

**BOROUGH OF WOODCLIFF LAKE**  
**BERGEN COUNTY, NEW JERSEY**  
**REPORT OF AUDIT**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

# BOROUGH OF WOODCLIFF LAKE

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**BOROUGH OF WOODCLIFF LAKE**

**BERGEN COUNTY, NEW JERSEY**

**PART I**

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**REPORT ON AUDIT OF FINANCIAL STATEMENTS**

**AND SUPPLEMENTARY SCHEDULES**

**FOR THE YEAR ENDED DECEMBER 31, 2024**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and  
Members of the Borough Council  
Borough of Woodcliff Lake  
Woodcliff Lake, New Jersey

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the Borough of Woodcliff Lake which comprise the balance sheets - regulatory basis of the various funds and account group as of December 31, 2024 and 2023, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2024, and the related notes to the financial statements.

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

In our opinion, except for the effects of the matters discussed in the Basis for Qualified Opinion on Regulatory Basis of Accounting section of our report, the accompanying financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and account group of the Borough of Woodcliff Lake as of December 31, 2024 and 2023, and the results of operations and changes in fund balance – regulatory basis of such funds for the years then ended and the respective revenues – regulatory basis and expenditures – regulatory basis of the various funds for the year ended December 31, 2024 in accordance with the financial accounting and reporting provisions and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

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

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Borough of Woodcliff Lake as of December 31, 2024 and 2023, or changes in financial position for the years then ended.

#### ***Basis for Opinions***

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

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

As discussed in Note 17 of the financial statements, the financial statements – regulatory basis of the Length of Service Awards Program (LOSAP) Trust Fund have not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Borough’s financial statements as of and for the years ended December 31, 2024 and 2023. The LOSAP Trust Fund financial activities are included in the Borough’s Trust Funds, and represent 43 percent and 42 percent of the assets and liabilities of the Borough’s Trust Funds as of December 31, 2024 and 2023, respectively.

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Borough of Woodcliff Lake on the basis of the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the financial reporting requirements of the State of New Jersey for municipal government entities.

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

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

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

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

### ***Auditor’s Responsibilities for the Audit of Financial Statements***

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

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

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

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

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

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Borough of Woodcliff Lake as a whole. The supplementary schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented for purposes of additional analysis and are not a required part of the financial statements of the Borough of Woodcliff Lake. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole on the basis of accounting described in Note 1.

***Other Information***

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated June 2, 2025 on our consideration of the Borough of Woodcliff Lake’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Woodcliff Lake’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Borough of Woodcliff Lake’s internal control over financial reporting and compliance.

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

  
 Paul J. Lerch  
 Registered Municipal Accountant  
 RMA Number CR000457

Fair Lawn, New Jersey  
 June 2, 2025

**BOROUGH OF WOODCLIFF LAKE**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**  
**AS OF DECEMBER 31, 2024 AND 2023**  
**CURRENT FUND**

ASSETS	<u>Reference</u>	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents	A-4	\$ 7,804,593	\$ 7,832,064
Cash - Change Fund	A-6	250	250
Federal and State Grants Receivable	A-23	<u>179,764</u>	<u>168,648</u>
		<u>7,984,607</u>	<u>8,000,962</u>
Receivables and Other Assets With Full Reserves			
Delinquent Property Taxes Receivable	A-8	341,541	200,579
Tax Title Liens Receivable	A-29	713	476
Due from General Capital Fund	C-10	425,851	159,434
Due from Public Assistance Trust Fund	D-4	-	342
Due from Community Development Block Grant Trust Fund	B-15	450	1
Due from Other Trust Fund	B-8	34,619	31,145
Due from Animal Control Trust Fund	B-5	<u>1,055</u>	<u>1,746</u>
		<u>804,229</u>	<u>393,723</u>
Deferred Charge			
Emergency Authorization	A-27	-	1,020,000
Special Emergency Authorization	A-27	<u>28,000</u>	<u>42,000</u>
		<u>28,000</u>	<u>42,000</u>
 Total Assets		 <u>\$ 8,816,836</u>	 <u>\$ 9,456,685</u>
 LIABILITIES, RESERVES AND FUND BALANCE			
Liabilities			
Appropriation Reserves	A-3, A-10	\$ 1,688,682	\$ 1,241,796
Encumbrances Payable	A-19	256,257	497,879
Accounts Payable	A-11	5,154	8,067
Due to State of New Jersey			
Senior Citizens' and Veterans' Deductions	A-7	9,916	9,296
Construction Training Fees/Marriage Fees Payable	A-12, A-13	4,269	25,356
Due to Other Trust Fund	B-8	93,431	25,104
Tax Overpayments	A-16	16,817	10,222
Reserve for Tax Appeals	A-14	495,756	1,009,748
Reserve for Terminal Leave	A-25	300,000	200,000
Prepaid Taxes	A-15	264,218	291,863
Reserve for Aid in Lieu of Taxes	A-24	26,613	26,613
Reserve for Tax Sale Premium	A-26	841	42,500
Reserve for Municipal Relief Fund	A-28	-	53,132
Local School Tax Payable	A-20	-	2
Regional High School Tax Payable	A-17	250,887	261,238
Due County for Added and Omitted Taxes	A-18	8,180	5,608
Emergency Notes Payable	A-31	-	1,020,000
Appropriated Reserves	A-22	295,156	296,008
Unappropriated Reserves	A-21	<u>39,169</u>	<u>7,587</u>
		<u>3,755,346</u>	<u>5,032,019</u>
Reserve for Receivables and Other Assets	A	804,229	393,723
Fund Balance	A-1	<u>4,257,261</u>	<u>4,030,943</u>
 Total Liabilities, Reserves and Fund Balance		 <u>\$ 8,816,836</u>	 <u>\$ 9,456,685</u>

See Accompanying Notes are an Integral Part of these Financial Statements

**BOROUGH OF WOODCLIFF LAKE**  
**COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE-**  
**REGULATORY BASIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**  
**CURRENT FUND**

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
<b>REVENUE AND OTHER INCOME REALIZED</b>			
Fund Balance Utilized	A-2	\$ 2,230,000	\$ 1,800,000
Miscellaneous Revenues Anticipated	A-2	1,887,521	2,217,655
Receipts from Delinquent Taxes	A-2	200,564	219,183
Receipts from Current Taxes	A-2	51,001,450	49,556,334
Non-Budget Revenues	A-2	925,422	1,063,853
Other Credits to Income			
Unexpended Balance of Appropriation Reserves	A-10	1,051,856	958,497
Statutory Excess Animal Control Fund	B-4	704	1,399
Prior Year Interfunds Liquidated	A	<u>192,668</u>	<u>124,942</u>
Total Revenues		<u>57,490,185</u>	<u>55,941,863</u>
<b>EXPENDITURES</b>			
Budget and Emergency Appropriations			
Operations			
Salaries and Wages	A-3	5,541,800	5,330,600
Other Expenses	A-3	6,779,235	7,851,888
Capital Improvement Fund	A-3	390,000	150,000
Municipal Debt Service	A-3	1,415,016	1,245,431
Deferred Charges and Statutory Expenditures	A-3	1,470,553	1,216,456
County Taxes	A-18	5,681,403	5,723,141
Due County for Added and Omitted Taxes	A-18	8,180	5,608
Municipal Open Space Preservation Trust Fund	B-1	238,341	229,882
Local District School Taxes	A-20	18,880,550	18,020,000
Regional High School Taxes	A-17	14,165,579	13,981,260
Refund Prior Year Revenue	A-4	1,235	-
Interfund Advance Originating	A	<u>461,975</u>	<u>192,668</u>
Total Expenditures		<u>55,033,867</u>	<u>53,946,934</u>
Excess in Revenue		2,456,318	1,994,929
Adjustments to Income before Surplus:			
Expenditures included above which are by Statute Deferred Charges to Budget of Succeeding Year	A-28	<u>-</u>	<u>1,020,000</u>
Statutory Excess to Surplus		2,456,318	3,014,929
Fund Balance, January 1	A	<u>4,030,943</u>	<u>2,816,014</u>
		6,487,261	5,830,943
Decreased by:			
Utilization as Anticipated Revenue	A-1,A-2	<u>2,230,000</u>	<u>1,800,000</u>
Fund Balance, December 31	A	<u>\$ 4,257,261</u>	<u>\$ 4,030,943</u>

See Accompanying Notes are an Integral Part of these Financial Statements

**BOROUGH OF WOODCLIFF LAKE**  
**STATEMENT OF REVENUES - STATUTORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
**CURRENT FUND**

	Reference	Budget	Added by N.J.S.A 40A:4-87	Realized	Excess or (Deficit)
Surplus Anticipated	A-1	\$ 2,230,000	-	\$ 2,230,000	-
Miscellaneous Revenues					
Licenses					
Alcoholic Beverages	A-9	2,000		1,740	\$ (260)
Other	A-9	100		1,012	912
Fees and Permits					
Other	A-2	86,180		125,287	39,107
Fines and Costs					
Municipal Court	A-9	32,000		40,259	8,259
Interest and Costs on Taxes	A-9	60,000		61,824	1,824
Uniform Fire Safety Act - Local	A-9	10,000		16,552	6,552
Park Receipts	A-9	321,000		342,257	21,257
Upper Saddle River Sewer Charges	A-9	15,000		20,505	5,505
Cablevision Fees	A-9	49,000		49,797	797
Dept. of Public Works - Recyclables	A-9	12,900		15,799	2,899
Hotel Tax	A-9	52,000		59,859	7,859
Verizon Franchise Fees	A-9	43,000		43,835	835
Energy Receipts Tax	A-9	515,463		515,463	-
Watershed Moratorium Aid	A-9	11,186		11,186	-
Uniform Construction Code Fees	A-9	375,000		460,045	85,045
Municipal Alliance Grant	A-23	3,836		3,836	-
Recycling Tonnage	A-23	14,280		14,280	-
Reserve for Bulletproof Vest Grant	A-21	2,011		2,011	-
Reserve for Body Armor Grant	A-21	1,780		1,780	-
American Rescue Plan	A-21	3,796		3,796	-
Municipal Relief Fund	A-28	53,132		53,132	-
Reserve for Payment in Lieu of Taxes	A-24	16,000		17,760	1,760
Reserve for Payment of Debt	C-11	25,506	-	25,506	-
Total Miscellaneous Revenues	A-1	<u>1,705,170</u>	-	<u>1,887,521</u>	<u>182,351</u>
Receipts from Delinquent Taxes	A-8,A-1	<u>180,000</u>	-	<u>200,564</u>	<u>20,564</u>
Amount to be Raised by Taxes for Support of Municipal Budget	A-2	<u>12,479,865</u>	-	<u>13,022,397</u>	<u>542,532</u>
Total General Revenues	A-3	<u>\$ 16,595,035</u>	<u>\$ -</u>	<u>17,340,482</u>	<u>\$ 745,447</u>
Non-Budget Revenue	A-1,A-2			<u>925,422</u>	
				<u>\$ 18,265,904</u>	

See Accompanying Notes are an Integral Part of these Financial Statements

**BOROUGH OF WOODCLIFF LAKE**  
**STATEMENT OF REVENUES - REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
**CURRENT FUND**  
**(Continued)**

	<u>Reference</u>	<u>Realized</u>
ANALYSIS OF REALIZED REVENUES		
Allocation of Current Tax Collections		
Revenue from Collections	A-2,A-8	\$ 51,151,450
Less: Reserve for Tax Appeals	A-14	150,000
Less: Allocation to School and County Taxes and Municipal Open Space Preservation Trust Fund	A-18,A-20,A-17 B-13	<u>38,974,053</u>
		12,027,397
Add Appropriation - "Reserve for Uncollected Taxes"	A-3	<u>995,000</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 13,022,397</u>
Fees and Permits		
Other		
Collector/Treasurer (Parking)	A-9	\$ 14,350
Police	A-9	6,815
Board of Health	A-9	12,798
Planning & Zoning	A-9	18,850
Building	A-9	4,625
Fire Prevention- Miscellaneous Fees	A-9	61,664
Borough Clerk	A-9	<u>6,185</u>
	A-2	<u>\$ 125,287</u>
Analysis of Non-Budget Revenue		
Administrative Fee - Private Duty Account		\$ 135,590
Interest on Investments		689,819
Miscellaneous		98,738
Soil Removal		<u>1,275</u>
	A-2	<u>\$ 925,422</u>

See Accompanying Notes are an Integral Part of these Financial Statements

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
CURRENT FUND**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balances Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserves</u>	
OPERATIONS WITHIN "CAPS"					
GENERAL GOVERNMENT					
General Administration					
Salaries and Wages	\$ 212,800	\$ 212,800	\$ 195,770	\$ 17,030	
Other Expenses	124,975	124,975	119,681	5,294	
Mayor and Council					
Salaries and Wages	37,500	37,500	37,500	-	
Other Expenses	7,890	14,890	11,313	3,577	
Municipal Clerk					
Salaries and Wages	122,500	122,500	117,728	4,772	
Other Expenses	34,600	34,600	24,455	10,145	
Financial Administration					
Salaries and Wages	210,000	210,000	196,663	13,337	
Other Expenses	51,600	51,600	30,985	20,615	
Audit Services					
Other Expenses	86,000	86,000	18,594	67,406	
Information Technology					
Other Expenses	20,000	20,000	8,507	11,493	
Revenue Administration (Tax Collection)					
Salaries and Wages	35,000	35,000	28,095	6,905	
Other Expenses	18,700	18,700	9,673	9,027	
Tax Assessment Administration					
Salaries and Wages	28,000	28,000	24,528	3,472	
Other Expenses	140,400	140,400	81,398	59,002	
Legal Services and Costs					
Other Expenses	135,000	135,000	126,941	8,059	
Engineering Services and Costs					
Other Expenses	55,000	115,000	76,855	38,145	
MUNICIPAL LAND USE LAW (N.J.S.A. 40:55D-1)					
Land Use Board					
Salaries and Wages	82,000	82,000	62,525	19,475	
Other Expenses	63,150	63,150	13,762	49,388	
INSURANCE (N.J.S.A. 40A:4-45.3(00))					
General Liability	255,645	255,645	182,799	72,846	
Workers Compensation	184,230	184,230	120,710	63,520	
Employee Group Health	1,397,500	1,297,500	1,165,848	131,652	
Health Benefit Waiver	20,000	20,000	13,304	6,696	
Unemployment Insurance	2,000	2,000	2,000	-	
PUBLIC SAFETY FUNCTIONS					
Police					
Salaries and Wages	3,137,204	3,137,204	3,061,593	75,611	
Salaries and Wages - ARPA	3,796	3,796	3,796	-	
Other Expenses	165,300	165,300	162,675	2,625	
Police Dispatch/911					
Other Expenses	260,000	260,000	247,120	12,880	

**BOROUGH OF WOODCLIFF LAKE**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
**CURRENT FUND**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balances Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserves</u>	
OPERATIONS WITHIN "CAPS" (Continued)					
PUBLIC SAFETY FUNCTIONS (Continued)					
Emergency Management Services					
Salaries and Wages	\$ 25,000	\$ 25,000	\$ 21,828	\$ 3,172	
Other Expenses	22,375	22,375	8,466	13,909	
Aid to Volunteer Fire Companies					
Salaries and Wages	3,000	3,000	-	3,000	
Other Expenses	177,300	177,300	163,399	13,901	
Aid to Volunteer Ambulance Companies					
Contribution	50,000	50,000	40,000	10,000	
Fire Prevention Bureau					
Salaries and Wages	73,000	73,000	68,581	4,419	
Other Expenses	12,020	12,020	9,070	2,950	
Fire Hydrant Services					
Other Expenses	32,000	32,000	25,598	6,402	
PUBLIC WORKS FUNCTION					
Road Repairs and Maintenance					
Salaries and Wages	832,000	832,000	768,204	63,796	
Other Expenses	200,000	200,000	145,137	54,863	
Shade Tree Committee					
Other Expenses	26,000	26,000	15,044	10,956	
Solid Waste Collection					
Salaries and Wages	180,000	180,000	157,079	22,921	
Other Expenses	249,800	249,800	230,257	19,543	
Public Buildings and Grounds					
Salaries and Wages	110,000	110,000	106,526	3,474	
Other Expenses	190,100	190,100	161,036	29,064	
Vehicle Maintenance					
Other Expenses	122,700	122,700	87,523	35,177	
HEALTH AND HUMAN SERVICES					
Board of Health					
Other Expenses	46,050	46,050	43,707	2,343	
Animal Control Services					
Other Expenses	4,000	4,000	-	4,000	
PARKS AND EDUCATION FUNCTIONS					
Recreation Services and Programs					
Salaries and Wages	135,000	135,000	106,485	28,515	
Other Expenses	475,050	475,050	419,145	55,905	
Maintenance of Parks					
Other Expenses	36,000	36,000	31,222	4,778	

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
CURRENT FUND**

	<u>Appropriated</u>	<u>Budget After</u>	<u>Expended</u>	<u>Unexpended</u>
	<u>Budget</u>	<u>Modification</u>	<u>Paid or</u>	<u>Balances</u>
			<u>Charged</u>	<u>Cancelled</u>
			<u>Reserves</u>	
OPERATIONS WITHIN "CAPS" (Continued)				
EDUCATIONAL FUNCTIONS				
Municipal/County Library				
Library Membership	\$ 27,000	\$ 27,000	\$ 22,300	\$ 4,700
OTHER COMMON OPERATING FUNCTIONS				
Celebration of Public Events				
Other Expenses	15,000	15,000	11,246	3,754
UNIFORM CONSTRUCTION CODE APPRO- PRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C 5:23-4-17)				
State Uniform Construction Code				
Salaries and Wages	200,000	200,000	164,940	35,060
Other Expenses	15,800	18,800	17,196	1,604
UTILITY EXPENSE AND BULK PURCHASES				
Electricity	183,000	183,000	160,619	22,381
Street Lighting	115,000	115,000	103,570	11,430
Telephone	36,100	36,100	31,366	4,734
Water	15,500	15,500	9,521	5,979
Gasoline	182,500	182,500	121,901	60,599
Sewer Processing and Disposal				
Salaries and Wages	115,000	115,000	108,062	6,938
Other Expenses	107,000	107,000	45,849	61,151
LANDFILL/SOLID WASTE DISPOSAL COSTS				
Sanitary Landfill Dump Fees				
Other Expenses	218,000	218,000	188,314	29,686
Total Operations Within "CAPS"	<u>11,122,085</u>	<u>11,092,085</u>	<u>9,738,009</u>	<u>1,354,076</u>
Detail:				
Salaries and Wages	5,541,800	5,541,800	5,229,903	311,897
Other Expenses (Including Contingent)	<u>5,580,285</u>	<u>5,550,285</u>	<u>4,508,106</u>	<u>1,042,179</u>
DEFERRED CHARGES AND STATUTORY EXPENDITURES				
- Municipal within "CAPS"				
Statutory Charges				
Public Employees Retirement System of N.J.	207,000	217,000	215,395	1,605
Social Security System (O.A.S.I.)	235,000	235,000	226,179	8,821
Police and Firemen's Retirement System of N.J.	871,000	871,000	870,360	640
Defined Contribution Retirement Program	9,000	9,000	6,060	2,940
Total Deferred Charges & Statutory Expenditures				
- Municipal within "CAPS"	<u>1,322,000</u>	<u>1,332,000</u>	<u>1,317,994</u>	<u>14,006</u>
Total General Appropriations for Municipal Purposes within "CAPS"	<u>12,444,085</u>	<u>12,424,085</u>	<u>11,056,003</u>	<u>1,368,082</u>

