

BOROUGH OF MAYWOOD

**Financial Statements With
Supplementary Information
December 31, 2022**

(With Independent Auditor's Report Thereon)

BOROUGH OF MAYWOOD

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Borough Council
Borough of Maywood
County of Bergen, New Jersey

Report on the Financial Statements

Adverse Opinion on U.S. Generally Accepted Accounting Principles

We have audited the accompanying balance sheets – regulatory basis of the various funds and account group of the Borough of Maywood in the County of Bergen, as of December 31, 2022 and 2021, the related statements of operations and changes in fund balance – regulatory basis for the years then ended, and the related statements of revenues – regulatory basis and the statements of expenditures – regulatory basis of the various funds for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Borough'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 Borough of Maywood as of December 31, 2022 and 2021, or changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Borough of Maywood, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.



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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 Borough of Maywood 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 10 of the financial statement, the Borough of Maywood participates in a Length of Service Award Program for its volunteer fire and rescue personnel. The amount reflected in the trust fund statements of \$1,486,273 and \$1,747,414 for 2022 and 2021, respectively, were not audited and, therefore, we express no opinion on the LOSAP program.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above, present fairly, in all material respects, the regulatory basis balance sheets and account group as of December 31, 2022 and 2021, the regulatory basis statements of operations and changes in fund balance for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2022 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough of Maywood'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 Borough'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 Borough'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 Borough of Maywood's basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information listed in the table of contents 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 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

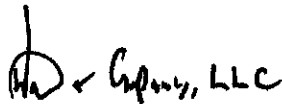
In accordance with *Government Auditing Standards*, we have also issued our report dated July 7, 2023 on our consideration of the Borough of Maywood's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements 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 internal control

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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 Borough of Maywood's internal control over financial reporting and compliance.



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



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

July 7, 2023



BOROUGH OF MAYWOOD

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	\$ 9,746,873	10,832,872
Cash - Change Funds	A-5	400	400
Due from State of New Jersey - Ch. 20, P.L. 1971	A-6	26,888	25,433
		<u>9,774,161</u>	<u>10,858,705</u>
Receivables and other assets with full reserves:			
Delinquent Property Taxes Receivable	A-7	257,200	260,137
Property Acquired for Taxes - Assessed Valuation	A-8	294,419	294,419
Tax Title Liens Receivable	A-9	4,466	3,389
Revenue Accounts Receivable	A-10	10,017	7,475
Interfund Receivables:			
Animal License Trust Fund	A-11	13,466	12,527
Drug Enforcement Trust Fund	A-11	39,826	27,561
Escrow Trust Fund	A-11	1,697	2,154
Recreation Trust Fund	A-11	94,092	94,092
Fire Prevention Trust	A-11	99,138	43,691
Recycling Trust Fund	A-11	68,156	104,952
Other Trust Fund	A-11	38,933	33
Swim Pool Operating	A-11	372,128	197,330
Payroll Agency	A-11		105
Net Payroll Account	A-11	99,647	7,389
		<u>1,393,185</u>	<u>1,055,254</u>
Deferred Charges:			
Emergency Authorizations	A-24	4,923	89,942
Deficit in Reserve for Claims Reimbursement	A-24	1,378	1,378
Overexpenditure of Appropriations	A-24	70,637	
Overexpenditure of Appropriation Reserves	A-24	30,545	
Special Emergency Authorization	A-25	220,000	335,000
		<u>327,483</u>	<u>426,320</u>
		<u>11,494,829</u>	<u>12,340,279</u>
Federal and State Grant Fund:			
Interfunds	A-26	1,019,147	848,761
Grants Receivable	A-27	189,499	189,499
		<u>1,208,646</u>	<u>1,038,260</u>
		<u>\$ 12,703,475</u>	<u>13,378,539</u>

BOROUGH OF MAYWOOD

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Liabilities:			
Encumbrances Payable	A-3, A-12	299,456	405,968
Appropriation Reserves	A-3, A-13	1,836,809	2,192,021
Due to State of New Jersey - Construction Fees	A-14	3,433	4,411
Due to State of New Jersey - Marriage Fees	A-15	75	550
Interfund Payables:			
General Capital Fund	A-11	606,389	822,629
Federal and State Grant Fund	A-11	991,518	838,482
POAA Trust Fund	A-11	252	
Unemployment Trust Fund	A-11	40,337	40,337
Swimming Pool Operating	A-14		
Prepaid Taxes	A-16	126,376	222,947
Tax Overpayments	A-17	17,276	3,139
School Taxes Payable	A-18	6	6
Due to County	A-19		930,151
Due to County for Added Taxes	A-20	4,437	1,886
Reserve for:			
Tax Title Lien Redemptions and Premiums	A-21	72,400	65,700
Claims Reimbursement	A-22	5,891	
Revaluation	A-22	18,889	18,889
Preparation of Tax Map	A-22	5,951	5,951
Master Plan	A-22		13,500
Municipal Relief Fund	A-22	55,141	
Tax Appeals	A-22	686,000	686,000
Due to Library	A-23	8,732	7,135
		<u>4,779,368</u>	<u>6,259,702</u>
Reserves for Receivables and Other Assets	A	1,393,185	1,055,254
Fund Balance	A-1	<u>5,322,276</u>	<u>5,025,323</u>
		<u>6,715,461</u>	<u>6,080,577</u>
		<u>11,494,829</u>	<u>12,340,279</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-28	918,131	998,547
Reserve for Encumbrances	A-29	21,430	2,145
Unappropriated Reserves	A-30	269,085	37,568
		<u>1,208,646</u>	<u>1,038,260</u>
		<u>\$ 12,703,475</u>	<u>13,378,539</u>

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD

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

Current Fund

For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 3,000,000	2,500,000
Miscellaneous Revenue Anticipated	3,052,417	2,934,976
Receipts from Delinquent Taxes	264,379	373,397
Receipts from Current Taxes	37,403,106	36,481,734
Non-Budget Revenues	854,649	802,163
Other Credits to Income:		
Interfunds Returned	36,901	5,190
Liabilities Cancelled	3,092	
Unexpended Balance of Appropriation Reserves	2,154,755	1,833,072
Total Revenue and Other Income	<u>46,769,299</u>	<u>44,930,532</u>
Expenditures:		
Budget and Emergency Appropriations:		
Appropriations within "CAPS":		
Operations:		
Salaries and Wages	6,730,387	6,052,400
Other Expenses	5,874,017	6,072,922
Deferred Charges and Statutory Expenditures	1,612,796	1,705,187
Appropriations Excluded from "CAPS":		
Operations:		
Other Expenses	2,650,872	2,881,845
Capital Improvement Fund	29,923	25,000
Municipal Debt Service	1,312,765	1,112,213
Deferred Charges and Statutory Expenditures	204,942	80,000
Judgements	112,612	114,173
County Taxes	3,959,596	3,747,749
Amount Due County for Added and Omitted Taxes	4,437	1,886
Local District School Tax	20,712,336	20,365,711
Overexpenditure of Appropriation Reserves	30,545	
Interfunds Advanced	339,740	294,330
Refunds	3,483	7,820
Tax Appeal and Overpayment Refunds		902
Total Expenditures	<u>43,578,451</u>	<u>42,462,138</u>
Excess in Revenue	3,190,848	2,468,394

BOROUGH OF MAYWOOD

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

Current Fund

For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Adjustments to Income Before Fund Balance-		
Expenditures Which are by Statute Deferred		
Charges to Budget of Succeeding Year		
Emergency Appropriations	4,923	89,942
Overexpenditure of Appropriations	70,637	
Overexpenditure of Appropriation Reserves	30,545	
Special Emergency Appropriations		<u>175,000</u>
Statutory Excess to Fund Balance	3,296,953	2,733,336
Fund Balance, January 1	<u>5,025,323</u>	<u>4,791,987</u>
	8,322,276	7,525,323
Decreased by Utilization as Anticipated Revenue	<u>3,000,000</u>	<u>2,500,000</u>
Fund Balance, December 31	<u>\$ 5,322,276</u>	<u>5,025,323</u>

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD

Statement of Revenues-Regulatory Basis

Current Fund

Year ended December 31, 2022

	<u>Budget</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance Anticipated	\$ 3,000,000	3,000,000	
Miscellaneous Revenues:			
Licenses:			
Alcoholic Beverages	11,500	13,050	1,550
Other	4,500	3,598	(902)
Fees and Permits:			
Construction Code Official	242,000	244,467	2,467
Other	40,000	48,073	8,073
Municipal Court - Fines and Costs	99,000	111,007	12,007
Interest and Costs on Taxes	73,000	71,122	(1,878)
Sewer User Fees	438,000	474,310	36,310
Energy Receipts Tax	1,057,064	1,057,064	
Public and Private Revenues Offset with Appropriations:			
Driving Impaired - Countermeasures	2,365	2,365	
Clean Communities Program	17,230	17,230	
Body Armor Replacement	1,850	1,850	
FEMA - Coronavirus Pandemic	16,123	16,123	
Payment in Lieu of Taxes	142,799		(142,799)
Payment in Lieu of Taxes - 2021	142,799	142,799	
Cable TV Franchise Fee	124,000	121,217	(2,783)
General Capital Fund Balance	100,000	100,000	
Reserve for Payment of Debt	125,000	125,000	
American Rescue Plan - Lost Revenue	503,142	503,142	
Total Miscellaneous Revenues	<u>3,140,372</u>	<u>3,052,417</u>	<u>(87,955)</u>
Receipts from Delinquent Taxes	<u>270,000</u>	<u>264,379</u>	<u>(5,621)</u>
Amount to be Raised by Taxes for Support of Municipal Purposes	12,405,202	12,934,344	529,142
Minimum Library Tax	<u>541,804</u>	<u>542,393</u>	<u>589</u>
Total Amount to be Raised by Taxation	<u>12,947,006</u>	<u>13,476,737</u>	<u>529,731</u>

BOROUGH OF MAYWOOD
Statement of Revenues-Regulatory Basis
Current Fund
Year ended December 31, 2022

Total Budget Revenues	\$	<u>19,357,378</u>	<u>19,793,533</u>		<u>436,155</u>
Non-Budget Revenues			<u>854,649</u>		
			\$		<u>20,648,182</u>

Analysis of Realized Revenue

Allocation of Current Tax Collections:					
Revenue from Collections	\$	37,403,106			
Allocated to School and County Taxes		<u>24,676,369</u>			
Balance for Support of Municipal Budget Appropriations		12,726,737			
Less: Reserve for Tax Appeals Pending State Division of Tax Appeals					
Add: Reserve for Uncollected Taxes			<u>750,000</u>		
Amount for Support of Municipal Budget	\$	<u>13,476,737</u>			
Receipts from Delinquent Taxes			<u>264,379</u>		
	\$		<u>264,379</u>		

BOROUGH OF MAYWOOD
Statement of Revenues-Regulatory Basis
Current Fund
Year ended December 31, 2022

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:	
Cell Tower Lease	\$ 53,886
Health Benefit Refunds	220,028
Miscellaneous	84,569
Refunds	872
Offsets not Applied	112,296
Interest on Investments	66,521
FEMA	22,119
DEA Salary Reimbursements	34,727
Insurance Reimbursements	3,701
Life Hazard Use Fees	16,328
Police Detail - Traffic	198,642
Body Camera Grant	40,760
Burial Permit Fees	200
	<hr/>
	\$ 854,649
	<hr/> <hr/>

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD
Statement of Expenditures - Regulatory Basis

	Current Fund					Unexpended
	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Balance Canceled	Overexpenditure
	Year Ended December 31, 2022					
General Government:						
Administration:						
Salaries and Wages	\$ 294,878	294,878	288,897	5,981		
Other Expenses	97,250	77,250	74,977	2,273		
Borough Clerk's Office:						
Salaries and Wages	144,274	144,274	141,235	3,039		
Other Expenses	10,000	10,000	6,490	3,510		
Stationary, Printing & Adv.	68,000	68,000	62,150	5,850		
Annual Audit						
Other Expenses	70,000	70,000	66,935	3,065		
Collection of Taxes:						
Salaries and Wages	159,141	124,141	121,269	2,872		
Other Expenses	133,350	88,350	85,335	3,015		
Assessment of Taxes:						
Salaries and Wages	18,041	18,041	18,041			
Other Expenses	3,500	55,500	49,978	5,522		
Legal Service & Cost:						
Other Expenses	145,000	215,000	214,530	470		
Engineering Services & Cost:						
Other Expenses	65,000	60,000	28,900	31,100		
Historical Committee:						
Other Expenses	2,500	2,500	2,415	85		
Planning Board:						
Salaries and Wages	3,500	3,500		3,500		
Other Expenses	16,000	16,800	16,693	107		
Miscellaneous Other Expenses	5,700	4,700	1,240	3,460		
Insurance:						
Other Insurance Premiums	349,800	249,800	190,590	59,210		
Workers Compensation	260,600	610,600	604,455	6,145		
Surety Bond Premiums	30,000	30,000		30,000		
Hospital Service Plan	2,042,500	1,448,500	1,061,205	387,295		
Public Safety:						
Police Department:						
Salaries and Wages	3,686,309	3,946,309	3,939,529	6,780		
Salaries and Wages - American Rescue Plan	503,142	503,142	503,142			
Other Expenses	173,000	191,000	189,124	1,876		

BOROUGH OF MAYWOOD

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled	Overexpenditure
Emergency Management:						
Other Expenses	5,700	5,700		5,700		
Miscellaneous Other Expenses	6,100	6,100	1,908	4,192		
Fire Department:						
Salaries and Wages	9,000	9,000	1,873	7,127		
Other Expenses - Fire Hydrant	130,000	130,000		130,000		
Other Expenses -Clothing Replacement	68,000	68,000	36,820	31,180		
Miscellaneous Other Expenses	98,300	98,300	86,295	12,005		
Life Hazard Use Grant	15,000	21,000	20,799	201		
Fire-Police Emergency Squad						
Other Expenses	29,300	29,300	19,764	9,536		
Radio Service & Maintenance:						
Other Expenses	5,000	5,000		5,000		
Public Works:						
Road Repairs and Maintenance:						
Salaries and Wages	1,110,720	1,060,720	1,037,372	23,348		
Other Expenses	152,500	152,500	148,936	3,564		
Recycling:						
Salaries and Wages	4,900	4,900		4,900		
Other Expenses	44,600	49,600	120,237			
Public Buildings and Grounds:						
Other Expenses	287,900	287,900	275,244	12,656		
Vehicle Maintenance:						
Other Expenses	158,500	158,500	142,028	16,472		
Shade Tree						
Other Expenses	125,000	120,000	91,977	28,023		
Garbage and Trash Removal						
Other Expenses - Contractual	525,000	525,000	525,000			
Health and Welfare:						
Board of Health						
Miscellaneous Other Expenses	4,500	4,500	1,609	2,891		
Celebration of Public Events:						
Decorating Soldiers' Graves	350	350	235	115		
Other Expenses	10,000	10,000	10,000			
4th of July Parade	23,500	23,500	21,155	2,345		
Board of Health						
Hepatitis B Program	5,500	5,500	2,815	2,685		

70,637

BOROUGH OF MAYWOOD

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>	<u>Overexpenditure</u>
Recreation and Education						
Recreation Commission RS 40:12-1						
Salaries and Wages	15,000	138,000	137,611	389		
Other Expenses	12,750	12,750	11,628	1,122		
Senior Citizens Committee:						
Sr. Citizens Club (Existing)	3,800	3,800	3,650	150		
Sr. Citizens Club (New)	3,800	3,800	3,800			
Sr. Citizens Advisory Committee	200	200		200		
Parks and Playgrounds:						
Other Expenses	102,500	72,500	58,140	14,360		
Unclassified						
Sewer Testing	6,000	6,000		6,000		
Street Lighting	140,000	140,000	132,708	7,292		
Telephone	60,000	60,000	57,658	2,342		
Gasoline	120,000	120,000	67,415	52,585		
Landfill Tipping Fees	475,000	475,000	349,089	125,911		
Accumulated Vacation & Sick Time	250,000	250,000		250,000		
Uniform Construction Code:						
Construction Code Official:						
Salaries and Wages	233,482	233,482	218,291	15,191		
Other Expenses	10,580	10,580	7,779	2,801		
Total Operations within "CAPS"	12,533,967	12,533,767	11,258,966	1,345,438		70,637
Total Operations Including Contingent-within "CAPS"	12,533,967	12,533,767	11,258,966	1,345,438		70,637
Detail:						
Salaries & Wages	6,432,387	6,730,387	6,407,260	323,127		
Other Expenses (Including Contingent)	6,101,580	5,803,380	4,851,706	1,022,311		70,637
(E) Deferred Charges and Statutory Expenditures-						
Municipal within "CAPS"						
(1) DEFERRED CHARGES						
Deficit In Swim Pool Utility	27,500	27,500				27,500
Deficit in Reserve for Recycling	36,796	36,796	36,796			

BOROUGH OF MAYWOOD

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled	Overexpenditure
(2) STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees' Retirement System	260,000	260,000	259,272	728		
Social Security System (O.A.S.I.)	325,000	283,200	247,891	35,309		
Police and Firemen's Retirement System of NJ	955,000	955,000	950,807	4,193		
Consolidated Police and Firemen's Pension Fund	32,800	32,800		32,800		
Unemployment Compensation Insurance	45,000	45,000		45,000		
Total Deferred Charged and Statutory Expenditures-Municipal within "CAPS"	1,682,096	1,640,296	1,494,766	118,030	27,500	
Total General Appropriations for Municipal Purposes within "CAPS"	14,216,063	14,174,063	12,753,732	1,463,468	27,500	70,637
Operations - Excluded from "CAPS":						
Maintenance of Free Public Library	541,804	541,804	498,411	43,393		
Bergen County Utilities Authority	1,520,000	1,520,000	1,516,084	3,916		
Service Charges - Contractual	65,000	65,000	33,070	31,930		
LOSAP						
Total Other Operations - Excluded from "CAPS"	2,126,804	2,126,804	2,047,565	79,239		
Interlocal Municipal Service Agreements						
County of Bergen Health Officer						
Borough of Paramus-Diesel Fuel	5,500	5,500		5,500		
County of Bergen						
Animal Control	25,000	25,000		25,000		
Health Officer	65,000	65,000	52,326	12,674		
Borough of Paramus-Municipal Court	85,000	99,000	98,294	706		
Borough of Paramus-Sewer Collection Flow	250,000	250,000		250,000		
Borough of Paramus-Leaf and Yard Debris	30,000	42,000	41,778	222		
Total Interlocal Municipal Service Agreements	460,500	486,500	192,398	294,102		

