

REPORT OF AUDIT
TOWNSHIP OF WEST MILFORD
COUNTY OF PASSAIC
DECEMBER 31, 2023

TOWNSHIP OF WEST MILFORD

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TOWNSHIP OF WEST MILFORD

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PART I

REPORT OF AUDIT ON FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2023



WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of West Milford
West Milford, New Jersey 07480

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 West Milford in the County of Passaic, 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 West Milford 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 West Milford, 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.

As described in Note 1 of the financial statements, the financial statements are prepared by the Township of West Milford 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 17 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 \$3,541,991.73 and \$3,161,207.71 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 balance sheets and account group as of December 31, 2023 and 2022, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statements of revenues and expenditures 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 West Milford’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of 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 West Milford's 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 the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 22, 2024 on our consideration of the Township of West Milford's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on

Honorable Mayor and
Members of the Township Council
Page 5.

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 West Milford's internal control over financial reporting and compliance.



Steven D. Wielkottz, C.P.A.
Registered Municipal Accountant
No. 413



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

July 22, 2024

Township of West Milford, N.J.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31,

| | <u>Ref.</u> | <u>2023</u> | <u>2022</u> |
|--|-------------|----------------------|----------------------|
| <u>Assets</u> | | | |
| Current Fund: | | | |
| Cash | A-4 | 20,760,270.69 | 18,982,304.38 |
| Change Funds | A-5 | 750.00 | 750.00 |
| Due to State of NJ: | | | |
| Senior Citizens and Veterans | A-14 | 11,176.00 | 15,327.30 |
| | | <u>20,772,196.69</u> | <u>18,998,381.68</u> |
| Receivables and Other Assets with Full Reserves: | | | |
| Delinquent Taxes Receivable | A-7 | 1,312,128.04 | 1,339,068.46 |
| Tax Title Liens Receivable | A-8 | 939,405.10 | 1,257,912.59 |
| Property Acquired for Taxes - | | | |
| Assessed Valuation | A-9 | 6,560,100.00 | 6,319,900.00 |
| Revenue Accounts Receivable | A-11 | 6,806.93 | 8,522.91 |
| Interfund Receivables: | | | |
| General Capital Fund | A-12 | 11,284.00 | |
| Other Trust - Payroll | A-12 | 581.63 | 2,666.74 |
| | | <u>3,830,305.70</u> | <u>3,928,070.70</u> |
| | | <u>29,602,502.39</u> | <u>27,926,452.38</u> |
| Federal and State Grant Fund: | | | |
| Grants Receivable | A-21 | 4,894,091.97 | 885,057.84 |
| Interfund - Current Fund | A-24 | 282,901.78 | 1,631,130.14 |
| | | <u>5,176,993.75</u> | <u>2,516,187.98</u> |
| | | <u>34,779,496.14</u> | <u>30,442,640.36</u> |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Township of West Milford, N.J.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31,

| | <u>Ref.</u> | <u>2023</u> | <u>2022</u> |
|---|-------------|----------------------|----------------------|
| <u>Liabilities, Reserves and Fund Balance</u> | | | |
| Current Fund: | | | |
| Appropriation Reserves | A-3/A-13 | 2,705,597.99 | 2,313,529.74 |
| Encumbrances Payable | A-15 | 1,464,355.05 | 995,177.80 |
| Prepaid Taxes | A-16 | 782,215.85 | 707,329.05 |
| Interfunds Payable | | | |
| Open Space Trust | A-12 | 1,031.68 | 1,457.60 |
| Other Trust Fund | A-12 | 265.13 | 1,207.44 |
| Assessment Trust Fund | A-12 | 2,498.38 | 2,045.15 |
| Federal and State Grant Fund | A-12 | 282,901.78 | 1,631,130.14 |
| County Taxes Payable | A-18 | 40,404.35 | 75,963.53 |
| Due to Garbage District | A-19 | 444,587.84 | 432,070.32 |
| Due to State of NJ: | | | |
| Marriage Surcharge | A-20 | 700.00 | |
| Building Surcharge | A-20 | 7,771.00 | 10,459.00 |
| Accounts Payable | A-20 | 199,211.36 | 96,227.08 |
| Tax Overpayments | A-20 | 48,687.00 | 56,074.68 |
| Deposits for the Redemption of Tax Sale Cert. | A-20 | 15,688.42 | 13,941.22 |
| Reserve for: | | | |
| Sale of Property | A-20 | 1,305,938.22 | 1,653,810.78 |
| MUA Collections | A-20 | 206,250.52 | 206,250.52 |
| MUA Dissolution | A-20 | 101,332.07 | 101,332.07 |
| Revaluation of Real Property | A-20 | 108,774.68 | 108,774.68 |
| Tax Appeals | A-20 | 48,838.31 | 48,838.31 |
| Tax Appeal Legal Fees | A-20 | 6,695.63 | 6,695.63 |
| Technology Improvements | A-20 | 4,180.42 | 2,309.50 |
| Tax Foreclosures | A-20 | 7,323.08 | 7,323.08 |
| Tennessee Pipeline | A-20 | 200,000.00 | |
| Municipal Relief Fund | A-20 | 242,295.63 | 121,173.46 |
| Salary Negotiations | A-20 | 295,428.01 | 359,379.28 |
| Senior Housing | A-20 | 6,130.09 | 6,130.09 |
| Wetlands Study | A-20 | 15,583.00 | 15,583.00 |
| Housing Standards | A-20 | 12,383.25 | 12,383.25 |
| | | <u>8,557,068.74</u> | <u>8,986,596.40</u> |
| Reserve for Receivables | Contra | 8,830,305.70 | 8,928,070.70 |
| Fund Balance | A-1 | <u>12,215,127.95</u> | <u>10,011,785.28</u> |
| | | <u>29,602,502.39</u> | <u>27,926,452.38</u> |
| Federal and State Grant Fund: | | | |
| Appropriated Reserve for Grants | A-22 | 5,137,361.08 | 1,111,212.80 |
| Unappropriated Reserve for Grants | A-23 | 39,632.67 | 1,402,475.18 |
| Interfund - Garbage District | A-24 | | 2,500.00 |
| | | <u>5,176,993.75</u> | <u>2,516,187.98</u> |
| | | <u>34,779,496.14</u> | <u>30,442,640.36</u> |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis**Current Fund****Year Ended December 31,**

| | <u>Ref.</u> | <u>2023</u> | <u>2022</u> |
|---|-------------|-----------------------|-----------------------|
| Revenues and Other Income: | | | |
| Fund Balance Utilized | A-2 | 3,681,788.00 | 3,215,395.00 |
| Miscellaneous Revenue Anticipated | A-2 | 14,408,965.25 | 8,227,026.83 |
| Receipts from Delinquent Taxes | A-2 | 1,318,827.94 | 1,070,777.19 |
| Receipts from Current Taxes | A-2 | 110,404,415.96 | 107,905,424.12 |
| Non-Budget Revenue | A-2 | 313,207.19 | 193,200.49 |
| Other Credits to Income: | | | |
| Interfunds Returned | A-12 | 2,666.74 | 688.16 |
| Canceled Grant Reserves | A-12 | 8,956.10 | 501,482.22 |
| Unexpended Balance of Appropriation Reserves | A-13 | 2,055,200.94 | 2,025,821.89 |
| Unexpended Balance of Accounts Payable | A-20 | 1,680.00 | 93,855.35 |
| Total Revenues and Other Income | | <u>132,195,708.12</u> | <u>123,233,671.25</u> |
| Expenditures: | | | |
| Budget and Emergency Appropriations: | | | |
| Operations: | | | |
| Salaries and Wages | A-3 | 13,621,018.00 | 13,329,839.00 |
| Other Expenses | A-3 | 18,094,316.20 | 13,179,704.68 |
| Capital Improvement Fund | A-3 | 465,000.00 | 604,412.00 |
| Municipal Debt Service | A-3 | 3,874,967.96 | 2,807,127.58 |
| Deferred Charges and Statutory Expenditures - | | | |
| Municipal | A-3 | 3,495,805.57 | 3,285,360.02 |
| Refund of Prior Years Revenue | A-4 | 1,699.00 | 11,933.20 |
| Interfund Advances | A-12 | 11,865.63 | 2,666.74 |
| Canceled Grant Receivable | A-12 | 8,956.10 | 482,423.04 |
| Municipal Open Space Tax | A-12 | 548,543.68 | 548,010.60 |
| Local District School Tax | A-17 | 61,345,962.00 | 59,487,773.00 |
| County Taxes including Added Taxes | A-18 | 21,468,032.01 | 21,733,339.80 |
| Garbage District Taxes | A-19 | 3,374,411.30 | 3,300,080.75 |
| Total Expenditures | | <u>126,310,577.45</u> | <u>118,772,670.41</u> |

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

Current Fund

Year Ended December 31,

| | <u>Ref.</u> | <u>2023</u> | <u>2022</u> |
|---|-------------|-----------------------------|-----------------------------|
| Excess (Deficit) Revenue Over Expenditures | | 5,885,130.67 | 4,461,000.84 |
| Adjustment to Income Before Fund Balance - Expenditures Included above Which are by Statute Deferred Charges to Budget of Succeeding Year | | | |
| Statutory Excess to Fund Balance | | 5,885,130.67 | 4,461,000.84 |
| Fund Balance, January 1, | A | <u>10,011,785.28</u> | <u>8,766,179.44</u> |
| | | 15,896,915.95 | 13,227,180.28 |
| Decreased by: | | | |
| Fund Balance Utilized as Budget Revenue | A-2 | <u>3,681,788.00</u> | <u>3,215,395.00</u> |
| Fund Balance, December 31, | A | <u><u>12,215,127.95</u></u> | <u><u>10,011,785.28</u></u> |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Township of West Milford, N.J.

Statement of Revenues - Regulatory Basis

Page 1 of 4

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | <u>Budget</u> | <u>Realized</u> | <u>Excess (Deficit)</u> |
|--|-------------|---------------|-----------------|-----------------------------|
| Fund Balance Anticipated | A-1 | 3,681,788.00 | 3,681,788.00 | |
| Miscellaneous Revenues: | | | | |
| Licenses: | | | | |
| Alcoholic Beverages | A-11 | 17,000.00 | 28,338.00 | 11,338.00 |
| Other | A-2 | 60,000.00 | 67,262.49 | 7,262.49 |
| Fees and Permits | A-2 | 290,000.00 | 337,125.27 | 47,125.27 |
| Fines and Costs: | | | | |
| Municipal Court | A-11 | 100,000.00 | 121,704.69 | 21,704.69 |
| Interest and Costs on Taxes | A-11 | 325,000.00 | 342,818.98 | 17,818.98 |
| Interest and Costs on Assessments | A-11 | 6,000.00 | 6,572.01 | 572.01 |
| Interest on Investments | A-11 | 140,000.00 | 536,461.24 | 396,461.24 |
| Recreation Fees | A-11 | 400,000.00 | 551,778.13 | 151,778.13 |
| Bus Fares | A-11 | 2,500.00 | 2,873.00 | 373.00 |
| Uniform Fire Safety Act (Local Fees) | A-11 | 25,000.00 | 27,390.00 | 2,390.00 |
| Energy Receipts Tax | A-11 | 2,338,995.00 | 2,338,994.98 | (0.02) |
| Garden State Trust PILOT Funds | A-11 | 81,090.00 | 99,857.00 | 18,767.00 |
| Watershed Moratorium Aid | A-11 | 757,687.00 | 757,687.00 | |
| Municipal Relief Fund | A-20 | 121,173.00 | 121,173.46 | 0.46 |
| Uniform Construction Code Fees | A-11 | 450,000.00 | 571,760.00 | 121,760.00 |
| Clean Communities Program | A-21 | 81,199.17 | 81,199.17 | |
| Municipal Alliance on Alcoholism and Drug Abuse | A-21 | 16,553.48 | 16,553.48 | |
| Municipal Alliance Youth Leadership | A-21 | 5,302.55 | 5,302.55 | |
| CDBG - ADA Improvements | A-21 | 80,000.00 | 80,000.00 | |
| Strengthening Local Public Health Grant | A-21 | 406,046.00 | 406,046.00 | |
| NJACCHO - Enhancing Local Public Health | A-21 | 251,899.00 | 251,899.00 | |
| Passaic County Open Space - Nosenzo Comm. Center | A-21 | 750,000.00 | 750,000.00 | |
| NJ Highlands Master Plan | A-21 | 44,000.00 | 44,000.00 | |
| NJ Highlands Historic Preservation Plan | A-21 | 30,500.00 | 30,500.00 | |
| NJ Highlands Stormwater Management Plan | A-21 | 85,250.00 | 85,250.00 | |
| Emergency Management Agency Assistance | A-21 | 10,000.00 | 10,000.00 | |
| Bulletproof Vest Grant | A-21 | 15,564.00 | 15,564.00 | |
| Stormwater Assistance Grant | A-21 | 25,000.00 | 25,000.00 | |
| Passaic County Cultural Heritage | A-21 | 4,110.00 | 4,110.00 | |
| Lead Grant Assistance | A-21 | 13,800.00 | 13,800.00 | |
| COPS Technology and Equipment Grant | A-21 | 2,893,000.00 | 2,893,000.00 | |
| Body Armor Replacement Fund | A-21 | 3,133.00 | 3,133.00 | |
| Drive Sober or Get Pulled Over Grant | A-21 | 7,000.00 | 7,000.00 | |
| Distracted Driving Crackdown | A-21 | 7,000.00 | 7,000.00 | |
| COVID Vaccination Supplemental Funding | A-21 | 35,000.00 | 35,000.00 | |
| Recycling Tonnage Grant | A-21 | 27,381.00 | 27,381.00 | |
| P.I.L.O.T. Program | A-11 | 320,000.00 | 324,420.08 | 4,420.08 |
| Uniform Fire Safety Act | A-11 | 40,000.00 | 47,313.58 | 7,313.58 |
| General Capital Surplus | A-11 | 143,194.00 | 143,194.00 | |
| American Rescue Plan - LFRF Loss of Revenue | A-11 | 1,378,013.00 | 1,378,013.86 | 0.86 |

Township of West Milford, N.J.

Statement of Revenues - Regulatory Basis

Page 2 of 4

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | <u>Budget</u> | <u>Realized</u> | <u>(Deficit)</u> |
|--|-------------|----------------------|----------------------|---------------------|
| Library Share of Debt Service | A-11 | 146,000.00 | 146,000.00 | |
| Cable TV Franchise Fees | A-11 | 105,000.00 | 105,030.00 | 30.00 |
| Cell Tower Lease Agreement | A-11 | 120,000.00 | 134,149.28 | 14,149.28 |
| Reserve for Debt Service | A-11 | <u>1,427,310.00</u> | <u>1,427,310.00</u> | |
| Total Miscellaneous Revenues | A-1 | 13,585,700.20 | 14,408,965.25 | 823,265.05 |
| Receipts from Delinquent Taxes | A-1/A-2 | 1,100,000.00 | 1,318,827.94 | 218,827.94 |
| Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes Minimum Library Tax | | 22,204,605.00 | 23,357,513.97 | 1,152,908.97 |
| | | <u>1,279,024.00</u> | <u>1,279,024.00</u> | |
| | A-2 | <u>23,483,629.00</u> | <u>24,636,537.97</u> | <u>1,152,908.97</u> |
| Budget Totals | | 41,851,117.20 | 44,046,119.16 | 2,195,001.96 |
| Non-Budget Revenue | A-1/A-2 | | 313,207.19 | 313,207.19 |
| | | <u>41,851,117.20</u> | <u>44,359,326.35</u> | <u>2,508,209.15</u> |
| Adopted Budget | A-3 | 37,304,416.00 | | |
| Appropriated by N.J.S. 40A:4-87 | A-3 | <u>4,546,701.20</u> | | |
| | | <u>41,851,117.20</u> | | |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Township of West Milford, N.J.

Statement of Revenues - Regulatory Basis

Page 3 of 4

Current Fund

Year Ended December 31, 2023

Analysis of Realized Revenues

| | | |
|---|-----------------|-----------------------------|
| Revenue from Collections | Ref. A-1/A-7 | 110,404,415.96 |
| Allocated to School and County Taxes | A-7 | <u>88,067,877.99</u> |
| Balance for Support of Municipal Budget Appropriations | | 22,336,537.97 |
| Add : Appropriation - Reserve for Uncollected Tax | A-3 | <u>2,300,000.00</u> |
| Amount for Support of Municipal Budget Appropriations | A-2 | <u><u>24,636,537.97</u></u> |
| Receipts from Delinquent Taxes: | | |
| Delinquent Taxes | A-7 | 1,288,199.61 |
| Tax Title Liens | A-8 | <u>30,628.33</u> |
| | A-2 | <u><u>1,318,827.94</u></u> |
| Licenses - Other: | | |
| Clerk | A-11 | 34,920.00 |
| Sanitary Inspector | A-11 | 32,162.49 |
| Registrar | A-11 | <u>180.00</u> |
| | A-2 | <u><u>67,262.49</u></u> |
| Fees and Permits: | | |
| Clerk | A-11 | 91,691.00 |
| Police | A-11 | 39,673.67 |
| Registrar | A-11 | 11,580.00 |
| Sanitary Inspector | A-11 | 68,615.00 |
| Fire Inspector | A-11 | 71,090.00 |
| Board of Adjustment | A-11 | 15,125.20 |
| Planning Board | A-11 | <u>39,350.40</u> |
| | A-2 | <u><u>337,125.27</u></u> |

Township of West Milford, N.J.

Statement of Revenues - Regulatory Basis

Page 4 of 4

Current Fund

Year Ended December 31, 2023

Analysis of Non-budget Revenues

| | <u>Ref.</u> | | |
|---|-------------|------------------|-------------------|
| Miscellaneous Revenues Not Anticipated: | | | |
| Revenues Accounts Receivable: | | | |
| Clerk | A-11 | 3,493.80 | |
| Sanitary Inspector | A-11 | 449.32 | |
| Police | A-11 | 2,595.70 | |
| Building Inspector | A-11 | 22,000.00 | |
| Tax Assessor | A-11 | 610.00 | |
| Planning Board | A-11 | <u>84,463.89</u> | |
| | | | 113,612.71 |
| Sales Contracts Receivable | A-10 | | 25,450.00 |
| Treasurer | | | |
| NSF Check Fee | | 1,680.00 | |
| Foreclosed Property Sale Fee | | 2,545.00 | |
| Sale of Assets | | 77,111.00 | |
| Cannabis Sales Revenue | | 12,467.90 | |
| PILOT - Senior Housing | | 1,000.00 | |
| PILOT Admin Fee | | 7,175.00 | |
| Tax Collector | | 290.00 | |
| Senior Citizens & Vets Admin Fee | | 3,361.11 | |
| Police Outside Service Administration Fee | | 35,677.29 | |
| Refunds / Miscellaneous Reimbursements | | <u>32,837.18</u> | |
| | A-4 | | <u>174,144.48</u> |
| | A-2 | | <u>313,207.19</u> |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Township of West Milford, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | <u>Unexpended Balance Cancelled</u> |
|----------------------------------|-------------|---------------|--|----------------------------|-----------------|---|
| <u>General Appropriations</u> | | | | | | |
| Operations - within "CAPS" | | | | | | |
| Office of Township Administrator | | | | | | |
| Salaries and Wages | | 335,135.00 | 332,485.00 | 327,901.95 | 4,583.05 | |
| Other Expenses | | 102,500.00 | 102,500.00 | 102,168.81 | 331.19 | |
| Mayor and Council | | | | | | |
| Salaries and Wages | | 50,350.00 | 52,950.00 | 52,855.56 | 94.44 | |
| Other Expenses | | 4,000.00 | 4,000.00 | 3,491.15 | 508.85 | |
| Office of Township Clerk | | | | | | |
| Salaries and Wages | | 245,677.00 | 245,677.00 | 240,256.71 | 5,420.29 | |
| Other Expenses | | 35,000.00 | 35,000.00 | 15,973.30 | 19,026.70 | |
| Elections | | | | | | |
| Salaries and Wages | | 1,500.00 | 1,500.00 | | 1,500.00 | |
| Other Expenses | | 31,800.00 | 31,800.00 | 21,955.63 | 9,844.37 | |
| Division of Treasury | | | | | | |
| Salaries and Wages | | 332,190.00 | 332,190.00 | 327,187.82 | 5,002.18 | |
| Other Expenses | | 22,075.00 | 22,075.00 | 15,364.03 | 6,710.97 | |
| Audit Services and Costs | | | | | | |
| Annual Audit | | 41,000.00 | 41,000.00 | 41,000.00 | | |
| Additional Services | | 25,000.00 | 25,000.00 | 24,000.00 | 1,000.00 | |
| Computerized Data Processing | | | | | | |
| Salaries and Wages | | 168,370.00 | 168,370.00 | 167,127.76 | 1,242.24 | |
| Other Expenses | | 60,100.00 | 60,100.00 | 59,875.45 | 224.55 | |

Township of West Milford, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

| <u>General Appropriations</u> | <u>Ref.</u> | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | <u>Unexpended Balance Cancelled</u> |
|------------------------------------|-------------|---------------|--|----------------------------|-----------------|---|
| Division of Tax Collections | | | | | | |
| Salaries and Wages | | 201,619.00 | 201,619.00 | 198,836.42 | 2,782.58 | |
| Other Expenses | | 51,570.00 | 51,570.00 | 34,867.96 | 16,702.04 | |
| Division of Assessment | | | | | | |
| Salaries and Wages | | 205,779.00 | 205,779.00 | 189,951.75 | 15,827.25 | |
| Other Expenses | | 17,955.00 | 17,955.00 | 17,688.01 | 266.99 | |
| Office of Township Attorney | | | | | | |
| Other Expenses | | 340,000.00 | 340,000.00 | 339,970.00 | 30.00 | |
| Division of General Services | | | | | | |
| Salaries and Wages | | 20,000.00 | 17,500.00 | 4,568.78 | 12,931.22 | |
| Other Expenses | | 213,000.00 | 213,000.00 | 188,835.36 | 24,164.64 | |
| Division of Engineering | | | | | | |
| Salaries and Wages | | 291,355.00 | 291,405.00 | 291,399.90 | 5.10 | |
| Other Expenses | | 97,700.00 | 97,700.00 | 81,181.74 | 16,518.26 | |
| Veterans Bureau | | | | | | |
| Salaries and Wages | | 1,335.00 | 1,335.00 | 1,333.32 | 1.68 | |
| Other Expenses | | 150.00 | 150.00 | | 150.00 | |
| Historical Preservation Commission | | | | | | |
| Salaries and Wages | | 1,560.00 | 1,560.00 | 1,040.00 | 520.00 | |
| Other Expenses | | 1,000.00 | 1,000.00 | | 1,000.00 | |
| Planning Board | | | | | | |
| Other Expenses | | 20,325.00 | 20,325.00 | 19,525.00 | 800.00 | |

Township of West Milford, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | <u>Unexpended Balance Cancelled</u> |
|---|-------------|---------------|--|----------------------------|-----------------|---|
| <u>General Appropriations</u> | | | | | | |
| Division of Comprehensive Planning | | | | | | |
| Salaries and Wages | | 139,045.00 | 139,045.00 | 135,418.53 | 3,626.47 | |
| Other Expenses | | 25,775.00 | 25,775.00 | 15,308.15 | 10,466.85 | |
| Division of Zoning Administration | | | | | | |
| Salaries and Wages | | 115,460.00 | 115,460.00 | 95,141.54 | 20,318.46 | |
| Board of Adjustment | | | | | | |
| Other Expenses | | 35,285.00 | 35,285.00 | 29,145.00 | 6,140.00 | |
| Insurance: | | | | | | |
| Other Insurance Premiums | | 1,080,000.00 | 1,080,000.00 | 1,037,234.72 | 42,765.28 | |
| Group Insurance Plan for Employees | | 3,656,000.00 | 3,656,000.00 | 3,046,522.15 | 609,477.85 | |
| Health Benefit Waiver | | 85,000.00 | 85,000.00 | 85,000.00 | | |
| Department of Police | | | | | | |
| Division of Patrol | | | | | | |
| Salaries and Wages | | 3,742,567.00 | 3,697,567.00 | 3,589,019.55 | 108,547.45 | |
| Salaries and Wages - ARP | | 1,378,013.00 | 1,378,013.00 | 1,378,013.00 | | |
| Other Expenses | | 456,417.00 | 456,417.00 | 431,601.98 | 24,815.02 | |
| Division of Administration | | | | | | |
| Salaries and Wages | | 608,340.00 | 653,339.99 | 641,211.34 | 12,128.65 | |
| Special Police & Special Police Matrons | | | | | | |
| Salaries and Wages | | 36,000.00 | 36,000.00 | 35,495.27 | 504.73 | |
| Other Expenses | | 9,475.00 | 9,475.00 | 3,558.87 | 5,916.13 | |