**BOROUGH OF WOODCLIFF LAKE**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**  
**CURRENT FUND**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balances Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserves</u>	
OPERATIONS - EXCLUDED FROM "CAPS"					
UTILITY EXPENSE AND BULK PURCHASE					
Bergen County Utilities Authority					
Share Costs Sewer Charges	\$ 710,000	\$ 710,000	\$ 707,752	\$ 2,248	
Borough of Montvale - Sewer Charges	65,000	65,000	61,379	3,621	
Borough of Hillsdale - Sewer Charges	29,000	29,000	25,311	3,689	
PUBLIC SAFETY FUNCTION					
Aid to Volunteer Ambulance					
Other Expense - LOSAP Contribution	16,000	16,000	-	16,000	
Aid to Volunteer Fire Companies					
Other Expense - LOSAP Contribution	50,000	70,000	5,060	64,940	
LANDFILL/SOLID WASTE FUNCTION					
Recycling Tax	18,000	18,000	-	18,000	
Reserve for Tax Appeals	190,000	190,000	13,727	176,273	
Employee Group Health - Outside CAP					
Workers Compensation	10,770	10,770	10,770	-	
General Liability Insurance	16,355	16,355	16,355	-	
Interlocal Municipal Service Agreements					
Municipal Court (Tri-Boro)					
Other Expenses (Contractual)	80,000	80,000	48,967	31,033	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
Municipal Alliance-State	3,836	3,836	3,836	-	
Municipal Alliance-Local Matching Funds	959	959	913	46	
Body Armor Replacement Fund	1,780	1,780	-	1,780	
State of NJ Recycling Tonnage - Reserve	14,280	14,280	14,280	-	
Federal Bullet Proof Vest	2,011	2,011	-	2,011	-
Matching Funds for Grants	959	959	-	959	-
<b>Total Operations - Excluded from "CAPS"</b>	<u>1,208,950</u>	<u>1,228,950</u>	<u>908,350</u>	<u>320,600</u>	<u>-</u>
Detail:					
Other Expenses	<u>1,208,950</u>	<u>1,228,950</u>	<u>908,350</u>	<u>320,600</u>	<u>-</u>
CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"					
Capital Improvement Fund	<u>390,000</u>	<u>390,000</u>	<u>390,000</u>	<u>-</u>	<u>-</u>
<b>Total Capital Improvements Excluded from "CAPS"</b>	<u>390,000</u>	<u>390,000</u>	<u>390,000</u>	<u>-</u>	<u>-</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
CURRENT FUND**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserves</u>	<u>Balances</u>
		<u>Modification</u>	<u>Charged</u>		<u>Cancelled</u>
MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"					
Payment of Bond Principal	\$ 980,000	\$ 980,000	\$ 980,000	-	
Interest on Bonds	126,000	126,000	124,300	-	\$ 1,700
Interest on Notes	312,000	312,000	310,716	-	1,284
Total Municipal Debt Service - Excluded from "CAPS"	1,418,000	1,418,000	1,415,016	-	2,984
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	3,016,950	3,036,950	2,713,366	\$ 320,600	2,984
Deferred Charges					
Special Emergency Authorizations - Master Plan	14,000	14,000	14,000	-	-
Judgements	125,000	125,000	124,553	-	447
RESERVE FOR UNCOLLECTED TAXES	995,000	995,000	995,000	-	-
Total General Appropriations	\$ 16,595,035	\$ 16,595,035	\$ 14,902,922	\$ 1,688,682	\$ 3,431
	<u>Reference</u>	A-2	A,A-1	A,A-1	
	<u>Reference</u>	<u>Budget After</u>			
		<u>Modification</u>			
Budget as Adopted	A-2	\$ 16,595,035			
Cash Disbursed	A-4		\$ 13,637,665		
Encumbrances Payable	A-19		256,257		
Deferred Charges	A-27		14,000		
Reserve for Uncollected Taxes	A-2		995,000		
			\$ 14,902,922		

**BOROUGH OF WOODCLIFF LAKE**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**  
**AS OF DECEMBER 31, 2024 AND 2023**  
**TRUST FUNDS**

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>			
Animal Control Trust Fund			
Cash	B-3	\$ <u>5,481</u>	\$ <u>6,755</u>
		<u>5,481</u>	<u>6,755</u>
Other Trust Fund			
Cash	B-3	1,640,350	1,350,432
Due from Current Fund - Escrow	B-8	<u>93,431</u>	<u>22,989</u>
		<u>1,733,781</u>	<u>1,373,421</u>
Unemployment Insurance Trust Fund			
Cash	B-3	<u>49,747</u>	<u>51,123</u>
Municipal Open Space Preservation Trust Fund			
Cash	B-3	<u>1,292,011</u>	<u>1,282,614</u>
		<u>1,292,011</u>	<u>1,282,614</u>
Community Development Block Grant Trust Fund			
Cash	B-3	<u>450</u>	<u>1</u>
Length of Service Award Program Fund - LOSAP (UNAUDITED)			
Investments	B	2,317,626	1,886,517
Contribution Receivable	B	<u>53,058</u>	<u>55,061</u>
		<u>2,370,684</u>	<u>1,941,578</u>
Total Assets		<u>\$ 5,452,154</u>	<u>\$ 4,655,492</u>

See Accompanying Notes are an Integral Part of these Financial Statements

**BOROUGH OF WOODCLIFF LAKE**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**  
**AS OF DECEMBER 31, 2024 AND 2023**  
**TRUST FUNDS**

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
Animal Control Trust Fund			
Due to Current Fund	B-5	\$ 1,055	\$ 1,746
Due to State of NJ	B-6	28	24
Reserve for Animal Control Expenditures	B-4	<u>4,398</u>	<u>4,985</u>
		<u>5,481</u>	<u>6,755</u>
Other Trust Fund			
Due to Current Fund - Escrow	B-8	4,462	-
Due to Current Fund - Payroll	B-8	4,069	3,910
Due to Current Fund - Police Outside Duty	B-8	5,953	5,402
Due to Current Fund - Other Miscellaneous Trust	B-8	20,135	19,718
Escrow Deposits Payable	B-7	684,865	379,524
Payroll Deductions Payable	B-10	42,924	42,924
Miscellaneous Reserves	B-9	<u>971,373</u>	<u>921,943</u>
		<u>1,733,781</u>	<u>1,373,421</u>
Unemployment Insurance Trust Fund			
Due to State of New Jersey	B-11	10,514	10,514
Reserve for Unemployment Claims	B-12	<u>39,233</u>	<u>40,609</u>
		<u>49,747</u>	<u>51,123</u>
Municipal Open Space Preservation Trust Fund			
Reserve for Community Garden	B-14	1,800	1,800
Reserve for Municipal Open Space Expenditures	B-13	<u>1,290,211</u>	<u>1,280,814</u>
		<u>1,292,011</u>	<u>1,282,614</u>
Community Development Block Grant Trust Fund			
Due to Current Fund	B-15	<u>450</u>	<u>1</u>
Length of Service Award Program Fund - LOSAP (UNAUDITED)			
Reserve for LOSAP Benefits	B	<u>2,370,684</u>	<u>1,941,578</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 5,452,154</u>	<u>\$ 4,655,492</u>

See Accompanying Notes are an Integral Part of these Financial Statements

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF REVENUES-REGULATORY BASIS  
MUNICIPAL OPEN SPACE PRESERVATION TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Reference</u>	Anticipated <u>Budget</u> (Memo)	Realized in <u>2024</u>	<u>Variance</u>
Amount to be Raised by Taxation	B-13	\$ 238,000	\$ 238,341	\$ 341
Miscellaneous	B-13	-	54,978	54,978
		<u>\$ 238,000</u>	<u>\$ 293,319</u>	<u>\$ 55,319</u>
	Reference	B-2	B-13	

EXHIBIT B-2

**STATEMENT OF APPROPRIATIONS-REGULATORY BASIS  
MUNICIPAL OPEN SPACE PRESERVATION TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024**

		Anticipated <u>Budget</u> (Memo)	Paid or <u>Charged</u>	<u>Variance</u>
Reserve for Future Use		<u>\$ 238,000</u>	<u>\$ 108,922</u>	<u>\$ 129,078</u>
	Reference	B-1	B-13	

**BOROUGH OF WOODCLIFF LAKE**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**  
**AS OF DECEMBER 31, 2024 AND 2023**  
**GENERAL CAPITAL FUND**

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	C-2, C-3	\$ 3,991,565	\$ 6,224,849
Deferred Charges to Future Taxation			
Funded	C-4	5,235,000	6,215,000
Unfunded	C-6	18,848,411	10,277,490
Grants Receivable	C-5	<u>634,773</u>	<u>618,331</u>
 Total Assets		 <u>\$ 28,709,749</u>	 <u>\$ 23,335,670</u>
 <b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
General Serial Bonds Payable	C-7	\$ 5,235,000	\$ 6,215,000
Bond Anticipation Notes Payable	C-9	9,946,000	6,221,000
Improvement Authorizations			
Funded	C-8	116,990	154,365
Unfunded	C-8	5,780,358	5,637,002
Due to Current Fund	C-10	425,851	159,434
Reserve for Grants Receivable	C-5	406,506	-
Reserve for Payment of Debt	C-11	424,494	450,000
Contracts Payable	C-12	6,026,372	4,416,867
Capital Improvement Fund	C-13	220,835	24,835
Fund Balance	C-1	<u>127,343</u>	<u>57,167</u>
 Total Liabilities, Reserves and Fund Balance		 <u>\$ 28,709,749</u>	 <u>\$ 23,335,670</u>

There were bonds and notes authorized but not issued at December 31, 2024 and 2023 of \$8,902,411 and \$4,056,490 (Exhibit C-14).

**BOROUGH OF WOODCLIFF LAKE**  
**COMPARATIVE STATEMENTS OF CHANGE IN FUND BALANCE - REGULATORY BASIS**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**  
**GENERAL CAPITAL FUND**

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
Balance, January 1, 2024	C	\$ 57,167	\$ 22,467
Increased by:			
Premium on Notes Issued	C-2	70,176	25,506
Cancelled Authorizations	C-1	<u>-</u>	<u>31,661</u>
		127,343	79,634
Decreased by:			
Appropriated to Budget Revenue	C-1	<u>-</u>	<u>22,467</u>
Balance, December 31, 2024	C	<u>\$ 127,343</u>	<u>\$ 57,167</u>

**BOROUGH OF WOODCLIFF LAKE  
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS  
AS OF DECEMBER 31, 2024 AND 2023  
PUBLIC ASSISTANCE FUND**

	<u>Reference</u>	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>			
Cash	D-1	\$ -	\$ 5,739
Total Assets		<u>\$ -</u>	<u>\$ 5,739</u>
 <b>LIABILITIES AND RESERVES</b>			
Due to the State of New Jersey	D-3	\$ -	\$ 2,201
Due to Current Fund	D-4	-	342
Reserve for Public Assistance Expenditures	D-2	<u>-</u>	<u>3,196</u>
Total Liabilities and Reserves		<u>\$ -</u>	<u>\$ 5,739</u>

**BOROUGH OF WOODCLIFF LAKE  
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS  
AS OF DECEMBER 31, 2024 AND 2023  
GENERAL FIXED ASSETS ACCOUNT GROUP**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Land	\$ 9,592,686	\$ 9,592,686
Land Improvements	1,264,011	234,817
Building and Building Improvements	6,676,508	6,079,409
Machinery and Equipment	<u>11,878,454</u>	<u>11,397,082</u>
	<u>\$ 29,411,659</u>	<u>\$ 27,303,994</u>
 <b>FUND BALANCE</b>		
Investment in General Fixed Assets	<u>\$ 29,411,659</u>	<u>\$ 27,303,994</u>

See Accompanying Notes are an Integral Part of these Financial Statements

**NOTES TO FINANCIAL STATEMENTS**

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Borough of Woodcliff Lake (the "Borough") was incorporated in 1896 and operates under an elected Mayor and Council form of government. The Mayor is elected to a four-year term and the six council members are elected at-large, two each year for terms of three years. The Mayor is the Chief Executive Officer of the Borough and as such presides over all public meetings and makes appointments to various boards. The Borough Council exercises all legislative powers including final adoption of the municipal budget and bond ordinances and confirmation of the Mayor's appointments, and all executive authority which is not specifically provided to the Mayor, by State law. A Borough Administrator is appointed by the Borough Council and is responsible for the implementation of the policies of the Mayor and Council, for the administration of all Borough affairs and for the day to day operations of the Borough. The Borough Administrator is the Chief Administrative Officer for the Borough. 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 requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the Borough is financially accountable. The Borough is financially accountable for an organization if the Borough appoints a voting majority of the organization's governing board and (1) the Borough is able to significantly influence the programs or services performed or provided by the organization; or (2) the Borough is legally entitled to or can otherwise access the organization's resources; the Borough is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Borough is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Borough in that the Borough approves the budget, the issuance of debt or the levying of taxes. The Borough is not includable in any other reporting entity as a component unit.

The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Borough do not include the volunteer fire department and volunteer ambulance squad, which are considered component units under GAAP. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

**B. Description of Regulatory Basis of Accounting**

The financial statements of the Borough of Woodcliff Lake have been prepared on a basis of accounting in conformity with accounting principles and practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a regulatory basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through separate funds, which differ from the fund structure required by GAAP.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. (GAAP). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. However, under the regulatory basis of accounting municipalities are required to follow GASB pronouncements with regard to disclosure requirements for notes to financial statements.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements**

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. The Borough also uses an account group, which is designed to provide accountability for certain assets that are not recorded in those Funds.

The Borough has the following funds and account group:

*Current Fund* – This fund is used to account for the revenues and expenditures for governmental operations of a general nature and the assets and liabilities related to such activities, including Federal and State grants not accounted for in another fund.

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

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

*Other Trust Fund* - This fund is established to account for the assets and resources, which are held by the Borough as a trustee or agent for individuals, private organizations, other governments and/or other funds. These funds include dedicated fees/proceeds collected, developer deposits, payroll related deposits and funds deposited with the Borough as collateral.

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

*Municipal Open Space Preservation Trust Fund* - This fund is used to account for open space tax levied against properties for the purpose of preserving open space in the Borough.

*Community Development Block Grant Trust Fund* - This fund is used to account for grant proceeds, program income and related expenditures for Federal Block grant entitlements.

*Length of Service Award Program Fund (LOSAP)* – This fund is established to account for the tax-deferred income benefits to active volunteer members of emergency service organizations of the Borough.

*General Capital Fund* – This fund is used to account for the receipt and disbursement of funds used and related financial transactions related to the acquisition or improvement of general capital facilities and other capital assets, other than those acquired in the Current Fund.

*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.

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

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements (Continued)**

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

**Reclassifications** - Certain reclassifications may have been made to the December 31, 2023 balances to conform to the December 31, 2024 presentation.

**Financial Statements – Regulatory Basis**

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

**D. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the accounting principles and practices prescribed by the Division in accordance with the regulatory basis of accounting. Measurement focus indicates the type of resources being measured. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Borough of Woodcliff Lake follows a modified accrual basis of accounting. Under this method of accounting, revenues, except State/Federal Aid, are recognized when received and expenditures are recorded when incurred. The accounting principles and practices prescribed or permitted for municipalities by the Division (“regulatory basis of accounting”) differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

**Cash and Investments** - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Investments are reported at cost and are limited by N.J.S.A. 40A:5-15.1 et seq. with the exception of LOSAP Trust Fund investments which are reported at fair value and are limited by N.J.A.C. 5:30-14.19. GAAP requires that all investments be reported at fair value.

**Inventories** - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires inventories to be recorded as assets in proprietary-type funds.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

**Property Tax Revenues/Receivables** - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one-quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. A penalty of up to 6% of the delinquency may be imposed on a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the fiscal year in which the charges become delinquent. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of December 31, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April first in the year following the calendar year levy when the same became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing the property on a standard tax sale. The Borough also has the option when unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears on the 11<sup>th</sup> day of the eleventh month in the fiscal year when the taxes or lien became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing property on an accelerated tax sale, provided that the sale is conducted and completed no earlier than in the last month of the fiscal year. The Borough may institute annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the tax receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both levied and available), reduced by an allowance for doubtful accounts.

**Miscellaneous Revenues/Receivables** - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both measurable and available).

**Grant and Similar Award Revenues/Receivables** - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Borough's budget. GAAP requires such revenues to be recognized as soon as all eligibility requirements imposed by the grantor or provider have been met.

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

**Deferred Charges** - Certain expenditures, operating deficits and other items are required to be deferred to budgets of succeeding years. GAAP requires expenditures, operating deficits and certain other items generally to be recognized when incurred, if measurable. Funded and unfunded debt authorizations for general capital projects are also recorded as deferred charges and represent permanent long-term debt issues outstanding (funded) and temporary debt issues outstanding or unissued debt authorizations (unfunded), respectively. GAAP does not permit the recording of deferred charges for funded and unfunded debt authorizations.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

**Appropriation Reserves** – Appropriation reserves are recorded as liabilities and are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

**Expenditures** – Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless cancelled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, as well as expenditures related to compensated absences and claims and judgements, which are recognized when due.

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

**Compensated Absences** - Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences. 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 are recorded as a long-term obligation in the proprietary funds and government-wide financial statements.

**Tax Appeals and Other Contingent Losses** - Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. GAAP requires such amounts to be recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

**Reserve for Uncollected Taxes** – Reserve for Uncollected Taxes is a non-spending budget appropriation account required to provide assurance that cash collected for property taxes levied in the current year will provide sufficient cash flow to meet expected budgetary obligations. The minimum amount required to be budgeted in Reserve for Uncollected Taxes is determined utilizing the actual percentage of property taxes collected in the immediate preceding budget year, unless allowable alternative methods are utilized with the approval of the Division. A Reserve for Uncollected Taxes is not established or required under GAAP.

**Pensions** – The Borough appropriates in its annual budget the amount required to be paid for pension contributions as determined by the State administered pension systems. Under the regulatory basis of accounting the Borough is only required to disclose in the Notes to the Financial Statements its share of the actuarially determined net pension liabilities, deferred outflow of resources, deferred inflow of resources and pension expense (benefit) related to the State administered pension system. GAAP requires these actuarially determined amounts to be reported in the proprietary funds and government-wide financial statements.

**Other Post-Employment Benefits (OPEB)** – The Borough funds its employer paid post-retirement medical benefits on a pay-as-you-go basis. Under the regulatory basis of accounting the Borough is only required to disclose in the Notes to the Financial Statements its actuarially determined net OPEB liability, deferred outflow of resources, deferred inflow of resources and OPEB expense (benefit). GAAP requires these actuarially determined amounts to be reported in the proprietary funds and government-wide financial statements.

**BOROUGH OF WOODCLIFF LAKE  
 NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

**General Fixed Assets** - In accordance with NJAC 5:30-5.6, Accounting for Governmental Fixed Assets, the Borough of Woodcliff Lake has developed a fixed assets accounting and reporting system. Fixed assets are defined by the Borough as assets with an initial, individual cost of \$3,000 and an estimated useful life in excess of two years.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and sewerage and drainage systems are not capitalized. General fixed assets acquired under capital financing agreements are capitalized at their acquisition cost. Intangible right-to-use leased assets and intangible right-to-use IT software (SBITAs) are not capitalized.