BOROUGH OF MAYWOOD

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled	Overexpenditure
Public and Private Programs Offset by Revenues						
Drunk Driving Enforcement	2,365	2,365	2,365			
Clean Communities Grant	17,230	17,230	17,230			
Coronavirus Pandemic	16,123	16,123	16,123			
Body Armor Grant	1,850	1,850	1,850			
Total Public and Private Programs Offset by Revenues	37,568	37,568	37,568			
Total Operations-Excluded from "CAPS" Detail:	2,624,872	2,650,872	2,277,531	373,341		
Other Expenses	2,624,872	2,650,872	2,277,531	373,341		
Capital Improvements - Excluded from "CAPS"						
Capital Improvement Fund	25,000	25,000	25,000			
Down Payment on Improvement		4,923	4,923			
Total Capital Improvements Excluded from "CAPS"	25,000	29,923	29,923			
Municipal Debt Service - Excluded from "CAPS"						
Payment of Bond Principal	1,065,000	1,065,000	1,065,000		95,925	
Interest on Bonds	260,000	260,000	164,075			
Green Trust Loan Program:						
Principal and Interest	46,500	62,500	46,571		15,929	
NJ Environmental Infrastructure Trust:						
Principal and Interest	45,000	45,000	37,119		7,881	
Total Municipal Debt Service-Excluded from "CAPS"	1,416,500	1,432,500	1,312,765		119,735	
Deferred Charges and Statutory Expenditures- Municipal excluded from "CAPS"						
(1) DEFERRED CHARGES:						
Emergency Authorization	89,942	89,942	89,942			
Special Emergency Authorization - 5 Years (N.J.S. 40A:4-55)	115,000	115,000	115,000			
Total Deferred Charged and Statutory Expenditures-Municipal excluded from "CAPS"	204,942	204,942	204,942			

BOROUGH OF MAYWOOD

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2022

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled	Overexpenditure
Judgements	120,000	120,000	112,612		7,388	
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>4,391,314</u>	<u>4,438,237</u>	<u>3,937,773</u>	<u>373,341</u>	<u>127,123</u>	
Subtotal General Appropriations	18,607,377	18,612,300	16,691,505	1,836,809	154,623	70,637
Reserve for Uncollected Taxes	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>			
Total General Appropriations	<u>\$ 19,357,377</u>	<u>19,362,300</u>	<u>17,441,505</u>	<u>1,836,809</u>	<u>154,623</u>	<u>70,637</u>
Adopted Budget \$	19,357,377					
Emergency Appropriation	<u>4,923</u>					
	<u>\$ 19,362,300</u>					
Reserve for Uncollected Taxes \$	750,000					
Interfunds	66,719					
Federal and State Grants	37,568					
Deferred Charges	204,942					
Miscellaneous Reserves	18,000					
Encumbrances	299,456					
Cash	<u>16,064,820</u>					
	<u>\$ 17,441,505</u>					

See accompanying notes to the financial statements.

BOROUGH OF MAYWOOD

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>			
Animal License Fund:			
Cash	B-1	\$ <u>17,578</u>	<u>16,693</u>
Community Development Trust Fund:			
Cash	B-1	<u>28,228</u>	<u>10,279</u>
Other Trust Fund:			
Cash	B-1	2,289,614	1,878,972
Interfunds Receivable	B-6	60,528	3,000
Intrafunds Receivable	B-6	36,026	32,066
Accounts Receivable	B-10	838	615
Deficit in Reserve for Recycling	B-9		<u>36,796</u>
		<u>2,387,006</u>	<u>1,951,449</u>
Emergency Services Volunteer Length of Service Award Program (unaudited):			
Cash in Plan	B-1	1,442,075	1,714,344
Contributions Receivable	B-2	<u>44,198</u>	<u>33,070</u>
		<u>1,486,273</u>	<u>1,747,414</u>
		\$ <u><u>3,919,085</u></u>	<u><u>3,725,835</u></u>

BOROUGH OF MAYWOOD

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Animal License Fund:			
Reserve for Animal License Fund Expenditures	B-3	3,659	4,141
Due to State of New Jersey	B-5	453	25
Due to Current Fund	B-6	13,466	12,527
		<u>17,578</u>	<u>16,693</u>
Community Development Trust Fund:			
Due to Federal and State Grant Fund	B-6	10,279	10,279
Due to General Capital Fund	B-6	17,949	
		<u>28,228</u>	<u>10,279</u>
Other Trust Fund:			
Interfunds Payable	B-6	359,192	232,146
Intrafunds Payable	B-6	36,026	32,066
Reserve for:			
Escrow Deposits	B-7	202,719	181,293
Shade Tree Expenditures	B-8	4,898	4,343
Recreation Expenditures	B-8	532,291	504,976
Drug Enforcement	B-8	762,698	474,480
Drug Enforcement - Treasury	B-8	24,736	24,736
Fire Prevention	B-8	39,696	71,993
COAH Development Fees	B-8	108,131	79,110
Other	B-8	225,611	283,732
Recycling	B-9	18,208	
Unemployment	B-4	63,826	54,486
Parking Offenses Adjudication Fund	B-11	8,974	8,088
		<u>2,387,006</u>	<u>1,951,449</u>
Emergency Services Volunteer Length of Service Award Program (unaudited):			
Net Assets Available for Benefits	B-12	1,486,273	1,747,414
		<u>\$ 3,919,085</u>	<u>3,725,835</u>

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD

Comparative Balance Sheet - Regulatory Basis

General Capital Fund

December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>			
General Capital Fund:			
Cash	C-2,3	\$ 2,655,485	3,902,900
Interfunds Receivable	C-4	715,531	913,822
Grants Receivable:			
Community Development Block Grant	C-5	256,976	53,528
State of New Jersey Department of Transportation	C-6	620,627	399,627
Bergen County Open Space Trust Fund	C-7	273,892	11,130
FEMA Hazard Mitigation	C-9	33,265	33,265
Deferred Charges to Future Taxation:			
Funded	C-9	12,605,116	13,743,427
Unfunded	C-10	5,280,519	2,166,119
		<u>\$ 22,441,411</u>	<u>21,223,818</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Capital Improvement Fund	C-11		80,539
Reserve for:			
Park Improvements	C-12	60,000	60,000
Engineering Fees	C-13	4,430	4,430
Green Acres/Grant/Loan	C-14	186,099	186,099
Payment of Debt	C-15	139,049	264,049
Grants Receivable	C-16		25,300
Interfunds	C-4	16,939	
Improvement Authorizations:			
Funded	C-17	4,476,825	4,573,363
Unfunded	C-17	4,865,484	2,099,142
General Serial Bonds	C-18	12,095,000	13,160,000
Green Trust Loan Payable	C-19	214,772	255,253
NJBIT Trust Loan Payable	C-20	295,344	328,174
Fund Balance	C-1	87,469	187,469
		<u>\$ 22,441,411</u>	<u>21,223,818</u>

There were bonds and notes authorized but not issued on December 31, 2022 and 2021 of \$5,280,519 and \$2,166,119 respectively (per exhibit C-21).

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD

Comparative Statement of Fund Balance-Regulatory Basis

General Capital Fund

Year ended December 31, 2022

	<u>2022</u>	<u>2021</u>
Balance - December 31,	\$ 187,469	277,767
Increased by:		
Cancellation of Reserve for Payment of Debt		2
Premium on Sale of Bond Anticipation Notes		109,700
	<u>187,469</u>	<u>387,469</u>
Decreased by:		
Current Fund Revenue	<u>100,000</u>	<u>200,000</u>
Balance - December 31,	<u>\$ 87,469</u>	<u>187,469</u>

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD
Comparative Balance Sheet - Regulatory Basis
Sewer Utility Fund
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
Capital Fund - Fixed Capital	\$ <u>161,000</u>	<u>161,000</u>
 <u>Liabilities</u>		
Capital Fund - Reserve for Amortization	\$ <u>161,000</u>	<u>161,000</u>

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD

Comparative Balance Sheet - Regulatory Basis

Swimming Pool Utility Fund

December 31, 2022 and 2021

<u>Assets</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Operating Fund:			
Cash	E-5	\$ 411,087	208,687
Deferred Charges	E-6	73,749	6,263
Interfund Receivables:			
Due from Swim Pool Capital Fund	E-8	16	16
Total Operating Fund:		<u>484,852</u>	<u>214,966</u>
Capital Fund:			
Cash	E-5	56,911	56,911
Fixed Capital	E-9	984,530	984,530
Total Capital Fund		<u>1,041,441</u>	<u>1,041,441</u>
		<u>\$ 1,526,293</u>	<u>1,256,407</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Operating Fund:			
Reserve for Encumbrances	E-4, E-7	5,088	2,129
Appropriation Reserves	E-4, E-7	9,500	11,777
Interfunds	E-8	375,128	200,330
Accrued Interest on Notes	E-10	472	516
Fund Balance	E-2	94,664	214
Total Operating Fund		<u>484,852</u>	<u>214,966</u>
Capital Fund:			
Serial Bonds Payable	E-11	125,000	150,000
Capital Improvement Fund	E-12	12,750	12,750
Reserve for Amortization	E-13	812,289	787,289
Interfund Payables:			
Due to Swimming Pool Operating Fund	E-14	16	16
Due to General Capital	E-14	91,193	91,193
Fund Balance	E-1	193	193
Total Capital Fund		<u>1,041,441</u>	<u>1,041,441</u>
		<u>\$ 1,526,293</u>	<u>1,256,407</u>

There were bonds and notes authorized but not issued on December 31, 2022 and December 31, 2021 in the amount of \$47,241 and \$47,241 respectively (per Exhibit E-15).

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD
Statement of Fund Balance-Regulatory Basis
Swimming Pool Capital Fund
Year ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Balance - December 31,	\$ <u>193</u>	<u>193</u>
Balance - December 31,	\$ <u><u>193</u></u>	<u><u>193</u></u>

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD

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

Swimming Pool Utility Fund

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$	10,000
Membership Fees	287,607	227,107
Miscellaneous Revenues	49,007	16,169
Miscellaneous Revenues Not Anticipated	22,084	
Deficit (General Budget)		11,223
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>6,352</u>	<u>6,501</u>
Total Income	<u>365,050</u>	<u>271,000</u>
Expenditures:		
Operations:		
Salaries and Wages	187,106	130,000
Other Expenses	99,366	92,800
Debt Service	27,800	28,200
Deferred Charges and Statutory Expenditures	<u>23,814</u>	<u>20,000</u>
Total Expenditures	<u>338,086</u>	<u>271,000</u>
Excess in Revenue	26,964	
Adjustments to Income before Surplus:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	<u>67,486</u>	
Statutory Excess to Surplus	94,450	
Fund Balance, January 1	<u>214</u>	<u>10,214</u>
	94,664	10,214
Decreased by Utilization as Anticipated Revenue		<u>10,000</u>
Fund Balance, December 31	<u>\$ 94,664</u>	<u>214</u>

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD

Statement of Revenues - Regulatory Basis

Swimming Pool Utility Fund

Year ended December 31, 2022

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Membership Fees	\$ 227,000	287,607	60,607
Miscellaneous Revenues	16,100	49,007	32,907
Deficit (General Budget)	27,500		(27,500)
Miscellaneous Revenues Not Anticipated		<u>22,084</u>	<u>22,084</u>
	<u>\$ 270,600</u>	<u>358,698</u>	<u>88,098</u>

Analysis of Miscellaneous Revenues

Snack Bar	\$ <u>49,007</u>
	<u>\$ 49,007</u>

Analysis of Miscellaneous Revenues

Lost Cards	\$ 170
Pool Rental/Swim Lessons	<u>21,914</u>
	<u>\$ 22,084</u>

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD

Statement of Expenditures-Regulatory Basis

Swimming Pool Utility Fund

Year ended December 31, 2022

	Appropriations		Expended		Over-Expenditures
	Budget	Budget after Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 130,000	130,000	187,106		57,106
Other Expenses	92,800	92,800	99,366		6,566
Debt Service:					
Payment of Bond Principal	25,000	25,000	25,000		
Interest on Bonds	2,800	2,800	2,800		
Statutory Expenditures:					
Public Employees Retirement System	8,500	8,500		8,500	
Social Security System (O.A.S.I.)	10,500	10,500	14,314		3,814
Unemployment Compensation Insurance	1,000	1,000		1,000	
	<u>\$ 270,600</u>	<u>270,600</u>	<u>328,586</u>	<u>9,500</u>	<u>67,486</u>
			Interfunds \$ 171,954		
			Encumbrances 5,088		
			Accrued Interest on Notes 2,800		
			Cash Disbursed 148,744		
			<u>\$ 328,586</u>		

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD

Comparative Balance Sheet - Regulatory Basis

Public Assistance Fund

December 31, 2022 and 2021

		<u>2022</u>	<u>2021</u>
<u>Assets</u>			
Cash - Petty Cash	F-1	\$ <u>13,507</u>	<u>13,507</u>
		\$ <u>13,507</u>	<u>13,507</u>
<u>Liabilities</u>			
Reserve for Public Assistance	F-3	\$ <u>13,507</u>	<u>13,507</u>
		\$ <u>13,507</u>	<u>13,507</u>

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD

Comparative Balance Sheet - Regulatory Basis

Payroll Account

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
Cash - Payroll Agency Account	\$	105
Cash - Net Payroll Account	82,461	
Deficit in Payroll Reserve	<u>17,186</u>	<u>10,215</u>
	<u>\$ 99,647</u>	<u>10,320</u>
 <u>Liabilities</u>		
Cash Deficit - Net Payroll Account		2,826
Due to Current Fund - Payroll Agency		105
Due to Current Fund - Net Payroll	<u>99,647</u>	<u>7,389</u>
	<u>\$ 99,647</u>	<u>10,320</u>

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD

Comparative Statement of General Fixed Assets - Regulatory Basis

General Fixed Assets Account Group

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Land	\$ 280,767	280,767
Building	10,606,650	10,606,650
Equipment	<u>7,738,967</u>	<u>7,888,960</u>
	<u>\$ 18,626,384</u>	<u>18,776,377</u>
Investment in General Fixed Assets	<u>\$ 18,626,384</u>	<u>18,776,377</u>

See accompanying notes to financial statements.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB Codification establishes seven fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP).

The financial statements of the Borough of Maywood 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 Borough accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

A. Reporting Entity

The Borough of Maywood (the "Borough") operates under a Mayor/Council form of government. The Borough'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 Borough do not include the Volunteer Fire Department, First Aid Organization or Public Library which is considered a component unit under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

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

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

The Borough 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 Borough 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 Borough has the following funds and account group:

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

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

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

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

Unemployment Compensation Trust - This fund is used to account for employee and employer contributions for the purpose of providing unemployment benefits to former eligible employees.

Emergency Services Volunteer Length of Service Award Plan (LOSAP) Trust Fund - 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.

Sewer and Swimming Pool Utility Fund - This fund is used to account for the operations and acquisition of these capital facilities and municipally-owned utilities. The Sewer Utility is no longer operational.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

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

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

Public Assistance Fund - This fund is used to account for the receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey Statutes. Effective September 13, 2007, the Borough transferred administration of the general assistance program to the Bergen County Board of Social Services.

General Fixed Assets Account Group - To account for all fixed assets of the Borough. The Borough's infrastructure is not reported in the group.

Basis of Accounting

A modified accrual basis of accounting is followed by the Borough of Maywood. 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 Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on the 11th day of the 11th month in the current year taxes are levied, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Borough. 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.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

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

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

Basis of Accounting, (continued)

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 Borough's Current Fund and Swimming Pool Utility 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 Borough'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 and Swimming Pool Utility Fund. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Borough and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

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

- General Capital Fund
- Trust Fund
- Public Assistance Fund
- Sewer Capital Fund

The governing body shall introduce and approve the annual budget not later than February 10, of the fiscal year. The budget shall be adopted not later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

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

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

Basis of Accounting, (continued)

the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line item level. During the years ended December 31, 2022 and 2021, the Governing Body approved additional revenues and appropriations of \$-0- and \$-0-, respectively, in accordance with N.J.S.A. 40A:4-87. The Governing Body also approved emergency appropriations of \$4,932 in 2022 for Down Payments on Improvements and \$89,942 in 2021 for a New Rack Body Truck and special emergency appropriations of \$175,000 in 2021 for Reassessment of Real Property. In addition, several budget transfers were approved by the governing body in 2022 and 2021.

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.

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.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

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

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

Basis of Accounting, (continued)

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

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at cost which approximates fair market 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 Borough 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 Borough may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Borough raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

General Fixed Assets - The Borough of Maywood 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.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

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

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

Basis of Accounting, (continued)

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 Borough 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 Borough's financial position and operations. However, comparative data have not been presented in all statements or the notes to financial statements because their inclusion would make certain statements unduly complex and difficult to understand.

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

GASB Statement No. 87, Leases, which improves the accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the fundamental principle that leases are financings of the right to use an underlying asset. There exists no impact on the financial statements of the Borough.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

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

C. Basic Financial Statements

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

NOTE 2. 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 Borough's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2022 and 2021, \$284,240 and \$280,022, respectively, of the Borough's bank balance of \$15,592,648 and \$17,085,401, respectively, was exposed to custodial credit risk.

Investments

Investment Rate Risk

The Borough 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.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

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

Unaudited Investments

As more fully described in Note 11, the Borough 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 Borough. All investments are valued at fair value. In accordance with NJAC 5:30-14.37, the investments are maintained by Lincoln Financial Advisors, which is an authorized provider approved by the Division of Local Government Services. The balance in the account on December 31, 2022 and 2021 amounted to \$1,442,075 and \$1,714,344, respectively.

