

TOWNSHIP OF LITTLE FALLS

**Financial Statements With
Supplementary Information**

**December 31, 2023
(With Independent Auditors' Report Thereon)**

TOWNSHIP OF LITTLE FALLS

Table of Contents

Part I

<u>Exhibit</u>		<u>Page</u>
	Independent Auditor's Report	1
	<u>FINANCIAL STATEMENTS</u>	
	<u>Current Fund</u>	
A	Comparative Balance Sheet - Regulatory Basis	6
A-1	Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis	8
A-2	Statement of Revenues - Regulatory Basis	10
A-3	Statement of Expenditures - Regulatory Basis	12
	<u>Trust Funds</u>	
B	Comparative Balance Sheet - Regulatory Basis	20
	<u>General Capital Fund</u>	
C	Comparative Balance Sheet - Regulatory Basis	22
C-1	Statement of Changes in Fund Balance - Regulatory Basis	23
	<u>Public Assistance Fund</u>	
D	Comparative Balance Sheet - Regulatory Basis	24
	<u>Payroll Account</u>	
E	Comparative Balance Sheet - Regulatory Basis	25
	<u>General Fixed Assets Account Group</u>	
F	Comparative Statement of General Fixed Assets - Regulatory Basis	26
	Notes to Financial Statements	27
	Supplementary Data	67

TOWNSHIP OF LITTLE FALLS

Table of Contents, (continued)

Part I, (continued)

<u>Exhibit</u>		<u>Page</u>
<u>SUPPLEMENTARY INFORMATION</u>		
<u>Current Fund</u>		
A-4	Schedule of Cash - Collector -Treasurer	70
A-5	Schedule of Cash - Change Fund	71
A-6	Schedule of Cash - Petty Cash	72
A-7	Schedule of Amount Due (to)/from State of New Jersey for Senior Citizens' and Veterans' Deductions - Ch. 129 P.L. 1976	73
A-8	Schedule of Municipal Liens	74
A-9	Schedule of Taxes Receivable and Analysis of Property Tax Levy	75
A-10	Schedule of Property Acquired for Taxes - Assessed Valuation	77
A-11	Schedule of Payment in Lieu of Taxes Receivable	78
A-12	Schedule of Revenue Accounts Receivable	79
A-13	Schedule of Interfunds	80
A-14	Schedule of Prepaid Regional School Taxes	81
A-15	Schedule of Deferred Charges N.J.S.A. 40:4-53 Special Emergency	82
A-16	Schedule of Deferred Charges	83
A-17	Schedule of Appropriation Reserves	84
A-18	Schedule of Encumbrances Payable	87
A-19	Schedule of Reserve for Other Expenditures	88
A-20	Schedule of Tax Overpayments	89
A-21	Schedule of Local School District Tax Payable	89
A-22	Schedule of Regional High School Taxes Payable	90
A-23	Schedule of County Taxes Payable	91
A-24	Schedule of Prepaid Taxes	92
A-25	Schedule of State Fees Payable	93
A-26	Schedule of Interfunds - Federal and State Grant Fund	94
A-27	Schedule of Grants Receivable	95
A-28	Schedule of Appropriated Reserves for Grants - Federal and State Grant Fund	96
A-29	Schedule of Encumbrances Payable - Federal and State Grant Fund	97
A-30	Schedule of Unappropriated Reserves for Grants - Federal and State Grant Fund	98
<u>Trust Funds</u>		
B-1	Schedule of Cash	99
B-2	Schedule of Interfunds Receivable/(Payable) - Trust Funds	100
B-3	Schedule of Due to State of New Jersey	101
B-4	Schedule of Reserve for Animal Trust Fund Expenditures	102
B-5	Schedule of Various Reserves and Deposits	103
B-6	Schedule of Miscellaneous Reserves	104

TOWNSHIP OF LITTLE FALLS

Table of Contents, (continued)

Part I, (continued)

<u>Exhibit</u>		<u>Page</u>
B-7	Schedule of Due to State of New Jersey - Unemployment Compensation Insurance Trust Fund	105
B-8	Schedule of Reserve for Expenditures - Unemployment Compensation Insurance Trust Fund	106
B-9	Schedule of Reserve for Affordable Housing	107
B-10	Schedule of Reserve for Open Space Expenditures	108
B-11	Schedule of Contributions Receivable - Length of Service Awards Program	109
B-12	Schedule of Reserve for Expenditures - Length of Service Awards Program	110
	<u>General Capital Fund</u>	
C-2	Schedule of Cash	111
C-3	Analysis of Cash	112
C-4	Schedule of Due from/(to) Current Fund	114
C-5	Schedule of Deferred Charges to Future Taxation - Funded	115
C-6	Schedule of Deferred Charges to Future Taxation - Unfunded	116
C-7	Schedule of General Serial Bonds Payable	118
C-8	Schedule of Bond Anticipation Notes Payable	119
C-9	Schedule of Contracts Payable	120
C-10	Schedule of Improvement Authorizations	121
C-11	Schedule of Grants Receivable	124
C-12	Schedule of Capital Improvement Fund	125
C-13	Schedule of Reserve for Sewer I & I	126
C-14	Schedule of Bonds and Notes Authorized But Not Issued	127
	<u>Public Assistance Fund</u>	
D-1	Schedule of Cash	128
D-2	Schedule of Reserve for Public Assistance	128
D-3	Schedule of Revenues	129
D-4	Schedule of Expenditures	129

TOWNSHIP OF LITTLE FALLS

Table of Contents, (continued)

<u>Exhibit</u>	<u>Page</u>
<u>Part II</u>	
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	130
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	132
Schedule of Expenditures of Federal Awards	136
Schedule of Expenditures of State and Local Financial Assistance	138
Notes to Schedules of Expenditures of Federal and State Awards	142
Schedule of Findings and Questioned Costs	144
General Comments	148
Comments	151
Recommendations	151
Status of Prior Year Audit Findings/Recommendations	153
Acknowledgment	153



WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
PAUL J. CUVA, CPA, RMA, PSA
JAMES J. CERULLO, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. McNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-7900
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

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, 2023 and 2022, 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, 2023, 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, 2023 and 2022, 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
Members of the Township Council
Page 2.

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 16 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 \$1,782,865 and \$1,549,427 for 2023 and 2022, 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, 2023 and 2022, 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, 2023 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 schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 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 schedule 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) and the schedule of expenditures of state financial assistance as required by N.J. OMB 15-08 are 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.

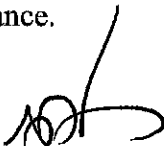
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2024 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

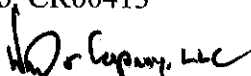


Honorable Mayor and
Members of the Township Council
Page 5.

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

April 8, 2024



TOWNSHIP OF LITTLE FALLS, N.J.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2023 and 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	\$ 6,404,423	6,390,510
Cash - Change Funds	A-5	225	500
		<u>6,404,648</u>	<u>6,391,010</u>
Due from State of New Jersey:			
Senior Citizens and Veterans Deductions	A-7	973	720
Receivables and Other Assets with Full Reserves:			
Tax Title Liens Receivable	A-8	110,666	100,705
Taxes Receivable	A-9	905,868	964,621
Property Acquired for Taxes - Assessed Valuation	A-10	825,100	825,100
PILOTs Recivable	A-11	104,563	87,869
Revenue Accounts Receivable	A-12	9,891	11,427
Interfund Accounts Receivable	A-13	247,005	34,225
Prepaid Regional School Taxes	A-14		267,777
		<u>2,203,093</u>	<u>2,291,724</u>
Deferred Charges:			
Special Emergency Authorizations	A-15	976,522	1,098,696
Emergency Authorizations	A-16		365,000
		<u>976,522</u>	<u>1,463,696</u>
		<u>9,585,236</u>	<u>10,147,150</u>
Federal and State Grant Fund:			
Schedule of Interfunds	A-26	246,599	1,034,378
Grants Receivable	A-27	147,485	128,040
		<u>394,084</u>	<u>1,162,418</u>
		<u>\$ 9,979,320</u>	<u>11,309,568</u>

TOWNSHIP OF LITTLE FALLS, N.J.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2023 and 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3/A-17 \$	464,682	676,364
Encumbrances Payable	A-3/A-18	90,125	83,486
Interfund Accounts Payable	A-13	1,396,372	1,669,455
Reserve for Other Expenditures	A-19	460,505	1,295,010
Tax Overpayments	A-20		329
Local District School Taxes Payable	A-21	236,396	3
Regional School Taxes Payable	A-22	165,412	
County Taxes Payable	A-23	103,432	
Prepaid Taxes	A-24	324,845	321,760
State Fees Payable	A-25	11,516	38,952
		<u>3,253,285</u>	<u>4,085,359</u>
Reserve for Receivables	Contra	2,203,093	2,291,724
Fund Balance	A-1	<u>4,128,858</u>	<u>3,770,067</u>
		<u>9,585,236</u>	<u>10,147,150</u>
Federal and State Grant Fund:			
Appropriated Reserve for Grants	A-28	294,984	349,656
Reserve for Grant Encumbrances	A-29		11,466
Unappropriated Reserve for Grants	A-30	99,100	801,296
		<u>394,084</u>	<u>1,162,418</u>
		<u>\$ 9,979,320</u>	<u>11,309,568</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, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenues and Other Income:		
Fund Balance Utilized	\$ 2,278,000	1,970,000
Miscellaneous Revenue Anticipated	5,854,867	4,861,808
Receipts from Delinquent Taxes	648,520	454,565
Receipts from Current Taxes	50,266,406	50,050,553
Non-Budget Revenue	490,771	1,227,303
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	647,210	1,044,061
Interfunds Returned	33,950	221
Appropriated Grant Reserves Cancelled	24,226	
Reserves for Other Expenditures Cancelled	1,006,815	
	<hr/>	<hr/>
Total Revenues and Other Income	61,250,765	59,608,511
	<hr/>	<hr/>
Expenditures:		
Budget and Emergency Appropriations:		
Operations:		
Salaries and Wages	8,427,180	8,030,793
Other Expenses	8,725,720	8,232,743
Capital Improvements	385,000	350,000
Municipal Debt Service	2,481,864	2,371,468
Deferred Charges and Statutory Expenditures -		
Municipal	2,701,272	2,433,373
Local District School Tax	16,423,952	15,688,675
Regional High School Taxes	8,100,733	8,980,751
Prepaid Regional School Tax		267,777
County Taxes Including Added Taxes	10,856,854	11,137,959
County Open Space Taxes	208,513	191,216
Municipal Open Spaces Taxes Payable	77,044	77,255
Tax Overpayments	154,112	
Grant Receivable Cancelled		41,563
Interfunds Advanced	246,730	11,861
Refund of Prior Year Revenue		63,620
	<hr/>	<hr/>
Total Expenditures	58,788,974	57,879,054
	<hr/>	<hr/>
Excess (Deficit) Revenue Over Expenditures	2,461,791	1,729,457

TOWNSHIP OF LITTLE FALLS, N.J.

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

Current Fund

Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Adjustments to Income before Surplus:		
Expenditures included above which are by Statute Deferred		
Charges to Budget of Succeeding Year:		
Emergency Authorizations		365,000
Special Emergency Authorizations	175,000	
	<u>175,000</u>	<u>365,000</u>
Statutory Excess to Surplus	2,636,791	2,094,457
Fund Balance, January 1,	<u>3,770,067</u>	<u>3,645,610</u>
	6,406,858	5,740,067
Decreased by:		
Fund Balance Utilized as Budget Revenue	<u>2,278,000</u>	<u>1,970,000</u>
Fund Balance, December 31,	<u>\$ 4,128,858</u>	<u>3,770,067</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, 2023

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	\$ 2,278,000	2,278,000	
Miscellaneous Revenues:			
Licenses:			
Alcoholic Beverages	31,790	29,590	(2,200)
Other	26,000	39,701	13,701
Fees and Permits:			
Other	83,000	92,214	9,214
Fines and Costs:			
Municipal Court	100,000	171,935	71,935
Uniform Construction Code Fees	630,215	497,783	(132,432)
Interest and Costs on Taxes	114,500	134,575	20,075
Interest on Investments and Deposits	50,000	353,242	303,242
Reserve for Municipal Relief Fund	66,877	66,877	
Recreation Program Fees	207,500	229,891	22,391
Energy Receipts Tax	1,282,063	1,290,925	8,862
Watershed Aid	1,457	1,457	
Reserve for Garden State Trust Fund	4,509	5,553	1,044
EMS Fees - Little Falls	335,000	379,057	44,057
Special Items of General Revenue:			
Recycling Tonnage Grant	18,416	18,416	
Clean Communities	21,766	21,766	
Body Armor Replacement	3,628	3,628	
Assistance to Firefighters Grant	26,000	26,000	
Distracted Driving Enforcement Fund	7,000	7,000	
Stigma Free Grant	445	445	
Other Special Items:			
Uniform Fire Safety Act	21,326	19,143	(2,183)
Sewer Service Fees	400,000	105,248	(294,752)
Cable TV Franchise Fee	162,000	155,123	(6,877)
General Capital Fund Balance	200,000	200,000	
Prepaid Regional School Tax	267,777	267,777	
American Rescue Plan - Revenue Loss	757,486	757,486	
Montclair University Sewer Fees	157,000	184,577	27,577
Montclair University Fire Alarm Fees	8,000	8,320	320
Main Street PILOT	511,214	787,138	275,924
Total Miscellaneous Revenues	5,494,969	5,854,867	359,898
Receipts from Delinquent Taxes	400,000	648,520	248,520
Subtotal General Revenues	8,172,969	8,781,387	608,418

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2023

	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Amount to be Raised by Taxes for Support of Municipal Budget:			
Local Tax for Municipal Purposes	14,404,334	14,378,243	(26,091)
Library Purposes	<u>651,432</u>	<u>651,432</u>	
	<u>15,055,766</u>	<u>15,029,675</u>	<u>(26,091)</u>
 Budget Totals	 23,228,735	 23,811,062	 582,327
 Non-Budget Revenue	 <u> </u>	 <u>490,771</u>	 <u>490,771</u>
	<u>\$ 23,228,735</u>	<u>24,301,833</u>	<u>1,073,098</u>

Analysis of Realized Revenues

Revenue from Current Tax Collections	\$ 50,266,406
Allocated to County, Local and Regional School Taxes	35,758,961
Allocated to Municipal Open Space	<u>77,770</u>
 Balance for Support of Municipal Budget Appropriations	 14,429,675
 Add : Appropriation - Reserve for Uncollected Taxes	 <u>600,000</u>
 Amount for Support of Municipal Budget Appropriations	 <u>\$ 15,029,675</u>
 Receipts from Delinquent Taxes:	
Delinquent Taxes	<u>\$ 648,520</u>
 Non-Budget Revenue:	
Check Fees	\$ 157
Election Polls	800
Miscellaneous	51,025
Health Benefit Deductions	138,923
Insurance Reimbursements	15,211
PVHS Reimbursements	16,131
Billboard Lease	87,079
QPA Shared Services	5,000
Prochamps Foreclosed Property	11,500
PVHS Gas	36,722
Auction	7,301
Police Clothing Bins	3,000
Film Permits	21,000
Offsets not Applied	<u>96,922</u>
	<u>\$ 490,771</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, 2023