General Fixed Assets purchased after December 31, 1986 are stated at cost. Donated fixed assets are recorded at acquisition value at the date of donation.

General Fixed Assets purchased prior to December 31, 1986 are stated as follows:

Land and Buildings	Assessed Value
Machinery and Equipment	Replacement Cost

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and put into operation for general fixed assets.

GAAP requires that capital assets, including intangible right-to-use leased assets and intangible right-to-use IT software (SBITAs), be recorded in the government-wide financial statement at historical or estimated historical cost if actual historical cost is not available. In addition, GAAP requires depreciation on capital assets to be recorded in the government-wide financial statements.

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

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgets and Budgetary Accounting** - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Borough and approved by the State Division of Local Government Services as per N.J.S.A. 40A:4 et seq.

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

- Trust Funds (Except Municipal Open Space Preservation Trust Fund)
- General Capital Fund
- Public Assistance Fund

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgets and Budgetary Accounting (Continued)**

The Borough must prepare its budget in compliance with applicable laws limiting or capping the amounts by which both the budget appropriations and the municipal tax levy can increase in the annual budget.

1977 Appropriation "CAP": The 1977 Appropriation Cap is calculated using the formulas and provisions of N.J.S.A. 40A:4-45.1 through 4-45.43a. The law was originally adopted in 1976 and was most recently amended in 2003. Under this law, the Borough is permitted to increase its overall Current Fund appropriations (with certain exceptions) by 2.5% or the "cost of living adjustment" (COLA), whichever is less. The COLA is calculated based on the Implicit Price Deflator for Local Governments computed by the U.S. Department of Commerce. The Borough can, when the COLA is less than or equal to 2.5%, increase its allowable inside-the-cap appropriations to 3.5%, upon adoption of a COLA Rate Ordinance by the governing body and beyond 3.5% upon voter passage of a referendum. Additionally, municipalities can bank the unused appropriation increases for use in any of the next two (2) succeeding budget years.

2010 Levy "CAP": The 2010 Levy Cap is calculated using the formulas and provisions of N.J.S.A. 40A:4-45.44 through 45.47. It established limits on the increase in the total amount to be raised by taxation for municipal purposes (municipal tax levy). The core of the levy cap formula is a 2% increase to the previous year's amount to be raised by taxation for municipal purposes, exclusive of certain appropriations and allowable adjustments and extraordinary costs related to a declared emergency. Voter approval may be requested to increase the municipal tax levy by more than the allowable adjusted tax levy. Additionally, municipalities can bank the unused tax levy for use in any of the next three (3) succeeding budget years.

The governing body is required to introduce and approve the annual budget no later than February 10, of the fiscal year. The budget is required to be adopted no later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last two months of the fiscal year, the governing body may, by a 2/3 vote; amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the governing body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2024 and 2023 the Borough Council increased the original budget by \$0 and \$1,044,734. The increase was funded by additional aid allotted to the Borough and an approved Emergency Authorization in 2023. In addition, the governing body approved several budget transfers during 2024 and 2023.

**NOTE 3 CASH DEPOSITS AND INVESTMENTS**

The Borough considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as cash and cash equivalents.

**A. Cash Deposits**

The Borough's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Borough is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for deposits in excess of the FDIC or NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, bail funds, withholdings from an employee's salary or funds which may pass to the local government upon the happening of a future condition.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)**

**A. Cash Deposits (Continued)**

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At December 31, 2024 and 2023, the book value of the Borough's deposits were \$14,784,447 and \$16,753,827 and bank and brokerage firm balances of the Borough's deposits amounted to \$15,520,963 and \$16,632,105, respectively. The Borough's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2024</u>	<u>2023</u>
Insured	\$ 14,777,981	\$ 16,167,408
Uninsured and Collateralized	<u>742,982</u>	<u>464,697</u>
	<u>\$ 15,520,963</u>	<u>\$ 16,632,105</u>

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 does not have a formal policy for custodial credit risk. As of December 31, 2024 and 2023, the Borough's bank balances of \$742,982 and \$464,697 were exposed to custodial credit risk.

<u>Depository Account</u>	<u>2024</u>	<u>2023</u>
Uninsured and Collateralized		
Collateral held by pledging financial institution's trust department but not in the Borough's name	<u>\$ 742,982</u>	<u>\$ 464,697</u>

**B. Investments**

The Borough is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the Borough or bonds or other obligations of the school districts which are a part of the Borough or school districts located within the Borough, Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school district, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law, " (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units; Local Government investment pools, deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with NJSA 40A:5-15.1 (8a-8e). In addition, the Borough is permitted to invest LOSAP Funds with the types of eligible investments authorized in NJAC 5:30-14.19. LOSAP investments include interest bearing accounts or securities, in which savings banks of New Jersey are authorized to invest their funds, New Jersey Cash Management Fund, fixed and variable individual or group annuity contracts, mutual fund shares or fixed and variable life insurance contracts.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)**

**B. Investments (Continued)**

As of December 31, 2024 and 2023, the Borough had the following investments:

	<u>Fair Value</u>
<b><u>2024</u></b>	
Investment:	
Lincoln Financial - Length of Service Award Program (LOSAP)	<u>\$ 2,317,626</u>
<b><u>2023</u></b>	
Investment:	
Lincoln Financial - Length of Service Award Program (LOSAP)	<u>\$ 1,886,517</u>

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Borough will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Borough does not have a policy for custodial risk. As of December 31, 2024 and 2023, \$2,317,626 and \$1,886,517 of the Borough’s investments was exposed to custodial credit risk as follows:

	<u>Fair Value</u>
<b><u>2024</u></b>	
Uninsured and Collateralized	
Collateral held by pledging bank's trust department, but not in the Borough's name	<u>\$ 2,317,626</u>
<b><u>2023</u></b>	
Uninsured and Collateralized	
Collateral held by pledging bank's trust department, but not in the Borough's name	<u>\$ 1,886,517</u>

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)**

**B. Investments (Continued)**

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

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 40A:5-15.1 and NJAC 5:30-14.19). The Borough does not have an investment policy that would further limit its investment choices. As of December 31, 2024 and 2023, the Borough’s investment in Lincoln Financial Group was rated A2 by Moody’s Investor Services.

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Borough’s investment in a single issuer. The Borough places no limit in the amount the Borough may invest in any one issuer. More than five (5) percent of the Borough’s investments are in Lincoln Financial Group. These investments are 100% of the Borough’s total investments.

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

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

Investments are valued based on price data obtained from observed transactions and market price quotations provided by Lincoln Financial Group. Since the value is not obtained from a quoted price in an active market the investments held by the Borough at December 31, 2024 and 2023 are categorized as Level 2.

Interest earned in the General Capital Fund, Animal Control Fund and certain Other Trust Funds are assigned to the Current Fund in accordance with the regulatory basis of accounting.

**NOTE 4 TAXES RECEIVABLE**

Receivables at December 31, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
<u>Current</u>		
Property Taxes	\$ 341,541	\$ 200,579
Tax Title Liens	713	476
	<u>\$ 342,254</u>	<u>\$ 201,055</u>

In 2024 and 2023, the Borough collected \$200,564 and \$219,183 from delinquent taxes, which represented 99% and 98%, respectively of the prior year delinquent taxes receivable balance.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 5 DUE TO/FROM OTHER FUNDS**

As of December 31, interfund receivables and payables that resulted from various interfund transactions were as follows:

	<u>2024</u>		<u>2023</u>	
	Due from <u>Other Funds</u>	Due to <u>Other Funds</u>	Due from <u>Other Funds</u>	Due to <u>Other Funds</u>
Current Fund	\$ 461,975	\$ 93,431	\$ 192,668	\$ 25,104
Animal Control Trust Fund		1,055		1,746
Community Development Trust Fund		450		1
Other Trust Fund	93,431	34,619	22,989	29,030
Public Assistance Fund		-		342
General Capital Fund	-	425,851	-	159,434
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u>\$ 555,406</u>	<u>\$ 555,406</u>	<u>\$ 215,657</u>	<u>\$ 215,657</u>

The above balances are the result of revenues earned in one fund that are due to another fund.

The Borough expects all interfund balances to be liquidated within one year.

**NOTE 6 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

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

	Balance, <u>December 31,</u>	Subsequent Year Budget <u>Appropriation</u>	Balance to Succeeding <u>Budgets</u>
<u>2024</u>			
Current Fund			
Special Emergency Authorizations (40A:4-55)	\$ 28,000	\$ 14,000	\$ 14,000
	<u>28,000</u>	<u>14,000</u>	<u>14,000</u>
<u>2023</u>			
Current Fund			
Special Emergency Authorizations (40A:4-55)	\$ 42,000	\$ 14,000	\$ 28,000
Emergency Appropriation *	<u>1,020,000</u>	<u>-</u>	<u>1,020,000</u>
	<u>\$ 1,062,000</u>	<u>\$ 14,000</u>	<u>\$ 1,048,000</u>

\* Note – The emergency was funded by a Capital Fund ordinance.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 7 FUND BALANCES APPROPRIATED**

Under the regulatory basis of accounting, fund balance in the Current Fund is comprised of cash surplus (fund balance) and non-cash surplus (fund balance). All or part of cash surplus as of December 31 may be anticipated in the subsequent year's budget. The non-cash surplus portion of fund balance may be utilized in the subsequent year's budget with the prior written consent of the Director of the Division of Local Government Services if certain guidelines are met as to its availability. Fund balances at December 31, which were appropriated and included as anticipated revenue in Current Fund's budget for the succeeding year were as follows:

	<b>2024</b>		<b>2023</b>	
	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget</u>	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget</u>
Current Fund				
Cash Surplus	\$ 4,049,497	\$ 2,380,000	\$ 3,820,295	\$ 2,230,000
Non-Cash Surplus	<u>207,764</u>	<u>-</u>	<u>210,648</u>	<u>-</u>
	<u>\$ 4,257,261</u>	<u>\$ 2,380,000</u>	<u>\$ 4,030,943</u>	<u>\$ 2,230,000</u>

**NOTE 8 FIXED ASSETS**

**General Fixed Assets**

The following is a summary of changes in the general fixed assets account group for the years ended December 31, 2024 and 2023.

	<u>Balance December 31, 2023</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance, December 31, 2024</u>
<b><u>2024</u></b>				
Land	\$ 9,592,686			\$ 9,592,686
Land Improvements	234,817	\$ 1,029,194		1,264,011
Buildings and Building Improvement	6,079,409	597,099		6,676,508
Machinery and Equipment	<u>11,397,082</u>	<u>481,372</u>	<u>-</u>	<u>11,878,454</u>
	<u>\$ 27,303,994</u>	<u>\$ 2,107,665</u>	<u>\$ -</u>	<u>\$ 29,411,659</u>
	<u>Balance December 31, 2022</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance, December 31, 2023</u>
<b><u>2023</u></b>				
Land	\$ 9,592,686			\$ 9,592,686
Land Improvements	163,816	\$ 71,001		234,817
Construction in Progress	57,422		\$ 57,422	-
Buildings and Building Improvement	5,879,823	199,586		6,079,409
Machinery and Equipment	<u>10,582,995</u>	<u>814,087</u>	<u>-</u>	<u>11,397,082</u>
	<u>\$ 26,276,742</u>	<u>\$ 1,084,674</u>	<u>\$ 57,422</u>	<u>\$ 27,303,994</u>

**BOROUGH OF WOODCLIFF LAKE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 9 MUNICIPAL DEBT**

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

The Borough's debt is summarized as follows:

	<u>2024</u>	<u>2023</u>
Issued		
General		
Bonds and Notes	\$ 15,181,000	\$ 12,436,000
Less Funds Temporarily Held to Pay Bonds	<u>424,494</u>	<u>450,000</u>
Net Debt Issued	14,756,506	11,986,000
Authorized But Not Issued		
General		
Bonds and Notes	<u>8,902,411</u>	<u>4,056,490</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 23,658,917</u>	<u>\$ 16,042,490</u>

**Statutory Net Debt**

The statement of debt condition that follows is extracted from the Borough's Annual Debt Statement and indicates a statutory net debt of 0.902% and 0.658% at December 31, 2024 and 2023, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<b><u>2024</u></b>			
General Debt	\$ 24,083,411	\$ 424,494	\$ 23,658,917
School Debt	<u>4,354,722</u>	<u>4,354,722</u>	<u>-</u>
Total	<u>\$ 28,438,133</u>	<u>\$ 4,779,216</u>	<u>\$ 23,658,917</u>
	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<b><u>2023</u></b>			
General Debt	\$ 16,492,490	\$ 450,000	\$ 16,042,490
School Debt	<u>5,274,073</u>	<u>5,274,073</u>	<u>-</u>
Total	<u>\$ 21,766,563</u>	<u>\$ 5,724,073</u>	<u>\$ 16,042,490</u>

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 9 MUNICIPAL DEBT (Continued)**

**Statutory Borrowing Power**

The Borough's remaining borrowing power under N.J.S. 40A:2-6, as amended, at December 31, was as follows:

	<u>2024</u>	<u>2023</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 91,814,683	\$ 85,381,382
Less: Net Debt	<u>23,658,917</u>	<u>16,042,490</u>
Remaining Borrowing Power	<u>\$ 68,155,766</u>	<u>\$ 69,338,892</u>

**A. Long-Term Debt**

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

**General Obligation Bonds**

The Borough levies ad valorem taxes to pay debt service on general obligation bonds. General obligation bonds outstanding at December 31 are as follows:

	<u>2024</u>	<u>2023</u>
\$9,935,000, 2019 Bonds, due in annual installments of \$980,000 to \$1,095,000 through October 2029, interest at 2.00%	\$ 5,235,000	\$ 6,215,000
	<u>\$ 5,235,000</u>	<u>\$ 6,215,000</u>

The Borough's principal and interest for long-term debt issued and outstanding as of December 31, 2024 is as follows:

Calendar Year	General		Total
	<u>Principal</u>	<u>Interest</u>	
2025	\$ 1,000,000	\$ 104,700	\$ 1,104,700
2026	1,025,000	84,700	1,109,700
2027	1,045,000	64,200	1,109,200
2028	1,070,000	43,300	1,113,300
2029	<u>1,095,000</u>	<u>21,900</u>	<u>1,116,900</u>
Total	<u>\$ 5,235,000</u>	<u>\$ 318,800</u>	<u>\$ 5,553,800</u>

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 9 MUNICIPAL DEBT (Continued)**

**A. Long-Term Debt (Continued)**

**Changes in Long-Term Municipal Debt**

The Borough's long-term capital debt activity for the years ended December 31, 2024 and 2023 were as follows:

	Balance, December 31, <u>2023</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2024</u>	Due Within <u>One Year</u>
<b><u>2024</u></b>					
General Capital Fund Bonds Payable	\$ 6,215,000	\$ -	\$ 980,000	\$ 5,235,000	\$ 1,000,000
	Balance, December 31, <u>2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2023</u>	Due Within <u>One Year</u>
<b><u>2023</u></b>					
General Capital Fund Bonds Payable	\$ 7,175,000	\$ -	\$ 960,000	\$ 6,215,000	\$ 980,000

**B. Short-Term Debt**

The Borough's short-term debt activity for the years ended December 31, 2024 and 2023 was as follows:

**Bond Anticipation Notes**

<u>Purpose</u>	<u>Rate</u> (%)	<u>Maturity</u> <u>Date</u>	Balance December 31, <u>2023</u>	<u>Renewed/</u> <u>Issued</u>	<u>Retired/</u> <u>Redeemed</u>	Balance, December 31, <u>2024</u>
<b><u>2024</u></b>						
<b><u>General Capital Fund</u></b>						
Ord. 19-12 Acq. Parking Lot	4.50%	9/20/2024	\$ 217,000		\$ 217,000	
	4.00%	9/19/2025		\$ 217,000		\$ 217,000
Ord. 21-09 Various Improvements	4.50%	9/20/2024	2,689,000		2,689,000	-
	4.00%	9/19/2025		2,689,000		2,689,000
Ord. 22-08 Various Improvements	4.50%	9/20/2024	1,315,000		1,315,000	-
	4.00%	9/19/2025		1,315,000		1,315,000
Ord. 23-08/24-11 Various Impr for Storm Ida	4.50%	9/20/2024	2,000,000	-	2,000,000	-
	4.00%	9/19/2025		2,000,000		2,000,000
Ord. 23-10 Various Improvements	4.00%	9/19/2025		1,460,000		1,460,000
Ord. 24-12 Tax Appeal Refunding	4.00%	9/19/2025	-	2,265,000	-	2,265,000
Total General Capital Fund			<u>\$ 6,221,000</u>	<u>\$ 9,946,000</u>	<u>\$ 6,221,000</u>	<u>\$ 9,946,000</u>

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 9 MUNICIPAL DEBT (Continued)**

**B. Short-Term Debt (Continued)**

**Bond Anticipation Notes (Continued)**

<u>Purpose</u>	<u>Rate</u> (%)	<u>Maturity</u> <u>Date</u>	<u>Balance</u> December 31, <u>2022</u>	<u>Renewed/</u> <u>Issued</u>	<u>Retired/</u> <u>Redeemed</u>	<u>Balance,</u> December 31, <u>2023</u>
<b><u>2023</u></b>						
<b><u>General Capital Fund</u></b>						
Ord. 19-12 Acq. Parking Lot	4.50%	9/21/2023	\$ 217,000		\$ 217,000	
	4.50%	9/20/2024		\$ 217,000		\$ 217,000
Ord. 21-09 Various Improvements	4.50%	9/21/2023	2,689,000	-	2,689,000	-
	4.50%	9/20/2024		2,689,000		2,689,000
Ord. 22-08 Various Improvements	4.50%	9/21/2023	1,315,000	-	1,315,000	-
	4.50%	9/20/2024	-	1,315,000	-	1,315,000
Ord. 22-08 Various Improvements for Storm	4.50%	9/20/2024	-	2,000,000	-	2,000,000
Total General Capital Fund			<u>\$ 4,221,000</u>	<u>\$ 6,221,000</u>	<u>\$ 4,221,000</u>	<u>\$ 6,221,000</u>

The purpose of these short-term borrowings was to provide resources for capital construction, acquisitions or improvement projects and other purposes permitted by the Local Bond Law NJSA 40A:2 et. seq. The amounts issued for general governmental activities are accounted for in the General Capital Fund.

State law requires that notes are to be issued for a period not exceeding one year and may be renewed from time to time for additional periods, none of which shall exceed one year. All bond anticipation notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes. In addition any note renewed beyond the third anniversary date of the original note, requires one legally payable installment to be paid.

