1/5 of Net</u><br><u>Amount</u><br><u>Authorized</u> | <u>Balance,</u><br><u>Dec. 31,</u><br><u>2021</u> | <u>Reduced</u><br><u>in 2022</u> | <u>Balance,</u><br><u>Dec. 31,</u><br><u>2022</u> |
|----------------------------------|------------------------|------------------------------------|---|---|----------------------------------|---|
| May 8, 2018                      | Preparation of Tax Map | \$ 150,000                         | 30,000  | 60,000  | 30,000                           | 30,000  |
| Nov. 23, 2020                    | COVID-19               | 1,335,870                          | 267,174   | 1,335,870   | 267,174                          | 1,068,696   |
|                                  |                        | <u>\$ 1,485,870</u>                | <u>297,174</u>  | <u>1,395,870</u>                                  | <u>297,174</u>                   | <u>1,098,696</u>                                  |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Deferred Charges

Current Fund

Year Ended December 31, 2022

|                           | Balance,<br>Dec. 31,<br><u>2021</u> | Amount<br>Resulting<br><u>in 2022</u> | Reduced<br><u>in 2022</u> | Balance,<br>Dec. 31,<br><u>2022</u> |
|---------------------------|-------------------------------------|---------------------------------------|---------------------------|-------------------------------------|
| Emergency Appropriations: |                                     |                                       |                           |                                     |
| Solid Waste Contractual   | \$                                  | 120,000                               |                           | 120,000                             |
| Landfill Fees             |                                     | 120,000                               |                           | 120,000                             |
| Diesel Fuel               |                                     | 40,000                                |                           | 40,000                              |
| Gasoline                  |                                     | 85,000                                |                           | 85,000                              |
| Hurricane Ida             | <u>150,000</u>                      | <u>          </u>                     | <u>150,000</u>            | <u>          </u>                   |
|                           | <u>\$ 150,000</u>                   | <u>365,000</u>                        | <u>150,000</u>            | <u>365,000</u>                      |



## TOWNSHIP OF LITTLE FALLS, N.J.

## Schedule of Appropriation Reserves

## Current Fund

Year Ended December 31, 2022

|   | Balance,<br>Dec. 31,<br><u>2021</u> | Balance<br>after<br><u>Transfers and</u><br><u>Encumbrances</u> | <u>Paid or</u><br><u>Charged</u> | Balance<br><u>Lapsed</u> |
|---|-------------------------------------|---|----------------------------------|--------------------------|
| <b>Salaries and Wages Within "CAPS":</b>      |                                     |   |                                  |                          |
| General Administration                        | \$ 7,288                            | 7,288   |                                  | 7,288                    |
| Mayor and Council                             | 800                                 | 800   |                                  | 800                      |
| Municipal Clerk                               | 10,457                              | 10,457  |                                  | 10,457                   |
| Financial Administration                      | 11,205                              | 11,205  |                                  | 11,205                   |
| Revenue Administration                        | 4,996                               | 4,996   |                                  | 4,996                    |
| Tax Assessment Administration                 | 4,399                               | 4,399   |                                  | 4,399                    |
| Planning Board                                | 987                                 | 987   |                                  | 987                      |
| Police Department - Sworn Officers            | 210,008                             | 210,008   |                                  | 210,008                  |
| Police Department - Dispatch                  | 20,340                              | 20,340  |                                  | 20,340                   |
| Police Department - Civilian Employees        | 7,731                               | 7,731   |                                  | 7,731                    |
| Public Works - Shade Tree                     | 1,200                               | 1,200   |                                  | 1,200                    |
| Fire Prevention                               | 6,415                               | 6,415   |                                  | 6,415                    |
| Emergency Management                          | 500                                 | 500   |                                  | 500                      |
| Streets and Roads Maintenance                 | 49,240                              | 49,240  |                                  | 49,240                   |
| Solid Waste Collection                        | 28,632                              | 28,632  |                                  | 28,632                   |
| Vehicle Maintenance                           | 3,892                               | 3,892   |                                  | 3,892                    |
| Administration of Public Assistance           | 650                                 | 650   |                                  | 650                      |
| Recreation Services and Programs              | 9,153                               | 9,153   |                                  | 9,153                    |
| Senior Citizens Activities                    | 17,781                              | 17,781  |                                  | 17,781                   |
| Construction Code Official                    | 10,621                              | 10,621  |                                  | 10,621                   |
| Plumbing Inspector                            | 1,150                               | 1,150   |                                  | 1,150                    |
| Electrical Inspector                          | 1,500                               | 1,500   |                                  | 1,500                    |
| Municipal Court                               | 51,875                              | 51,875  |                                  | 51,875                   |
| Municipal Prosecutor                          | 999                                 | 999   |                                  | 999                      |
| Municipal Alliance                            | 7,500                               | 7,500   |                                  | 7,500                    |
| <b>Total Salaries and Wages Within "CAPS"</b> | <b>469,319</b>                      | <b>469,319</b>  |                                  | <b>469,319</b>           |
| <b>Other Expenses Within "CAPS":</b>          |                                     |   |                                  |                          |
| Administrative and Executive                  | 8,856                               | 8,856   |                                  | 8,856                    |
| Mayor and Council                             | 1,149                               | 1,149   |                                  | 1,149                    |
| Municipal Clerk                               | 14,932                              | 19,932  |                                  | 19,932                   |
| Financial Administration                      | 7,919                               | 9,336   | 1,417                            | 7,919                    |
| Audit Services                                | 11,125                              | 11,125  |                                  | 11,125                   |
| Assessment of Taxes                           | 375                                 | 375   |                                  | 375                      |
| Revenue Administration                        | 18,082                              | 18,428  | 246                              | 18,182                   |
| Legal Services and Costs                      | 54,255                              | 54,795  | 48,540                           | 6,255                    |
| Engineering Services and Costs                | 8,660                               | 9,949   | 1,289                            | 8,660                    |
| Planning Board                                | 164                                 | 3,248   | 84                               | 3,164                    |

## TOWNSHIP OF LITTLE FALLS, N.J.

## Schedule of Appropriation Reserves

## Current Fund

Year Ended December 31, 2022

|   | Balance,<br>Dec. 31,<br><u>2021</u> | Balance<br>after<br><u>Transfers and</u><br><u>Encumbrances</u> | <u>Paid or</u><br><u>Charged</u> | <u>Balance</u><br><u>Lapsed</u> |
|---|-------------------------------------|---|----------------------------------|---------------------------------|
| <b>Insurance:</b>                         |                                     |   |                                  |                                 |
| General Liability                         | 6,622                               | 6,622   |                                  | 6,622                           |
| Employee Group Health                     | 15,387                              | 15,387  |                                  | 15,387                          |
| Employee Group Dental                     | 1,174                               | 1,174   |                                  | 1,174                           |
| <b>Police Department:</b>                 |                                     |   |                                  |                                 |
| Other Expenses                            | 39,028                              | 44,179  | 37,483                           | 6,696                           |
| Acquisition of Police Cars                | 43,836                              | 98,855  | 43,836                           | 55,019                          |
| Fire Department - Miscellaneous           | 34,538                              | 40,459  | 32,685                           | 7,774                           |
| Fire Hydrant Services                     | 5,801                               | 5,801   |                                  | 5,801                           |
| Fire Prevention                           | 123                                 | 123   |                                  | 123                             |
| Emergency Management Services             | 9,325                               | 10,275  | 8,950                            | 1,325                           |
| Ambulance                                 | 7,995                               | 10,042  | 7,918                            | 2,124                           |
| Streets and Roads Maintenance             | 30,716                              | 36,054  | 29,305                           | 6,749                           |
| Other Public Works Function - Shade Tree  | 10,000                              | 10,000  |                                  | 10,000                          |
| Solid Waste Collection                    | 28,198                              | 35,669  | 827                              | 34,842                          |
| Public Buildings and Grounds              | 12,741                              | 32,798  | 8,262                            | 24,536                          |
| Vehicle Maintenance                       | 1,542                               | 9,506   | 1,140                            | 8,366                           |
| Community Services Act                    | 13,883                              | 13,883  | 12,403                           | 1,480                           |
| Board of Health                           | 5,772                               | 5,772   |                                  | 5,772                           |
| Flood Board                               | 500                                 | 500   |                                  | 500                             |
| Administration of Public Assistance       | 550                                 | 550   |                                  | 550                             |
| Recreation Services and Programs          | 11,208                              | 13,174  | 529                              | 12,645                          |
| <b>Senior Citizen Expenses</b>            |                                     |   |                                  |                                 |
| Transportation                            | 2,900                               | 2,900   |                                  | 2,900                           |
| Activities                                | 3,569                               | 3,569   |                                  | 3,569                           |
| Construction Code Official                | 2,474                               | 2,474   |                                  | 2,474                           |
| PEOSHA Mandates Costs - Physical Exams    | 10,000                              | 10,000  | 10,000                           |                                 |
| Street Lighting                           | 3,466                               | 3,466   |                                  | 3,466                           |
| Telephone                                 | 1,519                               | 1,519   |                                  | 1,519                           |
| Water                                     | 5,070                               | 5,070   |                                  | 5,070                           |
| Natural Gas                               | 1,679                               | 1,679   |                                  | 1,679                           |
| Fuel Oil (Diesel)                         | 61                                  | 61  |                                  | 61                              |
| Gasoline                                  | 6,503                               | 6,503   |                                  | 6,503                           |
| Landfill/Solid Waste Disposal Cost        | 1,353                               | 1,353   |                                  | 1,353                           |
| Celebration of Public Events              | 7,500                               | 7,500   |                                  | 7,500                           |
| Municipal Court                           | 27,497                              | 27,700  | 170                              | 27,530                          |
| Public Defender                           | 4,200                               | 4,200   |                                  | 4,200                           |
| Emergency Appropriation - Hurricane Ida   | 10,141                              | 10,411  | 10,141                           | 270                             |
| <b>Total Other expenses Within "CAPS"</b> | <u>492,388</u>                      | <u>616,421</u>  | <u>255,225</u>                   | <u>361,196</u>                  |

## TOWNSHIP OF LITTLE FALLS, N.J.

## Schedule of Appropriation Reserves

## Current Fund

Year Ended December 31, 2022

|  | Balance,<br>Dec. 31,<br><u>2021</u> | Balance<br>after<br>Transfers and<br><u>Encumbrances</u> | Paid or<br><u>Charged</u> | Balance<br><u>Lapsed</u> |
|--|-------------------------------------|--|---------------------------|--------------------------|
| Deferred Charges and Statutory Expenditures<br>Within "CAPS":      |                                     |  |                           |                          |
| Social Security System (O.A.S.I.)                                  | 16,746                              | 16,746   |                           | 16,746                   |
| Defined Contribution Pension Plan                                  | <u>9,000</u>                        | <u>9,000</u>   |                           | <u>9,000</u>             |
| Total Deferred Charges and Statutory<br>Expenditures Within "CAPS" | <u>25,746</u>                       | <u>25,746</u>  |                           | <u>25,746</u>            |
| Other Expenses Excluded From "CAPS":                               |                                     |  |                           |                          |
| Sewer Contracts  |                                     |  |                           |                          |
| Passaic Valley Sewer Commission                                    | 313                                 | 313  |                           | 313                      |
| Township of Montclair  | 25,000                              | 25,000   |                           | 25,000                   |
| City of Clifton - Health Officer                                   | 503                                 | 503  |                           | 503                      |
| LOSAP  | 105,000                             | 105,000  | 42,638                    | 62,362                   |
| Recycling Tax  | <u>1,333</u>                        | <u>1,333</u>   |                           | <u>1,333</u>             |
| Total Other Expenses Excluded from "CAPS"                          | <u>132,149</u>                      | <u>132,149</u>   | <u>42,638</u>             | <u>89,511</u>            |
| Interlocal Municipal Service Agreements                            |                                     |  |                           |                          |
| Borough of Elmwood Park - EMS Services                             |                                     |  |                           |                          |
| Salaries and Wages   | 21,560                              | 21,560   |                           | 21,560                   |
| Other Expenses   | 10,978                              | 11,151   | 10,805                    | 346                      |
| Emergency Medical Services   |                                     |  |                           |                          |
| Salaries and Wages   | <u>23,700</u>                       | <u>23,700</u>  |                           | <u>23,700</u>            |
| Total Interlocal Municipal Service Agreements                      | <u>56,238</u>                       | <u>56,411</u>  | <u>10,805</u>             | <u>45,606</u>            |
| Capital Improvements<br>Excluded from "CAPS"                       |                                     |  |                           |                          |
| Acquisition of Computers   | <u>52,683</u>                       | <u>52,683</u>  |                           | <u>52,683</u>            |
| Total Capital Improvements<br>Excluded from "CAPS"                 | <u>52,683</u>                       | <u>52,683</u>  |                           | <u>52,683</u>            |
| Total Reserves   | <u>\$ 1,228,523</u>                 | <u>1,352,729</u>   | <u>308,668</u>            | <u>1,044,061</u>         |
| Appropriation Reserves   |                                     | 1,228,523  |                           |                          |
| Encumbrances   |                                     | <u>124,206</u>   |                           |                          |
|  |                                     | <u>\$ 1,352,729</u>                                      |                           |                          |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Encumbrances Payable