The following investments represent 5% or more of the total invested with Lincoln Financial Advisors on December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
American Funds Growth	\$114,814	\$148,177
Fidelity VIP Contrafund	97,542	132,471
Fixed Income	310,754	260,021
LVIP SSgA S&P 500 Index Fund	370,253	481,460
LVIP T. Rowe Price Structured Mid-Cap Growth Fund	134,831	165,790
All Others	<u>413,881</u>	<u>526,425</u>
Total	<u>\$1,442,075</u>	<u>\$1,714,344</u>

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 3. MUNICIPAL DEBT

Long-term debt as of December 31, 2022 and 2021 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Bonds Payable:					
General Obligation Debt	\$13,160,000	\$	\$1,065,000	\$12,095,000	\$1,075,000
Swimming Pool Utility	150,000		25,000	125,000	25,000
Other Liabilities:					
New Jersey - Green Acres Loans	255,253		40,481	214,772	41,296
New Jersey - Environmental Infrastructure Trust Loan	328,174		32,830	295,344	37,829
Compensated Absences	1,908,210			1,908,210	
Deferred PERS/PFRS Pension Contribution	<u>111,389</u>	<u> </u>	<u>40,265</u>	<u>71,124</u>	<u>42,017</u>
	<u>\$15,913,026</u>	<u>\$0</u>	<u>\$1,203,576</u>	<u>\$14,709,450</u>	<u>\$1,221,142</u>
	<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Bonds Payable:					
General Obligation Debt	\$3,110,000	\$10,970,000	\$920,000	\$13,160,000	\$1,065,000
Swimming Pool Utility	175,000		25,000	150,000	25,000
Other Liabilities:					
New Jersey - Green Acres Loans	294,936		39,683	255,253	40,481
New Jersey - Environmental Infrastructure Trust Loan	361,004		32,830	328,174	32,830
Compensated Absences	1,908,210			1,908,210	
Deferred PERS/PFRS Pension Contribution	<u>148,216</u>	<u> </u>	<u>36,827</u>	<u>111,389</u>	<u>40,265</u>
	<u>\$5,997,366</u>	<u>\$10,970,000</u>	<u>\$1,054,340</u>	<u>\$15,913,026</u>	<u>\$1,203,576</u>

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

Summary of Municipal Debt (Excluding Current Operating Debt)

	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>Issued</u>			
General - Bonds, Notes and Loans	\$12,605,116	\$13,743,427	\$12,263,940
Swimming Pool Utility - Bonds and Notes	<u>125,000</u>	<u>150,000</u>	<u>175,000</u>
	<u>12,730,116</u>	<u>13,893,427</u>	<u>12,438,940</u>
 <u>Authorized But Not Issued</u>			
General - Bonds and Notes	5,280,519	2,166,119	2,780,569
Swimming Pool Utility - Bonds and Notes	<u>47,241</u>	<u>47,241</u>	<u>47,241</u>
	<u>5,327,760</u>	<u>2,213,360</u>	<u>2,827,810</u>
 Total Bonds, Notes and Loans Issued and Authorized Not Issued	18,057,876	16,106,787	15,266,750
Less: Deductions	<u>139,049</u>	<u>264,049</u>	<u>452,251</u>
 Net Debt	 <u>\$17,918,827</u>	 <u>\$15,842,738</u>	 <u>\$14,814,499</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.947% for 2022.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School District Debt	\$6,185,000	\$6,185,000	\$0
Swimming Pool Utility Debt	172,241	172,241	0
General Debt	<u>17,885,635</u>	<u>139,049</u>	<u>17,746,586</u>
	<u>\$24,242,876</u>	<u>\$6,496,290</u>	<u>\$17,746,586</u>

Net debt of \$17,746,586 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$1,873,274,200 equals 0.947%.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.039% for 2021.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School District Debt	\$6,650,000	\$6,650,000	\$0
Swimming Pool Utility Debt	197,241		197,241
General Debt	<u>15,909,546</u>	<u>264,049</u>	<u>15,645,497</u>
	<u>\$22,756,787</u>	<u>\$6,914,049</u>	<u>\$15,842,738</u>

Net debt of \$15,842,738 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$1,524,171,555 equals 1.039%.

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

	<u>2022</u>	<u>2021</u>
3 ½% of Equalized Valuation Basis (Municipal)	\$51,185,229	\$51,185,229
Net Debt	<u>17,746,586</u>	<u>15,842,736</u>
Remaining Borrowing Power	<u>\$33,438,643</u>	<u>\$35,342,493</u>

Calculation of "Self-Liquidating Purpose", Swimming Pool Utility Per N.J.S.A. 40A:2-45

	<u>2022</u>	<u>2021</u>
Cash receipts from fees, rents or other charges for year	\$358,698	\$253,276
Deductions:		
Operating and Maintenance Cost	242,800	242,800
Debt Service per Swim Pool Account	<u>27,800</u>	<u>28,200</u>
Total Deductions	<u>270,600</u>	<u>271,000</u>
Excess (Deficit) in Revenue	<u>\$88,098</u>	<u>(\$17,724)</u>

The Swimming Pool Utility was not Self Liquidating in 2022 and 2021.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

The Borough's long-term debt consisted of the following at December 31, 2022 and 2021:

<u>General Obligation Bonds - Paid by Current Fund</u>	<u>2022</u>	<u>2021</u>
\$3,670,000 General Improvement Bonds, issued January 1, 2013, with an interest rate of 2.00% to 2.25%, due through May 1, 2027	\$1,825,000	\$2,190,000
\$10,970,000 General Refunding Bonds, issued September 15, 2021, with an interest rate of .050% to 2.00%, due through September 15, 2032	<u>10,270,000</u>	<u>10,970,000</u>
	<u>\$12,095,000</u>	<u>\$13,160,000</u>

Green Acres Loan- Paid by Current Fund

The Borough has five outstanding loan agreements with New Jersey Green Acres Bond Act of 1983 for the Multi-Park Improvements - Briarcliff Park Project, the Thomas Avenue Park Project, the Thomas Ave Park Acquisition Project, and the Thomas Avenue Little League Field Project.

	<u>2022</u>	<u>2021</u>
The 2004 Multi-Park Improvements - Briarcliff Park Project award is at a rate of 2.00% in the amount of \$125,950 with semi-annual loan payments of various amounts made on May 16 and November 16 through May 16, 2024	\$11,517	\$19,006
The 2008 Thomas Ave Park Project award is at a rate of 2.00% in the amount of \$197,500 with semi-annual loan payments of various amounts made on February 19 and August 19 through February 19 2028	63,665	74,510
The 2008 Thomas Ave Little League Field Project award is at a rate of 2.00% in the amount of \$184,000 with semi-annual loan payments of various amounts made on February 19 and August 19 through February 19, 2028	59,312	69,416
The 2008 Thomas Ave Little League Field Project award is at a rate of 2.00% in the amount of \$66,000 with semi-annual loan payments of various amounts made on May 22 and November 22 through May 22, 2028	21,274	24,898
The 2011 Thomas Ave Little League Field - Land Acquisition Project award is at a rate of 2.00% in the amount of \$66,000 with semi-annual loan payments of various amounts made on March 15 and September 15 through March 15, 2029	<u>59,004</u>	<u>67,423</u>
	<u>\$214,772</u>	<u>\$255,253</u>

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

New Jersey Environmental Infrastructure Trust Loans Payable

The Borough has entered into a loan agreement with New Jersey Department of Environmental Infrastructure Trust for the financing related to a sewer project.

	<u>2022</u>	<u>2021</u>
\$320,000 trust loan issued May 3, 2012, due in annual installments of \$10,000 to \$25,000 through August 1, 2031, interest from 2.00% to 5.00%	\$190,000	\$205,000
\$350,651 fund loan issued May 3, 2012, due in annual installments of \$17,830 through August 1, 2028, no interest payable	<u>105,344</u>	<u>123,174</u>
	<u>\$295,344</u>	<u>\$328,174</u>

Swimming Pool Utility Bonds – Paid by Swimming Pool Utility Fund

Paid by Swimming Pool Utility Fund

The Borough pledges revenue from operations to pay debt service on bonds issued. Swimming Pool Utility Bonds outstanding at December 31, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
\$320,000 General Improvements Bonds, issued January 1, 2013, with an interest rate of 2.000% to 2.125%, due through May 1, 2027	<u>\$125,000</u>	<u>\$150,000</u>

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

Year	General Capital Debt								
	Total	Serial Bonds		Green Trust		Environmental Infrastructure Trust		Swimming Pool Utility Debt	
		Debt Service	Principal	Interest	Principal	Interest	Principal	Interest	Principal
2023	\$1,369,646	\$1,075,000	\$176,656	\$41,296	\$4,090	\$37,829	\$7,431	\$25,000	\$2,344
2024	1,386,574	1,105,000	169,001	38,208	3,260	37,830	6,431	25,000	1,844
2025	1,408,487	1,140,000	161,331	35,021	2,531	37,829	5,431	25,000	1,344
2026	1,414,757	1,165,000	144,116	35,725	1,827	37,830	4,431	25,000	828
2027	1,421,226	1,190,000	126,131	36,445	1,109	37,829	4,431	25,000	281
2028-2032	<u>6,916,362</u>	<u>6,420,000</u>	<u>354,500</u>	<u>28,077</u>	<u>425</u>	<u>106,197</u>	<u>7,163</u>	<u> </u>	<u> </u>
Totals	<u>\$13,917,052</u>	<u>\$12,095,000</u>	<u>\$1,131,735</u>	<u>\$214,772</u>	<u>\$13,242</u>	<u>\$295,344</u>	<u>\$35,318</u>	<u>\$125,000</u>	<u>\$6,641</u>

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

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

At December 31, 2022 and 2021, the Borough had authorized but not issued debt as follows:

	<u>2022</u>	<u>2021</u>
General Capital Fund	\$5,280,519	\$2,166,119
Swim Pool Capital Fund	47,241	47,241

NOTE 4. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. The following deferred charges are shown on the balance sheet of various funds:

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>2023 Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>Succeeding</u> <u>Year's Budget</u>
Current Fund:			
Special Emergency Appropriations	\$220,000	\$115,000	\$105,000
Emergency Appropriations	4,923	4,923	
Deficit in Retiree Claims Cash	1,378	1,378	
Over-expenditure of Appropriations	70,637	70,637	
Over-expenditure of Appropriation Reserves	30,545	30,545	
Swim Pool Utility:			
Over-expenditure of Appropriation Reserves	6,263	6,263	
Over-expenditure of Appropriations	67,486	67,486	
Payroll Account:			
Deficit in Payroll Reserve	<u>17,186</u>	<u> </u>	<u>17,186</u>
	<u>\$418,418</u>	<u>\$296,232</u>	<u>\$122,186</u>

	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>2022 Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>Succeeding</u> <u>Year's Budget</u>
Current Fund:			
Special Emergency Appropriations	\$335,000	\$115,000	\$220,000
Emergency Appropriations	89,942	89,942	
Deficit in Retiree Claims Cash	1,378		1,378
Swim Pool Utility:			
Over-expenditure of Appropriation Reserves	6,263		6,263
Payroll Account:			
Deficit in Payroll Reserve	10,215		10,215
Trust Funds:			
Deficit in Reserve for Recycling	<u>36,796</u>	<u>36,796</u>	<u> </u>
	<u>\$479,594</u>	<u>\$241,738</u>	<u>\$237,856</u>

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. PENSION PLANS

Description of Plans:

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

Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

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

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. PENSION PLANS, (continued)

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

a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Police and Firemens' Retirement System (PFRS)

Plan Description

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

Benefits Provided

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

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

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.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. PENSION PLANS, (continued)

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.

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 Borough of Maywood opted for this deferral in the amount of \$360,132. The amount outstanding at December 31, 2022 was \$71,124.

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%

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. PENSION PLANS, (continued)

plus an additional 1% phased in over 7 years beginning 2012 and 8.5% for PFRS, which increased to 10% in October 2011, of the employee's annual compensation, as defined by law. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

The Borough'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>
2022	\$259,272	\$950,807	\$-0-
2021	260,111	1,033,399	-0-
2020	252,266	908,070	-0-

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, 2022, the Borough had a liability of \$3,504,596 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2022, the Borough's proportion was 0.0232225098 percent, which was an increase of 0.002047327 percent from its proportion measured as of June 30, 2021.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

For the year ended December 31, 2022, the Borough recognized pension expense of \$259,272. At December 31, 2022, 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	\$25,295	\$22,306
Changes of assumptions	10,858	524,777
Net difference between projected and actual earnings on pension plan investments	145,052	
Changes in proportion and differences between the Borough's contributions and proportionate share of contributions	<u>459,517</u>	<u>228,348</u>
Total	<u>\$640,722</u>	<u>\$775,431</u>

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2022) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$(300,621)
2024	(153,156)
2025	(74,691)
2026	162,948
2027	(358)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.04, 5.13, 5.16, 5.21, 5.63 and 5.48 years for 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. 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, 2022 and June 30, 2021 are as follows:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Collective deferred outflows of resources	\$1,660,772,008	\$1,164,738,169
Collective deferred inflows of resources	3,236,303,935	8,339,123,762
Collective net pension liability	15,091,376,611	11,846,499,172
Borough's Proportion	0.0232225098%	0.0211751827%

Actuarial Assumptions

The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

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

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

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. PENSION PLANS, (continued)

Public Employees Retirement System (PERS), (continued)

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, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

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BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. 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	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 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.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. 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, 2022, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2022		
	1% Decrease	At Current Discount Rate	1% Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Borough's proportionate share of the pension liability	\$4,510,830	\$3,504,596	\$2,648,251

Pension Plan Fiduciary Net Position

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

Police and Firemen's Retirement System (PFRS)

At December 31, 2022, the Borough had a liability of \$9,183,993 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2022, the Borough's proportion was 0.080235080 percent, which was an increase (decrease) of 0.0025987260 percent from its proportion measured as of June 30, 2021.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

For the year ended December 31, 2022, the Borough recognized pension expense of \$(212,073). At December 31, 2022, 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	\$415,692	\$562,644
Changes of assumptions	25,170	1,156,083
Net difference between projected and actual earnings on pension plan investments	840,984	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	<u>594,780</u>	<u>1,546,595</u>
Total	<u>\$1,876,626</u>	<u>\$3,265,322</u>

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2022) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$(459,346)
2024	(293,551)
2025	(279,639)
2026	584,124
2027	5,629
Thereafter	5,902

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 6.22, 6.17, 5.90, 5.92, 5.73 and 5.59 years for 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

Additional Information

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

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Collective deferred outflows of resources	\$2,163,793,955	\$817,271,932
Collective deferred inflows of resources	2,805,919,493	6,875,738,520
Collective net pension liability	11,446,356,176	7,309,152,035
Borough's Proportion	0.0802350800%	0.0776363540%

Actuarial Assumptions

The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions:

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

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Mortality Rates

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

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2022 are summarized in the following table:

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Long-Term Rate of Return, (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 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.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (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, 2022, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2022		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Borough's proportionate share of the pension liability	\$13,209,634	\$9,183,993	\$5,832,627

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.

Special Funding Situation - PFRS

Under N.J.S.A. 43:16A-15, the Borough 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 Borough 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 Borough'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.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 5. PENSION PLANS, (continued)

Police and Firemen's Retirement System, (continued)

Special Funding Situation - PFRS, (continued)

At December 31, 2022 and 2021, the State proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is \$1,634,482 and \$1,595,969, respectively. For the years ended December 31, 2022 and 2021, the pension system has determined the State's proportionate share of the pension expense attributable to the Borough for the PFRS special funding situation is \$188,576 and \$177,744, respectively, which is more than the actual contributions the State made on behalf of the Borough of \$203,485 and \$138,641, respectively. The State's proportionate share attributable to the Borough 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 Borough's financial statements.

NOTE 6. FUND BALANCE APPROPRIATED

The fund balance at December 31, 2023 and 2022 which has been appropriated as revenue in the 2023 and 2022 budgets is as follows:

	<u>2023</u>	<u>2022</u>
Current Fund	\$3,027,500	\$3,000,000
Swimming Pool Utility	48,414	

NOTE 7. FIXED ASSETS

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

	<u>Balance</u> <u>Dec.31, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec.31, 2022</u>
Land	\$280,767	\$	\$	\$280,767
Buildings and Building Improvements	10,606,650			10,606,650
Machinery and Equipment	<u>7,888,960</u>	<u>181,657</u>	<u>331,650</u>	<u>7,738,967</u>
	<u>\$18,776,377</u>	<u>\$181,657</u>	<u>\$331,650</u>	<u>\$18,626,384</u>

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 7. FIXED ASSETS, (continued)

	<u>Balance</u> <u>Dec.31, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec.31, 2021</u>
Land	\$280,767	\$	\$	\$280,767
Buildings and Building Improvements	10,606,650			10,606,650
Machinery and Equipment	<u>7,684,989</u>	<u>205,834</u>	<u>1,863</u>	<u>7,888,960</u>
	<u>\$18,572,406</u>	<u>\$205,834</u>	<u>\$1,863</u>	<u>\$18,776,377</u>

NOTE 8. ACCRUED SICK AND VACATION BENEFITS

The Borough has permitted employees to accrue unused sick time which may be used in the event of an extended illness, however, the Borough does not provide cash payments based on the accumulated totals. The current cost of such unpaid compensation was approximately \$1,908,210 at December 31, 2022 and was approximately \$1,908,210 at December 31, 2021. The reason for no change is that an analysis had not been prepared by the Borough for December 31, 2022.

