TOWN OF GUTTENBERG

Financial Statements With Supplementary Information

December 31, 2021

(With Independent Auditors' Reports Thereon)

TOWN OF GUTTENBERG

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Town Council
Town of Guttenberg
Guttenberg, NJ 07093

Report on the Financial Statements

Adverse Opinion on U.S. Generally Accepted Accounting Principles

We have audited the accompanying balance sheets – regulatory basis of the various funds and account groups of the Town of Guttenberg, as of December 31, 2021 and 2020, the related statement of operations and changes in fund balance – regulatory basis for the years then ended, and the related statement of revenues -regulatory basis and the statement of expenditures – regulatory basis of the various funds for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the *Town*'s basic financial statements as listed in the table of contents.

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the accompanying financial statements referred to above do not present fairly the financial position of each fund of the Town of Guttenberg as of December 31, 2021 and 2020, or changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Town of Guttenberg on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

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

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above, present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2021 and 2020, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures and changes in fund balance for the year ended December 31, 2021 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue and auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Guttenberg's basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2022 on our consideration of the Town of Guttenberg's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control 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 Town of Guttenberg's internal control over financial reporting and compliance.

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

Wielkotz & Company, LLC

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

June 21, 2022

W&CO

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2021 and 2020

Assets	Ref.		2021	2020
Current Fund:				
Cash	A-4	$	9,530,169	9,907,991
Due from State of New Jersey:				
Senior citizens' and veterans' deductions	A-7		34,973	30,847
			9,565,142	9,938,838
Receivables and other assets with full reserves:				
Delinquent property taxes receivable	A-5		540,152	1,811,225
Tax Title Liens	A-19		379,058	321,532
Revenue accounts receivable	A-6		39,666	37,335
Prepaid School Taxes	A-8			188,696
Interfunds Receivable:				
Animal License Trust Fund	A-16		2,439	769
Community Development Trust Fund	A-16		60	183
Escrow Trust Fund	A-16		55	139
Other Trust Fund - Asset Forfeiture - Justice	A-16		3,464	
Federal and State Grant Fund	A-16		1,289,723	1,013,855
General Capital Fund	A-16			259,111
			2,254,617	3,632,845
			11,819,759	13,571,683
State and Federal Grant Fund:				
Cash	A-4		950,443	544,028
Grants receivable	A-20		911,171	757,615
			1,861,614	1,301,643
		$	13,681,373	14,873,326

Exhibit A

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2021 and 2020

	Ref.	2021	2020
Liabilities, Reserves and Fund Balance			
Current Fund:			
Appropriation reserves	A-3,A-11	$ 1,337,790	3,594,727
Encumbrances payable	A-12	862,963	212,675
Tax overpayments	A-13		139,618
Prepaid taxes	A-14	458,910	340,388
Local School Taxes Payable	A-8	301,914	
County Added Taxes Payable	A-10	9,442	495
Reserve for Amount Due to the Hudson County Treasurer - Court Fines and Costs	A-15	6,764	6,764
Interfunds Payable:			
Unemployment Compensation Trust Fund	A-16		220
Other Trust Fund - Redemption	A-16		16,478
Other Trust Fund	A-16	143	2,661
POAA Trust Fund	A-16		129
General Capital Fund	A-16	100	
Alcohol Education and Rehabilitation Trust	A-16		101
Fire Prevention Trust Fund	A-16		375
Reserve for:			
Pension Deferral	A-18	228,137	228,137
Revaluation	A-18	17,130	17,130
Library Contribution	A-18	20,554	20,554
State Library Aid	A-18	11,262	11,262
Tax Appeals	A-18	260,536	64,519
DCA Fees Payable	A-18	866	
		3,516,511	4,656,233
Reserve for receivables and other assets	A	2,254,617	3,632,845
Fund balance	A-1	6,048,631	5,282,605
		11,819,759	13,571,683
State and Federal Grant Fund:			
Matching Funds for Grants		95,000	95,000
Due to Current Fund	A-17	1,289,723	1,013,855
Appropriated reserves	A-22	397,655	175,051
Encumbrances Payable	A-22		15,055
Unappropriated reserves	A-23	79,236	2,682
		1,861,614	1,301,643
		$ 13,681,373	14,873,326

See accompanying notes to financial statements.

Exhibit A-1

TOWN OF GUTTENBERG

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

Current Fund

Year Ended December 31, 2021 and 2020

	Dec. 31, 2021	Dec. 31, 2020
Revenue and other income realized:		
Fund balance utilized	$ 2,250,000	2,100,000
Miscellaneous revenue anticipated	4,820,434	4,283,209
Receipts from delinquent taxes	1,819,445	2,048,070
Receipts from current taxes	29,256,745	28,248,412
Nonbudget revenues	220,619	346,465
Other credits to income:		
Unexpended balance of appropriation reserves	1,070,478	735,312
Liabilities Canceled	22,391	36,241
Interfunds Returned	448,898	212,324
Total revenue	39,909,010	38,010,033
Expenditures:		
Budget and emergency appropriations:		
Operations:		
Salaries and wages	5,972,500	5,531,100
Other expenses	11,720,816	11,511,316
Deferred charges and statutory expenditures	1,406,290	1,302,250
Municipal debt service	1,558,144	1,573,253
County taxes	4,615,349	4,581,544
Due county for added taxes	9,442	495
Local district school taxes	11,321,822	11,321,822
Prepaid School Taxes		188,696
Interfunds Advanced	276,408	1,275,550
Refunds	12,213	99,574
Total expenditures	36,892,984	37,385,600
Excess in Revenue	3,016,026	624,433

Exhibit A-1

TOWN OF GUTTENBERG

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

Current Fund

Year Ended December 31, 2021 and 2020

		Dec. 31, 2021	Dec. 31, 2020
Statutory excess to fund balance		3,016,026	624,433
Fund balance - January 1,		5,282,605	6,758,172
		8,298,631	7,382,605
Decreased by utilization as anticipated revenue		2,250,000	2,100,000
Fund balance - December 31,	$	6,048,631	5,282,605

See accompanying notes to financial statements.

Exhibit A-2

TOWN OF GUTTENBERG

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2021

	Budget	Realized	Excess (deficit)
Surplus anticipated	$ 2,250,000	2,250,000	
Miscellaneous revenues:			
Licenses:			
Alcoholic beverages	30,000	50,905	20,905
Other	100,000	144,847	44,847
Fees and permits:			
Other	90,000	87,878	(2,122)
Fines and costs municipal court	550,000	612,278	62,278
Parking meters	225,000	337,855	112,855
Interest and costs on taxes	185,000	279,890	94,890
Interest on investments and deposits	75,000	85,694	10,694
Consolidated Municipal Property Tax Relief Aid	104,973	104,973	
Energy Receipts Tax	653,802	653,802	
Uniform Construction Code Fees	125,000	271,051	146,051
Interlocal Service Agreements:			
Board of Education - Shared Services	500,000	600,000	100,000
Public and Private Programs Offset by Revenues:			
Clean Communities Grant	16,642	16,642	
FY21 Strengthening Local Public Health Capacity Progr	142,236	142,236	
Municipal Alliance	5,298	5,298	
Alcohol Education and Rehabilitation Grant	7,270	7,270	
Body Armor Replacement Fund	2,682	2,682	
Summer Food Program	30,698	30,698	
FY22 Strengthening Local Public Health Capacity Progr	291,042	291,042	
CDBG-CV Funds - Food Pantry Program	57,902	57,902	
CDBG-CV Funds - Senior Bus Service	100,000	100,000	
American Rescue Plan	532,000	532,000	
Recycling Tonnage Grant	14,840	14,840	
Time Warner Franchise Fee	48,000	49,267	1,267
Verizon Franchise Fee	47,600	41,384	(6,216)
Capital Fund Balance	200,000	200,000	
Reserve for Payment of Debt	100,000	100,000	
Total miscellaneous revenues	4,234,985	4,820,434	585,449
Receipts from delinquent taxes	1,800,000	1,819,445	19,445
Amount to be raised by taxes for support of municipal budget	14,470,121	15,402,632	932,511
Budget total	$ 22,755,106	24,292,511	1,537,405
Nonbudget revenue		220,619	
		$ 24,513,130	