Township of West Milford, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

| <u>General Appropriations</u> | <u>Ref.</u> | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | <u>Unexpended Balance Cancelled</u> |
|---|-------------|---------------|--|----------------------------|-----------------|---|
| Division of Communications | | | | | | |
| Salaries and Wages | | 383,850.00 | 383,850.00 | 367,589.28 | 16,260.72 | |
| Other Expenses | | 500.00 | 500.00 | 80.00 | 420.00 | |
| Office of Municipal Disaster - Control Director | | | | | | |
| Salaries and Wages | | 10,405.00 | 10,405.00 | | 10,405.00 | |
| Other Expenses | | 59,500.00 | 59,500.00 | 34,639.00 | 24,861.00 | |
| Aid to Volunteer Fire Companies (6) | | 120,000.00 | 120,000.00 | 95,000.00 | 25,000.00 | |
| First Aid Organization Contribution | | 176,250.00 | 176,250.00 | 13,500.00 | 162,750.00 | |
| Fire Prevention Bureau | | | | | | |
| Salaries and Wages | | 168,625.00 | 168,625.00 | 158,009.24 | 10,615.76 | |
| Other Expenses | | 19,000.00 | 19,000.00 | 15,188.31 | 3,811.69 | |
| Department of Fire | | | | | | |
| Salaries and Wages | | 11,100.00 | 11,100.00 | 10,144.93 | 955.07 | |
| Other Expenses | | 320,650.00 | 320,650.00 | 231,295.52 | 89,354.48 | |
| Municipal Prosecutor | | | | | | |
| Salaries and Wages | | 39,550.00 | 39,550.00 | 39,540.02 | 9.98 | |
| Other Expenses | | 600.00 | 600.00 | | 600.00 | |
| Division of Streets and Roads | | | | | | |
| Salaries and Wages | | 2,140,888.00 | 2,140,888.00 | 2,137,473.68 | 3,414.32 | |
| Other Expenses | | 1,010,000.00 | 1,010,000.00 | 912,869.81 | 97,130.19 | |

Township of West Milford, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

| <u>General Appropriations</u> | <u>Ref.</u> | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | <u>Unexpended Balance Cancelled</u> |
|----------------------------------|-------------|---------------|--|----------------------------|-----------------|---|
| | | | | | | |
| Division of Public Property | | | | | | |
| Salaries and Wages | | 132,545.00 | 132,545.00 | 129,306.92 | 3,238.08 | |
| Other Expenses | | 313,500.00 | 313,500.00 | 303,229.26 | 10,270.74 | |
| Division of Snow Removal | | | | | | |
| Salaries and Wages | | 250,000.00 | 250,000.00 | 81,730.48 | 168,269.52 | |
| Other Expenses | | 1,234,000.00 | 1,234,000.00 | 904,945.35 | 329,054.65 | |
| Fleet Maintenance | | | | | | |
| Salaries and Wages | | 381,385.00 | 391,785.00 | 391,703.80 | 81.20 | |
| Other Expenses | | 493,500.00 | 493,500.00 | 464,789.27 | 28,710.73 | |
| Division of Health | | | | | | |
| Salaries and Wages | | 47,109.00 | 47,109.00 | 44,669.00 | 2,440.00 | |
| Other Expenses | | 31,250.00 | 31,250.00 | 13,273.02 | 17,976.98 | |
| Bureau of Vital Statistics | | | | | | |
| Salaries and Wages | | 41,145.00 | 41,845.00 | 41,841.10 | 3.90 | |
| Other Expenses | | 2,000.00 | 2,000.00 | 1,503.77 | 496.23 | |
| Housing Standards Bureau | | | | | | |
| Other Expenses | | 8,000.00 | 8,000.00 | 2,950.00 | 5,050.00 | |
| Division of Environmental Health | | | | | | |
| Salaries and Wages | | 242,836.00 | 244,636.00 | 244,631.48 | 4.52 | |
| Other Expenses | | 139,470.00 | 139,470.00 | 107,983.52 | 31,486.48 | |

Township of West Milford, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | <u>Unexpended Balance Cancelled</u> |
|-------------------------------|-------------|---------------|--|----------------------------|-----------------|---|
| | | | | | | |
| <u>General Appropriations</u> | | | | | | |
| Environmental Commission | | | | | | |
| Salaries and Wages | | 2,000.00 | 2,000.00 | 910.00 | 1,090.00 | |
| Other Expenses | | 1,650.00 | 1,650.00 | 883.90 | 766.10 | |
| Division of Pound Keeper | | | | | | |
| Other Expenses | | 90,000.00 | 90,000.00 | 89,593.81 | 406.19 | |
| Recreation Programs | | | | | | |
| Salaries and Wages | | 121,045.00 | 121,045.01 | 118,363.61 | 2,681.40 | |
| Other Expenses | | 135,000.00 | 135,000.00 | 131,570.96 | 3,429.04 | |
| Department of Recreation | | | | | | |
| Salaries and Wages | | 186,121.00 | 186,121.00 | 182,293.99 | 3,827.01 | |
| Other Expenses | | 26,800.00 | 26,800.00 | 19,260.07 | 7,539.93 | |
| Community Center | | | | | | |
| Salaries and Wages | | 50,000.00 | 50,000.00 | 37,575.38 | 12,424.62 | |
| Senior Services | | | | | | |
| Salaries and Wages | | 60,730.00 | 60,730.00 | 60,726.91 | 3.09 | |
| Other Expenses | | 8,000.00 | 8,000.00 | 5,320.82 | 2,679.18 | |
| Division of Parks Maintenance | | | | | | |
| Salaries and Wages | | 378,959.00 | 368,559.00 | 349,005.22 | 19,553.78 | |
| Bubbling Springs Recreation | | | | | | |
| Salaries and Wages | | 250,000.00 | 250,000.00 | 241,667.70 | 8,332.30 | |
| Other Expenses | | 65,000.00 | 65,000.00 | 63,252.88 | 1,747.12 | |

Township of West Milford, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

| | <u>General Appropriations</u> | <u>Ref.</u> | <u>Budget</u> | <u>Budget</u> | <u>Paid or</u> | <u>Reserved</u> | <u>Unexpended</u> |
|--------------------------------|-------------------------------|-------------|---------------|---------------------------|----------------|-----------------|--------------------------|
| | | | | <u>After Modification</u> | <u>Charged</u> | | <u>Balance Cancelled</u> |
| Municipal Court | | | | | | | |
| Salaries and Wages | | | 298,985.00 | 298,985.00 | 276,609.65 | 22,375.35 | |
| Other Expenses | | | 23,450.00 | 23,450.00 | 11,692.30 | 11,757.70 | |
| Public Defender | | | | | | | |
| Other Expenses | | | 10,000.00 | 10,000.00 | 7,400.00 | 2,600.00 | |
| Construction Official | | | | | | | |
| Salaries and Wages | | | 437,280.00 | 437,280.00 | 425,351.44 | 11,928.56 | |
| Other Expenses | | | 85,737.00 | 85,737.00 | 81,396.56 | 4,340.44 | |
| Celebration of Public Events | | | | | | | |
| Other Expenses | | | 38,000.00 | 38,000.00 | 21,756.45 | 16,243.55 | |
| Mass Transportation | | | | | | | |
| Salaries and Wages | | | 48,165.00 | 48,165.00 | 41,385.31 | 6,779.69 | |
| Accumulated Absences | | | 50,000.00 | 50,000.00 | 4,539.36 | 45,460.64 | |
| Street Lighting | | | 74,500.00 | 74,500.00 | 60,989.87 | 13,510.13 | |
| Electricity | | | 129,600.00 | 129,600.00 | 91,840.29 | 37,759.71 | |
| Telephone | | | 140,000.00 | 140,000.00 | 133,454.54 | 6,545.46 | |
| Natural Gas | | | 58,400.00 | 58,400.00 | 41,193.04 | 17,206.96 | |
| Gasoline | | | 440,000.00 | 440,000.00 | 412,411.14 | 27,588.86 | |
| Total Operations within "CAPS" | | | 25,272,502.00 | 25,272,502.00 | 22,949,358.47 | 2,323,143.53 | |
| Detail: | | | | | | | |
| Salaries and Wages | | A-1 | 13,607,018.00 | 13,607,018.00 | 13,061,827.70 | 545,190.30 | |
| Other Expenses | | A-1 | 11,665,484.00 | 11,665,484.00 | 9,887,530.77 | 1,777,953.23 | |

Township of West Milford, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

| <u>General Appropriations</u> | <u>Ref.</u> | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | <u>Unexpended Balance Cancelled</u> |
|--|-------------|---------------|--|----------------------------|-----------------|---|
| Deferred Charges and Statutory Expenditures - Municipal within "CAPS" | | | | | | |
| Statutory Expenditures: | | | | | | |
| Contribution to: | | | | | | |
| Public Employees' Retirement System | | 1,117,516.00 | 1,117,516.00 | 1,053,731.83 | 63,784.17 | |
| Social Security System (O.A.S.I.) | | 660,000.00 | 662,500.00 | 662,459.05 | 40.95 | |
| Police and Firemen's Retirement System | | 1,678,097.00 | 1,678,097.00 | 1,651,351.21 | 26,745.79 | |
| Defined Contributions Retirement Program | | 15,000.00 | 12,500.00 | 10,116.76 | 2,383.24 | |
| Total Deferred Charged and Statutory Expenditures - Municipal within "CAPS" | A-1 | 3,470,613.00 | 3,470,613.00 | 3,377,658.85 | 92,954.15 | |
| Total General Appropriations for Municipal Purposes within "CAPS" | | | | | | |
| | | 28,743,115.00 | 28,743,115.00 | 26,327,017.32 | 2,416,097.68 | |
| Operations - Excluded from "CAPS" | | | | | | |
| Maintenance of Free Public Library | | 1,279,024.00 | 1,279,024.00 | 1,134,695.04 | 144,328.96 | |
| Reserve for Tax Appeals | | 50,000.00 | 50,000.00 | | 50,000.00 | |
| Emergency Services Volunteer Length of Service Award Program (P.L. 1997,c388) | | 140,000.00 | 140,000.00 | 105,950.00 | 34,050.00 | |
| Shared Service Agreements | | | | | | |
| Health Services | | | | | | |
| Other Expenses | | 180,000.00 | 180,000.00 | 172,649.12 | 7,350.88 | |

Township of West Milford, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | <u>Unexpended Balance Cancelled</u> |
|--|-------------|---------------|--|----------------------------|-----------------|---|
| General Appropriations | | | | | | |
| Public and Private Programs Offset by Revenues | | | | | | |
| Municipal Alliance on Alcoholism and Drug Abuse | | | | | | |
| State Share | | 16,553.48 | 16,553.48 | 16,553.48 | | |
| Local Share | | 2,070.00 | 2,070.00 | 2,070.00 | | |
| Municipal Alliance Youth Leadership Grant | | 5,302.55 | 5,302.55 | 5,302.55 | | |
| Recycling Tonnage Grant | | 27,381.00 | 27,381.00 | 27,381.00 | | |
| NJ Highlands Master Plan | | 44,000.00 | 44,000.00 | 44,000.00 | | |
| NJ Highlands Historic Preservation Plan | | 30,500.00 | 30,500.00 | 30,500.00 | | |
| NJ Highlands Stormwater Management Plan | | 85,250.00 | 85,250.00 | 85,250.00 | | |
| Stormwater Assistance Grant | | 25,000.00 | 25,000.00 | 25,000.00 | | |
| Bulletproof Vest Grant | | 15,564.00 | 15,564.00 | 15,564.00 | | |
| Lead Grant Assistance | | 13,800.00 | 13,800.00 | 13,800.00 | | |
| CDBG - ADA Improvements | | 80,000.00 | 80,000.00 | 80,000.00 | | |
| Drive Sober or Get Pulled Over | | 7,000.00 | 7,000.00 | 7,000.00 | | |
| COPS Technology and Equipment Grant | | 2,893,000.00 | 2,893,000.00 | 2,893,000.00 | | |
| Emergency Management Agency Assistance | | 10,000.00 | 10,000.00 | 10,000.00 | | |
| Distracted Driving Crackdown | | 7,000.00 | 7,000.00 | 7,000.00 | | |
| Clean Communities Program | | 81,199.17 | 81,199.17 | 81,199.17 | | |
| Passaic County Cultural Heritage Grant | | 4,110.00 | 4,110.00 | 4,110.00 | | |
| COVID Vaccination Supplemental Funding | | 35,000.00 | 35,000.00 | 35,000.00 | | |
| Strengthening Local Public Health Capacity Program | | 406,046.00 | 406,046.00 | 406,046.00 | | |
| NJACCHO - Enhancing Local Public Health | | 251,899.00 | 251,899.00 | 251,899.00 | | |

Township of West Milford, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | <u>Unexpended Balance Cancelled</u> |
|--|-------------|---------------|--|----------------------------|-----------------|---|
| General Appropriations | | | | | | |
| Public and Private Programs Offset by Revenues (cont.) | | | | | | |
| Passaic County Open Space - Nosenzo Comm. Center | | 750,000.00 | 750,000.00 | 750,000.00 | | |
| Body Armor Replacement Fund | | 3,133.00 | 3,133.00 | 3,133.00 | | |
| Total Operations - Excluded from "CAPS" | | 6,442,832.20 | 6,442,832.20 | 6,207,102.36 | 235,729.84 | |
| Detail: | | | | | | |
| Salaries & Wages | A-1 | 14,000.00 | 14,000.00 | 14,000.00 | | |
| Other Expenses | A-1 | 6,428,832.20 | 6,428,832.20 | 6,193,102.36 | 235,729.84 | |
| Capital Improvements: | | | | | | |
| Capital Improvement Fund | | 230,000.00 | 230,000.00 | 230,000.00 | | |
| Purchase of Various Capital Equipment | | 235,000.00 | 235,000.00 | 181,229.53 | 53,770.47 | |
| Total Capital Improvements Excluded from "CAPS" | A-1 | 465,000.00 | 465,000.00 | 411,229.53 | 53,770.47 | |
| Municipal Debt Service: | | | | | | |
| Payment of Bond Principal | | 2,715,000.00 | 2,715,000.00 | 2,715,000.00 | | |
| Payment of Bond Anticipation and Capital Notes | | 131,910.00 | 131,910.00 | 131,910.00 | | |
| Interest on Bonds | | 569,707.00 | 569,707.00 | 569,706.26 | | 0.74 |
| Interest on Notes | | 451,250.00 | 451,250.00 | 451,242.19 | | 7.81 |
| NJDEP Loan Interest | | 7,110.00 | 7,110.00 | 7,109.51 | | 0.49 |
| Total Municipal Debt Service-Excluded from "CAPS" | A-1 | 3,874,977.00 | 3,874,977.00 | 3,874,967.96 | | 9.04 |

Township of West Milford, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | <u>Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Reserved</u> | <u>Unexpended Balance Cancelled</u> |
|---|-------------|----------------------|--|----------------------------|---------------------|---|
| <u>General Appropriations</u> | | | | | | |
| Deferred Charges: | | | | | | |
| Amount to be Raised for Deficit in Assessment Cash | | 25,193.00 | 25,193.00 | 25,192.57 | | 0.43 |
| Total Deferred Charges - Municipal - Excluded from "CAPS" | A-1 | 25,193.00 | 25,193.00 | 25,192.57 | | 0.43 |
| Total General Appropriations for Municipal Purposes Excluded from "CAPS" | | 10,808,002.20 | 10,808,002.20 | 10,518,492.42 | 289,500.31 | 9.47 |
| Subtotal General Appropriations | | 39,551,117.20 | 39,551,117.20 | 36,845,509.74 | 2,705,597.99 | 9.47 |
| Reserve for Uncollected Taxes | | 2,300,000.00 | 2,300,000.00 | 2,300,000.00 | | |
| Total General Appropriations | | <u>41,851,117.20</u> | <u>41,851,117.20</u> | <u>39,145,509.74</u> | <u>2,705,597.99</u> | <u>9.47</u> |
| | | | | | A | |
| Adopted Budget | A-2 | | 37,304,416.00 | | | |
| Appropriated by (N.J.S.A. 40A:4-87) | A-2 | | <u>4,546,701.20</u> | | | |
| | | | <u>41,851,117.20</u> | | | |
| <u>Analysis of Paid or Charged</u> | | | | | | |
| Reserve for Uncollected Taxes | A-2 | | | 2,300,000.00 | | |
| Cash Disbursed | A-4 | | | 30,589,416.49 | | |
| Encumbrances Payable | A-15 | | | 1,464,355.05 | | |
| Reserve for Grants | A-22 | | | 4,791,738.20 | | |
| | | | | <u>39,145,509.74</u> | | |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Township of West Milford, N.J.

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31,

| | <u>Ref.</u> | <u>2023</u> | <u>2022</u> |
|---|-------------|----------------------|----------------------|
| <u>Assets</u> | | | |
| Assessment Fund: | | | |
| Cash - Treasurer | B-4/B-5 | 378,234.52 | 282,557.14 |
| Assessments Receivable | B-6 | 249,888.89 | 208,263.97 |
| Assessment Liens | B-7 | 2,000.00 | |
| Interfund - Current Fund | B-8 | 2,498.38 | 2,045.15 |
| Amount to be Raised by Taxation: | | | |
| Cash Deficit | B-9 | | 25,192.57 |
| Prospective Assessments Funded | B-10 | 23,250.00 | |
| | | <u>655,871.79</u> | <u>518,058.83</u> |
| Animal Control Trust Fund: | | | |
| Cash - Treasurer | B-4 | 24,917.08 | 20,399.88 |
| | | <u>24,917.08</u> | <u>20,399.88</u> |
| Other Trust Funds: | | | |
| Cash - Treasurer | B-4 | 4,873,251.04 | 5,181,813.40 |
| Interfund - Current Fund | B-8 | 265.13 | 1,207.44 |
| | | <u>4,873,516.17</u> | <u>5,183,020.84</u> |
| Open Space Trust Fund: | | | |
| Cash | B-4 | 2,824,566.77 | 2,258,938.47 |
| Interfund - Current Fund | B-8 | 1,031.68 | 1,457.60 |
| | | <u>2,825,598.45</u> | <u>2,260,396.07</u> |
| Emergency Services Volunteer Length of Service Award Program - (Unaudited) | | | |
| Cash in Plan | B-4 | 3,541,991.73 | 3,161,207.71 |
| | | <u>3,541,991.73</u> | <u>3,161,207.71</u> |
| | | <u>11,921,895.22</u> | <u>11,143,083.33</u> |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Township of West Milford, N.J.

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31,

| | <u>Ref.</u> | <u>2023</u> | <u>2022</u> |
|---|-------------|----------------------|----------------------|
| <u>Liabilities, Reserves & Fund Balance</u> | | | |
| Assessment Fund: | | | |
| Interfund - General Capital | B-8 | 58,500.00 | |
| Bond Anticipation Notes | B-11 | 77,300.00 | |
| Loan Payable - NJDEP - Gordon Lake | B-12 | 323,444.70 | 366,081.74 |
| Reserve for Assessments and Liens | B-13 | 110,981.32 | 85,192.57 |
| Reserve for Assess. Liens Interest and Costs | Contra | | |
| Fund Balance | B-1 | 85,645.77 | 66,784.52 |
| | | <u>655,871.79</u> | <u>518,058.83</u> |
| Animal Control Trust Fund: | | | |
| Reserve for Dog Fund Expenditures | B-14 | 24,775.48 | 20,390.28 |
| Due to State Department of Health | B-15 | 141.60 | 9.60 |
| | | <u>24,917.08</u> | <u>20,399.88</u> |
| Other Trust Fund: | | | |
| Interfund - Current - Payroll Fund | B-8 | 581.63 | 2,666.74 |
| Various Deposits Payable | B-17 | 628,996.21 | 645,324.50 |
| Various Reserves | B-17 | 4,105,729.36 | 4,513,779.52 |
| Payroll Deductions Payable | B-18 | 138,208.97 | 21,250.08 |
| | | <u>4,873,516.17</u> | <u>5,183,020.84</u> |
| Open Space Trust Fund: | | | |
| Municipal Open Space Tax | B-16 | 2,825,598.45 | 2,260,396.07 |
| | | <u>2,825,598.45</u> | <u>2,260,396.07</u> |
| Emergency Services Volunteer Length of Service Award Program - (Unaudited) | | | |
| Net Assets Available for Benefits | B-19 | 3,541,991.73 | 3,161,207.71 |
| | | <u>3,541,991.73</u> | <u>3,161,207.71</u> |
| | | <u>11,921,895.22</u> | <u>11,143,083.33</u> |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Township of West Milford, N.J.

Comparative Schedule of Fund Balance - Regulatory Basis

Assessment Trust Fund

Year Ended December 31,

| | <u>Ref.</u> | <u>2023</u> | <u>2022</u> |
|-----------------------------|-------------|-------------------------|-------------------------|
| Balance - December 31, 2022 | B | 66,784.52 | 66,424.50 |
| Increased by: | | | |
| Collection of Unpledged | | | |
| Assessments | B-13 | <u>18,861.25</u> | <u>360.02</u> |
| Balance - December 31, 2023 | B | <u><u>85,645.77</u></u> | <u><u>66,784.52</u></u> |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Exhibit B-2**Township of West Milford, N.J.****Schedule of Revenues - Regulatory Basis****Assessment Trust Fund****Year Ended December 31, 2023**

| | <u>Ref.</u> | <u>Budget Revenue</u> | <u>Realized</u> |
|-----------------|-------------|---------------------------|-------------------|
| Assessment Cash | | <u>101,537.04</u> | <u>101,537.04</u> |
| | | B-3 | |

Exhibit B-3**Schedule of Expenditures - Regulatory Basis****Assessment Trust Fund****Year Ended December 31, 2023**

| | <u>Ref.</u> | <u>Budget Appropriation</u> | <u>Expended</u> |
|------------------------------------|-------------|---------------------------------|-------------------|
| Payment of Bond Anticipation Notes | B-11 | 58,900.00 | 58,900.00 |
| Payment of Loans | B-12 | <u>42,637.04</u> | <u>42,637.04</u> |
| | | <u>101,537.04</u> | <u>101,537.04</u> |
| | | B-2 | |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Township of West Milford , N.J.

Comparative Balance Sheet - Regulatory Basis

General Capital Fund

December 31,

| | <u>Ref.</u> | <u>2023</u> | <u>2022</u> |
|---|-------------|----------------------|----------------------|
| <u>Assets</u> | | | |
| Cash | C-2/C-3 | 13,969,343.13 | 13,099,141.09 |
| Various Receivables | C-4 | 551,340.00 | 409,000.00 |
| Deferred Charges to Future Taxation: | | | |
| Funded | C-5 | 18,900,000.00 | 21,615,000.00 |
| Deferred Charges to Future Taxation: | | | |
| Unfunded | C-6 | 16,136,565.00 | 12,033,125.00 |
| Interfund - Assessment Trust Fund | C-12 | 58,500.00 | |
| | | <u>49,615,748.13</u> | <u>47,156,266.09</u> |
| <u>Liabilities, Reserves and Fund Balance</u> | | | |
| General Serial Bonds | C-7 | 18,900,000.00 | 21,615,000.00 |
| Bond Anticipation Notes | C-8 | 15,671,615.00 | 12,033,125.00 |
| Improvement Authorizations: | | | |
| Funded | C-9 | 1,993,929.15 | 2,252,518.58 |
| Unfunded | C-9 | 10,413,171.09 | 7,151,730.26 |
| Capital Improvement Fund | C-10 | 177,303.00 | 166,713.00 |
| Various Reserves | C-11 | 1,911,293.58 | 3,322,820.89 |
| Interfund - Current Fund | C-12 | 11,284.00 | |
| Fund Balance | C-1 | 537,152.31 | 614,358.36 |
| | | <u>49,615,748.13</u> | <u>47,156,266.09</u> |

Footnote: There were \$464,950.00 and \$0.00 of Bonds and Notes Authorized But Not Issued on Decem respectively per Exhibit C-13.

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Township of West Milford , N.J.
Comparative Statement of Fund Balance - Regulatory Basis

| General Capital Fund | | December 31, | |
|--|-------|--------------------------|--------------------------|
| | Ref. | <u>2023</u> | <u>2022</u> |
| Balance - January 1, | C | 614,358.36 | 503,399.17 |
| Increased by: | | | |
| Premium on Bonds | | | 142,950.00 |
| Premium on Bonds and Bond Anticipation Notes | C-2 | <u>65,987.95</u> | <u>143,194.19</u> |
| | | 65,987.95 | 286,144.19 |
| | | 680,346.31 | 789,543.36 |
| Decreased by: | | | |
| Anticipated as 2023 Revenue | C-2 | <u>143,194.00</u> | <u>175,185.00</u> |
| Balance - December 31, | C,C-3 | <u><u>537,152.31</u></u> | <u><u>614,358.36</u></u> |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Township of West Milford , N.J.**Statement of General Fixed Assets - Regulatory Basis****December 31,**

| | <u>2023</u> | <u>2022</u> |
|--------------------------------|--------------------------|--------------------------|
| <u>General Fixed Assets:</u> | | |
| Land and Buildings | 27,442,500.00 | 27,160,600.00 |
| Machinery and Equipment | <u>21,684,782.38</u> | <u>22,556,567.38</u> |
| | <u>49,127,282.38</u> | <u>49,717,167.38</u> |
| Investment in Fixed Assets | <u>49,127,282.38</u> | <u>49,717,167.38</u> |

See accompanying notes to financial statements.