Current Fund

Year Ended December 31, 2022

|                                       |    |                      |
|---------------------------------------|----|----------------------|
| Balance - December 31, 2021           | \$ | 124,206              |
| Increased by:                         |    |                      |
| Transferred from Current Year Budget  |    | <u>83,486</u>        |
|                                       |    | 207,692              |
| Decreased by:                         |    |                      |
| Transferred to Appropriation Reserves |    | <u>124,206</u>       |
| Balance - December 31, 2022           | \$ | <u><u>83,486</u></u> |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Reserve for Other Expenditures

Current Fund

Year Ended December 31, 2022

|                             | Watershed<br>Moratorium Aid | JIF Retro<br>Assessment | Revision<br>of<br>Tax Map | Tax<br>Appeals   | Municipal<br>Relief Fund | Miscellaneous | Total            |
|-----------------------------|-----------------------------|-------------------------|---------------------------|------------------|--------------------------|---------------|------------------|
| Balance - December 31, 2021 | \$ 1,457                    | 155,296                 | 26,368                    | 1,000,000        |                          | 5,358         | 1,188,479        |
| Increased by:               |                             |                         |                           |                  |                          |               |                  |
| Transfer from               |                             |                         |                           |                  |                          |               |                  |
| Budget Appropriations       | 1,457                       | 52,000                  |                           |                  | 66,877                   |               | 52,000           |
| Cash Receipts               |                             |                         |                           |                  |                          |               | 68,334           |
|                             | <u>1,457</u>                | <u>52,000</u>           |                           |                  | <u>66,877</u>            |               | <u>120,334</u>   |
|                             | 2,914                       | 207,296                 | 26,368                    | 1,000,000        | 66,877                   | 5,358         | 1,308,813        |
| Decreased by:               |                             |                         |                           |                  |                          |               |                  |
| Cash Disbursements          | 1,457                       |                         | 12,346                    |                  |                          |               | 13,803           |
|                             | <u>1,457</u>                |                         | <u>12,346</u>             |                  |                          |               | <u>13,803</u>    |
| Balance - December 31, 2022 | \$ <u>1,457</u>             | <u>207,296</u>          | <u>14,022</u>             | <u>1,000,000</u> | <u>66,877</u>            | <u>5,358</u>  | <u>1,295,010</u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Tax Overpayments**

**Current Fund**

**Year Ended December 31, 2022**

|                             |    |                   |
|-----------------------------|----|-------------------|
| Increased by:               |    |                   |
| Cash Collections            | \$ | <u>55,600</u>     |
| Decreased by:               |    |                   |
| Payments                    |    | <u>55,271</u>     |
| Balance - December 31, 2022 | \$ | <u><u>329</u></u> |

**Schedule of Local School District Tax Payable**

**Current Fund**

**Year Ended December 31, 2022**

|                             |    |                   |
|-----------------------------|----|-------------------|
| Balance - December 31, 2021 | \$ | 2                 |
| Increased by:               |    |                   |
| 2022 Levy                   | \$ | <u>15,688,675</u> |
|                             |    | 15,688,677        |
| Decreased by:               |    |                   |
| Payments                    |    | <u>15,688,674</u> |
| Balance - December 31, 2022 | \$ | <u><u>3</u></u>   |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Regional High School Taxes Payable

Current Fund

Year Ended December 31, 2022

|   |              |              |
|---|--------------|--------------|
| Balance - December 31, 2021                 |              |              |
| School Tax Payable                          | 1,334,034    |              |
| School Tax Deferred                         | \$ 3,965,912 |              |
|   |              | \$ 5,299,946 |
| Increased by:                               |              |              |
| 2022 Levy                                   |              | 8,980,751    |
|   |              | 14,280,697   |
| Decreased by:                               |              |              |
| Cash Disbursements                          |              | 10,314,785   |
| Balance - December 31, 2022                 |              |              |
| School Tax Deferred                         | 3,965,912    |              |
|   |              | \$ 3,965,912 |
| 2022 Liability for Regional High School Tax |              |              |
| Tax Liability                               |              | \$ 8,980,751 |
| Increased by:                               |              |              |
| Balance Deferred - December 31, 2021,       |              | 3,965,912    |
|   |              | 12,946,663   |
| Decreased by:                               |              |              |
| Balance Deferred - December 31, 2022        |              | 3,965,912    |
| Amount Charged to 2022 Operations           |              | \$ 8,980,751 |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of County Taxes Payable

Current Fund

Year Ended December 31, 2022

|                             |    |                          |                   |
|-----------------------------|----|--------------------------|-------------------|
| Balance - December 31, 2021 |    | \$                       | 41,015            |
| Increased by:               |    |                          |                   |
| 2022 Levy                   | \$ | 11,117,738               |                   |
| 2022 Open Space             |    | 191,216                  |                   |
| 2022 Added Assessments      |    | 19,813                   |                   |
| 2021 Added Assessments      |    | <u>408</u>               |                   |
|                             |    |                          | <u>11,329,175</u> |
|                             |    |                          | 11,370,190        |
| Decreased by:               |    |                          |                   |
| Payments                    | \$ | <u><u>11,370,190</u></u> |                   |



TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Prepaid Taxes

Current Fund

Year Ended December 31, 2022

|                                  |    |                       |
|----------------------------------|----|-----------------------|
| Balance - December 31, 2021      | \$ | 297,651               |
| Increased by:                    |    |                       |
| Collections                      |    | <u>321,760</u>        |
|                                  |    | 619,411               |
| Decreased by:                    |    |                       |
| Applied to 2022 Taxes Receivable |    | <u>297,651</u>        |
| Balance - December 31, 2022      | \$ | <u><u>321,760</u></u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Statement of State Fees Payable**

**Current Fund**

**Year Ended December 31, 2022**

|                             | <u>UCC -<br/>DCA Fees</u> | <u>Marriage<br/>License<br/>Fees</u> | <u>Totals</u>        |
|-----------------------------|---------------------------|--------------------------------------|----------------------|
| Balance - December 31, 2021 | \$ 17,802                 | 275                                  | 18,077               |
| Increased by:               |                           |                                      |                      |
| Cash Receipts               | <u>24,581</u>             | <u>800</u>                           | <u>25,381</u>        |
|                             | <u>24,581</u>             | <u>800</u>                           | <u>25,381</u>        |
|                             | 42,383                    | 1,075                                | 43,458               |
| Decreased by:               |                           |                                      |                      |
| Cash Disbursements          | <u>3,431</u>              | <u>1,075</u>                         | <u>4,506</u>         |
| Balance - December 31, 2022 | \$ <u><u>38,952</u></u>   | <u><u>          </u></u>             | <u><u>38,952</u></u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Due from/(to) Federal and State Grant Fund**

**Current Fund**

**Year Ended December 31, 2022**

|                                 |                |                              |
|---------------------------------|----------------|------------------------------|
| Balance - December 31, 2021     |                | \$ (1,010,551)               |
| Increased by:                   |                |                              |
| Grants Receivable               | \$ 161,722     |                              |
| Grant Expenditures              | 60,288         |                              |
| Budget Offsets                  | 34,467         |                              |
| Cancelled Appropriated Grants   | 38,279         |                              |
| Current Fund Expenditures - ARP | <u>757,486</u> |                              |
|                                 |                | <u>1,052,242</u>             |
|                                 |                | 41,691                       |
| Decreased by:                   |                |                              |
| Grants Revenue                  | 71,488         |                              |
| Appropriated Reserves           | 161,722        |                              |
| Unappropriated Reserves         | 801,296        |                              |
| Cancelled Grant Receivables     | <u>41,563</u>  |                              |
|                                 |                | <u>1,076,069</u>             |
| Balance - December 31, 2022     |                | \$ <u><u>(1,034,378)</u></u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Interfunds**

**Federal and State Grant Fund**

**Year Ended December 31, 2022**

| <u>Fund</u>  | Due from/(to)<br>Balance<br><u>Dec. 31, 2021</u> | <u>Increased</u>    | <u>Decreased</u> | Due from/(to)<br>Balance<br><u>Dec. 31, 2022</u> |
|--------------|--|---------------------|------------------|--|
| Current Fund | \$ <u>1,010,551</u>                              | <u>1,076,069</u>    | <u>1,052,242</u> | <u>1,034,378</u>                                 |
|              | \$ <u>1,010,551</u>                              | <u>1,076,069</u>    | <u>1,052,242</u> | <u>1,034,378</u>                                 |
|              |  |                     | 161,722          |  |
|              |  | 71,488              |                  |  |
|              |  | 801,296             |                  |  |
|              |  | 41,563              |                  |  |
|              |  |                     | 38,279           |  |
|              |  |                     | 34,467           |  |
|              |  |                     | 60,288           |  |
|              |  |                     | 757,486          |  |
|              |  | <u>161,722</u>      |                  |  |
|              |  | \$ <u>1,076,069</u> | <u>1,052,242</u> |  |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2022

| <u>Grant</u>                        | Balance,<br>Dec. 31,<br>2021 | 2022<br>Budget<br>Revenue<br><u>Realized</u> | <u>Received</u>   | <u>Canceled</u> | Balance,<br>Dec. 31,<br>2022 |
|-------------------------------------|------------------------------|--|-------------------|-----------------|------------------------------|
| Municipal Alliance - 7/1/18-6/30/19 | \$ 19,123                    | 22,440                                       |                   | 41,563          |                              |
| Clean Communities                   |                              | 21,814                                       | 21,814            |                 |                              |
| Bulletproof Vest Fund               | 2,532                        |  |                   |                 | 2,532                        |
| Body Armor Grant                    |                              | 2,219  | 2,219             |                 |                              |
| Passaic County CARES Act            | 54,142                       |  |                   |                 | 54,142                       |
| Alcohol Education Rehabilitation    |                              | 6,000  | 6,000             |                 |                              |
| Click It or Ticket                  |                              | 7,000  |                   |                 | 7,000                        |
| Distracted Driving                  |                              | 7,000  | 7,000             |                 |                              |
| Drunk Driving Enforcement Fund      |                              | 10,070                                       | 10,070            |                 |                              |
| Recycling Tonnage                   |                              | 20,813                                       | 20,813            |                 |                              |
| Safe Corridors                      |                              | 64,366                                       |                   |                 | 64,366                       |
| Body Worn Cameras                   | <u>61,140</u>                |  | <u>61,140</u>     |                 |                              |
|                                     | <u>\$ 136,937</u>            | <u>161,722</u>                               | <u>129,056</u>    | <u>41,563</u>   | <u>128,040</u>               |
|                                     |                              | Adopted Budget 83,356                        |                   |                 |                              |
|                                     |                              | Added by N.J.S.A. 40A:4-87 <u>78,366</u>     |                   |                 |                              |
|                                     |                              | <u>\$ 161,722</u>                            |                   |                 |                              |
|                                     |                              | Cash \$ 68,140                               |                   |                 |                              |
|                                     |                              | Unappropriated Grants <u>60,916</u>          |                   |                 |                              |
|                                     |                              |  | <u>\$ 129,056</u> |                 |                              |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2022