Exhibit A-2

TOWN OF GUTTENBERG

Statement of Revenues-Regulatory Basis

Current Fund

Year Ended December 31, 2021

Analysis of Realized Revenue

Allocation of current tax collections;	
Revenue from collections	$ 29,256,745
Allocated to:	
Local district school tax	11,321,822
County taxes	4,624,791
	15,946,613
Balance for support of municipal budget appropriations	13,310,132
Reserve for uncollected taxes	2,092,500
	$ 15,402,632
Receipts from:	
Delinquent tax collections	$ 1,819,445

Analysis of Miscellaneous Revenue Not Anticipated

CAR FAX	480
Insurance Reimbursement	19,284
ADS Refunds - State Health Benefits	16,446
Birth/Death Certificates	5,640
Wedding Fees	2,650
Foreclosures	18,250
Police Off Duty Administrative Fee	13,488
Towing	100
Bus Franchise Fee	524
PILOT - Housing Authority	90,019
DMV Inspection Fines	1,050
Other	52,688
	$ 220,619

See accompanying notes to financial statements.

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2021

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Operations-within "CAPS"					
Administrative and executive:					
Salaries and wages	$ 440,000	441,800	441,799	1	
Other expenses	320,000	295,000	282,650	12,350	
Elections:					
Salaries and wages	2,000	2,000	2,000		
Other expenses	12,500	9,500	9,491	9	
Financial administration:					
Salaries and wages	420,000	420,000	399,712	20,288	
Other expenses	185,000	172,000	140,946	31,054	
Assessment of taxes:					
Salaries and wages	60,000	61,300	61,232	68	
Other expenses	10,000	10,000	5,538	4,462	
Municipal Court:					
Salaries and wages	300,000	261,400	260,637	763	
Other Expenses	20,000	60,000	53,021	6,979	
Collection of taxes:					
Salaries and wages	98,000	78,500	78,345	155	
Other expenses	4,000	4,000	543	3,457	
Legal services and costs:					
Other expenses	250,000	225,000	207,336	17,664	
Public building and grounds:					
Other expenses	130,000	190,000	172,334	17,666	
Engineering:					
Other expenses	150,000	135,000	115,144	19,856	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2021

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Municipal Land Use Law (NJSA 40:55D-1):					
Planning Board:					
Salaries and wages	32,000	22,500	22,460	40	
Other expenses	13,000	10,600	2,347	8,253	
Community Action Program:					
Other expenses	10,500	10,500	10,000	500	
Insurance:					
Insurance-Other	670,000	660,000	650,484	9,516	
Group Insurance for Employees	1,645,000	1,440,001	1,439,698	303	
Insurance/Deductible	5,000				
Unemployment Insurance	10,000	10,000	10,000		
PUBLIC SAFETY:					
Police:					
Salaries and wages	3,480,000	3,385,000	3,378,315	6,685	
Other expenses	185,000	290,000	281,522	8,478	
Emergency management services:					
Other expenses	5,000	8,400	8,380	20	
Fire Official/Inspector:					
Salaries and wages	124,000	124,000	111,295	12,705	
Other expenses	5,000	5,000	2,335	2,665	
Public Works:					
Street Cleaning:					
Salaries and wages	700,000	575,000	571,765	3,235	
Other expenses	200,000	270,000	260,464	9,536	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2021

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Recycling:					
Other expenses	140,000	145,000	142,040	2,960	
Solid Waste & Garbage Removal:					
Other expenses	875,000	917,000	857,457	59,543	
Snow Removal:					
Other expenses	82,000	82,000	74,360	7,640	
Health and Welfare:					
Public Health Services:					
Other expenses	55,000	55,000	46,343	8,657	
Recreation and Education:					
Recreation:					
Salaries and wages	225,000	279,000	278,474	526	
Other expenses	125,000	30,500	30,499	1	
Celebration of public event, anniversary or holiday - other expenses	80,000	80,000	79,421	579	
Senior Citizens Nutrition Program:					
Salaries and wages	42,000	42,000	31,290	10,710	
Other expenses	80,000	80,000	70,335	9,665	
Senior Citizens Tranportation:					
Other expenses	25,000	25,000	23,052	1,948	
Senior Recreation Program:					
Other expenses	10,000	10,000	5,223	4,777	
Uniform construction code official:					
Salaries and wages	213,000	213,000	200,749	12,251	
Other expenses	8,000	12,000	1,564	10,436	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2021

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
License inspector:					
Salaries and wages	77,000	57,000	51,542	5,458	
Other expenses	2,500	2,500	2,390	110	
UNCLASSIFIED:					
Utilities:					
Electricity	105,000	85,000	66,870	18,130	
Street lighting	98,000	98,000	75,693	22,307	
Telephone	100,000	100,000	76,927	23,073	
Water	25,000	33,000	28,050	4,950	
Fire hydrant service	50,000	50,000	31,813	18,187	
Sewerage	35,000	35,000	21,012	13,988	
Gasoline	86,000	92,000	83,557	8,443	
Postage - all departments	30,000	30,000	27,197	2,803	
Technology	175,000	245,000	233,676	11,324	
Accumulated Leave of Absence	1	10,000	10,000		
Salary & Wage Adjustment	5,000				
Total Operations within "CAPS"	12,234,501	11,984,501	11,529,327	455,174	
Contingent	6,125	6,125		6,125	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2021

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Total Operations Including Contingent-within "CAPS"	12,240,626	11,990,626	11,529,327	461,299	
Detail:					
Salaries & Wages	6,218,001	5,972,500	5,899,615	72,885	
Other Expenses (Including Contingent)	6,022,625	6,018,126	5,629,712	388,414	
	12,240,626	11,990,626	11,529,327	461,299	
Deferred Charges and Statutory Expenditures-Municipal within "CAPS"					
DEFERRED CHARGES					
STATUTORY EXPENDITURES:					
Contribution to:					
Social Security System (O.A.S.I.)	320,000	320,000	310,305	9,695	
Public Employees Retirement system	284,849	284,849	284,849		
Police and Firemans Retirement System of N.J.	698,741	698,741	698,741		
DCRP	2,700	2,700	2,507	193	
Total Deferred Charged and Statutory Expenditures-Municipal within "CAPS"	1,306,290	1,306,290	1,296,402	9,888	
Total General Appropriations for Municipal Purposes within "CAPS"	13,546,916	13,296,916	12,825,729	471,187	