Township of West Milford , N.J.

Comparative Balance Sheet - Regulatory Basis

Garbage District

December 31,

| | <u>Ref.</u> | <u>2023</u> | <u>2022</u> |
|---------------------------------------|-------------|-------------------|-------------------|
| <u>Assets</u> | | | |
| Due from Current Fund | G-5 | 444,587.84 | 432,070.32 |
| Due from Federal and State Grant Fund | G-9 | | 2,500.00 |
| | | <u>444,587.84</u> | <u>434,570.32</u> |
| <u>Liabilities and Reserves</u> | | | |
| Fund Balance | G-1 | 122,698.73 | 119,185.07 |
| Appropriation Reserves | G-3/G-8 | 54,033.67 | 85,158.87 |
| Commitments Payable | G-4 | 120,233.92 | 113,260.32 |
| Reserve for Recycling | G-6 | 132,017.04 | 101,361.58 |
| Reserve for Recycling Tonnage Grant | G-7 | 15,604.48 | 15,604.48 |
| | | <u>444,587.84</u> | <u>434,570.32</u> |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Township of West Milford , N.J.

Comparative Schedule of Fund Balance - Regulatory Basis

| Garbage District | | Year Ended December 31, | |
|-----------------------------------|------|--------------------------|--------------------------|
| | Ref. | <u>2023</u> | <u>2022</u> |
| Balance - December 31, 2022 | G | 119,185.07 | 13,344.20 |
| Increased by: | | | |
| Excess in Operating Revenues | G-2 | 6,246.30 | 7,475.75 |
| Canceled Commitments Payable | G-4 | 47,444.12 | |
| Unexpended Appropriation Reserves | G-8 | <u>49,823.24</u> | <u>98,365.12</u> |
| | | <u>103,513.66</u> | <u>105,840.87</u> |
| | | 222,698.73 | 119,185.07 |
| Decreased by: | | | |
| Operating Surplus Anticipated | G-2 | <u>100,000.00</u> | |
| Balance - December 31, 2023 | G | <u><u>122,698.73</u></u> | <u><u>119,185.07</u></u> |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

Township of West Milford , N.J.
Statement of Revenues - Regulatory Basis

Garbage District

Year Ended December 31, 2023

| | <u>Ref.</u> | <u>Budget</u> | <u>Realized</u> | <u>(Deficit)</u> |
|---------------------------------|-------------|---------------------|---------------------|------------------------|
| Operating Surplus Anticipated | G-1 | 100,000.00 | 100,000.00 | |
| Reserve for Recycling | G-6 | 50,000.00 | 50,000.00 | |
| Amount to be Raised by Taxation | G-5 | <u>3,368,165.00</u> | <u>3,374,411.30</u> | <u>6,246.30</u> |
| Total Garbage District Revenues | | <u>3,518,165.00</u> | <u>3,524,411.30</u> | <u>6,246.30</u> G-1 |

Statement of Expenditures - Regulatory Basis

Garbage District

Year Ended December 31, 2023

| | <u>Budget</u> | <u>Modified by Transfers</u> | <u>Paid or Charged</u> | <u>Reserved</u> |
|-------------------------------------|---------------------|----------------------------------|----------------------------|-----------------------|
| Salaries and Wages | 134,940.00 | 134,940.00 | 128,519.82 | 6,420.18 |
| Other Expenses | 79,100.00 | 79,100.00 | 60,190.98 | 18,909.02 |
| Contractual Services | 2,304,000.00 | 2,304,000.00 | 2,304,000.00 | |
| Disposal Fees | <u>1,000,125.00</u> | <u>1,000,125.00</u> | <u>971,420.53</u> | <u>28,704.47</u> |
| Total Garbage District Expenditures | <u>3,518,165.00</u> | <u>3,518,165.00</u> | <u>3,464,131.33</u> | <u>54,033.67</u> G |

| | <u>Ref.</u> | |
|------------------------|-------------|---------------------|
| Commitments Payable | G-4 | 120,233.92 |
| Interfund Current Fund | G-5 | <u>3,343,897.41</u> |
| | | <u>3,464,131.33</u> |

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

**TOWNSHIP OF WEST MILFORD
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 West Milford 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 West Milford (the "Township") operates under a Mayor and Council administrative plan created by N.J.S.A. 40:69A-149.1 et.sq. 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.

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 Public Library, Volunteer Fire Department and the First Aid Squad which are considered component units under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

TOWNSHIP OF WEST MILFORD
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

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:

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.

Assessment Trust - This fund deals with the handling of special assessment levies against property for the cost of an improvement, the whole or a part of which costs are levied against the property receiving the benefit.

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

Payroll Fund - Receipts and disbursements of payroll withholding that the Township collects on the behalf of various agencies as their agents.

Emergency Services Volunteer Length of Service Award Program - This fund is used to account for the cumulative amount of each participant's length of service awards, including any income, gains, losses, or increases or decreases in market value attributable to the investment of the participant's length of service awards.

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.

TOWNSHIP OF WEST MILFORD
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)

Garbage District Fund - This fund is used to account for resources and expenditures for the collection and disposal of solid waste in the Township.

General Fixed Asset Account Group - 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 West Milford. 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 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 fiscal year 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.

TOWNSHIP OF WEST MILFORD
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)

Property Tax Revenues, (continued) - 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 for the current fund. 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.

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

General Capital Fund
Trust 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

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

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

Basis of Accounting, (continued)

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

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. Administration 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 2023, the Township Council increased the original budget by \$4,546,701.20. This increase was funded by additional aid allotted the Township. In addition, several budget transfers were approved by the governing body.

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.

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.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

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

Basis of Accounting, (continued)

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

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 and are limited by N.J.S.A. 40A:5-15.1(a).

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.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

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

Basis of Accounting, (continued)

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

General Fixed Assets - The Township of West Milford 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.

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

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

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

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

Basis of Accounting, (continued)

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

Impact of Recently Issued Accounting Principles

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 WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

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

Basis of Accounting, (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.

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TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 2. 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, \$-0- of the Township's bank balance of \$44,624,634.55 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 WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 2. 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 AIG, 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 \$3,541,991.73 and \$3,161,207.71, respectively.

The following investments represent 5% or more of the total invested with AIG on December 31, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|--------------------|------------------------------|------------------------------|
| Index Funds | \$393,185.17 | \$307,678.90 |
| Money Market Funds | 949,304.32 | 908,790.69 |
| Fixed Income | 502,826.56 | 510,823.35 |
| Growth and Income | 927,114.94 | 809,870.03 |
| Value Funds | 408,549.17 | 387,860.38 |
| All Others | <u>361,011.57</u> | <u>236,184.36</u> |
| | <u><u>\$3,541,991.73</u></u> | <u><u>\$3,161,207.71</u></u> |

NOTE 3. LONG TERM DEBT

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

| | <u>Balance</u> <u>Dec. 31, 2022</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending</u> <u>Balance</u> | <u>Amounts Due</u> <u>Within</u> <u>One Year</u> |
|------------------------------|--|----------------------------|------------------------------|---------------------------------|--|
| Bonds Payable: | | | | | |
| General Obligation Debt | \$21,615,000.00 | \$ | \$2,715,000.00 | \$18,900,000.00 | \$2,790,000.00 |
| Other Liabilities: | | | | | |
| NJDEP Loan | 366,081.74 | | 42,637.04 | 323,444.70 | 43,494.05 |
| Compensated Absences Payable | <u>1,696,562.01</u> | <u>320,176.82</u> | <u>454,282.13</u> | <u>1,562,456.70</u> | |
| | <u><u>\$23,677,643.75</u></u> | <u><u>\$320,176.82</u></u> | <u><u>\$3,211,919.17</u></u> | <u><u>\$20,785,901.40</u></u> | <u><u>\$2,833,494.05</u></u> |

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 3. LONG TERM DEBT, (continued)

SUMMARY OF MUNICIPAL DEBT

| | <u>Year 2023</u> | <u>Year 2022</u> | <u>Year 2021</u> |
|-----------------------------------|------------------------|------------------------|------------------------|
| <u>Issued:</u> | | | |
| General: | | | |
| Bonds, Loans and Notes | \$34,571,615.00 | \$33,648,125.00 | \$29,876,445.00 |
| Assessment: | | | |
| Bonds, Loans and Notes | <u>400,744.70</u> | <u>366,081.74</u> | <u>523,588.80</u> |
| Total Issued | <u>34,972,359.70</u> | <u>34,014,206.74</u> | <u>30,400,033.80</u> |
| Less: | | | |
| Funds Temporarily Held to Pay | | | |
| Bonds and Notes | | | |
| General | 1,836,288.37 | 3,263,598.37 | 3,386,510.89 |
| Assessment | <u>236,587.13</u> | <u>243,010.34</u> | <u>321,175.69</u> |
| Total Deductions | <u>2,072,875.50</u> | <u>3,506,608.71</u> | <u>3,707,686.58</u> |
| Net Debt Issued | <u>32,899,484.20</u> | <u>30,507,598.03</u> | <u>26,692,347.22</u> |
| <u>Authorized But Not Issued:</u> | | | |
| General: | | | |
| Bonds and Notes | <u>464,950.00</u> | <u>0.00</u> | <u>200.00</u> |
| Total Authorized But Not Issued | <u>464,950.00</u> | <u>0.00</u> | <u>200.00</u> |
| Net Bonds and Notes Issued and | | | |
| Authorized But Not Issued | <u>\$33,364,434.20</u> | <u>\$30,507,598.03</u> | <u>\$26,692,347.22</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 Statements and indicates a statutory net debt of .874%.

| | <u>Gross Debt</u> | <u>Deductions</u> | <u>Net Debt</u> |
|-----------------------|------------------------|-----------------------|------------------------|
| Local School District | \$3,575,000.00 | \$3,575,000.00 | \$0.00 |
| Assessment Debt | 400,744.70 | 236,587.13 | 164,157.57 |
| General Debt | <u>35,036,565.00</u> | <u>1,836,288.37</u> | <u>33,200,276.63</u> |
| | <u>\$39,012,309.70</u> | <u>\$5,647,875.50</u> | <u>\$33,364,434.20</u> |

Net Debt \$33,364,434.20 divided by equalized valuation basis per N.J.S. 40A:2-2 as amended, \$3,816,446,235.00 = .874%.

BORROWING POWER UNDER N.J.S. 40A:2-6 AS AMENDED

| | |
|---|-------------------------|
| 3 ½% of Equalized Valuation Basis (Municipal) | \$133,575,618.23 |
| Net Debt | <u>33,364,434.20</u> |
| Remaining Borrowing Power | <u>\$100,211,184.03</u> |

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 3. LONG TERM DEBT, (continued)

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

Paid by Assessment Fund:

| | |
|--|--------------|
| Loan Payable - NJDEP - dated November 1, 2004 with an interest rate of 2% payable in installments through 2030 | \$323,444.70 |
|--|--------------|

Paid by Current Fund:

| | |
|--|--------------|
| General Bonds - General Bonds of 2014 with an interest rate of 1%-2.35% issued April 1, 2014 due through April 1, 2024 | 1,200,000.00 |
|--|--------------|

| | |
|---|--------------|
| General Bonds - General Bonds of 2016 with an interest rate of 2%-3% issued January 20, 2016 due through January 15, 2036 | 4,620,000.00 |
|---|--------------|

| | |
|--|----------------------|
| General Bonds - General Bonds of 2022 with an interest rate of 2.25%-3.00% issued August 31, 2022 due through September 15, 2032 | <u>13,080,000.00</u> |
|--|----------------------|

\$19,223,444.70

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

The Township did not have any authorized but not issued debt.

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING

| General Bonds | | | |
|---------------|------------------------|-----------------------|------------------------|
| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2024 | \$2,790,000.00 | \$508,518.75 | \$3,298,518.75 |
| 2025 | 1,635,000.00 | 457,875.00 | 2,092,875.00 |
| 2026 | 1,685,000.00 | 418,625.00 | 2,103,625.00 |
| 2027 | 1,735,000.00 | 371,325.00 | 2,106,325.00 |
| 2028 | 1,785,000.00 | 322,525.00 | 2,107,525.00 |
| 2029-2033 | 8,130,000.00 | 787,562.50 | 8,917,562.50 |
| 2034-2036 | <u>1,140,000.00</u> | <u>51,300.00</u> | <u>1,191,300.00</u> |
| | <u>\$18,900,000.00</u> | <u>\$2,917,731.25</u> | <u>\$21,817,731.25</u> |

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

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 fiscal year following the date of the original notes. 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.

On December 31, 2023, the Township had \$15,671,615.00 in outstanding general capital bond anticipation notes and \$77,300 in outstanding assessment trust bond anticipation notes maturing on September 13, 2024 at an interest rate of 4.25%.

The following activity related to bond anticipation notes occurred during the calendar year ended December 31, 2023.

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending Balance</u> |
|----------------|------------------------------|------------------------|------------------------|---------------------------|
| Notes Payable: | | | | |
| Piper Sandler | \$12,033,125.00 | \$ | \$12,033,125.00 | \$0.00 |
| TD Securities | <u>0.00</u> | <u>15,748,915.00</u> | <u></u> | <u>15,748,915.00</u> |
| | <u>\$12,033,125.00</u> | <u>\$15,748,915.00</u> | <u>\$12,033,125.00</u> | <u>\$15,748,915.00</u> |

NOTE 5. LOAN AGREEMENTS

The Township of West Milford has entered into loan agreements with the State of New Jersey Department of Environmental Protection. The loans are payable over 26 years from November 1, 2004, the date of the final drawdown payment, through November 1, 2030. The loans of \$2,702,000.00 are at an interest rate of 2.00%.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 5. LOAN AGREEMENTS, (continued)

Following are the remaining maturities and debt schedules for the outstanding principal and interest on the loan:

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------|---------------------|--------------------|---------------------|
| 2024 | \$43,494.05 | \$6,252.51 | \$49,746.56 |
| 2025 | 44,368.28 | 5,378.28 | 49,746.56 |
| 2026 | 45,260.08 | 4,486.47 | 49,746.55 |
| 2027 | 46,169.80 | 3,576.74 | 49,746.54 |
| 2028 | 47,097.82 | 2,648.73 | 49,746.55 |
| 2029-2030 | <u>97,054.67</u> | <u>2,438.44</u> | <u>99,493.11</u> |
| | <u>\$323,444.70</u> | <u>\$24,781.17</u> | <u>\$348,225.87</u> |

NOTE 6. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2023, the Township did not have any deferred charges on the balance sheets of the various funds.

NOTE 7. LOCAL DISTRICT SCHOOL TAXES

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the School District.

The Township has elected to defer school taxes.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 7. LOCAL DISTRICT SCHOOL TAXES, (continued)

The calculation of the Local District School Tax balances and deferrals are as follows:

| | <u>Balance</u> | |
|----------------|----------------------|----------------------|
| | <u>2023</u> | <u>2022</u> |
| Balance of Tax | \$31,338,443.00 | \$30,007,514.00 |
| Deferred | <u>31,338,443.00</u> | <u>30,007,514.00</u> |
| Taxes Payable | <u>\$0.00</u> | <u>\$0.00</u> |

NOTE 8. 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.nj.gov/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:

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

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

Benefits Provided, (continued)

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

Service retirement benefits of 1/55th 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.nj.gov/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:

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

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

Benefits Provided, (continued)

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

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

Defined Contribution Retirement Program

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

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

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

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. 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 West Milford opted for this deferral in the amount of \$890,136.00

Of this amount, \$376,797.00 represents the Public Employees' Retirement System deferral and \$513,339.00 represents the Police and Firemens' Retirement System deferral.

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 except the SACT. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

Description of Systems: (continued)

Contribution Requirements, (continued)

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> | <u>DCRP</u> |
|-------------|----------------|----------------|-------------|
| 2023 | \$1,038,456.00 | \$1,570,007.00 | \$10,116.76 |
| 2022 | 963,972.00 | 1,474,044.00 | 6,050.60 |
| 2021 | 993,974.00 | 1,639,319.00 | 9,605.84 |

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.

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 \$12,808,542 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023, 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, 2023, the Township's proportion was .0884300707 percent, which was a decrease of .0060814224 percent from its proportion measured as of June 30, 2022.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

For the year ended December 31, 2023, the Township recognized pension expense of \$1,038,456. At December 31, 2023, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Difference between expected and actual experience | \$122,466 | \$52,357 |
| Changes of assumptions | 28,138 | 776,253 |
| Net difference between projected and actual earnings on pension plan investments | 58,985 | |
| Changes in proportion and differences between the Township's contributions and proportionate share of contributions | <u>852,618</u> | <u>774,131</u> |
| Total | <u>\$1,062,207</u> | <u>\$1,602,741</u> |

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2023) 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: | |
| 2024 | \$(676,243) |
| 2025 | (377,453) |
| 2026 | 527,465 |
| 2027 | (94,395) |
| 2028 | 1,605 |

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 5.08, 5.04, 5.13, 5.16, 5.21 and 5.63 years for 2023, 2022, 2021, 2020, 2019 and 2018 amounts, respectively.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2023 and June 30, 2022 are as follows:

| | <u>June 30, 2023</u> | <u>June 30, 2022</u> |
|---|----------------------|----------------------|
| Collective deferred outflows of resources | \$1,080,204,730 | \$1,164,739,169 |
| Collective deferred inflows of resources | 1,780,216,457 | 8,339,123,762 |
| Collective net pension liability | 14,484,374,047 | 11,972,782,878 |
| Township's Proportion | .0884300707% | .0823122402% |

Actuarial Assumptions

The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. 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 |

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

Actuarial Assumptions, (continued)

The actuarial assumptions used in the June 30, 2022 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. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Mortality Rates

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

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, 2023) 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, 2023 are summarized in the following table:

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------------|--------------------------|---|
| U.S. Equity | 28.00% | 8.98% |
| Non-U.S. Developed Market Equity | 12.75% | 9.22% |
| International Small Cap Equity | 1.25% | 9.22% |
| Emerging Market Equity | 5.50% | 11.13% |
| Private Equity | 13.00% | 12.50% |
| Real Estate | 8.00% | 8.58% |
| Real Assets | 3.00% | 8.40% |
| High Yield | 4.50% | 6.97% |
| Private Credit | 8.00% | 9.20% |
| Investment Grade Credit | 7.00% | 5.19% |
| Cash Equivalents | 2.00% | 3.31% |
| U.S. Treasuries | 4.00% | 3.31% |
| Risk Mitigation Strategies | 3.00% | 6.21% |

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 100% 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.

**TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)**

NOTE 8. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

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, 2023, 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:

| | <u>June 30, 2023</u> | | |
|--|--------------------------------|---|--------------------------------|
| | 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 | \$16,673,997 | \$12,808,542 | \$9,518,529 |

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.nj.gov/treasury/pensions.

Police and Firemen's Retirement System (PFRS)

At December 31, 2023, the Township had a liability of \$14,244,336 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2023, 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, 2023, the Township's proportion was .1289222205 percent, which an increase of .0082038335 percent from its proportion measured as of June 30, 2022.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

Police and Firemen's Retirement System (PFRS), (continued)

For the year ended December 31, 2023, the Township recognized pension expense of \$1,570,007. 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 | \$609,914 | \$679,328 |
| Changes of assumptions | 30,744 | 961,834 |
| Net difference between projected and actual earnings on pension plan investments | 725,437 | |
| Changes in proportion and differences between Township contributions and proportionate share of contributions | <u>824,017</u> | <u>2,424,730</u> |
| Total | <u>\$2,190,112</u> | <u>\$4,065,892</u> |

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2023) 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: | |
| 2024 | \$(554,340) |
| 2025 | (531,987) |
| 2026 | 855,913 |
| 2027 | (73,615) |
| 2028 | 26,275 |
| Thereafter | 2,687 |

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 6.16, 6.22, 6.17, 5.90, 5.92 and 5.73 years for 2023, 2022, 2021, 2020, 2019 and 2018 amounts, respectively.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

Police and Firemen's Retirement System (PFRS), (continued)

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2023 and June 30, 2022 are as follows:

| | <u>June 30, 2023</u> | <u>June 30, 2022</u> |
|---|----------------------|----------------------|
| Collective deferred outflows of resources | \$1,753,080,638 | \$817,271,932 |
| Collective deferred inflows of resources | 1,966,439,601 | 6,875,738,520 |
| Collective net pension liability | 11,048,782,843 | 9,364,849,587 |
| Township's Proportion | .1289222205% | .1264769742% |

Actuarial Assumptions

The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions:

| | |
|---------------------------|---|
| Inflation Rate: | |
| Price | 2.75% |
| Wage | 3.25% |
| Salary Increases: | |
| Through all Future Years | 3.25-16.25% (based on years of service) |
| Thereafter | Not Applicable |
| Investment Rate of Return | 7.00% |

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

Police and Firemen's Retirement System (PFRS), (continued)

Mortality Rates

Employee mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and a 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

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, 2023) 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, 2023 are summarized in the following table:

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

Police and Firemen's Retirement System (PFRS), (continued)

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------------|--------------------------|---|
| U.S. Equity | 28.00% | 8.98% |
| Non-U.S. Developed Market Equity | 12.75% | 9.22% |
| International Small Cap Equity | 1.25% | 9.22% |
| Emerging Market Equity | 5.50% | 11.13% |
| Private Equity | 13.00% | 12.50% |
| Real Estate | 8.00% | 8.58% |
| Real Assets | 3.00% | 8.40% |
| High Yield | 4.50% | 6.97% |
| Private Credit | 8.00% | 9.20% |
| Investment Grade Credit | 7.00% | 5.19% |
| Cash Equivalents | 2.00% | 3.31% |
| U.S. Treasuries | 4.00% | 3.31% |
| Risk Mitigation Strategies | 3.00% | 6.21% |

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 100% 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.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

Police and Firemen's Retirement System (PFRS), (continued)

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, 2023, 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, 2023 | | |
|--|--------------------------------|---|--------------------------------|
| | 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 | \$19,846,988 | \$14,244,336 | \$9,578,666 |

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 \$2,624,685 and \$2,459,173, 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 is \$298,552 and \$283,724, respectively, which is more than the actual contributions the State made on behalf of the Township of \$300,163 and \$306,155 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.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 8. PENSION PLANS, (continued)

Police and Firemen's Retirement System (PFRS), (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 Police and Firemen's Retirement System (PFRS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

NOTE 9. OTHER POST EMPLOYMENT BENEFITS

In addition to the pension described in Note 8, the Township provides post employment health care benefits in accordance with the provisions of Ch. 88, P.L. 1974 as amended by Chapter 436, 1981 at its cost.

Since the Township is not in the SHB plan, as per GASB 75, actuarial reports are due every two years. The following information is based on the actuarial report as of December 31, 2022. The Township paid \$1,761,593 towards retiree health benefits in 2023.

General Information about the OPEB Plan

The Township's defined benefits OPEB plan provides OPEB for all employee's that (1) have retired on disability pension and (2) employees who have retired with at least 15 years of service to the Township. The plan is a single-employer defined benefit OPEB plan administered by the Township. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Employees Covered by Benefit Terms: At December 31, 2022, the following employees were covered by the benefit terms:

| | |
|--|------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 156 |
| Active employees | <u>110</u> |
| | <u>266</u> |

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 9. OTHER POST EMPLOYMENT BENEFITS, (continued)

Total OPEB Liability

At December 31, 2022, the Township had a liability of \$56,077,523 for its OPEB liability. The OPEB liability was measured as of December 31, 2022 and was determined by an actuarial valuation as of that date.

OPEB Expense

For the year ended December 31, 2022, the Township recognized OPEB expense of \$2,984,169.

Actual Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Basis of Valuation

This valuation has been conducted as of December 31, 2022 based upon census, plan design and cost information provided by The Fund. Census includes 156 retirees and spouses currently receiving retiree benefits, and 110 active participants of whom 6 are eligible to retire as of the valuation date. The average age of the active population is 46 and the average age of the retiree population is 69.

Actuarial assumptions were selected with the intention of satisfying the requirements of New Jersey Local Finance Notice 2007-15 in addition to Statement of Government Accounting Standard Number 75.

Demographic assumptions were selected based on those used in by the State Division of Pensions and Benefits in calculating pension benefits taken from the July 1, 2021 report from Cheiron. While some assumptions were simplified to reflect the smaller population, and to simplify the valuation process, the valuation results reasonably conform to the requirements of LFN 2007-15.