| Grant  | Balance,<br>Dec. 31,<br>2021 | Transfer<br>From 2022<br>Budget        | Expended         | Canceled      | Balance,<br>Dec. 31,<br>2022 |
|--|------------------------------|--|------------------|---------------|------------------------------|
| Alcohol Education and Rehabilitation         | \$ 2,117                     |  |                  |               | 2,117                        |
| Alcohol Education and Rehabilitation         | 6,069                        |  |                  |               | 6,069                        |
| Alcohol Education and Rehabilitation         | 16,899                       |  |                  |               | 16,899                       |
| Alcohol Education and Rehabilitation         | 5,084                        |  |                  |               | 5,084                        |
| Body Armor Replacement Grant                 | 874                          | 2,219                                  | 1,726            |               | 1,367                        |
| Body Worn Cameras                            | 61,140                       |  | 38,242           |               | 22,898                       |
| Bullet Proof Vest                            | 3,018                        |  | 2,566            |               | 452                          |
| Clean Communities Program Grant              | 6,419                        |  | 2,242            |               | 4,177                        |
| Clean Communities Program Grant              | 22,723                       |  |                  |               | 22,723                       |
| Clean Communities Program Grant              | 20,490                       |  |                  |               | 20,490                       |
| Clean Communities Program Grant              |                              | 21,814                                 |                  |               | 21,814                       |
| Click It or Ticket                           | 5,500                        |  |                  |               | 5,500                        |
| Click It or Ticket                           | 3,135                        |  |                  |               | 3,135                        |
| Click It or Ticket                           |                              | 7,000                                  |                  |               | 7,000                        |
| Click It or Ticket                           |                              | 6,000                                  |                  |               | 6,000                        |
| Distracted Driving                           | 5,500                        | 7,000                                  |                  |               | 12,500                       |
| Drive Sober or Get Pulled Over               | 175                          |  |                  |               | 175                          |
| Drunk Driving Enforcement Fund               | 3,750                        |  | 3,750            |               |                              |
| Drunk Driving Enforcement Fund               | 29,975                       |  | 5,725            |               | 24,250                       |
| Drunk Driving Enforcement Fund               |                              | 10,070                                 |                  |               | 10,070                       |
| Legislative Grant:                           | 7,689                        |  |                  |               | 7,689                        |
| Louis Street Park Improvements               | 1,267                        |  |                  |               | 1,267                        |
| Municipal Alliance on Alcohol and Drug Abuse | 7,443                        |  |                  | 7,443         |                              |
| Municipal Alliance on Alcohol and Drug Abuse | 5,537                        |  |                  | 5,537         |                              |
| Municipal Alliance on Alcohol and Drug Abuse | 6,207                        |  | 3,348            |               | 2,859                        |
| Municipal Alliance on Alcohol and Drug Abuse |                              | 22,440                                 |                  | 22,440        |                              |
| Municipal Stormwater Regulation Program      | 7,525                        |  |                  |               | 7,525                        |
| Peckman River Grant                          | 15,095                       |  |                  |               | 15,095                       |
| Recycling Tonnage Grant                      | 22,854                       | 20,813                                 |                  |               | 43,667                       |
| Safe Corridors                               | 3,732                        |  | 2,377            |               | 1,355                        |
| Safe Corridors                               | 16,110                       |  | 313              |               | 15,797                       |
| Safe Corridors                               |                              | 64,366                                 |                  |               | 64,366                       |
| Tennis Grant                                 | 175                          |  |                  |               | 175                          |
|  | <u>\$ 286,502</u>            | <u>161,722</u>                         | <u>60,289</u>    | <u>38,279</u> | <u>349,656</u>               |
|  |                              | Budget 83,356                          |                  |               |                              |
|  |                              | Appropriated by 40a:4-87 <u>78,366</u> |                  |               |                              |
|  |                              | <u>\$ 161,722</u>                      |                  |               |                              |
|  |                              | Cash Disbursements 48,822              |                  |               |                              |
|  |                              | Grant Encumbrances <u>11,466</u>       |                  |               |                              |
|  |                              |  | <u>\$ 60,288</u> |               |                              |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2022

| <u>Grant</u>                         | Balance,<br>Dec. 31,<br>2021 | Transfer<br>To 2022<br>Budget | <u>Received</u> | Balance,<br>Dec. 31,<br>2022 |
|--------------------------------------|------------------------------|-------------------------------|-----------------|------------------------------|
| Drunk Driving Enforcement Fund       | \$ 10,070                    | 10,070                        |                 |                              |
| Recycling Tonnage Grant              | 20,813                       | 20,813                        | 18,416          | 18,416                       |
| American Rescue Plan                 | 757,486                      | 757,486                       | 757,486         | 757,486                      |
| Alcohol Education and Rehabilitation |                              |                               |                 |                              |
| Body Armor                           | 2,219                        | 2,219                         | 3,628           | 3,628                        |
| Click it or Ticket                   | 6,000                        | 6,000                         |                 |                              |
| Clean Communities Grant              | 21,814                       | 21,814                        | 21,766          | 21,766                       |
| Bulletproof Vests                    |                              |                               |                 |                              |
|                                      | <u>\$ 818,402</u>            | <u>818,402</u>                | <u>801,296</u>  | <u>801,296</u>               |

## TOWNSHIP OF LITTLE FALLS, N.J.

## Schedule of Cash

## Trust Funds

Year Ended December 31, 2022

|   | Animal<br>Trust<br>Fund | Other<br>Trust<br>Fund | Unemployment<br>Compensation<br>Trust<br>Fund | Affordable<br>Housing<br>Trust<br>Fund | Open<br>Space<br>Trust<br>Fund | Emergency<br>Service<br>LOSAP<br>Fund |
|---|-------------------------|------------------------|---|--|--------------------------------|---------------------------------------|
| Balance - December 31, 2021               | \$ 6,940                | 1,037,045              | 61,025  | 942,177                                | 61,040                         | 1,852,311                             |
| Increase by Receipts:                     |                         |                        |   |  |                                |                                       |
| Employee Payroll Deductions               |                         |                        | 9,209   |  |                                |                                       |
| Interest on Deposits                      |                         |                        |   | 7,294                                  | 1,245                          | 10,795                                |
| Due to/from Current                       |                         | 8,050                  | 15,000  |  | 154,143                        |                                       |
| Escrow Deposits                           |                         | 206,708                |   |  |                                |                                       |
| Inspection Fees                           |                         | 27,045                 |   |  |                                |                                       |
| Building Surcharge Fees                   |                         | 3,250                  |   |  |                                |                                       |
| Miscellaneous Reserves                    |                         | 323,108                |   |  |                                |                                       |
| Dog License Fees                          | 1,516                   |                        |   |  |                                |                                       |
| Other (Cat Licenses)                      | 193                     |                        |   |  |                                |                                       |
| Miscellaneous                             | 62                      |                        |   |  |                                |                                       |
| Due to State of New Jersey                | 361                     |                        |   |  |                                |                                       |
| Affordable Housing Receipts               |                         |                        |   | 47,687                                 |                                |                                       |
| LOSAP Contributions                       |                         |                        |   |  |                                | 42,638                                |
| Total Receipts                            | 2,132                   | 568,161                | 24,209  | 54,981                                 | 155,388                        | 53,433                                |
|   | 9,072                   | 1,605,206              | 85,234  | 997,158                                | 216,428                        | 1,905,744                             |
| Decreased by Disbursements:               |                         |                        |   |  |                                |                                       |
| Escrow Deposits                           |                         | 159,949                |   |  |                                |                                       |
| Miscellaneous Reserves                    |                         | 117,182                |   |  |                                |                                       |
| Due to State of New Jersey                | 365                     |                        | 11,226  |  |                                |                                       |
| Inspection Fees                           |                         | 12,178                 |   |  |                                |                                       |
| Due to Current Fund                       |                         | 153                    |   |  |                                |                                       |
| Affordable Housing Expenditures           |                         |                        |   | 8,553                                  |                                |                                       |
| Depreciation in Fair Value of Investments |                         |                        |   |  |                                | 299,862                               |
| Charges and Adjustments                   |                         |                        |   |  |                                | 3,873                                 |
| LOSAP Distributions                       |                         |                        |   |  |                                | 96,819                                |
| Total Disbursements                       | 365                     | 289,462                | 11,226  | 8,553                                  |                                | 400,554                               |
| Balance - December 31, 2022               | \$ 8,707                | 1,315,744              | 74,008  | 988,605                                | 216,428                        | 1,505,190                             |



TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Interfunds Receivable/(Payable)

Trust Funds

Year Ended December 31, 2022

|  | Balance<br><u>Dec. 31, 2021</u> | <u>Increased</u>                         | <u>Decreased</u>         | Balance<br><u>Dec. 31, 2022</u> |
|--|---------------------------------|--|--------------------------|---------------------------------|
| Other Trust Fund                               |                                 |  |                          |                                 |
| Current Fund                                   | \$ (6,393)                      | 221                                      | 4,840                    | (11,012)                        |
| Escrow Trust Fund                              |                                 |  |                          |                                 |
| Current Fund                                   | (248)                           |  | 27                       | (275)                           |
| Tax Title Lien Premium Trust Fund              |                                 |  |                          |                                 |
| Current Fund                                   | (1,303)                         |  | 3,183                    | (4,486)                         |
| Unemployment Compensation Insurance Trust Fund |                                 |  |                          |                                 |
| Current Fund                                   | 14,733                          | 15,000                                   | 15,000                   | 14,733                          |
| Open Space Trust Fund                          |                                 |  |                          |                                 |
| Current Fund                                   | 76,998                          | 77,255                                   | 154,143                  | 110                             |
| Animal Trust Fund                              |                                 |  |                          |                                 |
| Current Fund                                   | (3,578)                         |  | 2,558                    | (6,136)                         |
|  | <u>\$ 80,209</u>                | <u>92,476</u>                            | <u>179,751</u>           | <u>(7,066)</u>                  |
| Due from Current Fund                          | 91,731                          | 92,255                                   | 169,143                  | 14,843                          |
| Due to Current Fund                            | (11,522)                        | 221                                      | 10,607                   | (21,908)                        |
|  | <u>\$ 80,209</u>                | <u>92,476</u>                            | <u>179,750</u>           | <u>(7,065)</u>                  |
|  |                                 |  |                          |                                 |
|  |                                 |  | Cash Receipts \$ 169,143 |                                 |
|  |                                 | Cash Disbursements 153                   |                          |                                 |
|  |                                 | Interest on Deposits 8,050               |                          |                                 |
|  |                                 | Municipal Alliance Contribution 68       |                          |                                 |
|  |                                 | Statutory Excess 2,558                   |                          |                                 |
|  |                                 | Added and Omitted Open Space Taxes 110   |                          |                                 |
|  |                                 | Open Space Tax Levy 77,145               |                          |                                 |
|  |                                 | Budget Appropriation-Unemployment 15,000 |                          |                                 |
|  |                                 | <u>\$ 92,476</u>                         | <u>179,751</u>           |                                 |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Due to State of New Jersey**

**Animal Trust Fund**

**Year Ended December 31, 2022**

|                             |    |                 |
|-----------------------------|----|-----------------|
| Balance - December 31, 2021 | \$ | 5               |
| Increased by:               |    |                 |
| Cash Receipts               |    | <u>361</u>      |
|                             |    | 366             |
| Decreased by:               |    |                 |
| Cash Disbursements          |    | <u>365</u>      |
| Balance - December 31, 2022 | \$ | <u><u>1</u></u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Reserve for Animal Trust Fund Expenditures**

**Trust Funds**

**Year Ended December 31, 2022**

|                             |    |           |                     |
|-----------------------------|----|-----------|---------------------|
| Balance - December 31, 2021 |    | \$        | 3,357               |
| Increased by:               |    |           |                     |
| Dog License Fees            | \$ | 1,516     |                     |
| Cat License Fees            |    | 193       |                     |
| Miscellaneous Revenue:      |    |           |                     |
| Interest Earnings           |    | <u>62</u> |                     |
|                             |    |           | <u>1,771</u>        |
|                             |    |           | 5,128               |
| Decreased by:               |    |           |                     |
| Statutory Excess            |    |           | <u>2,558</u>        |
| Balance - December 31, 2022 |    | \$        | <u><u>2,570</u></u> |

Animal License Fees Collected

| <u>Year</u> | <u>Amount</u>          |
|-------------|------------------------|
| 2020        | 834                    |
| 2021        | <u>1,736</u>           |
|             | \$ <u><u>2,570</u></u> |



## TOWNSHIP OF LITTLE FALLS, N.J.

## Schedule of Miscellaneous Reserves

## Trust Funds

Year Ended December 31, 2022

|                                    | Balance<br>Dec. 31,<br><u>2021</u> | <u>Increases</u>  | <u>Decreases</u> | Balances,<br>Dec. 31,<br><u>2022</u> |
|------------------------------------|------------------------------------|-------------------|------------------|--------------------------------------|
| Tax Sale Premium                   | \$ 342,500                         | 171,000           | 51,000           | 462,500                              |
| Tax Title Lien Redemptions         |                                    | 60,379            | 21,969           | 38,410                               |
| Street Permit Bonds                | 10,670                             |                   |                  | 10,670                               |
| Uniform Fire Code Enforcement      | 5,548                              | 3,750             |                  | 9,298                                |
| Unclaimed Property                 |                                    | 20                |                  | 20                                   |
| Recycling Program                  | 170,944                            | 50,166            |                  | 221,110                              |
| Public Defender Fees               | 24,057                             |                   |                  | 24,057                               |
| Traffic Signal                     | 23,138                             |                   |                  | 23,138                               |
| Civic Activities - Donations       | 8,425                              |                   |                  | 8,425                                |
| Police Donations                   | 250                                |                   |                  | 250                                  |
| Municipal Alliance - Contributions | 75                                 |                   |                  | 75                                   |
| Recreation                         | 821                                |                   |                  | 821                                  |
| Federal Forfeiture                 | 933                                |                   |                  | 933                                  |
| Prosecutor                         | 11,002                             |                   |                  | 11,002                               |
| 5K Run                             | 15,967                             | 7,495             |                  | 23,462                               |
| Defibulator Fund - Donations       | 228                                |                   |                  | 228                                  |
| Police Outside Duty Employment     | 41,365                             |                   |                  | 41,365                               |
| Bequests                           | 2,420                              |                   |                  | 2,420                                |
| Sewer Fees                         | 4,000                              |                   |                  | 4,000                                |
| Tree Bequests                      | 750                                |                   | 653              | 97                                   |
| Performance Bonds                  | 87,300                             | 30,000            | 43,560           | 73,740                               |
| Parking Offenses Adjudication Act  | 5,229                              | 298               |                  | 5,527                                |
|                                    | <u>\$ 755,622</u>                  | <u>323,108</u>    | <u>117,182</u>   | <u>961,548</u>                       |
| Cash Receipts                      |                                    | 323,108           |                  |                                      |
| Cash Disbursements                 |                                    |                   | 117,182          |                                      |
|                                    |                                    | <u>\$ 323,108</u> | <u>117,182</u>   |                                      |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Building Surcharge Fees - Due to the State of New Jersey**