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2021

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Operations-Excluded from "CAPS"					
Reserve for Tax Appeals	200,000	200,000	200,000		
911-Other Expenses	70,000	70,000	63,966	6,034	
Stormwater Management	30,000	30,000	25,656	4,344	
Library Service-North Bergen:					
Other expenses	395,755	395,755	372,802	22,953	
North Hudson Regional Communication:					
Other expenses	155,000	155,000	116,250	38,750	
North Hudson Regional Fire & Rescue:					
Other expenses	2,900,000	2,900,000	2,156,200	743,800	
Guttenberg Board of Education					
Electric and Gas	110,000	110,000	110,000		
Sewer	10,000	10,000	10,000		
Water	8,000	8,000	8,000		
Public Works	100,000	350,000	325,278	24,722	
Snow Removal	26,000	26,000		26,000	
Security	246,000	246,000	246,000		
Public and Private Programs Offset by Revenues					
Clean Communities	16,642	16,642	16,642		
FY21 Strengthening Local Public Health Capacity Progra	142,236	142,236	142,236		
Municipal Alliance	5,298	5,298	5,298		
Match	1,325	1,325	1,325		
Alcohol Education and Rehabilitation	7,270	7,270	7,270		
Body Armor Replacement Grant	2,682	2,682	2,682		
Summer Food Program	30,698	30,698	30,698		

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2021

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
FY22 Strengthening Local Public Health Capacity Progra	291,042	291,042	291,042		
CDBG-CV Funds - Food Pantry Program	57,902	57,902	57,902		
CDBG-CV Funds - Senior Bus Service	100,000	100,000	100,000		
American Rescue Plan	532,000	532,000	532,000		
Recycling Tonnage Grant	14,840	14,840	14,840		
Total Operations-Excluded from "CAPS"	5,452,690	5,702,690	4,836,087	866,603	
Detail:					
Salaries and Wages					
Other Expenses	5,452,690	5,702,690	4,836,087	866,603	
Total Operations-Excluded from "CAPS"	5,452,690	5,702,690	4,836,087	866,603	
Municipal Debt Service-Excluded from "CAPS"					
Payment of Bond Principal	605,000	605,000	605,000		
Interest on Bonds	790,000	790,000	786,625		3,375
Interest on Notes	150,000	150,000	148,586		1,414
Green Trust Loan Program:					
Loan Repayments for Principal and Interest	18,000	18,000	17,933		67
Total Municipal Debt Service-Excluded from "CAPS"	1,563,000	1,563,000	1,558,144		4,856

Exhibit A-3

TOWN OF GUTTENBERG

Statement of Expenditures-Regulatory Basis

Current Fund

Year ended December 31, 2021

Description	Budget	Budget after modifications	Paid or charged	Reserved	Unexpended Balance Canceled
Deferred Charges- Municipal Excluded from "CAPS"					
Deferred Charges to Future Taxation - Unfunded					
Ord. 8-2011: Various Capital Improvements	100,000	100,000	100,000		
Total Deferred Charges-Municipal-Excluded from "CAPS"	100,000	100,000	100,000		
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	7,115,690	7,365,690	6,494,231	866,603	4,856
Subtotal General Appropriations	20,662,606	20,662,606	19,319,960	1,337,790	4,856
Reserve for Uncollected Taxes	2,092,500	2,092,500	2,092,500		
Total General Appropriations	$ 22,755,106	22,755,106	21,412,460	1,337,790	4,856

Adopted Budget	21,719,552
Added by N.J.S.A. 40A:4-87	1,035,554
	$ 22,755,106

Analysis of Paid or Charged	
Reserve for Uncollected Taxes	2,092,500
Due to Federal and State Grant Fund	1,201,935
Reserve for Tax Appeals	196,017
Reserve for Encumbrances	862,963
Cash	17,059,045
	$ 21,412,460

Exhibit B

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2021 and 2020

Assets	Ref.	2021	2020
Animal License Fund:			
Cash	B-1	$ 6,715	5,676
Unemployment Compensation Trust Fund:			
Cash	B-1	77,501	70,498
Interfund Receivable			
Due from Current	B-7		220
		77,501	70,718
Community Development Block Grant Trust Fund:			
Cash	B-1	10,900	11,023
Grants receivable	B-4	233,146	316,320
		244,046	327,343
Other Trust Funds:			
Cash	B-1	1,788,255	1,993,478
Intrafund Receivables:	B-7	46	46
Interfund Receivables:			
Due from Current Fund	B-7	143	19,744
		1,788,444	2,013,268
		$ 2,116,706	2,417,005

Exhibit B

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

Trust Funds

December 31, 2021 and 2020

Liabilities and Reserves	Ref.	2021	2020
Animal License Fund:			
Reserve for Animal License Expenditures	B-2	4,105	4,886
Due to State of New Jersey	B-3	171	21
Due to Current Fund	B-7	2,439	769
		6,715	5,676
Unemployment Compensation Trust Fund:			
Reserve for Expenditures	B-9	77,501	70,718
Community Development Block Grant Trust Fund:			
Reserve for Grant Expenditures	B-5	243,986	327,160
Due to Current Fund	B-7	60	183
		244,046	327,343
Other Trust Funds:			
Due to State-Marriage Licenses	B-6	3,450	1,625
Due to State-Construction Fees	B-6		254
Intrafunds Payable:	B-7	46	46
Interfunds Payable:			
Escrow	B-7	55	139
Current Fund	B-7	3,464	
Reserve for:			
Other Trust Deposits	B-8	1,781,429	2,011,204
		1,788,444	2,013,268
		$ 2,116,706	2,417,005

See accompanying notes to financial statements.

Exhibit C

TOWN OF GUTTENBERG

Comparative Balance Sheet-Regulatory Basis

General Capital Fund

December 31, 2021 and 2020

Assets	Ref.		2021	2020
Cash:				
Checking	C-2,C-3	$	8,808,497	6,246,553
Grants Receivable:				
Hudson County Open Space Grant	C-6		529,739	815,218
State of New Jersey - Dept. of Transportation	C-7		1,043,612	1,990,000
State of New Jersey - Department of Environmental Protection, Green Acres Program	C-8		64,172	64,172
State of New Jersey - Educational Facilities Construction Financing	C-9		182,587	182,587
Hudson County - Community Development Block Grant	C-10			177,320
State of New Jersey - Office of Law & Public Safety	C-12		101,900	
Due from Board of Education	C-11		42,182	42,182
Due from Current Fund	C-15		100	
Deferred charges to future taxation:				
Funded	C-4		17,340,000	17,962,746
Unfunded	C-5		12,886,666	9,533,005
		$	40,999,455	37,013,783

Liabilities, Reserves and Fund Balance	Ref.		2021	2020
Serial Bonds	C-13		17,340,000	17,945,000
Green Acres Loans Payable	C-22			17,746
Bond Anticipation notes	C-23		12,600,000	7,450,000
Capital Improvement Fund	C-14		916,646	1,093,058
Due to Current Fund	C-15			259,111
Reserve for:				
Bid Deposit	C-16			12,844
Payment of Debt	C-17		3,997,383	2,990,906
Grants Receivable	C-18		1,483,228	2,487,805
Green Acres	C-19		1,019	1,014
Sewer Improvements	C-20		32,500	
Improvement authorizations:				
Funded	C-21		201,256	217,857
Unfunded	C-21		4,323,610	4,317,663
Fund Balance	C-1		103,813	220,779
		$	40,999,455	37,013,783

There were bonds and notes authorized but not issued at December 31, 2021 and December 31, 2020 of $286,666 and $2,083,005 respectively. See exhibit C-24.