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
General Government:					
Administration:					
Salaries and Wages	\$ 165,000	159,000	158,067	933	
Other Expenses	68,800	73,800	70,554	3,246	
Mayor and Council:					
Salaries and Wages	17,500	17,500	17,500		
Other Expenses	2,000	2,000	719	1,281	
Municipal Clerk:					
Salaries and Wages	297,129	303,129	301,632	1,497	
Other Expenses	88,500	78,500	64,454	14,046	
Financial Administration:					
Salaries and Wages	158,450	158,450	156,764	1,686	
Other Expenses	75,000	75,000	73,299	1,701	
Audit Services	58,000	58,000	41,375	16,625	
Collection of Taxes:					
Salaries and Wages	107,723	107,723	107,723		
Other Expenses	39,500	54,500	52,865	1,635	
Assessment of Taxes					
Salaries and Wages	61,587	67,587	66,587	1,000	
Other Expenses	32,900	17,900	8,502	9,398	
Legal Services and Cost:					
Other Expenses	175,000	175,000	171,597	3,403	
Engineering Services and Costs:					
Other Expenses	50,000	50,000	49,590	410	
Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.)					
Planning Board:					
Salaries and Wages	5,360	5,360	5,360		
Other Expenses	26,500	26,500	14,990	11,510	

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Insurance:					
Liability	35,000	35,000	34,832	168	
Liability - NJIF	220,800	220,800	220,800		
Workers Compensation	243,018	243,018	240,353	2,665	
Employee Group Insurance	1,475,760	1,385,760	1,385,678	82	
Employee Group Insurance-Delta Dental	80,000	80,000	80,000		
Unemployment Insurance	15,000	15,000	15,000		
Public Safety:					
Police:					
Salaries and Wages - Regular	3,415,462	3,415,462	3,393,397	22,065	
Salaries and Wages - Dispatchers/911	537,164	537,164	534,699	2,465	
Salaries and Wages - Police Civilian	226,038	226,038	225,636	402	
Other Expenses	230,350	270,350	253,215	17,135	
Acquisition of Police Vehicles	110,000	110,000	110,000		
American Rescue Plan - Revenue Loss - Police Salaries	757,486	757,486	757,486		
Fire Department					
Other Expenses - Miscellaneous	167,240	202,240	190,600	11,640	
Fire Prevention					
Salaries and Wages	87,727	101,727	101,666	61	
Other Expenses	9,700	9,700	6,671	3,029	
EMS/Ambulance					
Salaries and Wages	620,940	580,940	576,197	4,743	
Other Expenses	113,950	113,950	110,091	3,859	
Fire Hydrant Service					
Other Expenses	182,000	217,000	216,215	785	
Emergency Management:					
Salaries and Wages	15,000	15,000	15,000		
Other Expenses	20,000	20,000	19,382	618	
Municipal Prosecutor:					
Salaries and Wages	21,683	22,683	22,416	267	

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Public Works:					
Road Repairs and Maintenance:					
Salaries and Wages	1,018,498	1,018,498	952,704	65,794	
Other Expenses	200,000	225,000	209,284	15,716	
Shade Tree					
Other Expenses	23,370	23,370	21,330	2,040	
Solid Waste Collection					
Salaries and Wages	75,000	75,000	44,703	30,297	
Other Expenses	597,610	597,610	590,775	6,835	
Sanitation:					
Landfill & Solid Waste Disposal Costs:					
Other Expenses	485,000	485,000	478,165	6,835	
Public Building and Grounds					
Other Expenses	115,000	113,800	108,988	4,812	
Vehicle Maintenance:					
Salaries and Wages	90,000	90,000	89,966	34	
Other Expenses	115,000	115,000	113,547	1,453	
Community Services Act:					
Other Expenses	10,000	5,000	4,642	358	
Health and Welfare:					
Public Health Services:					
Other Expenses	3,025	3,025	2,577	448	
Flood Board					
Other Expenses	500	500		500	
Administration of Public Assistance					
Salaries and Wages	15,289	12,289	11,467	822	
Other Expenses	550	550		550	
Parks and Recreation:					
Recreation Services and Programs:					
Salaries and Wages	240,617	220,617	218,912	1,705	
Other Expenses	198,780	198,780	193,253	5,527	
Senior Citizen Transportation					
Other Expenses	2,900	2,900	1,650	1,250	

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Senior Citizen Activities					
Other Expenses	6,000	6,000	5,891	109	
PEOSHA Mandated Costs					
Other Expenses	3,500	500		500	
Municipal Court					
Salaries and Wages	171,027	178,527	174,310	4,217	
Other Expenses	36,350	34,350	32,540	1,810	
Public Defender					
Other Expenses	7,500	5,500	4,800	700	
Uniform Construction Code:					
Construction Code Official:					
Salaries and Wages	301,444	291,444	290,162	1,282	
Other Expenses	47,200	37,200	28,645	8,555	
Sub-Code Official:					
Plumbing Inspector					
Salaries and Wages	24,793	32,293	32,205	88	
Electrical Inspector					
Salaries and Wages	29,063	33,263	32,922	341	
Utility Expenses and Bulk Purchases					
Street Lighting	80,000	95,000	94,964	36	
Telephone	115,000	115,000	112,613	2,387	
Gas (Natural or Propane)	260,000	280,000	279,328	672	
Water	35,000	31,000	28,781	2,219	
Fuel Oil	70,000	50,000	49,389	611	
Gasoline	100,000	105,000	101,361	3,639	
Preparation of Master Plan					
Celebration of Events					
Other Expenses	10,000	10,000	9,740	260	
Total Operations within "CAPS"	14,501,283	14,676,283	14,365,526	310,757	
Detail:					
Salaries & Wages	8,459,980	8,427,180	8,287,481	139,699	
Other Expenses (Including Contingent)	6,041,303	6,249,103	6,078,045	171,058	

Total Operations within "CAPS"

Detail:

Salaries & Wages

Other Expenses (Including Contingent)

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
(E) Deferred Charges and Statutory Expenditures- Municipal within "CAPS"					
(2) STATUTORY EXPENDITURES:					
Contribution to:					
Public Employees' Retirement System	460,605	460,605	460,605		
Social Security System (O.A.S.I.)	360,000	360,000	359,974	26	
Police and Firemen's Retirement System of NJ	1,193,493	1,193,493	1,193,493		
Pension of Widow Volunteer Firemen	5,000	5,000	5,000		
Defined Contribution Pension Plan	20,000	20,000	12,000	8,000	
Total Deferred Charged and Statutory Expenditures-Municipal within "CAPS"	2,039,098	2,039,098	2,031,072	8,026	
Total General Appropriations for Municipal Purposes within "CAPS"	16,540,381	16,715,381	16,396,598	318,783	
Operations - Excluded from "CAPS":					
Sewerage Processing and Disposal					
Passaic Valley Sewer Commission					
Operating and Maintenance Costs	1,050,000	1,050,000	1,047,041	2,959	
Second River Joint	4,500	4,500	4,000	500	
Third River Joint	2,500	2,500	2,469	31	
Township of Montclair	15,000	15,000		15,000	
City of Clifton	7,500	7,500		7,500	
City of Clifton-Health Officer	120,000	120,000	120,000		
Maintenance of Free Public Library	651,432	651,432	651,432		
LOSAP Program	105,000	105,000		105,000	
Recycling Tax	15,500	15,500	15,500		

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

Current Fund

Year Ended December 31, 2023

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
CAP Exceptions:					
Workers Compensation Insurance	82,182	82,182	82,182		
Health Insurance	174,240	174,240	174,240		
Garbage and Trash Collection	88,390	88,390	88,390		
Police and Firemen's Retirement System of NJ	83,118	83,118	83,118		
	<u>2,399,362</u>	<u>2,399,362</u>	<u>2,268,372</u>	<u>130,990</u>	
Total Other Operations - Excluded from "CAPS"					
Public and Private Programs Offset by Revenues					
Assistance to Firefighters Grant	26,000	26,000	26,000		
Stigma Free Grant	445	445	445		
Distracted Driving	7,000	7,000	7,000		
Recycling Tonnage Grant	18,416	18,416	18,416		
Body Armor	3,628	3,628	3,628		
Clean Communities	21,766	21,766	21,766		
	<u>77,255</u>	<u>77,255</u>	<u>77,255</u>		
Total Public and Private Programs Offset by Revenues					
	<u>2,476,617</u>	<u>2,476,617</u>	<u>2,345,627</u>	<u>130,990</u>	
Total Operations-Excluded from "CAPS"					
Detail:					
Other Expenses	<u>2,476,617</u>	<u>2,476,617</u>	<u>2,345,627</u>	<u>130,990</u>	
Capital Improvements - Excluded from "CAPS"					
Capital Improvement Fund	300,000	300,000	300,000		
Acquisition of Computers	85,000	85,000	70,091	14,909	
	<u>385,000</u>	<u>385,000</u>	<u>370,091</u>	<u>14,909</u>	
Total Capital Improvements Excluded from "CAPS"					

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

Current Fund

Year Ended December 31, 2023

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Municipal Debt Service - Excluded from "CAPS"					
Payment of Bond Principal	1,525,000	1,525,000	1,525,000		
Payment of BANs and Capital Notes	260,000	260,000	259,113		887
Interest on Bonds	576,976	576,976	495,182		81,794
Interest on Notes	202,587	202,587	202,569		18
	<u>2,564,563</u>	<u>2,564,563</u>	<u>2,481,864</u>		<u>82,699</u>
Total Municipal Debt Service-Excluded from "CAPS"					
Deferred Charges and Statutory Expenditures- Municipal Excluded from "CAPS"	365,000	365,000	365,000		
Emergency Authorization	297,174	297,174	297,174		
Special Emergency - 5 Year (N.J.S. 40A:4-55)					
	<u>662,174</u>	<u>662,174</u>	<u>662,174</u>		
Total Deferred Charged and Statutory Expenditures-Municipal Excluded from "CAPS"					
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	6,088,354	6,088,354	5,859,756	145,899	82,699
Subtotal General Appropriations	22,628,735	22,803,735	22,256,354	464,682	82,699
Reserve for Uncollected Taxes	600,000	600,000	600,000		
Total General Appropriations	<u>\$ 23,228,735</u>	<u>23,403,735</u>	<u>22,856,354</u>	<u>464,682</u>	<u>82,699</u>

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

Current Fund

Year Ended December 31, 2023

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Adopted Budget \$	23,195,290				
Emergency Authorization	175,000				
Appropriation by 40A:4-87	<u>33,445</u>				
	\$	<u><u>23,403,735</u></u>			
Reserve for Uncollected Taxes \$			600,000		
Federal and State Grants			77,255		
Transfer to Various Reserves			175,000		
Deferred Charges			662,174		
Interfunds - Unemployment Trust Fund			15,000		
Interfunds - General Capital Fund			498,520		
Encumbrances			90,125		
Cash			<u>20,738,280</u>		
			\$		
			<u><u>22,856,354</u></u>		

See accompanying notes to the financial statements.

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

Trust Funds

December 31, 2023 and 2022

<u>Assets</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Animal Control Trust Fund			
Cash	B-1	\$ <u>4,168</u>	<u>8,707</u>
Other Trust Fund			
Cash	B-1	2,224,503	2,378,357
Due From Current Fund	B-2	18,204	14,733
Due from the State of NJ - Unemployment Compensation	B-8	<u> </u>	<u>305</u>
		<u>2,242,707</u>	<u>2,393,395</u>
Open Space Trust Fund			
Cash	B-1	301,502	216,428
Due from Current Fund	B-2	<u>726</u>	<u>110</u>
		<u>302,228</u>	<u>216,538</u>
Length of Service Award Program Trust Fund (Unaudited)			
Investments	B-1	1,746,715	1,505,190
Contribution Receivable	B-11	<u>36,150</u>	<u>44,237</u>
		<u>1,782,865</u>	<u>1,549,427</u>
		<u>\$ 4,331,968</u>	<u>4,168,067</u>

TOWNSHIP OF LITTLE FALLS, N.J.

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2023 and 2022

<u>Liabilities, Reserves & Fund Balance</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Animal Control Trust Fund			
Due to Current Fund	B-2	\$ 655	6,136
Reserve for Animal Control Fund Expenditures	B-4	3,507	2,570
Due to State of New Jersey	B-3	6	1
		<u>4,168</u>	<u>8,707</u>
Other Trust Fund			
Interfunds Payable:			
Due to Current Fund	B-2	229,022	11,012
Due to Current Fund - Escrow	B-2	300	275
Due to Current Fund - Tax Title Liens	B-2	13,064	4,486
Various Reserves	B-5	230,624	295,811
Miscellaneous Reserves	B-6	661,238	1,004,160
Due to the State of NJ - Unemployment Compensation	B-7	11,160	89,046
Reserve for Unemployment Compensation Insurance	B-8	79,180	
Reserve for Affordable Housing	B-9	1,018,119	988,605
		<u>2,242,707</u>	<u>2,393,395</u>
Open Space Trust Fund			
Reserve for Open Space	B-10	302,228	216,538
Length of Service Award Program Trust Fund (Unaudited)			
Reserve for LOSAP	B-12	1,782,865	1,549,427
		<u>\$ 4,331,968</u>	<u>4,168,067</u>

See accompanying notes to financial statements.

TOWNSHIP OF LITTLE FALLS, N.J.

Comparative Balance Sheet - Regulatory Basis

General Capital Fund

December 31, 2023 and 2022

<u>Assets</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Cash	C-2/C-3	\$ 2,107,927	2,199,791
Due from Current Fund	C-4	1,130,843	620,234
Deferred Charges to Future Taxation:			
Funded	C-5	21,479,000	23,004,000
Unfunded	C-6	14,275,473	9,118,633
Grants Receivable	C-11	9,344,663	8,951,297
		<u>48,337,906</u>	<u>43,893,955</u>
		\$	
		<u>48,337,906</u>	<u>43,893,955</u>
<u>Liabilities, Reserves and Fund Balance</u>			
General Serial Bonds	C-7	21,479,000	23,004,000
Bond Anticipation Notes Payable	C-8	7,684,000	5,222,113
Contracts Payable	C-9	2,345,647	1,633,558
Improvement Authorizations:			
Funded	C-10	8,639,064	8,708,788
Unfunded	C-10	6,958,651	4,755,550
Capital Improvement Fund	C-12	256,350	208,850
Reserve for I & I	C-13	21,696	21,696
Fund Balance	C-1	953,498	339,400
		<u>48,337,906</u>	<u>43,893,955</u>
		\$	
		<u>48,337,906</u>	<u>43,893,955</u>

There were \$6,591,473 and \$3,896,520 of Bonds and Notes Authorized But Not Issued on December 31, 2023 and 2022 respectively (Exhibit C-14).

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, 2023

	<u>2023</u>	<u>2022</u>
Balance - December 31,	\$ 339,400	126,915
Increased By:		
Prior Year's Void Checks		1,990
Improvement Authorizations Cancelled	725,823	335,495
Premium from Bond Anticipation Note Sale	<u>88,275</u>	<u> </u>
	814,098	337,485
Decreased By:		
Utilized as Revenue in Current Fund	<u>200,000</u>	<u>125,000</u>
Balance - December 31,	<u>\$ 953,498</u>	<u>339,400</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, 2023 and 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>Assets</u>			
Public Assistance Fund:			
Cash	D-1	\$ <u>16,407</u>	<u>7,102</u>
<u>Reserves</u>			
Public Assistance Fund:			
Reserve for Public Assistance	D-2	\$ <u>16,407</u>	<u>7,102</u>

TOWNSHIP OF LITTLE FALLS, N.J.