In addition to the debt shown in the above schedule, municipalities may issue debt to finance emergency or special emergency appropriations or to meet cash flow needs (Tax Anticipation Notes) to temporarily finance operating expenditures. This debt which is not included in the Borough's statutory debt limit calculation is reported in the Current Fund for the years 2024 and 2023 as follows:

**Emergency Notes**

Any local unit may borrow money and issue its negotiable notes to meet an emergency appropriation. All emergency notes, and any renewals thereof, shall mature not later than the last day of the fiscal year following the fiscal year in which the notes were issued and the emergency appropriation authorized.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 9 MUNICIPAL DEBT (Continued)**

**B. Short-Term Debt (Continued)**

**Emergency Notes (Continued)**

**2024**

<u>Emergency Notes</u>			Balance,			Balance,
<u>Purpose</u>	Rate (%)	Maturity Date	December 31, 2023	Renewed/ Issued	Retired/ Redeemed	December 31, 2024
Tax Appeal	4.25%	9/20/24	1,020,000	\$ -	\$ 1,020,000	\$ -
Total Emergency Notes			<u>\$ 1,020,000</u>	<u>\$ -</u>	<u>\$ 1,020,000</u>	<u>\$ -</u>

**2023**

<u>Emergency Notes</u>			Balance,			Balance,
<u>Purpose</u>	Rate (%)	Maturity Date	December 31, 2022	Renewed/ Issued	Retired/ Redeemed	December 31, 2023
Tax Appeal	4.25%	9/20/24	-	\$ 1,020,000	-	\$ 1,020,000
Total Emergency Notes			<u>\$ -</u>	<u>\$ 1,020,000</u>	<u>\$ -</u>	<u>\$ 1,020,000</u>

**NOTE 10 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS**

As of December 31, the Borough had the following commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Construction Commitment</u>	<u>Estimated Date of Completion</u>
<b><u>2024</u></b>		
Fire Pumper	\$1,121,572	2025
Weirmus Lane Pumping Station	1,892,500	2025
<b><u>2023</u></b>		
Fire Pumper	\$1,121,572	2025
Glen Road Culvert Improvements	1,038,644	2024

**BOROUGH OF WOODCLIFF LAKE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 11 OTHER LONG-TERM LIABILITIES**

**A. Compensated Absences**

Under the existing policies and labor agreements of the Borough, employees are allowed to accumulate (with certain restrictions) unused sick leave and compensation time in lieu of overtime over the life of their working careers and to redeem such unused leave time in cash (with certain limitations) upon death, retirement or by extended absence immediately preceding retirement.

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$617,692 and \$620,131 at December 31, 2024 and 2023, respectively. These amounts which is are considered material to the financial statements, are not reported either as an expenditure or liability.

As of December 31, 2024 and 2023, the Borough has reserved in the Current Fund and Trust Fund \$421,426 and \$540,104, respectively to fund compensated absences in accordance with NJSA 40A:4-39.

**Changes in Other Long-Term Liabilities**

Under the regulatory basis of accounting, certain other long-term liabilities which may be considered material to the financial statements are not reported either as an expenditure or a liability. However, under the regulatory basis of accounting, these other long-term liabilities and related information are required to be disclosed in the notes to the financial statements in conformity with the disclosure requirements of the Governmental Accounting Standards Board.

The Borough's changes in other long-term liabilities for the years ended December 31, 2024 and 2023 were as follows:

	Balance, December 31, <u>2023</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2024</u>	Due Within <u>One Year</u>
<b><u>2024</u></b>					
Compensated Absences	\$ 620,131		\$ 2,439	\$ 617,692	
Net Pension Liability - PERS (1)	2,237,235			2,237,235	
Net Pension Liability - PFRS (1)	7,223,866			7,223,866	-
Net OPEB Liability - SHBP	10,528,288		10,528,288	-	-
Net OPEB Liability (2) - BMED	-	\$ 18,537,958	-	18,537,958	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Other Long-Term Liabilities	<u>\$ 20,609,520</u>	<u>\$ 18,537,958</u>	<u>\$ 10,530,727</u>	<u>\$ 28,616,751</u>	<u>\$ -</u>

(1) GASB Statement number 68 Pension PFRS financial information was not provided by the State's Division of Pensions and Benefits as of the date of audit.

(2) The Borough switched post-retirement health benefit providers from SHBP to BMED. The beginning balance utilized by the actuary was the December 31, 2022 SHBP recognized liability.

	Balance, December 31, <u>2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2023</u>	Due Within <u>One Year</u>
<b><u>2023</u></b>					
Compensated Absences	\$ 668,353		\$ 48,222	\$ 620,131	
Net Pension Liability - PERS	2,512,289		275,054	2,237,235	
Net Pension Liability - PFRS	6,560,566	\$ 1,408,880	745,580	7,223,866	
Net OPEB Liability	9,575,418	952,870	-	10,528,288	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Other Long-Term Liabilities	<u>\$ 19,316,626</u>	<u>\$ 2,361,750</u>	<u>\$ 1,068,856</u>	<u>\$ 20,609,520</u>	<u>\$ -</u>

**BOROUGH OF WOODCLIFF LAKE**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS**

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees which includes those Borough employees who are eligible for pension coverage.

**Police and Firemen’s Retirement System (PFRS)** – established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after December 31, 1944. Membership is mandatory for such employees. PFRS is a cost-sharing multi-employer defined benefit pension plan with a special funding situation. For additional information about PFRS, please refer to the State Division of Pension and Benefits (Division’s) Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement benefits as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service.

The following represents the membership tiers for PFRS:

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

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

**Public Employees’ Retirement System (PERS)** – established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage to substantially all full-time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost-sharing multi-employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division’s) Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

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

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Public Employees' Retirement System (PERS) (Continued)**

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

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Borough employees who are eligible for pension coverage.

**Defined Contribution Retirement Program (DCRP)** – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollment but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**Other Pension Funds**

The state established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

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

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

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

**Measurement Focus and Basis of Accounting**

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Investment Valuation**

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Empower (formerly Prudential Retirement) is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290, or at [www.state.nj/treasury/doinvest](http://www.state.nj/treasury/doinvest).

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2024 was not available and for June 30, 2023 is \$14.6 billion, and the plan fiduciary net position as a percentage of the total pension liability is 65.22% at June 30, 2023. The collective net pension liability of the participating employers for local PFRS at June 30, 2024 was not available and for June 30, 2023 is \$13.1 billion and the plan fiduciary net position as a percentage of total pension liability is 70.16% at June 30, 2023.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2022 which were rolled forward to June 30, 2023.

**Actuarial Methods and Assumptions**

In the July 1, 2022 PERS and PFRS actuarial valuations, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions for 2024 and 2023 based on 10.0% for PFRS, 7.50% for PERS and 5.50% for DCRP of employee's annual compensation.

For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All contributions made by the Borough for 2024, 2023 and 2022 were equal to the required contributions.

**BOROUGH OF WOODCLIFF LAKE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Employer and Employee Pension Contributions (Continued)**

During the years ended December 31, 2024, 2023 and 2022, the Borough, was required to contribute for normal cost pension contributions, accrued liability pension contributions and non-contributory life insurance premiums the following amounts which equaled the required contributions for each respective year:

<u>Year Ended</u> <u>December 31</u>	<u>PFRS</u>	<u>PERS</u>	<u>DCRP</u>
2024	\$ 870,360	\$ 215,395	\$ 6,060
2023	745,580	209,543	6,520
2022	773,438	212,569	5,043

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

The regulatory basis of accounting requires participating employers in PERS and PFRS to disclose in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, (GASB No.68)* their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions.

Under GASB Statement No. 68 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer’s prior fiscal year. The GASB No. 68 financial information from the State’s Division of Pensions and Benefits to be reported for the year ended December 31, 2024 for the measurement date of June 30, 2024 was not available as of the date of audit. Accordingly, N.J.A.C. 5:30-6.1(c)2 authorized and permits New Jersey municipalities to present the most recent available audited GASB No. 68 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB No. 68 financial information for the year ended December 31, 2024 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the contributions made as an individual employer to the total contributions to the plan during the fiscal years ended June 30, 2023 and 2022. Employer allocation percentages have been rounded for presentation purposes.

**Public Employees Retirement System (PERS)**

At December 31, 2023, the Borough reported a liability of \$2,237,235, for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The Borough’s proportionate share of the net pension liability was based on the ratio of the Borough’s contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2023, the Borough’s proportionate share was 0.01544 percent, which was a decrease of 0.00121 percent from its proportionate share measured as of June 30, 2022 of 0.01665 percent.

**BOROUGH OF WOODCLIFF LAKE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Public Employees Retirement System (PERS) (Continued)**

For the year ended December 31, 2023, the pension system has determined the Borough's pension (benefit) to be (\$164,757), for PERS based on the actuarial valuations which is less than the actual contributions reported in the Borough's financial statements of \$209,543. At December 31, 2023, the Borough's deferred outflows of resources and deferred inflows of resources related to PERS pension which are not reported on the Borough's financial statements are from the following sources:

	<u>2023</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 21,391	\$ 9,145
Changes of Assumptions	4,915	135,586
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	10,303	
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	<u>2,202</u>	<u>443,298</u>
Total	<u>\$ 38,811</u>	<u>\$ 588,029</u>

At December 31, 2023 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense (benefit) as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2024	\$ (276,123)
2025	(206,115)
2026	7,600
2027	(70,991)
2028	(3,589)
Thereafter	<u>-</u>
	<u>\$ (549,218)</u>

**BOROUGH OF WOODCLIFF LAKE  
 NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Public Employees Retirement System (PERS) (Continued)**

*Actuarial Assumptions*

The Borough's total pension liability reported for the year ended December 31, 2023 was based on the June 30, 2023 measurement date as determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	<u>2023</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Rate for All Future Years	2.75 - 6.55%
	Based on Years of Service
Investment Rate of Return	7.00%

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

*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 generational basis. Mortality improvement is based on Scale MP-2021.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Public Employees Retirement System (PERS) (Continued)**

***Long-Term Expected Rate of Return***

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2023, as reported for the year ended December 31, 2023, are summarized in the following table:

<u>Asset Class</u>	<u>2023</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	6.21%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Investment Grade Credit	7.00%	5.19%
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
High Yield	4.50%	6.97%
Real Assets	3.00%	8.40%
Private Credit	8.00%	9.20%
Real Estate	8.00%	8.58%
Private Equity	13.00%	12.50%

***Discount Rate***

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Public Employees Retirement System (PERS) (Continued)**

*Sensitivity of Net Pension Liability*

The following presents the Borough’s proportionate share of the PERS net pension liability as of December 31, 2023 calculated using the discount rate of 7.00%, as well as what the Borough’s proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 6.00% or 1-percentage-point higher 8.00% than the current rate:

<u>2023</u>	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Borough's Proportionate Share of the PERS Net Pension Liability	\$ 2,912,404	\$ 2,237,235	\$ 1,662,577

The sensitivity analysis was based on the proportionate share of the Borough’s net pension liability at December 31, 2023. A sensitivity analysis specific to the Borough’s net pension liability was not provided by the pension system.

*Pension Plan Fiduciary Net Position*

Detailed information about the PERS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

At December 31, 2023, the Borough reported a liability of \$7,223,866, for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The Borough’s proportionate share of the net pension liability was based on the ratio of the Borough’s contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2023, the Borough’s proportionate share was 0.06538 percent, which was an increase of 0.00806 percent from its proportionate share measured as of June 30, 2022 of 0.05732 percent.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Police and Firemen’s Retirement System (PFRS) (Continued)**

For the years ended December 31, 2023, the pension system has determined the Borough pension expense to be \$535,371, for PFRS based on the actuarial valuations which is less than the actual contributions reported in the Borough’s financial statements of \$745,580. At December 31, 2023, the Borough’s deferred outflows of resources and deferred inflows of resources related to PFRS pension which are not reported on the Borough’s financial statements are from the following sources:

	<u>2023</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 309,311	\$ 344,514
Changes of Assumptions	15,592	487,784
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	367,898	
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	<u>1,328,578</u>	<u>820,533</u>
Total	<u>\$ 2,021,379</u>	<u>\$ 1,652,831</u>

At December 31, 2023 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PFRS pension will be recognized in pension expense (benefit) as follows:

Year Ending <u>December 31,</u>	<u>Total</u>
2024	(106,786)
2025	(155,336)
2026	517,425
2027	(28,621)
2028	118,108
Thereafter	<u>23,758</u>
	<u>\$ 368,548</u>

**BOROUGH OF WOODCLIFF LAKE  
 NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Police and Firemen’s Retirement System (PFRS) (Continued)**

*Actuarial Assumptions*

The Borough’s total pension liability reported for the year ended December 31, 2023 was based on the June 30, 2023 measurement date as determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	<u>2023</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	
Rate for All Future Years	3.25%-16.25%
	Based on Years of Service
Investment Rate of Return	7.00%

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

*Mortality Rates*

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

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Police and Firemen’s Retirement System (PFRS) (Continued)**

***Long-Term Expected Rate of Return***

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans’ target asset allocation as of June 30, 2023, as reported for the year ended December 31, 2023, are summarized in the following table:

<u>Asset Class</u>	<b>2023</b>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	6.21%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Investment Grade Credit	7.00%	5.19%
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
High Yield	4.50%	6.97%
Real Assets	3.00%	8.40%
Private Credit	8.00%	9.20%
Real Estate	8.00%	8.58%
Private Equity	13.00%	12.50%

***Discount Rate***

The discount rate used to measure the total pension liability for PFRS was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. 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 in determining the total pension liability.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Police and Firemen’s Retirement System (PFRS) (Continued)**

*Sensitivity of Net Pension Liability*

The following presents the Borough’s proportionate share of the PFRS net pension liability as of December 31, 2023 calculated using the discount rate of 7.00%, as well as what the Borough’s proportionate share of the PFRS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 6.00% or 1-percentage-point higher 8.00% than the current rate:

<u>2023</u>	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Borough's Proportionate Share of the PFRS Net Pension Liability	<u>\$ 10,065,192</u>	<u>\$ 7,223,866</u>	<u>\$ 4,857,720</u>

The sensitivity analysis was based on the proportionate share of the Borough’s net pension liability at December 31, 2023. A sensitivity analysis specific to the Borough’s net pension liability was not provided by the pension system.

*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.

At December 31, 2023, the State’s proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is \$1,331,081. For the year ended December 31, 2023, 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 \$151,408, which is less than the actual contributions the State made on behalf of the Borough of \$152,224. At December 31, 2023 (measurement date June 30, 2023) the State’s share of the PFRS net pension liability attributable to the Borough was 0.06538 percent, which was an increase of 0.00806 percent from its proportionate share measured as of December 31, 2022 (measurement date June 30, 2022) of 0.05732 percent. 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 in the Borough’s financial statements.

*Pension Plan Fiduciary Net Position*

Detailed information about the PFRS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**BOROUGH OF WOODCLIFF LAKE  
 NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 13 POST-RETIREMENT MEDICAL BENEFITS**

**Private Health Benefit Plans for 2024**

**Plan Description**

The Borough provides a postemployment healthcare plan (OPEB) for its eligible retirees and their spouses. The plan is a single-employer defined benefit healthcare plan administered by the Bergen Municipal Employee Benefits Fund on behalf of the Borough. In accordance with Borough ordinances, contracts and/or policies, the Borough can amend the benefit terms and financing requirements of the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No.75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

**Benefits Provided**

The Borough provides postretirement healthcare insurance benefits for retirees and their dependents who meet certain eligibility requirements. The Police Chief and Captains who have at least 25 years of service with the Borough at the time of retirement are eligible for life time employer provided post retirement health coverage for themselves and dependents. PBA members who have at least 25 years of service with the Borough at the time of retirement are eligible for life time employer provided post retirement health coverage for themselves/spouse. All other employees with 20 years or more of pensionable public service as of December 31, 2014 are eligible for health coverage through age 65 then eligible to receive a \$5,000 per year stipend toward Medicare coverage. The Borough does not provide any spouse survivor post-retirement benefits.

**Employees Covered by Postemployment Benefits**

At December 31, 2024 the following employees were covered by postemployment health care benefits:

	<u>2024</u>
Active Employees	34
Inactive Employees or Beneficiaries Currently Receiving Benefits	42
Inactive Employees Entitles to But Not Yet Receiving Benefits	<u>5</u>
	<u>81</u>

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At December 31, 2024, the Borough’s total OPEB liability was \$18,537,958. Net OPEB liability was measured as of December 31, 2024 and the OPEB liability was determined by an actuarial valuation as of that date.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

For the year ended December 31, 2024, the Borough has determined it's OPEB expense to be \$1,145,025 based on the actuarial valuations which is more than the actual contributions reported in the Borough's financial statements of \$524,329. At December 31, 2024, the Borough's deferred outflows of resources and deferred inflows of resources related to the OPEB plan which are not reported on the Borough's financial statements are from the following sources:

	<u>2024</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions	\$ 8,028,189	
Subtotals Based on Prior Valuations	<u>-</u>	\$ <u>628,890</u>
Total	<u>\$ 8,028,189</u>	<u>\$ 628,890</u>

At December 31, 2024 the amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2025	\$ 521,551
2026	628,891
2027	1,381,457
2028	360,731
2029	880,380
Thereafter	<u>3,626,289</u>
	<u>\$ 7,399,299</u>

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

*Actuarial Assumptions*

The Borough’s total OPEB liability reported for the year ended December 31, 2024 was based on the December 31, 2024 measurement date as determined by an actuarial valuation as of December 31, 2024 This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

<i>Mortality</i>	<i>PUB 2010 “General” classification headcount weighted mortality with generational improvement using Scale MP-2021</i>
<i>Turnover</i>	<i>NJ State Pensions Ultimate Withdrawal Rates- prior to benefits eligibility</i>
<i>Assumed Retirement Age</i>	<i>Attainment of 25 years of service</i>
<i>Full Attribution Period</i>	<i>Service to Assumed Retirement Age</i>
<i>Annual Discount Rate</i>	<i>3.54% Based on the Bond Buyer 20 Index as of June 30, 2022  3.65% Based on the Bond Buyer 20 Index as of June 30, 2023  3.26% Based on the Bond Buyer 20 Index as of December 31, 2023  4.08% Based on the Bond Buyer 20 Index as of December 31, 2024</i>
<i>CPI Increase</i>	<i>2.5%</i>
<i>Rate of Salary Increase</i>	<i>2.5%</i>
<i>Medical Trend</i>	<i>Medical: 6.5% in 2024, reducing by 0.25% per annum, leveling at 4.5% per annum in 2032  Drug: 14.0% in 2024, 10.0% in 2025, 7.5% in 2026, reducing by .75% per annum, leveling at 4.5% per annum in 2030  Medicare Advantage: 4.5% per annum  Dental and Vision: 3.5% per annum</i>
<i>Medical Cost Aging Factor</i>	<i>NJ SHBP Medical Morbidity Rates</i>

- Attribution period – The attribution period begins with the date of hire and ends with full benefits eligibility date.
- Per capita cost methods – The valuation reflects per capita net premium costs based on actual 2024 and the plan option selected. Plan selections are assumed to remain unchanged in retirement. The age specific cost was derived based on per person costs at the average age of the active population (39) and scaled to each age based on the medical cost aging factors. At age 65, Medicare becomes the primary payor of medical benefits and is assumed to cover 66.7% of costs. Beyond age 65 aging factors are no longer applied.
- Retiree Contributions – NJ Chapter 78 requires that certain future retirees contribute toward the cost of their benefits. Specifically, those who had retired prior to passage of Chapter 78 and those employees that had more than 25 years of service on the date of passage are grandfathered. All others are subject to the contribution rates in effect when they retire, but not less than 1.5% of their annual retirement allowance from the Public Employees Retirement System. For purposes of this valuation and for conservatism, we have assumed that future retiree contributions percentage rates will not increase. Thus, we assumed that a future retiree will contribute his/her current employee contribution as reported by The Borough increased annually by the rate of medical trend.
- Actuarial valuation method – Entry Age Normal Funding Method based on a level percentage of salary. 2024 payroll is \$3.983 million.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

*Changes in the Total OPEB Liability*

The change in the Borough's OPEB liability for the year ended December 31, 2024 based on measurement dates of December 31, 2024 as follows:

	<b>Total OPEB Liability 2024</b>
Balance - Beginning of Year	\$ 9,575,418
Changes for the Year:	
Service Cost	230,176
Interest on the Total OPEB Liability	311,709
Changes of Benefit Terms	
Differences Between Expected and Actual Experience	
Changes in Assumptions	8,908,569
Benefit Payments	<u>(487,914)</u>
Net Changes	<u>8,962,540</u>
Balance - End of Year	<u>\$ 18,537,958</u>

Changes of assumptions for 2024 reflect a change in the discount rate from 3.26 percent in 2023 to 4.08 percent in 2024.