See accompanying notes to financial statements.

Exhibit C-1

TOWN OF GUTTENBERG

Comparative Schedule of Fund Balance - Regulatory Basis

General Capital Fund

Year Ended December 31, 2021 and 2020

		2021	2020
Balance - December 31, 2020	$	220,779	309,550
Increased by :			
Premium received on Sale of Bond Anticipation Notes		83,034	111,229
		83,034	111,229
		303,813	420,779
Decreased by:			
Budget Revenue - Cash Disbursements		200,000	200,000
Balance - December 31, 2021	$	103,813	220,779

See Accompanying Notes to Financial Statements

Exhibit F

TOWN OF GUTTENBERG

Comparative Balance Sheets-Regulatory Basis

Payroll Account

December 31, 2021 and 2020

		2021	2020
Assets			
Cash	$	2,820	2,317
	$	2,820	2,317
Liabilities			
Net Payroll Payable	$	2,820	2,317
	$	2,820	2,317

See accompanying notes to the financial statements.

Exhibit G

TOWN OF GUTTENBERG

Statement of General Fixed Assets-Regulatory Basis

General Fixed Assets Account Group

December 31, 2021 and 2020

		2021	2020
Land	$	1,875,506	1,875,506
Buildings		3,378,500	3,378,500
Vehicles and equipment		2,749,640	2,715,950
	$	8,003,646	7,969,956

See accompanying notes to financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

The Town of Guttenberg (the "Town") operates under a Mayor/Council form of government. The Town's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, the municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Town do not include the Volunteer Fire Department or Housing Authority, which is considered a component unit under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

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

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

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

The Town has the following funds and account group:

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

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

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

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

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

Community Development Block Grant - This fund is used to account for the award and receipt of grant monies and subsequent expenditure of grants awarded through the Department of Housing and Urban Development passed through the County of Hudson as required by the grant agreements.

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

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

Payroll Account - This fund is used to account for the receipt and disbursement of net payroll and all deductions and withholdings.

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

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

Basis of Accounting

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

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of $1,500. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Town. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on the 11th day of the 11th month in the current year taxes are levied, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Town. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Miscellaneous Revenues - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Town's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

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

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

Basis of Accounting, (continued)

Grant Revenues - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Town's budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

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

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

General Capital Fund
Trust Fund

The governing body shall introduce and approve the annual budget not later than February 10, of the fiscal year. The budget shall be adopted not later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted.

Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line item level. During the years ended December 31, 2021 and 2020, the Mayor and Council approved additional revenues and appropriations of $1,035,554 and $1,082,009, respectively, in accordance with N.J.S.A. 40A:4-87. In addition, several budget transfers were also approved by the governing body in 2021 and 2020.

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

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

Basis of Accounting, (continued)

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

Encumbrances - Contractual orders outstanding at June 30 are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

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

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

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

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

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

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

Basis of Accounting, (continued)

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

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

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

General Fixed Assets - In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, the Town of Guttenberg has developed a fixed assets accounting and reporting system.

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

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

No depreciation has been provided for in the financial statements.

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

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

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

Basis of Accounting, (continued)

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

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

Use of Estimates

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

Comparative Data - Comparative data for the prior year has been presented in the accompanying balance sheets and statements of operations in order to provide an understanding of changes in the Town'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.

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

During 2021, the Town did not adopt any new accounting pronouncements.

C. Basic Financial Statements

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

NOTE 2. PENSION PLANS

Description of Plans:

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

Public Employees' Retirement System (PERS)

Plan Description

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

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NOTE 2. PENSION PLANS, (continued)

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

Benefits Provided

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

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

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

Police and Firemens' Retirement System (PFRS)

Plan Description

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

NOTE 2. PENSION PLANS, (continued)

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

Benefits Provided

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

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% (Tiers 1 and 2 members) and 60% (Tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Defined Contribution Retirement Program

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

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

NOTE 2. PENSION PLANS, (continued)

Defined Contribution Retirement Program, (continued)

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

Contribution Requirements

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

The Town's contribution to the various plans, equal to the required contributions for each year, were as follows.

Year	PERS	PFRS	DCRP
2021	$278,124	$668,245	$2,507
2020	296,657	509,845	2,637
2019	253,490	577,802	2,328

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

NOTE 2. PENSION PLANS, (continued)

Contribution Requirements, (continued)

The following pension information is as of June 30, 2020 which is the latest information available. This information is eighteen months prior to December 31, 2021. GASB Statement No. 68 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis statements Municipal, County and Library's to be issued with unmodified opinion's until such time current pension information is available.

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

Public Employees Retirement System (PERS)

At December 31, 2020, the Town had a liability of $4,145,964 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2020, the Town's proportion was .0254238412 percent, which was a decrease of .0050740864 percent from its proportion measured as of June 30, 2019.

For the year ended December 31, 2020, the Town recognized pension expense of $296,657. At December 31, 2020, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$75,491	$14,662
Changes of assumptions	134,500	1,735,954
Net difference between projected and actual earnings on pension plan investments	141,712	
Changes in proportion and differences between Town contributions and proportionate share of contributions	916,264	1,121,432
Total	$1,267,967	$2,872,048

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Public Employees Retirement System (PERS), (continued)

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2020) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2021	$(520,243)
2022	(474,303)
2023	(271,052)
2024	(109,609)
2025	(23,706)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.16, 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years for 2020, 2019, 2018, 2017, 2016, 2015 and 2014 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2020 and June 30, 2019 are as follows:

	June 30, 2020	June 30, 2019
Collective deferred outflows of resources	$2,347,583,337	$3,149,522,616
Collective deferred inflows of resources	7,849,949,467	7,645,087,574
Collective net pension liability	16,435,616,426	18,018,482,972
Town's Proportion	.0254238412%	.0304979276%

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Public Employees Retirement System (PERS), (continued)

Actuarial Assumptions

The collective total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00% (based on years of service)
Thereafter	3.00-7.00% (based on years of service)
Investment Rate of Return	7.00 Percent

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Mortality Rates

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

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Public Employees Retirement System (PERS), (continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Public Employees Retirement System (PERS), (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the collective net pension liability of the participating employers as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2020		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Town's proportionate share of the pension liability	$5,227,515	$4,145,964	$3,228,238

Pension Plan Fiduciary Net Position

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

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Police and Firemen's Retirement System (PFRS)

At December 31, 2020, the Town had a liability of $7,728,994 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2020, the Town's proportion was .0598158283 percent, which was an increase of.009341652 percent from its proportion measured as of June 30, 2019.