NOTE 9. INTERFUND BALANCES AND ACTIVITY

\$991,518	Due to the Federal and State Grant Fund from the Current Fund for grant monies received less expenditures paid.
606,389	Due to the General Capital Fund from the Current Fund for capital improvement fund and reimbursement for expenses paid.
10,279	Due to the Federal and State Grant Fund from the Community Development Trust Fund for cash receipts not turned over.
17,350	Due to the Federal and State Grant Fund from the Other Trust Fund for cash receipts not turned over.
16	Due to the Swimming Pool Utility Fund from the Swimming Pool Utility Capital Fund for interest earnings not turned over.
3,000	Due to Unemployment Trust Fund from the Swimming Pool Utility Operating Fund for reimbursement for expenses paid.
91,193	Due to the General Capital Fund from the Swimming Pool Utility Capital Fund to reimburse for prior year expenses paid.
372,128	Due to the Current Fund from the Swimming Pool Operating Fund for budget appropriations less reimbursement for expenditures paid.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 9. INTERFUND BALANCES AND ACTIVITY, (continued)

\$39,826	Due to the Current Fund from the Drug Enforcement Trust Fund for reimbursement of expenditures paid.
13,466	Due to the Current Fund from the Animal License Trust Fund for multiple years statutory excess calculations.
38,933	Due to the Current Fund from the Other Trust Fund for reimbursement of expenditures paid.
94,092	Due to the Current Fund from the Recreation Trust Fund for reimbursement of expenditures paid.
68,156	Due to the Current Fund from the Recycling Trust Fund for reimbursement of expenditures paid and grant funds deposited in error.
1,697	Due to the Current Fund from the Escrow Trust Fund for the Borough's share of interest earnings.
99,138	Due to the Current Fund from the Fire Prevention Trust Fund for reimbursement of expenditures paid.
40,337	Due to the Unemployment Trust Fund from the Current Fund for funds deposited in error and budget appropriations.
<u>99,647</u>	Due to the Current Fund from the Net Payroll Account for excess funds transferred.
<u>\$2,587,165</u>	

NOTE 10. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP)

On May 2, 2002, the Division of Local Government Services approved the Borough's LOSAP plan, provided by Lincoln National Life Insurance Company. The purpose of this plan is to enhance the Borough's ability to retain and recruit volunteer firefighters and volunteer members of emergency service squads.

Lincoln National Life Insurance Company 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 \$600 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 by N.J.A.C. 5:30-14.9. The Borough's contribution shall be included in the current years budget.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 10. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP), (continued)

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, 2022 in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Accounting and Review Services.

NOTE 11. RISK MANAGEMENT

The Borough 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 Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur.. During the 2018 calendar year, the Borough did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Borough of Maywood is a member of the Bergen County Joint Insurance Fund (BCJIF) and Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance funds are both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The BCJIF and MEL coverage amounts are on file with the Borough.

The relationship between the Borough and respective insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Borough is contractually obligated to make all annual and supplementary contributions to insurance funds, to report claims on a timely basis, cooperate with the management of the Fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the insurance funds. Members have a contractual obligation to fund any deficit of the insurance funds attributable to a membership year during which they were a member.

The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 11. RISK MANAGEMENT, (continued)

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

NOTE 12. TAXES COLLECTED IN ADVANCE

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

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Balance</u> <u>Dec 31, 2021</u>
Prepaid Taxes	<u>\$126,376</u>	<u>\$222,947</u>
Cash Liability for Taxes Collected in Advance	<u>\$126,376</u>	<u>\$222,947</u>

NOTE 13. LITIGATION

There are various tax appeals cases that were also pending at December 31, 2022. The Borough is defending its assessments in each case. Under the accompanying principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the Borough does not recognize a liability would be provided for in succeeding years' budgets or through a refunding bond ordinance, which would allow the Borough to fund these liabilities over a number of years. The Borough's legal counsel estimate such amounts to be immaterial.

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

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB)

In addition to the pension described in Note 6, the Borough provides post employment health care benefits as part of the State Health Benefits Local Government Retired Employments Plan.

General Information about the OPEB Plan

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A. 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provides they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Total OPEB Liability

The following other post employment benefit information is as of June 30, 2021 which is the latest information available. This information is eighteen months prior to December 31, 2022. GASB Statement No. 75 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis financial statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current other post employment benefit information is available.

At December 31, 2021, the Borough had a liability of \$14,836,680 for its proportionate share of the non-special funding net OPEB liability. The net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Borough's proportion of the net OPEB liability was based on a projection of the Borough's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers a in the plan. At June 30, 2021, the Borough's proportion was 0.082427 percent.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

For the year ended December 31, 2021, the Borough recognized OPEB expense of \$62,279. At December 31, 2021, deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$332,917	\$3,104,052
Changes of assumption	2,134,301	2,622,557
Net difference between projected and actual earnings on OPEB plan investments	7,094	
Changes in proportion	<u>904,331</u>	<u>833,068</u>
Total	<u>\$3,378,643</u>	<u>\$6,559,677</u>

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

Year ended June 30:	
2022	\$(885,887)
2023	(887,052)
2024	(888,117)
2025	(634,207)
2026	(106,615)
Thereafter	149,581

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 7.82, 7.87, 8.05, 8.14 and 8.04 years for 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Actual Assumptions and Other Inputs

The total OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which rolled forward to June 30, 2021. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation rate	2.50%
Salary increases*:	
Public Employees' Retirement System (PERS)	
Initial fiscal year applied	
Rate through 2026	2.00% to 6.00%
Rate thereafter	3.00% to 7.00%
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 15.25%
Mortality:	
PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021

* Salary increases are based on years of service within the respective plan.

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

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BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 14. OTHER POST EMPLOYMENT BENEFITS (OPEB), (continued)

Discount Rate

The discount rate for June 30, 2021 was 2.16% . This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Borough's proportionate share of the net OPEB liability as of June 30, as well as what the Borough's proportionate share of the 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:

	June 30, 2021		
	1% Decrease	At Current Discount Rate	1% Increase
	<u>1.16%</u>	<u>2.16%</u>	<u>3.16%</u>
Borough's proportionate share of Net OPEB liability	\$17,459,926	\$14,836,680	\$12,757,700

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

The following presents the Borough's proportionate share of the net OPEB liability as of June 30, as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using a healthcare trend rate that is 1-percentage point lower or 1 percentage point higher than the current rate:

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Borough's proportionate share of Net OPEB liability	\$12,378,788	\$14,836,680	\$17,043,924

BOROUGH OF MAYWOOD
Notes to Financial Statements
Years Ended December 31, 2022 and 2021
(continued)

NOTE 15. MUNICIPAL EXCESS JOINT INSURANCE FUND LOAN

The Borough entered into a loan agreement with the Municipal Excess Liability Fund (MEL) in order to finance the payout of a litigation settlement in the sum of \$540,000. The Borough shall reimburse the MEL in five (5) annual installments of \$108,000 plus interest, with the first payment being made on or before January 1, 2020 and subsequent payments to be made annually before the end of each calendar year thereafter until the full amount of the Borough's share of the settlement has been repaid to the MEL, together with interest equal to the rate of interest the MEL is currently receiving on its investments, which fluctuates, but which, at the moment is 1.67%. The annual payment shall be accompanied by an interest payment on the unpaid principal. Under the terms and conditions of the agreement, if the Borough should resign or fails to renew its membership for any reason is no longer a member of the Suburban Joint Insurance Fund or the MEL, all outstanding monies due and owing to the MEL, including principal and interest shall be paid to the MEL on January 1st of the year the Borough is no longer a member of the Suburban Joint Insurance Fund or the MEL.

NOTE 16. 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 and cover increased costs incurred during the coronavirus pandemic response and to make necessary investments in water, sewer or broadband infrastructure. The amount of federal aid available to the Borough of Maywood is \$1,006,283, which will be available for use until December 31, 2024.

NOTE 17. SUBSEQUENT EVENTS

The Borough has evaluated subsequent events through July 7, 2023, the date which the financial statements were available to be issued and no other items were noted for disclosure.

SUPPLEMENTARY DATA

BOROUGH OF MAYWOOD

Supplementary Data

Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of bond</u>	<u>Type of Bond</u>
Richard Bolan	Mayor		
Jacqueline DeMuro	Council President		
Ryan P. Ullman	Councilmember		
Louis Roer	Councilmember		
Katherine Bennin	Councilmember		
Jacqueline Flynn	Councilmember		
Danyel Cicarelli	Councilmember		
Brian E. Eyerman, Esq.	Borough Attorney		
Wielkotsz & Company, LLC	Borough Auditor		
Rogut McCarthy, LLC	Bond Counsel		
Neglia Engineering	Borough Engineer		
Andrian Febre	Borough Administrator		
Barbara Dispoto	Borough Clerk		
Sheryl Luna (8/1/22-12/31/22)	Chief Finance Officer	\$ 1,000,000	Blanket Bond
Charles Cuccia (1/1/22-7/31/22)	Chief Finance Officer	1,000,000	Blanket Bond
Sheryl Luna (8/1/22-12/31/22)	Tax Collector	1,000,000	Blanket Bond
Ashley Morrone (1/1/22-7/31/22)	Tax Collector	1,000,000	Blanket Bond
Angela M. Mattice	Tax Assessor		
Sheryl Luna (8/1/22-12/31/22)	Treasurer		
Charles Cuccia (1/1/22-7/31/22)	Treasurer		
Terence R. Kenny	Chief of Police		
Gary Neumann	Public Works Superintendent		
Frances A. Ciambrone	Municipal Court Judge (Paramus)		
Cynthia Holmes, CMCA	Municipal Court Administrator (Paramus)	1,000,000	Blanket Bond
Elisabeth Connors	Deputy Court Administrator (Paramus)	1,000,000	Blanket Bond
Andrew Cimiluca	Prosecutor		
Mark Musella	Public Defender		
Philip Cheff	Construction Code Official		
Thomas Tuttle	Fire Marshall		
Lisamarie Schieli	Recreation Director		

All employees are covered under the Municipal Joint Insurance Fund blanket bond.

BOROUGH OF MAYWOOD

Supplementary Data

Comparative Schedule of Tax Rate Information

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Tax rate	\$ <u>2.282</u>	<u>2.434</u>	<u>3.160</u>
Apportionment of tax rate:			
Municipal	0.752	0.805	1.053
Municipal - Library	0.032	0.032	0.043
County	0.241	0.249	0.323
Local school	<u>1.257</u>	<u>1.348</u>	<u>1.741</u>

Assessed valuation

2022	\$ 1,648,865,580
2021	1,510,828,080
2020	1,154,371,880

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax levy</u>	<u>Currently</u>	
		<u>Cash collections</u>	<u>Percentage of collection</u>
2022	\$ 37,678,704	37,403,106	99.27%
2021	36,791,992	36,481,734	99.16%
2020	36,534,452	36,101,631	98.82%

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 delinquent taxes</u>	<u>Tax Title liens</u>	<u>Total delinquent</u>	<u>Percentage of tax levy</u>
2022	\$ 257,200	4,466	261,666	0.69%
2021	260,137	3,389	263,526	0.72%
2020	372,148	2,240	374,388	1.02%

BOROUGH OF MAYWOOD

Supplementary Data

Property Acquired by Tax Title Lien Liquidation

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

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

<u>Year</u>		<u>Amount</u>
2022	\$	294,419
2021		294,419
2020		294,419

Comparative Schedule of Fund Balances

	<u>Year</u>		<u>Balance, Dec. 31</u>	<u>Utilized in budget of succeeding year</u>
Current Fund:	2022	\$	5,322,276	3,027,500
	2021		5,025,323	3,000,000
	2020		4,791,987	2,500,000
	2019		4,503,282	2,315,000
	2018		4,800,483	2,091,000
Swimming Pool Utility Fund:	2022	\$	94,664	48,414
	2021		214	-
	2020		10,214	10,000
	2019		19,494	15,000
	2018		15,278	-

Comparison of Swimming Pool Utility Fees

<u>Year</u>		<u>Member- ship fees Budgeted</u>	<u>Cash collection</u>
2022	\$	227,000	287,607
2021		121,915	227,107
2020		216,400	
2019		213,000	186,780
2018		212,480	178,965

BOROUGH OF MAYWOOD

Schedule of Expenditures of State Awards and Other Financial Assistance

Year ended December 31, 2022

State Funding Department	State Program	Grant Number	Grant Year	Allocation or Grant Award Amount	Receipts	Expended	MEMO Cumulative Total Expenditures
Federal and State Grant Fund: Department of Community Affairs	Recreation Opportunities for Individuals with Disabilities	98-100-022-8050-035	2000	2,215			*
	Recreation Opportunities for Individuals with Disabilities	98-100-022-8050-035	1999	2,707			*
Department of Environmental Protection	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2016	18,571			*
	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2015	12,453			*
	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2014	13,702			*
	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2013	20,981			*
	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2012	6,232			*
	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2011	43,022			21,519
Division of Parks and Forestry - Tree Planting Grant Longevity of Deciduous Trees			2001	9,544			*
			2001	990			1,015
	Clean Communities Program	4900-765-042-4900-004	2022	17,350	17,350		*
	Clean Communities Program	4900-765-042-4900-004	2021	17,230			*
	Clean Communities Program	4900-765-042-4900-004	2020	16,176			*
	Clean Communities Program	4900-765-042-4900-004	2019	17,950			*
	Clean Communities Program	4900-765-042-4900-004	2018	16,084			*
	Clean Communities Program	4900-765-042-4900-004	2017	16,807			2,084
	Clean Communities Program	4900-765-042-4900-004	2016	19,783		462	462
	Clean Communities Program	4900-765-042-4900-004	2015	17,305	17,350	1,769	13,567
					2,231	38,647	
Division of Criminal Justice	Body Armor Replacement Fund	1020-718-066-1020-001	2022	1,735	1,735		*
	Body Armor Replacement Fund	1020-718-066-1020-001	2021	1,850			*
	Body Armor Replacement Fund	1020-718-066-1020-001	2020	2,515			*
	Body Armor Replacement Fund	1020-718-066-1020-001	2018	2,502			*
	Body Armor Replacement Fund	1020-718-066-1020-001	2017	2,267			*
	Body Armor Replacement Fund	1020-718-066-1020-001	2016	2,264			*
	Body Armor Replacement Fund	1020-718-066-1020-001	2015	2,352			890
	Body Armor Replacement Fund	1020-718-066-1020-001	2014	9,649	1,735	2,149	8,157
					2,149	9,047	
Department of Law and Public Safety	Speed/Aggressive Driver Enforcement	1160-100-066-1160-127-YHTS-6010	2006	5,971			*
	Speed/Aggressive Driver Enforcement	1160-100-066-1160-127-YHTS-6010	2007	3,769			*

BOROUGH OF MAYWOOD

Schedule of Expenditures of State Awards and Other Financial Assistance

Year ended December 31, 2022

<u>State Funding Department</u>	<u>State Program</u>	<u>Grant Number</u>	<u>Grant Year</u>	<u>Allocation or Grant Award Amount</u>	<u>Receipts</u>	<u>Expended</u>	<u>MEMO Cumulative Total Expenditures</u>
Department of Law and Public Safety	Drunk Driving Enforcement Fund	6400-100-078-6400	2017	7,441		693	1,198
	Drunk Driving Enforcement Fund	6400-100-078-6400	2015	5,177			351
Bergen County Pass Through Grant	Alcohol Education Rehabilitation Fund	9735-760-098-Y900-001-X100-6020	2020	2,917			
	Alcohol Education Rehabilitation Fund	9735-760-098-Y900-001-X100-6020	2019	2,813			
	Alcohol Education Rehabilitation Fund	9735-760-098-Y900-001-X100-6020	2015	413			
	Alcohol Education Rehabilitation Fund	9735-760-098-Y900-001-X100-6020	2014	473			2,126
	Alcohol Education Rehabilitation Fund	9735-760-098-Y900-001-X100-6020	2007	8,120		693	3,675
Municipal Alliance	Municipal Alliance		FY20	9,876			
	Municipal Alliance		FY19	9,876		5,780	6,612
	Municipal Alliance		FY18	9,876			5,815
	Municipal Alliance		FY17	9,876		5,780	9,876
<i>Total Federal and State Grant Fund</i>					19,085	10,853	73,672
Current Fund: Department of Law and Public Safety	Body Worn Cameras	1020-100-066-1020	2022	40,760		40,760	40,760
	<i>Total Current Fund</i>					40,760	40,760
Trust Funds: Department of Environmental Protection	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2019	13,024	13,024		
	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2018	20,264		20,264	20,264
	Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	2017	19,916		19,916	19,916
<i>Total Trust Fund</i>					13,024	40,180	40,180
<i>Total State Financial Assistance</i>					\$ 72,869	91,793	154,612

BOROUGH OF MAYWOOD

**Schedule of Expenditures of State Awards and Other Financial Assistance
Year ended December 31, 2022**

<u>State Funding Department</u>	<u>State Program</u>	<u>Grant Number</u>	<u>Grant Year</u>	<u>Allocation or Grant Award Amount</u>	<u>Receipts</u>	<u>Expended</u>	<u>MEMO Cumulative Total Expenditures</u>
<i>Other Financial Assistance</i>							
	County of Bergen:						
	Open Space Trust Fund	Inpr. to Memorial Park	16-2022	262,762			*
	Open Space Trust Fund	Installation of Sun Shade at Memorial Park	13-2020	9,450			*
	Open Space Trust Fund	Memorial Park Improvements	06-2019	26,442			*
	Open Space Trust Fund	Memorial Park		49,100			*
							<u>35,892</u>
							*
	Municipal Recycling Assistance Program		2020	2,365			*
	Municipal Recycling Assistance Program		2019	3,000			*
	Municipal Recycling Assistance Program						*
							*
	Sustainable NJ Pollinator Grant		2021	10,000			*
							<u>25,000</u>
	Hackbarth Foundation	Hackbarth Foundation Library Improvements	2022	250,000	250,000		*
	Hackbarth Foundation	Hackbarth Foundation Library Improvements	2019	150,000			*
	Hackbarth Foundation	Hackbarth Foundation Library Improvements	2018	150,000			*
	Hackbarth Foundation	Hackbarth Foundation Library Improvements	2017	250,000			*
	Hackbarth Foundation	Hackbarth Foundation Library Improvements	2016	150,000	79,859		*
	Hackbarth Foundation	Hackbarth Foundation Library Improvements	2015	120,000	7,987		*
					<u>250,000</u>	<u>87,846</u>	*
							<u>455,547</u>
							*
	<i>Total Other Financial Assistance</i>				<u>\$ 322,869</u>	<u>\$ 179,639</u>	*
	<i>Total State and Other Financial Assistance</i>						<u>\$ 610,159</u>