**Trust Funds**

**Year Ended December 31, 2022**

|                             |                         |
|-----------------------------|-------------------------|
| Balance - December 31, 2021 | \$ <u>39,362</u>        |
| Increased by:               |                         |
| Cash Receipts               | <u>3,250</u>            |
| Balance - December 31, 2022 | \$ <u><u>42,612</u></u> |

**TOWNSHIP OF LITTLE FALLS**

**Schedule of Due to State of New Jersey**

**Unemployment Compensation Insurance Trust Fund**

**Year Ended December 31, 2022**

|  |    |                     |
|--|----|---------------------|
| Increased by:                              |    |                     |
| Unemployment and Disability Claims Payable | \$ | <u>10,921</u>       |
| Decreased by:                              |    |                     |
| Cash Disbursements                         |    | <u>11,226</u>       |
| Balance - December 31, 2022                | \$ | <u><u>(305)</u></u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Reserve for Expenditures**

**Unemployment Compensation Insurance Trust Fund**

**Year Ended December 31, 2022**

|                                    |    |            |                      |
|------------------------------------|----|------------|----------------------|
| Balance - December 31, 2021        |    | \$         | 75,758               |
| Increased by:                      |    |            |                      |
| Employee Payroll Deductions        | \$ | 9,209      |                      |
| Interfunds-Budget Appropriations   |    | 15,000     |                      |
| Unemployment Credit Due from State |    | <u>305</u> |                      |
|                                    |    |            | <u>24,514</u>        |
|                                    |    |            | 100,272              |
| Decreased by:                      |    |            |                      |
| Due to State - Unemployment Claims |    |            | <u>11,226</u>        |
| Balance - December 31, 2022        |    | \$         | <u><u>89,046</u></u> |



TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Reserve for Affordable Housing

Affordable Housing Trust Fund

Year Ended December 31, 2022

|                                 |    |              |                       |
|---------------------------------|----|--------------|-----------------------|
| Balance - December 31, 2021     |    | \$           | 942,177               |
| Increased by:                   |    |              |                       |
| COAH Development Fees collected | \$ | 47,687       |                       |
| Interest earned on Investments  |    | <u>7,294</u> |                       |
|                                 |    |              | <u>54,981</u>         |
|                                 |    |              | 997,158               |
| Decreased by:                   |    |              |                       |
| Cash Disbursements              |    |              | <u>8,553</u>          |
| Balance - December 31, 2022     |    | \$           | <u><u>988,605</u></u> |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Reserve for Open Space Expenditures

Open Space Trust Fund

Year Ended December 31, 2022

|                             |    | <u>Unallocated<br/>Reserve</u> |
|-----------------------------|----|--------------------------------|
| Balance - December 31, 2021 | \$ | 138,038                        |
| Increased by:               |    |                                |
| Receipts                    | \$ | 1,245                          |
| Open Space Tax Levy         |    | 77,145                         |
| Open Space Tax Levy - Added |    | <u>110</u>                     |
|                             |    | <u>78,500</u>                  |
| Balance - December 31, 2022 | \$ | <u><u>216,538</u></u>          |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Contributions Receivable - Length of Service Awards Program**

**Trust Funds**

**Year Ended December 31, 2022**

|                             |                         |
|-----------------------------|-------------------------|
| Balance - December 31, 2021 | \$ 42,638               |
| Increased by:               |                         |
| 2022 Contributions          | <u>44,237</u>           |
|                             | 86,875                  |
| Decreased by:               |                         |
| Cash Received               | <u>42,638</u>           |
| Balance - December 31, 2022 | <u><u>\$ 44,237</u></u> |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Reserve for Expenditures - Length of Service Award Program

Trust Funds

Year Ended December 31, 2022

|                             |    |               |                         |
|-----------------------------|----|---------------|-------------------------|
| Balance - December 31, 2021 |    | \$            | 1,894,949               |
| Increased by:               |    |               |                         |
| Contributions               | \$ | 44,237        |                         |
| Interest Earned             |    | <u>10,795</u> |                         |
|                             |    |               | <u>55,032</u>           |
|                             |    |               | 1,949,981               |
| Decreased by:               |    |               |                         |
| Investment Loss             |    | 299,862       |                         |
| Charges and Adjustments     |    | 3,873         |                         |
| Distributions               |    | <u>96,819</u> |                         |
|                             |    |               | <u>400,554</u>          |
| Balance - December 31, 2022 |    | \$            | <u><u>1,549,427</u></u> |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Cash

General Capital Fund

Year Ended December 31, 2022

|                             |    |                |                         |
|-----------------------------|----|----------------|-------------------------|
| Balance - December 31, 2021 |    | \$             | 3,508,289               |
| Increased by Receipts:      |    |                |                         |
| Due to Current Fund         | \$ | 16,971         |                         |
| Bond Anticipation Notes     |    | 1,500,000      |                         |
| Prior Year's Void Checks    |    | <u>1,990</u>   |                         |
|                             |    |                | <u>1,518,961</u>        |
|                             |    |                | 5,027,250               |
| Decreased by Disbursements: |    |                |                         |
| Improvement Authorizations  |    | 2,110,778      |                         |
| Contracts Payable           |    | 449,794        |                         |
| Due from Current Fund       |    | <u>266,887</u> |                         |
|                             |    |                | <u>2,827,459</u>        |
| Balance - December 31, 2022 |    | \$             | <u><u>2,199,791</u></u> |

## TOWNSHIP OF LITTLE FALLS, N.J.

## Analysis of Cash

## General Capital Fund

Year Ended December 31, 2022

|                          |    |             |
|--------------------------|----|-------------|
| Due from Current Fund    | \$ | (620,234)   |
| Grants Receivable        |    | (8,951,297) |
| Capital Improvement Fund |    | 208,850     |
| Reserve for:             |    |             |
| Contracts Payable        |    | 1,633,558   |
| I & I                    |    | 21,696      |
| Fund Balance             |    | 339,400     |

## Improvement Authorizations:

| Ordinance<br>Number | Improvement Description   |           |
|---------------------|---|-----------|
| 721/802             | Improvements to Various Roads   | (50)      |
| 856                 | Morris Canal Pedestrian Way & Preserve  | 5,609     |
| 904/935/947         | Construction New Municipal Building   | 4,852     |
| 1020/1086/1149/1155 | Construction of a New Justice Complex   | 2,109     |
| 1071                | Sanitary Sewer Improvements   | 496       |
| 1092                | Improvement Fairfield Pump Station  | (573,817) |
| 1098                | Various Road Improvements   | (82,344)  |
| 1099                | 2010 Road Program   | 10,074    |
| 1100                | Sanitary Sewer Improvements   | (142,500) |
| 1102                | Strom Drain System Improvements   | 70        |
| 1121                | Elevation of Homes  | 10,408    |
| 1126/1160           | Paving of Stanley Street  | (41,518)  |
| 1133                | Instllation of New Roof on the Public Library                                 | 8,600     |
| 1147                | Flood Mitigation Acquisition or Reconstruction                                | (181,104) |
| 1150                | Refunding Ordinance - Hurricane Irene   | (24)      |
| 1151                | FEMA Flood Mitigation Project   | 285,871   |
| 1174                | Improvements to Ridge Avenue  | 68,457    |
| 1180                | Refunding of Tax Appeals  | 1,573     |
| 1204/1267           | Stormwater Improvements - Morningside Circle                                  | (496,801) |
| 1212                | Acquisition of Fire Engine  | 6,513     |
| 1213                | Acquisition of Public Works Vehicles  | 3,367     |
| 1214                | Replacement of Strom Drains   | 18        |
| 1215                | 2015 Road Improvement Program   | 213       |
| 1221                | Crane Street Project  | 122,507   |
| 1234                | Acquisition of Self Contained Breathing Apparatus                             | 595       |
| 1253                | 2016 Road Resurfacing Program   | 6,340     |
| 1255                | Acquisition of Integrated Body and Car Camera System                          | 15,949    |
| 1264                | Acquisition of Generator at Recreation Center                                 | (24,665)  |
| 1272                | Duva Park Improvements  | 143       |
| 1286                | Acquisition and Demolition of Flood Prone Properties in<br>the Singac Section | 4,990,410 |

## TOWNSHIP OF LITTLE FALLS, N.J.

## Analysis of Cash

## General Capital Fund

Year Ended December 31, 2022

|           |   |                     |
|-----------|---|---------------------|
| 1289      | Undertaking of Public Improvement and the Acquisition of<br>New Automotive Vehicles | 53,574              |
| 1290      | Acquisition of New Additional or Replacement Equipment<br>and Machinery             | 304                 |
| 1295      | Acquisition of Real Property  | 3,647               |
| 1300      | Reconstruction of Woodcliff Avenue  | 82,731              |
| 1322      | Reconstruction of the Ridge Avenue Dead End   | 8                   |
| 1323      | 2018 Road Improvement Program   | 566                 |
| 1324      | Stormwater Drainage Improvement   | 26                  |
| 1325      | Various Public Improvements   | 926                 |
| 1331      | Reconstruction of Donato Drive  | 68,336              |
| 1336      | Acquisition of Real Property  | 3                   |
| 1350      | Sanitary Sewer Improvements   | 846                 |
| 1351      | Reconstruction of Coney Road and Veranda Street                                     | 8,140               |
| 1352      | 2019 Road Improvement Program   | 52,186              |
| 1356      | Streetscape Improvements Project, Phase I   | 700,000             |
| 1359      | Acquisition of Property for Construction of<br>Stormwater Pump Station              | 216,579             |
| 1360      | Acquisition of Property for Public Parking  | 103                 |
| 1381      | Tax Appeal Refunding Ordinance  | 36,958              |
| 1383/1389 | Supplemental Approp. To 1383  | 81,183              |
| 1384      | Acquisition of Property for Public Parking  | 210,140             |
| 1385      | Reconstruction of portion of Micklejohn Avenue                                      | 32,114              |
| 1387      | 2020 Road Improvement Program   | 401                 |
| 1388      | Streetscape Improvements Project, Phases II and III                                 | 841,282             |
| 1407      | Various Public Improvements   | 40,061              |
| 1409      | Hemlock Road Improvements   | 531,501             |
| 1410      | Undertaking of Streetscape Imps. At Main Street                                     | 574,539             |
| 1411      | Traffic Light at Francisco & Cedar Grove Road                                       | 471,576             |
| 1412      | Various Improvements At Duva Field  | 342,724             |
| 1437      | Imps. To Wilmore Park   | 148,234             |
| 1438      | 2022 Road Improvement Program   | 331,846             |
| 1439      | Various Public Improvements   | (67,949)            |
| 1440      | Upgraded to the 911 Communication System, Police,<br>EMS and Fire Departments       | 281,136             |
| 1441      | Streetscape Imps. At Main Street (Phase III)  | 522,746             |
|           |   | <u>\$ 2,199,791</u> |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Due from/(to) Current Fund

General Capital Fund

Year ended December 31, 2022

|                               |    |                |                       |
|-------------------------------|----|----------------|-----------------------|
| Balance - December 31, 2021   |    | \$             | 167,046               |
| Increased by:                 |    |                |                       |
| Budget Appropriations:        |    |                |                       |
| Bond Anticipation Notes       | \$ | 13,621         |                       |
| Capital Improvement Fund      |    | 275,000        |                       |
| Budget Offsets                |    | 1,609          |                       |
| Grants Received               |    | 73,272         |                       |
| Cash Disbursements            |    | <u>266,887</u> |                       |
|                               |    |                | <u>630,389</u>        |
|                               |    |                | 797,435               |
| Decreased by:                 |    |                |                       |
| Interest on Deposits          |    | 14,731         |                       |
| Reimbursement of Expenditures |    | 15,230         |                       |
| Reserve for Debt Service      |    | 20,000         |                       |
| Capital Surplus               |    | 125,000        |                       |
| Cash Receipts                 |    | <u>2,240</u>   |                       |
|                               |    |                | <u>177,201</u>        |
| Balance - December 31, 2022   |    | \$             | <u><u>620,234</u></u> |



**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Deferred Charges to Future  
Taxation - Funded**

**General Capital Fund**

**Year Ended December 31, 2022**

|                                     |                             |
|-------------------------------------|-----------------------------|
| Balance - December 31, 2021         | \$ 24,475,000               |
| Decreased by:                       |                             |
| Bonds Paid by Budget Appropriations | <u>1,471,000</u>            |
| Balance - December 31, 2022         | \$ <u><u>23,004,000</u></u> |