For the year ended December 31, 2020, the Town recognized pension expense of $509,845. At December 31, 2020, deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in actual and expected experience	$77,921	$27,738
Changes of assumptions	19,450	2,072,097
Net difference between projected and actual earnings on pension plan investments	453,187	
Changes in proportion and differences between Town contributions and proportionate share of contributions	1,403,913	1,136,900
Total	$1,954,471	$3,236,735

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

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

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2020) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2021	$(722,994)
2022	(487,934)
2023	(198,641)
2024	(75,040)
2025	(64,669)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.90, 5.92, 5.73, 5.59, 5.58, 5.53 and 6.17 years for 2020, 2019, 2018, 2017, 2016, 2015 and 2014 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2020 and June 30, 2019 are as follows:

	June 30, 2020	June 30, 2019
Collective deferred outflows of resources	$1,601,195,680	$1,198,936,924
Collective deferred inflows of resources	4,191,274,402	4,874,748,912
Collective net pension liability	14,926,648,722	12,237,818,793
Town's Proportion	.0598158283%	.0504741760%

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

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

Actuarial Assumptions

The collective total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions:

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

Mortality Rates

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

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the collective net pension liability of the participating employers as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2020		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Town's proportionate share of the pension liability	$10,673,560	$7,728,994	$5,283,306

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

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

Special Funding Situation - PFRS

Under N.J.S.A. 43:16A-15, the Town 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 Town 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 Town'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, 2020 and 2019, the State proportionate share of the net pension liability attributable to the Town for the PFRS special funding situation is $1,199,505 and $975,350, respectively. For the years ended December 31, 2020 and 2019, the pension system has determined the State's proportionate share of the pension expense attributable to the Town for the PFRS special funding situation is $135,940 and $113,328, respectively, which is more than the actual contributions the State made on behalf of the Town of $92,301 and $65,718, respectively. The State's proportionate share attributable to the Town was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Town's financial statements.

Pension Plan Fiduciary Net Position

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

TOWN OF GUTTENBERG
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(CONTINUED)

NOTE 3. LONG-TERM DEBT

Long-term debt as of December 31, 2021 and 2020 consisted of the following:

	Balance December 31, 2020	Additions	Reductions	Balance December 31, 2021	Amounts Due Within One Year
Governmental Activities:					
Bonds Payable - General Obligation Debt	$17,945,000	$	$605,000	$17,340,000	$605,000
Other Liabilities:					
Green Acres Loan Obligation Debt	17,746		17,746		
Deferred PERS/PFRS Pension Obligation	94,277		24,388	69,889	26,665
	$18,057,023	$0	$647,134	$17,409,889	$631,665

	Balance December 31, 2019	Additions	Reductions	Balance December 31, 2020	Amounts Due Within One Year
Governmental Activities:					
Bonds Payable - General Obligation Debt	$18,550,000	$	$605,000	$17,945,000	$605,000
Other Liabilities:					
Green Acres Loan Obligation Debt	52,712		34,966	17,746	17,746
Deferred PERS/PFRS Pension Obligation	116,684		22,407	94,277	24,388
	$18,719,396	$0	$662,373	$18,057,023	$647,134

NOTE 3. LONG-TERM DEBT, (continued)

Summary of Municipal Debt (Excluding Current Operating Debt)

	2021	2020	2019
Issued-general-bonds, loans and notes	$29,940,000	$25,412,746	$24,147,712
Authorized but not issued-general-bonds and notes	286,666	2,083,005	2,388,005
	30,226,666	27,495,751	26,535,717
Less funds on hand to pay debt and other deductions	3,997,383	2,990,906	3,058,406
Net bonds and notes issued and authorized but not issued	$26,229,283	$24,504,845	$23,477,311

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of (.442)% for 2021.

2021	Gross Debt	Deductions	Net Debt
School District debt	$	$	$0
General debt	30,226,666	3,997,383	26,229,283
	$30,226,666	$3,997,383	$26,229,283

Net debt of $26,229,283 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of $1,181,947,885 equals 2.219%.

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of (.472)% for 2020.

2020	Gross Debt	Deductions	Net Debt
School District debt	$	$	$0
General debt	27,495,751	2,990,906	24,504,845
	$27,495,751	$2,990,906	$24,504,845

Net debt of $24,504,845 divided by equalized valuation basis per N.J.S.A. 40A:2-2, as amended, of $1,163,051,240 equals 2.107%.

NOTE 3. LONG-TERM DEBT, (continued)

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

	2021	2020
3 ½% of equalized valuation basis (municipal)	$41,368,176	$40,706,793
Net Debt	26,229,283	24,504,845
Remaining borrowing power	$15,138,893	$16,201,948

The Town's long-term debt consisted of the following at December 31, 2021 and 2020:

Paid by Current Fund:

	2021	2020
$19,150,000 General Obligation Bonds, due in annual installments of $600,000 to $1,190,000 through August 2042, interest at 3.00%-5.00%	$17,340,000	$17,945,000
	$17,340,000	$17,945,000

Aggregate bonded debt service requirements are as follows:

Year	Principal	Interest	Total
2022	$605,000	$756,375	$1,361,375
2023	605,000	726,125	1,331,125
2024	605,000	695,875	1,300,875
2025	620,000	665,625	1,285,625
2026	620,000	634,625	1,254,625
2027-31	3,560,000	2,699,125	6,259,125
2032-36	4,335,000	1,922,750	6,257,750
2037-41	5,200,000	1,055,000	6,255,000
2042	1,190,000	59,500	1,249,500
	$17,340,000	$9,215,000	$26,555,000

NOTE 3. LONG-TERM DEBT, (continued)

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

At December 31, 2021 and 2020, the Town had authorized but not issued debt as follows:

	2021	2020
General Capital Fund	$286,666	$2,083,005

NOTE 4. BOND ANTICIPATION NOTES

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

NOTE 4. BOND ANTICIPATION NOTES, (continued)

On December 31, 2021 and 2020, the Town had $12,600,000 and $7,450,000, respectively, in outstanding General Capital Fund bond anticipation notes.

	Balance Dec. 31, 2020	Additions	Reductions	Balance Dec. 31, 2021
General Capital Notes Payable				
Jeffries LLC, NY	$	$12,600,000		$12,600,000
TD Securities (USA) LLC	7,450,000		$7,450,000	
	$7,450,000	$12,600,000	$7,450,000	$12,600,000

	Balance Dec. 31, 2019	Additions	Reductions	Balance Dec. 31, 2020
General Capital Notes Payable				
TD Securities (USA) LLC	$5,545,000	$7,450,000	$5,545,000	$7,450,000
	$5,545,000	$7,450,000	$5,545,000	$7,450,000

NOTE 5. FUND BALANCE APPROPRIATED

The fund balance at December 31, 2021 and 2020 which as been appropriated as revenue in the 2022 and 2021 budgets is as follows:

	2022	2021
Current Fund	$2,600,000	$2,250,000

NOTE 6. ACCRUED SICK AND VACATION BENEFITS

The Town no longer permits employees to accrue unused sick and vacation pay; therefore, there is no liability for unpaid compensation at December 31, 2021.

NOTE 7. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Town's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2021 and 2020, $-0- of the Town's bank balance of $21,597,641 and $20,253,494, respectively, was exposed to custodial credit risk.