Comparative Balance Sheet-Regulatory Basis

Payroll Account

December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<u>Assets</u>		
Cash - Net Payroll	\$ 18,719	21,536
Cash - Payroll Agency	<u>22,204</u>	<u>18,488</u>
	<u>\$ 40,923</u>	<u>40,024</u>
<u>Reserves</u>		
Due to Current Fund - Net Payroll	\$ 2,665	11,769
Due to Current Fund - Payroll Agency	1,299	547
Reserve for Net Payroll	16,054	17,941
Payroll Deductions and Withholdings	<u>20,905</u>	<u>9,767</u>
	<u>\$ 40,923</u>	<u>40,024</u>

See accompanying notes to financial statements.

TOWNSHIP OF LITTLE FALLS, N.J.

Comparative Statement of General Fixed Assets - Regulatory Basis

December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<u>General Fixed Assets:</u>		
Land and Improvements	\$ 22,005,121	21,990,291
Buildings and Building Improvements	10,990,583	10,937,998
Vehicles and Equipment	<u>13,136,887</u>	<u>12,526,998</u>
	<u>\$ 46,132,591</u>	<u>45,455,287</u>
Investment in Fixed Assets	<u>\$ 46,132,591</u>	<u>45,455,287</u>

See accompanying notes to financial statements.

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022**

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, 2023 and 2022
(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, 2023 and 2022
(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, 2023 and 2022
(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 11th day of the 11th 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, 2023 and 2022
(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, 2023 and 2022, the Governing Body approved additional revenues and appropriations of \$33,445 and \$78,366 respectfully, in accordance with N.J.S.A. 40A:4-87. In addition, several budget transfers were approved by the governing body in 2023 and 2022. The Mayor and Council approved Current Fund Special Emergency appropriations of \$175,000 for the Preparation of Master Plan in 2023 and Current Fund Emergency Appropriations of \$365,000 for Contractual Solid Waste (\$120,000), Landfill Fees (\$120,000), Diesel Fuel (\$40,000) and Gasoline (\$85,000) in 2022.

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, 2023 and 2022
(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, 2023 and 2022
(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, 2023 and 2022
(CONTINUED)

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

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

Impact of Recently Issued Accounting Principles, (continued)

The following GASB statements became effective for the fiscal year ended December 31, 2023:

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The Statement will become effective for the Township's year ending December 31, 2023. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Township.

The Governmental Accounting Standards Board (GASB) has issued the following statements that have effective dates that may affect future financial presentations:

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the Borough in the year ending December 31, 2024. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Township, however, management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the Township.

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(CONTINUED)**

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

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

Impact of Recently Issued Accounting Principles, (continued)

In December 2023, the Government Accounting Standards Board issued GASB Statement No. 102, Certain Risk Disclosures. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Township, however, management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the Township.

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.

[THIS AREA INTENTIONALLY LEFT BLANK]

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(CONTINUED)**

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 financial statements, which can be found at www.state.nj.us/treasury/pensions/annual-reports.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:

<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

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(CONTINUED)**

NOTE 2. PENSION PLANS, (continued)

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

Benefits Provided, (continued)

Service retirement benefits of 1/55th 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 1/60th 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 financial statements, which can be found at www.state.nj.us/treasury/pensions/annual-reports.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:

<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

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(CONTINUED)**

NOTE 2. PENSION PLANS, (continued)

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

Benefits Provided, (continued)

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, 2023 and 2022
(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 \$351,503. The amount outstanding at December 31, 2023 was \$69,756.

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>
2023	\$460,605	\$1,127,611
2022	449,281	1,244,629
2021	402,139	1,082,976

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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, 2022 which is the latest information available. This information is eighteen months prior to December 31, 2023. 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, 2023, the Township had a liability of \$5,376,694 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022, 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, 2022, the Township's proportion was 0.0356275885 percent, which was an increase of 0.00128949 percent from its proportion measured as of June 30, 2021.

For the year ended December 31, 2023, the Township recognized pension expense of \$460,605. At December 31, 2023, 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, 2023 and 2022
(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 Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$38,807	\$34,222
Changes of assumptions	16,659	805,104
Net difference between projected and actual earnings on pension plan investments	222,536	
Changes in proportion and differences between the Township's contributions and proportionate share of contributions	<u>917,898</u>	<u>105,785</u>
Total	<u>\$1,195,900</u>	<u>\$945,111</u>

[THIS AREA INTENTIONALLY LEFT BLANK]

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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, 2022) 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:	
2023	\$(461,207)
2024	(234,970)
2025	(114,590)
2026	249,992
2027	(549)

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 5.04, 5.13, 5.16, 5.21, 5.63 and 5.48 years for 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2022 and June 30, 2021 are as follows:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Collective deferred outflows of resources	\$1,660,772,008	\$1,164,738,169
Collective deferred inflows of resources	3,236,303,935	8,339,123,762
Collective net pension liability	15,219,184,920	11,972,782,878
Township's Proportion	0.0356275885%	0.0343380948%

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-6.55% (based on years of service)
Investment Rate of Return	7.00 Percent

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions.

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, 2023 and 2022
(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, 2022) 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, 2022 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%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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, 2022. 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, 2022, 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, 2022		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Township's proportionate share of the pension liability	\$6,920,440	\$5,376,694	\$4,062,903

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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.

Police and Firemen's Retirement System (PFRS)

At December 31, 2023, the Township had a liability of \$10,954,158 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2022, 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, 2022, the Township's proportion was 0.095699600 percent, which was a decrease of 0.000390155 percent from its proportion measured as of June 30, 2021.

For the year ended December 31, 2023, the Township recognized pension expense of \$1,276,611. At December 31, 2023, deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in actual and expected experience	\$495,814	\$671,091
Changes of assumptions	30,021	1,378,912
Net difference between projected and actual earnings on pension plan investments	1,003,079	
Changes in proportion and differences between Township contributions and proportionate share of contributions	<u>1,368,879</u>	<u>43,769</u>
Total	<u>\$2,897,793</u>	<u>\$2,093,772</u>

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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, 2022) 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:	
2023	\$(547,883)
2024	(350,131)
2025	(333,539)
2026	696,711
2027	6,714
Thereafter	7,039

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 6.22 6.17, 5.90, 5.92, 5.73 and 5.59 years for 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2022 and June 30, 2021 are as follows:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Collective deferred outflows of resources	\$2,163,793,985	\$817,271,932
Collective deferred inflows of resources	2,805,919,493	6,875,738,520
Collective net pension liability	13,483,472,009	9,364,849,587
Township's Proportion	0.09569996%	0.0960901150%

**TOWNSHIP OF LITTLE FALLS
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2023 and 2022
 (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, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021 which rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Salary Increases:	
Through all Future Years	3.25-16.25% (based on years of service)
Thereafter	Not Applicable
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, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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, 2022) 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, 2022 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%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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, 2022. 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, 2022, 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, 2022		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Township's proportionate share of the pension liability	\$15,755,720	\$10,954,158	\$6,956,835

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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, 2023 and 2022, the State proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is \$1,949,519 and \$1,975,322, respectively. For the years ended December 31, 2023 and 2022, the pension system has determined the State's proportionate share of the pension expense attributable to the Township for the PFRS special funding situation to be \$224,923 and \$219,993, respectively. The State's proportionate share of the pension expense attributable to the Township for the PFRS special funding situation for 2023 was less than the actual contributions and 2022 was more than the actual contributions the State made on behalf of the Township of \$242,706 and \$171,595, 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.

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(CONTINUED)**

NOTE 3. MUNICIPAL DEBT

Long-term debt as of December 31, 2023 and 2022 consisted of the following:

	<u>Balance Dec. 31, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance Dec. 31, 2023</u>	<u>Amounts Due Within One Year</u>
Bonds Payable - General Obligation Debt	\$23,004,000		\$1,525,000	\$21,479,000	\$1,636,000
Other Liabilities:					
Compensated Absences	2,179,925	1,015,030	859,966	2,334,989	
Deferred PERS/PFRS Pension Contribution	<u>102,778</u>		<u>33,022</u>	<u>69,756</u>	<u>35,817</u>
	<u>\$25,286,703</u>	<u>\$1,015,030</u>	<u>\$2,417,988</u>	<u>\$23,883,745</u>	<u>\$1,671,817</u>
	<u>Balance Dec. 31, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance Dec. 31, 2022</u>	<u>Amounts Due Within One Year</u>
Bonds Payable - General 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 Pension Contribution	<u>134,421</u>		<u>31,643</u>	<u>102,778</u>	<u>33,022</u>
	<u>\$27,407,471</u>	<u>\$258,025</u>	<u>\$2,378,793</u>	<u>\$25,286,703</u>	<u>\$1,558,022</u>

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>Issued:</u>			
General - Bonds and Notes	\$29,163,000	\$ 28,226,113	\$ 28,462,113
	<u>29,163,000</u>	<u>28,226,113</u>	<u>28,462,113</u>
<u>Authorized But Not Issued</u>			
General - Bonds and Notes	6,591,473	3,896,520	2,934,520
	<u>6,591,473</u>	<u>3,896,520</u>	<u>2,934,520</u>
Total Bonds, Notes and Loans Issued and Authorized Not Issued	35,754,473	32,122,633	31,396,633
Less: Deductions			20,000
Net Debt	<u>\$ 35,754,473</u>	<u>\$ 32,122,633</u>	<u>\$ 31,376,633</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 1.815% for 2023.

<u>2023</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Debt	\$2,077,963	\$2,077,963	\$ -
General Debt	<u>35,754,473</u>		<u>35,754,473</u>
	<u>\$37,832,436</u>	<u>\$2,077,963</u>	<u>\$35,754,473</u>

Net debt of \$35,754,473 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$1,970,476,923 equals 1.815%.

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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 1.777% for 2022.

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

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

	<u>2023</u>	<u>2022</u>
3 ½% of Equalized Valuation Basis (Municipal)	\$68,966,692	\$63,254,407
Net Debt	<u>35,754,473</u>	<u>32,122,633</u>
Remaining Borrowing Power	<u>\$33,212,219</u>	<u>\$31,131,774</u>

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

General Obligation Bonds

	<u>2023</u>	<u>2022</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%*	\$ 1,694,000	\$1,885,000
\$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%	6,500,000	6,964,000
\$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
\$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>13,285,000</u>	<u>13,775,000</u>
	<u>\$21,479,000</u>	<u>\$23,004,000</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, 2023 and 2022
(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>
2024	\$2,101,975	\$1,636,000	\$532,255
2025	2,168,255	1,663,000	500,511
2026	2,163,511	1,675,000	468,087
2027	2,143,087	1,689,000	431,372
2028	2,120,372	1,705,000	386,491
2029-2033	9,500,581	7,811,000	1,209,965
2034-2037	<u>7,204,375</u>	<u>5,300,000</u>	<u>292,500</u>
	<u>\$27,402,157</u>	<u>\$21,479,000</u>	<u>\$3,821,181</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, 2023, the Township had authorized but not issued debt as follows:

	<u>2023</u>	<u>2022</u>
General Capital Fund	<u>\$ 6,591,473</u>	<u>\$3,896,520</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, 2023 and 2022
(CONTINUED)**

NOTE 4. BOND ANTICIPATION NOTES, (continued)

On December 31, 2023 and 2022, the Township had \$7,684,000 and \$5,222,113 in General Capital Bond Anticipation Notes.

The following activity related to bond anticipation notes occurred during the period ended December 31, 2023 and 2022:

<u>2023</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Notes Payable:				
General Capital Fund				
Municipal Excess Liability JIF	\$5,222,113		\$5,222,113	-
BNY Mellon Capitol Markets	-	<u>7,684,000</u>		<u>7,684,000</u>
	<u>\$5,222,113</u>	<u>\$7,684,000</u>	<u>\$5,222,113</u>	<u>\$7,684,000</u>
<u>2022</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Notes Payable:				
General Capital Fund				
Municipal Excess Liability JIF	\$	\$5,222,113	\$	\$5,222,113
Amboy Bank	<u>3,987,113</u>		<u>3,987,113</u>	
	<u>\$3,987,113</u>	<u>\$5,222,113</u>	<u>\$3,987,113</u>	<u>\$5,222,113</u>

NOTE 5. FUND BALANCE APPROPRIATED

The fund balances at December 31, 2023 and 2022, which have been appropriated as revenue in the 2024 and 2023 budgets, are as follows:

	<u>2024</u>	<u>2023</u>
Current Fund	<u>\$2,800,000</u>	<u>\$2,278,000</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 \$2,334,989 as of December 31, 2023. This amount is not reported either as an expenditure or liability.

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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, 2023 and 2022, the Township's bank balance of \$11,383,424 and \$11,384,261, 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, 2023 and 2022
(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, 2023 and 2022 amounted to \$1,746,715 and \$1,505,190, respectively.

The following investments represent 5% or more of the total invested with the Variable Annuity Life Insurance Company (VALIC) on December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Fixed Accounts Plus	\$413,256	\$393,957
Government Money Market	140,877	141,201
Health Sciences Fund	140,437	90,652
Stock Index Fund	890,118	722,018
All Other	<u>162,027</u>	<u>157,362</u>
Total	<u>\$1,746,715</u>	<u>\$1,505,190</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, 2023 and 2022
(CONTINUED)**

NOTE 8. LITIGATION, (continued)

Pending Tax Appeals

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2023 and 2022. 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, 2023 and 2022:

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
Land	\$21,990,291	\$14,830		\$22,005,121
Building Improvements	10,937,998	52,585		10,990,583
Machinery & Equipment	<u>12,526,998</u>	<u>634,225</u>	<u>24,336</u>	<u>13,136,887</u>
	<u>\$45,455,287</u>	<u>\$701,640</u>	<u>\$24,336</u>	<u>\$46,132,591</u>
	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Land	\$21,978,441	\$11,850	\$	\$21,990,291
Building Improvements	10,661,490	276,508		10,937,998
Machinery & 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>

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(CONTINUED)**

NOTE 10. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at December 31, 2023 consist of the following:

\$246,599	Due to the Federal and State Grant Fund from the Current Fund for grant monies received less expenditures paid.
1,130,843	Due to the General Capital Fund from the Current Fund for New Jersey Department of Transportation grants received.
18,204	Due to the Unemployment Insurance Compensation Trust Fund from the Current Fund for the current year budget appropriation not transferred.
655	Due to the Current Fund from the Animal License Trust Fund for the current year statutory excess calculation.
229,022	Due to the Current Fund from the Other Trust Fund for reimbursement of expenses paid, revenue deposited in error and interest earned on investments.
300	Due to the Current Fund from the Escrow Trust Fund for interest earned on investments.
13,064	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.
726	Due to the Municipal Open Space Trust Fund for the balance of taxes collected not transferred.
2,665	Due to the Current Fund from the Net Payroll account for void checks and interest earned on investments.
<u>1,299</u>	Due to the Current Fund from the Payroll Agency account for interest earned on investments.
<u>\$1,643,377</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, 2023 and 2022
(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, 2023 and 2022, the following deferred charges are shown on the balance sheets of the various funds:

<u>2023</u>	<u>Balance Dec. 31, 2023</u>	<u>2024 Budget Appropriation</u>	<u>Balance to Succeeding Year's Budget</u>
Current Fund:			
Special Emergency Authorizations - 5 Years (N.J.S.A. 40A4:53):			
COVID-19	\$801,522	267,174	534,348
Preparation of Master Plan	<u>175,000</u>	<u>35,000</u>	<u>140,000</u>
Total Current Fund	<u>\$976,522</u>	<u>\$302,174</u>	<u>\$674,348</u>
<u>2022</u>	<u>Balance Dec. 31, 2022</u>	<u>2023 Budget Appropriation</u>	<u>Balance to Succeeding Year's Budget</u>
Current Fund:			
Emergency Appropriations	\$365,000	\$365,000	\$
Special Emergency Authorizations - 5 Years (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>

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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, 2023 and 2022 are as follows:

	2023 Regional <u>High School</u>	2022 Regional <u>High School</u>
Balance of Tax	\$4,300,233	\$3,965,912
Deferred Liability	<u>4,134,821</u>	<u>3,965,912</u>
Taxes Payable	<u>\$165,412</u>	<u>\$0</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 2023 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, 2023 and 2022
(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:

<u>Year Ended Dec. 31,</u>	<u>Township Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023	\$15,000	\$16,124	\$40,990	\$79,180
2022	15,000	9,209	11,226	89,046
2021	15,000	11,558	11,969	75,758

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:

	<u>Balance Dec. 31, 2023</u>	<u>Balance Dec 31, 2022</u>
Prepaid Taxes	<u>\$324,845</u>	<u>\$321,760</u>
Cash Liability for Taxes Collected in Advance	<u>\$324,845</u>	<u>\$321,760</u>

TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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, 2023, the State's proportionate share of the net OPEB liability attributable to the Township for the PFRS special funding situation is \$9,029,664 and the State's proportionate share of the OPEB expense for the PFRS special funding situation is \$(1,481,055).