*Sensitivity of Net OPEB Liability to Changes in the Discount Rate*

The following presents the Borough's net OPEB liability as of December 31, 2024 calculated using the discount rate of 4.08%, as well as what the Borough's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower 3.08% or 1-percentage-point higher 5.08% than the current rate:

<u>2024</u>	<b>1% Decrease (3.08%)</b>	<b>Current Discount Rate (4.08%)</b>	<b>1% Increase (5.08%)</b>
Net OPEB Liability	<u>\$ 20,354,413</u>	<u>\$ 18,537,958</u>	<u>\$ 17,035,137</u>

**BOROUGH OF WOODCLIFF LAKE  
 NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

*Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate*

The following presents the Borough’s net OPEB liability as of December 31, 2024 and 2023 calculated using the healthcare trend rates as disclosed above as well as what the Borough’s net OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1%</u> <u>Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rates</u>	<u>1%</u> <u>Increase</u>
<b><u>2024</u></b>			
Net OPEB Liability	<u>\$ 17,451,050</u>	<u>\$ 18,537,958</u>	<u>\$ 19,814,485</u>

**State Health Benefit Plan for 2023**

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for participating municipalities including the Borough.

**Plan Description and Benefits Provided**

The State of New Jersey sponsors and administers the following post-retirement health benefit program covering substantially all eligible local government employees from local participating employers.

**State Health Benefit Program Fund – Local Government Retired (the Plan)** (including Prescription Drug Program Fund) – The Plan is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. 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 participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retires with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retires and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

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

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**State Health Benefit Program Fund – Local Government Retired (the Plan) (Continued)**

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

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be assessed via, the New Jersey, Division of Pensions and Benefits website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Plan Membership and Contributing Employers**

Membership and contributing employers/nonemployers of the defined benefit OPEB plan consisted of the following at June 30, 2023:

Active Plan Members	65,613
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>34,771</u>
Total	<u>100,384</u>
Contributing Employers	574
Contributing Nonemployers	1

**Measurement Focus and Basis of Accounting**

The financial statements of the OPEB plan are prepared in accordance with U.S. generally accepted accounting principles as applicable to government organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the other postemployment benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**Collective Net OPEB Liability**

The collective net OPEB liability of the participating employers and the State, as the non-employer contributing entity, of the Plan at June 30, 2024 was not available and for 2023 is \$15.0 billion, and the plan fiduciary net (deficit) as a percentage of the total OPEB liability is (0.79)% at June 30, 2023.

The total OPEB liabilities were determined based on actuarial valuations as of July 1, 2022 which was rolled forward to June 30, 2023.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**Actuarial Methods and Assumptions**

In the July 1, 2022 OPEB actuarial valuation, the actuarial assumptions and methods used in this valuation were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Post-Retirement Medical Benefits Contribution**

The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there can be a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members. The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1967, as disclosed previously. Local employers remit employer contributions on a monthly basis. Retired member contributions are generally received on a monthly basis.

The employers participating in the OPEB plan made contributions of \$431.4 million and the State of New Jersey, as the non-employer contributing entity, contributed \$55.6 million for fiscal year 2023.

The State sets the employer contribution rate based on a pay-as-you-go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan—using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The Borough's contributions to the State Health Benefits Program Fund—Local Government Retired Plan for post-retirement benefits for the years ended December 31, 2023 and 2022 were \$349,847 and \$452,036, respectively, which equaled the required contributions for each year. In addition, the Borough's reimbursements to eligible retired employees for Medicare Part B insurance coverage for the years ended December 31, 2024, 2023 and 2022 were \$46,166, \$43,671 and \$44,671, respectively.

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The regulatory basis of accounting requires participating employers in the State Health Benefit Program Fund – Local Government Retired Plan to disclose in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pension (GASB No. 75)* their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense excluding that attributable to retiree-paid member contributions.

Under GASB Statement No. 75 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer's prior fiscal year. The GASB No. 75 financial information from the State's Division of Pensions and Benefits to be reported for the year ended December 31, 2024 for the measurement date of June 30, 2024 was not available as of the date of audit. Accordingly, N.J.A.C. 5:30-6.1(c)2 authorizes and permits New Jersey municipalities to present the most recent available audited GASB No. 75 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB No. 75 financial information for the year ended December 31, 2024 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the plan members as an individual employer to the total plan members to the plan during the fiscal years ended June 30, 2023 and 2022. Employer allocation percentages have been rounded for presentation purposes.

**BOROUGH OF WOODCLIFF LAKE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

At December 31, 2023, the Borough reported a liability of \$10,528,288 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2022. The Borough's proportionate share of the net OPEB liability was based on the ratio of the Borough's proportionate share of the OPEB liability attributable to the Borough at June 30, 2023 to the total OPEB liability for the State Health Benefit Program Fund – Local Government Retired Plan at June 30, 2023. As of the measurement date of June 30, 2023 the Borough's proportionate share was 0.07016 percent, which was an increase of 0.01087 percent from its proportionate share measured as of June 30, 2022 of 0.05929 percent.

For the years ended December 31, 2023 the Plan has determined the Borough's OPEB benefit to be \$87,117, based on the actuarial valuations which are less than the actual contributions reported in the Borough's financial statements of \$349,847. At December 31, 2023, the Borough's deferred outflows of resources and deferred inflows of resources related to the OPEB plan which are not reported on the Borough's financial statements are from the following sources:

	<u>2023</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 485,510	\$ 2,859,139
Changes of Assumptions	1,363,808	2,976,010
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments		1,737
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	2,755,640	635,168
Contributions made Subsequent to the Measurement Date	-	-
Total	<u>\$ 4,604,958</u>	<u>\$ 6,472,054</u>

At December 31, 2023 the amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in OPEB expense (benefit) as follows:

Year Ending <u>December 31,</u>	<u>Total</u>
2024	\$ (837,299)
2025	(560,059)
2026	(201,230)
2027	50,261
2028	(254,360)
Thereafter	<u>(64,409)</u>
	<u>\$ (1,867,096)</u>

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

*Actuarial Assumptions*

The Borough’s total OPEB liability reported for the year ended December 31, 2023 was based on the June 30, 2023 measurement date as determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. 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 date:

	<b>2023</b>
Inflation Rate	2.50%
Salary Increases*	
PERS:	
Rate For All Future Years	2.75% to 6.55% Based on Years of Service
PFRS:	
Rate For All Future Years	3.25% to 16.25% Based on Years of Service

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021.

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

***Mortality Rates***

Pre-retirement and post-retirement mortality rates were based on the Pub-2010 Healthy “Safety” for PFRS and Healthy “General” for PERS classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality rates were based on the Pub-2010 Disabled “Safety” for PFRS and Disabled “General” for PERS classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

***Health Care Trends***

The trend rate for pre-Medicare medical benefits is initially 6.50% and decreases to a 4.50% long-term trend rate after 9 years. For post-65 medical benefits PPO, the trend is, increasing to 14.80% in Fiscal Year 2026 and decreasing to 4.50% in Fiscal Year 2033. For HMO the trend is increasing to 17.40% in Fiscal Year 2026 and decreasing to 4.50% in Fiscal Year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after 7 years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount Rate**

The discount rate for June 30, 2023 measurement date was 3.65%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**BOROUGH OF WOODCLIFF LAKE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

*Sensitivity of Net OPEB Liability to Changes in the Discounts Rate*

The following presents the Borough's proportionate share of the net OPEB liability as of December 31, 2023 calculated using the discount rate of 3.65% 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 2.65% or 1-percentage-point higher 4.65% than the current rate:

<u>2023</u>	<u>1% Decrease 2.65%</u>	<u>Current Discount Rate 3.65%</u>	<u>1% Increase 4.65%</u>
Borough's Proportionate Share of the Net OPEB Liability	\$ <u>12,195,113</u>	\$ <u>10,528,288</u>	\$ <u>9,187,584</u>

The sensitivity analysis was based on the proportionate share of the Borough's net OPEB liability at December 31, 2023. A sensitivity analysis specific to the Borough's net OPEB liability was not provided by the Plan.

*Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate*

The following presents the Borough's proportionate share of the net OPEB liability as of December 31, 2023 calculated using the healthcare trend rates as disclosed above as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

<u>2023</u>	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Borough's Proportionate Share of the Net OPEB Liability	\$ <u>8,947,806</u>	\$ <u>10,528,288</u>	\$ <u>12,551,788</u>

The sensitivity analysis was based on the proportionate share of the Borough's net OPEB liability at December 31, 2023. A sensitivity analysis specific to the Borough's net OPEB liability was not provided by the pension system.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 14 RISK MANAGEMENT**

The Borough is exposed to various risks of loss related to general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; termination of employees and natural disasters. The Borough has obtained insurance coverage to guard against these events to minimize the exposure to the Borough should they occur.

The Borough of Woodcliff Lake is a member of the Bergen County Municipal Joint Insurance Fund (BJIF) and Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance funds are both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The Funds are risk-sharing public entity pools. The BJIF and MEL coverage amounts are on file with the 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 the insurance funds, to report claims on a timely basis, to cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which the municipality was a member.

The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the funds can be obtained by contacting the respective fund's Treasurer.

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

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

<u>Year Ended December 31</u>	<u>Borough Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024		\$ 9,551	\$ 13,244	\$ 39,233
2023	\$ 2,000	6,103	10,254	40,609
2022	4,000	5,704	9,753	40,308

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 15 CONTINGENT LIABILITIES**

The Borough is a party defendant in some lawsuits, none of a kind unusual for a municipality of its size and scope of operation. In the opinion of the Borough's Attorney, the potential claims against the Borough not covered by insurance policies would not materially affect the financial condition of the Borough except for those otherwise identified.

**Pending Tax Appeals** - Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2024 and 2023. Amounts claimed have not yet been determined. The Borough is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of community Affairs, State of New Jersey, the Borough does not recognize a liability, if any, until these cases have been adjudicated. The Borough expects such amounts, if any, could be material. As of December 31, 2024 and 2023, the Borough reserved \$495,756 and \$1,009,748, respectively in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

**Federal and State Awards** - The Borough participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Borough may be required to reimburse the grantor government. As of December 31, 2024 and 2023, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Borough believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Borough.

**NOTE 16 FEDERAL ARBITRAGE REGULATIONS**

The Borough is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At December 31, 2024 and 2023, the Borough has not estimated its estimated arbitrage earnings due to the IRS, if any.

**NOTE 17 LENGTH OF SERVICE AWARD PROGRAM (LOSAP)-UNAUDITED**

The Borough of Woodcliff Lake Length of Service Award Program (the Plan) was created by a Borough ordinance adopted on August 9, 1999 pursuant to 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the Borough of Woodcliff Lake approved the adoption of the Plan at the general election held on November 2, 1999.

The first year of eligibility for entrance into the Plan was calendar year 2000. The tax deferred income benefits for emergency services volunteers, consisting of the Volunteer Fire Department and the First Aid Organization, come from contributions made solely by the Borough on behalf of those volunteers who meet the criteria of a plan created by the governing body.

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 17 LENGTH OF SERVICE AWARD PROGRAM (LOSAP)-UNAUDITED (Continued)**

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

The Borough of Woodcliff Lake has contributed \$1,965 and \$1,899 for 2024 and 2023, respectively, for each eligible volunteer fire department and volunteer ambulance corp. member into the Plan. The total borough contributions were \$53,058 and \$55,061 for 2024 and 2023, respectively.

In accordance with the amendments to Section 457 of the Internal Revenue Code and the State Deferred Revenue Regulations, the Borough has placed the amounts deferred, including earnings, in a trust for the exclusive benefit of the plan participants and their beneficiaries.

Lincoln Financial Group is the administrator of the plan. The Borough's practical involvement in administering the plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the plan administrator.

**Vesting and Benefits**

A volunteer is eligible to receive a distribution of funds upon completing 5 (five) cumulative years as an active member of the volunteer organization. Certain restrictions and tax implications may result in the event of a withdrawal of funds from the Plan.

If a volunteer member does not vest and terminates their association with the emergency service organization, the funds are returned to the sponsoring agency's surplus.

**Reporting Requirements**

The New Jersey Administrative Code NJAC 5:30-14.49 requires that the Borough perform a separate review report of the plan in accordance with the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Accounting and Auditing Review Services. Since a review does not constitute an audit, the financial statements pertaining to the Plan are presented as unaudited in this report as part of the Borough's Trust Fund.

**NOTE 18 TAX ABATEMENTS**

For the years ended December 31, 2024 and 2023, the Borough provided property tax abatements through certain programs authorized under State statutes. These programs include the New Jersey Housing and Mortgage Financing Act (NJHMFA).

- The New Jersey Housing and Mortgage Financing Act (NJSA 55:14K et. seq.) allows for property tax abatements for residential rental housing projects financed by the New Jersey Housing and Mortgage Finance Agency. These property tax abatements last for the term of the original mortgage financing so long as the residential rental housing project remains subject to the NJHMFA Law and regulations. The process begins when the municipality passes by ordinance or resolution, as appropriate, that such residential rental housing project shall be exempt from property tax provided that an agreement is entered into with the housing sponsor for payments in lieu of taxes (PILOTs) to the municipality. The agreement can require the housing sponsor to a PILOT payment to the municipality in an amount up to 20% of the annual gross revenue from each housing project. For the years ended December 31, 2024 and 2023 the Borough abated property taxes totaling \$75,350 and \$75,350, respectively, under the NJHMFA program. The Borough received \$17,760 and \$16,778 in PILOT payments under this program for the years ended December 31, 2024 and 2023, respectively.

**SUPPLEMENTARY SCHEDULES**

**CURRENT FUND**

**BOROUGH OF WOODCLIFF LAKE**  
**STATEMENT OF CASH - COLLECTOR-TREASURER**

Balance, January 1, 2024		\$ 7,832,064
Increased by Receipts:		
Current Taxes Receivable	\$ 50,841,337	
Receipts from Delinquent Taxes	200,564	
Tax Overpayments	12,978	
Non-Budget Revenue	892,118	
State of NJ - Senior Citizens' and Veterans' Deductions	18,870	
Revenue Accounts Receivable	1,765,420	
Construction Training Fees	34,046	
Prepaid Taxes	264,218	
Grants Receivable	7,000	
Aid in Lieu of Taxes	17,760	
Marriage License Fees	400	
Unappropriated Grant Reserve	39,169	
Other Trust Fund/Receipts Deposit in Current Fund	43,431	
Receipts from General Capital Fund	184,940	
Receipts from Other Trust Fund	29,030	
Receipts from Animal Control Trust Fund	1,746	
Receipts from Public Assistance Trust Fund	342	
Redemption of Tax Sale Certificates	841	
Petty Cash	<u>1,000</u>	
		<u>54,355,210</u>
		62,187,274
Decreased by Disbursements:		
2024 Budget Appropriations	13,637,665	
2023 Appropriation Reserves	515,053	
Construction Training Fees	55,158	
Marriage License Fees	375	
Regional High School Tax	14,175,930	
County Tax	5,687,011	
Local District School Tax	18,880,552	
Tax Overpayments	6,383	
Accounts Payable	2,913	
Appropriated Grants Reserve	23,618	
Reserve for Tax Appeals	69,843	
Reserve for Tax Sale Premiums	42,500	
Petty Cash	1,000	
Refund of Prior Year Revenue	1,235	
Emergency Note Payable	1,020,000	
Payments to Other Trust Fund	25,104	
Payments to Open Space Trust Fund	<u>238,341</u>	
		<u>54,382,681</u>
Balance, December 31, 2024		\$ <u>7,804,593</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF PETTY CASH FUNDS**

Increased by:	
Cash Receipts	<u>\$ 1,000</u>
Decreased by:	
Cash Disbursements	<u>\$ 1,000</u>

EXHIBIT A-6

**STATEMENT OF CHANGE FUNDS**

Balance, January 1, 2024	<u>\$ 250</u>
Balance, December 31, 2024	<u>\$ 250</u>

EXHIBIT A-7

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

Balance, January 1, 2024	\$ 9,296
Increased by:	
Cash Received from State of New Jersey	\$ 18,870
Senior Citizens' Deductions Disallowed	<u>750</u>
	<u>19,620</u>
	28,916
Decreased by:	
Senior Citizens' Deductions Per Tax Billings	750
Veterans' Deductions Per Tax Billings	18,000
Veterans' Deductions Allowed by Tax Collector	<u>250</u>
	<u>19,000</u>
Balance, December 31, 2024	<u>\$ 9,916</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

Year	Balance, January 1, 2024	2024 Levy	Added Taxes	Senior Citizens' and Veterans' Deductions Disallowed	Collections 2023	2024	Senior Citizens' and Veterans' Deductions Allowed	Transferred to Tax Title Lien	Taxes Cancelled Remitted or Abated	Balance, December 31, 2024
2023	\$ 200,579				\$ 200,564					\$ 15
2024	-	\$ 51,455,583	\$ 73,688	\$ 750	\$ 291,863	50,841,337	\$ 19,000	\$ 237	\$ 36,058	341,526
	<u>\$ 200,579</u>	<u>\$ 51,455,583</u>	<u>\$ 73,688</u>	<u>\$ 750</u>	<u>\$ 291,863</u>	<u>\$ 51,041,901</u>	<u>\$ 19,000</u>	<u>\$ 237</u>	<u>\$ 36,058</u>	<u>\$ 341,541</u>

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TAX YIELD

General Property Tax	
Real Property Tax	\$ 51,455,583
Added Taxes (54:4-63.1 et seq.)	<u>73,688</u>
	<u>\$ 51,529,271</u>

TAX LEVY

Local District School Tax (Abstract)	\$ 18,880,550
Regional School Tax (Abstract)	14,165,579
County Taxes (Abstract)	5,431,251
County Open Space Taxes	250,152
Municipal Open Space Taxes	238,000
Due County for Added Taxes (54:4-63.1)	8,180
Municipal Open Space Added Taxes (54:4-63.1)	<u>341</u>
	\$ 38,974,053
Local Tax for Municipal Purposes	12,479,865
Add Additional Tax Levied	<u>75,353</u>
	<u>12,555,218</u>
	<u>\$ 51,529,271</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE**