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

BOROUGH OF MAYWOOD

Schedule of Expenditures of Federal Financial Assistance

Year ended December 31, 2022

Federal Grantor	Federal Program	Assistance Listing Number	Grant Year	FAIN Number	Grant or State Project Number	Grant Award Amount	Reversals	Expended	MEMO Cumulative Total Expenditures
Federal and State Grant Fund: Department of Environmental Protection (Passed through State of New Jersey Department of Environmental Protection)	Municipal Stormwater Regulation	66.605	2008			19,053			16,702
	Municipal Stormwater Regulation	66.605	2007			19,053			18,392
	Green Communities Grant	10.675	2019	19-DG-11420004-183	4870-100-042-4870-038	2,000			
	Green Communities Grant	10.675	2018	18-DG-11420004-183	4870-100-042-4870-038	2,000			
Department of Justice	COPS More	16.710	2002			60,442			38,774
	Bulletproof Vest Partnership Program	16.607	2020		K65723031				494
Department of Law and Public Safety	FEMA - Coronavirus Pandemic	97.036	2021	PA4488PW129	FEMA448COVID	16,123			39,268
	Department of Transportation National Highway Traffic Safety Administration	Municipal Aid Program FY18 - Palmer Avenue	20.205	2018		220,000			158,279
Department of Justice	Alcohol Impaired Driving Countermeasures Incentive Grants	20.616	2020	AL-20-15-04-MS-75	2019-066-1160-100-165	7,856			
	Alcohol Impaired Driving Countermeasures Incentive Grants	20.616	2019	AL-19-15-04-MS-75	2019-066-1160-100-165	5,492			
	Alcohol Impaired Driving Countermeasures Incentive Grants	20.616	2018	AL-18-15-04-MS-75	2018-066-1160-100-157	2,365			
	Alcohol Impaired Driving Countermeasures Incentive Grants	20.616	2014	AL-14-15-04-MS-75	2014-066-1160-100-157	3,800			708
	Occupant Protection Grant - Click it or Ticket	20.616	2015			3,868			
	Occupant Protection Grant - Click it or Ticket	20.616	2014			3,900			158,987
	Community Development Block Grant West Passaic & Palmer Ave	14.218	2018			42,916			15,273
	Handicapped Access Borough Hall	14.218	2018			6,099			6,099
									21,372
									510,290
Department of Housing and Urban Development (Passed through County of Bergen)	Community Development Block Grant	21.027	2021-2024	SLRRP1040		1,006,283	503,142	503,142	1,006,284
	West Passaic & Palmer Ave	97.056	2022	PA4614PW1184		22,119	22,119	22,119	22,119
<i>Total Federal and State Grant Fund</i>									
Current Fund: Department of Treasury (Passed through the State of New Jersey Department of Community Affairs)	ARP Fiscal Recovery Funds	21.027	2021-2024	SLRRP1040		1,006,283	503,142	503,142	1,006,284
Department of Law & Public Safety	FEMA - Hurricane IDA	97.056	2022	PA4614PW1184		22,119	22,119	22,119	22,119
	<i>Total Current Fund</i>								
General Capital Fund: Department of Housing and Urban Development (Passed through County of Bergen)	Community Development Block Grant	14.218	2022	HZ2UC340100		120,000			120,000
	Impr. of East Pleasant Avenue - Ord. 4-22	14.218	2022	HZ2UC340100		136,976			136,976
	Handicapped Ramps/Curbs - Ord. 16-22	14.218	2016	HI60UC340100		60,873			45,425
	Senior Center ADA Compliance - Ord. 13-20	14.218	2020	HZ0UC340100		28,228			28,228
						28,228			73,653

BOROUGH OF MAYWOOD

Schedule of Expenditures of Federal Financial Assistance

Year ended December 31, 2022

Federal Grantor	Federal Program	Assistance Listing Number	Grant Year	FAIN Number	Grant or State Project Number	Grant Award Amount	Receivables	Expended	MEMO Cumulative Total Expenditures
Department of Transportation National Highway Traffic Safety Administration	Municipal Aid FY21 - Impr. of Birchcliff Avenue	20.205	2021	Ord. 5-2022	480-078-6320-AMO-6010	221,000			*
	Municipal Aid FY18 - Resurfacing of Palmer Avenue	20.205	2018	Ord. 13-2020	480-078-6320-AMO-6010	200,000			*
	Municipal Aid FY17 - Maywood Ave. Streetscape Phase	20.205	2017	Ord. 5-2019	480-078-6320-AMO-6010	165,627			*
	Municipal Aid FY17 - Maywood Ave. Streetscape Ord.	20.205	2017	Ord. 3-2017	480-078-6320-ALW-6010	149,000			*
	Municipal Aid FY16 - Maywood Ave. Streetscape	20.205	2016	Ord. 13-2016	480-078-6320-ALW-6010	184,000			*
Department of Homeland Security FEMA - Hazard Mitigation Grant	Ord. 4-2018 Emergency Generator	97.056	2018	HMGP-DR-4086-NJ-0551-R		107,000			*
	<i>Total General Capital Fund</i>						28,228		* 769,727
Trust Funds: Department of Justice	Equitable Sharing Program	16.922					328,602	31,654	* 421,546
	<i>Total Trust Funds</i>						328,602	31,654	* 421,546
Department of Treasury	Equitable Sharing Program	21.016							*
<i>Total Financial Assistance</i>						\$ 882,091	556,915		* 2,729,966

- (1) Passed through the County of Bergen
- (2) Passed through the State of New Jersey

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

BOROUGH OF MAYWOOD

Schedule of Cash

Current Fund

Year ended December 31, 2022

	Current <u>Fund</u>
Balance - December 31, 2021	\$ 10,832,872
Increased by Receipts:	
Taxes Receivable	37,402,538
Interfunds	252,487
Prepaid Taxes	126,376
Revenue Accounts Receivable	2,789,849
Miscellaneous Revenue Not Anticipated	854,649
Due from State of N.J. - Senior Citizens' and Veterans' Deductions	40,545
Tax Overpayments	17,276
Due to State of New Jersey - Marriage Fees	500
Due to State of New Jersey - Construction fees	9,662
Miscellaneous Reserves	55,141
	<hr/>
	41,549,023
	<hr/>
	52,381,895
Decreased by Disbursements:	
2022 Appropriations	16,064,820
2021 Appropriation Reserves	472,182
County Taxes	4,889,747
Due County for Added Taxes	1,886
Local District School Tax	20,712,336
Miscellaneous Reserves	25,609
Tax Overpayment Refunds	47
Due to State of New Jersey - Marriage Fees	975
Due to State of New Jersey - Construction Fees	10,640
Interfunds	421,097
Tax Title Lien Premiums and Redemptions	32,200
Refund of Prior Year Revenue	3,483
	<hr/>
	42,635,022
	<hr/>
Balance - December 31, 2022	\$ <u>9,746,873</u>

BOROUGH OF MAYWOOD

Schedule of Change Fund

Current Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ <u>400</u>
Balance - December 31, 2022	\$ <u><u>400</u></u>
Finance Office	\$ <u>400</u>
	\$ <u><u>400</u></u>

**Schedule of Due from State of New Jersey -
Chapter 20, P.L. 1971**

Current Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ 25,433
Increased by Senior Citizens' and Veterans' Deductions:	
Per Tax Billings	\$ 41,250
Allowed by Tax Collector	<u>750</u>
	<u>42,000</u>
	67,433
Decreased by Senior Citizens' and Veterans' Deductions:	
Received in Cash from State	<u>40,545</u>
Balance - December 31, 2022	\$ <u><u>26,888</u></u>

BOROUGH OF MAYWOOD

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year ended December 31, 2022

Year of levy	Balance, Dec. 31, 2021	Levy	Collections		Senior Citizen and Veteran Deductions	Transferred to Tax Title Liens	Canceled	Balance, Dec. 31, 2022
			2021	2022				
2021	260,137	10,834		264,379				6,592
2022		37,678,704	222,947	37,138,159	42,000	1,077	23,913	250,608
	\$ 260,137	37,689,538	222,947	37,402,538	42,000	1,077	23,913	257,200

Cash Receipt \$ 37,402,538

Analysis of Tax Levy

Tax Yield:	
General Purpose Tax	\$ 37,636,685
Added/Omitted Taxes	42,019
	<u>\$ 37,678,704</u>

Tax Levy:	
Local District School Tax	\$ 20,712,336
County Tax	\$ 3,959,596
County Added and Omitted Taxes	4,437
	<u>3,964,033</u>
	24,676,369

Local Tax for Municipal Purposes	12,947,006
Additional Taxes	55,329
	<u>13,002,335</u>
	<u>\$ 37,678,704</u>

BOROUGH OF MAYWOOD

**Schedule of Property Acquired for Taxes
(at Assessed Valuation)**

Current Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ <u>294,419</u>
Balance - December 31, 2022	\$ <u><u>294,419</u></u>

Schedule of Tax Title Liens

Current Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ 3,389
Increased by:	
Transferred from Taxes Receivable	<u>1,077</u>
Balance - December 31, 2022	\$ <u><u>4,466</u></u>

BOROUGH OF MAYWOOD

Schedule of Revenue Accounts Receivable

Current Fund

Year ended December 31, 2022

	Balance, Dec. 31, <u>2021</u>	<u>Accrued</u>	<u>Collected</u>	Balance, Dec. 31, <u>2022</u>
Borough Clerk:				
Liquor Licenses	\$	13,050	13,050	
Licenses - Other		3,598	3,598	
Fees and Permits - Other		48,073	48,073	
Municipal Court - Fines and Costs	7,475	113,549	111,007	10,017
Interest and Costs on Taxes		71,122	71,122	
Sewer Use Fees		474,310	474,310	
Energy Receipts Taxes		1,057,064	1,057,064	
Uniform Construction Code Fees		244,467	244,467	
Payment in Lieu of Taxes - 2021		142,799	142,799	
Cable TV Franchise Fee		121,217	121,217	
General Capital Fund Balance		100,000	100,000	
Reserve for Payment of Debt		125,000	125,000	
American Rescue Plan - Lost Revenue		503,142	503,142	
	\$ <u>7,475</u>	<u>3,017,391</u>	<u>3,014,849</u>	<u>10,017</u>
		Cash	2,789,849	
		Interfunds	<u>225,000</u>	
		\$	<u><u>3,014,849</u></u>	

BOROUGH OF MAYWOOD

Schedule of Interfunds

Current Fund

Year ended December 31, 2022

	Due from/(to) Balance Dec. 31, <u>2021</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance Dec. 31, <u>2022</u>
Federal and State Grant Fund	\$ (838,482)	98,699	251,735	(991,518)
General Capital Fund	(822,629)	246,163	29,923	(606,389)
Animal License Trust	12,527	939		13,466
Trust Funds:				
Drug Enforcement Trust Fund	27,561	12,265		39,826
Escrow Trust Fund	2,154	43	500	1,697
Recreation Trust Fund	94,092			94,092
Fire Prevention Trust Fund	43,691	55,447		99,138
Parking Offenses Adjudication Trust Fun			252	(252)
Unemployment Trust Fund	(40,337)			(40,337)
Recycling Trust Fund	104,952		36,796	68,156
Other Trust Fund	33	38,900		38,933
Swimming Pool Operating	197,330	174,798		372,128
Payroll Agency Account	105		105	
Net Payroll Account	7,389	92,258		99,647
	<u>\$ (1,211,614)</u>	<u>719,512</u>	<u>319,311</u>	<u>(811,413)</u>
Due to Current Fund	\$ 489,834	374,650	37,401	827,083
Due from Current Fund	<u>(1,701,448)</u>	<u>344,862</u>	<u>281,910</u>	<u>(1,638,496)</u>
	<u>\$ (1,211,614)</u>	<u>719,512</u>	<u>319,311</u>	<u>(811,413)</u>
			252,487	
Cash Receipts \$				
Cash Disbursements		421,097		
Budgeted Appropriations			66,719	
Anticipated Revenue		225,000		
Reimbursement for Expenditures				
Statutory Excess		939		
Tax Sale Premiums		38,900		
Miscellaneous Revenue Not Anticipated		33,428		
Interest Earnings		43		
Reclass		105	105	
		<u>\$ 719,512</u>	<u>319,311</u>	

BOROUGH OF MAYWOOD
Schedule of Encumbrances Payable
Current Fund
Year ended December 31, 2022

Balance - December 31, 2021	\$	405,968
Increased by:		
Transfer from 2022 Budget		299,456
		705,424
Decreased by:		
Transferred to Appropriation Reserves		405,968
Balance - December 31, 2022	\$	299,456

BOROUGH OF MAYWOOD
Schedule of 2021 Appropriation Reserves

Current Fund

Year ended December 31, 2022

Description	Balance, Dec. 31, 2021	Balance After Transfers and Encumbrances	Paid or Charged	Balance Lapsed	Overexpenditure of Appropriation
Salaries and Wages:					
Administrative and Executive	\$ 5,278	5,278		5,278	
Borough Clerk	855	855		855	
Collection of Taxes	24,419	24,419		24,419	
Assessment of Taxes	2,313	2,313		2,313	
Planning Board	3,500	3,500		3,500	
Police	541	541		541	
Fire Department	7,164	7,164		7,164	
Road Repairs and Maintenance	68,293	68,293		68,293	
Recycling	4,900	4,900		4,900	
Board of Recreation Commissioners	14,627	14,627		14,627	
Uniform Construction Code Official	1,046	1,046		1,046	
Other Expenses:					
Administrative and Executive:					
Administrator's Office	44,692	52,000	7,883	44,117	
Borough Clerk's Office	6,068	6,098	120	5,978	
Stationary, Printing and Advertising	18,922	20,638	622	20,016	
Collection of Taxes	50,893	52,255	15,465	36,790	
Assessment of Taxes:					
Other Expenses	2,127	2,127	2,500		373
Annual Audit	13,125	33,725	20,600	13,125	
Legal Services and Costs	5,595	11,768	18,143		6,375
Engineering Services and Costs	23,964	23,964		23,964	
Historical Committee	1,483	1,483		1,483	
Planning Board:					
Other Expenses	22	1,412	1,389	23	
Miscellaneous Other Expenses	4,893	4,893		4,893	
Insurance:					
Other Insurance Premiums		13,052	16,994		3,942
Workers Compensation	7,514	7,514		7,514	
Hospital Service Plan	724,248	725,437	1,189	724,248	
Police Department:					
Other Expenses	12,092	18,692	5,728	12,964	
Acquisition of Police Cars	24,987	90,000	65,013	24,987	
Emergency Management:					
Other Expenses	5,700	5,700		5,700	
Miscellaneous Other Expenses	4,842	5,000	158	4,842	
Fire Department:					
Fire Hydrant Service	31,526	31,526		31,526	
Clothing Replacement	100	2,992		2,992	
Miscellaneous Other Expenses	44,132	81,381	49,668	31,713	
Life Hazard Use Grant		7,323	7,323		
Fire - Police Emergency Squad	930	6,977	4,238	2,739	
Radio Service and Maintenance	2,824	2,824		2,824	
Road Repairs and Maintenance	46,426	72,663	17,300	55,363	
Recycling	949	949	20,804		19,855
Public Buildings and Grounds	30,429	70,417	51,517	18,900	
Vehicle Maintenance	39,913	82,435	14,643	67,792	
Shade Tree	15	21,092	21,017	75	
Board of Health:					
Miscellaneous Other Expenses	137	278	17	261	

BOROUGH OF MAYWOOD
Schedule of 2021 Appropriation Reserves

Current Fund

Year ended December 31, 2022

<u>Description</u>	<u>Balance, Dec. 31, 2021</u>	<u>Balance After Transfers and Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>	<u>Overexpenditure of Appropriation</u>
Celebration of Public Events, Anniversary or Holiday:					
Miscellaneous	5,360	5,360		5,360	
4th of July Parade	13,706	13,706		13,706	
Hepatitis B Program	5,380	5,440	60	5,380	
Recreation Commission RS 40:12-1	2,058	2,058		2,058	
Senior Citizen Club-New	2,241	2,241		2,241	
Parks and Playgrounds	40,902	41,835	13	41,822	
State Uniform Construction Code Official	4,675	4,858	184	4,674	
Unclassified:					
Sewer Testing	6,000	6,000		6,000	
Street Lighting	41,654	41,654		41,654	
Telephone	5,052	8,198	1,031	7,167	
Landfill Tipping Fee	128,332	193,735	65,402	128,333	
Statutory Expenditures:					
Public Employees' Retirement System	1,889	1,889		1,889	
Social Security System (O.A.S.I.)	84,184	84,184		84,184	
Police and Fireman's Retirement System of NJ	1,601	1,601		1,601	
Consolidated Police and Fireman's Pension Fund	32,800	32,800		32,800	
Operations - Excluded From "CAPS"					
Health Benefits					
Maintenance of Free Public Library Contribution	21,972	21,972	21,972		
Bergen County Utilities Authority:					
Service Charges - Contractual	133,015	133,015		133,015	
LOSAP	30,391	30,391		30,391	
Interlocal Municipal Service Agreements:					
County of Bergen Health Officer:					
Borough of Paramus - Diesel Fuel	5,500	5,500		5,500	
Borough of Rochelle - Gas and Diesel	76,668	80,378	3,710	76,668	
County of Bergen					
Health Officer	16,068	40,534	24,466	16,068	
Borough of Paramus - Municipal Court					
Borough of Paramus - Sewer Collection Flow	236,479	236,479		236,479	
Borough of Paramus - Leaf and Yard Debris	14,610	14,610	14,610		
	<u>\$ 2,192,021</u>	<u>2,597,989</u>	<u>473,779</u>	<u>2,154,755</u>	<u>30,545</u>

Appropriation Reserves \$ 2,192,021
 Encumbrances 405,968

\$ 2,597,989

Due to Library \$ 1,597
 Cash Disbursements 472,182

\$ 473,779

BOROUGH OF MAYWOOD

Schedule of Amount Due to State of New Jersey -

Construction Fees

Current Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$	4,411
Increased by:		
Fees Collected		<u>9,662</u>
		14,073
Decreased by:		
Cash Disbursements		<u>10,640</u>
Balance - December 31, 2022	\$	<u><u>3,433</u></u>

Schedule of Amount Due to State of New Jersey -

Marriage License Fees

Current Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$	550
Increased by:		
Fees Collected		<u>500</u>
		1,050
Decreased by:		
Cash Disbursements		<u>975</u>
Balance - December 31, 2022	\$	<u><u>75</u></u>

BOROUGH OF MAYWOOD

Schedule of Prepaid Taxes

Current Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$	222,947
Increased by:		
Cash Receipts		<u>126,376</u>
		349,323
Decreased by:		
Applied to 2022 Taxes		<u>222,947</u>
Balance - December 31, 2022	\$	<u><u>126,376</u></u>