**TOWNSHIP OF LITTLE FALLS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 and 2022
(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 2023 and 2022, respectively, for each eligible volunteer fire department and volunteer ambulance corp. member into the Plan. The total Township contributions were \$36,150 and \$44,237 for 2023 and 2022, 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, 2023 and 2022
(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 April 8, 2024, 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

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 of Bond</u>
James Belford Damiano	Mayor	
Anthony Sgobba	Council President	
Christine Hablitz	Councilwoman	
Michael Murphy	Councilman	
Janya Patel	Councilwoman	
Christopher Vancher	Councilman	
Cynthia Kraus	Township Clerk	
Susan Fett	Treasurer's Clerk	
Joseph Wenzel, Esq.	Attorney	
Charles Cuccia	Chief Finance Officer/Treasurer/Administrator	
Vincent Quatrone	Assistant Administrator	
Denise Whiteside	Tax Collector	(A)
John Bang	Tax Assessor	
Bryan Prall	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

Supplementary Data

Comparative Schedule of Tax Rate Information

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Tax Rate	\$ <u>3.282</u>	<u>3.286</u>	<u>3.212</u>
Apportionment of Tax Rate:			
Municipal (Including Library)	0.973	0.948	0.930
Municipal Open Space	0.005	0.004	0.004
County	0.709	0.734	0.744
Local School	1.061	1.017	1.017
Regional High School	<u>0.534</u>	<u>0.583</u>	<u>0.517</u>

Assessed Valuation

2023	\$	1,547,555,300
2022		1,542,914,400
2021		1,535,481,900

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>
2023	\$ 51,269,193	50,266,406	98.04%
2022	50,788,868	50,154,688	98.75%
2021	49,504,642	49,022,208	99.03%

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>		Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
		<u>Liens</u>	<u>Taxes</u>	<u>Delinquent</u>	<u>Levy</u>
2023	\$	110,666	905,868	1,016,534	1.98%
2022		100,706	964,621	1,065,327	2.10%
2021		90,733	786,458	877,191	1.77%

TOWNSHIP OF LITTLE FALLS

Supplementary Data

Property Acquired by Tax Title Lien Liquidation

No properties were acquired in 2023 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>
2023	\$	825,100
2022		825,100
2021		825,100

Comparative Schedule of Fund Balance

	<u>Year</u>		<u>Balance, Dec. 31</u>	<u>Utilized in Budget of Succeeding Year</u>
Current Fund:	2023	\$	4,128,858	2,800,000
	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

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Cash - Collector - Treasurer

Current Fund

Year Ended December 31, 2023

		Current <u>Fund</u>
		\$ 6,390,510
Increased by Receipts:		
Tax Collector	\$ 50,545,008	
Revenue Accounts Receivable	3,897,571	
Miscellaneous Revenue Not Anticipated	490,771	
Petty Cash	1,250	
Change Fund	275	
Due from State - Senior Citizen and Veteran Deductions	46,815	
PILOT Revenue Receivable	787,138	
Tax Overpayments	64,226	
Interfunds	1,782,230	
Reserve for Other Expenditures	133,727	
Prepaid Taxes	324,845	
State Fees Payable	20,466	
Grants Receivable	14,000	
Unappropriated Grant Reserves	<u>84,942</u>	
		<u>58,193,264</u>
		64,583,774
Decreased by Disbursements:		
Current Year Budget Appropriations	\$ 20,738,280	
Appropriation Reserves	112,640	
Petty Cash	1,250	
Interfunds	1,787,090	
Reserve for Other Expenditures	69,540	
Local District School Taxes	16,187,559	
Regional School District Taxes	7,935,321	
County Taxes Payable	10,961,935	
Tax Overpayment Refunds	218,667	
State Fees Payable	47,902	
Appropriated Grant Reserves	107,701	
Grant Encumbrances	<u>11,466</u>	
		<u>58,179,351</u>
Balance - December 31, 2023		<u>\$ 6,404,423</u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Cash - Change Fund

Current Fund

Year Ended December 31, 2023

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Returned</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
Office:			
Tax Collector	\$ 275	275	
Township Clerk	125		125
Court Clerk	100		100
	<u>500</u>	<u>275</u>	<u>225</u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Cash - Petty Cash

Current Fund

Year Ended December 31, 2023

Increased by:		
Cash Receipts	\$	<u>1,250</u>
Decreased by:		
Cash Disbursements	\$	<u><u>1,250</u></u>
<u>Department</u>		
Police	\$	500
Municipal Alliance		250
Clerk		250
Recreation		<u>250</u>
	\$	<u><u>1,250</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, 2023

Balance - December 31, 2022		\$	720
Increased by:			
Senior Citizens' Deductions Per Tax Billing	\$	10,000	
Veterans' Deductions Per Tax Billing		43,000	
Senior Citizen's and Veteran's Allowed - 2023		<u>1,250</u>	
			<u>54,250</u>
			54,970
Decreased by:			
State Share of Senior Citizens and Veteran Deductions Received in Cash		46,815	
Senior Citizen's and Veteran's Disallowed - 2023		6,092	
Senior Citizen's and Veteran's Disallowed - 2022		<u>1,090</u>	
			<u>53,997</u>
Balance - December 31, 2023		\$	<u><u>973</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Municipal Liens

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	100,705
Increased by:		
Transferred from Current Year Taxes		<u>9,961</u>
Balance - December 31, 2023	\$	<u><u>110,666</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2023

Year	Balance	2023	Added	Collected		Senior Citizen	Transferred	Canceled	Balance
	Dec. 31, 2022			Levy	Taxes				
2016	\$ 310,656							310,656	
2020	2,241								2,241
2021	4,520								4,520
2022	647,204		10,708		648,520	(1,090)			10,482
	964,621		10,708		648,520	(1,090)		310,656	17,243
2023		50,790,765	467,720	321,760	49,896,488	48,158	9,961	93,493	888,625
	\$ 964,621	50,790,765	478,428	321,760	50,545,008	47,068	9,961	404,149	905,868
				Cash \$	50,545,008				

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2023

Analysis of 2023 Tax Levy

Tax Yield:	
General Purpose Tax	\$ 50,790,765
Added Tax (R.S. 54:4-63.1 et seq.)	<u>478,428</u>
	<u>\$ 51,269,193</u>
Tax Levy:	
Local District School Tax	\$ 16,423,952
Regional School Taxes	8,269,642
Local Open Space Taxes	77,770
County Tax	\$ 10,753,422
County Open Space Tax	208,513
County Tax - Added Taxes	<u>103,432</u>
	11,065,367
Local Tax for Municipal Purposes	\$ 14,404,333
Minimum Library Tax	651,432
Add: Additional Taxes Levied	<u>376,697</u>
Local Tax for Municipal Purposes	<u>15,432,462</u>
	<u>\$ 51,269,193</u>

TOWNSHIP OF LITTLE FALLS, N.J.

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

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022 \$ 825,100

Balance - December 31, 2023 \$ 825,100

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Payment in Lieu of Taxes Receivable

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ 87,869
Increased by:	
2023 Billings	<u>803,832</u>
	891,701
Decreased by:	
Collections - Recorded as Anticipated Revenue	<u>787,138</u>
Balance - December 31, 2023	<u><u>\$ 104,563</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2023

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Accrued</u>	<u>Collected</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
Township Clerk:				
Licenses:				
Alcoholic Beverages	\$	29,590	29,590	
Other		39,701	39,701	
Fees and Permits		92,214	92,214	
Municipal Court:				
Fines and Costs	11,427	170,399	171,935	9,891
Construction Code Official:				
Fees and Permits		497,783	497,783	
Interest and Costs on Taxes		134,575	134,575	
Interest on Investments and Deposits		353,242	353,242	
Municipal Relief Fund		66,877	66,877	
Recreation Program Fees		229,891	229,891	
Energy Receipts Tax		1,290,925	1,290,925	
Watershed Aid		1,457	1,457	
Garden State Trust Fund		5,553	5,553	
EMS Fees		379,057	379,057	
Uniform Fire Safety Act		19,143	19,143	
Sewer Service Fees		105,248	105,248	
Cable TV Franchise Fee		155,123	155,123	
General Capital Fund - Fund Balance		200,000	200,000	
Prepaid Regional School Taxes		267,777	267,777	
American Rescue Plan - Revenue Loss		757,486	757,486	
Montclair University Sewer Fees		184,577	184,577	
Montclair University Fire Alarm Fees		8,320	8,320	
	<u>\$ 11,427</u>	<u>4,988,938</u>	<u>4,990,474</u>	<u>9,891</u>
		Interfunds \$ 1,026,026		
		Various Reserves 66,877		
		Cash <u>3,897,571</u>		
		<u>\$ 4,990,474</u>		

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Interfunds

Current Fund

Year Ended December 31, 2023

<u>Fund</u>	Due from/(to) Balance <u>Dec. 31, 2022</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance <u>Dec. 31, 2023</u>
Federal and State Grant Fund	\$ (1,034,378)	900,879	113,100	(246,599)
Animal Control Trust Fund	6,136	923	6,404	655
Other Trust Fund:				
Other Trust Fund	11,012	236,260	18,250	229,022
Escrow Trust Fund	275	25		300
Tax Title Lien Premium Trust Fund	4,486	13,064	4,486	13,064
Unemployment Trust Fund	(14,733)	14,733	18,204	(18,204)
Open Space Trust Fund	(110)	77,154	77,770	(726)
Net Payroll	11,769	2,665	11,769	2,665
Payroll Agency	547	1,299	547	1,299
General Capital Fund	<u>(620,234)</u>	<u>1,728,685</u>	<u>2,239,294</u>	<u>(1,130,843)</u>
	<u>\$ (1,635,230)</u>	<u>2,975,687</u>	<u>2,489,824</u>	<u>(1,149,367)</u>
Due to Current Fund	34,225	254,236	41,456	247,005
Due from Current Fund	<u>(1,669,455)</u>	<u>2,721,451</u>	<u>2,448,368</u>	<u>(1,396,372)</u>
	<u>\$ (1,635,230)</u>	<u>2,975,687</u>	<u>2,489,824</u>	<u>(1,149,367)</u>
			Cash Receipts \$ 1,782,230	
		Cash Disbursements 1,787,090		
		Municipal Open Space Levy	77,770	
		Other Trust - Misc. Reserves	3,204	
	Reimbursement of Expenditures 18,521			
	Statutory Excess 657			
		Budget Appropriations	513,520	
	Revenue Accounts Receivable 1,026,026			
		Grants Receivable	14,000	
		Unappropriated Grant Reserves	99,100	
	Cancelled Appropriated Grant Reserves 24,226			
	Appropriated Grant Reserves 107,701			
	Grant Encumbrances 11,466			
		<u>\$ 2,975,687</u>	<u>2,489,824</u>	

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Prepaid Regional School Taxes

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ <u>267,777</u>
Decreased by: Anticipated Revenue	\$ <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, 2023

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2022</u>	<u>Authorized in 2023</u>	<u>Reduced in 2023</u>	<u>Balance Dec. 31, 2023</u>
May 8, 2018	Preparation of Tax Map	\$ 150,000	30,000	30,000		30,000	
Nov. 23, 2020	COVID-19	1,335,870	267,174	1,068,696		267,174	801,522
May 22, 2023	Preparation of Master Plan	175,000	35,000		175,000		175,000
		<u>\$ 1,660,870</u>	<u>332,174</u>	<u>1,098,696</u>	<u>175,000</u>	<u>297,174</u>	<u>976,522</u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Deferred Charges

Current Fund

Year Ended December 31, 2023

	Balance Dec. 31, <u>2022</u>	Reduced <u>in 2023</u>
Emergency Appropriations:		
Solid Waste Contractual	\$ 120,000	\$ 120,000
Landfill Fees	120,000	120,000
Diesel Fuel	40,000	40,000
Gasoline	<u>85,000</u>	<u>85,000</u>
	<u>\$ 365,000</u>	<u>\$ 365,000</u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2023

	Balance Dec. 31, <u>2022</u>	Balance After Transfers and <u>Encumbrances</u>	<u>Paid or Charged</u>	Balance <u>Lapsed</u>
Salaries and Wages Within "CAPS":				
Mayor and Council	\$ 729	729		729
Municipal Clerk	14	14		14
Financial Administration	925	925		925
Revenue Administration	868	868		868
Tax Assessment Administration	509	509		509
Planning Board	217	217		217
Police Department - Sworn Officers	2,301	2,301		2,301
Police Department - Dispatch	3,053	3,053		3,053
Police Department - Civilian Employees	1,398	1,398		1,398
Public Works - Shade Tree	1,200	1,200		1,200
Fire Prevention	230	230		230
Streets and Roads Maintenance	23,679	23,679		23,679
Solid Waste Collection	33,606	33,606		33,606
Vehicle Maintenance	2,211	2,211		2,211
Administration of Public Assistance	620	620		620
Recreation Services and Programs	8,699	8,699		8,699
Construction Code Official	49	49		49
Plumbing Inspector	36	36		36
Electrical Inspector	323	323		323
Municipal Court	7,836	7,836		7,836
Municipal Prosecutor	479	479		479
Total Salaries and Wages Within "CAPS"	<u>88,982</u>	<u>88,982</u>		<u>88,982</u>
Other Expenses Within "CAPS":				
Administrative and Executive	228	1,098	870	228
Mayor and Council	1,455	1,455		1,455
Municipal Clerk	4,064	11,030	7,357	3,673
Financial Administration	3,671	4,893	1,222	3,671
Audit Services	19,175	19,175		19,175
Assessment of Taxes	710	1,960	211	1,749
Revenue Administration	11,875	12,014	1,250	10,764
Legal Services and Costs	76,290	76,290		76,290
Engineering Services and Costs	8,304	8,304		8,304
Planning Board	8,228	8,290	62	8,228