	Balance, January 1, <u>2024</u>	<u>Accrued</u>	<u>Collected</u>	Balance, December 31, <u>2024</u>
Borough Clerk				
Licenses				
Alcoholic Beverage Licenses		\$ 1,740	\$ 1,740	
Other Licenses		1,012	1,012	
Fees and Permits		6,185	6,185	
Collector-Treasurer				
Fees and Permits		14,350	14,350	
Construction Code Official				
Building Permits and Fees		460,045	460,045	
Building Department				
Fees and Permits		4,625	4,625	
Planning and Zoning				
Fees and Permits		18,850	18,850	
Fire Prevention				
Miscellaneous Fees and Permits		61,664	61,664	
Police				
Fees and Permits		6,815	6,815	
Board of Health				
Fees and Permits		12,798	12,798	
Municipal Court				
Fines and Costs		40,259	40,259	
Uniform Fire Safety Act- LEA		16,552	16,552	
Interest and Cost on Taxes		61,824	61,824	
Watershed Moratorium Aid		11,186	11,186	
Energy Receipts Tax		515,463	515,463	
Verizon Franchise Fees		43,835	43,835	
Park Receipts		342,257	342,257	
Upper Saddle River Sewer Charges		20,505	20,505	
Cablevision Fees		49,797	49,797	
Hotel Tax		59,859	59,859	
Dept. of Public Works Recyclables	-	15,799	15,799	-
	<u>\$ -</u>	<u>\$ 1,765,420</u>	<u>\$ 1,765,420</u>	<u>\$ -</u>
Cash Receipts		A-4	<u>1,765,420</u>	
			<u>1,765,420</u>	

**BOROUGH OF WOODCLIFF LAKE**  
**STATEMENT OF 2023 APPROPRIATION RESERVES**

	Balance, December 31, <u>2023</u>	Restored from <u>Encumbrances</u>	Balance After <u>Modification</u>	<u>Expended</u>	Transfers/ <u>Cancellations</u>	Balanced <u>Lapsed</u>
<b>Salaries and Wages</b>						
General Administration	\$ 14,061		\$ 14,061			\$ 14,061
Municipal Clerk	4,447		4,447			4,447
Financial Administration	4,510		4,510			4,510
Revenue Administration	5,735		5,735			5,735
Tax Assessment Administration	735		735			735
Planning Board	9,844		9,844			9,844
Zoning Board of Adjustment	9,844		9,844			9,844
Police	47,812		47,812	\$ (118,899)	\$ 100,000	66,711
Emergency Management Services	2,778		2,778			2,778
Aid to Volunteer Fire Companies	3,000		3,000			3,000
Fire Prevention Bureau	4,714		4,714			4,714
Road Repairs and Maintenance	107,972		107,972			107,972
Solid Waste Collection	2,467		2,467			2,467
Public Buildings and Grounds	677		677			677
Recreation Services and Programs	33,477		33,477			33,477
Uniform Construction Code	10,361		10,361			10,361
Sewer Processing and Disposal	5,442	-	5,442	-	-	5,442
<b>Total Salaries and Wages</b>	<u>267,876</u>	<u>-</u>	<u>267,876</u>	<u>(118,899)</u>	<u>100,000</u>	<u>286,775</u>
<b>Other Expenses</b>						
General Administration	2,594	\$ 9,238	11,832	11,402		430
Mayor & Council	285	938	1,223	938		285
Municipal Clerk	12,329	1,951	14,280	7,763		6,517
Financial Administration	14,699	3,381	18,080	8,640		9,440
Audit Services	2,310	50,180	52,490	50,180		2,310
Information Technology	5,697	18,732	24,429	18,733		5,696
Revenue Administration	7,516	1,079	8,595	1,079		7,516
Assessment of Taxes	454	6,479	6,933	6,920		13
Legal Services and Costs	24,429	900	25,329	8,186		17,143
Engineering Service and Costs	35,381	8,048	43,429	1,773		41,656
Planning Board	24,213	157	24,370	957		23,413
Zoning Board of Adjustment	24,441	238	24,679	238		24,441
General Liability	24,867	49,587	74,454	49,757		24,697
Workers Compensation	15,071	43,109	58,180	43,109		15,071
Employee Group Health	221,130		221,130			221,130
Health Benefit Waiver	13,618		13,618			13,618

**BOROUGH OF WOODCLIFF LAKE**  
**STATEMENT OF 2023 APPROPRIATION RESERVES**

	Balance, December 31, <u>2023</u>	Restored from <u>Encumbrances</u>	Balance After <u>Modification</u>	<u>Expended</u>	Transfers/ <u>Cancellations</u>	Balanced <u>Lapsed</u>
Other Expenses (Continued)						
Police	\$ 499	\$ 6,213	\$ 6,712	\$ 6,340		\$ 372
Police Dispatch/911	31,809	4,365	36,174	4,365		31,809
Emergency Management Services	3,612	7,151	10,763	7,151		3,612
Aid to Volunteer Fire Companies	7,150	38,712	45,862	35,644		10,218
Aid to Volunteer Ambulance Companies	15,773		15,773	(3,750)		19,523
Fire Hydrant Services	5,681		5,681	-		5,681
Fire Prevention Bureau	4,388		4,388			4,388
Municipal Court	25,089		25,089	22,252		2,837
Road Repairs and Maintenance	34,403	36,190	70,593	29,292	\$ 41,301	-
Shade Tree Commission	3,822		3,822	375		3,447
Solid Waste Collection	11,176	21,215	32,391	21,642		10,749
Public Buildings and Grounds	24,208	49,175	73,383	48,462	8,699	16,222
Vehicle Maintenance	24,101	31,212	55,313	44,268		11,045
Board of Health	2,957	700	3,657	2,279		1,378
Animal Control	4,000		4,000	-		4,000
Recreation Services and Programs	44,140	3,385	47,525	5,060		42,465
Maintenance of Parks	2,327	7,497	9,824	7,411		2,413
Library Membership	2,700	525	3,225	2,225		1,000
Celebration of Public Events	-	150	150	(82)		232
Uniform Construction Code	4,153	1,423	5,576	1,923		3,653
Electricity	7,032	13,089	20,121	13,089		7,032
Street Lighting	4,989	9,366	14,355	9,669		4,686
Telephone	5,595		5,595	420		5,175
Water	3,748		3,748			3,748
Gasoline	51,736	12,422	64,158	17,730		46,428
Sewer Processing and Disposal	38,178	15,406	53,584	15,563		38,021
Sanitary Landfill Dump Fees	53,618	2,803	56,421	19,364		37,057
Share Costs Sewer Charges - Operating Costs	788		788			788
Borough of Montvale - Sewer Charges	3,702	30,649	34,351	30,649		3,702
Borough of Hillsdale - Sewer Charges	3,859		3,859			3,859
Social Security System (O.A.S.I)	20,541		20,541	(98)		20,639
Public Employees Retirement System of N.J.	457		457			457
Police and Firemen's Retirement System of NJ	420		420			420
Defined Contribution Retirement Program	2,480		2,480			2,480

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF 2023 APPROPRIATION RESERVES**

	Balance, December 31, <u>2023</u>	Restored from <u>Transfers</u>	Balance After <u>Modification</u>	<u>Expended</u>	<u>Transfers/ Cancellations</u>	<u>Balanced Lapsed</u>
Other Expenses (Continued)						
LOSAP- Ambulance Corp.	\$ 16,000		\$ 16,000	\$ 13,831		\$ 2,169
LOSAP- Fire Department	50,000		50,000	50,000		-
Body Armor Fund	1,574		1,574		\$ 1,574	\$ -
Drive Sober	4,654		4,654	4,624	30	-
NJ Distracted Driving Grant	492		492		492	-
Alcohol Education Rehabilitation	158		158		158	-
Federal Bullet Proof Vest	5,354		5,354	2,935	2,419	-
Clean Communities Grant	17,523	\$ 7,292	24,815	7,373	17,442	-
NJ DCA ARP Fire Fighter Grant	-	4,922	4,922	4,271	651	-
	<u>973,920</u>	<u>497,879</u>	<u>1,471,799</u>	<u>633,952</u>	<u>72,766</u>	<u>765,081</u>
Total Other Expenses						
Grand Total	<u>\$ 1,241,796</u>	<u>\$ 497,879</u>	<u>\$ 1,739,675</u>	<u>\$ 515,053</u>	<u>\$ 172,766</u>	<u>\$ 1,051,856</u>

Appropriation Reserves	\$ 1,241,796
Encumbrances Payable Restored to Appropriation Reserves	<u>497,879</u>
	<u>\$ 1,739,675</u>

Cash Disbursements	<u>\$ 515,053</u>
	<u>\$ 515,053</u>

Transfer to Reserve for Terminal Leave	\$ 100,000
Transfer to Storm Recovery Trust	50,000
Transfer to Appropriated Reserves	<u>22,766</u>
	<u>\$ 172,766</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF ACCOUNTS PAYABLE**

Balance, January 1, 2024	\$ 8,067
Decreased by:	
Cash Disbursements	<u>2,913</u>
Balance, December 31, 2024	<u>\$ 5,154</u>

EXHIBIT A-12

**STATEMENT OF DUE TO STATE OF NEW JERSEY  
CONSTRUCTION TRAINING FEES PAYABLE**

Balance, January 1, 2024	\$ 25,381
Increased by:	
Collections	<u>34,046</u>
	59,427
Decreased by:	
Payments	<u>55,158</u>
Balance, December 31, 2024	<u>\$ 4,269</u>

EXHIBIT A-13

**STATEMENT OF DUE TO (FROM) STATE OF NEW JERSEY  
MARRIAGE FEES**

Balance, January 1, 2024	\$ (25)
Increased by:	
Collections	<u>400</u>
	375
Decreased by:	
Payments	<u>375</u>
Balance, December 31, 2024	<u>\$ -</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF RESERVE FOR TAX APPEALS**

Balance, January 1, 2024		\$ 1,009,748
Increased by:		
Transfer from Current Tax Collections		<u>150,000</u>
		1,159,748
Decreased by:		
Deferred Charge Funded by Capital Ordinance	\$ 594,149	
Cash Paid to Appellants	<u>69,843</u>	
		<u>663,992</u>
Balance, December 31, 2024		<u>\$ 495,756</u>

EXHIBIT A-15

**STATEMENT OF PREPAID TAXES**

Balance, January 1, 2024		\$ 291,863
Increased by:		
Collection of 2025 Taxes		<u>264,218</u>
		556,081
Decreased by:		
Applied to 2024 Taxes		<u>291,863</u>
Balance, December 31, 2024		<u>\$ 264,218</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF TAX OVERPAYMENTS**

Balance, January 1, 2024	\$ 10,222
Increased by:	
Cash Receipts	<u>12,978</u>
	23,200
Decreased by:	
Cash Disbursements	<u>6,383</u>
Balance, December 31, 2024	<u>\$ 16,817</u>

**STATEMENT OF REGIONAL HIGH SCHOOL TAX PAYABLE**

Balance, January 1, 2024	\$ 261,238
Increased by:	
Levy - Calendar Year	<u>14,165,579</u>
	14,426,817
Decreased by:	
Payments	<u>14,175,930</u>
Balance, December 31, 2024	<u>\$ 250,887</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF COUNTY TAXES PAYABLE**

Balance, January 1, 2024		\$ 5,608
Increased by:		
2024 Levy	\$ 5,431,251	
Open Space Preservation	250,152	
Added Taxes (54:4-63.1 et seq.)	<u>8,180</u>	
		<u>5,689,583</u>
		5,695,191
Decreased by:		
Payments		<u>5,687,011</u>
Balance, December 31, 2024		<u>\$ 8,180</u>

**STATEMENT OF ENCUMBRANCES PAYABLE**

Balance, January 1, 2024		\$ 497,879
Increased by:		
Charges to 2024 Appropriations		<u>256,257</u>
		754,136
Decreased by:		
Transferred to Appropriation Reserves		<u>497,879</u>
Balance, December 31, 2024		<u>\$ 256,257</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF LOCAL DISTRICT SCHOOL TAX PAYABLE**

Balance, January 1, 2024	\$ 2
Increased by:	
Levy - Calendar Year	<u>18,880,550</u>
	18,880,552
Decreased by:	
Payments	<u>18,880,552</u>
Balance, December 31, 2024	<u>\$ -</u>

**STATEMENT OF UNAPPROPRIATED RESERVES**

	Balance, January 1, <u>2024</u>	Cash <u>Receipts</u>	Anticipated 2024 <u>Budget</u>	Balance, December 31, <u>2024</u>
American Rescue Plan	\$ 3,796		\$ 3,796	
Federal Bulletproof Vest	2,011		2,011	
Alcohol Education	-	\$ 368		\$ 368
Body Armor	1,780	1,909	1,780	1,909
JIF Safety Award Program		1,750		1,750
Stormwater Assistance Grant		15,000		15,000
Clean Communities	<u>-</u>	<u>20,142</u>	<u>-</u>	<u>20,142</u>
	<u>\$ 7,587</u>	<u>\$ 39,169</u>	<u>\$ 7,587</u>	<u>\$ 39,169</u>

**BOROUGH OF WOODCLIFF LAKE**  
**STATEMENT OF APPROPRIATED GRANT RESERVES**

	Balance, January 1, <u>2024</u>	Transferred from 2023 Appropriation <u>Reserves</u>	<u>Expended</u>	Balance, December 31, <u>2024</u>
Capital Improvements:				
Park & Recreation Sidewalk Imprvts.	\$ 40,312			\$ 40,312
Clean Communities	39,624	\$ 17,442	\$ 14,474	42,592
Body Armor Fund	14,815	1,574	6,227	10,162
Green Communities	6,000			6,000
Municipal Alliance	12,922			12,922
NJ Highway - Drive Sober	579	30		609
Drunk Driving Enforcement	2,917		2,917	-
Recycling Tonnage	58			58
NJ Highway - Distracted Driving	5,893	492		6,385
NJ Highway - Click It or Ticket	5,061			5,061
Recreation Development Plan - Local	25,000			25,000
Body Worn Camera Grant	42,969			42,969
Alcohol Education Rehabilitation		158		158
Federal Bulletproof Vest		2,419		2,419
NJ DCA ARP Firefighter Grant		651		651
NJDEP Recreational Trails Program	33,708			33,708
Bergen County ADA Ramp Replacement	66,150	-	-	66,150
	<u>\$ 296,008</u>	<u>\$ 22,766</u>	<u>\$ 23,618</u>	<u>\$ 295,156</u>

EXHIBIT A-23

**STATEMENT OF GRANTS RECEIVABLE**

	Balance, January 1, <u>2024</u>	Accrued <u>2024</u>	Collected <u>2024</u>	Balance, December 31, <u>2024</u>
Body Worn Camera Grant	\$ 32,608			\$ 32,608
Municipal Alliance Program	13,819	\$ 3,836		17,655
NJ Highway - Distracted Driving	492			492
NJ Highway - Drive Sober Grant	7,579		\$ 7,000	579
NJDEP - Recreation Trails Grant	24,000			24,000
American Rescue Plan - Firefighters Grant	24,000			24,000
Reycling Tonnage	-	14,280		14,280
Bergen County ADA Ramp Replacement	66,150	-	-	66,150
	<u>\$ 168,648</u>	<u>\$ 18,116</u>	<u>\$ 7,000</u>	<u>\$ 179,764</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF RESERVE FOR AID IN LIEU OF TAXES**

Balance, January 1, 2024	\$ 26,613
Increased by:	
Cash Receipts	17,760
	44,373
Decreased by:	
Realized as Current Fund Budgeted Revenue	17,760
Balance, December 31, 2024	\$ 26,613

**STATEMENT OF RESERVE FOR TERMINAL LEAVE**

Balance, January 1, 2024	\$ 200,000
Increased by:	
Transfer from 2023 Appropriation Reserves	100,000
Balance, December 31, 2024	\$ 300,000

**STATEMENT OF RESERVE TAX SALE PREMIUMS**

Balance, January 1, 2024	\$ 42,500
Increased by:	
Cash Receipts	841
	43,341
Decreased by:	
Cash Disbursements	42,500
Balance, December 31, 2024	\$ 841

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF DEFERRED CHARGES**

	Balance, January 1, <u>2024</u>	Appropriated in Budget <u>2024</u>	Funded by Capital <u>Ordinance</u>	Balance, December 31, <u>2024</u>
Special Emergency Authorization (40A:4-47)	\$ 42,000	\$ 14,000		\$ 28,000
Emergency Authorization	<u>1,020,000</u>	<u>-</u>	<u>\$ 1,020,000</u>	<u>-</u>
	<u>\$ 1,062,000</u>	<u>\$ 14,000</u>	<u>\$ 1,020,000</u>	<u>\$ 28,000</u>

EXHIBIT A-28

**STATEMENT OF RESERVE FOR MUNICIPAL RELIEF FUND AID**

Balance, January 1, 2024	\$ 53,132
Decreased by:	
Budgeted Revenue	<u>53,132</u>
Balance, December 31, 2024	<u>\$ -</u>

EXHIBIT A-29

**STATEMENT OF TAX TITLE LIENS RECEIVABLE**

Balance, January 1, 2024	\$ 476
Increased by:	
Transfer from Taxes Receivable	<u>237</u>
Balance, December 31, 2024	<u>\$ 713</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF EMERGENCY NOTE PAYABLE**

<u>Purpose</u>	<u>Date of Original Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance, January 1, 2024</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance, December 31, 2024</u>
Reserve for Tax Appeals	12/28/2023	9/20/2024	4.25 %	\$ 1,020,000	\$ -	\$ 1,020,000	\$ -

**TRUST FUND**

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF TRUST CASH**

	<u>Animal Control</u>	<u>Other Trust</u>	<u>Unemployment Trust</u>	<u>Open Space Trust</u>	<u>Community Development Trust</u>
Balance, January 1, 2024	\$ 6,755	\$ 1,350,432	\$ 51,123	\$ 1,282,614	\$ 1
Increased by Receipts:					
State Dog License Fees	\$ 370				
Animal License Fees Collected	1,915				
Miscellaneous Reserves		\$ 846,495			
Interest on Deposits	351	32,994	\$ 2,317	\$ 54,978	\$ 449
Payments from Other Trust Fund			9,551		
Payments from Current Fund		25,104	-	238,341	
Escrow Deposits		500,248			
Net Payroll and Payroll Deductions	<u>-</u>	<u>7,205,754</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2,776</u>	<u>8,610,595</u>	<u>11,868</u>	<u>293,319</u>	<u>\$ 449</u>
	9,531	9,961,027	62,991	1,575,933	450
Decreased by Disbursements:					
Net Payroll and Payroll Deductions		7,196,203			
Miscellaneous Reserves		868,496			
Payments to Unemployment Trust Fund		9,551			
Payments to Current Fund	1,746	29,030			
Payments to General Capital Fund				175,000	
Cash Disbursements - Animal Control					
Expenditures Under R.S. 4:19-15.11	1,938				
Open Space Expenditures				108,922	
Escrow Deposits		217,397			
Payments to State of New Jersey	<u>366</u>	<u>-</u>	<u>13,244</u>	<u>-</u>	<u>-</u>
	<u>4,050</u>	<u>8,320,677</u>	<u>13,244</u>	<u>283,922</u>	<u>-</u>
Balance, December 31, 2024	<u>\$ 5,481</u>	<u>\$ 1,640,350</u>	<u>\$ 49,747</u>	<u>\$ 1,292,011</u>	<u>\$ 450</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF RESERVE FOR ANIMAL CONTROL EXPENDITURES  
ANIMAL CONTROL FUND**