Schedule of Tax Overpayments

Current Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$	3,139
Increased by:		
Cash Receipts		<u>17,276</u>
		20,415
Decreased by:		
Refunds	\$	47
Cancelled		<u>3,092</u>
		<u>3,139</u>
Balance - December 31, 2022	\$	<u><u>17,276</u></u>
	2022 Taxes \$	<u><u>17,276</u></u>

BOROUGH OF MAYWOOD
Schedule of (Prepaid)/School Taxes Payable
Current Fund
Year ended December 31, 2022

Balance - December 31, 2021	\$	6
Increased by:		
Levy - Calender Year 2022		<u>20,712,336</u>
		20,712,342
Decreased by:		
Cash Disbursements		<u>20,712,336</u>
Balance - December 31, 2022	\$	<u><u>6</u></u>

Schedule of County Taxes Payable
Current Fund
Year ended December 31, 2022

Balance - December 31, 2021	\$	930,151
Increased by:		
2022 General County Levy	\$	3,802,455
2022 County Open Space Levy		<u>157,141</u>
		<u>3,959,596</u>
Decreased by:		
Cash Disbursements	\$	<u><u>4,889,747</u></u>

BOROUGH OF MAYWOOD

**Schedule of Due County for
Added and Omitted Taxes**

Current Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$	1,886
Increased by:		
County Share of Added and Omitted Taxes		<u>4,437</u>
		6,323
Decreased by:		
Cash Disbursements		<u>1,886</u>
Balance - December 31, 2022	\$	<u><u>4,437</u></u>

BOROUGH OF MAYWOOD

**Schedule of Reserve for
Tax Title Liens and Premiums**

Current Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$	65,700
Increased by:		
Interfunds		<u>38,900</u>
		104,600
Decreased by:		
Cash Disbursements		<u>32,200</u>
Balance - December 31, 2022	\$	<u><u>72,400</u></u>
		<u>Analysis of Balance</u>
		Premiums \$ <u><u>72,400</u></u>

BOROUGH OF MAYWOOD
Schedule of Miscellaneous Reserves
Year ended December 31, 2022

<u>Purpose</u>	Balance, Dec. 31, 2021	<u>Increased</u>	<u>Decreased</u>	Balance, Dec. 31, 2022
Claims Reimbursement	\$	18,000	12,109	5,891
Master Plan	18,889			18,889
Tax Map	5,951			5,951
Revaluation	13,500		13,500	
Tax Appeals	686,000			686,000
Municipal Relief Fund		<u>55,141</u>		<u>55,141</u>
	<u>\$ 724,340</u>	<u>73,141</u>	<u>25,609</u>	<u>771,872</u>
Budget Appropriations	\$	18,000		
Cash Receipts		55,141		
Cash Disbursements			<u>25,609</u>	
	\$	<u>73,141</u>	<u>25,609</u>	

BOROUGH OF MAYWOOD

Schedule of Reserve for Due to Library

Current Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$	7,135
Increased By:		
Transferred from Appropriation Reserves		<u>1,597</u>
Balance - December 31, 2022	\$	<u><u>8,732</u></u>

BOROUGH OF MAYWOOD

Schedule of Deferred Charges

Current Fund

Year ended December 31, 2022

	Balance, Dec. 31, <u>2021</u>	Added in <u>2022</u>	Reduced in <u>2022</u>	Balance, Dec. 31, <u>2022</u>
Emergency Appropriations:				
Acquisition of New Rack Body Truck	\$ 89,942		89,942	\$ 4,923
Down Payment on Improvements		4,923		1,378
Deficit in Reserve for Claims Reimbursement	1,378			70,637
Overexpenditure of Appropriations		70,637		30,545
Overexpenditure of Appropriation Reserves		30,545		
	<u>\$ 91,320</u>	<u>106,105</u>	<u>89,942</u>	<u>\$ 107,483</u>

BOROUGH OF MAYWOOD

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

Current Fund

Year ended December 31, 2022

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance, Dec. 31, 2021</u>	<u>Reduced in 2022</u>	<u>Balance, Dec. 31, 2022</u>
2018	Accrued Vacation and Sick Time	400,000	\$ 80,000	160,000	80,000	\$ 80,000
2021	Reassessment of Real Property	175,000	35,000	175,000	35,000	140,000
				<u>\$ 335,000</u>	<u>115,000</u>	<u>\$ 220,000</u>

BOROUGH OF MAYWOOD

Schedule of Interfunds

Federal and State Grant Fund

Year ended December 31, 2022

	Due from/(to) Balance Dec. 31, <u>2021</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance Dec. 31, <u>2022</u>
Current Fund	\$ 838,482	251,735	98,699	991,518
Community Development Trust Fund	10,279			10,279
Other Trust Fund		<u>17,350</u>		<u>17,350</u>
	<u>\$ 848,761</u>	<u>269,085</u>	<u>98,699</u>	<u>1,019,147</u>
Grants Received - Unappropriated	\$	269,085		
Appropriated Reserves			<u>98,699</u>	
		<u>\$ 269,085</u>	<u>98,699</u>	

BOROUGH OF MAYWOOD

Schedule of Grants Receivable

State and Federal Grant Fund

Year ended December 31, 2022

<u>Purpose</u>	Balance, Dec. 31, <u>2021</u>	<u>Revenue</u>	<u>Received</u>	Balance, Dec. 31, <u>2022</u>
Municipal Alliance Grant - FY17	\$ 1,703			1,703
Municipal Alliance Grant - FY18	8,272			8,272
Municipal Alliance Grant - FY19	7,873			7,873
Municipal Alliance Grant - FY20	9,876			9,876
CDBG - West Passaic & Palmer Ave	32,637			32,637
CDBG - Handicapped Acces Borough Hall	6,099			6,099
DOT - Palmer Ave	67,073			67,073
Bergen County Open Space - Memorial Park	49,100			49,100
Driving Impaired - Countermeasures	1,866			1,866
Sustainable NJ Pollinator Grant	5,000			5,000
Clean Communities Program		17,230	17,230	
Impaired Driving Countermeasure		2,365	2,365	
FEMA - Coronavirus Pandemic		16,123	16,123	
Body Armor Replacement		1,850	1,850	
	<u>\$ 189,499</u>	<u>37,568</u>	<u>37,568</u>	<u>189,499</u>
		Unappropriated Reserves \$ <u>37,568</u>		

BOROUGH OF MAYWOOD

Schedule of Appropriated Reserves

Federal and State Grant Funds

Year ended December 31, 2022

<u>Grant</u>	Balance Dec. 31, 2021	Transferred from 2022 Budget <u>Appropriations</u>	<u>Expended</u>	Balance Dec. 31, 2022
Alcohol Education Rehabilitation Fund - 2007	\$ 5,958			5,958
Alcohol Education Rehabilitation Fund - 2014	472			472
Alcohol Education Rehabilitation Fund - 2015	413			413
Alcohol Education Rehabilitation Fund - 2018	2,813			2,813
Alcohol Education Rehabilitation Fund - 2019	2,917			2,917
Clean Communities Program - 2015	5,234		1,769	3,465
Clean Communities Program - 2016	19,783		462	19,321
Clean Communities Program - 2017	14,723			14,723
Clean Communities Program - 2018	16,084			16,084
Clean Communities Program - 2019	17,950			17,950
Clean Communities Program - 2020	16,186			16,186
Clean Communities Program - 2021		17,230		17,230
Municipal Alliance - FY18	3,145			3,145
Municipal Alliance - FY19	9,044		5,780	3,264
Municipal Alliance - FY20	9,876			9,876
Aggressive Drivers - 2006	5,971			5,971
Aggressive Drivers - 2007	3,769			3,769
BCUA Municipal Recycling Program	11,053			11,053
BCUA Municipal Recycling Program - 2019	3,000			3,000
BCUA Municipal Recycling Program - 2020	2,365			2,365
Drunk Driving Enforcement Fund - 2015	3,407			3,407
Drunk Driving Enforcement Fund - 2018	6,937		1,000	5,937
Recycling Tonnage Grant - 2011	21,503			21,503
Recycling Tonnage Grant - 2012	6,232			6,232
Recycling Tonnage Grant - 2013	20,981			20,981
Recycling Tonnage Grant - 2014	13,702			13,702
Recycling Tonnage Grant - 2018	12,453			12,453
Recycling Tonnage Grant - 2019	18,571			18,571
Body Armor Replacement Fund - 2014	3,641		2,149	1,492
Body Armor Replacement Fund - 2015	1,462			1,462
Body Armor Replacement Fund - 2016	2,264			2,264
Body Armor Replacement Fund - 2017	2,267			2,267
Body Armor Replacement Fund - 2018	2,502			2,502
Body Armor Replacement Fund - 2020	2,515			2,515
Body Armor Replacement Fund - 2021		1,850		1,850
Bullet Proof Vest Partnership	370			370
Stormwater Management - 2007	661			661
Stormwater Management - 2008	2,351			2,351
COPS More	21,668			21,668
Click it or Ticket - 2014	3,900			3,900
Click it or Ticket - 2015	3,868			3,868
Recreational Opportunities Grant - 1999	2,707			2,707

BOROUGH OF MAYWOOD

Schedule of Appropriated Reserves

Federal and State Grant Funds

Year ended December 31, 2022

<u>Grant</u>	Balance Dec. 31, <u>2021</u>	Transferred from 2022 Budget <u>Appropriations</u>	<u>Expended</u>	Balance Dec. 31, <u>2022</u>
Recreational Opportunities Grant - 2000	2,215			2,215
Tree Planting Grant - 2001	8,529			8,529
Longevity of Deciduous Trees - 2001	990			990
Driving Impaired - Countermeasures - 2014	3,092			3,092
Driving Impaired - Countermeasures - 2019	5,492			5,492
Driving Impaired - Countermeasures - 2020	7,856			7,856
Driving Impaired - Countermeasures - 2021		2,365		2,365
Hackbarth Bequest - Library 2015	7,987		7,987	
Hackbarth Bequest - Library 2016	129,349		98,837	30,512
Hackbarth Bequest - Library 2017	75,855			75,855
Hackbarth Bequest - Library 2018	150,000			150,000
Hackbarth Bequest - Library 2019	150,000			150,000
Bergen County Open Space - Memorial Park	49,100			49,100
CDBG - West Passaic & Palmer Ave	27,643			27,643
DOT - Palmer Ave	61,721			61,721
Green Communities	2,000			2,000
Green Communities - 2020	2,000			2,000
Sustainable NJ Pollinator Grant	10,000			10,000
FEMA - Coronavirus Pandemic		16,123		16,123
	<u>\$ 998,547</u>	<u>37,568</u>	<u>117,984</u>	<u>918,131</u>
Budget Appropriations		<u>\$ 37,568</u>		
		Interfund	98,699	
		Encumbrances	<u>19,285</u>	
			<u>\$ 117,984</u>	

BOROUGH OF MAYWOOD

Schedule of Reserve for Encumbrances

Federal and State Grant Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$	2,145
Increased by:		
Transfer from Appropriated Grant Reserves		<u>19,285</u>
Balance - December 31, 2022	\$	<u><u>21,430</u></u>

BOROUGH OF MAYWOOD
Schedule of Unappropriated Reserves
Federal and State Grant Fund
Year ended December 31, 2022

<u>Grant</u>	Balance Dec. 31, <u>2021</u>	2022 Budget <u>Appropriations</u>	<u>Received</u>	Balance Dec. 31, <u>2022</u>
Clean Communities	\$ 17,230	17,230	17,350	17,350
Impaired Driving Countermeasure - 2018	2,365	2,365		
Body Armor Replacement Grant	1,850	1,850	1,735	1,735
FEMA - Coronavirus Pandemic	16,123	16,123		
Hackbarth Foundation Grant			<u>250,000</u>	<u>250,000</u>
	<u>\$ 37,568</u>	<u>37,568</u>	<u>269,085</u>	<u>269,085</u>
		Interfunds	\$ <u>269,085</u>	

BOROUGH OF MAYWOOD

Schedule of Cash - Collector-Treasurer

Trust Funds

Year ended December 31, 2022

	Animal License Fund	Community Development Trust Fund	Other Trust Funds	Emergency Services LOSAP Trust
Balance - December 31, 2021	\$ 16,693	10,279	1,878,972	1,714,344
Increased by Receipts:				
State Fees	483			
Animal License Fees	1,621			
Special Trust Reserves			455,032	
Recycling Trust Fund			24,737	
Parking Adjudication			634	
Escrow			94,736	
Interfunds		28,228	67,304	
Due from Outside Service Vendors			9,117	
Borough Contributions				32,184
	2,104	28,228	651,560	32,184
	18,797	38,507	2,530,532	1,746,528
Decreased by Disbursements:				
State Fees	55			
Special Trust Reserves			160,579	
Escrow			73,810	
Recycling Trust Fund			6,529	
Interfunds		10,279		
Account Charges/Tax Withholdings				2,100
Benefit Payments				9,902
Loss on Investment				292,451
	1,219	10,279	240,918	304,453
Balance - December 31, 2022	\$ 17,578	28,228	2,289,614	1,442,075

BOROUGH OF MAYWOOD

Schedule of Service Award Contributions Receivable

Emergency Services Volunteer Length of Service Award Program

Year ended December 31, 2022

Balance - December 31, 2021	\$	33,070
Increased by:		
2022 Service Award Contribution		<u>44,198</u>
		77,268
Decreased by:		
Cancellation of Prior Year Receivable	\$	886
Contributions Received		<u>32,184</u>
		<u>33,070</u>
Balance - December 31, 2022	\$	<u><u>44,198</u></u>
 <u>Analysis of Balance</u>		
2022 Contribution		<u>44,198</u>
	\$	<u><u>44,198</u></u>

BOROUGH OF MAYWOOD
Schedule of Reserve for
Animal License Fund Expenditures

Trust Funds

Year ended December 31, 2022

Balance - December 31, 2021	\$	4,141
Increased by:		
Cash Receipts:		
Dog License Fees	\$	1,261
Cat License Fees		130
Late Fees		230
		1,621
		5,762
Decreased by:		
Statutory Excess Due Current Fund		939
Cash Disbursements		1,164
		2,103
Balance - December 31, 2022	\$	3,659

Animal License Fees Collected

<u>Year</u>	<u>Amount</u>
2020	\$ 1,723
2021	1,936
	3,659
	\$ 3,659

BOROUGH OF MAYWOOD
Schedule of Reserve for Unemployment
Compensation Insurance Fund

Trust Funds

Year ended December 31, 2022

Balance - December 31, 2021	\$	54,486
Increased by:		
Accounts Receivable		<u>9,340</u>
Balance - December 31, 2022	\$	<u><u>63,826</u></u>

BOROUGH OF MAYWOOD

**Schedule of Due to/(from) State
of New Jersey -
Animal License Fund**

Trust Funds

Year ended December 31, 2022

Balance - December 31, 2021	\$	25
Increased by:		
Fees Collected		<u>483</u>
		508
Decreased by:		
Paid to State		<u>55</u>
Balance - December 31, 2022	\$	<u><u>453</u></u>

BOROUGH OF MAYWOOD

Schedule of Interfunds Receivable/(Payable)

Trust Funds

Year ended December 31, 2022

	Balance Dec. 31, 2021	Increased	Decreased	Balance Dec. 31, 2022
Animal License Trust:				
Current Fund	\$ (12,527)	939		(13,466)
Total Animal License Trust Fund	(12,527)	939		(13,466)
Community Development Trust:				
Federal and State Grant Fund	(10,279)			(10,279)
General Capital Fund		28,228	10,279	(17,949)
Total Community Development Trust Fund	(10,279)	28,228	10,279	(28,228)
Other Trust Fund:				
Escrow Trust	(2,154)	43	500	(1,697)
Recreation Trust Fund	(94,092)			(94,092)
Fire Prevention Trust	(43,691)	55,447		(99,138)
Parking Offenses Adjudication Trust Fund			252	252
Recycling	(104,952)		36,796	(68,156)
Other Trust	(33)	38,900		(38,933)
Unemployment	40,337			40,337
Drug Enforcement	(27,561)	12,265		(39,826)
Total Due from/(to) Current Fund	(232,146)	106,655	37,548	(301,253)
Other Trust Fund:				
Federal and State Grant Fund		17,350		(17,350)
DEA Trust Fund:				
General Capital Fund			16,939	16,939
Unemployment Trust:				
Swim Pool Operating	3,000			3,000
Total Due From Other Trust Funds	(272,483)	124,005	37,296	(359,192)
Total Due To Other Trust Funds	43,337		17,191	60,528
	(229,146)	124,005	54,487	(298,664)

BOROUGH OF MAYWOOD

Schedule of Interfunds Receivable/(Payable)

Trust Funds

Year ended December 31, 2022

	Balance Dec. 31, 2021	Increased	Decreased	Balance Dec. 31, 2022
	<u>2021</u>	<u>Increased</u>	<u>Decreased</u>	<u>2022</u>
Intrafunds:				
POAA - Other Trust	(60)			(60)
Other Trust - POAA	60			60
Escrow - Other Trust	10,432			10,432
Other Trust - Escrow	(10,432)			(10,432)
Drug Enforcement - Fire Prevention	(21,449)			(21,449)
Fire Prevention - Drug Enforcement	21,449			21,449
Escrow - Fire Prevention	(125)			(125)
Fire Prevention - Escrow	125			125
COAH Trust - Other Trust			3,960	3,960
Other Trust - COAH Trust		3,960		(3,960)
	<u> </u>	<u>3,960</u>	<u> </u>	<u> </u>
Total Intrafunds		3,960	3,960	
	<u>\$ (251,952)</u>	<u>153,172</u>	<u>64,766</u>	<u>(340,358)</u>
		Cash Receipts \$ 95,532		
		Cash Disbursements	10,279	
		Statutory Excess 939		
		Reimbursement for Expenses Paid 60,661		
		Deposit Errors	21,651	
		Current Fund Budget Appropriation	36,796	
		<u>\$ 157,132</u>	<u>68,726</u>	

BOROUGH OF MAYWOOD

Schedule of Escrow Deposits

Trust Funds

Year ended December 31, 2022

Balance - December 31, 2021		\$	181,293
Increased by:			
Cash Receipts	\$	94,736	
Interfund		<u>500</u>	
			<u>95,236</u>
			276,529
Decreased by:			
Disbursements			<u>73,810</u>
Balance - December 31, 2022		\$	<u><u>202,719</u></u>