Investments

Investment Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

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

NOTE 8. FIXED ASSETS

The following is a summary of charges in the General Fixed Assets Account Group as of December 31, 2021 and 2020:

	Balance December 31, 2020	Additions	Retirements	Balance December 31, 2021
Land	$1,875,506	$	$	$1,875,506
Building	3,378,500			3,378,500
Equipment & Vehicles	2,715,950	96,789	63,099	2,749,640
	$7,969,956	$96,789	$63,099	$8,003,646

	Balance December 31, 2019	Additions	Retirements	Balance December 31, 2020
Land	$1,817,400	$58,106	$	$1,875,506
Building	3,378,500			3,378,500
Equipment & Vehicles	2,510,199	358,804	153,053	2,715,950
	$7,706,099	$416,910	$153,053	$7,969,956

NOTE 9. DUE TO/FROM OTHER FUNDS

Balances due to/from other funds at December 31, 2021 consist of the following:

$2,439	Due to the Current Fund from the Animal License Trust Fund for the current years' statutory excess less interest transferred in error.
60	Due to the Current Fund from the Community Development Trust Fund for the balance of current year interest earnings.
143	Due to the Other Trust Fund from the Current Fund to correct deposit errors, less the cancellation of a liability and the balance of the current year's interest earnings.
3,464	Due to the Current Fund from the Asset Forfeiture - Justice Trust Fund for overtime reimbursements deposited in error.
55	Due to the Current Fund from the Escrow Trust Fund for the town share of interest earned on developer deposits.
1,289,723	Due to the Federal and State Grant Fund from the Current Fund for grant monies received less expenditures made.
100	Due to the General Capital Fund from the Current Fund for interest remitted in excess of that earned.
46	Due to the POAA Trust Fund form the Other Trust Fund to correct prior years' deposit errors.
$1,296,030	

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

NOTE 10. OTHER POST RETIREMENT BENEFITS (OPEB)

In addition to the pension described in Note 2, the Town provides post employment health care benefits as part of the State Health Benefits Local Government Retired Employments Plan.

General Information about the OPEB Plan

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

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

NOTE 11. OTHER POST RETIREMENT BENEFITS (OPEB), (continued)

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

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

Total OPEB Liability

The following other post employment benefit information for special funding situation is as of June 30, 2020 which is the latest information available. This information is eighteen months prior to December 31, 2021. GASB Statement No. 75 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis financial statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current other post employment benefit information for special funding situation is available.

At December 31, 2020, the Town had a liability of $16,706,681 for its proportionate share of the non-special funding net OPEB liability. The net OPEB liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Town's proportion of the net OPEB liability was based on a projection of the Town's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers a in the plan. At June 30, 2020 the Town's proportion was .093091000 percent which was an increase of .007247000% from its proportion measured as of June 30, 2019.

NOTE 11. OTHER POST RETIREMENT BENEFITS (OPEB), (continued)

For the year ended December 31, 2020, the Town recognized OPEB expense (benefit) of $(286,597). At December 31, 2020, deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$440,041	$3,111,096
Changes of assumptions	2,498,794	3,715,308
Net difference between projected and actual earnings on OPEB plan investments	10,610	
Changes in proportion	1,410,528	3,003,278
Total	$4,359,973	$9,829,682

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

Year ended June 30:	
2020	$(898,068)
2021	(898,882)
2022	(900,198)
2023	(901,400)
2024	(614,641)
Thereafter	336,229

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 7.87, 8.05, 8.14 and 8.04 years for 2020, 2019, 2018 and 2017 amounts, respectively.

NOTE 11. OTHER POST RETIREMENT BENEFITS (OPEB), (continued)

Actual Assumptions and Other Inputs

The total OPEB liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation rate	2.50%
Salary increases*:	
Public Employees' Retirement System (PERS)	
Initial fiscal year applied	2.00% to 6.00%
Rate through 2026	3.00% to 7.00%
Rate thereafter	
Police and Firemen's Retirement System (PFRS)	3.25% to 15.25%
Rate for all future years	
Mortality:	
PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020

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

Actuarial assumptions used in the July 1, 2019 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The rates used for 2023 and 2024 are 21.83% and 18.53%, respectively, trending to 4.5for all future years. For prescription drug benefits, the initial trend rate is 7.00% and decreases to a 4.5% long-term trend rate after seven years.

NOTE 11. OTHER POST RETIREMENT BENEFITS (OPEB), (continued)

Discount Rate

The discount rate for June 30, 2020 was 2.21%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less that the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

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

	June 30, 2020		
	1% Decrease 1.21%	At Current Discount Rate 2.21%	1% Increase 3.21%
Town's proportionate share of Net OPEB liability	$19,750,827	$16,706,681	$14,296,963

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

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

	June 30, 2020		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Town's proportionate share of Net OPEB liability	$13,824,796	$16,706,681	$20,480,550

NOTE 12. CONTINGENT LIABILITIES

A. Grants

The Town received financial assistance from the State of New Jersey and the U.S. Government in the form of grants and revenue sharing entitlements. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. During 2021, the Town is subject to the requirements of the Single Audit Act Amendments of 1996 which mandated that all Federal grant revenues and expenditures be audited in conjunction with a municipal audit. In addition, substantially all State grants, entitlements and cost reimbursements are subject to financial and compliance audits by the grantors.

B. Other Litigation

The Town is involved in several other claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the Town.

NOTE 13. ECONOMIC DEPENDENCY

The Town receives a substantial amount of its support from Federal and State governments. A significant reduction in the level of support, if this were to occur, may cause an increase in the local tax rate, and could also have a detrimental effect on the level of service that the Town would be able to provide.

NOTE 14. NORTH HUDSON REGIONAL FIRE AND RESCUE

Second Amended and Restated Consolidated Municipal Services Agreement for the Formation of a Joint Meeting Pursuant to N.J.S.A. 40:48B-1 et seq., known as North Hudson Regional Fire and Rescue (the "Agreement")

Background of the Agreement

On December 30, 1998, the Town adopted a resolution approving it to enter into a joint contract with the municipalities of North Bergen, Union City, Weehawken and West New York (the "Other Municipalities"), in order to form a joint meeting pursuant to the Consolidated Municipal Services Act, N.J.S.A. 40:48B-1 et seq. (the "Act"). The entity created by the formation of this joint meeting is known as the North Hudson Regional Fire

NOTE 14. NORTH HUDSON REGIONAL FIRE AND RESCUE, (continued)

and Rescue (the "NHRFR"), which is a public body, corporate and politic, constituting a political subdivision of the State of New Jersey, having all powers and authorities permitted by the Act. The purpose of the NHRFR is to provide for the joint operation of fire protection, rescue and emergency services, and other related governmental services.

The NHRFR was in effect from October 1, 1998, as the Other Municipalities had already formed the Agreement before the Town entered on December 30, 1998. The term of the Agreement expires September 30, 2023, but may be subject to earlier termination pursuant to the Act. The operations of the NHRFR commenced on January 1, 1999. The NHRFR is governed by a five member management committee, consisting of one representative from each municipality, and this committee may appoint one or two executive director(s), and other such officers, employees and counsel as it deems necessary. A municipality's admission to or withdrawal from the NJFRF requires four votes from the management committee.