TOWNSHIP OF LITTLE FALLS, N.J.  
 Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2022

| Ordinance Number | Improvement Description                          | Balance Dec. 31, 2021 | 2022 Authorizations | Decreased By | Balance Dec. 31, 2022 | Analysis of Balance                 |              |                                      |
|------------------|--|-----------------------|---------------------|--------------|-----------------------|-------------------------------------|--------------|--------------------------------------|
|                  |  |                       |                     |              |                       | Financed by Bond Anticipation Notes | Expenditures | Unexpended Improvement Authorization |
|                  | General Improvements:                            | \$                    |                     |              |                       |                                     |              |                                      |
| 721/802          | Improvements to Various roads                    | 50                    |                     |              | 50                    |                                     |              |                                      |
| 856              | Morris Canal Pedestrian Way & Preserve           | 971                   |                     |              | 971                   |                                     |              | 971                                  |
| 1092             | Improvement Fairfield Pump Station               | 1,300,000             |                     |              | 1,300,000             |                                     |              | 726,183                              |
| 1098             | Various Road Improvements                        | 82,344                |                     |              | 82,344                |                                     |              |                                      |
| 1100             | Sanitary Sewer Improvements                      | 142,500               |                     |              | 142,500               |                                     |              |                                      |
| 1126/1160        | Paving of Stanley Street                         | 62,000                |                     |              | 62,000                |                                     |              | 20,482                               |
| 1147             | Flood Mitigation Acquisition or Reconstruction   | 181,104               |                     |              | 181,104               |                                     |              |                                      |
| 1150             | Refunding Ordinance - Hurricane Irene            | 24                    |                     |              | 24                    |                                     |              |                                      |
| 1151             | FEMA Flood Mitigation Project                    | 542,745               |                     |              | 542,745               |                                     |              | 542,745                              |
| 1204/1267        | Stormwater Improvements - Morningside Circle     | 504,200               |                     |              | 504,200               |                                     |              | 7,399                                |
| 1221             | Crane Street Project                             | 80,000                |                     |              | 80,000                |                                     |              | 80,000                               |
| 1264             | Acquisition of Generator at Recreation Center    | 25,957                |                     |              | 25,957                |                                     |              | 1,292                                |
| 1352             | 2019 Road Improvement Program                    | 7,500                 |                     |              | 7,500                 |                                     |              | 7,500                                |
| 1381             | Tax Appeal Refunding Ordinance                   | 525,000               |                     |              | 525,000               |                                     |              | 887                                  |
| 1383/1389        | Synthetic Turf Field Multipurpose Athletic Field | 2,988                 |                     | 265,000      | 2,988                 | 259,113                             |              | 2,988                                |
| 1384             | Acquisition of Real Property for Public Parking  | 1,000                 |                     |              | 1,000                 |                                     |              | 1,000                                |

TOWNSHIP OF LITTLE FALLS, N.J.  
 Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2022

| Ordinance Number | Improvement Description  | Balance       |                     |               | Decreased By: |              | Analysis of Balance                  |           |  |
|------------------|--|---------------|---------------------|---------------|---------------|--------------|--------------------------------------|-----------|--|
|                  |  | Dec. 31, 2021 | 2022 Authorizations | Dec. 31, 2022 | Notes         | Expenditures | Unexpended Improvement Authorization |           |  |
| 1407             | Various Public Improvements  | 607,500       |                     | 607,500       | 607,500       |              |                                      |           |  |
| 1408             | 2021 Road Improvement Program  | 641,250       |                     | 641,250       | 641,250       |              |                                      |           |  |
| 1409             | Imps. to Hemlock Road  | 570,000       |                     | 570,000       | 570,000       |              |                                      |           |  |
| 1410             | Undertaking of Streetscape Imps. At Main Street                            | 434,000       |                     | 434,000       | 434,000       |              |                                      |           |  |
| 1411             | Installation of a Traffic Signal - Francisco & Cedar Grow                  | 475,000       |                     | 475,000       | 475,000       |              |                                      | 250       |  |
| 1412             | Various Imps. At Duva Field  | 735,500       |                     | 735,500       | 735,250       |              |                                      | 95,000    |  |
| 1437             | Imps. To Wilmore Park  |               | 95,000              | 95,000        |               |              |                                      |           |  |
| 1438             | 2022 Road Improvement Program  |               | 475,000             | 475,000       | 475,000       |              |                                      |           |  |
| 1439             | Various Public Improvements  |               | 522,500             | 522,500       |               |              |                                      |           |  |
| 1440             | Upgraded to the 911 Communication System, Police, EMS and Fire Departments |               | 807,500             | 807,500       |               |              | 67,949                               | 237,051   |  |
| 1441             | Streetscape Imps. At Main Street (Phase III)                               |               | 562,000             | 562,000       |               |              |                                      | 562,000   |  |
|                  |  | \$ 6,921,633  | 2,462,000           | 9,118,633     | 5,222,113     | 1,610,772    |                                      | 2,285,748 |  |

|  |           |  |           |
|--|-----------|--|-----------|
| Improvement Authorizations \$                        | 2,462,000 | Budget Appropriation \$                  | 2,462,000 |
| Less: Unexpended proceeds of Bond Anticipation Notes |           | Improvement Authorizations - Unfunded \$ | 4,755,550 |
|  |           |  |           |
| Ordinance:   |           |  |           |
| 1381   | 36,958    |  |           |
| 1407   | 40,061    |  |           |
| 1409   | 531,501   |  |           |
| 1410   | 434,000   |  |           |
| 1411   | 471,575   |  |           |
| 1412   | 342,724   |  |           |
| 1438   | 331,846   |  |           |
| 1440   | 281,137   |  |           |
|  |           |  |           |
|  |           |  | 2,469,802 |
|  |           | \$                                       | 2,285,748 |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2022

| Purpose                 | Date of Issue | Original Issue | Maturities of Bonds Outstanding, December 31, 2022 |         | Interest Rate | Balance Dec. 31, 2021    | Decreased | Balance Dec. 31, 2022 |
|-------------------------|---------------|----------------|--|---------|---------------|--------------------------|-----------|-----------------------|
|                         |               |                | Date   | Amount  |               |                          |           |                       |
| General Bonds           | 7/28/2010     | 3,599,000      | 8/1/2023   | 191,000 | 1.66-6.54%    | 2,066,000                | 181,000   | 1,885,000             |
|                         |               |                | 8/1/2024   | 201,000 | 1.66-6.54%    |                          |           |                       |
|                         |               |                | 8/1/2025   | 213,000 | 1.66-6.54%    |                          |           |                       |
|                         |               |                | 8/1/2026   | 225,000 | 1.66-6.54%    |                          |           |                       |
|                         |               |                | 8/1/2027   | 239,000 | 1.66-6.54%    |                          |           |                       |
|                         |               |                | 8/1/2028   | 255,000 | 1.66-6.54%    |                          |           |                       |
|                         |               |                | 8/1/2029   | 272,000 | 1.66-6.54%    |                          |           |                       |
|                         |               |                | 8/1/2030   | 289,000 | 1.66-6.54%    |                          |           |                       |
|                         |               |                |  |         |               |                          |           |                       |
| General Bonds           | 8/15/2015     | 8,754,000      | 8/15/2023  | 464,000 | 4.000%        | 7,254,000                | 290,000   | 6,964,000             |
|                         |               |                | 8/15/2024-25                                       | 500,000 | 4.000%        |                          |           |                       |
|                         |               |                | 8/15/2026  | 500,000 | 2.500%        |                          |           |                       |
|                         |               |                | 8/15/2027-31                                       | 500,000 | 3.000%        |                          |           |                       |
|                         |               |                | 8/15/2032-34                                       | 500,000 | 3.250%        |                          |           |                       |
|                         |               |                | 8/15/2035  | 500,000 | 3.375%        |                          |           |                       |
|                         |               | 8/15/2036      | 500,000  | 3.500%  |               |                          |           |                       |
| Refunding of Bonds 2015 | 12/10/2015    | 4,440,000      | 8/1/2023   | 380,000 | 4.000%        | 905,000                  | 525,000   | 380,000               |
|                         |               |                |  |         |               |                          |           |                       |
| General Bonds           | 8/1/2021      | 14,250,000     | 8/1/2023   | 490,000 | 0.500%        | 14,250,000               | 475,000   | 13,775,000            |
|                         |               |                | 8/1/2024   | 935,000 | 0.500%        |                          |           |                       |
|                         |               |                | 8/1/2025   | 950,000 | 0.500%        |                          |           |                       |
|                         |               |                | 8/1/2026   | 950,000 | 1.000%        |                          |           |                       |
|                         |               |                | 8/1/2027   | 950,000 | 1.500%        |                          |           |                       |
|                         |               | 8/1/2028-37    | 950,000  | 2.000%  |               |                          |           |                       |
|                         |               |                |  |         |               | \$ 24,475,000            | 1,471,000 | 23,004,000            |
|                         |               |                |  |         |               | Budget Appropriations \$ |           | 1,471,000             |

**TOWNSHIP OF LITTLE FALLS**  
**Schedule of Bond Anticipation Notes Payable**

**General Capital Fund**

Year ended December 31, 2022

| Ord. No. | Improvement Description   | Date of issue of original notes | Date of issue | Date of Maturity | Interest rate | Balance Dec. 31 2020 | Increased                               | Decreased | Balance Dec. 31 2021 |
|----------|---|---------------------------------|---------------|------------------|---------------|----------------------|---|-----------|----------------------|
| 1381     | Tax Appeal Refunding Ordinance  | 8/6/2020                        | 6/30/2022     | 2/15/2023        | 2.50%         | \$ 524,113           | 259,113                                 | 524,113   | 259,113              |
| 1407     | Various Public Improvements   | 12/21/2021                      | 12/15/2022    | 12/15/2023       | 4.00%         | 607,500              | 607,500                                 | 607,500   | 607,500              |
| 1408     | 2021 Road Improvement Program   | 12/21/2021                      | 12/15/2022    | 12/15/2023       | 4.00%         | 641,250              | 641,250                                 | 641,250   | 641,250              |
| 1409     | Imps. to Hemlock Road   | 12/21/2021                      | 12/15/2022    | 12/15/2023       | 4.00%         | 570,000              | 570,000                                 | 570,000   | 570,000              |
| 1410     | Undertaking of Streetscape Imps. At Main Street                           | 12/21/2021                      | 12/15/2022    | 12/15/2023       | 4.00%         | 434,000              | 434,000                                 | 434,000   | 434,000              |
| 1411     | Installation of a Traffic Signal - Francisco & Cedar Grove Rd             | 12/21/2021                      | 12/15/2022    | 12/15/2023       | 4.00%         | 475,000              | 475,000                                 | 475,000   | 475,000              |
| 1412     | Various Imps. At Duva Field   | 12/21/2021                      | 12/15/2022    | 12/15/2023       | 4.00%         | 735,250              | 735,250                                 | 735,250   | 735,250              |
| 1438     | 2022 Road Improvement Program   | 12/15/2022                      | 12/15/2022    | 12/15/2023       | 4.00%         | 475,000              | 475,000                                 | 475,000   | 475,000              |
| 1439     | Various Public Improvements   | 12/15/2022                      | 12/15/2022    | 12/15/2023       | 4.00%         | 217,500              | 217,500                                 | 217,500   | 217,500              |
| 1440     | Upgrades to the 911 Communication System, Police EMS and Fire Departments | 12/15/2022                      | 12/15/2022    | 12/15/2023       | 4.00%         | 807,500              | 807,500                                 | 807,500   | 807,500              |
|          |   |                                 |               |                  |               | \$ 3,987,113         | 5,222,113                               | 3,987,113 | 5,222,113            |
|          |   |                                 |               |                  |               |                      | Cash 1,500,000                          |           |                      |
|          |   |                                 |               |                  |               |                      | Renewed 3,722,113                       | 3,722,113 |                      |
|          |   |                                 |               |                  |               |                      |   | 265,000   |                      |
|          |   |                                 |               |                  |               |                      | Paydown on Notes - Budget Appropriation |           |                      |
|          |   |                                 |               |                  |               |                      | \$ 5,222,113                            | 3,987,113 |                      |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Contracts Payable**

**General Capital Fund**

**Year Ended December 31, 2022**

|                             |    |                         |
|-----------------------------|----|-------------------------|
| Balance - December 31, 2021 | \$ | 449,794                 |
| Increased by:               |    |                         |
| Contracts Awarded           |    | <u>1,633,558</u>        |
|                             |    | 2,083,352               |
| Decreased by:               |    |                         |
| Contracts Paid              |    | <u>449,794</u>          |
| Balance - December 31, 2022 | \$ | <u><u>1,633,558</u></u> |