Health care (economic) assumptions were selected based on those used by the State Health Benefits Program in calculating SHBP number OPEB requirements taken from the July 1, 2021 GASB 75 report from Aon Consultants.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 9. OTHER POST EMPLOYMENT BENEFITS, (continued)

Key Actuarial Assumptions

| | |
|----------------------------------|---|
| <i>Mortality</i> | <i>December 31, 2021 - RP 2000 Combined Health Male Mortality Rates Set Forward One Year and Adjusted for Generational Improvement December 31, 2022 - PUB2010 "Genera" classification headcount weighted mortality with generational improvement using Scale MP-2021</i> |
| <i>Turnover</i> | <i>NJ State Pensions Ultimate Withdrawal Rates - prior to benefits eligibility</i> |
| <i>Assumed Retirement Age</i> | <i>At first eligibility after the completion of age 55 and 25 years of pension service for family coverage and age 62 and 15 years of service for single coverage</i> |
| <i>Full Attribution Period</i> | <i>Service to Assumed Retirement Age</i> |
| <i>Annual Discount Rate</i> | <i>2.06% Based on the Bond Buyer 20 Index December 31, 2021 3.72% Based on the Bond Buyer 20 Index December 31, 2022</i> |
| <i>CPI Increase</i> | <i>2.5%</i> |
| <i>Rate of Salary Increase</i> | <i>2.5%</i> |
| <i>Medical Travel</i> | <i>Medical: 5.3% in 2022, reducing by 0.2% per annum, leveling at 4.5% per annum in 2026 Drug: 6.5% in 2022, reducing by 0.5% per annum, leveling at 4.5% per annum in 2026</i> |
| <i>Medical Cost Aging Factor</i> | <i>NJ SHBP Medical Morbidity Rates</i> |

- Attribution period – The attribution period begins with the date of hire and ends with full benefits eligibility date.
- Per capita cost methods – The valuation reflects per capita net premium costs based on actual 2022 medical premiums and the plan option selected. Plan selections are assumed to remain unchanged in retirement. The age specific cost was derived based on per person costs at the average age of the active population (46) and scaled to each age based on the medical cost aging factors until age 65. At age 65, Medicare Advantage becomes the primary payor of medical benefits and aging factors are not applied.
- Retiree contributions – NJ Chapter 78 requires that certain future retirees contribute toward the cost of their benefits. Specifically, those who had retired prior to passage of Chapter 78 and those employees that had more than 25 years of service on the date of passage are grandfathered. All others are subject to the contribution rates in effect when they retire, but not less than 1.5% of their annual retirement allowance from the

**TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)**

NOTE 9. OTHER POST EMPLOYMENT BENEFITS, (continued)

Public Employees Retirement System. For purposes of this valuation and for conservatism, we have assumed that future retiree contributions percentage rates will not increase. Thus, we assumed that a future retiree will contribute his/her current employees contribution as reported by the Township increased annually by the rate of medical trend. 2022 employer contributions for retiree benefits as reported by the Township are \$1.629 million.

- Actuarial valuation method – Entry Age Normal Funding Method based on a level percentage of salary. 2022 salaries were reported as \$9.326 million.

Changes in Net OPEB Liability FYE 2022

| | | | |
|---------------------------------------|---------------------------------|--|-------------------------------|
| Discount Rate (Proj.) | 3.72% FYE 12/31/2022 | | |
| Investment Return Rate (Proj.) | N/A; Index will apply | | |
| | <u>Total OPEB Liability</u> | <u>Plan Fiduciary Net Position</u> | <u>Net OPEB Liability</u> |
| Balances at 1/1/2021 | \$51,465,241 | \$ | \$51,465,241 |
| Change | <u>4,612,282</u> | <u></u> | <u>4,612,282</u> |
| Balances at 12/31/2022 | <u>\$56,077,523</u> | <u>\$</u> | <u>\$56,077,523</u> |

TOTAL GASB #75 Expense for FYE 2023

A) GASB #75 Regular Expense

| | |
|--|------------------------|
| Service Cost | \$715,691 |
| Interest Cost | 1,172,906 |
| Recognition of Experience Changes | 183,992 |
| Recognition of Assumption Changes | <u>911,580</u> |
| GASB #75 Annual OPEB Cost <u>Regular</u> Expense | <u>\$2,984,169</u> |

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Township's Net OPEB liability as well as what the Township's Net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1 percentage point higher than the current rate:

| | | | |
|-------------------------------|--------------------------------|---|--------------------------------|
| | 1% Decrease <u>2.72%</u> | At Current Discount Rate <u>3.72%</u> | 1% Increase <u>4.72%</u> |
| Township's Net OPEB Liability | \$63,473,562 | \$56,077,523 | \$50,162,650 |

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 9. OTHER POST EMPLOYMENT BENEFITS, (continued)

Sensitivity of Net OPEB Liability to Changes in the Medical Inflation Rate:

The following presents the Township's Net OPEB liability as well as what the Township's Net OPEB liability would be if it were calculated using a medical inflation rate that is 1-percentage point lower or 1 percentage point higher than the current rate:

| | <u>1% Decrease</u> | <u>Healthcare Trend Rate</u> | <u>1% Increase</u> |
|-------------------------------|--------------------|----------------------------------|--------------------|
| Township's Net OPEB Liability | \$50,684,461 | \$56,077,523 | \$62,764,324 |

NOTE 10. FUND BALANCES

Fund balances as of December 31, 2023 and 2022 which were appropriated and included as anticipated revenue in their own respective funds for the years ending December 31, 2024 and 2023 were as follows:

| | <u>2024</u> | <u>2023</u> |
|------------------|----------------|----------------|
| Current Fund | \$7,818,806.00 | \$3,681,788.00 |
| Garbage District | \$90,000.00 | \$100,000.00 |

NOTE 11. FIXED ASSETS

The following is a summary of changes in the general fixed asset account group for the year 2023:

| | <u>Balance Dec. 31, 2022</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance Dec. 31, 2023</u> |
|-------------------------|----------------------------------|---------------------|-----------------------|----------------------------------|
| Land and Buildings | \$27,160,600.00 | \$405,300.00 | \$123,400.00 | \$27,442,500.00 |
| Machinery and Equipment | <u>22,556,567.38</u> | <u>119,400.00</u> | <u>991,185.00</u> | <u>21,684,782.38</u> |
| | <u>\$49,717,167.38</u> | <u>\$524,700.00</u> | <u>\$1,114,585.00</u> | <u>\$49,127,282.38</u> |

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 12. ACCRUED SICK AND VACATION BENEFITS

The Township has permitted employees to accrue unused sick and vacation time, which may be taken as time off or paid at a later date at an agreed upon rate. This amounted to \$1,562,456.70 as of December 31, 2023. It is expected that the payments will be budgeted as the amounts are used.

NOTE 13. DUE TO/FROM OTHER FUNDS

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

| | |
|---------------------|---|
| \$581.63 | Due to Current Fund from Other Trust Payroll for Current Fund receipts deposited in Other Trust Payroll Fund. |
| 11,284.00 | Due to Current Fund from General Capital Fund for Current Fund receipts deposited in General Capital Fund. |
| 282,901.78 | Due to Federal and State Grant Fund from Current Fund for grant receipts deposited in Current Fund. |
| 265.13 | Due to Other Trust Fund from Current Fund for Other Trust Fund receipts deposited in the Current Fund. |
| 1,031.68 | Due to Open Space Trust Fund from Current Fund for Open Space receipts deposited in Current Fund. |
| 2,498.38 | Due to Assessment Trust Fund from Current Fund for Assessment Trust receipts deposited in Current Fund. |
| 58,500.00 | Due to General Capital Fund from Assessment Trust Fund from Assessment Trust Fund for Assessment Trust Fund expenditure paid by General Capital Fund. |
| <u>444,587.84</u> | Due to Garbage Fund from Current Fund for garbage tax levy. |
| <u>\$801,650.44</u> | |

NOTE 14. LEASES

The Township is currently leasing vehicles used by the police, health, building and engineering departments.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 15. 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:

| | Balance <u>Dec 31, 2023</u> | Balance <u>Dec 31, 2022</u> |
|--|--------------------------------|--------------------------------|
| Prepaid Taxes | <u>\$782,215.85</u> | <u>\$707,329.05</u> |
| Cash Liability for Taxes Collected in Advance | <u>\$782,215.85</u> | <u>\$707,329.05</u> |

NOTE 16. 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 West Milford is currently a member of the Morris County Joint Insurance Fund (the "Fund"). The Fund provides their members with Liability, Property and Workers' Compensation and Employer Liability Insurance. The Fund is a risk-sharing public entity risk pool that is both an insured and self administered group of municipalities established for the purpose of providing low-cost insurance coverage for their respective members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund is elected.

As a member of the Fund, the Township could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

**TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)**

NOTE 16. RISK MANAGEMENT, (continued)

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

Financial statements for the Fund is available at the office of the Fund's Administrator, Inservco, Inc.

The Township, along with eight (8) other municipalities, is enrolled in the North Jersey Municipal Employee Benefits Fund (the "Plan"). The Plan, which is administered by the Insurance Design Administrators, had a limit of liability of \$125,000.00 per employee with an aggregate stop loss of \$5,000,000.00 per individual lifetime.

Financial statements of the Plan are available at the office of the Executive Director, PERMA, Inc.

New Jersey Unemployment Compensation Insurance - 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 expendable trust fund for the current and previous two years:

| Year Ended Dec. 31, | Interest Earnings/ Township Contributions | Employee Contributions | Amount Reimbursed | Ending Balance |
|--------------------------------|--|-----------------------------------|------------------------------|---------------------------|
| 2023 | \$5,749.19 | \$19,752.75 | \$23,780.95 | \$454,746.50 |
| 2022 | 1,945.78 | 18,232.83 | 426.50 | 453,025.51 |
| 2021 | 6,198.49 | 17,615.28 | 387.00 | 433,273.40 |

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 17. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP)

On September 24, 2001, the Division of Local Government Services approved the Township's LOSAP plan, provided by Variable Annuity Life Insurance Company (VALIC). The purpose of this plan is to enhance the Township's ability to retain and recruit volunteer firefighters and volunteer members of emergency service squads.

VALIC will provide for the benefit of participants, a multi-fund variable annuity contract as its funding vehicle. The plan shall have minimum and maximum contribution requirements as follows: the minimum contribution for each participating active volunteer member shall be \$100 per year of active emergency service and the maximum contribution for each active volunteer member shall be \$1,150 per year of active emergency service, subject to periodic increases as permitted. The Township's contribution shall be included in the current year's budget.

All amounts awarded under a length of service award plan shall remain the asset of the sponsoring agency; the obligation of the sponsoring agency to participating volunteers shall be contractual only; and no preferred or special interest in the awards made shall accrue to such participants. Such money shall be subject to the claims of the sponsoring agency's general creditors until distributed to any or all participants.

We have reviewed the plan for the year ended December 31, 2023 in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Accounting and Review Services.

NOTE 18. SALE OF WEST MILFORD MUNICIPAL UTILITIES AUTHORITY

On December 18, 2018, the West Milford Municipal Utilities Authority was sold to Suez Water New Jersey Inc. For \$11,300,000. Net proceeds of \$5,173,221.74 were received by the Township of West Milford. The \$5,173,221.74 was deposited into the Township's General Capital Fund and is reserved to pay the Township's debt service. The balance in the reserve at December 31, 2023 is \$1,835,496.76.

TOWNSHIP OF WEST MILFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(continued)

NOTE 19: COMMITMENTS AND CONTINGENT LIABILITIES

We are advised by the Township Counsel that the Township is involved in several legal suits that are either covered by the Township's insurance carrier or normal for a Township this size. We are also advised of the following:

- A. Newark v. West Milford: The matter involves a tax appeal by the Township seeking an increase for the 2014 and 2015 assessments. The Township received over \$1,000,000 in a successful County Tax Board Judgment for the 2014 tax year. The matter was tied to a conclusion whereby the Court upheld the Township's assessment of the property and no refund was ordered to be paid to the City of Newark. We note that the City of Newark has filed an appeal of the Trial Court's decision so some of the risks, as previously stated, as to the outcome of the case remain. The Township is in a stronger position as a result of the opinion issued by the Court.
- B. The Township is involved in several other tax appeals. The tax refund exposure is not known at this time.

NOTE 20: 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 estimated amount of federal aid available to the Township of West Milford is \$2,756,027.71 which will be available for use until December 31, 2024. This amount will be distributed to the Township in two installments.

NOTE 21: SUBSEQUENT EVENT

The Township has evaluated subsequent events through July 22, 2024, the date which the financial statements were available to be issued, no items were noted for disclosure.

SUPPLEMENTARY DATA

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

| | <u>2023</u> | <u>2022</u> | <u>2021</u> |
|----------------------------|--------------------|--------------------|--------------------|
| Tax Rate: | <u>4.075</u> | <u>3.989</u> | <u>3.891</u> |
| Apportionment of Tax Rate: | | | |
| Municipal | 0.811 | 0.817 | 0.819 |
| Municipal Library | 0.047 | 0.041 | 0.038 |
| Municipal Open Space | 0.020 | 0.020 | 0.005 |
| County | 0.783 | 0.794 | 0.763 |
| Local School | 2.290 | 2.196 | 2.160 |
| Garbage District | 0.124 | 0.121 | 0.106 |
| Assessed Valuations: | | | |
| 2023 | \$2,737,558,500.00 | | |
| 2022 | | \$2,732,764,900.00 | |
| 2021 | | | \$2,729,778,200.00 |

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

| <u>Year</u> | <u>Tax Levy</u> | <u>Cash Collections</u> | <u>Percentage of Collection</u> |
|-------------|------------------|-------------------------|---------------------------------|
| 2023 | \$111,765,359.83 | \$110,404,415.96 | 98.78% |
| 2022 | 109,388,071.67 | 107,905,424.12 | 98.64 |
| 2021 | 106,423,310.84 | 105,130,698.87 | 98.79 |

DELINQUENT TAXES AND TAX TITLE LIENS

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

| <u>Dec. 31</u> | <u>Amount of Tax Title Liens</u> | <u>Amount of Delinquent Taxes</u> | <u>Total Delinquent</u> | <u>Percentage of Tax Levy</u> |
|----------------|----------------------------------|-----------------------------------|-------------------------|-------------------------------|
| 2023 | \$939,405.10 | \$1,312,128.04 | \$2,251,533.14 | 2.01% |
| 2022 | 1,257,912.59 | 1,339,068.46 | 2,596,981.05 | 2.38 |
| 2021 | 1,422,061.54 | 1,039,696.00 | 2,461,757.54 | 2.13 |

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

Properties have been acquired in 2020 by foreclosure or deed, or as a result of liquidation of tax title liens.

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

| <u>Year</u> | <u>Amount</u> |
|-------------|----------------|
| 2023 | \$6,560,100.00 |
| 2022 | 6,319,900.00 |
| 2021 | 6,204,500.00 |

COMPARATIVE SCHEDULE OF FUND BALANCES

| <u>Year</u> | <u>Balance December 31</u> | <u>Utilized in Budget of Succeeding Year</u> |
|-------------|--------------------------------|--|
| 2023 | \$12,215,127.95 | \$7,818,806.00 |
| 2022 | 10,011,785.28 | 3,681,788.00 |
| 2021 | 8,766,179.44 | 3,215,395.00 |
| 2020 | 5,781,025.96 | 3,725,684.00 |
| 2019 | 6,113,444.75 | 4,524,239.00 |
| 2018 | 4,894,818.91 | 3,891,839.00 |

OFFICIALS IN OFFICE AND SURETY BONDS

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

| <u>Name</u> | <u>Title</u> |
|---------------------|---|
| Michele Dale | Mayor |
| Kevin Goodsir | Council President |
| Ada Erik | Councilmember |
| Matthe Conlon | Councilmember |
| Marilyn Lichtenberg | Councilmember |
| Michael Chazukow | Councilmember |
| David Marsden | Councilmember |
| William Senande | Township Administrator/ Township Clerk |
| Ellen Mageean | Director of Finance and Chief Financial Officer |
| Rita DeNivo | Tax Collector and Tax Search Officer |
| David Ferrante | Judge |
| Michele Walker | Municipal Court Administrator |
| James DeVore | Chief of Police |
| Fred Semrau | Township Attorney |
| Brian Townsend | Assessor |

All employees are covered under a \$1,000,000.00 Blanket Bond under the AIG Crime Policy in the NJIIF.

Adequacy of insurance coverage is the responsibility of the Township.

Township of West Milford, N.J.

Schedule of Cash - Treasurer

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | | <u>Current Fund</u> |
|---|-------------|---------------------|-----------------------------|
| Balance - December 31, 2022 | A | | 18,982,304.38 |
| Increased by Receipts: | | | |
| Miscellaneous Revenue Not Anticipated | A-2 | 174,144.48 | |
| Collector | A-6 | 112,731,917.30 | |
| Sales Contracts Receivable | A-10 | 25,450.00 | |
| Revenue Accounts Receivable | A-11 | 9,266,847.32 | |
| Interfunds | A-12 | 279,375.93 | |
| Due From State - Senior Citizen and Veteran Deductions | A-14 | 168,305.47 | |
| Various Cash Liabilities and Reserves | A-20 | <u>501,699.37</u> | |
| | | | <u>123,147,739.87</u> |
| | | | 142,130,044.25 |
| Decreased by Disbursements: | | | |
| Refund Prior Year Revenue | A-1 | 1,699.00 | |
| Current Year Budget Appropriations | A-3 | 30,589,416.49 | |
| Interfunds | A-12 | 2,186,261.86 | |
| Appropriation Reserves | A-13 | 1,082,391.62 | |
| Local District School Taxes | A-17 | 61,345,962.00 | |
| County Taxes Payable | A-18 | 21,503,591.19 | |
| Garbage District Taxes | A-19 | 3,361,893.78 | |
| Various Cash Liabilities and Reserves | A-20 | <u>1,298,557.62</u> | |
| | | | <u>121,369,773.56</u> |
| Balance - December 31, 2023 | A | | <u><u>20,760,270.69</u></u> |

Township of West Milford, N.J.

Schedule of Change Funds

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|-----------------------------|-------------|---------------|
| Balance - December 31, 2022 | A | <u>750.00</u> |
| Balance - December 31, 2023 | A | <u>750.00</u> |

Township of West Milford, N.J.

Schedule of Cash - Collector

Year Ended December 31, 2023

| | <u>Ref.</u> | | |
|---|-------------|-------------------|------------------------------|
| Increased by Receipts: | | | |
| Taxes Receivable | A-7 | 110,821,132.35 | |
| Tax Title Liens | A-8 | 30,628.33 | |
| Interest and Costs on Taxes | A-11 | 342,818.98 | |
| 2024 Taxes Prepaid | A-16 | 782,215.85 | |
| Tax Overpayments | A-20 | 277,655.89 | |
| Deposits for Redemption of Tax Sale Certificates | A-20 | <u>477,465.90</u> | |
| | | | <u><u>112,731,917.30</u></u> |
| Decreased by Disbursements: | | | |
| Receipts Turned Over to Treasurer | A-4 | | <u><u>112,731,917.30</u></u> |

Township of West Milford, N.J.

Schedule of Taxes Receivable and Analysis of Property Tax Levy

| Current Fund | | | | | | | | | |
|------------------------------------|------------------------------|-----------------------|-------------------|-----------------------|--------------------------------|---|--------------------------------------|-----------------------|------------------------------|
| Year Ended December 31, 2023 | | | | | | | | | |
| Year | Balance, Dec. 31, 2022 | Levy | Added Taxes | Collected | | Senior Citizen and Veteran Deductions | Transferred to Tax Title Liens | Appeals/ Canceled | Balance, Dec. 31, 2023 |
| | | | | 2022 | 2023 | | | | |
| prior 2023 | 1,339,068.46 | 111,555,508.03 | 209,851.80 | 707,329.05 | 1,290,499.61 109,530,632.74 | (2,300.00) 166,454.17 | 80,709.57 | 16,572.82 2,402.29 | 34,296.03 1,277,832.01 |
| | <u>1,339,068.46</u> | <u>111,555,508.03</u> | <u>209,851.80</u> | <u>707,329.05</u> | <u>110,821,132.35</u> | <u>164,154.17</u> | <u>80,709.57</u> | <u>18,975.11</u> | <u>1,312,128.04</u> |
| | A | | | A-2/A-15 | A-2/A-6 | A-2/A-14 | A-8 | | A |
| Analysis of Tax Levy | | | | | | | | | |
| Tax yield: | | | | Ref. | | | | | |
| General Property Tax | | | | 108,160,938.49 | | | | | |
| Public Utility Tax | | | | 3.95 | | | | | |
| Garbage Tax | | | | 3,394,565.59 | | | | | |
| Added Tax (R.S. 54:4-63.1 et seq.) | | | | 209,851.80 | | | | | |
| | | | | <u>111,765,359.83</u> | | | | | |
| Tax Levy: | | | | | | | | | |
| Municipal Open Space Tax | | | | 547,512.00 | | | | | |
| Added Municipal Open Space Tax | | | | A-12 | 1,031.68 | | | | |
| Local District School Tax | | | | A-17 | 21,427,627.66 | | | | |
| County Tax | | | | 40,404.35 | | | | | |
| Added County Taxes | | | | A-18 | 21,468,032.01 | | | | |
| Garbage District Taxes | | | | 3,368,165.00 | | | | | |
| Added Garbage District Taxes | | | | A-19 | 6,246.30 | | | | |
| | | | | 3,374,411.30 | | | | | |
| | | | | A-2 | 88,067,877.99 | | | | |
| Local Tax for Municipal Purposes | | | | A-2 | 23,483,629.00 | | | | |
| Additional Taxes | | | | 213,852.84 | | | | | |
| | | | | 23,697,481.84 | | | | | |
| | | | | <u>111,765,359.83</u> | | | | | |

Township of West Milford, N.J.

Schedule of Tax Title Liens

Current Fund

Year Ended December 31, 2023

| | | | |
|--|------------------|-------------------|--------------------------|
| Balance - December 31, 2022 | <u>Ref.</u> A | | 1,257,912.59 |
| Increased by: | | | |
| Transfer from Taxes Receivable | A-7 | | <u>80,709.57</u> |
| | | | 1,338,622.16 |
| Decreased by: | | | |
| Collections | A-2,A-6 | 30,628.33 | |
| Transferred To Property Acquired for Taxes | A-9 | <u>368,588.73</u> | |
| | | | <u>399,217.06</u> |
| Balance - December 31, 2023 | A | | <u><u>939,405.10</u></u> |

Township of West Milford, N.J.