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2023

	Balance Dec. 31, <u>2022</u>	Balance After Transfers and <u>Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Insurance:				
General Liability	2,562	2,562		2,562
Liability - NJIF	297	297		297
Workers Compensation	1,000	1,000		1,000
Employee Group Health	142	142		142
Police Department:				
Other Expenses	324	28,834	22,336	6,498
Acquisition of Police Cars	917	917		917
Fire Department - Miscellaneous	5,049	8,323	7,969	354
Fire Hydrant Services	622	622		622
Fire Prevention	7,560	7,953	393	7,560
Emergency Management Services	231	5,888	5,657	231
Ambulance	3,242	6,892	3,650	3,242
Streets and Roads Maintenance	535	5,714	480	5,234
Other Public Works Function - Shade Tree	185	2,545	2,360	185
Solid Waste Collection	44,529	56,409		56,409
Public Buildings and Grounds	3,890	7,761	2,941	4,820
Vehicle Maintenance	3,555	9,705	6,087	3,618
Community Services Act	13,984	13,984	3,505	10,479
Board of Health	15,173	15,654	481	15,173
Flood Board	500	500		500
Administration of Public Assistance	550	550		550
Recreation Services and Programs	8,247	8,886	639	8,247
Senior Citizen Expenses				
Transportation	1,700	1,700		1,700
Construction Code Official	15,327	15,585	257	15,328
Street Lighting	96	96		96
Telephone	20,015	20,015		20,015
Water	5,729	5,729		5,729
Natural Gas	531	531		531
Fuel Oil (Diesel)	28,965	28,965		28,965
Gasoline	8,670	8,670		8,670
Landfill/Solid Waste Disposal Cost	4,971	4,971		4,971
Celebration of Public Events	1,825	1,825		1,825
Municipal Court	23,900	24,575	675	23,900
Public Defender	2,400	2,400		2,400
Total Other expenses Within "CAPS"	<u>361,223</u>	<u>444,709</u>	<u>68,402</u>	<u>376,307</u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2023

	Balance Dec. 31, <u>2022</u>	Balance After Transfers and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Deferred Charges and Statutory Expenditures Within "CAPS":				
Social Security System (O.A.S.I.)	1,924	1,924		1,924
Defined Contribution Pension Plan	<u>8,500</u>	<u>8,500</u>		<u>8,500</u>
Total Deferred Charges and Statutory Expenditures Within "CAPS"	<u>10,424</u>	<u>10,424</u>		<u>10,424</u>
Other Expenses Excluded From "CAPS":				
Sewer Contracts				
Passaic Valley Sewer Commission	126	126		126
Second River Joint Meeting	11,100	11,100		11,100
Third River Joint Meeting	31	31		31
Township of Montclair	25,000	25,000		25,000
City of Clifton	7,500	7,500		7,500
LOSAP	<u>105,000</u>	<u>105,000</u>	44,238	<u>60,762</u>
Total Other Expenses Excluded from "CAPS"	<u>148,757</u>	<u>148,757</u>	<u>44,238</u>	<u>104,519</u>
Interlocal Municipal Service Agreements				
Emergency Medical Services				
Salaries and Wages	<u>60,831</u>	<u>60,831</u>		<u>60,831</u>
Total Interlocal Municipal Service Agreements	<u>60,831</u>	<u>60,831</u>		<u>60,831</u>
Capital Improvements				
Excluded from "CAPS"				
Acquisition of Computers	<u>6,147</u>	<u>6,147</u>		<u>6,147</u>
Total Capital Improvements Excluded from "CAPS"	<u>6,147</u>	<u>6,147</u>		<u>6,147</u>
Total Reserves	<u>\$ 676,364</u>	<u>759,850</u>	<u>112,640</u>	<u>647,210</u>
Appropriation Reserves \$		676,364		
Encumbrances		<u>83,486</u>		
		<u>\$ 759,850</u>		

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Encumbrances Payable

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	83,486
Increased by:		
2023 Encumbrances		<u>90,125</u>
		173,611
Decreased by:		
Transferred to Appropriation Reserves		<u>83,486</u>
Balance - December 31, 2023	\$	<u><u>90,125</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Reserve for Other Expenditures

Current Fund

Year Ended December 31, 2023

	Watershed Moratorium Aid	JIF Retro Assessment	Revision of Tax Map	Tax Appeals	Municipal Relief Fund	Miscellaneous	Preparation of Master Plan	Total
Balance - December 31, 2022	\$ 1,457	207,296	14,022	1,000,000	66,877	5,358		1,295,010
Increased by:								
Transfer from Budget Appropriations					133,727		175,000	175,000
Cash Receipts					133,727		175,000	133,727
	1,457	207,296	14,022	1,000,000	200,604	5,358	175,000	1,603,737
Decreased by:								
Cash Disbursements			2,190				67,350	69,540
Revenue Accounts Receivable Cancelled	1,457			1,000,000	66,877	5,358		66,877
	1,457		2,190	1,000,000	66,877	5,358	67,350	1,143,232
Balance - December 31, 2023	\$	207,296	11,832		133,727		107,650	460,505

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Tax Overpayments

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$	329
Increased by:			
Cash Receipts	\$	64,226	
Fund Balance		<u>154,112</u>	
			<u>218,338</u>
			218,667
Decreased by:			
Cash Disbursements	\$	<u>218,667</u>	

Schedule of Local School District Tax Payable

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$	3
Increased by:			
2023 Levy		<u>16,423,952</u>	
			16,423,955
Decreased by:			
Payments		<u>16,187,559</u>	
Balance - December 31, 2023	\$	<u>236,396</u>	

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Regional High School Taxes Payable

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022		
School Tax Deferred	\$	3,965,912
Increased by:		
2023 Levy		<u>8,269,642</u>
		12,235,554
Decreased by:		
Cash Disbursements		<u>7,935,321</u>
Balance - December 31, 2023		
School Tax Payable	\$	165,412
School Tax Deferred		<u>4,134,821</u>
	\$	<u><u>4,300,233</u></u>
2023 Liability for Regional High School Tax		
Tax Liability	\$	8,269,642
Increased by:		
Balance Deferred - December 31, 2022		<u>3,965,912</u>
		12,235,554
Decreased by:		
Balance Deferred - December 31, 2023		<u>4,134,821</u>
Amount Charged to Operations	\$	<u><u>8,100,733</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of County Taxes Payable

Current Fund

Year Ended December 31, 2023

Increased by:		
2023 Levy	\$ 10,753,422	
2023 Open Space	208,513	
2023 Added Assessments	<u>103,432</u>	
		\$ <u>11,065,367</u>
Decreased by:		
Payments		<u>10,961,935</u>
Balance - December 31, 2023		\$ <u><u>103,432</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Prepaid Taxes

Current Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	321,760
Increased by:		
Collections		<u>324,845</u>
		646,605
Decreased by:		
Applied to 2023 Taxes Receivable		<u>321,760</u>
Balance - December 31, 2023	\$	<u><u>324,845</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Statement of State Fees Payable

Current Fund

Year Ended December 31, 2023

	<u>UCC - DCA Fees</u>	<u>Marriage License Fees</u>	<u>Totals</u>
Balance - December 31, 2022	\$ 38,952		38,952
Increased by:			
Cash Receipts	<u>19,591</u>	<u>875</u>	<u>20,466</u>
	58,543	875	59,418
Decreased by:			
Cash Disbursements	<u>47,427</u>	<u>475</u>	<u>47,902</u>
Balance - December 31, 2023	<u>\$ 11,116</u>	<u>400</u>	<u>11,516</u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Interfunds

Federal and State Grant Fund

Year Ended December 31, 2023

<u>Fund</u>	Due from/(to) Balance <u>Dec. 31, 2022</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance <u>Dec. 31, 2023</u>
Current Fund	\$ <u>1,034,378</u>	<u>113,100</u>	<u>900,879</u>	<u>246,599</u>
	\$ <u><u>1,034,378</u></u>	<u><u>113,100</u></u>	<u><u>900,879</u></u>	<u><u>246,599</u></u>
		Grants Receivable \$ 14,000		
		Grants Received - Unappropriated 99,100		
			Cancelled Appropriated Grants 24,226	
			Current Fund Anticipated Revenue 757,486	
			Prior Year Encumbrances Paid 11,466	
			Appropriated Reserves 107,701	
		<u>\$ 113,100</u>	<u>900,879</u>	

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2023

<u>Grant</u>	Balance Dec. 31, <u>2022</u>	2023 Budget Revenue <u>Realized</u>	<u>Received</u>	Balance Dec. 31, <u>2023</u>
Body Armor Grant	\$	3,628	3,628	
Bulletproof Vest Fund	2,532			2,532
Clean Communities		21,766	21,766	
Click It or Ticket	7,000		7,000	
Distracted Driving		7,000	7,000	
Assistance to Firefighters		26,000		26,000
Passaic County CARES Act	54,142			54,142
Passaic County Stigma Free		445		445
Recycling Tonnage		18,416	18,416	
Safe Corridors	<u>64,366</u>			<u>64,366</u>
	<u>\$ 128,040</u>	<u>77,255</u>	<u>57,810</u>	<u>147,485</u>
		Adopted Budget \$ 43,810		
		Added by N.J.S.A. 40A:4-87 <u>33,445</u>		
		<u>\$ 77,255</u>		
		Cash \$ 14,000		
		Unappropriated Grants <u>43,810</u>		
			<u>\$ 57,810</u>	

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2023

<u>Grant</u>	Balance Dec. 31, <u>2022</u>	Transfer From 2023 <u>Budget</u>	<u>Expended</u>	<u>Canceled</u>	Balance Dec. 31, <u>2023</u>
Alcohol Education and Rehabilitation - 2018	\$ 2,117		2,117		
Alcohol Education and Rehabilitation - 2019	6,069		1,504		4,565
Alcohol Education and Rehabilitation - 2020	16,899				16,899
Alcohol Education and Rehabilitation - 2021	5,084				5,084
Assistance to Firefighters		26,000	26,000		
Body Armor Replacement Grant - 2021	1,367		1,367		
Body Armor Replacement Grant - 2022		3,628	2,846		782
Body Worn Cameras	22,898		4,348		18,550
Bullet Proof Vest	452				452
Clean Communities Program Grant - 2018	4,177		(2,889)		7,066
Clean Communities Program Grant - 2019	22,723				22,723
Clean Communities Program Grant - 2020	20,490				20,490
Clean Communities Program Grant - 2021	21,814				21,814
Clean Communities Program Grant - 2022		21,766			21,766
Click It or Ticket - 2019	5,500		5,500		
Click It or Ticket - 2020	3,135		3,135		
Click It or Ticket - 2021	7,000		7,000		
Click It or Ticket - 2022	6,000		6,000		
Distracted Driving					
U-Text, U-Drive, U-Pay - 2019	5,500		5,500		
U-Text, U-Drive, U-Pay - 2020	7,000				7,000
U-Text, U-Drive, U-Pay - 2021		7,000			7,000
Drive Sober or Get Pulled Over	175		175		
Drunk Driving Enforcement Fund - 2018	11,342				11,342
Drunk Driving Enforcement Fund - 2019	12,908		1,679		11,229
Drunk Driving Enforcement Fund - 2021	10,070				10,070
Legislative Grant	7,689			7,689	
Louis Street Park Improvements	1,267			1,267	
Municipal Stormwater Regulation Program	7,525				7,525
Passaic County Stigma Free		445	445		
Peckman River Grant	15,095			15,095	
Recycling Tonnage Grant - 2016	3,259				3,259
Recycling Tonnage Grant - 2017	19,595				19,595
Recycling Tonnage Grant - 2018	20,813				20,813
Recycling Tonnage Grant - 2019		18,416			18,416
Safe Corridors - 2017	1,355		1,355		
Safe Corridors - 2018	15,797		15,797		
Safe Corridors - 2022	64,366		25,822		38,544
Tennis Grant	175			175	
	<u>\$ 349,656</u>	<u>77,255</u>	<u>107,701</u>	<u>24,226</u>	<u>294,984</u>

Budget \$ 43,810
 Appropriated by 40a:4-87 33,445
 \$ 77,255

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Encumbrances Payable

Federal and State Grant Fund

Year Ended December 31, 2023

Balance - December 31, 2022 \$ 11,466

Decreased by:
Cash Disbursements \$ 11,466

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2023

<u>Grant</u>	Balance Dec. 31, <u>2022</u>	Transfer To 2023 <u>Budget</u>	<u>Received</u>	Current Fund <u>Revenue</u>	Balance Dec. 31, <u>2023</u>
Alcohol Education and Rehabilitation \$			389		389
American Rescue Plan	757,486			(757,486)	
Body Armor	3,628	3,628	2,420		2,420
Bulletproof Vests			1,381		1,381
Clean Communities Grant	21,766	21,766	24,413		24,413
Click it or Ticket			7,000		7,000
Recycling Tonnage Grant	18,416	18,416	15,597		15,597
Stormwater Grant			15,000		15,000
Utext. Udrive. Upay.			7,000		7,000
National Opioid Settlement - 2022			14,158		14,158
National Opioid Settlement - 2023			11,742		11,742
	<u>\$ 801,296</u>	<u>43,810</u>	<u>99,100</u>	<u>(757,486)</u>	<u>99,100</u>
			Cash Receipts \$ 84,942		
			Interfund <u>14,158</u>		
			<u>\$ 99,100</u>		

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Cash

Trust Funds

Year Ended December 31, 2023

	Animal Trust Fund	Other Trust Fund	Open Space Trust Fund	Emergency Service LOSAP Fund
Balance - December 31, 2022	\$ 8,707	2,378,357	216,428	1,505,190
Increase by Receipts:				
Employee Payroll Deductions		12,920		
Interest on Deposits	227	69,668	7,920	11,257
Interfund		14,833	77,154	
Various Reserves		100,418		
Miscellaneous Reserves		436,847		
Dog License Fees	1,489			
Other (Cat Licenses)	144			
Due to State of New Jersey	333			
Affordable Housing Receipts		27,230		
Gain on Investment				256,577
LOSAP Contributions				44,237
Total Receipts	<u>2,193</u>	<u>661,916</u>	<u>85,074</u>	<u>312,071</u>
	<u>10,900</u>	<u>3,040,273</u>	<u>301,502</u>	<u>1,817,261</u>
Decreased by Disbursements:				
Due to State of New Jersey	328			
Various Reserves		165,605		
Miscellaneous Reserves		573,547		
Interfund	6,404	15,498		
Affordable Housing Expenditures		31,595		
Unemployment Claims		29,525		
LOSAP Distributions				70,546
Total Disbursements	<u>6,732</u>	<u>815,770</u>		<u>70,546</u>
Balance - December 31, 2023	<u>\$ 4,168</u>	<u>2,224,503</u>	<u>301,502</u>	<u>1,746,715</u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Interfunds Receivable/(Payable)