TOWNSHIP OF LITTLE FALLS, N.J.  
Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2022

| Ordinance Number    | Improvement Description   | Date Authorized | Ordinance Amount | Balance Dec. 31, 2021 |          | 2022 Authorizations | Paid or Charged | Cancelled | Balance Dec. 31, 2022 |          |
|---------------------|---|-----------------|------------------|-----------------------|----------|---------------------|-----------------|-----------|-----------------------|----------|
|                     |   |                 |                  | Funded                | Unfunded |                     |                 |           | Funded                | Unfunded |
|                     | General Improvements:   |                 |                  |                       |          |                     |                 |           |                       |          |
| 856                 | Morris Canal Pedestrian Way & Preserve  |                 | 190,000          | 5,609                 | 971      |                     |                 |           | 5,609                 | 971      |
| 904/935/947         | Construction New Municipal Building   |                 | 100,000          | 4,852                 |          |                     |                 |           | 4,852                 |          |
| 99/1171             | New Pump Station at Louis Street  |                 | 165,000          | 80,578                |          |                     | 80,578          |           | 2,109                 |          |
| 1020/1086/1149/1155 | Construction of New Justice Complex   |                 | 450,000          | 2,109                 |          |                     |                 |           |                       |          |
| 1043                | Acquisition of Fire Pump  |                 | 650,000          | 3,425                 |          |                     |                 |           |                       |          |
| 1071                | Storm Sewer Improvements  |                 | 425,000          | 496                   |          |                     | 3,425           |           | 496                   |          |
| 1092                | Improvement Fairfield Pump Station  |                 | 1,500,000        | 10,074                | 958,424  |                     | 232,241         |           | 10,074                | 726,183  |
| 1099                | 2010 Road Program   |                 | 250,000          | 70                    |          |                     |                 |           | 70                    |          |
| 1102                | Storm Drain System Improvements   |                 | 400,000          | 10,408                |          |                     |                 |           | 10,408                |          |
| 1121                | Elevation of Homes  |                 | 364,770          |                       |          |                     |                 |           |                       |          |
| 1126/1160           | Paving of Stanley Street  |                 | 40,000           |                       | 21,732   |                     | 1,250           |           |                       | 20,482   |
| 1133                | Installation of New Roof on the Public Library                                      |                 | 142,920          | 8,600                 |          |                     |                 |           | 8,600                 |          |
| 1151                | FEMA Flood Mitigation Project   |                 | 3,924,800        | 311,371               | 542,745  |                     | 25,500          |           | 285,871               | 542,745  |
| 1174                | Improvements to Ridge Avenue  |                 | 284,500          | 68,457                |          |                     |                 |           | 68,457                |          |
| 1180                | Refunding of Tax Appeals  |                 | 900,000          | 1,573                 |          |                     |                 |           | 1,573                 |          |
| 1204/1267           | Stormwater Improvements - Morningside Circle  |                 | 300,000          |                       | 7,399    |                     |                 |           |                       | 7,399    |
| 1212                | Acquisition of Fire Engine  |                 | 650,000          | 6,513                 |          |                     |                 |           | 6,513                 |          |
| 1213                | Acquisition of Public Works Vehicles  |                 | 324,000          | 3,367                 |          |                     |                 |           | 3,367                 |          |
| 1214                | Replacement of Storm Drains   |                 | 400,000          | 18                    |          |                     |                 |           | 18                    |          |
| 1215                | 2015 Road Improvement Program   |                 | 300,000          | 213                   |          |                     |                 |           | 213                   |          |
| 1221                | Crane Street Program  |                 | 300,000          | 128,507               | 80,000   |                     |                 |           | 128,507               | 80,000   |
| 1234                | Acquisition of Self Contained Breathing Apparatus                                   |                 | 545,000          | 3,170                 |          |                     | 6,000           |           | 595                   |          |
| 1253                | 2016 Road Resurfacing Program   |                 | 320,000          | 16,759                |          |                     | 2,575           |           | 6,340                 |          |
| 1255                | Acquisition of Integrated Body Body and Car Camera System                           |                 | 155,000          | 15,949                |          |                     | 10,419          |           | 15,949                |          |
| 1264                | Acquisition of Generator at Recreation Center                                       |                 | 120,000          |                       | 1,292    |                     |                 |           |                       | 1,292    |
| 1272                | Drava Park Improvements   |                 | 700,000          | 143                   |          |                     |                 |           | 143                   |          |
| 1286                | Acquisition and Demolition of Flood-Prone Properties in the Slings Section          |                 | 11,966,155       | 4,990,410             |          |                     |                 |           | 4,990,410             |          |
| 1289                | Underwriting of a Public Improvement and the Acquisition of New Automotive Vehicles |                 | 465,000          | 77,411                |          |                     | 23,837          |           | 53,574                |          |
| 1290                | Acquisition of New Additional or Replacement Equipment and Machinery                |                 | 50,000           | 304                   |          |                     |                 |           | 304                   |          |
| 1295                | Acquisition of Real Property  |                 | 225,000          | 3,647                 |          |                     |                 |           | 3,647                 |          |
| 1300                | Reconstruction of Woodliff Avenue   |                 | 672,000          | 82,731                |          |                     |                 |           | 82,731                |          |
| 1322                | Reconstruction of the Ridge Avenue Dead End   |                 | 150,000          | 8                     |          |                     |                 |           | 8                     |          |
| 1325                | 2018 Road Improvement Program   |                 | 300,000          | 566                   |          |                     |                 |           | 566                   |          |
| 1324                | Stormwater Drainage Improvement   |                 | 400,000          | 26                    |          |                     |                 |           | 26                    |          |
| 1325                | Various Public Improvements   |                 | 420,000          | 926                   |          |                     |                 |           | 926                   |          |
| 1331                | Reconstruction of Donato Drive  |                 | 750,000          | 68,336                |          |                     |                 |           | 68,336                |          |
| 1335                | Acquisition of Real Property  |                 | 375,000          | 3                     |          |                     |                 |           | 3                     |          |
| 1350                | Sanitary Sewer Improvements   | Apr. 8 2019     | 300,000          | 846                   |          |                     |                 |           | 846                   |          |
| 1351                | Reconstruction of Conroy Road and Veranda Street                                    | Apr. 8 2019     | 325,000          | 8,140                 |          |                     |                 |           | 8,140                 |          |

TOWNSHIP OF LITTLE FALLS, N.J.  
Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2022

| Ordinance Number | Improvement Description  | Date Authorized | Ordinance Amount | Balance Dec. 31, 2021 |           | 2022 Authorizations | Paid or Charged | Cancelled | Balance Dec. 31, 2022 |           |
|------------------|--|-----------------|------------------|-----------------------|-----------|---------------------|-----------------|-----------|-----------------------|-----------|
|                  |  |                 |                  | Funded                | Unfunded  |                     |                 |           | Funded                | Unfunded  |
| 1352             | 2019 Road Improvement Program  | Apr. 8, 2019    | 675,000          | 202,157               | 7,500     |                     | 149,971         | 354,917   | 52,186                | 7,500     |
| 1353             | Various Public Improvements  | Apr. 8, 2019    | 838,000          | 354,917               |           |                     |                 |           | 700,000               |           |
| 1356             | Streetscape Improvements Project, Phase I                                  | May 20, 2019    | 700,000          | 700,000               |           |                     |                 |           |                       |           |
| 1359             | Acquisition of Property for Construction of Stormwater Pump Station        | Jun. 10, 2019   | 225,000          | 217,579               |           |                     | 1,000           |           | 216,579               |           |
| 1360             | Acquisition of Property for Public Parking                                 | Jun. 10, 2019   | 450,000          | 103                   |           |                     |                 |           | 103                   |           |
| 1381             | Tax Appeal Refunding Ordinance   | April 13, 2020  | 790,000          | 38,479                |           |                     | 634             |           | 81,183                | 37,845    |
| 1383/1389        | Synthetic Turf Field Multipurpose Athletic Field                           | Aug. 24, 2020   | 3,500,000        | 85,218                | 2,988     |                     | 4,035           |           | 210,140               | 1,000     |
| 1384             | Acquisition of Property for Public Parking                                 | May 4, 2020     | 500,000          | 492,370               | 1,000     |                     | 282,230         |           | 32,114                |           |
| 1385             | Reconstruction of portion of Micklejohn Avenue                             | May 4, 2020     | 150,000          | 32,114                |           |                     |                 |           | 401                   |           |
| 1387             | 2020 Road Improvement Program  | May 18, 2020    | 675,000          | 401                   |           |                     |                 |           | 401                   |           |
| 1388             | Streetscape Improvements Project, Phases II and III                        | May 18, 2020    | 1,700,000        | 1,652,936             |           |                     | 811,654         |           | 841,282               | 40,061    |
| 1407             | Various Public Improvements  | May 24, 2021    | 640,000          |                       | 340,238   |                     | 300,177         |           |                       |           |
| 1408             | 2021 Road Improvements   | May 24, 2021    | 675,000          | 555,405               |           |                     | 555,405         |           |                       |           |
| 1409             | Hemlock Road Improvements  | May 24, 2021    | 600,000          | 553,967               |           |                     | 22,466          |           |                       | 531,501   |
| 1410             | Streetscape Imps. To Main Street, Phase 4 & 6                              | May 24, 2021    | 1,000,000        | 434,000               |           |                     | 82,195          |           | 140,539               | 434,000   |
| 1411             | Traffic Light at Francisco & Cedar Grove Road                              | May 24, 2021    | 500,000          | 222,734               |           |                     | 24,530          |           |                       | 471,576   |
| 1412             | Various Improvements at Diva Field Imps. To Wilmore Park                   | May 24, 2021    | 1,075,000        | 400,779               |           |                     | 57,805          |           | 148,234               | 342,974   |
| 1437             | 2022 Road Improvement Program  | April 25, 2022  | 250,000          |                       |           | 250,000             | 6,766           |           |                       | 95,000    |
| 1438             | Various Public Improvements  | April 25, 2022  | 500,000          |                       |           | 500,000             | 168,154         |           |                       | 331,846   |
| 1439             | Upgraded to the 911 Communication System, Police, EMS and Fire Departments | April 25, 2022  | 550,000          |                       |           | 550,000             | 312,949         |           |                       | 237,051   |
| 1440             | Streetscape Imps. at Main Street (Phase III)                               | April 25, 2022  | 850,000          |                       |           | 850,000             | 568,864         |           | 522,746               | 281,136   |
| 1441             |  | April 25, 2022  | 1,175,000        |                       |           | 1,175,000           | 90,254          |           |                       | 562,000   |
|                  |  |                 | \$               | 9,876,144             | 4,443,025 | 3,325,000           | 3,744,336       | 435,495   | 8,708,788             | 4,755,550 |

|  |    |           |
|--|----|-----------|
| Capital Improvement Fund                           | \$ | 130,000   |
| Grant Receivable - NJ Department of Transportation | \$ | 583,000   |
| Township Open Space Trust Fund                     | \$ | 150,000   |
| Deferred Charges - Unfunded                        | \$ | 2,462,000 |
|  | \$ | 3,325,000 |

|                   |    |           |
|-------------------|----|-----------|
| Cash Disbursed    | \$ | 2,110,778 |
| Contracts Payable | \$ | 1,633,558 |
|                   | \$ | 3,744,336 |



TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Grants Receivable

General Capital Fund

Year Ended December 31, 2022

|                             |    |               |                         |
|-----------------------------|----|---------------|-------------------------|
| Balance - December 31, 2021 |    | \$            | 8,391,569               |
| Increased by:               |    |               |                         |
| Grants Awarded              |    |               | <u>733,000</u>          |
|                             |    |               | 9,124,569               |
| Decreased by:               |    |               |                         |
| Cancelled Grants            | \$ | 100,000       |                         |
| Due from Current Fund       |    | <u>73,272</u> |                         |
|                             |    |               | <u>173,272</u>          |
| Balance - December 31, 2022 |    | \$            | <u><u>8,951,297</u></u> |

Analysis of Balance

|                            |    | <u>Pledged to</u> |                         |
|----------------------------|----|-------------------|-------------------------|
|                            |    | <u>Reserve</u>    | <u>Improv. Auth.</u>    |
| <u>Federal</u>             |    |                   |                         |
| NJ OEM (Ord. 1151)         | \$ | 313,992           | 313,992                 |
| NJ OEM (Ord. 1286)         |    | 4,699,845         | 4,699,845               |
| CDBG (Ord. 1354)           |    | 85,000            | 85,000                  |
|                            |    | <u>-</u>          | <u>5,098,837</u>        |
|                            |    |                   | <u>5,098,837</u>        |
| <u>State</u>               |    |                   |                         |
| DOT (Ord. 1300)            |    | 22,613            | 22,613                  |
| DOT (Ord. 1221)            |    | 12,538            | 12,538                  |
| DOT (Ord. 1356)            |    | 487,536           | 487,536                 |
| DOT (Ord. 1388)            |    | 1,283,000         | 1,283,000               |
| DOT (Ord. 1412)            |    | 540,600           | 540,600                 |
| DOT (Ord. 1441)            |    | 583,000           | 583,000                 |
| NJDEP (Ord. 1383)          |    | 750,000           | 750,000                 |
| NJDEP (Ord. 1386)          |    | 6,000             | 6,000                   |
|                            |    | <u>-</u>          | <u>3,685,287</u>        |
|                            |    |                   | <u>3,685,287</u>        |
| <u>Local</u>               |    |                   |                         |
| Passaic County (Ord. 1216) |    | 17,173            | 17,173                  |
| Passaic County (Ord. 1437) |    | 150,000           | 150,000                 |
|                            |    | <u>-</u>          | <u>167,173</u>          |
|                            |    |                   | <u>167,173</u>          |
|                            | \$ | <u>-</u>          | <u>8,951,297</u>        |
|                            |    |                   | <u><u>8,951,297</u></u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Capital Improvement Fund**

**General Capital Fund**

**Year Ended December 31, 2022**

|   |                          |
|---|--------------------------|
| Balance - December 31, 2021                           | \$ 63,850                |
| Increased by:   |                          |
| Cash Received - Budget Appropriation                  | \$ <u>275,000</u>        |
| Decreased by:   |                          |
| Appropriated to Finance Improvement<br>Authorizations | <u>130,000</u>           |
| Balance - December 31, 2022                           | \$ <u><u>208,850</u></u> |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Reserve for Sewer I & I**