Schedule of Property Acquired for Taxes

(At Assessed Valuation)

Current Fund

Year Ended December 31, 2023

| | | | |
|---------------------------------------|------------------|-------------------|----------------------------|
| Balance - December 31, 2022 | <u>Ref.</u> A | | 6,319,900.00 |
| Increased by: | | | |
| Transfer from Tax Title Liens | A-8 | 368,588.73 | |
| Add: Adjustment to Assessed Valuation | | <u>36,711.27</u> | <u>405,300.00</u> |
| | | | 6,725,200.00 |
| Decreased by: | | | |
| Sale of Property | A-10 | 25,450.00 | |
| Adjustment to Assessed Valuation | | <u>139,650.00</u> | <u>165,100.00</u> |
| Add: Loss on Sales | | | |
| Balance - December 31, 2023 | A | | <u><u>6,560,100.00</u></u> |

Township of West Milford, N.J.
Schedule of Sales Contracts Receivable
Current Fund
Year Ended December 31, 2023

| | <u>Ref.</u> | |
|---------------------------------|-------------|------------------|
| Increased by: | | |
| Sale of Township Owned Property | A-9 | <u>25,450.00</u> |
| Decreased by: | | |
| Collected | A-2,A-4 | <u>25,450.00</u> |

Township of West Milford, N.J.
Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | <u>Balance Dec. 31, 2022</u> | <u>Accrued</u> | <u>Collected</u> | <u>Balance Dec. 31, 2023</u> |
|---------------------------------------|-------------|----------------------------------|----------------|------------------|----------------------------------|
| Clerk: | | | | | |
| Licenses | | | | | |
| Alcoholic Beverages | A-2 | | 28,338.00 | 28,338.00 | |
| Other | A-2 | | 34,920.00 | 34,920.00 | |
| Fees and Permits | A-2 | | 91,691.00 | 91,691.00 | |
| Miscellaneous Revenue not Anticipated | A-2 | | 3,493.80 | 3,493.80 | |
| Construction Code Official - Fees | A-2 | | 571,760.00 | 571,760.00 | |
| Sanitarian | | | | | |
| Licenses | A-2 | | 32,162.49 | 32,162.49 | |
| Fees and Permits | A-2 | | 68,615.00 | 68,615.00 | |
| Miscellaneous Revenue not Anticipated | A-2 | | 449.32 | 449.32 | |
| Registrar | | | | | |
| Licenses | A-2 | | 180.00 | 180.00 | |
| Fees and Permits | A-2 | | 11,580.00 | 11,580.00 | |
| Planning Board | | | | | |
| Fees and Permits | A-2 | | 39,350.40 | 39,350.40 | |
| Miscellaneous Revenue not Anticipated | A-2 | | 84,463.89 | 84,463.89 | |
| Board of Adjustment | | | | | |
| Fees and Permits | A-2 | | 15,125.20 | 15,125.20 | |
| Police Department: | | | | | |
| Fees and Permits | A-2 | | 39,673.67 | 39,673.67 | |
| Miscellaneous Revenue not Anticipated | A-2 | | 2,595.70 | 2,595.70 | |
| Fire Inspector | | | | | |
| Fees and Permits | A-2 | | 71,090.00 | 71,090.00 | |
| Building Inspector | | | | | |
| Miscellaneous Revenue not Anticipated | A-2 | | 22,000.00 | 22,000.00 | |
| Assessor | | | | | |
| Miscellaneous Revenue not Anticipated | A-2 | | 610.00 | 610.00 | |
| Uniform Fire Safety Act: Local Fees | A-2 | | 27,390.00 | 27,390.00 | |
| Municipal Court | | | | | |
| Fines and Costs | A-2 | 8,522.91 | 119,988.71 | 121,704.69 | 6,806.93 |
| Interest and Costs on Taxes | A-2 | | 342,818.98 | 342,818.98 | |
| Interest and Costs on Assessments | A-2 | | 6,572.01 | 6,572.01 | |
| Interest on Investments | A-2 | | 536,461.24 | 536,461.24 | |
| Recreation Fees | A-2 | | 551,778.13 | 551,778.13 | |
| Bus Fares | A-2 | | 2,873.00 | 2,873.00 | |
| Energy Receipts Tax | A-2 | | 2,338,994.98 | 2,338,994.98 | |
| Garden State Trust PILOT Funds | A-2 | | 99,857.00 | 99,857.00 | |
| Watershed Moratorium Aid | A-2 | | 757,687.00 | 757,687.00 | |
| Cell Tower Lease Agreement | A-2 | | 134,149.28 | 134,149.28 | |
| Reserve for Debt Service | A-2 | | 1,427,310.00 | 1,427,310.00 | |

Township of West Milford, N.J.
Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | <u>Balance</u> <u>Dec. 31, 2022</u> | <u>Accrued</u> | <u>Collected</u> | <u>Balance</u> <u>Dec. 31, 2023</u> |
|---|-------------|--|---------------------|---------------------|--|
| American Rescue Plan - LFRF Loss of Revenue | A-2 | | 1,378,013.86 | 1,378,013.86 | |
| General Capital Surplus | A-2 | | 143,194.00 | 143,194.00 | |
| Cable TV Franchise Fee | A-2 | | 105,030.00 | 105,030.00 | |
| Library Share of Debt Service | A-2 | | 146,000.00 | 146,000.00 | |
| Life Hazard Use Fees | A-2 | | 47,313.58 | 47,313.58 | |
| PILOT Revenue | A-2 | | 324,420.08 | 324,420.08 | |
| | | <u>8,522.91</u> | <u>9,607,950.32</u> | <u>9,609,666.30</u> | <u>6,806.93</u> |
| | | A | | | A |
| Receipts | A-4 | | | 9,266,847.32 | |
| Collector | A-6 | | | 342,818.98 | |
| | | | | <u>9,609,666.30</u> | |

Township of West Milford, N.J.

Schedule of Interfunds

Current Fund

Year Ended December 31, 2023

| | | Due From/(To) Balance | | | Due From/(To) Balance |
|------------------------------|-------------|--------------------------|-------------------|---------------------|--------------------------|
| | <u>Ref.</u> | <u>Dec. 31, 2022</u> | <u>Increased</u> | <u>Decreased</u> | <u>Dec. 31, 2023</u> |
| Payroll Fund | A | 2,666.74 | 581.63 | 2,666.74 | 581.63 |
| Other Trust Fund | A | (1,207.44) | 265.13 | 1,207.44 | (265.13) |
| Other Trust - Open Space | A | (1,457.60) | 548,543.68 | 548,969.60 | (1,031.68) |
| Assessment Trust Fund | A | (2,045.15) | 2,498.38 | 2,045.15 | (2,498.38) |
| General Capital Fund | A | | 11,284.00 | | 11,284.00 |
| State and Federal Grant Fund | A | (1,631,130.14) | 282,901.78 | 1,631,130.14 | (282,901.78) |
| | | <u>(1,633,173.59)</u> | <u>846,074.60</u> | <u>2,186,019.07</u> | <u>(274,831.34)</u> |
| Due to Current Fund | A/A-1 | 2,666.74 | | | 11,865.63 |
| Due From Current Fund | A | <u>(1,635,840.33)</u> | | | <u>(286,697.83)</u> |
| | | <u>(1,633,173.59)</u> | | | <u>(274,832.20)</u> |
| Canceled Grant Receivable | A-1 | | 8,956.10 | | |
| Canceled Grant Reserves | A-1 | | | 8,956.10 | |
| Cash Receipts | A-4 | | 276,709.19 | 2,666.74 | |
| Cash Disbursements | A-4 | | 11,865.63 | 2,174,396.23 | |
| Municipal Open Space Tax | A-1,A-7 | | <u>548,543.68</u> | | |
| | | | <u>846,074.60</u> | <u>2,186,019.07</u> | |

Township of West Milford, N.J.

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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> |
|---|-------------------------------------|---|----------------------------|---------------------------|
| Salaries and Wages Within "CAPS": | | | | |
| Township Administrator | 1,987.96 | 1,987.96 | | 1,987.96 |
| Mayor and Council | 128.60 | 128.60 | | 128.60 |
| Township Clerk | 4,770.23 | 4,770.23 | | 4,770.23 |
| Elections | 145.29 | 145.29 | | 145.29 |
| Division of Treasury | 5,202.12 | 5,202.12 | | 5,202.12 |
| Computerized Data Processing | 1,863.01 | 1,863.01 | | 1,863.01 |
| Division of Tax Collection | 1,000.15 | 1,000.15 | 554.67 | 445.48 |
| Division of Assessment | 10,628.11 | 10,628.11 | | 10,628.11 |
| Division of General Services | 4,037.50 | 4,037.50 | 341.25 | 3,696.25 |
| Division of Engineering | 515.38 | 515.38 | | 515.38 |
| Veterans Bureau | 1.68 | 1.68 | | 1.68 |
| Historical Preservation Commission | 260.00 | 260.00 | | 260.00 |
| Division of Comprehensive Planning | 2,460.30 | 2,460.30 | | 2,460.30 |
| Division of Zoning Administration | 4,280.76 | 4,280.76 | | 4,280.76 |
| Division of Patrol | 328,487.43 | 321,487.43 | 19,550.34 | 301,937.09 |
| Division of Police Administration | 31,140.67 | 31,140.67 | | 31,140.67 |
| Special Police & Special Police Matrons | 5,045.43 | 5,045.43 | 1,306.76 | 3,738.67 |
| Division of Communications | 899.07 | 4,899.07 | 4,899.07 | |
| Office of Municipal Disaster | 10,000.06 | 10,000.06 | | 10,000.06 |
| Fire Prevention Bureau | 1,041.34 | 1,041.34 | 5.38 | 1,035.96 |
| Department of Fire | 10.74 | 10.74 | | 10.74 |
| Municipal Prosecutor | 9.98 | 9.98 | | 9.98 |
| Division of Streets and Roads | 89,052.95 | 89,052.95 | 5,610.31 | 83,442.64 |
| Division of Public Property | 2,854.81 | 2,854.81 | 485.32 | 2,369.49 |
| Division of Snow Removal | 12,187.72 | 12,187.72 | 11,611.13 | 576.59 |
| Fleet Maintenance | 11,942.10 | 11,942.10 | 1,221.94 | 10,720.16 |
| Division of Health | 3,887.65 | 3,887.65 | | 3,887.65 |
| Bureau of Vital Statistics | 1.62 | 1.62 | | 1.62 |
| Division of Environmental Health | 1,517.08 | 1,517.08 | | 1,517.08 |
| Environmental Commission | 570.00 | 570.00 | | 570.00 |
| Recreation Programs | 6,901.00 | 6,901.00 | | 6,901.00 |
| Department of Recreation | 6,534.22 | 6,534.22 | | 6,534.22 |
| Community Center | 434.75 | 434.75 | 434.75 | |
| Senior Services | 3.62 | 3.62 | | 3.62 |
| Division of Parks Maintenance | 187.68 | 3,187.68 | 1,031.26 | 2,156.42 |
| Bubbling Springs | 2,063.74 | 2,063.74 | | 2,063.74 |
| Municipal Court | 9,970.36 | 9,970.36 | | 9,970.36 |

Township of West Milford, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2023

| | Balance, Dec. 31, 2022 | Balance after Transfers and Encumbrances | Paid or Charged | Balance Lapsed |
|--|------------------------------|--|--------------------|-------------------|
| Construction Official | 22,470.50 | 22,470.50 | 1,331.68 | 21,138.82 |
| Mass Transportation | 8,173.44 | 8,173.44 | 1,142.68 | 7,030.76 |
| Accumulated Absences | 100,000.00 | 100,000.00 | 100,000.00 | |
| Total Salaries and Wages Within "CAPS" | 692,669.05 | 692,669.05 | 149,526.54 | 543,142.51 |
| Other Expenses Within "CAPS": | | | | |
| Township Administrator | 13,378.32 | 23,941.70 | 4,770.38 | 19,171.32 |
| Mayor and Council | 829.97 | 979.45 | | 979.45 |
| Township Clerk | 11,548.62 | 12,097.06 | 10,221.28 | 1,875.78 |
| Elections | 5,304.17 | 5,304.17 | 1,795.00 | 3,509.17 |
| Division of Treasury | 8,662.44 | 9,019.68 | 275.53 | 8,744.15 |
| Audit Services and Costs | | | | |
| Annual Audit | 40,999.00 | 41,000.00 | 34,850.00 | 6,150.00 |
| Additional Audit Services | 9,001.00 | 16,112.50 | 2,400.00 | 13,712.50 |
| Computerized Data Processing | 2.62 | 1,637.39 | 1,548.12 | 89.27 |
| Division of Tax Collection | 51.15 | 24,483.27 | 24,399.85 | 83.42 |
| Division of Assessments | 2,867.31 | 13,064.31 | 6,597.00 | 6,467.31 |
| Township Attorney | 100,904.17 | 122,865.44 | 15,656.75 | 107,208.69 |
| Division of General Services | 23,121.75 | 66,606.15 | 22,133.04 | 44,473.11 |
| Division of Engineering | 38,066.43 | 85,402.83 | 46,579.24 | 38,823.59 |
| Veterans Bureau | 150.00 | 150.00 | | 150.00 |
| Historical Preservation Commission | 1,000.00 | 1,000.00 | | 1,000.00 |
| Planning Board | 655.00 | 10,963.06 | 9,858.52 | 1,104.54 |
| Division of Comprehensive Planning | 7,154.49 | 8,156.91 | 945.13 | 7,211.78 |
| Division of Zoning Administration | 5,200.00 | 18,707.50 | 25.00 | 18,682.50 |
| Board of Adjustment | 6,160.74 | 23,329.74 | 9,696.22 | 13,633.52 |
| Group Insurance Plan for Employees | 463,413.32 | 465,454.52 | 109,863.16 | 355,591.36 |
| Other Insurance Premiums | 25,863.50 | 25,863.50 | | 25,863.50 |
| Health Benefit Waiver | 9,020.19 | 9,020.19 | | 9,020.19 |
| Division of Patrol | 1,385.13 | 43,990.14 | 42,948.64 | 1,041.50 |
| Special Police & Matrons | 6,887.70 | 6,887.70 | | 6,887.70 |
| Division of Communications | 7,380.00 | 7,380.00 | 250.08 | 7,129.92 |
| Municipal Disaster - Control Director | 31,606.12 | 40,832.92 | 7,286.54 | 33,546.38 |
| Aid to Volunteer Fire Co. | 8,848.40 | 8,848.40 | 8,848.40 | |
| First Aid Organization Contribution | 154,903.02 | 154,903.02 | 99,372.34 | 55,530.68 |
| Bureau of Fire Prevention | 3,628.49 | 4,918.88 | 1,202.33 | 3,716.55 |
| Department of Fire | 69,258.49 | 175,105.34 | 84,597.18 | 90,508.16 |
| Division of Streets and Roads | 148,593.46 | 296,565.03 | 95,954.81 | 200,610.22 |

Township of West Milford, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2023

| | Balance, Dec. 31, 2022 | Balance after Transfers and Encumbrances | Paid or Charged | Balance Lapsed |
|--|------------------------------|--|---------------------|---------------------|
| Division of Public Property | 5,705.59 | 22,500.22 | 17,421.81 | 5,078.41 |
| Division of Snow Removal | 21,376.40 | 85,647.66 | 54,295.07 | 31,352.59 |
| Fleet Maintenance | 8,362.15 | 73,218.26 | 33,973.07 | 39,245.19 |
| Division of Health | 19,470.73 | 21,970.24 | 812.27 | 21,157.97 |
| Bureau of Vital Statistics | 1,299.00 | 2,487.00 | 1,188.00 | 1,299.00 |
| Housing Standards Bureau | 5,500.00 | 5,500.00 | | 5,500.00 |
| Division of Environmental Health | 17,312.89 | 36,557.35 | 13,157.62 | 23,399.73 |
| Environmental Commission | 380.20 | 380.20 | | 380.20 |
| Division of Pound Keeper | 2,100.04 | 29,684.47 | 27,388.92 | 2,295.55 |
| Recreation Programs | 478.48 | 2,914.48 | 305.00 | 2,609.48 |
| Department of Recreation | 2,768.98 | 3,096.22 | 558.37 | 2,537.85 |
| Community Center | 13,276.51 | 19,446.63 | 5,522.65 | 13,923.98 |
| Senior Services | 7,932.36 | 7,932.36 | | 7,932.36 |
| Division of Park Maintenance | 1,476.04 | 11,247.10 | 7,628.90 | 3,618.20 |
| Bubbling Springs Recreation | 11,985.90 | 20,164.15 | 3,092.99 | 17,071.16 |
| Municipal Court | 14,236.27 | 14,749.87 | 2,485.49 | 12,264.38 |
| Public Defender | 5,600.00 | 5,600.00 | 400.00 | 5,200.00 |
| Construction Official | 3,237.92 | 8,726.95 | 399.65 | 8,327.30 |
| Celebration of Public Events | 17,833.31 | 18,519.47 | 292.40 | 18,227.07 |
| Street Lighting | 14,529.93 | 14,529.93 | 6,157.45 | 8,372.48 |
| Electric | 38,828.77 | 38,828.77 | 17,565.52 | 21,263.25 |
| Telephone | 12,243.90 | 12,243.90 | 4,953.92 | 7,289.98 |
| Natural Gas | 7,939.18 | 9,070.96 | 8,236.03 | 834.93 |
| Gasoline | 6,937.34 | 90,522.02 | 27,277.08 | 63,244.94 |
| Total Other expenses Within "CAPS" | <u>1,446,656.89</u> | <u>2,280,129.01</u> | <u>875,186.75</u> | <u>1,404,942.26</u> |
| Deferred Charges and Statutory Expenditures Within "CAPS": | | | | |
| Social Security | 13,458.93 | 13,458.93 | | 13,458.93 |
| Public Employees' Retirement System | 48,644.79 | 48,644.79 | | 48,644.79 |
| Police and Firemen's Retirement System | 99.77 | 99.77 | | 99.77 |
| Defined Contribution Retirement Program | 8,949.40 | 8,949.40 | | 8,949.40 |
| Total Deferred Charges and Statutory Expenditures Within "CAPS" | <u>71,152.89</u> | <u>71,152.89</u> | | <u>71,152.89</u> |
| Total Reserves Within "CAPS" | <u>2,210,478.83</u> | <u>3,043,950.95</u> | <u>1,024,713.29</u> | <u>2,019,237.66</u> |

Township of West Milford, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2023

| | Balance, Dec. 31, 2022 | Balance after Transfers and Encumbrances | Paid or Charged | Balance Lapsed |
|--|------------------------------|--|--------------------|-------------------|
| Other Expenses Excluded From "CAPS": | | | | |
| Emergency Services Volunteer Length of Service Award Plan | 27,200.00 | 27,200.00 | | 27,200.00 |
| Maintenance of Public Library | 57,171.65 | 57,171.65 | 57,171.65 | |
| Interlocal Service Agreement | | | | |
| Health Services | 605.77 | 9,852.07 | 3,384.59 | 6,467.48 |
| Matching Funds for Grants | | | | |
| Total Other Expenses Excluded from "CAPS" | 84,977.42 | 94,223.72 | 60,556.24 | 33,667.48 |
| Capital Improvements Excluded from "CAPS" | | | | |
| Purchase of Fire Equipment | | | | |
| Purchase of Various Capital Equipment | 18,073.49 | 170,532.87 | 168,237.07 | 2,295.80 |
| Total Capital Improvements Excluded from "CAPS" | 18,073.49 | 170,532.87 | 168,237.07 | 2,295.80 |
| Total Reserves Excluded from "CAPS" | 103,050.91 | 264,756.59 | 228,793.31 | 35,963.28 |
| Total Reserves | 2,313,529.74 | 3,308,707.54 | 1,253,506.60 | 2,055,200.94 |
| | A | | | A-1 |
| Appropriation Reserves | Ref. above | 2,313,529.74 | | |
| Transfer from Reserve for Encumbrances | A-15 | 995,177.80 | | |
| | | 3,308,707.54 | | |
| Cash Disbursements | A-4 | | 1,082,391.62 | |
| Accounts Payable | A-20 | | 171,114.98 | |
| | | | 1,253,506.60 | |

Township of West Milford, N.J.

**Schedule of Amount from State of New Jersey
for Senior Citizens' and Veterans' Deductions - CH. 73 P.L. 1976**

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|--|-----------------|-------------------------|
| Balance - December 31, 2022 | A | 15,327.30 |
| Increased by: | | |
| Senior Citizens' and Veterans' Deductions Per Tax Billings | 165,750.00 | |
| Senior Citizens' and Veterans' Deductions Allowed by Tax Collector | 7,250.00 | |
| Decreased by: | | |
| Senior Citizens' and Veterans' Deductions Disallowed by Tax Collector | <u>8,845.83</u> | |
| | A-7 | <u>164,154.17</u> |
| | | 179,481.47 |
| Cash Receipts | A-4 | <u>168,305.47</u> |
| Balance - December 31, 2023 | A | <u><u>11,176.00</u></u> |

Township of West Milford, N.J.

Schedule of Encumbrances Payable

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|---------------------------------------|-------------|----------------------------|
| Balance - December 31, 2022 | A | 995,177.80 |
| Increased by: | | |
| Transfer from Current Appropriations | A-3 | <u>1,464,355.05</u> |
| | | 2,459,532.85 |
| Decreased by: | | |
| Transferred to Appropriation Reserves | A-13 | <u>995,177.80</u> |
| Balance - December 31, 2023 | A | <u><u>1,464,355.05</u></u> |

Schedule of Prepaid Taxes

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|-------------------------------|-------------|--------------------------|
| Balance - December 31, 2022 | A | 707,329.05 |
| Increased by: | | |
| Receipts - Prepaid 2024 Taxes | A-6 | <u>782,215.85</u> |
| | | 1,489,544.90 |
| Decreased by: | | |
| Applied to 2023 Taxes | A-7 | <u>707,329.05</u> |
| Balance - December 31, 2023 | A | <u><u>782,215.85</u></u> |

Township of West Milford, N.J.

Schedule of Local District School Tax

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|-----------------------------------|----------------------|----------------------|
| Balance - December 31, 2022 | | |
| School Tax Deferred | <u>30,007,514.00</u> | 30,007,514.00 |
| Increased by: | | |
| Levy School Year - July 1, 2023 | | |
| to June 30, 2024 | A-7 | <u>62,676,891.00</u> |
| | | 92,684,405.00 |
| Decreased by: | | |
| Payments | A-4 | <u>61,345,962.00</u> |
| Balance - December 31, 2023 | | |
| School Tax Deferred | <u>31,338,443.00</u> | <u>31,338,443.00</u> |
| 2023 Liability for Local | | |
| District School Tax: | | |
| Tax Paid | | <u>61,345,962.00</u> |
| Amount Charged to 2023 Operations | A-1 | <u>61,345,962.00</u> |

Township of West Milford, N.J.

Schedule of County Taxes Payable

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | | |
|-----------------------------|-------------|------------------|-------------------------|
| Balance - December 31, 2022 | A | | 75,963.53 |
| Increased by: | | | |
| Tax Levy -2023 | A-1/A-7 | 21,427,627.66 | |
| Added and Omitted Taxes | A-1/A-7 | <u>40,404.35</u> | |
| | | | <u>21,468,032.01</u> |
| | | | 21,543,995.54 |
| Decreased by: | | | |
| Payments | A-4 | | <u>21,503,591.19</u> |
| Balance - December 31, 2023 | A | | <u><u>40,404.35</u></u> |

Schedule of Due to Garbage District

Current Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | | |
|-----------------------------|-------------|-----------------|--------------------------|
| Balance - December 31, 2022 | A | | 432,070.32 |
| Increased by: | | | |
| Tax Levy -2023 | A-1/A-7 | 3,368,165.00 | |
| Added and Omitted Taxes | A-1/A-7 | <u>6,246.30</u> | |
| | | | <u>3,374,411.30</u> |
| | | | 3,806,481.62 |
| Decreased by: | | | |
| Disbursements | A-4 | | <u>3,361,893.78</u> |
| Balance - December 31, 2023 | A | | <u><u>444,587.84</u></u> |

Township of West Milford, N.J.

Schedule of Various Cash Liabilities and Reserves

Current Fund

Year Ended December 31, 2023

| <u>Liabilities and Reserves</u> | <u>Balance Dec. 31, 2022</u> | <u>Increased</u> | <u>Decreased</u> | <u>Balance Dec. 31, 2023</u> |
|--|----------------------------------|---------------------|---------------------|----------------------------------|
| <u>Liabilities:</u> | | | | |
| Tax Overpayments | 56,074.68 | 277,655.89 | 285,043.57 | 48,687.00 |
| Deposits for Redemption of Tax Sale Certificates | 13,941.22 | 477,465.90 | 475,718.70 | 15,688.42 |
| Due to State of N.J. Marriage Surcharge | | 1,500.00 | 800.00 | 700.00 |
| Due to State of N.J. Building Surcharge | 10,459.00 | 35,924.00 | 38,612.00 | 7,771.00 |
| Due to County - PILOT | | 17,074.74 | 17,074.74 | |
| Accounts Payable | 96,227.08 | 171,114.98 | 68,130.70 | 199,211.36 |
| <u>Reserves for:</u> | | | | |
| Tax Appeals | 48,838.31 | | | 48,838.31 |
| Tax Appeal Legal Fees | 6,695.63 | | | 6,695.63 |
| Sale of Property | 1,653,810.78 | | 347,872.56 | 1,305,938.22 |
| MUA Collections | 206,250.52 | | | 206,250.52 |
| MUA Dissolution | 101,332.07 | | | 101,332.07 |
| Revaluation of Real Property | 108,774.68 | | | 108,774.68 |
| Technology Improvements | 2,309.50 | 4,905.00 | 3,034.08 | 4,180.42 |
| Tennessee Pipeline | | 200,000.00 | | 200,000.00 |
| Municipal Relief Fund | 121,173.46 | 242,295.63 | 121,173.46 | 242,295.63 |
| Tax Foreclosures | 7,323.08 | | | 7,323.08 |
| Salary Negotiations | 359,379.28 | | 63,951.27 | 295,428.01 |
| Senior Housing | 6,130.09 | | | 6,130.09 |
| Wetlands Study | 15,583.00 | | | 15,583.00 |
| Housing Standards | 12,383.25 | | | 12,383.25 |
| | <u>2,826,685.63</u> | <u>1,427,936.14</u> | <u>1,421,411.08</u> | <u>2,833,210.69</u> |
| | A | | | A |
| | <u>Ref.</u> | | | |
| Canceled Accounts Payable | A-1 | | 1,680.00 | |
| 2023 Anticipated Revenue | A-2 | | 121,173.46 | |
| Receipts | A-4 | 501,699.37 | | |
| Disbursed | A-4 | | 1,298,557.62 | |
| Collector | A-6 | 755,121.79 | | |
| Transferred from Appropriation Reserves | A-13 | 171,114.98 | | |
| | | <u>1,427,936.14</u> | <u>1,421,411.08</u> | |

Township of West Milford, N.J.