Trust Funds

Year Ended December 31, 2023

	Balance <u>Dec. 31, 2022</u>	<u>Increased</u>	<u>Decreased</u>	Balance <u>Dec. 31, 2023</u>
Other Trust Fund				
Current Fund	\$ (11,012)	18,250	236,260	(229,022)
Escrow Trust Fund				
Current Fund	(275)		25	(300)
Tax Title Lien Premium Trust Fund				
Current Fund	(4,486)	4,486	13,064	(13,064)
Unemployment Compensation Insurance Trust Fund				
Current Fund	14,733	18,204	14,733	18,204
Open Space Trust Fund				
Current Fund	110	77,770	77,154	726
Animal Trust Fund				
Current Fund	<u>(6,136)</u>	<u>6,404</u>	<u>923</u>	<u>(655)</u>
	<u>\$ (7,066)</u>	<u>125,114</u>	<u>342,159</u>	<u>(224,111)</u>
Due from Current Fund	14,843	29,140	250,272	(206,289)
Due to Current Fund	<u>(21,909)</u>	<u>95,974</u>	<u>91,887</u>	<u>(17,822)</u>
	<u>\$ (7,066)</u>	<u>125,114</u>	<u>342,159</u>	<u>(224,111)</u>
			Cash Receipts \$ 91,987	
		Cash Disbursements 21,902		
		Interest on Investments 35,789		
		Reimbursement for Expenditures Paid 266		
		Statutory Excess 657		
		Miscellaneous Reserves 7,238	213,460	
		Reserve for Unemployment 3,204		
		Added and Omitted Open Space Tax Levy 726		
		Open Space Tax Levy 77,044		
		Budget Appropriation 15,000		
		<u>\$ 125,114</u>	<u>342,159</u>	

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Due to State of New Jersey

Animal Trust Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	1
Increased by:		
Cash Receipts		<u>333</u>
		334
Decreased by:		
Cash Disbursements		<u>328</u>
Balance - December 31, 2023	\$	<u><u>6</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Reserve for Animal Trust Fund Expenditures

Trust Funds

Year Ended December 31, 2023

Balance - December 31, 2022		\$	2,570
Increased by:			
Dog License Fees	\$	1,489	
Cat License Fees		144	
Interest Earnings		<u>227</u>	
			<u>1,860</u>
			4,430
Decreased by:			
Interfund	\$	266	
Statutory Excess		<u>657</u>	
			<u>923</u>
Balance - December 31, 2023		\$	<u><u>3,507</u></u>

Animal License Fees Collected

<u>Year</u>		<u>Amount</u>
2021	\$	1,736
2022		<u>1,771</u>
	\$	<u><u>3,507</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Miscellaneous Reserves

Trust Funds

Year Ended December 31, 2023

	Balance Dec. 31, <u>2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance Dec. 31, <u>2023</u>
Tax Sale Premium	\$ 462,500	212,100	320,500	354,100
Tax Title Lien Redemptions	38,410	162,456	200,866	
Street Permit Bonds	10,670			10,670
Uniform Fire Code Enforcement	9,298	38,274	47,572	
Unclaimed Property	20			20
Self Insurance JIF Retro		620		620
Recycling Program	221,110	35,436	175,000	81,546
Public Defender Fees	24,057		20,000	4,057
Traffic Signal	23,138			23,138
Civic Activities - Donations	8,425			8,425
Police Donations	250	2,232	2,482	
Municipal Alliance - Contributions	75			75
Recreation	821			821
Federal Forfeiture	933			933
Prosecutor	11,002			11,002
5K Run	23,462	11,440	20,587	14,315
Defibulator Fund - Donations	228			228
Police Outside Duty Employment	41,365			41,365
Bequests	2,420		2,157	263
Sewer Fees	4,000			4,000
Tree Bequests	97	750		847
Performance Bonds	73,740	3,900		77,640
Parking Offenses Adjudication Act	5,527	458		5,985
Building Penalties	42,612	8,250	29,674	21,188
	<u>\$ 1,004,160</u>	<u>475,916</u>	<u>818,838</u>	<u>661,238</u>
Cash Receipts	\$	436,847		
Interfund		7,238	213,460	
Reclass		31,831	31,831	
Cash Disbursements			<u>573,547</u>	
		<u>\$ 475,916</u>	<u>818,838</u>	

TOWNSHIP OF LITTLE FALLS

Schedule of Due to State of New Jersey

Unemployment Compensation Insurance Trust Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	(305)
Increased by:		
Unemployment and Disability Claims Payable		<u>40,990</u>
Decreased by:		
Cash Disbursements		<u>29,525</u>
Balance - December 31, 2023	\$	<u><u>11,160</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Reserve for Expenditures

Unemployment Compensation Insurance Trust Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$	89,046
Increased by:			
Employee Payroll Deductions	\$	12,920	
Interfund		3,204	
Interfund - Budget Appropriations		<u>15,000</u>	
			<u>31,124</u>
			120,170
Decreased by:			
Due to State - Unemployment Claims			<u>40,990</u>
Balance - December 31, 2023		\$	<u><u>79,180</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Reserve for Affordable Housing

Affordable Housing Trust Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$	988,605
Increased by:			
COAH Development Fees Collected	\$	27,230	
Interest on Investments		<u>33,879</u>	
			<u>61,109</u>
			1,049,714
Decreased by:			
Cash Disbursements			<u>31,595</u>
Balance - December 31, 2023		\$	<u><u>1,018,119</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Reserve for Open Space Expenditures

Open Space Trust Fund

Year Ended December 31, 2023

	<u>Unallocated Reserve</u>
Balance - December 31, 2022	\$ 216,538
Increased by:	
Open Space Tax Levy	\$ 77,044
Open Space Tax Levy - Added	726
Interest on Investments	<u>7,920</u>
	<u>85,690</u>
Balance - December 31, 2023	<u><u>\$ 302,228</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Contributions Receivable - Length of Service Awards Program

Trust Funds

Year Ended December 31, 2023

Balance - December 31, 2022	\$ 44,237
Increased by:	
2023 Contributions	<u>36,150</u>
	80,387
Decreased by:	
Cash Received	<u>44,237</u>
Balance - December 31, 2023	<u><u>\$ 36,150</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Reserve for Expenditures - Length of Service Award Program

Trust Funds

Year Ended December 31, 2023

Balance - December 31, 2022		\$	1,549,427
Increased by:			
Contributions	\$	36,150	
Interest Earned		11,257	
Investment Income		<u>256,577</u>	
			<u>303,984</u>
			1,853,411
Decreased by:			
Distributions			<u>70,546</u>
Balance - December 31, 2023		\$	<u><u>1,782,865</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Cash

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$	2,199,791
Increased by Receipts:			
Interfunds	\$	1,528,685	
Bond Anticipation Notes		2,721,000	
Premium on Bond Anticipation Notes		88,275	
Refunds		<u>12,349</u>	
			<u>4,350,309</u>
			6,550,100
Decreased by Disbursements:			
Improvement Authorizations	\$	2,010,095	
Contracts Payable		1,633,558	
Interfunds		<u>798,520</u>	
			<u>4,442,173</u>
Balance - December 31, 2023		\$	<u><u>2,107,927</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Analysis of Cash

General Capital Fund

Year Ended December 31, 2023

Due from Current Fund	\$	(1,130,843)
Grants Receivable		(9,344,663)
Capital Improvement Fund		256,350
Reserve for:		
Contracts Payable		2,345,647
Sewer I & I		21,696
Fund Balance		953,498

Improvement Authorizations:

Ordinance

<u>Number</u>	<u>Improvement Description</u>	
721/802	Improvements to Various Roads	(50)
1092	Improvement Fairfield Pump Station	(429,797)
1098	Various Road Improvements	(82,344)
1099	2010 Road Program	10,074
1100	Sanitary Sewer Improvements	(142,500)
1102	Strom Drain System Improvements	70
1126/1160	Paving of Stanley Street	(41,518)
1147	Flood Mitigation Acquisition or Reconstruction	(181,104)
1150	Refunding Ordinance - Hurricane Irene	(24)
1204/1267	Stormwater Improvements - Morningside Circle	(496,801)
1253	2016 Road Resurfacing Program	26,537
1255	Acquisition of Integrated Body and Car Camera System	15,949
1264	Acquisition of Generator at Recreation Center	(24,665)
1286	Acquisition and Demolition of Flood Prone Properties in the Singac Section	4,990,410
1289	Undertaking of Public Improvement and the Acquisition of New Automotive Vehicles	56,940
1352	2019 Road Improvement Program	(7,500)
1356	Streetscape Improvements Project, Phase I	700,000
1359	Acquisition of Property for Construction of Stormwater Pump Station	216,579

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Analysis of Cash

General Capital Fund

Year Ended December 31, 2023

1381	Tax Appeal Refunding Ordinance	36,958
1383/1389	Supplemental Approp. To 1383	85,216
1384	Acquisition of Property for Public Parking	205,202
1388	Streetscape Improvements Project, Phases II and III	696,945
1407	Various Public Improvements	608
1409	Hemlock Road Improvements	498,094
1410	Undertaking of Streetscape Imps. At Main Street	83,026
1411	Traffic Light at Francisco & Cedar Grove Road	406,579
1412	Various Improvements At Duva Field	305,827
1437	Imps. To Wilmore Park	142,687
1438	2022 Road Improvement Program	3,861
1439	Various Public Improvements	52,537
1440	Upgraded to the 911 Communication System, Police, EMS and Fire Departments	1,707
1441	Streetscape Imps. At Main Street (Phase III)	479
1459	Various Public Improvements	191,103
1460	2023 Road Improvement Program	111,621
1461	Construction of a Municipal Parking Lot	151,830
1462	Supp. 1437: Various Imps. To Wilmore Park	242,144
1463	Acquisition of New Pumper Fire Engine	(768,240)
1465	Construction of a New EMS Building	68,567
1471	Streetscape Imps at Main St. (Maple to Van Ness Ave.)	737,452
1472	Streetscape Imps at Stevens Ave (Main to Walnut Sts.)	392,882
1473	Streetscape Imps at Union Ave (Main to Walnut Sts.)	748,901
		\$ 2,107,927

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Due from/(to) Current Fund

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022		\$	620,234
Increased by:			
Budget Appropriations:			
Interest on Notes	\$	198,520	
Capital Improvement Fund		300,000	
Grants Received		1,140,774	
Cash Disbursements		<u>600,000</u>	
			<u>2,239,294</u>
			2,859,528
Decreased by:			
Interest on Deposits	\$	28,685	
Capital Surplus		200,000	
Cash Receipts		<u>1,500,000</u>	
			<u>1,728,685</u>
Balance - December 31, 2023		\$	<u><u>1,130,843</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

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

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ 23,004,000
Decreased by:	
Bonds Paid by Budget Appropriations	<u>1,525,000</u>
Balance - December 31, 2023	<u>\$ 21,479,000</u>

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

General Capital Fund

Year Ended December 31, 2023

Ordinance Number	Improvement Description	Balance Dec. 31, 2022	2023 Authorizations	Decreased By:	Balance Dec. 31, 2023	Analysis of Balance		
						Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
721/802	General Improvements:	\$	50		50		50	
856	Improvements to Various roads	971						
1092	Morris Canal Pedestrian Way & Preserve	1,300,000		971	1,300,000		429,797	870,203
1098	Improvement Fairfield Pump Station	82,344			82,344		82,344	
1100	Various Road Improvements	142,500			142,500		142,500	
1100	Sanitary Sewer Improvements	62,000			62,000		41,518	20,482
1126/1160	Paving of Stanley Street	181,104			181,104		181,104	
1147	Flood Mitigation Acquisition or Reconstruction	24			24		24	
1150	Refunding Ordinance - Hurricane Irene	542,745		542,745				
1151	FEMA Flood Mitigation Project	504,200		7,399	496,801		496,801	
1204/1267	Stormwater Improvements - Morningside Circle	80,000		80,000				
1221	Crane Street Project	25,957		1,292	24,665		24,665	
1264	Acquisition of Generator at Recreation Center	7,500			7,500		7,500	
1352	2019 Road Improvement Program	260,000			260,000			
1381	Tax Appeal Refunding Ordinance	2,988		259,113	887			887
1383/1389	Synthetic Turf Field Multipurpose Athletic Field	1,000			1,000			1,000
1384	Acquisition of Real Property for Public Parking	607,500			607,500	607,500		
1407	Various Public Improvements	641,250			641,250	641,250		
1408	2021 Road Improvement Program	570,000			570,000	570,000		
1409	Improvements to Hemlock Road	434,000			434,000	434,000		
1410	Undertaking of Streetscape Imps. At Main Street	475,000			475,000	475,000		
1411	Installation of a Traffic Signal - Francisco & Cedar Grove Rd	735,500			735,500	735,250		250
1412	Various Improvements at Duva Field	95,000			95,000	95,000		95,000
1437	Improvements to Wilmore Park	475,000			475,000	475,000		
1438	2022 Road Improvement Program	522,500			522,500	454,551		67,949
1439	Various Public Improvements	807,500			807,500	807,500		
1440	Upgraded to the 911 Communication System, Police, EMS and Fire Departments	562,000			562,000	562,000		
1441	Streetscape Imps. at Main Street (Phase III)		332,500					95,000
1459	Various Public Improvements		475,000					
1460	2023 Road Improvement Program		475,000					
1461	Construction of a Municipal Parking Lot		475,000					
1462	Supp. 1437: Various Imps. to Wilmore Park		950,000					950,000

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2023

Ordinance Number	Improvement Description	Balance			Decreased By:		Analysis of Balance		
		Dec. 31, 2022	2023 Authorizations	Dec. 31, 2023			Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
1463	Acquisition of New Pumper Fire Engine		840,000	840,000				768,240	71,760
1465	Construction of a New EMS Building		1,710,000	1,710,000					1,710,000
1471	Streetscape Imps at Main St. (Maple to Van Ness Ave.)		750,000	750,000			500,000		250,000
1472	Streetscape Imps at Stevens Ave (Main to Walnut Sts.)		280,860	280,860					280,860
1473	Streetscape Imps at Union Ave (Main to Walnut Sts.)		235,000	235,000			234,449		551
		\$ 9,118,633	6,048,360	14,275,473	891,520		7,684,000	2,174,543	4,416,930

Improvement Authorizations \$ 6,048,360

Paydown on Notes - Budget Appropriation \$ 259,113
Cancelled via Resolution 632,407

\$ 891,520

Improvement Authorizations - Unfunded \$ 6,958,651
Less: Unexpended Proceeds of Bond Anticipation Notes

Ordinance:

1407	608
1409	498,094
1410	83,026
1411	406,579
1412	305,827
1438	3,861
1439	52,537
1440	1,707
1441	479
1459	191,103
1460	111,621
1461	151,830
1471	500,000
1473	234,449

2,541,721

\$ 4,416,930

TOWNSHIP OF LITTLE FALLS, N.J.
 Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2023

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2023	Interest Rate	Balance Dec. 31, 2022	Decreased	Balance Dec. 31, 2023
General Bonds	7/28/2010	3,599,000	8/1/2024	201,000	1.66-6.54%	\$ 1,885,000	1,694,000
			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%		
General Bonds	8/15/2015	8,754,000	8/15/2024-25	500,000	4.000%	6,964,000	6,500,000
			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			380,000	380,000	
General Bonds	8/1/2021	14,250,000	8/1/2024	935,000	0.500%	13,775,000	13,285,000
			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%		
					\$ 23,004,000	1,525,000	21,479,000