BOROUGH OF MAYWOOD

Schedule of Special Trust Reserves

Trust Funds

Year ended December 31, 2022

	Balance, Dec. 31, <u>2021</u>	<u>Increased</u>	<u>Decreased</u>	Balance, Dec. 31, <u>2022</u>
Shade Tree Expenditures	\$ 4,343	555		4,898
Recreation Expenditures	504,976	59,940	32,625	532,291
Drug Enforcement	474,480	325,086	36,868	762,698
Drug Enforcement - Treasury	24,736			24,736
Fire Prevention	71,993	53,129	85,426	39,696
COAH Development Fees	79,110	29,021		108,131
Other:				
Donations - 4th of July	60,558	8,200	22,996	45,762
Unclaimed Property	3,947			3,947
Historical Committee	449			449
Special Improvement District	218,778		43,325	175,453
	<u>\$ 1,443,370</u>	<u>475,931</u>	<u>221,240</u>	<u>1,698,061</u>
		Cash Receipts \$ 455,032		
		Cash Disbursements	160,579	
		Interfund - Fire Prevention	55,447	
		Interfund - Drug Enforcement	16,939	5,214
		Intrafund - COAH Trust	3,960	
		<u>\$ 471,971</u>	<u>221,240</u>	

BOROUGH OF MAYWOOD

**Schedule of Reserve for New Jersey
Statewide Mandatory Source
Separation and Recycling Act
(Section 52 of P.L. 1987 Ch. 102)**

Trust Funds

Year ended December 31, 2022

Balance - December 31, 2021		\$	(36,796)
Increased by:			
Cash Receipts	\$	24,737	
Interfund		<u>36,796</u>	
			<u>61,533</u>
			24,737
Decreased by:			
Cash Disbursements			<u>6,529</u>
Balance - December 31, 2022		\$	<u><u>18,208</u></u>

BOROUGH OF MAYWOOD
Schedule of Due from Outside Service Vendor
Unemployment Compensation Insurance Fund
Year ended December 31, 2022

Balance - December 31, 2021	\$	615
Increased by:		
Quarterly Contributions Receivable		9,340
		9,955
Decreased by:		
Cash Receipts		9,117
Balance - December 31, 2022	\$	838

Schedule of Reserve for Parking Offenses
Adjudication Account
Trust Funds

Year ended December 31, 2022

Balance - December 31, 2021	\$	8,088
Increased by:		
Cash Receipts	\$	634
Due from Current Fund		252
		886
Balance - December 31, 2022	\$	8,974

BOROUGH OF MAYWOOD

Statement of Net Assets Available for Benefits

Emergency Services Volunteer Length of Service Award Program

Year ended December 31, 2022

Balance, December 31, 2021		\$	1,747,414
Increased by:			
Borough Contribution			<u>44,198</u>
			1,791,612
Decreased by:			
Cancellation of Prior Year Contribution	\$	886	
Loss on Investments		292,451	
Benefit Payments		9,902	
Account Charges/Tax Withholdings		<u>2,100</u>	
			<u>305,339</u>
Balance, December 31, 2022	\$		<u><u>1,486,273</u></u>

BOROUGH OF MAYWOOD
Schedule of Cash - Collector-Treasurer
General Capital Fund
Year ended December 31, 2022

Balance - December 31, 2021		\$	3,902,900
Increased by Receipts:			
Interfunds			48,381
			3,951,281
Decreased by Disbursements:			
Improvement Authorizations			1,295,796
Balance - December 31, 2022		\$	2,655,485

BOROUGH OF MAYWOOD

Schedule of Analysis of Cash

General Capital Fund

December 31, 2022

Due from Other Funds	\$ (715,531)
Due to Other Funds	16,939
Grants Receivable:	
Bergen County Community Development	(256,976)
Department of Transportation	(620,627)
Bergen County Open Space Trust Fund	(273,892)
FEMA Hazard Mitigation	(33,265)
Reserve for Thoma Avenue Park Improvements	60,000
Reserve for Engineering Fees	4,430
Reserve for Green Acres Grant/Loan	186,099
Reserve for Payment of Debt	139,049
Fund Balance	87,469

Improvement Authorizations:

<u>Ordinance Number</u>	<u>Improvement Description</u>	
8-1992	Improvements of Borough Property	(500)
22-1992	Various Improvements	(71)
13-1993	Resurfacing of Portion of Spring Valley Avenue	(229)
14-1993	1993 Road Resurfacing	(900)
7-1994	Repair of Sanitary Sewer Line-Briarcliff Avenue	(1,445)
13-1994	Acquisition of Fire Engine	(1,769)
7-1998	Resurfacing of Grant, Belle and Parkway	(16,605)
14-2003	Barrier Free Curb Cut Program	(796)
20-2009	Various Sewer Projects	(44,662)
13-2012	Tax Appeal Refunding Bond	36,009
9-2013/10-2014	Various Public Improvements	8,307
4-2015/3-2017	Various Public Improvements	152,611
13-2016	Various Public Improvements	48,463
20-2016	Self-Contained Breathing Apparatus	3,116
22-2016	Various Public Improvements	268,026
24-2016	Aerial Ladder Fire Truck	19,402
6-2017	2017 Road Improvement Program	157,265
2-2018	2018 Road Improvement Program - Phase I	192,027
4-2018	Installation of Generators	36,599
10-2018	2018 Road Improvement Program - Phase II	490,530
5-2019	Streetscape Imps. - Maywood Avenue, Phase II	28,808
6-2019	Various Public Improvements	217,041
7-2019	Various Public Improvements and Equipment	54,956
8-2019	2019 Road Improvement Program - Phase I	363,730
16-2019	Acquisition of New Information Technology Equipment	23,647
11-2020	Improvements to Various Parks	29,232
12-2020	2020 Road Improvement Program, Phase	14,551
13-2020	Various Public Improvements	640,043
16-2020	2020 Road Improvement Program, Phase II	897,450
13-2021	2021 Road Improvement Program	(348,058)
4-2022	Imp. of East Pleasant Avenue	126,000
5-2022	Imp. of Briarcliff Avenue	164,812
16-2022	Various Public Improvements	504,200
		<u>\$ 2,655,485</u>

BOROUGH OF MAYWOOD

Schedule of Interfunds Due from/(to) Various Funds

General Capital Fund

Year Ended December 31, 2022

	Balance <u>Dec. 31, 2021</u>	<u>Increased</u>	<u>Decreased</u>	Balance <u>Dec. 31, 2022</u>
Current Fund	\$ 822,629	29,923	246,163	606,389
Swim Pool Capital	91,193			91,193
CDBG Trust Fund		28,228	10,279	17,949
DEA Trust Fund			16,939	(16,939)
	<u>\$ 913,822</u>	<u>58,151</u>	<u>273,381</u>	<u>698,592</u>
Due from Other Funds	913,822	58,151	256,442	715,531
Due to Other Funds			16,939	(16,939)
	<u>\$ 913,822</u>	<u>58,151</u>	<u>273,381</u>	<u>698,592</u>
			Cash Receipts \$ 48,381	
		Capital Improvement Fund 29,923		
		Current Fund Budget Revenue	225,000	
		Grant Receipts due from Current Fund 28,228		
		<u>\$ 58,151</u>	<u>273,381</u>	

BOROUGH OF MAYWOOD
Schedule of Community Development
Block Grants Receivable
General Capital Fund
Year ended December 31, 2022

Balance - December 31, 2021		\$	53,528
Increased by:			
Grant Awards			256,976
			310,504
Decreased by:			
Due from CDBG Trust	\$	28,228	
Cancelled		25,300	
			53,528
Balance - December 31, 2022		\$	256,976
			<u>Analysis of Receivable</u>
Imp. of E. Pleasant Avenue, Ord. 4-2022			120,000
Imp. of Maybrook Drive, Ord. 16-2022			136,976
		\$	256,976

BOROUGH OF MAYWOOD

**Schedule of State Department of Transportation
Grants Receivable**

General Capital Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ <u>399,627</u>
Increased by:	
Grant Awards	<u>221,000</u>
Balance - December 31, 2022	\$ <u><u>620,627</u></u>

Analysis of Balance

Ord. 13-2016: Maywood Avenue Streetscape Imps.	\$ 35,000
Ord. 3-2017: Addl. Appropriation - Maywood Ave. Streetscape	149,000
Ord. 5-2019: Maywood Avenue Streetscape Improvements II	165,627
Ord. 13-2020: Resurfacing of Palmer Avenue	50,000
Ord. 5-2022: Imp. of Briarcliff Avenue	<u>221,000</u>
	\$ <u><u>620,627</u></u>

BOROUGH OF MAYWOOD

Schedule of Bergen County Open Space Trust Receivable

General Capital Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ <u>11,130</u>
Increased by:	
Grant Awards	<u>262,762</u>
Balance - December 31, 2022	\$ <u><u>273,892</u></u>

<u>Analysis of Balance</u>	
Ord. 6-2019 Memorial Park Improvements	\$ 1,680
Ord. 13-2020 Installation of Sun Shade at Memorial Park	9,450
Ord. 16-2022: Imps. to Memorial Park	<u>262,762</u>
	\$ <u><u>273,892</u></u>

**Schedule of Federal Emergency Management Agency
Hazard Mitigation Grant Receivable - Ord. 4-2018 (Generators)**

General Capital Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ <u>33,265</u>
Balance - December 31, 2022	\$ <u><u>33,265</u></u>

BOROUGH OF MAYWOOD

Schedule of Deferred Charges to Future Taxation - Funded

General Capital Fund

Year ended December 31, 2022

Balance - December 31, 2021		\$ 13,743,427
Decreased by:		
Paid via Budget Appropriation:		
Serial Bonds	\$ 1,065,000	
Green Trust Loans	40,481	
New Jersey Infrastructure Trust Loans	<u>32,830</u>	
		<u>1,138,311</u>
Balance - December 31, 2022		\$ <u><u>12,605,116</u></u>

BOROUGH OF MAYWOOD

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

General Capital Fund

Year ended December 31, 2022

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance, Dec. 31, 2021	2022 Authorizations	Balance, Dec. 31, 2022	Expen- ditures	Unexpended Improvement Authorizations
8-1992	Improvements of Borough Owned Property	\$ 500		500	500	
22-1992	Various Improvements	71		71	71	
13-1993	Resurfacing Portion of Spring Valley Avenue	229		229	229	
14-1993	1993 Road Program	900		900	900	
7-1994	Repair of Sanitary Sewer Line-Briarcliff Avenue	1,445		1,445	1,445	
13-1994	Acquisition of Fire Engines	1,769		1,769	1,769	
7-1998	Resurfacing Grant, Belle Ave, & Parkway	16,605		16,605	16,605	
14-2003	Barrier-Free Curb Cut Program	796		796	796	
20-2009	Various Sewer Projects	44,662		44,662	44,662	
10-2018	Road Improvement Program Phase II	800		800		800
16-2019	Acq. of new information technology equipment	792		792		792
16-2020	2020 Road Improvement Program, Phase II	2,550		2,550		2,550
13-2021	2021 Road Improvement Program	2,095,000		2,095,000	348,058	1,746,942
4-2022	Imp. of East Pleasant Avenue		119,000	119,000		119,000
5-2022	Imp. of Briarcliff Avenue		909,000	909,000		909,000
16-2022	Various Public Improvements		2,086,400	2,086,400		2,086,400
		\$ 2,166,119	3,114,400	5,280,519	415,035	4,865,484
						Improvement Authorizations - Unfunded \$ 4,865,484

BOROUGH OF MAYWOOD
Schedule of Capital Improvement Fund
General Capital Fund
Year ended December 31, 2022

Balance - December 31, 2021		\$	80,539
Increased by:			
2022 Budget Appropriation	\$	25,000	
Emergency Appropriation		<u>4,923</u>	
			<u>29,923</u>
			110,462
Decreased by:			
Appropriated to Finance			
Improvement Authorizations	\$	<u>110,462</u>	

Schedule of Reserve for Thoma Avenue Park Improvements
General Capital Fund
Year ended December 31, 2022

Balance - December 31, 2021	\$	<u>60,000</u>
Balance - December 31, 2022	\$	<u><u>60,000</u></u>

BOROUGH OF MAYWOOD

Schedule of Reserve for Engineering Fees

General Capital Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ <u>4,430</u>
Balance - December 31, 2022	\$ <u><u>4,430</u></u>

BOROUGH OF MAYWOOD

**Schedule of Reserve for
Green Acres Grant/Loan**

General Capital Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ <u>186,099</u>
Balance - December 31, 2022	\$ <u><u>186,099</u></u>

Schedule of Reserve for Payment of Debt

General Capital Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ 264,049
Decreased by:	
Current Fund Revenue	<u>125,000</u>
Balance - December 31, 2022	\$ <u><u>139,049</u></u>

Analysis of Balance

West Pleasant Avenue Streetscape, Phase II - Ord. 22-2005	\$ 50,020
NJDOT - Ord. 9-2013/10-2014	10
NJDOT - Ord. 4-2015	24,000
NJ Department of Transportation	15,769
NJDOT - Golf Avenue - Ord. 2-2018	<u>49,250</u>
	\$ <u><u>139,049</u></u>

BOROUGH OF MAYWOOD

**Schedule of Reserve for
Grants Receivable**

General Capital Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ <u>25,300</u>
Decreased by: Cancelled	\$ <u><u>25,300</u></u>

BOROUGH OF MAYWOOD

Schedule of Improvement Authorizations

General Capital Fund

Year ended December 31, 2022

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance, December 31, 2021		2022 Authorizations	Paid or Charged	Balance, December 31, 2022	
				Funded	Unfunded			Funded	Unfunded
13-2012	Tax Appeal Refunding Bond	Nov. 8, 2012	1,350,000	37,009			1,000	36,009	
9-2013/10-2014	Various Public Improvements	Aug. 27, 2013	950,000	10,907			2,600	8,307	
4-2015/3-2017	Various Public Improvements	Jun. 9, 2015	1,049,000	156,311			3,700	152,611	
13-2016	Various Public Improvements	June 15, 2020	334,000	63,463			15,000	48,463	
20-2016	Self-Contained Breathing Apparatus	Sept. 13, 2016	205,000	3,116				3,116	
22-2016	Various Public Improvements	Nov. 22, 2016	570,000	286,251			18,225	268,026	
24-2016	Aerial Ladder Fire Truck	Dec. 27, 2016	1,065,000	19,402				19,402	
6-2017	2017 Road Improvement Program	May 9, 2017	775,000	157,265				157,265	
2-2018	Road Improvement Program Phase I	Feb. 27, 2018	975,000	438,777			246,750	192,027	
4-2018	Installation of Generators	Apr. 10, 2018	107,000	36,599				36,599	
10-2018	Road Improvement Program Phase II	Jul. 24, 2018	975,000	490,530	800			490,530	800
5-2019	Streetscape Imps. - Maywood Avenue, Phase II	Mar. 26, 2019	165,627	28,808				28,808	
6-2019	Various Public Improvements	May 15, 2023	435,000	289,526			72,485	217,041	
7-2019	Various Public Imps. & the Acquisition of new additional or replacement equipment	May 15, 2023	450,000	125,208			70,252	54,956	
8-2019	2019 Road Improvement Program - Phase I	May 15, 2023	1,050,000	363,730				363,730	
16-2019	Acq. of new information technology equipment	Aug. 13, 2019	75,000	34,411	792		10,764	23,647	792
11-2020	Improvements to Various Parks	Jun. 23, 2020	29,232	29,232				29,232	
12-2020	2020 Road Improvement Program, Phase I	Jun. 23, 2020	800,000	48,786			34,235	14,551	
13-2020	Various Public Improvements	Jun. 23, 2020	1,390,000	972,463			332,420	640,043	
16-2020	2020 Road Improvement Program, Phase II	Sept. 14, 2020	900,000	897,450	2,550			897,450	2,550
13-2021	2021 Road Improvement Program	Aug. 24, 2021	2,200,000	84,119			432,177		
4-2022	Imp. of East Pleasant Avenue	June 15, 2026	245,000			245,000			
5-2022	Imp. of Briarcliff Avenue	June 15, 2026	1,130,000			1,130,000			
16-2022	Various Public Improvements	Oct. 11, 2022	2,590,600			2,590,600			
			\$ 4,573,363	2,099,142		\$ 3,965,600	1,295,796	4,476,825	4,865,484
	Capital Improvement Fund					110,462			
	Grants					740,738			
	Deferred Charges to Future Taxation - Unfunded					3,114,400			
			\$ 3,965,600						

BOROUGH OF MAYWOOD
Schedule of General Serial Bonds

General Capital Fund

Year ended December 31, 2022

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance, Dec.31, 2021	Decreased	Balance, Dec.31, 2022
			Date	Amount				
General Improvements	Jan. 1, 2013	3,670,000	May 1, 2023	365,000	2.000%	2,190,000	365,000	1,825,000
			May 1, 2024	365,000	2.000%			
			May 1, 2025	365,000	2.125%			
			May 1, 2026	365,000	2.125%			
			May 1, 2027	365,000	2.125%			
General Improvements	Sept. 15, 2021	10,970,000	Sept. 15, 2023	710,000	0.050%	10,970,000	700,000	10,270,000
			Sept. 15, 2024	740,000	0.050%			
			Sept. 15, 2025	775,000	1.250%			
			Sept. 15, 2026	800,000	1.250%			
			Sept. 15, 2027	825,000	1.500%			
			Sept. 15, 2028	1,200,000	1.500%			
			Sept. 15, 2029	1,250,000	1.500%			
			Sept. 15, 2030	1,300,000	1.500%			
			Sept. 15, 2031	1,325,000	2.000%			
			Sept. 15, 2032	1,345,000	2.000%			
						\$ 13,160,000	1,065,000	12,095,000

BOROUGH OF MAYWOOD
Schedule of Green Trust Loans Payable

General Capital Fund

Year ended December 31, 2022

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance, Dec. 31, 2021	Decreased	Balance, Dec. 31, 2022	
			Date	Amount					
Multi-Park Improvements - Briarcliff Park	August 11, 2004	125,950	2023	7,640	2.00%	19,006	7,489	11,517	
			2024	3,877					2.00%
Thomas Avenue Park	May 19, 2008	197,500	2023	11,064	2.00%	74,510	10,845	63,665	
			2024	11,285					2.00%
			2025	11,512					2.00%
			2026	11,743					2.00%
			2027	11,981					2.00%
			2028	6,080					2.00%
Thomas Avenue L.L. Field	May 19, 2008	184,000	2023	10,307	2.00%	69,416	10,104	59,312	
			2024	10,514					2.00%
			2025	10,725					2.00%
			2026	10,941					2.00%
			2027	11,161					2.00%
			2028	5,664					2.00%