Schedule of Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2023

| <u>Grant</u> | <u>Balance, Dec. 31, 2022</u> | <u>Budget Revenue</u> | <u>Received</u> | <u>Canceled</u> | <u>Balance, Dec. 31, 2023</u> |
|--|-----------------------------------|---------------------------|-------------------|-----------------|-----------------------------------|
| Local Grants: | | | | | |
| PC Open Space - ADA Parking & Seating | 30,000.00 | | | | 30,000.00 |
| PC Open Space - Apple Acres | 15,556.59 | | | | 15,556.59 |
| PC Open Space - Nosenzo Park | 180,000.00 | | | | 180,000.00 |
| Passaic County Open Space - Nosenzo Comm. Center | | 750,000.00 | | | 750,000.00 |
| | <u>225,556.59</u> | <u>750,000.00</u> | | | <u>975,556.59</u> |
| Federal Grants: | | | | | |
| COVID Vaccination Funding | 53,522.00 | 35,000.00 | 43,520.00 | | 45,002.00 |
| Strengthening Local Public Health | 221,294.00 | 406,046.00 | 289,750.00 | | 337,590.00 |
| Emergency Management Agency Assistance Program | | 10,000.00 | 10,000.00 | | |
| Drive Sober or Get Pulled Over | 1,369.15 | 7,000.00 | | 1,369.15 | 7,000.00 |
| Bulletproof Vest Partnership Grant | 19,094.48 | 15,564.00 | 22,583.36 | 0.79 | 12,074.33 |
| Distracted Driving Crackdown | | 7,000.00 | 4,646.40 | 2,353.60 | |
| COPS Technology and Equipment Grant | | 2,893,000.00 | | | 2,893,000.00 |
| NJACCHO - Enhancing Local Public Health | | 251,899.00 | 45,167.00 | | 206,732.00 |
| CDBG - ADA Improvements | | 80,000.00 | | | 80,000.00 |
| CDBG - Barrier Free ADA Ramp - Annex | <u>50,000.00</u> | | | | <u>50,000.00</u> |
| | <u>345,279.63</u> | <u>3,705,509.00</u> | <u>415,666.76</u> | <u>3,723.54</u> | <u>3,631,398.33</u> |

Township of West Milford, N.J.

Schedule of Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2023

| Grant | Balance, | Budget | Received | Canceled | Balance, |
|--|----------------------|---------------------|-------------------|-----------------|----------------------|
| | <u>Dec. 31, 2022</u> | <u>Revenue</u> | <u>Received</u> | <u>Canceled</u> | <u>Dec. 31, 2023</u> |
| State Grants: | | | | | |
| Clean Communities Program | | 81,199.17 | 81,199.17 | | |
| Municipal Alliance on Alcoholism and Drug Abuse | 5,923.65 | 16,553.48 | | 621.10 | 21,856.03 |
| Municipal Alliance Youth Leadership | | 5,302.55 | | | 5,302.55 |
| NJ Highlands Water Protection | 84,059.77 | | 30,857.80 | | 53,201.97 |
| NJ Highlands Plan Conformance Grant | 131,633.68 | | 94,607.18 | | 37,026.50 |
| NJ Highlands Stormwater Infrastructure Mapping Grant | 5,479.52 | | 5,479.52 | | |
| NJ Highlands Watershed Management | 86,250.00 | | 86,250.00 | | |
| NJ Highlands Master Plan | | 44,000.00 | | | 44,000.00 |
| NJ Highlands Historic Preservation Plan | | 30,500.00 | | | 30,500.00 |
| NJ Highlands Stormwater Management Plan | | 85,250.00 | | | 85,250.00 |
| Stormwater Assistance Grant | | 25,000.00 | 15,000.00 | | 10,000.00 |
| Lead Grant Assistance | | 13,800.00 | 13,800.00 | | |
| Passaic County Cultural Heritage Grant | 875.00 | 4,110.00 | 375.00 | 4,610.00 | |
| Body Armor Replacement Fund | | 3,133.00 | 3,132.14 | 0.86 | |
| Recycling Tonnage Grant | | 27,381.00 | 27,380.40 | 0.60 | |
| | <u>314,221.62</u> | <u>336,229.20</u> | <u>358,081.21</u> | <u>5,232.56</u> | <u>287,137.05</u> |
| | <u>885,057.84</u> | <u>4,791,738.20</u> | <u>773,747.97</u> | <u>8,956.10</u> | <u>4,894,091.97</u> |
| | A | A-2 | | A-24 | A |

Ref.

| | | |
|---|------|-------------------|
| Transfer from Unappropriated Reserve for Grants | A-23 | 3,132.14 |
| Receipts | A-21 | 770,615.83 |
| | | <u>773,747.97</u> |

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2023

| Grant | Balance, | Transfer | Expended | Canceled | Balance, |
|--|-------------------|---------------------|-------------------|-----------------|---------------------|
| | Dec. 31, 2022 | From 2023 Budget | | | Dec. 31, 2023 |
| Local Grants: | | | | | |
| Passaic County Historical Grant | 1,375.00 | | | | 1,375.00 |
| Passaic County Cultural Heritage Grant | 1,000.00 | | | | 1,000.00 |
| ANJEC Grant | 525.00 | | | | 525.00 |
| PC Open Space - ADA Parking & Seating | 30,000.00 | | | | 30,000.00 |
| PC Open Space - Apple Acres | 15,556.59 | | | | 15,556.59 |
| PC Open Space - Nosenzo Park | 180,000.00 | | | | 180,000.00 |
| Passaic County Open Space - Nosenzo Comm. Center | | 750,000.00 | | | 750,000.00 |
| Municipal Alliance on Alcoholism and Drug Abuse | | 4,139.12 | 2,069.12 | | 2,070.00 |
| NJHCN Community Grant | 8,220.37 | | | | 8,220.37 |
| | <u>236,676.96</u> | <u>754,139.12</u> | <u>2,069.12</u> | | <u>988,746.96</u> |
| Federal Grants: | | | | | |
| COVID Vaccination Funding | 53,522.00 | 35,000.00 | 42,122.00 | | 46,400.00 |
| Strengthening Local Public Health | 280,479.00 | 406,046.00 | 261,961.00 | | 424,564.00 |
| Emergency Management Agency Assistance Program | | 10,000.00 | 10,000.00 | | |
| NJACCHO - Enhancing Local Public Health | | 251,899.00 | 28,632.00 | | 223,267.00 |
| Drive Sober or Get Pulled Over | 1,369.15 | 7,000.00 | 3,326.24 | 1,369.15 | 3,673.76 |
| Bulletproof Vest Partnership Grant | 19,094.48 | 15,564.00 | | 0.79 | 34,657.69 |
| Distracted Driving Crackdown | | 7,000.00 | 4,646.40 | 2,353.60 | |
| CDBG - ADA Improvements | | 80,000.00 | | | 80,000.00 |
| CDBG - Barrier Free ADA Ramp - Annex | 50,000.00 | | | | 50,000.00 |
| COPS Technology and Equipment Grant | | 2,893,000.00 | | | 2,893,000.00 |
| | <u>404,464.63</u> | <u>3,705,509.00</u> | <u>350,687.64</u> | <u>3,723.54</u> | <u>3,755,562.45</u> |

Township of West Milford, N.J.

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2023

| Grant | Balance, | Transfer | Expended | Canceled | Balance, Dec. 31, 2023 |
|---|---------------|---------------------|------------|----------|---------------------------|
| | Dec. 31, 2022 | From 2023 Budget | | | |
| State Grants: | | | | | |
| NJ Highlands Plan Conformance Grant | 82,078.49 | | 82,078.49 | | 22,139.27 |
| Highlands Water Protection | 63,975.77 | | 41,836.50 | | 18,955.25 |
| NJ Highlands Watershed Management | 86,250.00 | | 67,294.75 | | 11,702.50 |
| NJ Highlands Master Plan | | 44,000.00 | 32,297.50 | | 15,250.00 |
| NJ Highlands Historic Preservation Plan | | 30,500.00 | 15,250.00 | | 55,400.00 |
| NJ Highlands Stormwater Management Plan | | 85,250.00 | 29,850.00 | | 5,000.00 |
| NJ Department of Health - Hep B | 5,000.00 | | | | |
| Drunk Driving Enforcement Fund | 4,095.57 | | 4,095.57 | | 192,481.54 |
| Clean Communities Program | 158,808.19 | 81,199.17 | 47,525.82 | | 10,400.00 |
| Lead Grant Assistance | | 13,800.00 | 3,400.00 | | |
| Stormwater Assistance Grant | | 25,000.00 | 25,000.00 | | |
| Municipal Alliance on Alcoholism and Drug Abuse | 5,308.65 | 16,553.48 | 12,246.61 | 621.10 | 8,994.42 |
| Municipal Alliance Youth Leadership | | 5,302.55 | | | 5,302.55 |
| Body Armor Replacement Fund | 2,709.19 | 3,133.00 | | 0.86 | 5,841.33 |
| Recycling Tonnage Grant | 58,645.35 | 27,381.00 | 47,140.94 | 0.60 | 38,884.81 |
| Passaic County Cultural Heritage Grant | 3,200.00 | 4,110.00 | | 4,610.00 | 2,700.00 |
| | 470,071.21 | 336,229.20 | 408,016.18 | 5,232.56 | 393,051.67 |
| | 1,111,212.80 | 4,795,877.32 | 760,772.94 | 8,956.10 | 5,137,361.08 |
| | A | | A-24 | A-24 | A |
| Federal and State Grants | Ref. | 4,791,738.20 | | | |
| Matching Funds for Grants | A-3 | 4,139.12 | | | |
| | A-24 | 4,795,877.32 | | | |

Township of West Milford, N.J.

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2023

| <u>Grant</u> | <u>Balance, Dec. 31, 2022</u> | <u>Transfer To 2023 Budget</u> | <u>Received</u> | <u>Balance, Dec. 31, 2023</u> |
|------------------------|-----------------------------------|--|------------------|-----------------------------------|
| Federal Grants: | | | | |
| National Opioids Fund | 21,329.18 | | 14,732.06 | 36,061.24 |
| ARP | <u>1,378,013.86</u> | <u>1,378,013.86</u> | | |
| | <u>1,399,343.04</u> | <u>1,378,013.86</u> | <u>14,732.06</u> | <u>36,061.24</u> |
| State Grants: | | | | |
| Body Armor Replacement | 3,132.14 | 3,132.14 | 3,571.43 | 3,571.43 |
| | <u>3,132.14</u> | <u>3,132.14</u> | <u>3,571.43</u> | <u>3,571.43</u> |
| | <u>1,402,475.18</u> | <u>1,381,146.00</u> | <u>18,303.49</u> | <u>39,632.67</u> |
| | A | | A-24 | A |

Township of West Milford, N.J.

Schedule of Interfunds

Federal and State Grant Fund

Year Ended December 31, 2023

| | | Due From/(To) Balance | | | Due From/(To) Balance |
|----------------------------|-------------|--------------------------|-------------------|---------------------|--------------------------|
| | <u>Ref.</u> | <u>Dec. 31, 2022</u> | <u>Increased</u> | <u>Decreased</u> | <u>Dec. 31, 2023</u> |
| Current Fund | A | 1,631,130.14 | 802,014.54 | 2,150,242.90 | 282,901.78 |
| Garbage District | A | (2,500.00) | | 2,500.00 | |
| | | <u>1,628,630.14</u> | <u>802,014.54</u> | <u>2,152,742.90</u> | <u>282,901.78</u> |
| Interfund Current Fund | | | | 2,500.00 | |
| Interfund Garbage District | | | | 2,500.00 | |
| Grant Receipts | A-21 | | 770,615.83 | | |
| Canceled Grants Receivable | A-21 | | 8,956.10 | | |
| Matching Funds Grants | A-22 | | 4,139.12 | | |
| Grant Expenditures | A-22 | | | 760,772.94 | |
| Canceled Grant Reserves | A-22 | | | 8,956.10 | |
| Unappropriated Reserves | A-23 | | <u>18,303.49</u> | <u>1,378,013.86</u> | |
| | | | <u>802,014.54</u> | <u>2,152,742.90</u> | |

Township of West Milford, N.J.

Schedule of Cash

Trust Funds

Year Ended December 31, 2023

| | <u>Ref.</u> | <u>Assessment Trust Fund</u> | <u>Animal Control Trust Fund</u> | <u>Other Trust Funds</u> | <u>Open Space Trust Fund</u> | <u>L.O.S.A.P.</u> |
|---|-------------|--------------------------------------|--|----------------------------------|--------------------------------------|---------------------|
| Balance - December 31, 2022 | B | <u>282,557.14</u> | <u>20,399.88</u> | <u>5,181,813.40</u> | <u>2,258,938.47</u> | <u>3,161,207.71</u> |
| Increase by Receipts: | | | | | | |
| Assessments Receivable | B-6 | 106,375.08 | | | | |
| Amt to be Raised by Tax. - Cash Deficit | B-9 | 25,192.57 | | | | |
| Interfunds | B-8 | 60,545.15 | | 1,207.44 | 1,457.60 | |
| Dog License Fees | B-14 | | 27,697.91 | | | |
| Due to State of NJ | B-15 | | 3,525.00 | | | |
| Municipal Open Space Tax | B-16 | | | | 580,937.88 | |
| Other Trust Funds | B-17 | | | 1,120,766.51 | | |
| Payroll Deductions Payable | B-18 | | | 17,782,626.11 | | |
| Net Assets Available for Benefits | B-19 | | | | | 547,134.88 |
| Total Receipts | | <u>192,112.80</u> | <u>31,222.91</u> | <u>18,904,600.06</u> | <u>582,395.48</u> | <u>547,134.88</u> |
| | | <u>474,669.94</u> | <u>51,622.79</u> | <u>24,086,413.46</u> | <u>2,841,333.95</u> | <u>3,708,342.59</u> |
| Decreased by Disbursements: | | | | | | |
| Interfund - Current Fund | B-8 | 2,498.38 | | 2,350.24 | 1,031.68 | |
| Bond Anticipation Notes | B-11 | 51,300.00 | | | | |
| NJDEP Loan - Gordon Lakes | B-12 | 42,637.04 | | | | |
| Reserve for Dog Expenditures | B-14 | | 23,312.71 | | | |
| Due to State of NJ | B-15 | | 3,393.00 | | | |
| Municipal Open Space Tax | B-16 | | | | 15,735.50 | |
| Other Trust Funds | B-17 | | | 1,545,144.96 | | |
| Payroll Deductions Payable | B-18 | | | 17,665,667.22 | | |
| Net Assets Available for Benefits | B-19 | | | | | 166,350.86 |
| Total Disbursements | | <u>96,435.42</u> | <u>26,705.71</u> | <u>19,213,162.42</u> | <u>16,767.18</u> | <u>166,350.86</u> |
| Balance - December 31, 2023 | B | <u>378,234.52</u> | <u>24,917.08</u> | <u>4,873,251.04</u> | <u>2,824,566.77</u> | <u>3,541,991.73</u> |

Township of West Milford, N.J.

Analysis of Assessment Cash

Assessment Trust Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|------------------------------------|-------------|-------------------|
| Due from Current Fund | B-8 | (2,498.38) |
| Due to General Capital | B-8 | 58,500.00 |
| Pledged to Bond Anticipation Notes | | 8,800.00 |
| Pledged to NJDEP Loan Payable | | 227,787.13 |
| Fund Balance | B-1 | <u>85,645.77</u> |
| | | <u>378,234.52</u> |
| | | B |

Township of West Milford, N.J.

Schedule of Assessments Receivable

Year Ended December 31, 2023

| Ordinance Number | Improvement Description | Date of Confir- mation | Balance Dec. 31, 2022 | Assessments Confirmed | Collected | Transferred to Lien | Balance Dec. 31, 2023 | Balance Pledged to | | |
|---------------------|-----------------------------------|------------------------------|--------------------------|--------------------------|------------|------------------------|--------------------------|-----------------------|----------------|-----------|
| | | | | | | | | BANs | NJ DEP Loan | Reserve |
| 2002-20 2003-20/ | Pinecliff Lake Dam Rehabilitation | 11/10/2004 | 25,192.57 | | 18,861.25 | | 6,331.32 | | | 6,331.32 |
| 2008-49 | Improvements to Gordon Lakes Dam | 11/10/2010 | 183,071.40 | | 27,413.83 | | 155,657.57 | | 95,657.57 | 60,000.00 |
| 2019-13 | Improvement of Various Roads | 2/8/2023 | | 150,000.00 | 60,100.00 | 2,000.00 | 87,900.00 | 68,500.00 | | 19,400.00 |
| | | | 208,263.97 | 150,000.00 | 106,375.08 | 2,000.00 | 249,888.89 | 68,500.00 | 95,657.57 | 85,731.32 |
| | | | B | B-11, B-13 | B-4 | B-7 | B | | | |

Township of West Milford, N.J.

Schedule of Assessment Liens

Year Ended December 31, 2023

| Ordinance Number | Improvement Description | Transferred From Assessment Receivable | Balance Dec. 31, 2023 | Balance Pledged to Reserve |
|---------------------|------------------------------|---|--------------------------|----------------------------------|
| 2019-13 | Improvement of Various Roads | 2,000.00 | 2,000.00 | 2,000.00 |
| | | <u>2,000.00</u> | <u>2,000.00</u> | <u>2,000.00</u> |
| | | B-6 | B | |

Township of West Milford, N.J.

Schedule of Interfunds

Trust Funds

Year Ended December 31, 2023

| | Due to/(from) Balance <u>Dec. 31, 2022</u> | <u>Increased</u> | <u>Decreased</u> | Due to/(from) Balance <u>Dec. 31, 2023</u> |
|------------------------------|--|------------------|------------------|--|
| Current Fund: | | | | |
| Assessment Trust | (2,045.15) | 2,498.38 | 2,045.15 | (2,498.38) |
| Other Trust | (1,207.44) | 265.13 | 1,207.44 | (265.13) |
| Other Trust - Payroll | 2,666.74 | | 2,085.11 | 581.63 |
| Open Space Trust | (1,457.60) | 1,031.68 | 1,457.60 | (1,031.68) |
| General Capital: | | | | |
| Assessment Trust | | 58,500.00 | | 58,500.00 |
| | <u>(2,043.45)</u> | <u>62,295.19</u> | <u>6,795.30</u> | <u>55,286.44</u> |
| | B | | | B |
| | <u>Ref.</u> | | | |
| Receipts - Assessment Trust | B-4 | 58,500.00 | 2,045.15 | |
| Receipts - Other Trust Fund | B-4 | | 1,207.44 | |
| Receipts - Open Space Trust | B-4 | | 1,457.60 | |
| Disbursed - Assessment Trust | B-4 | 2,498.38 | | |
| Disbursed - Other Trust Fund | B-4 | 265.13 | 2,085.11 | |
| Disbursed - Open Space Trust | B-4 | 1,031.68 | | |
| | | <u>62,295.19</u> | <u>6,795.30</u> | |

Township of West Milford, N.J.

Schedule of Amount to be Raised By Taxation

Deficit in Cash

Year Ended December 31, 2023

| <u>Ordinance Number</u> | <u>Improvement Description</u> | <u>Balance Dec. 31, 2022</u> | <u>Budget Appropriation</u> | <u>Balance Dec. 31, 2023</u> |
|-----------------------------|-----------------------------------|----------------------------------|---------------------------------|----------------------------------|
| 2002-20 | Pinecliff Lake Dam Rehabilitation | 25,192.57 | 25,192.57 | |
| | | <hr/> | <hr/> | <hr/> |
| | | 25,192.57 | 25,192.57 | |
| | | <hr/> | <hr/> | <hr/> |
| | | B | B-4 | B |

Township of West Milford, N.J.

Schedule of Prospective Assessments Funded

Year Ended December 31, 2023

| <u>Improvement Description</u> | Ord. Number | Funded from Capital Improvement <u>Fund</u> | Balance <u>Dec. 31, 2023</u> | <u>Balance Pledged to Reserve</u> |
|--------------------------------|----------------|--|---------------------------------|---|
| Improvement of Stowaway Bridge | 2023-20 | 23,250.00 | 23,250.00 | 23,250.00 |
| | | <u>23,250.00</u> | <u>23,250.00</u> | <u>23,250.00</u> |
| | | B-13 | B | |

Township of West Milford, N.J.
Schedule of Bond Anticipation Notes Payable

Assessment Trust Fund

Year Ended December 31, 2014

| Ordinance Number | Improvement Description | Date of Original Issue | Date of Issue | Date of Maturity | Interest Rate | Balance, Dec. 31, 2022 | Increased | Decreased | Balance, Dec. 31, 2023 |
|---------------------|-------------------------------|------------------------------|------------------|---------------------|------------------|------------------------------|-----------------------------------|------------------|------------------------------|
| 2019-13 | Improvements of Various Roads | 09/14/23 | 09/14/23 | 09/13/24 | 4.25% | | 136,200.00 | 58,900.00 | 77,300.00 |
| | | | | | | <u>B</u> | <u>136,200.00</u> | <u>58,900.00</u> | <u>77,300.00</u> |
| | | | | | | | B-6 | | B |
| | | | | | | | Ref. | | |
| | | | | | | | Cash Disbursement | 51,300.00 | |
| | | | | | | | Reserve for Assessments and Liens | 7,600.00 | |
| | | | | | | | | <u>58,900.00</u> | |

Township of West Milford, N.J.

Schedule of NJ DEP Loan Payable - Gordon Lake

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|-----------------------------|-------------|--------------------------|
| Balance - December 31, 2022 | B | 366,081.74 |
| Decreased by: | | |
| Loan Paid by Current Year | | |
| Budget Appropriation | B-4 | <u>42,637.04</u> |
| Balance - December 31, 2023 | B | <u><u>323,444.70</u></u> |

| <u>Payment Date</u> | <u>Interest</u> | <u>Principal</u> | <u>Loan Balance</u> |
|---------------------|------------------|-------------------|---------------------|
| 04/10/24 | 3,234.45 | 21,638.83 | 301,805.87 |
| 10/10/24 | 3,018.06 | 21,855.22 | 279,950.65 |
| 04/10/25 | 2,799.51 | 22,073.77 | 257,876.88 |
| 10/10/25 | 2,578.77 | 22,294.51 | 235,582.37 |
| 04/10/26 | 2,355.82 | 22,517.45 | 213,064.92 |
| 10/10/26 | 2,130.65 | 22,742.63 | 190,322.29 |
| 04/10/27 | 1,903.22 | 22,970.05 | 167,352.24 |
| 10/10/27 | 1,673.52 | 23,199.75 | 144,152.49 |
| 04/10/28 | 1,441.52 | 23,431.75 | 120,720.74 |
| 10/10/28 | 1,207.21 | 23,666.07 | 97,054.67 |
| 04/10/29 | 970.55 | 23,902.73 | 73,151.94 |
| 10/10/29 | 731.52 | 24,141.76 | 49,010.18 |
| 04/10/30 | 490.10 | 24,383.17 | 24,627.01 |
| 10/10/30 | 246.27 | 24,627.01 | 0.00 |
| | <u>24,781.17</u> | <u>323,444.70</u> | |

Township of West Milford, N.J.

Schedule of Reserve for Assessments and Liens

Year Ended December 31, 2023

| Ordinance Number | Improvement Description | Balance Dec. 31, 2022 | Collections to Surplus | Municipal Share of Assessments | Transfers From | To | Balance Dec. 31, 2023 |
|---------------------------------------|-----------------------------------|--------------------------|------------------------------|--------------------------------------|-------------------|-----------------|--------------------------|
| <u>Assessments Receivable</u> | | | | | | | |
| 2002-20 | Pinecliff Lake Dam Rehabilitation | 25,192.57 | 18,861.25 | | | | 6,331.32 |
| 2003-20/ 2008-49 | Gordon Lakes Dam | 60,000.00 | | | | | 60,000.00 |
| 2019-13 | Improvement of Various Roads | | | 21,400.00 | 2,000.00 | | 19,400.00 |
| | | <u>85,192.57</u> | <u>18,861.25</u> | <u>21,400.00</u> | <u>2,000.00</u> | | <u>85,731.32</u> |
| <u>Assessment Liens</u> | | | | | | | |
| 2019-13 | Improvement of Various Roads | | | | | 2,000.00 | 2,000.00 |
| | | | | | | <u>2,000.00</u> | <u>2,000.00</u> |
| <u>Prospective Assessments Funded</u> | | | | | | | |
| 2023-20 | Improvement of Stowaway Bridge | | | 23,250.00 | | | 23,250.00 |
| | | | | <u>23,250.00</u> | | | <u>23,250.00</u> |
| | | <u>85,192.57</u> | <u>18,861.25</u> | <u>44,650.00</u> | <u>2,000.00</u> | <u>2,000.00</u> | <u>110,981.32</u> |
| | | B | B-1 | | | | B |

Township of West Milford, N.J.