TOWNSHIP OF LITTLE FALLS

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2023

Ord. No.	Improvement Description	Date of Issue of Original Notes	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31 2022	Increased	Decreased	Balance Dec. 31, 2023
1381	Tax Appeal Refunding Ordinance	8/6/2020	6/30/2022	2/15/2023	\$	259,113		259,113	
1407	Various Public Improvements	12/21/2021	12/15/2022	12/13/2024	5.00%	607,500	607,500	607,500	607,500
1408	2021 Road Improvement Program	12/21/2021	12/15/2022	12/13/2024	5.00%	641,250	641,250	641,250	641,250
1409	Improvements to Hemlock Road	12/21/2021	12/15/2022	12/13/2024	5.00%	570,000	570,000	570,000	570,000
1410	Undertaking of Streetscape Imps. at Main Street	12/21/2021	12/15/2022	12/13/2024	5.00%	434,000	434,000	434,000	434,000
1411	Installation of a Traffic Signal - Francisco & Cedar Grove Rd	12/21/2021	12/15/2022	12/13/2024	5.00%	475,000	475,000	475,000	475,000
1412	Various Improvements at Duva Field	12/21/2021	12/15/2022	12/13/2024	5.00%	735,250	735,250	735,250	735,250
1438	2022 Road Improvement Program	12/15/2022	12/15/2022	12/13/2024	5.00%	475,000	475,000	475,000	475,000
1439	Various Public Improvements	12/15/2022	12/15/2022	12/13/2024	5.00%	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	12/13/2024	5.00%	807,500	807,500	807,500	807,500
1439	Various Public Improvements	12/15/2023	12/15/2023	12/13/2024	5.00%		237,051		237,051
1441	Streetscape Imps. at Main Street (Phase III)	12/15/2023	12/15/2023	12/13/2024	5.00%		562,000		562,000
1459	Various Public Improvements	12/15/2023	12/15/2023	12/13/2024	5.00%		237,500		237,500
1460	2023 Road Improvement Program	12/15/2023	12/15/2023	12/13/2024	5.00%		475,000		475,000
1461	Construction of a Municipal Parking Lot	12/15/2023	12/15/2023	12/13/2024	5.00%		475,000		475,000
1471	Streetscape Imps at Main St. (Maple to Van Ness Ave.)	12/15/2023	12/15/2023	12/13/2024	5.00%		500,000		500,000
1473	Streetscape Imps at Union Ave (Main to Walnut Sts.)	12/15/2023	12/15/2023	12/13/2024	5.00%		234,449		234,449
						\$ 5,222,113	7,684,000	5,222,113	7,684,000
						Cash \$ 2,721,000			
						Renewed 4,963,000		4,963,000	
								259,113	
									\$ 7,684,000
									5,222,113

Paydown on Notes - Budget Appropriation

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Contracts Payable

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	1,633,558
Increased by:		
Contracts Awarded		<u>2,345,647</u>
		3,979,205
Decreased by:		
Contracts Paid		<u>1,633,558</u>
Balance - December 31, 2023	\$	<u><u>2,345,647</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2023

Ordinance Number	Improvement Description	Date Authorized	Ordinance Amount	Balance Dec. 31, 2022		2023 Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2023	
				Funded	Unfunded				Funded	Unfunded
General Improvements:										
856	Morris Canal Pedestrian Way & Preserve		190,000 \$	5,609	971			6,580		
904/935/947	Construction New Municipal Building		100,000	4,852				4,852		
1020/1086/1149/1155	Construction of New Justice Complex		450,000	2,109				2,109		
1071	Storm Sewer Improvements		425,000	496				496		
1092	Improvement Fairfield Pump Station		1,300,000		726,183		(144,020)			870,203
1099	2010 Road Program		250,000	10,074					10,074	
1102	Storm Drain System Improvements		400,000	70					70	
1121	Elevation of Homes		364,770	10,408				10,408		
1126/1160	Paving of Stanley Street		40,000		20,482					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	285,871	542,745			828,616		
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					
1212	Acquisition of Fire Engine		650,000	6,513				7,399		
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	122,507	80,000			202,507		
1234	Acquisition of Self Contained Breathing Apparatus		545,000	595				595		
1253	2016 Road Resurfacing Program		320,000	6,340				6,341		26,537
1255	Acquisition of Integrated Body and Car Camera System		155,000	15,949						15,949
1264	Acquisition of Generator at Recreation Center		120,000		1,292			1,292		
1272	Duwa Park Improvements		700,000	143				143		
1286	Acquisition and Demolition of Flood-Prone Properties in the Singac Section		11,966,155	4,990,410						4,990,410
1289	Undertaking of a Public Improvement and the Acquisition of New Automotive Vehicles		465,000	53,574			(3,366)			56,940

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2023

Ordinance Number	Improvement Description	Date Authorized	Ordinance Amount	Balance Dec. 31, 2022		2023 Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2023	
				Funded	Unfunded				Funded	Unfunded
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 Woodcliff Avenue		675,000	82,731				82,731		
1322	Reconstruction of the Ridge Avenue Dead End		150,000	8				8		
1323	2018 Road Improvement Program		300,000	566				566		
1324	Stormwater Drainage Improvements		400,000	26				26		
1325	Various Public Improvements		420,000	926				926		
1331	Reconstruction of Donato Drive		750,000	68,336				68,336		
1336	Acquisition of Real Property		375,000	3				3		
1350	Sanitary Sewer Improvements	Apr. 8 2019	300,000	846				846		
1351	Reconstruction of Coney Road and Veranda Street	Apr. 8 2019	325,000	8,140				8,140		
1352	2019 Road Improvement Program	Apr. 8 2019	675,000	52,186	7,500		59,686		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	216,579						216,579
1360	Acquisition of Property for Public Parking	Jun. 10, 2019	450,000	103				103		
1381	Tax Appeal Refinding Ordinance	April 13, 2020	790,000		37,845				36,958	887
1383/1389	Synthetic Turf Field Multipurpose Athletic Field	Aug. 24, 2020	3,500,000	81,183	2,988		(4,033)		85,216	2,988
1384	Acquisition of Property for Public Parking	May 4, 2020	500,000	210,140	1,000		4,938		205,202	1,000
1385	Reconstruction of Portion of Micklejohn Avenue	May 4, 2020	150,000	32,114				32,114		
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	841,282			144,337		696,945	608
1407	Various Public Improvements	May 24, 2021	640,000		40,061		39,453			
1408	2021 Road Improvements	May 24, 2021	675,000							
1409	Hemlock Road Improvements	May 24, 2021	600,000		531,501		33,407			498,094
1410	Streetscape Imps. To Main Street, Phase 4 & 6	May 24, 2021	1,000,000	140,539	434,000		491,513			83,026
1411	Traffic Light at Francisco & Cedar Grove Road	May 24, 2021	500,000		471,576		64,997			406,579
1412	Various Improvements at Duva Field	May 24, 2021	1,075,000		342,974		36,897			306,077
1437	Improvements to Wilmore Park	April 25, 2022	250,000	148,234	95,000		5,547		142,687	95,000
1438	2022 Road Improvement Program	April 25, 2022	500,000		331,846		327,985			3,861
1439	Various Public Improvements	April 25, 2022	550,000		237,051		116,565			120,486

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2023

Ordinance Number	Improvement Description	Date Authorized	Ordinance Amount	Balance Dec. 31, 2022		2023 Authorizations	Paid or Charged	Cancelled	Balance Dec. 31, 2023	
				Funded	Unfunded				Funded	Unfunded
1440	Upgraded to the 911 Communication System, Police, EMS and Fire Departments	April 25, 2022	850,000		281,136		279,429			1,707
1441	Streetscape Imps. at Main Street (Phase III)	April 25, 2022	1,175,000	522,746	562,000		1,084,267			479
1459	Various Public Improvements	May 22, 2023	350,000			350,000	63,897			286,103
1460	2023 Road Improvement Program	Jun. 6, 2023	500,000			500,000	388,379			111,621
1461	Construction of a Municipal Parking Lot	Jun. 6, 2023	500,000			500,000	348,170			151,830
1462	Supp. 1437: Various Imps. to Wilmore Park	Jun. 6, 2023	1,250,000			1,250,000	57,856			950,000
1463	Acquisition of New Pumper Fire Engine	Jun. 6, 2023	885,000			885,000	813,240			71,760
1465	Construction of a New EMS Building	Jul. 24, 2023	1,800,000			1,800,000	21,433			1,710,000
1471	Streetscape Imps at Main St. (Maple to Van Ness Ave.)	Oct. 16, 2023	1,050,000			1,050,000	62,548			750,000
1472	Streetscape Imps at Stevens Ave (Main to Walnut Sts.)	Oct. 16, 2023	750,000			750,000	76,258			280,860
1473	Streetscape Imps at Union Ave (Main to Walnut Sts.)	Oct. 16, 2023	750,000			750,000	548			235,000
				<u>\$ 8,708,788</u>	<u>4,755,550</u>	<u>7,835,000</u>	<u>4,343,393</u>	<u>1,358,230</u>		<u>8,639,064</u>

Grant Receivable - NJ Department of Transportation	\$ 252,500
Passaic County Open Space Grant	1,284,140
Deferred Charges - Unfunded	250,000
	<u>6,048,360</u>

\$ 7,835,000

Cash Disbursed	\$ 2,010,095
Contracts Payable	2,345,647
Refund	<u>(12,349)</u>

\$ 4,343,393

Deferred Charges - Unfunded	\$ 632,407
Fund Balance	<u>725,823</u>

\$ 1,358,230

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Grants Receivable

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ 8,951,297
Increased by:	
Grants Awarded	<u>1,534,140</u>
	10,485,437
Decreased by:	
Interfund	<u>1,140,774</u>
Balance - December 31, 2023	<u>\$ 9,344,663</u>

<u>Analysis of Balance</u>				
		<u>Pledged to</u>		
		<u>Reserve</u>	<u>Improv. Auth.</u>	<u>Total</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)			<u>85,000</u>	<u>85,000</u>
		<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)			864,455	864,455
DOT (Ord. 1412)			255,621	255,621
DOT (Ord. 1441)			145,750	145,750
DOT (Ord. 1471)			300,000	300,000
DOT (Ord. 1472)			469,140	469,140
DOT (Ord. 1473)			515,000	515,000
NJDEP (Ord. 1383)			750,000	750,000
NJDEP (Ord. 1386)			<u>6,000</u>	<u>6,000</u>
		<u>-</u>	<u>3,828,653</u>	<u>3,828,653</u>
<u>Local</u>				
Passaic County (Ord. 1216)			17,173	17,173
Passaic County (Ord. 1437)			150,000	150,000
Passaic County (Ord. 1462)			<u>250,000</u>	<u>250,000</u>
		<u>-</u>	<u>417,173</u>	<u>417,173</u>
	\$	<u>-</u>	<u>9,344,663</u>	<u>9,344,663</u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Capital Improvement Fund

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$	208,850
Increased by:		
Interfund		<u>300,000</u>
		508,850
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>252,500</u>
Balance - December 31, 2023	\$	<u><u>256,350</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Reserve for Sewer I & I

General Capital Fund

Year Ended December 31, 2023

Balance - December 31, 2022	\$ <u>21,696</u>
Balance - December 31, 2023	\$ <u><u>21,696</u></u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2023

Ordinance Number	Improvement Description	Balance Dec. 31, 2022	2023 Authorizations	Decreased	Balance Dec. 31, 2023
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		7,399	496,801
1221	Crane Street Project	80,000		80,000	
1264	Acquisition of Generator at Recreation Center	25,957		1,292	24,665
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 Improvements at Duva Field	250			250
1437	Improvements to Wilmore Park	95,000			95,000
1439	Various Public Improvements	305,000		237,051	67,949
1441	Streetscape Imps. at Main Street (Phase III)	562,000		562,000	
1459	Various Public Improvements		332,500	237,500	95,000
1460	2023 Road Improvement Program		475,000	475,000	
1461	Construction of a Municipal Parking Lot		475,000	475,000	
1462	Supp. 1437: Various Imps. to Wilmore Park		950,000		950,000
1463	Acquisition of New Pumper Fire Engine		840,000		840,000
1465	Construction of a New EMS Building		1,710,000		1,710,000
1471	Streetscape Imps at Main St. (Maple to Van Ness Ave.)		750,000	500,000	250,000
1472	Streetscape Imps at Stevens Ave (Main to Walnut Sts.)		280,860		280,860
1473	Streetscape Imps at Union Ave (Main to Walnut Sts.)		235,000	234,449	551
		<u>\$ 3,896,520</u>	<u>6,048,360</u>	<u>3,353,407</u>	<u>6,591,473</u>
			Cancelled \$	632,407	
			Bond Anticipation Notes Issued	<u>2,721,000</u>	
				<u>\$ 3,353,407</u>	

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Cash

Public Assistance Fund

Year Ended December 31, 2023

	<u>PATF Account #2</u>	<u>Total</u>
Balance - December 31, 2022	\$ 7,102	\$ 7,102
Increased by Receipts:		
State Aid	<u>19,000</u>	<u>19,000</u>
	26,102	26,102
Decreased by Disbursements:		
Public Assistance Payments	<u>9,695</u>	<u>9,695</u>
Balance - December 31, 2023	<u>\$ 16,407</u>	<u>\$ 16,407</u>

Schedule of Reserve for Public Assistance

Public Assistance Fund

Year Ended December 31, 2023

	<u>PATF Account #2</u>	<u>Total</u>
Balance - December 31, 2022	\$ 7,102	\$ 7,102
Increased by Receipts:		
State Aid	<u>19,000</u>	<u>19,000</u>
	26,102	26,102
Decreased by Disbursements:		
Public Assistance Payments	<u>9,695</u>	<u>9,695</u>
Balance - December 31, 2023	<u>\$ 16,407</u>	<u>\$ 16,407</u>

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Revenues

Public Assistance Fund

Year Ended December 31, 2023

	PATF Account #2 (100%)	Fund Total
State Aid	\$ <u>19,000</u>	\$ <u>19,000</u>
Total Revenues	\$ <u><u>19,000</u></u>	\$ <u><u>19,000</u></u>

Schedule of Expenditures

Public Assistance Fund

Year Ended December 31, 2023

	PATF Account #2 (100%)	Fund Total
Current Year Assistance		
Public Assistance Payments	\$ <u>9,695</u>	\$ <u>9,695</u>
Total Expenditures	\$ <u><u>9,695</u></u>	\$ <u><u>9,695</u></u>

TOWNSHIP OF LITTLE FALLS

PART II

LETTERS ON INTERNAL CONTROL AND COMPLIANCE

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023



WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
PAUL J. CUVA, CPA, RMA, PSA
JAMES J. CERULLO, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-7900
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

**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 County of Passaic as of and for the year ended December 31, 2023 and the related notes to the financial statements, and have issued our report thereon dated April 8, 2024, 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 control that is less severe



Honorable Mayor and
Members of the Township Council
Page 2.

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

April 8, 2024





WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
PAUL J. CUVA, CPA, RMA, PSA
JAMES J. CERULLO, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-7900
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

**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 in the County of Passaic's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the N.J. Office of Management and Budget Circular 15-08 Compliance Supplement that could have a direct and material effect on each of the Township of Little Falls' major federal and state programs for the year ended December 31, 2023. Township of Little Falls' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, 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 and state programs for the year ended December 31, 2023.

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) and N.J. OMB Circular 15-08. 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 and state programs. 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 and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on 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 and N.J. OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional 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 judgement made by a reasonable user of the report on compliance about Township of Little Falls' compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance, and N.J. OMB Circular 15-08, 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 and N.J. OMB Circular 15-08, 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 no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and N.J. OMB Circular 15-08.