**General Capital Fund**

**Year Ended December 31, 2022**

|                             |                         |
|-----------------------------|-------------------------|
| Balance - December 31, 2021 | \$ <u>21,696</u>        |
| Balance - December 31, 2022 | \$ <u><u>21,696</u></u> |

**Schedule of Reserve for Payment of Debt**

**General Capital Fund**

**Year Ended December 31, 2022**

|                                 |                         |
|---------------------------------|-------------------------|
| Balance - December 31, 2021     | \$ <u>20,000</u>        |
| Decreased by:                   |                         |
| Due to Current - Budget Revenue | \$ <u><u>20,000</u></u> |

## TOWNSHIP OF LITTLE FALLS, N.J.

## Schedule of Bonds and Notes Authorized But Not Issued

## General Capital Fund

Year Ended December 31, 2022

| Ordinance<br>Number | Description  | Balance<br>Dec. 31, 2021 | 2022<br>Authorizations            | Decreased        | Balance<br>Dec. 31, 2022 |
|---------------------|--|--------------------------|-----------------------------------|------------------|--------------------------|
| 721/802             | Improvements to Various Roads  | \$ 50                    |                                   |                  | 50                       |
| 856                 | Morris Canal Pedestrian Way & Preserve                                       | 971                      |                                   |                  | 971                      |
| 1092                | Improvement Fairfield Pump Station   | 1,300,000                |                                   |                  | 1,300,000                |
| 1098                | Various Road Improvements  | 82,344                   |                                   |                  | 82,344                   |
| 1100                | Sanitary Sewer Improvements  | 142,500                  |                                   |                  | 142,500                  |
| 1126                | Paving of Stanley Street   | 62,000                   |                                   |                  | 62,000                   |
| 1147                | Flood Mitigation Acquisition or Reconstruction                               | 181,104                  |                                   |                  | 181,104                  |
| 1150                | Refunding Ordinance - Hurricane Irene  | 24                       |                                   |                  | 24                       |
| 1151                | FEMA Flood Mitigation Project  | 542,745                  |                                   |                  | 542,745                  |
| 1204/1267           | Stormwater Improvements - Morningside Circle                                 | 504,200                  |                                   |                  | 504,200                  |
| 1221                | Crane Street Project   | 80,000                   |                                   |                  | 80,000                   |
| 1264                | Acquisition of Generator at Recreation Center                                | 25,957                   |                                   |                  | 25,957                   |
| 1352                | 2019 Road Improvement Program  | 7,500                    |                                   |                  | 7,500                    |
| 1381                | Tax Appeal Refunding Ordinance   | 887                      |                                   |                  | 887                      |
| 1384                | Acquisition of Real Property for Public Parking                              | 1,000                    |                                   |                  | 1,000                    |
| 1389                | Supplemental Approp. To 1381   | 2,988                    |                                   |                  | 2,988                    |
| 1412                | Various Imps. At Duva Field  | 250                      |                                   |                  | 250                      |
| 1437                | Imps. To Wilmore Park  |                          | 95,000                            |                  | 95,000                   |
| 1438                | 2022 Road Improvement Program  |                          | 475,000                           | 475,000          |                          |
| 1439                | Various Public Improvements  |                          | 522,500                           | 217,500          | 305,000                  |
| 1440                | Upgrades to the 911 Communication System, Police EMS<br>and Fire Departments |                          | 807,500                           | 807,500          |                          |
| 1441                | Streetscape Imps at Main Street (Phase III)                                  |                          | 562,000                           |                  | 562,000                  |
|                     |  | <u>\$ 2,934,520</u>      | <u>2,462,000</u>                  | <u>1,500,000</u> | <u>3,896,520</u>         |
|                     |  |                          | Bond Anticipation Notes Issued \$ | <u>1,500,000</u> |                          |

**Exhibit D-1**

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Cash**

**Public Assistance Fund**

**Year Ended December 31, 2022**

|                             | <u>PATF Account #2</u> | <u>Total</u>  |
|-----------------------------|------------------------|---------------|
| Balance - December 31, 2021 | \$ 14,145              | 14,145        |
| Increased by Receipts:      |                        |               |
| State Aid                   | <u>8,700</u>           | <u>8,700</u>  |
|                             | 22,845                 | 22,845        |
| Decreased by Disbursements: |                        |               |
| Public Assistance Payments  | <u>15,743</u>          | <u>15,743</u> |
| Balance - December 31, 2022 | <u>\$ 7,102</u>        | <u>7,102</u>  |

**Exhibit D-2**

**Schedule of Reserve for Public Assistance**

**Public Assistance Fund**

**Year Ended December 31, 2022**

|                             | <u>PATF Account #2</u> | <u>Total</u>  |
|-----------------------------|------------------------|---------------|
| Balance - December 31, 2021 | \$ 14,145              | 14,145        |
| Increased by Receipts:      |                        |               |
| State Aid                   | <u>8,700</u>           | <u>8,700</u>  |
|                             | 22,845                 | 22,845        |
| Decreased by Disbursements: |                        |               |
| Public Assistance Payments  | <u>15,743</u>          | <u>15,743</u> |
| Balance - December 31, 2022 | <u>\$ 7,102</u>        | <u>7,102</u>  |

**TOWNSHIP OF LITTLE FALLS, N.J.**

**Schedule of Revenues**

**Public Assistance Fund**

**Year Ended December 31, 2022**

|                         | PATF<br>Account #2<br>(100%) | Fund<br>Total       |
|-------------------------|------------------------------|---------------------|
| State Aid               | \$ <u>8,700</u>              | <u>8,700</u>        |
| Total Revenue (PATF)    | <u>8,700</u>                 | <u>8,700</u>        |
| Total Receipts/Revenues | \$ <u><u>8,700</u></u>       | <u><u>8,700</u></u> |

**Schedule of Expenditures**

**Public Assistance Fund**

**Year Ended December 31, 2022**

|  | PATF<br>Account #2<br>(100%) | Fund<br>Total        |
|--|------------------------------|----------------------|
| Current Year Assistance                |                              |                      |
| Public Assistance Payments             | \$ <u>15,743</u>             | <u>15,743</u>        |
| Total Current Year Assistance Reported | <u>15,743</u>                | <u>15,743</u>        |
| Total Disbursements                    | \$ <u><u>15,743</u></u>      | <u><u>15,743</u></u> |

**TOWNSHIP OF LITTLE FALLS**

**PART II**

**LETTERS ON INTERNAL CONTROL AND COMPLIANCE**

**COMMENTS AND RECOMMENDATIONS**

**YEAR ENDED DECEMBER 31, 2022**



# WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

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MATTHEW B. WIELKOTZ, CPA, PSA  
PAUL J. CUVA, CPA, RMA, PSA  
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**INDEPENDENT AUDITOR'S 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**

Honorable Mayor and  
Members of the Township Council  
Township of Little Falls  
Little Falls, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements-regulatory basis of the Township of Little Falls in the Township of Little Falls as of and for the year ended December 31, 2022 and the related notes to the financial statements, and have issued our report thereon dated May 22, 2023, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements-regulatory basis, we considered the Township of Little Falls' internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements-regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the Township of Little Falls' internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Little Falls' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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





Honorable Mayor and  
Members of the Township Council  
Page 2.

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.

We did identify certain immaterial deficiencies in internal control that we have reported to management of the Township of Little Falls in the accompanying comments and recommendations section of this report.


### **Compliance and Other Matters**


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

However, we noted certain immaterial instances of noncompliance that we have reported to the management of the Township of Little Falls in the accompanying comments and recommendations section of this report.

### **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 Little Falls 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 Little Falls internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Steven D. Wielkocz, C.P.A.  
Registered Municipal Accountant  
No. CR00413

  
WIELKOTZ & COMPANY, LLC  
Certified Public Accountants  
Pompton Lakes, New Jersey

May 22, 2023





# WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA  
MATTHEW B. WIELKOTZ, CPA, PSA  
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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and  
Members of the Township Council  
Township of Little Falls  
Little Falls, New Jersey

### **Report on Compliance for Each Major Federal Program**

#### **Opinion on Each Major Federal Program**

We have audited Township of Little Falls' compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Township of Little Falls' major federal programs for the year ended December 31, 2022. Township of Little Falls' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Township of Little Falls complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

#### **Basis for Opinion on Each Major Federal Program**

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





Honorable Mayor and  
Members of the Township Council  
Township of Little Falls  
Page 2.

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

### **Responsibilities of Management for Compliance**

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

### **Auditor's Responsibilities for the Audit of Compliance**

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Township of Little Falls' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.



Honorable Mayor and  
Members of the Township Council  
Township of Little Falls  
Page 3.

- Obtain an understanding of Township of Little Falls' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Township of Little Falls' internal control over compliance. Accordingly, no such opinion is expressed.

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

#### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item [2022-001]. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Township of Little Falls' response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Township of Little Falls' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

#### **Report on Internal Control over Compliance**

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





Honorable Mayor and  
Members of the Township Council  
Township of Little Falls  
Page 4.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Steven D. Wielkocz, C.P.A.  
Registered Municipal Accountant  
No. CR00413



WIELKOTZ & COMPANY, LLC  
Certified Public Accountants  
Pompton Lakes, New Jersey

May 22, 2023



TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2022

| Federal Program  | CFDA number | FAIN number | Grant or State Project Number | Grant period                 | Award Amount                     | Cash Received/ Revenue Realized | Expenditures | Adjustment | MEMO Cumulative Total Expenditures |
|--|-------------|-------------|-------------------------------|------------------------------|----------------------------------|---------------------------------|--------------|------------|------------------------------------|
| U.S. Department of Homeland Security<br>Severe Repetitive Loss Program (Ord. 1147)   | 97.110      |             | 1200-100-986-14               | 2011                         | 8,649,170                        |                                 |              |            | 8,468,066                          |
| Hazardous Mitigation Grant Program (Ord. 1151)   | 97.039      |             |                               | 2012                         | 2,943,600                        |                                 |              |            | 2,629,608                          |
| Flood Mitigation Assistance Program (Ord. 1286)  | 97.029      |             | 1200-100-B90-15               | 2017                         | 6,063,852                        |                                 |              |            | 6,063,852                          |
| U.S. Department of Justice<br>Bulletproof Vest Fund  |             |             |                               | 2016<br>2020                 | 2,532<br>3,018                   |                                 | 2,566        |            | 2,623<br>2,566                     |
| Federal Equitable Sharing Funds  |             |             |                               | 2019                         |                                  |                                 |              |            |                                    |
| U.S. Department of Transportation<br>Drive Sober or Get Pulled Over  | 20.601      |             | 1160-100-057-14               | 2012<br>2018<br>2019<br>2022 | 4,400<br>5,500<br>5,500<br>7,000 |                                 |              |            | 4,225                              |
| U Text, U Drive, U Pay<br>Click it or Ticket   |             |             |                               | 2020<br>2021<br>2022         | 5,000<br>7,000<br>6,000          |                                 | 7,000        |            | 3,135                              |
| U.S. Department of Treasury<br>Passed-through the County of Passaic<br>Coronavirus Relief Fund (CARES Act)   | 21.019      |             |                               | 2020                         | 842,110                          |                                 |              |            | 799,526                            |
| Coronavirus State and Local Fiscal Recovery Funds  | 21.027      |             |                               | 2021                         | 1,514,972                        | 757,486                         | 737,486      |            | 757,486                            |
| U.S. Department of Housing and Urban Development<br>Community Development Block Grant (Ord. 1193)<br>Ord. 1354: ADA Ramp Imps. at the Civic Center | 14.218      |             |                               | 2019                         | 85,000                           |                                 |              |            |                                    |
| Total Federal Awards   |             |             |                               |                              |                                  | 757,486                         | 760,052      | 7,000      | 18,896,087                         |

Note: This schedule was not subject to an audit in accordance with the Uniform Guidance

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Expenditures of State and Local Financial Assistance