Reserve for Animal Control Trust Fund Expenditures

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|-----------------------------|-------------|-------------------------|
| Balance - December 31, 2022 | B | 20,390.28 |
| Increased by: | | |
| Collections | | |
| Dog License Fees -2023 | | 21,365.00 |
| Late Charge Fees | | 2,032.00 |
| Cat Licenses | | 3,952.00 |
| Miscellaneous | | 348.91 |
| | B-4 | <u>27,697.91</u> |
| | | 48,088.19 |
| Decreased by: | | |
| Expenditures R.S. 4:19-1511 | B-4 | <u>23,312.71</u> |
| Balance - December 31, 2023 | B | <u><u>24,775.48</u></u> |

License Fees Collected

| <u>Year</u> | |
|-------------|-------------------------|
| 2022 | 23,561.80 |
| 2021 | <u>24,797.00</u> |
| | <u><u>48,358.80</u></u> |

Schedule of Due to State Department of Health

| | <u>Ref.</u> | |
|-----------------------------|-------------|----------------------|
| Balance - December 31, 2022 | B | 9.60 |
| Increased by: | | |
| State Fees Collected | B-4 | <u>3,525.00</u> |
| | | 3,534.60 |
| Decreased by: | | |
| Paid to State | B-4 | <u>3,393.00</u> |
| Balance - December 31, 2023 | B | <u><u>141.60</u></u> |

Township of West Milford, N.J.

Reserve for Municipal Open Space

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|-----------------------------|-------------|----------------------------|
| Balance - December 31, 2022 | B | 2,260,396.07 |
| Increased by: | | |
| 2023 Tax Levy | | 547,512.00 |
| 2023 Added Taxes | | 1,031.68 |
| Interest Earned | | <u>32,394.20</u> |
| | B-4 | <u>580,937.88</u> |
| | | 2,841,333.95 |
| Decreased by: | | |
| Expenditures | B-4 | <u>15,735.50</u> |
| Balance - December 31, 2023 | B | <u><u>2,825,598.45</u></u> |

Township of West Milford, N.J.

Schedule of Various Reserves and Other Trust Funds

Year Ended December 31, 2023

| | Balance Dec. 31, 2022 | Increased | Decreased | Balance Dec. 31, 2023 |
|---------------------------------------|--------------------------|---------------------|---------------------|--------------------------|
| Improvement Guarantees | 645,324.50 | 72,615.60 | 88,943.89 | 628,996.21 |
| Reserve for: | | | | |
| Unemployment | 453,025.51 | 25,501.94 | 23,780.95 | 454,746.50 |
| Environmental Commission | 1,035.85 | | | 1,035.85 |
| Development Application Review Escrow | 347,493.29 | 93,022.51 | 79,791.81 | 360,723.99 |
| Fire Trust | 119,214.64 | 72,121.61 | 79,620.26 | 111,715.99 |
| Developers Contributions | 74,420.50 | 20,000.00 | | 94,420.50 |
| Heritage Committee | 29,850.37 | 409.42 | 880.00 | 29,379.79 |
| Premium on Tax Sale | 1,951,400.00 | 431,500.00 | 939,700.00 | 1,443,200.00 |
| Beautification Committee | 1,300.52 | | 1,300.52 | |
| Parking Offenses Adjudication Act | 918.12 | 40.00 | | 958.12 |
| Recreation | 324,014.06 | 264,324.84 | 244,231.49 | 344,107.41 |
| Video Recording System | 3,310.50 | | | 3,310.50 |
| Damaged Property | | 6,978.00 | 2,592.00 | 4,386.00 |
| Public Defender | 5,777.00 | 2,900.00 | | 8,677.00 |
| Forfeited Funds | 2.95 | | | 2.95 |
| Storm Recovery | 1,000,000.00 | 31,352.59 | 84,304.04 | 947,048.55 |
| Disaster Relief | 2,000.00 | | | 2,000.00 |
| Economic Development | 238.00 | | | 238.00 |
| Friends of Library Donation | 1,000.00 | | | 1,000.00 |
| Tax Sale | 50.00 | | | 50.00 |
| Future Liabilities | 198,728.21 | 100,000.00 | | 298,728.21 |
| | <u>5,159,104.02</u> | <u>1,120,766.51</u> | <u>1,545,144.96</u> | <u>4,734,725.57</u> |
| | B | B-4 | B-4 | B |

Township of West Milford, N.J.

Schedule of Payroll Deductions

Payroll Fund

Year Ended December 31, 2023

| | Balance <u>Dec. 31, 2022</u> | <u>Receipts</u> | <u>Disbursed</u> | Balance <u>Dec. 31, 2023</u> |
|---------------------------------|---------------------------------|----------------------|----------------------|---------------------------------|
| Federal Withholding | (341.30) | 1,488,562.52 | 1,488,221.22 | |
| Social Security / Medicare | (593.78) | 1,399,613.96 | 1,399,020.18 | |
| State Withholding | (80.47) | 575,957.13 | 575,876.66 | |
| Unemployment Insurance | (7.98) | 16,551.42 | 16,543.44 | |
| Union Dues | 3,200.03 | 63,525.68 | 61,642.15 | 5,083.56 |
| P.E.R.S. | (0.11) | 1,701,441.20 | 1,647,955.65 | 53,485.44 |
| P.E.R.S. Contributory Insurance | (86.74) | 33,791.31 | 30,791.53 | 2,913.04 |
| P.F.R.S. | 1,085.76 | 2,326,869.30 | 2,270,761.03 | 57,194.03 |
| D.C.R.P. | 0.02 | 40,563.53 | 38,080.22 | 2,483.33 |
| Credit Union | | 23,426.26 | 23,426.26 | |
| Insurance | | 21,436.95 | 21,436.95 | |
| Miscellaneous | 2,898.95 | 35,075.22 | 37,847.96 | 126.21 |
| Garnishment | | 40,744.00 | 40,744.00 | |
| H.S.A. | | 1,728.05 | 1,728.05 | |
| VALIC | 12,850.70 | 146,619.96 | 144,997.30 | 14,473.36 |
| Employee Share of Medical Ins. | | 672,016.04 | 672,016.04 | |
| Lincoln National | 2,325.00 | 27,850.00 | 27,725.00 | 2,450.00 |
| Net Payroll | | <u>9,166,853.58</u> | <u>9,166,853.58</u> | |
| | <u>21,250.08</u> | <u>17,782,626.11</u> | <u>17,665,667.22</u> | <u>138,208.97</u> |
| | B | B-4 | B-4 | B |

Township of West Milford, N.J.

Statement of Net Assets Available for Benefits

Year Ended December 31, 2023

| | <u>Ref.</u> | | |
|-----------------------------|-------------|-------------------|----------------------------|
| Balance - December 31, 2022 | B | | 3,161,207.71 |
| Increased by: | | | |
| Township Contributions | | 104,350.00 | |
| Gain/(Loss) | | <u>442,784.88</u> | |
| | B-4 | | <u>547,134.88</u> |
| | | | 3,708,342.59 |
| Decreased by: | | | |
| Distributions | | 165,896.62 | |
| Administrative Charges | | <u>454.24</u> | |
| | B-4 | | <u>166,350.86</u> |
| Balance - December 31, 2023 | B | | <u><u>3,541,991.73</u></u> |

Township of West Milford , N.J.

Schedule of General Capital Cash - Treasurer

General Capital Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | | |
|-----------------------------------|-------------|---------------|-----------------------------|
| Balance - December 31, 2022 | C | | 13,099,141.09 |
| Increased by Receipts: | | | |
| Premium on Sale of BANs and Bonds | C-1 | 65,987.95 | |
| Various Receivables | C-4 | 320,000.00 | |
| Deferred Charges Unfunded | C-6 | 124,310.00 | |
| Bond Anticipation Notes | C-8 | 15,671,615.00 | |
| Capital Improvement Fund | C-10 | 230,000.00 | |
| Various Reserves | C-11 | 190,782.69 | |
| Interfunds | C-12 | 143,194.00 | |
| | | | <u>16,745,889.64</u> |
| | | | 29,845,030.73 |
| Decreased by Disbursements: | | | |
| Fund Balance | C-1 | 143,194.00 | |
| Bond Anticipation Notes | C-8 | 11,896,925.00 | |
| Improvement Authorizations | C-9 | 2,217,848.60 | |
| Interfunds | C-12 | 190,410.00 | |
| | | | <u>15,875,687.60</u> |
| Balance - December 31, 2023 | C | | <u><u>13,969,343.13</u></u> |

Township of West Milford , N.J.

Analysis of Cash

General Capital Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|-----------------------------------|-------------|--------------|
| Fund Balance | C-1 | 537,152.31 |
| Various Receivables | C-4 | (551,340.00) |
| Capital Improvement Fund | C-10 | 177,303.00 |
| Various Reserves | C-11 | 1,911,293.58 |
| Interfund Current Fund | C-12 | 11,284.00 |
| Interfund - Assessment Trust Fund | C-13 | (58,500.00) |

Improvement Authorizations:

Ordinance

| <u>Number</u> | <u>Improvement Description</u> | |
|---------------|-------------------------------------|--------------|
| 2008-26 | Various Facilities Improvements | 114,217.85 |
| 2008-40 | Various Improvements | 301.00 |
| 2009-17 | Various Improvements | 17,765.23 |
| 2011-19 | Various Improvements | 18,020.92 |
| 2012-15 | Various Improvements | 18,101.96 |
| 2014-05 | Various Improvements | 50,000.00 |
| 2014-06 | Bubbling Springs Park Septic | 35,544.32 |
| 2015-08 | Various Improvements | 100,450.00 |
| 2015-13 | Construction of Library | 5,494.06 |
| 2016-03 | Various Improvements | 28,394.09 |
| 2016-08 | Various Improvements | 170,463.33 |
| 2017-06 | Various Improvements | 82,291.64 |
| 2018-04 | Improve. of Ridge & Reservoir Roads | 297,876.61 |
| 2018-07 | Various Improvements | 99,546.19 |
| 2019-04 | Various Improvements | 72,547.63 |
| 2019-09 | Various Improvements | 109,132.46 |
| 2019-13 | Various Road Improvements | 2,334.22 |
| 2020-07 | Various Improvements | 804,465.45 |
| 2021-14 | Various Improvements | 809,799.34 |
| 2021-20 | Purchase of Equipment | 729.00 |
| 2021-32 | Purchase of Equipment | 33,915.06 |
| 2022-21 | Improvements of Various Roads | 1,500,000.00 |
| 2022-22 | Various Improvements | 3,722,150.32 |
| 2022-32 | Fire Equipment | 10,792.44 |
| 2023-12 | Various Improvements | 3,643,811.76 |
| 2023-18 | Various Capital Purchases | 170,755.36 |
| 2023-20 | Improvement of Stowaway Bridge | 23,250.00 |

C,C-2 13,969,343.13

Township of West Milford , N.J.

Schedule of Various Receivables

General Capital Fund

Year Ended December 31, 2023

| | Balance, Dec. 31, 2022 | Increased by Grant Awards | Cash Received | Balance, Dec. 31, 2023 |
|---|---------------------------|---------------------------------|-------------------|---------------------------|
| Due from State of NJ Transportation Trust Fund: | | | | |
| Clinton Road (Ord #2021-14) | 77,000.00 | | 71,000.00 | 6,000.00 |
| Germantown Road (Ord #2022-22) | 332,000.00 | | 249,000.00 | 83,000.00 |
| Clinton Road (Ord #2023-12) | | 462,340.00 | | 462,340.00 |
| | <u>409,000.00</u> | <u>462,340.00</u> | <u>320,000.00</u> | <u>551,340.00</u> |
| | C | C-9 | C-2 | C, C-3 |

Township of West Milford , N.J.

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

General Capital Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|-----------------------------|-------------|-----------------------------|
| Balance - December 31, 2022 | C | 21,615,000.00 |
| Decreased by: | | |
| 2023 Budget Appropriation | | |
| General Serial Bonds | C-7 | <u>2,715,000.00</u> |
| Balance - December 31, 2023 | C | <u><u>18,900,000.00</u></u> |

Township of West Milford, 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 | Funded by Budget Appropriation | Assessments Confirmed | Balance, Dec. 31, 2023 | Analysis of Balance Dec. 31, 2023 | |
|------------------------------|--------------------------------|---------------------------|------------------------|--------------------------------------|--------------------------|---------------------------|--|--|
| | | | | | | | Financed by Bond Anticipation Notes | Unexpended Improvement Authorization |
| <u>General Improvements:</u> | | | | | | | | |
| 2020-07 | Various Improvements | 2,443,790.00 | | 124,310.00 | | 2,319,480.00 | | |
| 2021-14 | Various Improvements | 3,168,135.00 | | | | 3,168,135.00 | | |
| 2022-22 | Various Improvements | 4,857,000.00 | | | | 4,857,000.00 | | |
| 2023-12 | Various Improvements | | 3,899,000.00 | | | 3,899,000.00 | | |
| <u>Local Improvements:</u> | | | | | | | | |
| 2019-13 | Improvements of Various Roads | 136,200.00 | | | 136,200.00 | | | |
| 2022-21 | Improvements of Various Roads | 1,428,000.00 | | | | 1,428,000.00 | 464,950.00 | |
| 2023-20 | Improvement of Stowaway Bridge | 12,033,125.00 | 464,950.00 | 124,310.00 | 136,200.00 | 16,136,565.00 | 464,950.00 | |
| | | <u>C</u> | <u>C-9,C-13</u> | <u>C-2</u> | <u>C-8</u> | <u>C</u> | <u>C-8</u> | |
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Township of West Milford, N.J.
Schedule of General Serial Bonds Payable
General Capital Fund
Year Ended December 31, 2023

| <u>Purpose</u> | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Maturities of Bonds Outstanding, December 31, 2023</u> | | <u>Interest Rate</u> | <u>Balance, Dec. 31, 2022</u> | <u>Decreased</u> | <u>Balance, Dec. 31, 2023</u> | |
|-----------------------|----------------------|-----------------------|---|---------------|----------------------|-------------------------------|------------------|-------------------------------|---------------|
| | | | <u>Date</u> | <u>Amount</u> | | | | | |
| General Bonds of 2014 | 04/01/14 | 9,245,000.00 | 04/01/24 | 1,200,000.00 | 1%-2.35% | 2,400,000.00 | 1,200,000.00 | 1,200,000.00 | |
| General Bonds of 2016 | 01/20/16 | 6,160,000.00 | 1/15/24-28 | 325,000.00 | | | | | |
| | | | 01/15/29 | 335,000.00 | | | | | |
| | | | 1/15/30-36 | 380,000.00 | 2%-3% | 4,920,000.00 | 300,000.00 | 4,620,000.00 | |
| General Bonds of 2022 | 8/31/2022 | 14,295,000.00 | 09/15/24 | 1,265,000.00 | | | | | |
| | | | 09/15/25 | 1,310,000.00 | | | | | |
| | | | 09/15/26 | 1,360,000.00 | | | | | |
| | | | 09/15/27 | 1,410,000.00 | | | | | |
| | | | 09/15/28 | 1,460,000.00 | | | | | |
| | | | 09/15/29 | 1,515,000.00 | | | | | |
| | | | 09/15/30 | 1,535,000.00 | | | | | |
| | | | 09/15/31 | 1,585,000.00 | | | | | |
| | | | 09/15/32 | 1,640,000.00 | 2.25%-3.00% | 14,295,000.00 | 1,215,000.00 | 13,080,000.00 | |
| | | | | | | | <u>C</u> | <u>C-5</u> | <u>C</u> |
| | | | | | | | 21,615,000.00 | 2,715,000.00 | 18,900,000.00 |

Township of West Milford, N.J.

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2023

| Ordinance Number | Improvement Description | Original Amount Issued | Date of Original Issue | Date of Issue | Date of Maturity | Interest Rate | Balance, Dec. 31, 2022 | Increased | Decreased | Balance, Dec. 31, 2023 |
|------------------|-------------------------------|------------------------|------------------------|---------------|------------------|---------------|---------------------------------|---------------|---------------|------------------------|
| 2019-13 | Improvements of Various Roads | 143,800.00 | 09/19/19 | 09/14/23 | 09/13/24 | 4.250% | 136,200.00 | | 136,200.00 | 2,319,480.00 |
| 2020-07 | Various Improvements | 2,443,900.00 | 09/17/20 | 09/14/23 | 09/13/24 | 4.250% | 2,443,790.00 | | 2,443,790.00 | 3,168,135.00 |
| 2021-14 | Various Improvements | 3,169,000.00 | 09/16/21 | 09/14/23 | 09/13/24 | 4.250% | 3,168,135.00 | | 3,168,135.00 | 1,428,000.00 |
| 2022-21 | Improvements of Various Roads | 1,428,000.00 | 09/15/22 | 09/14/23 | 09/13/24 | 4.250% | 4,857,000.00 | | 4,857,000.00 | 3,899,000.00 |
| 2022-22 | Various Improvements | 4,857,000.00 | 09/15/22 | 09/14/23 | 09/13/24 | 4.250% | | | | |
| 2023-12 | Various Improvements | 3,899,000.00 | 09/14/23 | 09/14/23 | 09/13/24 | 4.250% | | | | |
| | | | | | | | 12,033,125.00 | 15,671,615.00 | 12,033,125.00 | 15,671,615.00 |
| | | | | | | | C | | | C |
| | | | | | | | Ref. | | | |
| | | | | | | | Cash Receipts | 15,671,615.00 | | |
| | | | | | | | Cash Disbursements | | 11,896,925.00 | |
| | | | | | | | Transferred to Assessment Trust | | 136,200.00 | |
| | | | | | | | | 15,671,615.00 | 12,033,125.00 | |
| | | | | | | | | | | |

Township of West Milford, N.J.
Schedule of Improvement Authorizations
General Capital Fund

Year Ended December 31, 2023

| Ordinance Number | Improvement Description <u>General Improvements:</u> | Ordinance Date | Amount | Balance, Dec. 31, 2022 | | 2023 Authorizations | Paid or Charged | Balance, Dec. 31, 2023 | |
|------------------|---|----------------|--------------|---------------------------|--------------|------------------------|--------------------|---------------------------|--------------|
| | | | | Funded | Unfunded | | | Funded | Unfunded |
| 2008-26 | Various Facilities Improvements | 05/28/08 | 320,980.80 | 114,217.85 | | | | 114,217.85 | |
| 2008-40 | Various Improvements | 07/30/08 | 3,342,360.00 | 301.00 | | | | 301.00 | |
| 2009-17 | Various Improvements | 08/26/09 | 3,322,778.00 | 30,793.38 | | | 13,028.15 | 17,765.23 | |
| 2011-19 | Various Improvements | 11/09/11 | 318,000.00 | 18,020.92 | | | | 18,020.92 | |
| 2012-15 | Various Improvements | 08/15/12 | 1,565,000.00 | 19,781.00 | | | 1,679.04 | 18,101.96 | |
| 2014-05 | Various Improvements | 06/25/14 | 2,214,000.00 | 50,000.00 | | | | 50,000.00 | |
| 2014-06 | Bubbling Springs Park Septic | 06/25/14 | 97,950.00 | 35,544.32 | | | | 35,544.32 | |
| 2015-08 | Various Improvements | 06/30/15 | 3,557,200.00 | 100,450.00 | | | | 100,450.00 | |
| 2015-13 | Construction of Library | 09/02/15 | 5,400,000.00 | 5,494.06 | | | | 5,494.06 | |
| 2016-03 | Various Improvements | 02/17/16 | 202,819.27 | 28,394.09 | | | | 28,394.09 | |
| 2016-08 | Various Improvements | 05/04/16 | 3,250,000.00 | 170,463.33 | | | | 170,463.33 | |
| 2017-06 | Various Improvements | 04/05/17 | 2,837,121.00 | 86,425.09 | | | 4,133.45 | 82,291.64 | |
| 2018-04 | Improve. of Ridge & Reservoir Roads | 04/18/18 | 1,250,000.00 | 317,979.61 | | | 20,103.00 | 297,876.61 | |
| 2018-07 | Various Improvements | 08/15/18 | 2,401,250.00 | 104,051.33 | | | 4,505.14 | 99,546.19 | |
| 2019-04 | Various Improvements | 04/24/19 | 1,135,000.00 | 85,714.44 | | | 13,166.81 | 72,547.63 | |
| 2019-09 | Various Improvements | 06/12/19 | 2,425,000.00 | 226,514.30 | | | 117,381.84 | 109,132.46 | |
| 2020-07 | Various Improvements | 05/20/20 | 3,071,405.00 | | 847,094.47 | | 42,629.02 | | 804,465.45 |
| 2021-14 | Various Improvements | 04/07/21 | 3,617,500.00 | 290,000.00 | 921,522.62 | | 401,723.28 | | 809,799.34 |
| 2021-20 | Purchase of Equipment | 05/05/21 | 155,000.00 | 30,000.00 | | | 29,271.00 | 729.00 | |
| 2021-32 | Purchase of Equipment | 08/11/21 | 40,000.00 | 36,090.76 | | | 2,175.70 | 33,915.06 | |
| 2022-22 | Various Improvements | 05/04/22 | 5,432,000.00 | 332,000.00 | 3,952,778.95 | | 562,628.63 | | 3,722,150.32 |
| 2022-32 | Fire Equipment | 07/13/22 | 98,283.10 | 98,283.10 | | | 87,490.66 | 10,792.44 | |
| 2023-12 | Various Improvements | 05/17/23 | 4,557,500.00 | | | 4,557,500.00 | 913,688.24 | 462,340.00 | 3,181,471.76 |
| 2023-18 | Various Capital Purchases | 08/16/23 | 175,000.00 | | | 175,000.00 | 4,244.64 | 170,755.36 | |

Township of West Milford, N.J.
Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2023

| Ordinance Number | Improvement Description | Ordinance | | Balance, Dec. 31, 2022 | | 2023 Authorizations | Paid or Charged | Balance, Dec. 31, 2023 | |
|---------------------|--|-----------|--------------|---------------------------|---------------------|------------------------|---------------------|---------------------------|----------------------|
| | | Date | Amount | Funded | Unfunded | | | Funded | Unfunded |
| Local Improvements: | | | | | | | | | |
| 2019-13 | Improvements of Various Roads | 08/14/19 | 151,000.00 | | 2,334.22 | | | | 2,334.22 |
| 2022-21 | Improvements of Various Roads | 05/04/22 | 1,500,000.00 | 72,000.00 | 1,428,000.00 | | | 72,000.00 | 1,428,000.00 |
| 2023-20 | Improvement of Stowaway Bridge | 09/13/23 | 488,200.00 | | | 488,200.00 | | 23,250.00 | 464,950.00 |
| | | | | <u>2,252,518.58</u> | <u>7,151,730.26</u> | <u>5,220,700.00</u> | <u>2,217,848.60</u> | <u>1,993,929.15</u> | <u>10,413,171.09</u> |
| | | | | C | C | | C-2 | C | C |
| | | | | | Ref. | | | | |
| | Grant Award | | | | C-4 | 462,340.00 | | | |
| | Deferred Charges to Future Taxation - Unfunded | | | | C-6 | 4,363,950.00 | | | |
| | Capital Improvement Fund | | | | C-10 | 219,410.00 | | | |
| | Reserve for Capital Purchases | | | | C-11 | 175,000.00 | | | |
| | | | | | | <u>5,220,700.00</u> | | | |

Township of West Milford , N.J.
Schedule of Capital Improvement Fund
General Capital Fund
Year Ended December 31, 2023

| | <u>Ref.</u> | |
|-------------------------------------|-------------|--------------------------|
| Balance - December 31, 2022 | C | 166,713.00 |
| Increased by: | | |
| Budget Appropriation | C-2 | <u>230,000.00</u> |
| | | 396,713.00 |
| Decreased by: | | |
| Appropriated to Finance Improvement | | |
| Authorizations | C-9 | <u>219,410.00</u> |
| Balance - December 31, 2023 | C, C-3 | <u><u>177,303.00</u></u> |

Township of West Milford , N.J.

Schedule of Various Reserves

General Capital Fund

Year Ended December 31, 2023

| | Balance, <u>Dec. 31, 2022</u> | <u>Increased</u> | <u>Decreased</u> | Balance, <u>Dec. 31, 2023</u> |
|--|----------------------------------|-------------------|---------------------|----------------------------------|
| Debt Service | 791.61 | | | 791.61 |
| Preliminary Costs - High Crest Dr Bridge | 145.00 | | | 145.00 |
| Payment of Debt - Sale of MUA | 3,262,806.76 | | 1,427,310.00 | 1,835,496.76 |
| Fire Equipment | | 15,782.69 | | 15,782.69 |
| Hillcrest Improvements | 43,000.00 | | | 43,000.00 |
| Capital Purchases | 16,077.52 | | | 16,077.52 |
| Capital Purchases | | 175,000.00 | 175,000.00 | |
| | <u>3,322,820.89</u> | <u>190,782.69</u> | <u>1,602,310.00</u> | <u>1,911,293.58</u> |
| | C | | | C, C-3 |
| | <u>Ref.</u> | | | |
| Cash Receipts | C-2 | 190,782.69 | | |
| Cash Disbursements | C-2 | | 1,427,310.00 | |
| Improvement Authorizations | C-9 | | 175,000.00 | |
| | | <u>190,782.69</u> | <u>1,602,310.00</u> | |

Township of West Milford , N.J.