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 and state 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 and state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

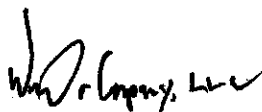
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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



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



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

April 8, 2024



TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2023

Federal Program	Assistance Listing Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Cash Received/ Revenue Realized	MEMO	
							Expenditures	Cumulative Total Expenditures
General Capital Fund:								
U.S. Department of Homeland Security								
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		*	2,655,108
Flood Mitigation Assistance Program (Ord. 1286)	97.029		1200-100-B90-15	2017	6,063,852		*	6,063,852
Total Department of Homeland Security								
							*	25,500
							*	17,187,026
U.S. Department of Housing and Urban Development								
Community Development Block Grant								
Ord. 1354: ADA Ramp Imps. at the Civic Center	14.218			2019	85,000		*	
Ord. 1385: Reconstruction of Micklejohn Avenue	14.218			2020	85,000		*	85,000
Total Department of Housing and Urban Development								
							*	85,000
Total General Capital Fund								
							*	25,500
							*	17,272,026
Federal and State Grant Fund:								
U.S. Department of Justice								
Bulletproof Vest Fund	16.607			2016	2,532		*	
Bulletproof Vest Fund	16.607			2020	3,018		*	2,623
Bulletproof Vest Fund	16.607			2023	1,381	1,381	*	2,566
Total Department of Justice								
						1,381	*	5,189
U.S. Department of Transportation								
Drive Sober or Get Pulled Over	20.601		100-066-1160-157	2012	4,400		*	175
Drive Sober or Get Pulled Over	20.601		100-066-1160-157	2018	5,500		*	5,500
U Text, U Drive, U Pay	20.601		AL-18-45-04-MH-90	2019	5,500		*	5,500
U Text, U Drive, U Pay	20.601		AL-18-45-04-MH-90	2022	7,000		*	
U Text, U Drive, U Pay	20.601		AL-18-45-04-MH-90	2023	7,000	7,000	*	
U Text, U Drive, U Pay	20.601		AL-18-45-04-MH-90	2024	7,000	7,000	*	

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2023

	Assistance Listing Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Cash Received/Revenue Realized	Expenditures	MEMO Cumulative Total Expenditures
<u>Federal Program</u>								
Click It or Ticket	20.600		100-066-1160-119	2020	5,000	7,000	3,135 *	6,270
Click It or Ticket	20.600		100-066-1160-119	2021	7,000	7,000 *	7,000 *	7,000
Click It or Ticket	20.600		100-066-1160-119	2022	6,000	6,000 *	6,000 *	6,000
Click It or Ticket	20.600		100-066-1160-119	2023	7,000	7,000 *	*	*
Total Department of Transportation						28,000	27,310 *	34,670
<u>U.S. Department of Treasury</u>								
Passed-through the County of Passaic: Coronavirus Relief Fund (CARES Act)	21.019			2020	842,110		*	799,526
ARP - Assistance to Firefighters	97.048		EMW2023FP00201	2023	26,000		26,000 *	26,000
Total Department of Treasury							26,000 *	825,526
Total Federal and State Grant Fund						29,381	53,310 *	865,385
<u>Current Fund:</u>								
Department of Community Affairs American Rescue Plan	21.027	022-2021-8030-100-687		2021	1,514,972		757,486 *	1,514,972
Total Current Fund							757,486 *	1,514,972
<u>Trust Funds:</u>								
U.S. Department of Justice Federal Equitable Sharing Funds	16.922			2019	933		*	*
Total Trust Funds							*	*
Total Federal Awards						\$ 29,381	836,296	19,652,383

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, 2023

	<u>Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Cash Received</u>	<u>Budgetary Expenditures</u>	<u>Cancellation</u>	<u>MEMO Cumulative Total Expenditures</u>
<u>State Grant Program</u>							
<u>General Capital Fund:</u>							
<u>Department of Environmental Protection</u>							
Ordinance 1383 - Synthetic Turf Athletic Field (Green Acres)		2020	750,000 \$				* 750,000
Ordinance 1386 - Charging Station for Electric Cars		2020	6,000				* 6,000
Total Department of Environmental Protection							* 756,000
<u>New Jersey Department of Transportation</u>							
Ordinance 1221 - Imps. To Crane Street	6320-480-AL5	2015	215,000		6,000		* 208,462
Ordinance 1300 - Reconstruction of Woodcliff Avenue		2017	483,708				* 458,478
Ordinance 1331 - Reconstruction of Donato Drive		2018	600,000				* 600,000
Ordinance 1356 - Downtown Streetscape Imps.		2019	700,000				* 688,115
Ordinance 1388 - Downtown Streetscape Imps.		2020	1,283,000	418,545	645,989		* 540,600
Ordinance 1410 - Main Street Streetscape Imps.		2021	540,600	284,979	301,105		* 583,000
Ordinance 1441 - Main Street Streetscape Imps. (Phase III)		2022	583,000	437,250	583,000		* 9,710
Ordinance 1471 - Streetscape Imps at Main St. (Maple to Van Ness Ave.)		2023	300,000				* 515,000
Ordinance 1472 - Streetscape Imps at Stevens Ave (Main to Walnut Sts.)		2023	469,140		9,710		* 1,140,774
Ordinance 1473 - Streetscape Imps at Union Ave (Main to Walnut Sts.)		2023	515,000				* 1,545,804
Total Department of Transportation							* 3,088,365
Total General Capital Fund							* 3,844,365
<u>Federal and State Grant Fund:</u>							
<u>Department of Law and Public Safety</u>							
Drunk Driving Enforcement Fund	100-078-6400-443	2017	21,625		39		* 21,625
Drunk Driving Enforcement Fund	100-078-6400-443	2018	34,310		1,680		* 24,647
Drunk Driving Enforcement Fund	100-078-6400-443	2019	12,908				* 10,070
Drunk Driving Enforcement Fund	100-078-6400-443	2021	10,070				* 61,140
Body-Worn Cameras Grant	21-BWC-369-DEL 1-5	2021	61,140		10,775		* 12,494
Total Department of Law and Public Safety							* 88,862

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Expenditures of State and Local Financial Assistance

Year ended December 31, 2023

	Grant Number	Grant Period	Award Amount	Cash Received	Budgetary Expenditures	Cancellation	MEMO	
							Total Expenditures	Cumulative Total Expenditures
<u>State Grant Program</u>								
<u>Department of the Judiciary</u>								
Alcohol Education and Rehabilitation Program	4250-760-05000-063-260	2018	15,770		2,117	*	15,770	*
Alcohol Education and Rehabilitation Program	4250-760-05000-063-260	2019	10,253		1,504	*	5,688	*
Alcohol Education and Rehabilitation Program	4250-760-05000-063-260	2020	16,899			*		*
Alcohol Education and Rehabilitation Program	4250-760-05000-063-260	2021	5,084			*		*
Alcohol Education and Rehabilitation Program	4250-760-05000-063-260	2023	389	389		*		*
			389	389	3,621	*	21,458	*
<u>Total Department of Law and Public Safety</u>								
<u>Department of Environmental Protection</u>								
Clean Communities Act	4900-765-178900	2016	25,046			*	25,046	*
Clean Communities Act	4900-765-178900	2017	21,278		2,112	*	14,212	*
Clean Communities Act	4900-765-178900	2019	22,723			*		*
Clean Communities Act	4900-765-178900	2020	20,490			*		*
Clean Communities Act	4900-765-178900	2021	21,814			*		*
Clean Communities Act	4900-765-178900	2022	21,766			*		*
Clean Communities Act	4900-765-178900	2023	24,413	24,413		*		*
						*		*
Recycling Tonnage Grant	4900-752-178840-61	2018	21,882			*	18,623	*
Recycling Tonnage Grant	4900-752-178840-61	2019	19,595			*		*
Recycling Tonnage Grant	4900-752-178840-61	2021	20,813			*		*
Recycling Tonnage Grant	4900-752-178840-61	2022	18,416			*		*
Recycling Tonnage Grant	4900-752-178840-61	2023	15,597	15,597		*		*
						*		*
Body Armor Replacement Grant	718-066-1020-001	2019	3,048			*	3,048	*
Body Armor Replacement Grant	718-066-1020-001	2021	2,219		1,366	*	2,219	*
Body Armor Replacement Grant	718-066-1020-001	2022	3,628		2,846	*	2,847	*
Body Armor Replacement Grant	718-066-1020-001	2023	2,420	2,420		*		*
						*		*
Municipal Alliance Program	2000-100-082-C001-044	2019	22,440			*	16,904	*
Municipal Alliance Program	2000-100-082-C001-044	2020	22,440			*	14,997	*
Municipal Alliance Program	2000-100-082-C001-044	2021	6,208			*	3,348	*
Municipal Alliance Program	2000-100-082-C001-044	2022	22,440			*		*
						*		*
Peckman River Grant		2001				*	(15,095)	*
						*	90,145	*

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Expenditures of State and Local Financial Assistance

Year ended December 31, 2023

	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	10,207			*	2,775
Municipal Stormwater Regulation	100-042-4840-091	2007	2,552			*	2,459
Municipal Stormwater Regulation	100-042-4850-099	2023	15,000	15,000		*	
Safe Corridors	6100-100-051-13	2017	41,721		1,355	*	41,721
Safe Corridors	6100-100-051-13	2018	30,110		15,797	*	30,109
Safe Corridors	6100-100-051-13	2022	64,366		25,823	*	25,823
Louis Street Park Grant		2012	3,733			(1,267)	2,466
Total Department of Environmental Protection				57,430	49,299	(16,362)	296,742
Special Legislative Grant		2001	180,000			(7,689)	172,311
Main Street/Route 23 Curbs & Sidewalks	01-100-022-8030-196-FFFF-6120						
Total Federal and State Grant Fund				57,819	65,414	(24,051)	579,373
<u>Public Assistance Fund:</u>							
Department of Human Services							
General Welfare Assistance		2023	34,743	19,000	9,695	*	25,438
Total Public Assistance Fund	100-054-7550-250			19,000	9,695	*	25,438
Total State Assistance				1,217,593	1,620,913	(24,051)	4,449,176
<u>Local Assistance</u>							
Federal and State Grant Fund							
FM Global Fire Prevention Grant			1,500			*	1,500
Tennis Grant			175			(175)	
Firehouse Subs Public Safety Foundation, Inc.			14,084		445	*	14,084
Passaic County Stigma Free Grant		2022	445			*	445
National Opioid Settlement		2023		11,742		*	
National Opioid Settlement					445	(175)	
Total Federal and State Grant Fund				11,742	445	(175)	16,029

TOWNSHIP OF LITTLE FALLS, N.J.

Schedule of Expenditures of State and Local Financial Assistance

Year ended December 31, 2023

	Grant Number	Grant Period	Award Amount	Cash Received	Budgetary Expenditures	Cancellation	MEMO Cumulative Total Expenditures
<u>State Grant Program</u>							
<u>General Capital Fund</u>							
Passaic County Open Space for Railroad Avenue Park Imps.	Ord 1216		25,000				*
Passaic County Open Space for Willow Park Imps.	Ord 1437		150,000				*
Passaic County Open Space for Willow Park Imps. (Phase III)	Ord 1462		250,000				*
Total General Capital Fund				<u>11,742</u>	<u>445</u>	<u>(175)</u>	<u>16,029</u>
<i>Total Local Assistance</i>							
				<u>\$ 1,229,335</u>	<u>1,621,358</u>	<u>(24,226)</u>	<u>4,465,205</u>

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, 2023**

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>Local</u>	Total
Current Fund	\$757,486	\$	\$	\$757,486
Federal and State Grant Fund	53,310	65,414	445	119,169
Trust Fund		9,695		9,695
General Capital Fund	<u>25,500</u>	<u>1,545,804</u>	—	<u>1,571,304</u>
Total Current Fund	<u>\$836,296</u>	<u>\$1,620,913</u>	<u>\$445</u>	<u>\$2,457,654</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, 2023
(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.

[THIS AREA IS INTENTIONALLY LEFT BLANK]

**TOWNSHIP OF LITTLE FALLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Adverse: GAAP
Modified: OCBOA

Internal control over financial reporting:

1. Significant deficiencies identified that are not considered to be material weaknesses?

_____ yes X none reported

2. Material weakness(es) identified?

_____ yes X 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?

_____ yes X none reported

2. Material weakness(es) identified?

_____ yes X no

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?

_____ yes X no

Identification of major programs:

<u>Assistance</u> <u>Listing Number(s)</u>	<u>FAIN</u> <u>Number(s)</u>	<u>Name of Federal Program of Cluster</u>
<u>21.027</u>	<u>SLRRP1040</u> (A)	<u>American Rescue Plan</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, 2023
 (continued)**

State 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:

3. Material weakness(es) identified? yes X no

4. Significant deficiencies identified that are not considered to be material weaknesses? yes X no

Any audit findings disclosed that are required to be reported in accordance with OMB Circular 15-08? yes X no

Identification of major programs:

<u>GMIS Number(s)</u>	(A)	<u>Name of Federal Program or Cluster</u>
<u>6320-480-Various</u>		<u>State Aid DOT Projects</u>

Note: (A) - Tested as Major Type A Program.

**TOWNSHIP OF LITTLE FALLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(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

None

TOWNSHIP OF LITTLE FALLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(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*, Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey 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:

Solid Waste and Recyclable Materials Collection and Disposal Services
Improvements to Stinson Place
62-66 Stanley Street Building Demolitions
Francisco Ave/Lindsley Road and Cedar Grove Road Intersection Improvements
Improvements to Mozart Avenue and Cherry Street

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 3, 2023 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 12, 2023, 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>
2023	6
2022	6
2021	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 & RECOMMENDATIONS
DECEMBER 31, 2023**

COMMENTS

Finance:

1. Quotes were not obtained for purchases exceeding the threshold as required by N.J.S.A. 40A: 11-6.1
2. There were instances in which goods and/or services were ordered prior to encumbrance.
3. There are unfunded improvement authorizations in the General Capital fund greater than five (5) years old.

Departments:

1. DCA State Training Fees due to the State are not being remitted in a timely manner. A balance of \$6,829 from the 4th quarter of 2020 has not been remitted.

Tax:

1. There were two veteran deduction applications that were missing signature approval from the Tax Assessor.
2. An adjustment for a veteran deduction was not made within a timely manner.
3. There was an instance in which subsequent tax payment was incorrectly applied to the principal amount instead of the accrued interest and/or penalty. This error led to a miscalculation of interest of the delinquent balance.

Court:

1. A review of the December monthly management report indicated the following:
 - a. There are 235 tickets eligible for FTA over 14 days.
 - b. There are 68 complaints eligible for warrant.
 - c. There are 30 complaints eligible for DSUS.

RECOMMENDATIONS

Finance:

1. That all purchases exceeding the threshold have quotes obtained as required by the Local Public Contracts Law.
2. More care should be taken to ensure goods and/or services are not ordered prior to encumbrance.
3. General Capital Fund Improvement Authorizations greater than five years old should be funded through a budget appropriation or the issuance of debt in order to fund cash deficits created by an ordinance expenditure.

**TOWNSHIP OF LITTLE FALLS
COMMENTS & RECOMMENDATIONS
DECEMBER 31, 2023**

RECOMENDATIONS (Continued)

Departments:

1. All fees collected for DCA State Training Fees should be remitted to the State in a timely manner.

Tax:

1. That more care be taken to ensure all applications have proper signature approval.
2. All approved veteran deductions be adjusted in the tax system in a timely manner.
3. Payments made on delinquent tax accounts should be applied to accrued interest and/or penalties prior to being applied to principal balances.

Court:

1. The ATS/ACS Monthly Management Reports should be reviewed, and policies implemented to address the excessive amount of tickets and complaints that need follow-up.

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



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

April 8, 2024