Required Contributions by the Town

The Town adopted an ordinance on December 30, 1998, authorizing the sale, lease transfer, conveyance or other disposition of and improvement of real and personal property to the NHRFR, pursuant to New Jersey Statutes. The Town has agreed to convey two parcels of its real property, the value of which will be determined by a qualified appraiser. The Town had also agreed to convey four items of its personal property, which consist of vehicles with an aggregate minimum purchase price of $341,000. The estimated proceeds of all property conveyed, real and personal, was approximately $1,000,000.

The Town was required to contribute $1,500,000 annually to the NHRFR. This annual contribution is subject to an increase based on the percentage of increase of the total fire and rescue related appropriations over the base year (SFY 1998) of the Other Municipalities. The Agreement also contains provisions for cost and budget balance allocations, and a growth value adjustment to be made in calendar year 2001, but these provisions do not pertain to the Town. As of December 31, 2021, the town budgeted $2,900,000 and contributed $2,156,200.

NOTE 15. TAXES COLLECTED IN ADVANCE

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

	Balance December 31, 2021	Balance December 31, 2020
Prepaid Taxes	$458,910	$340,388
Cash Liability for Taxes Collected in Advance	$458,910	$340,388

NOTE 16. RISK MANAGEMENT

The Town of Guttenberg is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town has obtained insurance coverage to guard against these events which will provide minimum exposure to the Town should they occur. During the year ended December 31, 2021, the Town did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Town of Guttenberg is a member of the Garden State Municipal Joint Insurance Fund (the "GSMJIF"). The GSMJIF is a self-administered group of municipalities established for the purpose of providing certain low-cost general liability, automobile liability and workers' compensation insurance coverage for member municipalities. The Town of Guttenberg pays an annual assessment to the GSMJIF and should it be determined that payments received by the GSMJIF are deficient, additional assessments may be levied.

The GSMJIF can declare and return excess surplus to members upon approval of the State of New Jersey Department of Insurance. These distributions would be divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with Statement No. 10 of the Government Accounting Standards Board, these distributions may be sued to reduce the amount recorded for membership expense in the year in which the distribution was declared.

The GSMJIF provides Property coverage (i.e. Boiler and Machinery, Flood, Valuable Papers, etc.) to its members by participating in a state-wide joint purchase program.

NOTE 16. RISK MANAGEMENT, (continued)

Financial statements for the Funds are available at the office of the Funds' Executive Director, Garden State Municipal Joint Insurance Fund.

The Town of Guttenberg continues to carry commercial insurance coverage for all other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 17: OTHER MATTERS

On March 9, 2020, Governor Phil Murphy signed Executive Order No. 103 that declared a State of Emergency and Public Health Emergency across all 21 counties in New Jersey in response to address the novel coronavirus (COVID-19) outbreak. At the time of this report, the State of Emergency and Public Health Emergency remains in effect. In efforts to reduce the spread of the virus, many companies and organizations have either reduced staff or closed down, thus creating a potential financial dilemma among many of the taxpayers of the Town of Guttenberg. The Town has identified several risks as a result of this pandemic, including possible delays in the collection of real estate taxes, revenue shortfalls in general permit revenue and cash flow shortages as a result of these delayed collections and increased health emergency costs.

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into effect. This plan, among other things, provides direct federal funding to aid county and municipal governments to help offset revenue losses, cover increased costs incurred during the coronavirus pandemic response and to make necessary investments in water, sewer or broadband infrastructure. The estimated amount of federal aid available to the Town of Guttenberg is $1,164,019 which will be available for use until December 31, 2024. This amount will be distributed to the Town in two installments. The first installment of $582,009 was received in July 2021. The second installment will be received one year after the receipt of the first installment.

NOTE 18. SUBSEQUENT EVENT

The Town has evaluated subsequent events through June 21, 2022, the date which the financial statements were available to be issued, and no other items were noted for disclosure.

SUPPLEMENTARY DATA

TOWN OF GUTTENBERG

Supplementary Data

Official in Office and Surety Bonds

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

Name	Title	Amount of bond	Name of corporate surety
Wayne Zitt	Mayor		
William Hokien	Councilman		
Richard Delafuente	Councilman		
Monica Fundora	Councilwoman		
Juana Malave	Councilwoman		
John D. Habermann	Councilman		
Jorge DeArmas	Town Attorney		
Cosmo Cirillo	Town Administrator		
John Di Stefano	Director of Revenue & Finance, Deputy Tax Collector, Tax Search Officer	1,000,000	(A)
Vincent Buono	CFO/Tax Collector	1,000,000	(A)
Alberto Cabrera	Town Clerk		
Ann Setliff to 9/2021	Deputy Tax Collector		
Lilia Munoz	Municipal Court Judge	1,000,000	(A)
Charles Daglian	Municipal Court Judge	1,000,000	(A)
Bleydeliz Collado	Court Administrator	1,000,000	(A)
Martha Martinez	Violations Clerk		
Maria Rodriguez	Violations Clerk		
Jesenia Rivera from 6/1/21	Violations Clerk		

(A) Coverage provided through the Garden State Municipal Joint Insurance Fund. Coverage is provided up to $1,000,000 per occurrence.

TOWN OF GUTTENBERG

Supplementary Data

Comparative Schedule of Tax Rate Information

	2021	2020	2019
Tax rate	3.882	3.861	3.830
Apportionment of tax rate:			
Local school	1.446	1.443	1.433
County	0.589	0.583	0.598
Municipal	1.847	1.835	1.799

Year Ended December 31,	Assessed Valuation
2021	$ 785,315,316
2020	785,107,707
2019	790,403,519

Comparison of Tax Levies and Collections Currently

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

Year Ended December 31,	Tax Levy	Cash Collections	Percentage of Collections
2021	$ 30,470,533	29,256,745	96.02%
2020	30,316,284	28,248,412	93.18%
2019	30,285,318	28,051,906	92.63%

TOWN OF GUTTENBERG

Supplementary Data

Delinquent Taxes and Tax Title Liens

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

Year Ended December 31,	Amount of tax title liens	Amount of delinquent taxes	Total delinquent	Percentage of tax levy
2021	379,058	540,152	919,210	3.02%
2020	321,532	1,811,225	2,132,757	7.04%
2019	266,235	2,038,911	2,305,146	7.61%

Property Acquired By Tax Title Lien Liquidation

No properties have been acquired in 2021 by foreclosure or deed, as a result of liquidation of tax title liens.