Schedule of Interfunds

General Capital Fund

Year Ended December 31, 2023

| | | Due From/(To) Balance <u>Dec. 31, 2022</u> | <u>Increased</u> | <u>Decreased</u> | Due From/(To) Balance <u>Dec. 31, 2023</u> |
|-----------------------|-------------|--|-------------------|-------------------|--|
| | <u>Ref.</u> | | | | |
| Current Fund | C | | 143,194.00 | 131,910.00 | (11,284.00) |
| Assessment Trust Fund | C | | 58,500.00 | | 58,500.00 |
| | | | <u>201,694.00</u> | <u>131,910.00</u> | <u>47,216.00</u> |
| Cash Receipts | C-2 | | 143,194.00 | | |
| Cash Disbursements | C-2 | | <u>58,500.00</u> | <u>131,910.00</u> | |
| | | | <u>201,694.00</u> | <u>131,910.00</u> | |

Township of West Milford, N.J.

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2023

| <u>Ordinance Number</u> | <u>Improvement Description</u> | Balance, Dec. 31, 2022 | 2023 <u>Authorizations</u> | <u>Decreased</u> | Balance, Dec. 31, 2023 <u>Capital Fund</u> |
|------------------------------|--------------------------------|---------------------------|-------------------------------|------------------|--|
| <u>General Improvements:</u> | | | | | |
| 2023-12 | Various Improvements | | 3,899,000.00 | 3,899,000.00 | |
| <u>Local Improvements</u> | | | | | |
| 2023-20 | Improvement of Stowaway Bridge | | 464,950.00 | | 464,950.00 |
| | | | 4,363,950.00 | 3,899,000.00 | 464,950.00 |
| | | | C-6 | | Footnote C |

Exhibit G-4**Township of West Milford , N.J.****Schedule of Commitments Payable****Year Ended December 31, 2023**

| | <u>Ref.</u> | | |
|-----------------------------|-------------|------------------|--------------------------|
| Balance - December 31, 2022 | G | | 113,260.32 |
| Increased by: | | | |
| Encumbrances | G-3 | | <u>120,233.92</u> |
| | | | 233,494.24 |
| Decreased by: | | | |
| Lapse to Fund Balance | G-1 | 47,444.12 | |
| Expenditures | G-5 | <u>65,816.20</u> | |
| | | | <u>113,260.32</u> |
| Balance - December 31, 2023 | G | | <u><u>120,233.92</u></u> |

Exhibit G-5**Schedule of Due from Current Fund****Year Ended December 31, 2023**

| | <u>Ref.</u> | | |
|--|-------------|------------------|--------------------------|
| Balance - December 31, 2022 | G | | 432,070.32 |
| Increased by: | | | |
| Tax Levy | G-2 | 3,374,411.30 | |
| Recycling Receipts | G-6 | 80,655.46 | |
| Interfund Federal and State Grant Fund | G-9 | <u>2,500.00</u> | |
| | | | <u>3,457,566.76</u> |
| | | | 3,889,637.08 |
| Decreased by: | | | |
| Expenditures | G-3 | 3,343,897.41 | |
| Commitments Payable | G-4 | 65,816.20 | |
| Appropriation Reserves | G-8 | <u>35,335.63</u> | |
| | | | <u>3,445,049.24</u> |
| Balance - December 31, 2023 | G | | <u><u>444,587.84</u></u> |

Township of West Milford , N.J.

Schedule of Reserve for Recycling

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|-----------------------------|-------------|--------------------------|
| Balance - December 31, 2022 | G | 101,361.58 |
| Increased by: | | |
| Recycling Receipts | G -5 | <u>80,655.46</u> |
| | | 182,017.04 |
| Decreased by: | | |
| 2023 Anticipated Revenue | G -2 | <u>50,000.00</u> |
| Balance - December 31, 2023 | G | <u><u>132,017.04</u></u> |

Township of West Milford , N.J.

Schedule of Reserve for Recycling Tonnage Grant

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|-----------------------------|-------------|------------------|
| Balance - December 31, 2022 | G | <u>15,604.48</u> |
| Balance - December 31, 2023 | G | <u>15,604.48</u> |

Township of West Milford , N.J.

Schedule of Appropriation Reserves

Year Ended December 31, 2023

| | <u>Ref.</u> | | |
|-----------------------------|-------------|------------------|--------------------------|
| Balance - December 31, 2022 | G | | 85,158.87 |
| Decreased by: | | | |
| Lapse to Fund Balance | G-1 | 49,823.24 | |
| Interfund Current Fund | G-5 | <u>35,335.63</u> | |
| | | | <u>85,158.87</u> |
| Balance - December 31, 2023 | G | | <u><u> </u></u> |

Township of West Milford , N.J.

Schedule of Due from Federal and State Grant Fund

Year Ended December 31, 2023

| | <u>Ref.</u> | |
|-----------------------------|-------------|--------------------------|
| Balance - December 31, 2022 | G | 2,500.00 |
| Decreased by: | | |
| Interfund Current Fund | G-5 | <u>2,500.00</u> |
| Balance - December 31, 2023 | G | <u><u> </u></u> |

TOWNSHIP OF WEST MILFORD

*** * * * ***

PART II

LETTER ON COMPLIANCE AND INTERNAL CONTROL

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023



WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable Mayor and
Members of the Township Council
Township of West Milford
County of Passaic, 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 West Milford 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 July 22, 2024, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting. The regulatory basis opinion was qualified for the Length of Service Awards Program not being audited.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements-regulatory basis, we considered the Township of West Milford's 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 West Milford's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of West Milford's internal control.

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




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


Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of West Milford's 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*.

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 West Milford's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of West Milford's internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.


Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. 413


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

July 22, 2024



WIELKOTZ & COMPANY ^{LLC}

CERTIFIED PUBLIC ACCOUNTANTS

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MATTHEW B. WIELKOTZ, CPA, PSA
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE AND N.J. OMB CIRCULAR 15-08**

Honorable Mayor and
Members of the Township Council
Township of West Milford
County of Passaic, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Township of West Milford 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 Township of West Milford's major federal and state programs for the year ended December 31, 2023. Township of West Milford's 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 West Milford complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal and State 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.



We are required to be independent of Township of West Milford 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 program. Our audit does not provide a legal determination of Township of West Milford's 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 West Milford's 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 West Milford's 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 judgment made by a reasonable user of the report on compliance about Township of West Milford's 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 West Milford's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Township of West Milford's 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 West Milford's 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.

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.


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.

Honorable Mayor and
Members of the Township Council
Page 4.

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

July 22, 2024

Township of West Milford

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2023

| Federal Grantor/Pass-Through Grantor/Program | Federal Assistance Listing Number | Pass-Through Entity ID Number | Grant Year | Grant Award | Balance Jan. 1, 2023 | Receipts/ Revenues | Expended | Balance Dec. 31, 2023 | Cumulative Expenditures |
|---|-----------------------------------|--------------------------------------|-------------------------------|--|------------------------------------|---------------------------------------|--------------------------------------|-------------------------------------|--------------------------|
| Current Fund | | | | | | | | | |
| U.S. Department of Treasury Pass Through NJ Department of Community Affairs ARP - Fiscal Recovery Fund | 21.027 | 022-8030-100-687 | 2021-24 | 2,756,027.71 | 1,378,013.86 | | 1,378,013.86 | | 2,756,027.71 |
| Total Current Fund | | | | | 1,378,013.86 | | 1,378,013.86 | | |
| Federal and State Grant Fund | | | | | | | | | |
| U.S. Department of Health and Human Services Pass Through NJ Department of Health Enhancing Local Public Health Infrastructure Grant | 93.323 | | 2023 | 251,899.00 | | 45,167.00 | 28,632.00 | 16,535.00 | 28,632.00 |
| | | | | | | 45,167.00 | 28,632.00 | 16,535.00 | |
| COVID-19 Vaccination Supplemental Funding Grant | 93.268 | 046-4230-100 | 2023-24 2022-23 2021-22 | 35,000.00 50,000.00 50,000.00 | | 39,998.00 3,522.00 43,520.00 | 38,600.00 3,522.00 42,122.00 | 1,398.00 1,398.00 | 38,600.00 50,000.00 |
| Strengthening Local Public Health | 93.323 | 046-4230-100 | 2023-24 2022-23 2021-22 | 406,046.00 274,735.00 291,042.00 | 53,441.00 5,744.00 59,185.00 | 68,456.00 221,294.00 289,750.00 | 256,217.00 5,744.00 261,961.00 | 68,456.00 18,518.00 86,974.00 | 256,217.00 291,042.00 |
| National Opioid Settlement | 93.788 | | 2022 | 21,329.18 | 21,329.18 | | | 21,329.18 | |
| U.S. Department of Transportation Pass Through NJ Department of Law & Public Safety Distracted Driving Incentive Drive Sober or Get Pulled Over | 20.616 20.616 | 066-1160-100-158 066-1160-100-157 | 2023 2023 | 4,646.40 7,000.00 | | 4,646.40 | 4,646.40 3,326.24 7,972.64 | (3,326.24) (3,326.24) | 4,646.40 3,326.24 |

Township of West Milford

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2023

| Federal Grantor/Pass-Through Grantor/Program | Federal Assistance Listing Number | Pass-Through Entity ID Number | Grant Year | Grant Award | Balance Jan. 1, 2023 | Receipts/ Revenues | Expended | Balance Dec. 31, 2023 | Cumulative Expenditures |
|---|---|-------------------------------------|---------------|----------------|-------------------------|-----------------------|--------------|--------------------------|----------------------------|
| <u>U.S. Department of HUD:</u> | | | | | | | | | |
| Pass Through County of Passaic: | | | | | | | | | |
| Community Development Block Grant | 14.218 | | 2023 | 80,000.00 | | | | | |
| | | | 2022 | 50,000.00 | | | | | |
| <u>U.S. Department of Homeland Security</u> | | | | | | | | | |
| Pass Through NJ Department of | | 066-1200-100-726 | | | | | | | |
| Law & Public Safety: | | | | | | | | | |
| EMPG - Non - Terrorism | 97.042 | | 2023 | 10,000.00 | | 10,000.00 | 10,000.00 | | 10,000.00 |
| | | | | | | 10,000.00 | 10,000.00 | | |
| <u>U.S. Department of Justice</u> | | | | | | | | | |
| COPS Technology and Equipment | | | | | | | | | |
| Program | 16.710 | | 2023-24 | 2,893,000.00 | | | | | |
| | | | | | | | | | |
| Bulletproof Vest Partnership Program | 16.607 | | 2023 | 15,564.00 | | 3,489.67 | | 3,489.67 | |
| | | | 2022 | 19,093.69 | | 19,093.69 | | 19,093.69 | |
| | | | | | | 22,583.36 | | 22,583.36 | |
| Total Federal and State Grant Fund | | | | | 80,514.18 | 415,666.76 | 350,687.64 | 145,493.30 | |
| Total Federal Awards | | | | | 1,458,528.04 | 415,666.76 | 1,728,701.50 | 145,493.30 | |

Township of West Milford

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2023

| State Grantor/Pass-Through Grantor/Program | Pass-Through Entity ID Number | Grant Year | Grant Award | Balance Jan. 1, 2023 | Receipts/ Revenues | Expended | Adjustment/ Canceled | Balance Dec. 31, 2023 | Cumulative Expenditures |
|---|-------------------------------|------------|-------------|----------------------|--------------------|------------|----------------------|-----------------------|-------------------------|
| Federal and State Grant Fund | | | | | | | | | |
| <u>NJ Department of Environmental Protection:</u> | | | | | | | | | |
| Clean Communities | 042-4900-765-004 | 2023 | 81,199.17 | | 81,199.17 | | | 81,199.17 | |
| | | 2022 | 72,394.99 | 72,394.99 | | | | 72,394.99 | |
| | | 2021 | 71,251.60 | 71,251.60 | | 32,364.22 | | 38,887.38 | 32,364.22 |
| | | 2020 | 66,969.69 | 15,161.60 | | 15,161.60 | | | 66,969.69 |
| | | | | 158,808.19 | 81,199.17 | 47,525.82 | | 192,481.54 | |
| Recycling Tonnage Grant | 042-4910-100-224 | 2023 | 27,380.40 | | 27,380.40 | | | 27,380.40 | |
| | | 2022 | 26,509.29 | 26,509.29 | | 15,004.88 | | 11,504.41 | 15,004.88 |
| | | 2021 | 26,280.01 | 26,280.01 | | 26,280.01 | | | 26,280.01 |
| | | 2020 | 26,097.84 | 5,856.05 | | 5,856.05 | | | 26,097.84 |
| | | | | 58,645.35 | 27,380.40 | 47,140.94 | | 38,884.81 | |
| Stormwater Assistance Grant | 4850-100-099 | 2023 | 25,000.00 | | 15,000.00 | 25,000.00 | | (10,000.00) | 25,000.00 |
| | | | | | 15,000.00 | 25,000.00 | | (10,000.00) | |
| NJ Division of Highway Traffic Safety: | | | | | | | | | |
| Drunk Driving Enforcement Fund | 6400-100-078 | 2017 | 12,181.04 | 4,095.57 | | 4,095.57 | | | 12,181.04 |
| | | | | 4,095.57 | | 4,095.57 | | | |
| NJ Department of Health: | | | | | | | | | |
| Hepatitis B Grant | | 2021 | 5,000.00 | 5,000.00 | | | | 5,000.00 | |
| | | | | 5,000.00 | | | | 5,000.00 | |
| NJ Highlands Council: | | | | | | | | | |
| Master Plan | 09-033-011-1615 | 2023 | 44,000.00 | | | 32,297.50 | | (32,297.50) | 32,297.50 |
| Historic Preservation Plan | 09-033-011-1615 | 2023 | 30,500.00 | | | 15,250.00 | | (15,250.00) | 15,250.00 |
| Stormwater Management Plan | 09-033-011-1615 | 2023 | 85,250.00 | | | 29,850.00 | | (29,850.00) | 29,850.00 |
| Watershed Management | 09-033-011-1615 | 2021 | 86,250.00 | | 86,250.00 | 67,294.75 | | 18,955.25 | 67,294.75 |
| Stormwater Infrastructure Mapping Grant | 09-033-011-1615 | 2020 | 70,900.00 | (5,479.52) | 5,479.52 | | | | 70,900.00 |
| Plan Conformance Grant | 09-033-011-1615 | 2020 | 200,000.00 | (49,555.19) | 94,607.18 | 82,078.49 | | (37,026.50) | 200,000.00 |
| NJ Highlands Water Protection | 082-2018-100-033 | | 178,700.00 | (20,084.00) | 30,857.80 | 41,836.50 | | (31,062.70) | 156,560.73 |
| | | | | (75,118.71) | 217,194.50 | 268,607.24 | | (126,531.45) | |

Township of West Milford

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2023

| State Grantor/Pass-Through Grantor/Program | Pass-Through Entity ID Number | Grant Year | Grant Award | Balance Jan. 1, 2023 | Receipts/Revenues | Expended | Adjustment/Canceled | Balance Dec. 31, 2023 | Cumulative Expenditures |
|--|-------------------------------|------------|-------------|----------------------|-------------------|------------|---------------------|-----------------------|-------------------------|
| NJ Department of Community Affairs: Lead Grant Assistance | 022-8020-100-304 | 2023 | 13,800.00 | | 13,800.00 | 3,400.00 | | 10,400.00 | 3,400.00 |
| | | | | | 13,800.00 | 3,400.00 | | 10,400.00 | |
| NJ Department of Law and Public Safety: Body Armor Replacement | 066-1020-718-001 | 2024 | 3,571.43 | | 3,571.43 | | | 3,571.43 | |
| | | 2023 | 3,132.14 | 3,132.14 | | | | 3,132.14 | |
| | | 2022 | 2,243.03 | 2,243.03 | | | | 2,243.03 | |
| | | 2021 | 2,955.31 | 466.16 | | | | 466.16 | 2,489.15 |
| | | | | 5,841.33 | 3,571.43 | | | 9,412.76 | |
| Council on Alcoholism and Drug Abuse: Pass Through County of Passaic Municipal Drug Alliance | | 2023 | 16,553.48 | | | 12,246.61 | 615.00 | (12,861.61) | 12,246.61 |
| | | 2022 | 13,579.03 | (615.00) | | | (615.00) | | 8,276.48 |
| | | 2023 | 5,302.55 | | | | | | |
| | | | | (615.00) | | 12,246.61 | | (12,861.61) | |
| Municipal Alliance Youth Leadership | | | | | | | | | |
| NJ State Council on the Arts Pass Through County of Passaic | | 2022 | 1,500.00 | 1,125.00 | 375.00 | | | 1,500.00 | |
| | | 2021 | 1,000.00 | 1,000.00 | | | | 1,000.00 | |
| | | 2020 | 1,500.00 | 200.00 | | | | 200.00 | 1,300.00 |
| | | | | 2,325.00 | 375.00 | | | 2,700.00 | |
| Total Federal and State Grant Fund | | | | 158,981.73 | 358,520.50 | 408,016.18 | | 109,486.05 | |

Township of West Milford

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2023

| State Grantor/Pass-Through Grantor/Program | Pass-Through Entity ID Number | Grant Year | Grant Award | Balance Jan. 1, 2023 | Receipts/ Revenues | Expended | Adjustment/ Canceled | Balance Dec. 31, 2023 | Cumulative Expenditures |
|---|-------------------------------------|---------------|----------------|-------------------------|-----------------------|--------------|-------------------------|--------------------------|----------------------------|
| General Capital Fund | | | | | | | | | |
| NJ Department of Transportation: Highway Planning and Construction | 078-6320-480 | 2023 | 462,340.00 | | | | | | |
| Clinton Road | | 2022 | 332,000.00 | | 249,000.00 | 332,000.00 | | (83,000.00) | 332,000.00 |
| Germantown Rd | | 2021 | 290,000.00 | 213,000.00 | 71,000.00 | 284,000.00 | | | 284,000.00 |
| Clinton Road | | | | | | | | | |
| Total General Capital Fund | | | | 213,000.00 | 320,000.00 | 616,000.00 | | (83,000.00) | |
| Garbage District | | | | | | | | | |
| NJ Department of Environmental Protection: | | | | | | | | | |
| Recycling Tonnage Grant | 042-4910-100-224 | 2010 | 14,843.26 | 14,843.26 | | | | 14,843.26 | |
| | | 2009 | 44,176.22 | 761.22 | | | | 761.22 | 43,415.00 |
| Total Garbage District | | | | 15,604.48 | | | | 15,604.48 | |
| Total State Awards | | | | 387,586.21 | 678,520.50 | 1,024,016.18 | | 42,090.53 | |

**TOWNSHIP OF WEST MILFORD
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 West Milford. The Township is defined in Note 1A to the Township's financial statements. All federal and state financial assistance received directly from federal and state financial assistance passed through other government agencies is included on the schedules of expenditures of federal and state 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 municipalities 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 Notes 1(B) to the Township's financial statements.

NOTE 3. RELATIONSHIP TO FINANCIAL STATEMENTS

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

| | <u>Federal</u> | <u>State</u> | <u>Total</u> |
|------------------------------|-----------------------------|-----------------------|-----------------------|
| Current Fund | \$1,378,013.86 | \$ | \$1,378,013.86 |
| Federal and State Grant Fund | 350,687.64 | 408,016.18 | 758,703.82 |
| General Capital Fund | <u> </u> | <u>616,000.00</u> | <u>616,000.00</u> |
| Total Financial Awards | <u>\$1,728,701.50</u> | <u>\$1,024,016.18</u> | <u>\$2,752,717.68</u> |

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. INDIRECT COST RATE

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

**TOWNSHIP OF WEST MILFORD
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, qualified-regulatory basis

Internal control over financial reporting:

1. Material weakness(es) identified? yes X no
2. Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000.00

Auditee qualified as low-risk auditee? X yes no

Type of auditor's report issued on compliance for major programs: unmodified

Internal Control over major programs:

1. Material weakness(es) identified? yes X no
2. Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

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

Identification of major programs:

Federal Assistance Listing Number(s)

Name of Federal Program

21.027

ARP Fiscal Recovery Fund

**TOWNSHIP OF WEST MILFORD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023
(continued)**

State Awards

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000.00

Auditee qualified as low-risk auditee? X yes no

Type of auditor's report issued on compliance for major programs: unmodified

Internal Control over major programs:

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

2. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

Any audit findings disclosed that are required to be reported
in accordance with NJ OMB Circular Letter 15-08,
as applicable? _____ yes _____ X no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

078-6320-480

Highway Planning and Construction

**TOWNSHIP OF WEST MILFORD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(continued)**

Section II - Schedule of Financial Statement Findings

N/A

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

N/A

**TOWNSHIP OF WEST MILFORD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

Status of Prior Year Findings

There were no prior year audit findings.

GENERAL COMMENTS

Contracts and Agreements

N.J.S.A. 40A:11-4 states "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 or specifically by any other law."

Effective April 17, 2000 and thereafter the bid threshold in accordance with N.J.S.A. 40A:11-3 (as amended) is \$17,500. On July 1, 2015 the bid threshold was increased to \$40,000 with a qualified purchasing agent and on July 1, 2020, was increased to \$44,000 with a qualified purchasing agent.

N.J.S.A. 40A:11-2 contains definitions for terms used throughout N.J.S.A. 40A:11-1 et seq. and was amended under P.L. 1999, c.440. It includes as subsection (23) the term 'competitive contracting', which is defined as "the method described in sections 1 through 5 of P.L. 1999, c.440 (C.40:11-4.1 through C.40A:11-4.5) of contracting for specialized goods and services in which formal proposals are solicited from vendors' formal proposals are evaluated by the purchasing agent or counsel; and the governing body awards a contract to a vendor or vendors from among the formal proposals received."

N.J.S.A. 40A:11-3 was amended with P.L. 1999, c.440 to raise the bid threshold and require award by governing body resolution. "When the cost or price of any contract awarded by the purchasing 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 and bidding therefore, except that the governing body may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations."

N.J.S.A. 40A:11-15 was amended with P.L. 1999, c.440 to extend the base contract period. "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 paragraph (1) of subsection (a) of N.J.S.A. 40A:11-5 may be awarded for a period not exceeding 12 consecutive months."

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the contract 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:

| | |
|--|-------------------------|
| Animal Control Services | Rock Salt |
| Maintenance of Ballfields | Snowplowing Services |
| Marketing of Recyclables | Germantown Road Project |
| Renovation and Alterations to Town Hall Annex Building | |
| Superstructure Replacement of Stowaway Road Over Belcher Creek | |

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.

Our examination of expenditures did not reveal any other 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 statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 4, 2023 adopted the following resolution authorizing interest to be charged on delinquent taxes:

"Be it Resolved by the Council of the Township of West Milford in the County of Passaic that the rate of interest to be charged and collected by the Tax Collector and her department on all unpaid and delinquent taxes be and hereby is fixed at the rate of eight per cent per annum on the first \$1,500 of the delinquency and eighteen per cent per annum on any amount, in excess of \$1,500 on all unpaid and delinquent improvement assessments, the rate of eight percent per annum on the first \$1,500 of the delinquency and twelve percent per annum on any amount in excess of \$1,500; no interest shall be charged if payment of any installment is made within 10 days after the date upon which the same become payable."

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on October 10, 2023.

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 | 57 |
| 2022 | 63 |
| 2021 | 81 |

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

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices. In addition, we used analytical review procedures to satisfy the validity of the receivables.

The result of the test, which was made as of December 31, 2023, is not yet known, but a separate report will be rendered if any irregularities develop.

The foreclosed property list should be reviewed for a possible sale of property so such properties can be added to the tax rolls.

SCHOOL TAXES PAYABLE

The amount due to the local school district, as of December 31, 2023, was verified by the school secretary.

REVENUE

Receipts from licenses, fees, permits, etc., for all departments, including the Municipal Court, were checked to the extent deemed appropriate to the records maintained.

EXPENDITURES

In connection with the expenditures, vouchers were examined to the extent deemed necessary to determine that the vouchers carried properly executed certifications as required by statute.

An examination was made of the employees' compensation records to determine that salaries were paid in conformity with amounts of salaries and wages authorized in the ordinance.

COMMENTS:

None

RECOMMENDATIONS:

None

SUGGESTIONS TO MANAGEMENT

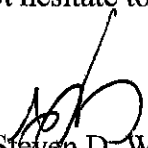
1. That old escrow balances be reviewed and the proper action be taken to close out these balances.

STATUS OF PRIOR YEAR AUDIT RECOMMENDATIONS


A review was performed on all prior year recommendations and corrective action was taken on all with the exception of those marked with an "*".

The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

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



Steven D. Wielkottz, C.P.A.
Registered Municipal Accountant
No. 413



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

July 22, 2024