Year ended December 31, 2022

|   | Grant number          | Grant period                                 | Award Amount                             | Cash Received | Budgetary Expenditures | Cancellation    | MEMO Cumulative Total Expenditures |
|---|-----------------------|--|--|---------------|------------------------|-----------------|------------------------------------|
| State Grant Program   |                       |  |  |               |                        |                 |                                    |
| Drunk Driving Enforcement Fund  | 1110-443-031020-22    | 2017<br>2018<br>2019<br>2021                 | 21,625<br>34,310<br>12,908<br>10,070     |               | 8,025<br>1,449         |                 | 21,586<br>22,967                   |
| Body-Worn Cameras Grant   | 100-066-1020-495      | 2021   | 61,140                                   | 61,140        | 31,815                 |                 | 31,815                             |
| Department of the Judiciary<br>Alcohol Education and Rehabilitation Program   | 4250-760-05000-63-260 | 2017<br>2018<br>2019<br>2020                 | 10,253<br>16,899<br>5,084                |               |                        |                 | 13,653<br>4,184                    |
| Department of Human Services<br>General Welfare Assistance  | 7550-100-121          | # 2022                                       | 15,743                                   | 8,700         | 15,743                 |                 | 15,743                             |
| Department of Environmental Protection<br>Green Trust Acquisition Grants - Office of Emergency Mgmt<br>Ordinance 1333: Dredging of the Peckman River<br>Ordinance 1383 - Synthetic Turf Athletic Field (Green Acres)<br>Ordinance 1386 - Charging Station for Electric Cars | 1605-11-LBA           | 2017<br>2019<br>2020<br>2020<br>2021<br>2021 | 1,374,547<br>100,000<br>750,000<br>6,000 |               |                        |                 | 1,374,547<br>750,000<br>6,000      |
| Clean Communities Act   | 4900-765-178900       | 2016<br>2017<br>2019<br>2020<br>2021<br>2021 | 22,723<br>20,490<br>21,814<br>21,766     |               | 2,242                  |                 | 25,046<br>12,100                   |
| Recycling Tonnage Grant   | 4830-752-050550-30    | 2018<br>2019<br>2021<br>2022                 | 21,882<br>19,595<br>20,813<br>18,415     |               |                        |                 | 18,623                             |
| Body Armor Grant  | 1020-718-001          | 2019<br>2021<br>2022                         | 3,048<br>2,219<br>3,628                  |               | 874<br>853             |                 | 3,048<br>853                       |
| Municipal Alliance Program  | 100-082-C01-044       | 2019<br>2020<br>2021<br>2022                 | 22,440<br>22,440<br>6,208<br>22,440      |               | 3,348                  | 12,916<br>6,208 | 16,904<br>14,997<br>3,348          |
| Peckman River Grant   |                       | 2001   |  |               |                        |                 | 90,145                             |

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Expenditures of State and Local Financial Assistance

Year ended December 31, 2022

|  | Grant number                  | Grant period         | Award Amount               | Cash Received | Budgetary Expenditures | Cancellation | MEMO Cumulative Total Expenditures |
|--|-------------------------------|----------------------|----------------------------|---------------|------------------------|--------------|------------------------------------|
| <u>State Grant Program</u>                               |                               |                      |                            |               |                        |              |                                    |
| Municipal Stormwater Regulation                          | 100-042-4840-091              | 2006<br>2007         | 10,207<br>2,552            |               |                        |              | 2,775<br>2,459                     |
| Safe Corridors   | 6100-100-051-13               | 2017<br>2018<br>2022 | 41,721<br>30,110<br>64,366 |               | 3,732<br>313           |              | 40,366<br>14,312                   |
| Louis Street Park Grant                                  |                               | 2012                 |                            |               |                        |              | 2,466                              |
| Communicable Diseases - Hep B Funds                      | 4230-100-241-13               | 2013                 |                            |               |                        |              | 2,820                              |
| <u>New Jersey Department of Transportation</u>           |                               |                      |                            |               |                        |              |                                    |
| Ordinance 1221 - Crane Street                            | 6320-480-AL5                  | 2015<br>2017         | 215,000<br>483,708         |               |                        |              | 202,462<br>458,478                 |
| Ordinance 1300 - Woodcliff Avenue                        |                               | 2018                 | 600,000                    |               |                        |              | 600,000                            |
| Ordinance 1331 - Reconstruction of Donato Drive          |                               | 2019                 | 700,000                    |               |                        |              |                                    |
| Ordinance 1356 - Downtown Streetscape Imps.              |                               | 2020                 | 1,283,000                  |               |                        |              | 42,126                             |
| Ordinance 1388 - Downtown Streetscape Imps.              |                               | 2021                 | 540,600                    |               | 10,374                 |              | 239,495                            |
| Ordinance 1410 - Main Street Streetscape Imps.           |                               | 2022                 | 583,000                    |               |                        |              |                                    |
| Ordinance 1441 - Main Street Streetscape Imps. Phase III |                               |                      |                            |               |                        |              |                                    |
| <u>Special Legislative Grant</u>                         |                               |                      |                            |               |                        |              |                                    |
| Main Street/Route 23 Curbs & Sidewalks                   | 01-100-022-8030-196-FFFF-6120 | 2001                 |                            | 113,649       | 78,768                 | 19,124       | 172,311                            |
| <i>Total State Assistance</i>                            |                               |                      |                            | 113,649       | 78,768                 | 19,124       | 4,205,629                          |
| <u>Local Assistance</u>                                  |                               |                      |                            |               |                        |              |                                    |
| FM Global Fire Prevention Grant                          |                               |                      | 1,500                      |               |                        |              | 1,500                              |
| Tennis Grant   |                               |                      | 175                        |               |                        |              |                                    |
| Passaic County - Open Space for Willow Park Imps.        |                               |                      | 150,000                    |               |                        |              |                                    |
| <i>Total Local Assistance</i>                            |                               |                      |                            |               |                        |              | 17,379                             |
| <i>Total State and Local Assistance</i>                  |                               |                      |                            | 113,649       | 78,768                 | 19,124       | 4,223,008                          |

Note: This schedule was subject to an audit in accordance with OMB Circular 15-08.



**TOWNSHIP OF LITTLE FALLS  
NOTES TO THE SCHEDULES OF EXPENDITURES  
OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**NOTE 1. GENERAL**

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

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of awards are presented using the modified accrual basis of accounting as prescribed for counties by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. This basis of accounting is described in Note 1(B) to the Township’s financial statements.

**NOTE 3. RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedules do not agree with amounts reported in the Township’s financial statements because encumbrances are not reported in the accompanying schedules. Financial assistance awards 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>     |
|------------------------------|------------------|-----------------|------------------|
| Federal and State Grant Fund | \$760,052        | \$52,651        | \$812,703        |
| Trust Fund                   |                  | 15,743          | 15,743           |
| General Capital Fund         | _____            | <u>10,374</u>   | <u>10,374</u>    |
| Total Current Fund           | <u>\$760,052</u> | <u>\$78,768</u> | <u>\$838,820</u> |

**NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules agree, in all material respect, with the amounts reported in the related federal and state financial reports.

**TOWNSHIP OF LITTLE FALLS  
NOTES TO THE SCHEDULES OF EXPENDITURES  
OF FEDERAL AND STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(continued)**

**NOTE 5. INDIRECT COST RATE**

The Township of Little Falls has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**TOWNSHIP OF LITTLE FALLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

*Section I - Summary of Auditor's Results*

**Financial Statements**

Type of auditor's report issued: adverse - USGAAP  
unmodified - regulatory

Internal control over financial reporting:

- |   |           |                   |
|---|-----------|-------------------|
| 1. Significant deficiencies identified that are not considered to be material weaknesses? | _____ yes | _____ <u>X</u> no |
| 2. Material weakness(es) identified?  | _____ yes | _____ <u>X</u> no |

Noncompliance material to financial statements noted? \_\_\_\_\_ yes \_\_\_\_\_ X no

**Federal Awards Section**

Dollar threshold used to determine type A programs: \$ 750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes \_\_\_\_\_ X no

Type of auditors' report on compliance for major programs: unmodified

Internal Control over compliance:

- |   |                    |                   |
|---|--------------------|-------------------|
| 1. Significant deficiencies identified that are not considered to be material weaknesses? | _____ <u>X</u> yes | _____ none        |
| 2. Material weakness(es) identified?  | _____ yes          | _____ <u>X</u> no |

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? \_\_\_\_\_ X yes \_\_\_\_\_ no

Identification of major programs:

| <u>CFDA Number(s)</u> | <u>Name of Federal Program</u>                           |
|-----------------------|--|
| 21.027 (A)            | <u>Coronavirus State and Local Fiscal Recovery Funds</u> |

(A) Tested as a major Type A Program

**TOWNSHIP OF LITTLE FALLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(continued)**

***Section II – Financial Statement Findings***

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

***Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs***

**FEDERAL AWARDS**

**Finding 2022-001**

**Information on the federal program:**

American Rescue Plan, CFDA #27.027

**Criteria or specific requirement:**

Reporting compliance requires the recipient to submit an interim report, project and expenditure reports, and/or an annual Recovery Plan Performance Report within 30 days of the fiscal period-end.

**Condition:**

The Township did not submit the project and expenditure reports in a timely manner.

**Questioned costs:**

None.

**Context:**

Quarterly reports were required to be submitted within 30 days of the fiscal period-end. The Township had a deadline of 01/30/2023 to submit the project and expenditure report. The Township's report had a submission date of 04/04/2023.

**TOWNSHIP OF LITTLE FALLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(continued)**

*Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs,  
(continued)*

**Effect:**

The Township was noncompliant with reporting requirements outlined in Part 2 of the SLFRF Compliance and Reporting Guide, issued by the U.S. Department of the Treasury.

**Cause:**

Management failed to prepare and submit the required reporting in a timely manner.

**Recommendation:**

It is recommended that management strengthen internal controls and management oversight over Reporting to ensure future compliance with program requirements.

**TOWNSHIP OF LITTLE FALLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(continued)**

**STATUS OF PRIOR YEAR FINDINGS**

This section identifies the status of prior year audit findings related to the general purpose financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. OMB Circular A-133 (Section .315 (a)(b)) and New Jersey OMB's Circular 15-08, as amended.

**NONE**

## TOWNSHIP OF LITTLE FALLS

### GENERAL COMMENTS

#### Contracts and Agreements

N.J.S.A. 40A:11-3 states:

- a. When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to 25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.
- b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.
- c. The Governor, in consultation with the Department of the Treasury, shall no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c.198(C.40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made.

N.J.S.A. 40A:11-4 states:

- a. Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act of specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder.

## TOWNSHIP OF LITTLE FALLS

### GENERAL COMMENTS, (CONTINUED)

Effective January 1, 2011, the bid threshold, in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is \$17,500 and with a qualified purchasing agent the threshold may be up to \$36,000. On July 1, 2015, this amount was increased to \$40,000. Effective July 1, 2020, the bid threshold was increased to \$44,000 with a qualified purchasing agent.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the 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:

- Municipal Building Pedestrian Plaza Improvements
- Main Street Streetscape Section 2 Project
- Main Street Streetscape Section 3 Project
- Main Street Streetscape Section 4 Project
- Fire Alarm System for Municipal Building Complex
- Hemlock Road Improvements
- Solid Waste Collections

Resolutions were adopted authorizing the awarding of contracts and agreements for "Professional Services" N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any material or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violation existed. No violations were disclosed.

Our examination of expenditures did reveal individual payments, contracts or agreements in excess of the statutory threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S. 40A:11-6.

#### Collection of Interest on Delinquent Taxes and Assessments

The governing body on January 4, 2022 adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, the provisions of NJSA 54:4-67 direct that the governing body of each municipality may fix the rate of interest to be charged for the non-payment of taxes or assessments on or before the date when they would become delinquent, and may further provide that no interest shall be charged if on payment of any installment is made within the tenth calendar day following the date upon which the same became payable; and



**TOWNSHIP OF LITTLE FALLS**

**GENERAL COMMENTS, (CONTINUED)**

WHEREAS, NJSA 54:4-67 further provides that the rate of interest so fixed shall not exceed eight (8%) on the first one thousand five hundred dollars (\$1,500) of the delinquency and eighteen percent (18%) per annum on any amount in excess of one thousand five hundred dollars (\$1,500).

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Council of the Township of Little Falls do hereby fix, in accordance with the provisions of NJSA 54:4-67 the rate of interest to be charged for the non-payment of taxes or assessments at eight (8%) per annum on the first one thousand five hundred dollars (\$1,500) of the delinquency and eighteen percent (18%) per annum on any amount in excess of \$1,500) of the delinquency, provided, however, that no interest shall be charged if payment of any installation is made within the tenth calendar day following the date upon which the same became payable.

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

A tax sale was held on September 13, 2022, 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 receivable on December 31 of the last three years:

| <u>Year</u> | <u>Number of Liens</u> |
|-------------|------------------------|
| 2022        | 6                      |
| 2021        | 6                      |
| 2020        | 6                      |

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 LITTLE FALLS  
COMMENTS AND RECOMMENDATIONS  
DECEMBER 31, 2022**

**COMMENTS:**

1. There were multiple court fine collections that were not deposited within 48 hours of receipt.

**RECOMMENDATIONS:**

1. More care be taken to ensure that collections are deposited within 48 hours of receipt.

**SUGGESTIONS:**

1. That all required employees file an annual financial disclosure statement on time (April 30<sup>th</sup>) as required by N.J.S.A. 40A:9-22.
2. That written quotes are obtained and attached to the purchase order for backup.

**TOWNSHIP OF LITTLE FALLS**

**Status of Prior Year Audit Findings/Recommendation**

A review was performed on all prior year recommendations and corrective action was taken on all, except for the findings/recommendations marked with an "\*".

**Acknowledgment**

We received the complete cooperation of all of the officials of the municipality and we greatly appreciate the courtesies extended to all members of the audit team.

Respectfully submitted,



Steven D. Wielkotz, C.P.A.  
Registered Municipal Accountant  
No. CR00413



WIELKOTZ & COMPANY, LLC  
Certified Public Accountants  
Pompton Lakes, New Jersey

May 22, 2023