Balance, January 1, 2024		\$	4,985
Increased by:			
Animal License Fees Collected	\$	1,775	
Cat Licenses Fees Collected		140	
Miscellaneous and Late Fees		<u>140</u>	
			<u>2,055</u>
			7,040
Decreased by:			
Expenditures Under R.S. 4:19-15.11		1,938	
Statutory Excess - Due to Current Fund		<u>704</u>	
			<u>2,642</u>
Balance, December 31, 2024		\$	<u>4,398</u>

EXHIBIT B-5

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

Balance, January 1, 2024		\$	1,746
Increased by:			
Statutory Excess	\$	704	
Interest Earnings		<u>351</u>	
			<u>1,055</u>
			2,801
Decreased by:			
Payments to Current Fund			<u>1,746</u>
Balance, December 31, 2024		\$	<u>1,055</u>

EXHIBIT B-6

**STATEMENT OF DUE TO STATE OF NEW JERSEY  
ANIMAL CONTROL FUND**

Balance, January 1, 2024		\$	24
Increased by:			
State Fees Collected			<u>370</u>
			394
Decreased by:			
Payments to State of New Jersey			<u>366</u>
Balance, December 31, 2024		\$	<u>28</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF ESCROW DEPOSITS  
OTHER TRUST FUND**

Balance, January 1, 2024		\$ 379,524
Increased by:		
Escrow Deposits Collected	\$ 500,248	
Other Trust Fund Deposited in Current Fund	22,000	
Interest Earnings - Developer Share	<u>490</u>	
		<u>522,738</u>
		902,262
Decreased by:		
Refund of Escrow Deposits		<u>217,397</u>
Balance, December 31, 2024		<u>\$ 684,865</u>

**STATEMENT OF DUE FROM (TO) CURRENT FUND  
OTHER TRUST FUND**

Balance, January 1, 2024 (Due To)		\$ (6,041)
Increase by:		
Fire Prevention and Volunteer Fire Receipts Received in Current Fund	\$ 21,431	
Construction Code Penalty Receipts Received in Current Fund	22,000	
Due from Current - Storm Recovery Trust	50,000	
Payments to Current Fund	<u>29,030</u>	
		<u>122,461</u>
		116,420
Decrease by:		
Interest Earnings	32,504	
Payments from Current Fund	<u>25,104</u>	
		<u>57,608</u>
Balance, December 31, 2024 (Due From)		<u>\$ 58,812</u>

Analysis of Balance

Due from Current Fund - Fire Prevention		\$ 14,081
Due from Current Fund - Construction Code Penalties		22,000
Due from Current Fund - Volunteer Fire Penalties		7,350
Due from Current Fund - Storm Recovery		50,000
Due to Current Fund - Escrow		(4,462)
Due to Current Fund - Payroll		(4,069)
Due to Current Fund - Police Outside Duty		(5,953)
Due to Current Fund - Other Miscellaneous Trust		<u>(20,135)</u>
		<u>\$ 58,812</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF MISCELLANEOUS RESERVES  
OTHER TRUST FUND**

	Balance January 1, <u>2024</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2024</u>
Police Outside Duty	\$ 79,876	\$ 563,650	\$ 563,650	\$ 79,876
Causeway Beautification-Clock	1,796			1,796
DARE Activities	9,309	13,696	3,424	19,581
Storm Recovery	89,040	50,000		139,040
Shade Tree	1,000	35,750	30,000	6,750
Recreation	11,099	25,100	3,775	32,424
Fire Prevention Penalty Fees	42,202	14,081	11,817	44,466
Volunteer Fire Penalty Fees	-	7,350	7,094	256
Renovation Westervelt Park	3,521			3,521
Affordable Housing Fees	343,995	201,811	30,058	515,748
Abandoned and Vacated Property Code Enf	-	6,000		6,000
Forfeited Funds		488		488
Terminal Pay	340,104		218,678	121,426
Flex Spending	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
	<u>\$ 921,943</u>	<u>\$ 917,926</u>	<u>\$ 868,496</u>	<u>\$ 971,373</u>
		Cash Receipts \$ 846,495		
		Due from Current Fund <u>71,431</u>		
		<u>\$ 917,926</u>		

EXHIBIT B-10

**STATEMENT OF PAYROLL DEDUCTIONS PAYABLE  
OTHER TRUST FUND**

Balance, January 1, 2024	\$ 42,924
Increased by:	
Cash Receipts - Net Payroll and Payroll Deductions	<u>7,205,754</u>
	7,248,678
Decreased by:	
Cash Disbursements - Net Payroll and Payroll Deductions	\$ 7,196,203
Cash Disbursements - Unemployment Trust Fund	<u>9,551</u>
	<u>7,205,754</u>
Balance, December 31, 2024	<u>\$ 42,924</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF DUE TO STATE OF NEW JERSEY  
UNEMPLOYMENT INSURANCE TRUST FUND**

Balance, January 1, 2024		\$ 10,514
Increased by:		
Unemployment Claims		<u>13,244</u>
		23,758
Decreased by:		
Cash Disbursements		<u>13,244</u>
 Balance, December 31, 2024		 <u><u>\$ 10,514</u></u>

**STATEMENT OF RESERVE FOR UNEMPLOYMENT CLAIMS  
UNEMPLOYMENT INSURANCE TRUST FUND**

Balance, January 1, 2024		\$ 40,609
Increased by:		
Transfer from Other Trust Fund - Payroll	\$ 9,551	
Interest Earnings	<u>2,317</u>	
		<u>11,868</u>
		52,477
Decreased by:		
Unemployment Claims		<u>13,244</u>
 Balance, December 31, 2024		 <u><u>\$ 39,233</u></u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF RESERVE FOR EXPENDITURES  
MUNICIPAL OPEN SPACE PRESERVATION TRUST FUND**

Balance, January 1, 2024		\$ 1,280,814
Increased by:		
Open Space Tax	\$ 238,000	
Additional Open Space Tax	341	
Interest on Deposits	<u>54,978</u>	
		<u>293,319</u>
		1,574,133
Decreased by:		
Cash Disbursements	108,922	
Transfer to General Capital - Ord. 24-07	<u>175,000</u>	
		<u>283,922</u>
Balance, December 31, 2024		<u>\$ 1,290,211</u>

**STATEMENT OF RESERVE FOR COMMUNITY GARDEN  
MUNICIPAL OPEN SPACE PRESERVATION TRUST FUND**

Balance, January 1, 2024		<u>\$ 1,800</u>
Balance, December 31, 2024		<u>\$ 1,800</u>

**STATEMENT OF DUE TO CURRENT FUND  
COMMUNITY DEVELOPMENT TRUST FUND**

Balance, January 1, 2024		<u>\$ 1</u>
Increased by:		
Interest Earnings		<u>449</u>
Balance, December 31, 2024		<u>\$ 450</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF DUE FROM CURRENT FUND  
MUNICIPAL OPEN SPACE PRESERVATION TRUST FUND**

Balance, January 1, 2024		\$	-
Increased by:			
Municipal Open Space Levy	\$	238,000	
Municipal Open Space Added Taxes		<u>341</u>	
			<u>238,341</u>
Decreased by:			
Cash Receipt			<u>238,341</u>
Balance, December 31, 2024		<u>\$</u>	<u>-</u>

**GENERAL CAPITAL FUND**

**BOROUGH OF WOODCLIFF LAKE**  
**STATEMENT OF GENERAL CAPITAL CASH - COLLECTOR-TREASURER**

Balance, January 1, 2024		\$ 6,224,849
Increased by Receipts:		
Budget Appropriation- Capital Improvement Fund	\$ 390,000	
Receipts from Municipal Open Space Trust	175,000	
Donations	759,000	
FEMA Reimbursement	123,079	
Grant Receipts	390,064	
Premium on Sale of Notes	70,176	
Issuance of Notes	3,725,000	
Interest Earnings	<u>230,510</u>	
		<u>5,862,829</u>
		12,087,678
Decreased by:		
Budgeted Revenue - Current Fund	25,506	
Payments to Current Fund	389,944	
Improvement Authorizations	<u>7,680,663</u>	
		<u>8,096,113</u>
Balance, December 31, 2024		<u>\$ 3,991,565</u>

**BOROUGH OF WOODCLIFF LAKE  
ANALYSIS OF GENERAL CAPITAL CASH**

		Balance, December 31, <u>2024</u>
Fund Balance		\$ 127,343
Capital Improvement Fund		220,835
Contract Payable		6,026,372
Due to Current Fund		425,851
Reserve for Payment of Notes		424,494
Grant Receivable		(228,267)
Improvement Authorizations:		
<u>Ord. No.</u>	<u>Improvement Description</u>	
	General Improvements:	
16-14	Various Imp. & Acq. Of Vehicles	(39,600)
17-06	Various Imp. & Acq. Of Vehicles	59
19-03	Various Imp. & Acq. Of Equipment	116,990
21-09	Various Improvements and Acq. Of Equipment	642,172
22-08	Various Improvements and Acq. Of Equipment	(568,864)
23-08/24-11	Various Public Improvements Relating to Storm Ida	(1,383,328)
23-09	Various Public Improvements	(55,834)
23-10	Various Public Improvements & Acq. Of Equipment	715,850
24-07	Construction of a Passive Park - Galaxy	(2,091,949)
24-10	Various Public Improvements	<u>(340,559)</u>
		<u>\$ 3,991,565</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED**

Balance, January 1, 2024	\$ 6,215,000
Decreased by:	
2024 Budget Appropriation to Pay Bond Principal	980,000
Balance, December 31, 2024	\$ 5,235,000

EXHIBIT C-5

**STATEMENT OF GRANTS RECEIVABLE**

	Balance, January 1, <u>2024</u>	Grant <u>Awards</u>	Cash <u>Received</u>	Grant <u>Cancelled</u>	Balance, December 31, <u>2024</u>
<b>N.J. Department of Transportation</b>					
Ord. 23-09 Glen Road	\$ 206,000		\$ 116,710		89,290
Ord. 23-09 Campell Ave	203,110		112,167		90,943
<b>N.J. Department of Community Affairs</b>					
Ord. 23-09 Recreation Improvements	51,000		51,000		-
<b>County of Bergen Open Space</b>					
Ord. 21-09 Pickleball Court & Old Mill Swim Pool	71,839		30,187		41,652
Ord. 24-07 Construction of a Passive Park		\$ 246,506			246,506
<b>CARES Act Grants</b>					
Ord. 21-09 Various Improvements	6,382				6,382
<b>CDBG - COVID 19/American Rescue Plan Act</b>					
Ord. 22-11 Tice Senior Center Technology Upgrades	80,000	-	80,000	-	-
<b>US Dept. of Justice - Public Safety Technology</b>					
Ord. 24-10 Various Public Improvements	-	160,000	-	-	160,000
	<u>\$ 618,331</u>	<u>\$ 406,506</u>	<u>\$ 390,064</u>	<u>\$ -</u>	<u>\$ 634,773</u>

**Balance Pledged to:**

Reserve for Receivable	\$ 406,506
Ordinance 21-09	48,034
Ordinance 23-09	180,233
	\$ 634,773

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

Ord. No.	Improvement Description	Analysis of Balance					
		Balance, January 1, 2024	2024 Authorizations	Other Cash Received	Balance, December 31, 2024	Bond Anticipation Notes Issued	Unexpended Improvement Authorizations
16-14	Various Improvements and Acq. Of Vehicles	\$ 39,600			\$ 39,600		\$ 39,600
19-12	Acquisition of Property for Parking Lot	217,000			217,000	\$ 217,000	
21-09	Various Improvements and Acq. Of Equipment	2,689,000			2,689,000	2,689,000	
22-08	Various Improvements and Acq. Of Equipment	2,615,000			2,615,000	1,315,000	\$ 731,136
23-08/24-11	Various Public Improvements Relating to Storm Ida	2,857,000	\$ 2,571,000	\$ 123,079	5,304,921	2,000,000	\$ 1,921,593
23-09	Various Public Improvements	399,890			399,890		568,864
23-10	Various Public Improvements & Acq. Of Equipment	1,460,000			1,460,000	1,460,000	55,834
24-07	Construction of Passive Park		3,325,000	759,000	2,566,000		-
24-10	Various Public Improvements		1,292,000		1,292,000		2,091,949
24-12	Tax Appeal Refunding	-	2,265,000	-	2,265,000	2,265,000	340,559
		<u>-</u>	<u>2,265,000</u>	<u>-</u>	<u>2,265,000</u>	<u>2,265,000</u>	<u>-</u>
		<u>\$ 10,277,490</u>	<u>\$ 9,453,000</u>	<u>\$ 882,079</u>	<u>\$ 18,848,411</u>	<u>\$ 9,946,000</u>	<u>\$ 4,480,134</u>
			FEMA Reimbursement Donations	\$ 123,079 <u>759,000</u>		Improvement Authorization - Unfunded	\$ 5,780,358
				<u>\$ 882,079</u>		Less: Unexpended Proceeds	
						Ord. 17-06	59
						Ord. 21-09	642,172
						Ord. 23-10	<u>715,850</u>
							<u>\$ 4,422,277</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF GENERAL SERIAL BONDS PAYABLE**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2024</u>		<u>Interest Rate</u>		<u>Balance, January 1, 2024</u>	<u>Decreased</u>	<u>Balance, December 31, 2024</u>	
			<u>Date</u>	<u>Amount</u>						
General Improvement Bonds	10/1/2019	\$ 9,935,000	10/1/2025	\$ 1,000,000	2.000	%				
			10/1/2026	1,025,000	2.000	%				
			10/1/2027	1,045,000	2.000	%				
			10/1/2028	1,070,000	2.000	%				
			10/1/2029	1,095,000	2.000	%	\$ 6,215,000	\$ 980,000	\$ 5,235,000	
							<u>\$ 6,215,000</u>	<u>\$ 980,000</u>	<u>\$ 5,235,000</u>	
									Budget Appropriation	<u>\$ 980,000</u>



**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF BOND ANTICIPATION NOTES PAYABLE**

Ord. No.	<u>Improvement Description</u>	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate		Balance, January 1, <u>2024</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2024</u>
19-12	Acquisition of Property for Parking Lot	12/22/2022	9/21/2023 9/20/2024	9/20/2024 9/19/2025	4.5 % 4.0	\$	217,000	\$ 217,000	\$ 217,000	\$ 217,000
21-09	Various Improvements	12/22/2022	9/21/2023 9/20/2024	9/20/2024 9/19/2025	4.5 % 4.0		2,689,000	2,689,000	2,689,000	2,689,000
22-08	Various Improvements	12/22/2022	9/21/2023 9/20/2024	9/20/2024 9/19/2025	4.5 % 4.0		1,315,000	1,315,000	1,315,000	1,315,000
23-08/24-11	Various Improvements for Storm Ida	9/21/2023	9/21/2023 9/20/2024	9/20/2024 9/19/2025	4.5 % 4.0		2,000,000	2,000,000	2,000,000	2,000,000
23-10	Various Improvements	9/20/2024	9/20/2024	9/19/2025	4.0 %			1,460,000		1,460,000
24-12	Tax Appeal Refunding	9/20/2024	9/20/2024	9/19/2025	4.0 %		-	2,265,000	-	2,265,000
							<u>\$ 6,221,000</u>	<u>\$ 9,946,000</u>	<u>\$ 6,221,000</u>	<u>\$ 9,946,000</u>
							Notes Renewed	\$ 6,221,000	\$ 6,221,000	
							Notes Issued	<u>3,725,000</u>	<u>-</u>	
								<u>\$ 9,946,000</u>	<u>\$ 6,221,000</u>	

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**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF DUE TO CURRENT FUND**

Balance, January 1, 2024		\$ 159,434
Increased by:		
Reimbursement of Deferred Charge Funded by Notes	\$ 425,851	
Interest Earnings	<u>230,510</u>	
		<u>656,361</u>
		815,795
Decreased by :		
Payments to Current Fund		<u>389,944</u>
Balance, December 31, 2024		<u>\$ 425,851</u>

EXHIBIT C-11

**STATEMENT OF RESERVE FOR PAYMENT OF DEBT**

Balance, January 1, 2024		\$ 450,000
Decreased by :		
Budgeted Revenue - Current Fund		<u>25,506</u>
Balance, December 31, 2024		<u>\$ 424,494</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF CONTRACTS PAYABLE**

Balance, January 1, 2024	\$	4,416,867
Increased by:		
Charges to Improvement Authorizations		6,026,372
		10,443,239
Decreased by:		
Restored to Improvement Authorizations		4,416,867
Balance, December 31, 2024	\$	6,026,372

**STATEMENT OF CAPITAL IMPROVEMENT FUND**

Balance, January 1, 2024	\$	24,835
Increased by:		
2024 Budget Appropriation		390,000
		414,835
Decreased by:		
Appropriated to Finance Improvement Authorization		194,000
Balance, December 31, 2024	\$	220,835

**BOROUGH OF WOODCLIFF LAKE**  
**STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

Ord. No.	<u>Improvement Description</u>	Balance, January 1, <u>2024</u>	2024 <u>Authorizations</u>	Notes <u>Issued</u>	Other Cash <u>Received</u>	Balance, December 31, <u>2024</u>
	General Improvements:					
16-14	Various Improvements and Acq. Of Vehicles	\$ 39,600				\$ 39,600
17-06	Various Improvements and Acq. Of Vehicles					
22-08	Various Improvements and Acq. Of Equipment	1,300,000				1,300,000
23-08/24-11	Various Public Improvements Relating to Storm Ida	857,000	\$ 2,571,000		\$ 123,079	3,304,921
23-09	Various Public Improvements	399,890				399,890
23-10	Various Public Improvements & Acq. Of Equipment	1,460,000		\$ 1,460,000		-
24-07	Construction of Passive Park		3,325,000		759,000	2,566,000
24-10	Various Public Improvements		1,292,000			1,292,000
24-12	Tax Appeal Refunding	-	2,265,000	2,265,000	-	-
		<u>\$ 4,056,490</u>	<u>\$ 9,453,000</u>	<u>\$ 3,725,000</u>	<u>\$ 882,079</u>	<u>\$ 8,902,411</u>

**PUBLIC ASSISTANCE FUND**

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF PUBLIC ASSISTANCE CASH - TREASURER**

	PATF Account #1 <u>(75)%</u>	PATF Account #2 <u>(100)%</u>	<u>Total</u>
Balance, January 1, 2024	\$ 5,471	\$ 268	\$ 5,739
Increased by:			
Cash Receipts	<u>49</u>	<u>1</u>	<u>50</u>
	5,520	269	5,789
Decreased by:			
Cash Disbursements	<u>5,520</u>	<u>269</u>	<u>5,789</u>
Balance, December 31, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATEMENT OF RESERVE FOR PUBLIC ASSISTANCE EXPENDITURES**

	PATF Account #1	PATF Account #2	<u>Total</u>
Balance, January 1, 2024	<u>\$ 3,139</u>	<u>\$ 57</u>	<u>\$ 3,196</u>
Decreased by:			
Cash Disbursements	<u>3,139</u>	<u>57</u>	<u>3,196</u>
Balance, December 31, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BOROUGH OF WOODCLIFF LAKE  
STATEMENT OF DUE TO STATE OF NEW JERSEY**

Balance, January 1, 2024	\$ 2,201
Decreased by:	
Payments to Current Fund	<u>2,201</u>
Balance, December 31, 2024	<u>\$ -</u>

**STATEMENT OF DUE TO CURRENT FUND**

Balance, January 1, 2024	\$ 342
Increased by:	
Interest Earnings	<u>-</u>
	342
Decreased by:	
Payments to Current Fund	<u>342</u>
Balance, December 31, 2024	<u>\$ -</u>

**BOROUGH OF WOODCLIFF LAKE  
BERGEN COUNTY, NEW JERSEY**



**PART II**

**GOVERNMENTAL AUDITING STANDARDS**

**YEAR ENDING DECEMBER 31, 2024**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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JOHN CUIFFO, CPA, PSA

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

### INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members  
of the Borough Council  
Borough of Woodcliff Lake  
Woodcliff Lake, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of the Borough of Woodcliff Lake which comprise the balance sheets – regulatory basis of the various funds and account group as of December 31, 2024, and the related statements of operations and changes in fund balance – regulatory basis, statements of revenues – regulatory basis and statements of expenditures – regulatory basis of the various funds for the year then ended and the related notes to the financial statements, and have issued our report thereon dated June 2, 2025. Our report on the financial statements – regulatory basis was modified to indicate that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the financial reporting requirements of the State of New Jersey for municipal government entities as described in Note 1. In addition, our report on the financial statements – regulatory basis was modified on the regulatory basis of accounting because of the presentation of the unaudited LOSAP Trust Fund financial statements.

#### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Borough of Woodcliff Lake's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Borough of Woodcliff Lake's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Woodcliff Lake's internal control.

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

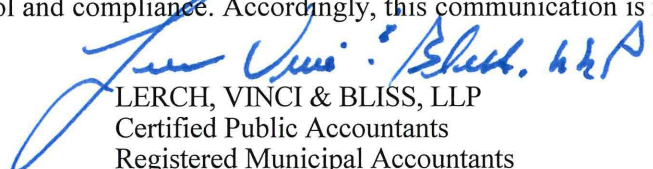
### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Borough of Woodcliff Lake's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

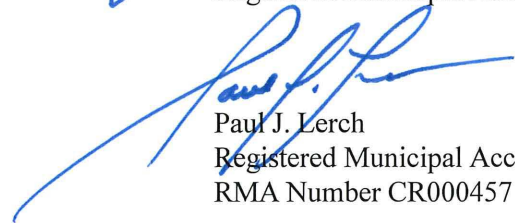
However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Borough of Woodcliff Lake in Part III of this report of audit entitled, "Letter of Comments and Recommendations".

### **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 Woodcliff Lake'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 Woodcliff Lake's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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



Paul J. Lerch  
Registered Municipal Accountant  
RMA Number CR000457

Fair Lawn, New Jersey  
June 2, 2025

**BOROUGH OF WOODCLIFF LAKE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR YEAR ENDED DECEMBER 31, 2024**

<u>Federal Funding Department</u>	<u>Grant Program</u>	<u>AL Number</u>	<u>Grant Year</u>	<u>Grant Award Amount</u>	<u>2024 Receipts</u>	<u>Balance, January 1, 2024</u>	<u>Revenues Realized</u>	<u>Expenditures</u>	<u>Balance, December 31, 2024</u>	<u>Cumulative Expenditures</u>
<b>Law and Public Safety- Division of Highway Traffic Safety</b>										
National Priority Safety Programs-Distracted Driving/ Click It or Ticket	066-1160-100-157	20.616	2023	\$ 7,000		\$ 492			\$ 492	* \$ 6,508
			2022	5,517		393			393	* 5,124
			2021	5,061		5,061			5,061	* *
			2019	5,500		5,500			5,500	* *
<b>U.S. Department of Homeland Security</b>										
FEMA Public Assistance Grants Hurricane Ida	066-1200-100-C73,C84	97.036	2024	123,079	123,079	-	\$ 123,079	\$ 123,079	-	* 123,079
<b>U.S. Department of Treasury</b>										
(Passed through County of Bergen) American Rescue Plan Act	022-8030-100-687	21.027	2021-2024	917,160		3,796	-	3,796	-	* 917,160
<b>U.S. Department of Justice</b>										
Public Safety Technology		16.710	2024	160,000		-	160,000	-	160,000	* -
						<u>\$ 15,242</u>	<u>\$ 283,079</u>	<u>\$ 126,875</u>	<u>\$ 171,446</u>	* *

Note: This schedule was not subject to Single Audit under U.S. Uniform Guidance.

See Accompanying Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance

**BOROUGH OF WOODCLIFF LAKE  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>State Grant Program</u>	<u>Account Number</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>2024 Receipts</u>	<u>Balance, January 1, 2024</u>	<u>Revenue/Receipts</u>	<u>Expended</u>	<u>Adjustments (Cancellations)</u>	<u>Balance, December 31, 2024</u>	<u>Cumulative Expended</u>
<b>Department of Environmental Protection</b>										
Clean Communities Grant	042-00-4900-765-004	2024	\$ 20,142	\$ 20,142						
		2023	17,734		\$ 17,523				\$ 17,523	*
		2021	14,830		12,554				12,554	* \$ 2,276
		2020	13,940		8,743				8,743	* 5,197
		2019	15,462		15,462		\$ 11,690		3,772	* 11,690
		2018	13,852		2,865		2,865		-	* 2,865
Green Communities	042-00-4870-100-038	2017	6,000		6,000				6,000	*
Recreation Trails	N/A	2017	33,708		33,708				33,708	*
<b>Division of Motor Vehicles</b>										
Drunk Driving Enforcement Fund- Police	1110-448-031020-22	2019	6,076		2,917		2,917		-	* 6,076
<b>Division of Highway Traffic Safety</b>										
Drive Sober Grant	066-00-1160-100-157	2023	7,000		4,654		4,624		30	* 6,970
		2022	7,000		127				127	* 6,873
		2021	12,000		452				452	* 11,548
<b>Municipal Alliance on Alcoholism and Drug Abuse (Passed through County of Bergen)</b>										
	N/A	2024	3,836	3,836		\$ 3,836	3,836		-	* 3,836
		2021	5,501		2,874				2,874	* 2,627
		2020	5,501		5,501				5,501	* -
		2019	9,876		4,547				4,547	* 5,329
<b>New Jersey Department of Transportation</b>										
Local Municipal Aid Program	078-00-6320-480-XX									*
Ord. 23-09 - Glen Rd.		2023	206,000	116,710		206,000	116,710		89,290	* 116,710
Ord. 23-09 - Campbell Ave.		2023	203,110	112,167		203,110	112,167		90,943	* 112,167
<b>Department of Law and Public Safety</b>										
Body Armor Replacement Program	066-00-1020-718-001	2024	1,909	1,909						*
		2024	1,780	1,780		1,780			1,780	* -
		2023	1,574		1,574				1,574	* 1,574
		2020	3,943		3,943				3,943	* 3,943
		2019	2,138		2,138				2,138	* 2,138
		2017	3,706		1,033		306		727	* 4,012
		2016	3,704		2,754		2,754		-	* 3,704
		2015	2,017		256		256		-	* 2,017
		2014	2,018		2,018		2,018		-	* -
Alcohol Ed and Rehab	098-9735-760-001	2023	158		158				158	* -
Bulletproof Vest		2024	2,011	2,011		2,011			2,011	* (1)
		2023	5,354		5,354		2,935		2,419	* -
Body Worn Camera Grant	066-00-1020-100-495	2021	81,520		42,969				42,969	* 38,551

**BOROUGH OF WOODCLIFF LAKE  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>State Grant Program</u>	<u>Account Number</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>2024 Receipts</u>	<u>Balance, January 1, 2024</u>	<u>Revenue/Receipts</u>	<u>Expended</u>	<u>Adjustments (Cancellations)</u>	<u>Balance, December 31, 2024</u>	<u>Cumulative Expended</u>
<b>Department of Environmental Protection</b>										*
State Tonnage Grant (Recycling)	042-00-4900-752-001	2024	\$ 14,280	\$ 14,280	-	\$ 14,280	\$ 14,280		-	\$ 14,280
		2022	17,363		\$ 58				\$ 58	17,305
<b>Division of Family Development</b>										*
Human Services	054-15-7550-100-121	2018	4,633		4,633	-	-	\$ (4,633)	-	
					<u>\$ 184,815</u>	<u>\$ 431,017</u>	<u>\$ 277,358</u>	<u>\$ (4,633)</u>	<u>\$ 333,841</u>	

Note - This schedule is not subject to Single Audit in accordance with N.J. OMB Circular 15-08.

See Accompanying Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance

**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE**

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 REPORTING ENTITY**

The Borough of Woodcliff Lake (the “Borough”) received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The Borough is the reporting entity for these programs. The Borough is defined in Note 1 (A) to the Borough’s Financial Statements.

**NOTE 2 BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance (the “Schedules”) present the activity of all federal and state programs of the Borough. All federal awards received directly from federal agencies or passed through other government agencies are included on the schedule of expenditures of federal awards. All state awards received directly from state agencies or passed through other government agencies are included in the schedule of expenditures of state financial assistance. The information in these Schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular Letter 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

**NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Borough conform to the 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 regulatory basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for federal awards and state financial assistances through separate funds and accounts which differ from those required by accounting principles generally accepted in the United States of America. The Borough’s summary of significant accounting policies are described in Note 1 to the Borough’s Financial Statements.

**NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current Fund		\$ 21,907	\$ 21,907
General Capital Fund	\$ 283,079	409,110	692,189
	<u>\$ 283,079</u>	<u>\$ 431,017</u>	<u>\$ 714,096</u>

**BOROUGH OF WOODCLIFF LAKE  
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2024**

**NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the Borough's fiscal year and grant program year.

**NOTE 6 DE MINIMIS INDIRECT COST RATE**

The Borough has not elected to use the 10 percent de minimis indirect cost rate allowed under the U.S. Uniform Guidance.

**BOROUGH OF WOODCLIFF LAKE  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

*Part I – Summary of Auditor’s Results*

**Financial Statements**

Type of auditors' report issued on financial statements	<u>Modified - Unaudited LOSAP Trust Fund</u>
Internal control over financial reporting:	
1) Material weakness(es) identified	_____ yes <u>  X  </u> no
2) Significant deficiency(ies) that are not considered to be material weakness(es)?	_____ yes <u>  X  </u> none reported
Noncompliance material to the financial statements noted?	_____ yes <u>  X  </u> no

**Federal Awards Section**

NOT APPLICABLE

**State Awards Section**

NOT APPLICABLE

**BOROUGH OF WOODCLIFF LAKE  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

*Part II*

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

There are none.

**BOROUGH OF WOODCLIFF LAKE  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

*Part III – Schedule of Federal and State Award Findings and Responses*

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**CURRENT YEAR FEDERAL AWARDS**

Not Applicable.

**CURRENT YEAR STATE AWARDS**

Not Applicable.

**BOROUGH OF WOODCLIFF LAKE  
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

This section identifies the status of prior-year findings related to the financial statements that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*.

**STATUS OF PRIOR YEAR FINDINGS**

There were none.

**BOROUGH OF WOODCLIFF LAKE**  
**BERGEN COUNTY, NEW JERSEY**

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**PART III**

**SUPPLEMENTARY DATA**

**LETTER OF COMMENTS AND RECOMMENDATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2024**

**BOROUGH OF WOODCLIFF LAKE  
SUPPLEMENTARY DATA**

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

	<u>Year 2024</u>		<u>Year 2023</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
REVENUE AND OTHER INCOME REALIZED				
Fund Balance Utilized	\$ 2,230,000	3.88 %	\$ 1,800,000	3.23 %
Miscellaneous - From Other Than Local				
Property Tax Levies	2,812,943	4.89	3,281,508	5.58
Collection of Delinquent Taxes and Tax Title Liens	200,564	0.35	219,183	0.39
Collection of Current Tax Levy	51,001,450	88.71	49,556,334	88.86
Other Credits	<u>1,245,228</u>	<u>2.17</u>	<u>1,084,838</u>	<u>1.94</u>
Total Income	<u>57,490,185</u>	<u>100.00</u> %	<u>55,941,863</u>	<u>100.00</u> %
EXPENDITURES				
Budget Expenditures				
Municipal Purposes	15,596,604	28.34 %	15,794,375	29.28 %
Municipal Open Space Preservation Trust Fund Taxes	238,341	0.43	229,882	0.43
County Taxes	5,689,583	10.34	5,728,749	10.62
Regional School Taxes	14,165,579	25.74	13,981,260	25.92
Local District School Taxes	18,880,550	34.31	18,020,000	25.91
Other Expenditures	<u>463,210</u>	<u>0.84</u>	<u>192,668</u>	<u>0.36</u>
Total Expenditures	<u>55,033,867</u>	<u>100.00</u> %	<u>53,946,934</u>	<u>92.52</u> %
Excess in Revenue	2,456,318		1,994,929	
Adjustments to Income before Surplus:				
Expenditures included above which are by Statute				
Deferred Charges to Budget of Succeeding Year	<u>-</u>		<u>1,020,000</u>	
Statutory Excess to Surplus	2,456,318		3,014,929	
Fund Balance, January 1	<u>4,030,943</u>		<u>2,816,014</u>	
	6,487,261		5,830,943	
Less Utilization as Anticipated Revenue	<u>2,230,000</u>		<u>1,800,000</u>	
Fund Balance, December 31	<u>\$ 4,257,261</u>		<u>\$ 4,030,943</u>	

**BOROUGH OF WOODCLIFF LAKE  
SUPPLEMENTARY DATA**

**Comparative Schedule of Tax Rate Information**

	2024	<u>2023</u>	<u>2022</u>
<u>Tax Rate</u>	<u>\$2.162</u>	<u>\$2.165</u>	<u>\$2.188</u>
<u>Apportionment of Tax Rate</u>			
Municipal	.524	.512	.527
Municipal Open Space Preservation	.010	.010	.009
County (Including Open Space Tax)	.240	.250	.223
Regional School	.595	.608	.630
Local School	.793	.785	.799
<u>Assessed Valuation</u>			
2024	<u>\$2,379,999,200</u>		
2023	<u>\$2,296,577,100</u>		
2022	<u>\$2,191,864,155</u>		

**Comparison of Tax Levies and Collection Currently**

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2024	\$ 51,529,271	\$ 51,151,450	99.27%
2023	49,795,605	49,556,334	99.52%
2022	47,351,827	47,102,424	99.47%

**BOROUGH OF WOODCLIFF LAKE  
SUPPLEMENTARY DATA**

**Delinquent Taxes and Tax Title Liens**

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

December 31 <u>Year</u>	Amount of Delinquent <u>Taxes</u>	Tax Title <u>Liens</u>	<u>Total</u>	Percentage of <u>Tax Levy</u>
2024	\$ 341,541	\$ 713	\$ 342,254	0.66%
2023	200,579	476	201,055	0.40%
2022	223,427		223,427	0.47%

**Property Acquired by Tax Title Lien Liquidation**

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

<u>Year</u>	<u>Amount</u>
2024	None
2023	None
2022	None

**Comparative Schedule of Fund Balance**

	<u>Year</u>	Balance, <u>December 31,</u>	Utilized In Budget of <u>Succeeding Year</u>
Current Fund	2024	\$4,257,261	\$2,380,000
	2023	4,030,943	2,230,000
	2022	2,816,014	1,800,000

**BOROUGH OF WOODCLIFF LAKE  
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>
Carlos Rendo	Mayor
Benjamin Pollack	Councilman
Julie Brodsky	Councilwoman
Jacqueline Gadaleta	Councilwoman
Jennifer Margolis	Councilwoman
Nicole Marsh	Councilwoman
Josh Stern	Councilman
Tomas Padilla	Borough Administrator
Jonathan DeJoseph	Chief Financial Officer
Debbie Dakin	Borough Clerk
Fran Scordo	Tax Collector
Raymond Tighe	Tax Assessor
John L. Schettino, Esq	Borough Attorney
Mike Neglia	Borough Engineer

\* All employees were insured by Public Employees Dishonesty coverage in the amount of \$1,000,000 each loss.

There is a statutory bond limit in the Municipal Excess Liability Joint Insurance Fund that covers the Tax Collector, Magistrates, Court Administrators and Court Clerk up to \$1,000,000 with a member deductible of \$1,000. All other employees are covered for up to \$50,000 under the Municipal Joint Insurance Fund and up to \$950,000 under the Municipal Excess Liability Joint Insurance Fund.

**BOROUGH OF WOODCLIFF LAKE  
SUPPLEMENTARY DATA**

**GENERAL COMMENTS**

**Current Year Comments**

Our audit of payroll revealed that police longevity was being incorrectly calculated. It is recommended that payroll calculations are reviewed to ensure compliance with the bargaining unit agreement.

**Prior Year Unresolved Comments**

There are none.

**Contracts and Agreements Required to be Advertised for NJS 40A:11-4**

NJS 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$44,000 except by contract or agreement."

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 the following bids were requested by public advertising.

Galaxy Gardens Phase II Park Improvements  
Werimus Lane Pumping Station – Flood Resilient Design  
Cleaning/Janitorial Services  
Pool Management

The minutes indicate that resolutions were adopted and advertised, authorizing the awarding of contracts or agreements for "Professional Services" per 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 materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

Our examination of expenditures except as previously noted in our general comments, did not reveal instances whereby individual payments were made in excess of the bid 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 NJS 40A:11-6.

**BOROUGH OF WOODCLIFF LAKE  
SUPPLEMENTARY DATA**

**GENERAL COMMENTS**

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

The statute provides the method for authorizing interest and the maximum rates to be charged for the non-payment of taxes or assessments on or before the date when they would become delinquent.

The Governing Body on January 4, 2024 adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED, by the Mayor and Council that the rate of interest on delinquent taxes for the year 2023 be fixed at the rate of 8% per annum on delinquent amounts up to \$1,500 and at 18% per annum on delinquent amounts on \$1,500 or more; and

BE IT FURTHER RESOLVED that an additional penalty be charged for delinquency in the excess of \$10,000 that is not paid prior to the end of the year, the additional penalty so fixed shall not exceed 6% of the amount of delinquency.

**Delinquent Taxes and Tax Title Liens**

There were no delinquent properties for tax sale during 2024 and 2023.

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>
2024	None
2023	None
2022	None

**Suggestions to Management**

- Old unspent appropriated grant balances should be reviewed and either expended or cancelled.
- Payment of unused sick and vacation days be reviewed by the Borough Attorney for compliance with State statutes.

**BOROUGH OF WOODCLIFF LAKE  
SUPPLEMENTARY DATA**

**RECOMMENDATIONS**

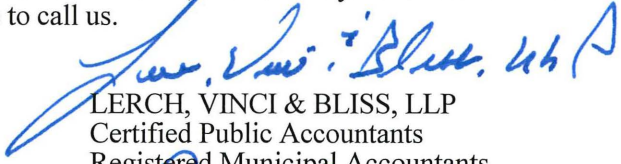
1. It is recommended that payroll calculations are reviewed to ensure compliance with the bargaining unit agreement.

\* \* \* \* \*

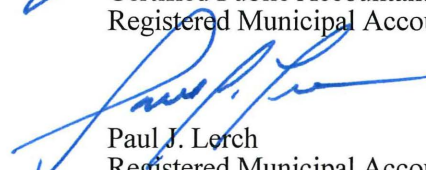
There were no prior year recommendations.

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

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



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



Paul J. Lerch  
Registered Municipal Accountant  
RMA Number CR000457