BOROUGH OF MAYWOOD

Schedule of Green Trust Loans Payable

General Capital Fund

Year ended December 31, 2022

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance, Dec. 31, 2021	Decreased	Balance, Dec. 31, 2022
			Date	Amount				
Thomas Avenue L.L. Field	August 22, 2008	66,000	2023	3,697	2.00%	24,898	3,624	21,274
			2024	3,771	2.00%			
			2025	3,847	2.00%			
			2026	3,924	2.00%			
			2027	4,003	2.00%			
			2028	2,032	2.00%			
Thomas Avenue Park Acquisition	Dec. 15, 2011	139,574	2023	8,588	2.00%	67,423	8,419	59,004
			2024	8,761	2.00%			
			2025	8,937	2.00%			
			2026	9,117	2.00%			
			2027	9,300	2.00%			
			2028	9,487	2.00%			
			2029	4,814	2.00%			
						\$ 255,253	40,481	214,772

BOROUGH OF MAYWOOD

Schedule of New Jersey Infrastructure Trust Loans Payable

General Capital Fund

Year ended December 31, 2022

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance, Dec. 31, 2021	Decreased	Balance, Dec. 31, 2022
			Date	Amount				
NJGIT Trust Loan - Sewer Projects	May 3, 2012	320,000	Aug. 1, 2023	20,000	5.000%	205,000	15,000	190,000
			Aug. 1, 2024	20,000	5.000%			
			Aug. 1, 2025	20,000	5.000%			
			Aug. 1, 2026	20,000	5.000%			
			Aug. 1, 2027	20,000	3.000%			
			Aug. 1, 2028	20,000	3.000%			
			Aug. 1, 2029	25,000	3.125%			
			Aug. 1, 2030	25,000	3.200%			
			Aug. 1, 2031	20,000	3.250%			
			NJGIT Fund Loan - Sewer Projects	May 3, 2012	350,651			
Aug. 1, 2023	11,886							
Feb. 1, 2024	5,943							
Aug. 1, 2024	11,887							
Feb. 1, 2025	5,943							
Aug. 1, 2025	11,886							
Feb. 1, 2026	5,943							
Aug. 1, 2026	11,887							
Feb. 1, 2027	5,943							
Aug. 1, 2027	11,886							
Feb. 1, 2028	5,943							
Aug. 1, 2028	10,254							
						<u>\$ 328,174</u>	<u>32,830</u>	<u>295,344</u>

BOROUGH OF MAYWOOD

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year ended December 31, 2022

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance Dec. 31, <u>2021</u>	Increased by: 2022 <u>Authorizations</u>	Balance Dec. 31, <u>2022</u>
8-1992	Improvements of Borough Property	\$ 500		500
22-1992	Various Improvements	71		71
13-1993	Resurfacing Portion of Spring Valley Avenue	229		229
14-1993	1993 Road Program	900		900
7-1994	Repair of Sanitary Sewer-Briarcliff Avenue	1,445		1,445
13-1994	Acquisition of Two Fire Engines	1,769		1,769
7-1998	Resurfacing of Grant, Belle Ave. & Parkway	16,605		16,605
14-2003	Barrier-Free Curb Cut Program	796		796
20-2009	Various Sewer Projects	44,662		44,662
10-2018	2018 Road Improvement Program - Phase II	800		800
16-2019	Acquisition of New Information Technology Equipment	792		792
16-2020	2020 Road Improvement Program, Phase II	2,550		2,550
13-2021	2021 Road Improvement Program	2,095,000		2,095,000
4-2022	Imp. of East Pleasant Avenue		119,000	119,000
5-2022	Imp. of Briarcliff Avenue		909,000	909,000
16-2022	Various Public Improvements		2,086,400	2,086,400
		<u>\$ 2,166,119</u>	<u>3,114,400</u>	<u>\$ 5,280,519</u>

BOROUGH OF MAYWOOD

Schedule of Cash - Collector-Treasurer

Swimming Pool Utility Fund

Year ended December 31, 2022

	<u>Operating</u>	<u>Capital</u>
Balance - December 31, 2021	\$ 208,687	56,911
Increased by Receipts:		
Membership Fees	287,607	
Miscellaneous	49,007	
Miscellaneous Revenue Not Anticipated	22,084	
	<u>358,698</u>	
	567,385	56,911
Decreased by Disbursements:		
2022 Appropriations	148,744	
Appropriation Reserves	7,554	
	<u>156,298</u>	
Balance - December 31, 2022	<u>\$ 411,087</u>	<u>56,911</u>

BOROUGH OF MAYWOOD

Schedule of Deferred Charges

Current Fund

Year ended December 31, 2022

	Balance, Dec. 31, <u>2021</u>	Added in <u>2022</u>	Balance, Dec. 31, <u>2022</u>
Overexpenditure of Appropriation Reserves	\$ 6,263		\$ 6,263
Overexpenditure of Appropriations		<u>67,486</u>	<u>67,486</u>
	<u>\$ 6,263</u>	<u>67,486</u>	<u>\$ 73,749</u>

BOROUGH OF MAYWOOD

Schedule of 2021 Appropriation Reserves - Operating Fund

Swimming Pool Utility Fund

Year ended December 31, 2022

	Balance, Dec. 31, <u>2021</u>	Balance after Transfers and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Salaries and Wages	\$ 1,728	1,728		1,728
Other Expenses	9,362	11,491	7,554	3,937
Deferred Charges and Statutory Expenditures:				
Social Security System (O.A.S.I.)	<u>687</u>	<u>687</u>		<u>687</u>
	<u>\$ 11,777</u>	<u>13,906</u>	<u>7,554</u>	<u>6,352</u>

Appropriation Reserves	\$ 11,777
Reserve for Encumbrances	<u>2,129</u>
	<u>\$ 13,906</u>

BOROUGH OF MAYWOOD

Schedule of Swim Pool Operating Interfunds

Swimming Pool Utility Fund

Year ended December 31, 2022

	Balance Dec. 31, <u>2021</u>	Decreased by	Balance Dec. 31, <u>2022</u>
<u>Swim Pool Operating Fund:</u>			
Current Fund	\$ (197,330)	174,798	(372,128)
Swim Pool Utility Capital Fund	16		16
Unemployment Trust Fund	<u>(3,000)</u>		<u>(3,000)</u>
	<u>\$ (200,314)</u>	<u>174,798</u>	<u>(375,112)</u>
Due to Swim Pool Operating Fund	16		16
Due from Swim Pool Operating Fund	<u>(200,330)</u>	<u>174,798</u>	<u>(375,128)</u>
	<u>\$ (200,314)</u>	<u>174,798</u>	<u>(375,112)</u>
		Accrued Interest on Notes \$ 2,844	
		Reimbursement for Expenses Paid - Budget <u>171,954</u>	
		<u>\$ 174,798</u>	

BOROUGH OF MAYWOOD

Schedule of Fixed Capital

Swimming Pool Capital Fund

Year ended December 31, 2022

<u>Improvement Description</u>	Balance Dec. 31, <u>2021</u>	Balance Dec. 31, <u>2022</u>
Various Swim Pool Improvements	\$ <u>984,530</u>	<u>984,530</u>
	\$ <u><u>984,530</u></u>	<u><u>984,530</u></u>

BOROUGH OF MAYWOOD
Schedule of Accrued Interest
Swimming Pool Utility Fund
Year ended December 31, 2022

Balance - December 31, 2021	\$	516
Increased by:		
Budget Appropriation		2,800
		3,316
Decreased by:		
Due to Current Fund		2,844
Balance - December 31, 2022	\$	472

<u>Principal Outstanding</u> <u>December 31, 2022</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Required</u>	<u>Actual</u>
125,000	various	11/1/22	12/30/22	\$ <u>432</u>	<u>472</u>

BOROUGH OF MAYWOOD
Schedule of General Serial Bonds
Swimming Pool Capital Fund
Year ended December 31, 2022

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance, Dec.31, 2021</u>	<u>Decreased</u>	<u>Balance, Dec.31, 2022</u>
			<u>Date</u>	<u>Amount</u>				
General Improvements	Jan. 1, 2013	320,000	May 1, 2023	25,000	2.000%	\$ 150,000	25,000	125,000
			May 1, 2024	25,000	2.000%			
			May 1, 2025	25,000	2.125%			
			May 1, 2026	25,000	2.125%			
			May 1, 2027	25,000	2.125%			
						\$ 150,000	25,000	125,000

BOROUGH OF MAYWOOD

Schedule of Capital Improvement Fund

Swimming Pool Capital Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ <u>12,750</u>
Balance - December 31, 2022	\$ <u><u>12,750</u></u>

Schedule of Reserve for Amortization

Swimming Pool Capital Fund

Year ended December 31, 2022

Balance - December 31, 2021	\$ 787,289
Increased by:	
Paydown of Serial Bonds	<u>25,000</u>
Balance - December 31, 2022	\$ <u><u>812,289</u></u>

BOROUGH OF MAYWOOD

Schedule of Interfunds - Swimming Pool Capital

Swimming Pool Capital Fund

Year ended December 31, 2022

	Balance Dec. 31, <u>2021</u>	Balance Dec. 31, <u>2022</u>
<u>Swim Pool Capital Fund:</u>		
Swim Pool Operating Fund	\$ (16)	(16)
General Capital Fund	<u>(91,193)</u>	<u>(91,193)</u>
	<u>\$ (91,209)</u>	<u>(91,209)</u>

BOROUGH OF MAYWOOD

Schedule of Bonds and Notes Authorized but not Issued

Swimming Pool Capital Fund

Year ended December 31, 2022

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance Dec. 31, <u>2021</u>	Balance Dec. 31, <u>2022</u>
1-97	Pool Improvements	\$ 42,500	\$ 42,500
12-03	Upgrading/Reconstruction of Municipal Pool Playground	<u>4,741</u>	<u>4,741</u>
		<u>\$ 47,241</u>	<u>\$ 47,241</u>

BOROUGH OF MAYWOOD

Schedule of Cash-Treasurer

Public Assistance Fund

Year Ended December 31, 2022

	<u>Total</u>	<u>P.A.T.F. Account #1</u>
Balance - December 31, 2021	\$ <u>13,507</u>	<u>13,507</u>
Balance - December 31, 2022	\$ <u><u>13,507</u></u>	<u><u>13,507</u></u>

BOROUGH OF MAYWOOD

Schedule of Public Assistance Cash and Reconciliation

Public Assistance Fund

Year Ended December 31, 2022

Balance - December 31, 2021 \$ 13,507

Balance - December 31, 2022 \$ 13,507

<u>Reconciliation - December 31, 2022</u>	<u>PATFI Account</u>	<u>Total</u>
Balance on Deposit per Bank Statement:		
Checking	\$ 13,307	13,307
Petty Cash Checking	<u>200</u>	<u>200</u>
Balance - December 31, 2022	<u>\$ 13,507</u>	<u>13,507</u>

BOROUGH OF MAYWOOD

Schedule of Reserve for Public Assistance Expenditures

Public Assistance Fund

Year Ended December 31, 2022

	<u>Total</u>	<u>P.A.T.F. Account #1</u>
Balance - December 31, 2021	\$ <u>13,507</u>	<u>13,507</u>
Balance - December 31, 2022	\$ <u><u>13,507</u></u>	<u><u>13,507</u></u>

BOROUGH OF MAYWOOD

PART II

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS**

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2022



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 Borough Council
Borough of Maywood
County of Bergen, 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 Borough of Maywood in the County of Bergen as of and for the year ended December 31, 2022 and the related notes to the financial statements, and have issued our report thereon dated July 7, 2023, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting.

Internal Control Over Financial Reporting

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

We did identify certain immaterial deficiencies in internal control that we have reported to management of the Borough of Maywood in the accompany comments and recommendations section of this report.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Maywood'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*.

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Maywood'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 Borough of Maywood's internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.



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



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

July 7, 2023



BOROUGH OF MAYWOOD

GENERAL COMMENTS

Contracts and Agreements

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

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

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

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

BOROUGH OF MAYWOOD

GENERAL COMMENTS, (CONTINUED)

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

Effective January 1, 2011, P.L., 2009, c.166 eliminated the previous lower non-qualified purchasing agent threshold of \$26,000. Thus a contracting unit without a qualified purchasing agent now has a maximum bid threshold of \$17,500.

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

- East Pleasant Avenue Improvements
- Maywood Drive Roadway Improvements
- Briarcliff Avenue Roadway Improvements
- Solid Waste and Recycling Collection/Disposal Services

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

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

Our examination of expenditures did not reveal any 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.

BOROUGH OF MAYWOOD

GENERAL COMMENTS, (CONTINUED)

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

"NOW THEREFORE BE IT RESOLVED by the Mayor and Council of the Borough of Maywood, that taxes due the Borough shall be payable February 1st, May 1st, August 1st and November 1st each year, after which dates, if unpaid, shall become delinquent and from and after the respective dates herein before provided for taxes to become delinquent, the taxpayer or property assessed shall be subject to interest at 8% per annum on the first \$1,500 and 18% on any amount in excess of \$1,500;

ALSO, BE IT RESOLVED, that in the event said taxes shall be paid within ten days from due date the interest shall be waived except if the office of the Tax Collector is closed on the tenth day of February, May, August or November then the grace period shall be extended to include the first business day thereafter; and,

BE IT FURTHER RESOLVED that the interest rates so stated will revert back to the due date of any installment of taxes or assessments received after the expiration of the ten-day grace period or as otherwise provided in this Resolution."

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

Delinquent Taxes and Tax Title Liens

A tax sale was held on December 21, 2022 and was complete.

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

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

<u>Year</u>	<u>Number of liens</u>
2022	1
2021	1
2020	1

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

**BOROUGH OF MAYWOOD
COMMENTS & RECOMMENDATIONS
DECEMBER 31, 2022**

COMMENTS

FINANCE

1. *There are significant amounts of appropriated grant reserves available for expenditure.
2. *There are Capital Fund Improvement Authorizations greater than five years old that have unfunded portions outstanding creating cash deficits.
3. *The Federal and State Grant Fund subsidiary ledger does not agree to the Appropriated Reserve schedule.
4. *There are long outstanding grants receivable in the Federal and State Grant and the General Capital Fund.
5. There were over-expenditures resulting in deferred charges in the following:
 - a. Current Fund Budget Appropriations - \$70,637
 - b. Current Fund Appropriation Reserves - \$30,545
 - c. Swim Pool Utility Operating Budget - \$67,486
6. There is a deficit in the Payroll Reserve resulting in a deferred charge in the amount of \$17,186 that has not been raised through budget appropriations.
7. There are stale dated outstanding checks being carried as reconciling items on the following bank reconciliations:
 - a. Current Fund
 - b. Payroll Account
8. A detailed analysis of the liability for accrued sick and vacation was not available for review at the time of audit.
9. There were instances in which goods and/or services were ordered prior to the execution of a purchase order in violation of Technical Accounting Directive #1.
10. There were instances in which informal quotes were not obtained for purchases which exceed 15% of the bid threshold as required by N.J.S.A. 40A:11-6.1.
11. There were instances in which payments for goods and/or services were not made in a timely manner.
12. Form 1099's issued to vendors receiving payments in excess of IRS thresholds were not provided for review to determine proper amounts were reported.

PAYROLL

1. There was an instance in which an eligible employee was not enrolled in the Defined Contribution Retirement Program.

FIXED ASSETS

1. The Borough is not tagging fixed assets as they are received.

**BOROUGH OF MAYWOOD
COMMENTS & RECOMMENDATIONS
DECEMBER 31, 2022**

COMMENTS (continued)

BOARD OF HEALTH

1. There were instances in which the portion of marriage licenses collected that is due to the State were not remitted in a timely manner.

RECOMMENDATIONS

FINANCE

1. *That greater effort be made to charge appropriated grant reserves for allowable expenditures.
2. *That Capital Fund Improvement Authorizations greater than five years old be funded through a budget appropriation or the issuance of debt in order to fund cash deficits created by ordinance expenditures.
3. *That the Federal and State Grant Fund subsidiary ledger be reviewed and adjusted accordingly to reflect audited balances.
4. *All grants receivable should be reviewed and assessed for collectability and cancelled if necessary.
5. That more care be taken to ensure sufficient funds are available prior to expenditures being processed.
6. That all deferred charges be raised in the next succeeding budget year in accordance with N.J.S.A. 40A:4-17.
7. That outstanding checks be investigated and either liquidated and/or cancelled via resolution.
8. That a detailed analysis of the accrued liability for sick and vacation be maintained and made available for review at the time of audit.
9. The Borough should be recording encumbrances in accordance with N.J.A.C. 5:30-5.2 to ensure that funds allocated for specific purposes are reserved and cannot be used for other charges within that line item.
10. That all purchases in excess of 15% of the bid threshold have informal quotes obtained as required by Local Public Contracts Law.
11. That the controls over the purchasing procedures be enhanced to ensure that purchase orders are bring paid in a timely manner.
12. That Form 1099's issued to all eligible vendors as required by IRS Rev. Rul. 2003-66 be provided at the time of audit for review.

**BOROUGH OF MAYWOOD
COMMENTS & RECOMMENDATIONS
DECEMBER 31, 2022**

RECOMENDATIONS (continued)

PAYROLL

1. All eligible employees should be enrolled in the Defined Contribution Retirement Program in accordance with N.J.S.A. 43:15C-1.

FIXED ASSETS

1. That the Borough implement the process of tagging all fixed assets as required by Technical Accounting Directive #2, codified as N.J.A.C. 5:30-5.6

BOARD OF HEALTH

1. That more care be taken to ensure that the portion of marriage licenses due to the State are remitted in a timely manner.

BOROUGH OF MAYWOOD

Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all except those with an "*" .

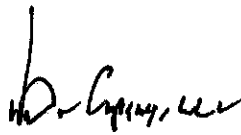
Acknowledgment

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

Respectfully submitted,



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



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

July 7, 2023