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

Year		Amount
2021	$	None
2020		None
2019		None

Comparative Schedule of Fund Balances

	Year Ended December 31,		Year ended	Utilized in budget of succeding year
Current Fund:	2021	$	6,048,631	2,600,000
	2020		5,282,605	2,250,000
	2019		6,758,172	2,100,000
	2018		6,946,609	2,000,000
	2017		7,043,583	1,700,000

Exhibit A-4

TOWN OF GUTTENBERG

Schedule of Cash - Collector/Treasurer

Current Fund

Year Ended December 31, 2021

		Regular Fund	Federal and State Grant Fund
Balance - December 31, 2020	$	9,907,991	544,028
Increased by receipts:			
Revenue accounts receivable		3,619,824	
Miscellaneous revenues not anticipated		220,619	
Taxes receivable		30,698,163	
Senior citizens and veterans deductions		13,515	
Prepaid Taxes		457,681	
Interfunds		268,677	
Tax Overpayments		2,924	
Various Reserves		15,482	
Grants Receivable			1,019,765
Unappropriated grant reserves			79,236
Due to Current Fund			4,868
		35,296,885	1,103,869
		45,204,876	1,647,897
Decreased by disbursements:			
2021 budget appropriations		17,059,045	
2020 appropriation reserves		2,736,924	
Tax overpayment refunds		98,924	
Local district school tax		10,831,212	
County taxes		4,615,349	
County added taxes		495	
Various Reserves		14,616	
Interfunds		305,929	
Refunds		12,213	
Due to Current Fund			20,543
Appropriated Reserves			676,911
		35,674,707	697,454
Balance, December 31, 2021	$	9,530,169	950,443

Exhibit A-5

TOWN OF GUTTENBERG

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2021

Year	Balance, Dec. 31,	2021 Levy	Added Taxes	Collected 2020	Collected 2021	Senior & Veteran's Deductions	Transferred to Tax Title Liens	Canceled	Balance, Dec. 31, 2021
2020	$ 1,811,225		8,220		1,819,445				
2021		30,408,301	62,232	340,388	28,898,716	17,641	56,180	617,456	540,152
	$ 1,811,225	30,408,301	70,452	340,388	30,718,161	17,641	56,180	617,456	540,152

Overpayments Applied	19,998
Cash Receipts	30,698,163
	$ 30,718,161

Analysis of 2021 Tax Levy

Tax yield:	
General property tax	$ 30,408,301
Added tax (R.S.54:4-63.1 et seq.)	62,232
	$ 30,470,533
Tax levy:	
Local district school tax (abstract)	$ 11,321,822
County tax (abstract)	4,624,791
Local tax for municipal purpose (abstract)	14,402,444
Additional tax levies	121,476
	$ 30,470,533

Exhibit A-6

TOWN OF GUTTENBERG

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2021

	Balance, Dec. 31, 2020	Accrued in 2021	Collected	Balance, Dec. 31, 2021
Clerk:				
Licenses:				
Alcoholic beverages	$	50,905	50,905	
Other		144,847	144,847	
Fees and permits		87,878	87,878	
Construction Code Official-fees and permits		271,051	271,051	
Municipal Court fines and costs	37,335	614,609	612,278	39,666
Parking meters		337,855	337,855	
Interest and cost on taxes		279,890	279,890	
Interest on investments		85,694	85,694	
Board of Education - Shared Services		600,000	600,000	
Consolidated Municipal Property Tax Relief		104,973	104,973	
Energy Receipts Tax		653,802	653,802	
Time Warner		49,267	49,267	
Verizon		41,384	41,384	
Reserve for Payment of Debt		100,000	100,000	
Capital Fund Balance		200,000	200,000	
	$ 37,335	3,622,155	3,619,824	39,666
		Cash	3,619,824	
			$ 3,619,824	

Exhibit A-7

TOWN OF GUTTENBERG

Schedule of Due from State of New Jersey Senior Citizens' and Veterans' Deductions

Current Fund

Year Ended December 31, 2021

Balance - December 31, 2020			$	30,847
Increased by:				
Senior citizens' and veterans' deductions per tax billings	$	13,750		
Deductions allowed		3,891		
				17,641
				48,488
Decreased by:				
Cash received				13,515
Balance - December 31, 2021			$	34,973

Exhibit A-8

Schedule of (Prepaid) and Local District School Taxes Payable

Current Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	(188,696)
Increased by:		
2021 Levy		11,321,822
		11,133,126
Decreased by:		
Cash Disbursed		10,831,212
Balance - December 31, 2021	$	301,914

Exhibit A-9

TOWN OF GUTTENBERG

Schedule of County Taxes Payable

Current Fund

Year Ended December 31, 2021

Increased by:		
County Tax Levy	$	4,615,349
Decreased by:		
Cash Disbursed	$	4,615,349

Exhibit A-10

Schedule of Due County for Added and Omitted Taxes

Current Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	495
Increased by:		
2021 Added Levy		9,442
		9,937
Decreased by:		
Cash Disbursed		495
Balance - December 31, 2021	$	9,442

Exhibit A-11

TOWN OF GUTTENBERG, N.J.

Schedule of 2020 Appropriation Reserves

Current Fund

Year Ended December 31, 2021

	Balance, Dec. 31, 2020	Balance after Transfers	Paid or Charged	Balance Lapsed
Salaries and Wages Within "CAPS":				
Administrative and Executive	$ 20,633	20,633		20,633
Financial Administration	59,329	59,329		59,329
Collection of Taxes	20,007	20,007		20,007
Assessment of Taxes	5,450	5,450		5,450
Municipal Court	41,294	41,294	4,623	36,671
Planning Board	13,181	13,181		13,181
Police	73,884	73,884		73,884
Fire Inspector	19,311	19,311		19,311
Streets and Roads	40,340	27,840		27,840
Recreation	28,381	28,381		28,381
Senior Citizens Nutrition Program	56	56		56
Uniform Construction Code	26,714	26,714	401	26,313
License Inspector	5,891	5,891		5,891
Salary and Wage Adjustment	5,000	5,000		5,000
Total Salaries and Wages Within "CAPS"	359,471	346,971	5,024	341,947
Other Expenses Within "CAPS":				
Administrative and Executive	9,986	32,138	30,897	1,241
Elections	98	98		98
Financial Administration	38,930	39,828	15,438	24,390
Collection of Taxes		12,500	12,485	15
Assessment of Taxes	4,431	4,431		4,431
Municipal Court	3,427	10,107	7,910	2,197
Legal Services	24,739	27,701	25,472	2,229
Public Buildings and Grounds	10,326	50,592	33,635	16,957
Engineering	25,960	38,356	12,396	25,960
Planning Board	7,092	7,092		7,092
Insurance - Other	8,572	11,726	5,195	6,531
Group Insurance for Employees	78,494	8,494	5,580	2,914
Police	15,307	50,150	28,768	21,382
Emergency Management	3,670	3,670		3,670
Fire Inspector	2,044	2,245	201	2,044
Streets and Roads	4,297	29,724	10,289	19,435
Recycling	14,215	14,215	1,527	12,688
Solid Waste & Garbage Removal	101,996	101,996	73,142	28,854
Snow Removal	84,594	89,326	89,326	
Public Health Services	41,341	41,341		41,341
Recreation	21,197	21,197	3,630	17,567
Celebration of Public Events	25,216	25,216	3,057	22,159
Senior Citizens Nutrition Program	16,074	16,074	1,609	14,465
Senior Citizens Transportation	10,000	10,000	253	9,747

Exhibit A-11

TOWN OF GUTTENBERG, N.J.

Schedule of 2020 Appropriation Reserves

Current Fund

Year Ended December 31, 2021

	Balance, Dec. 31, 2020	Balance after Transfers	Paid or Charged	Balance Lapsed
Senior Recreation Program	9,889	9,889		9,889
Uniform Construction Code	3,101	3,101		3,101
License Inspector	868	868		868
Electricity	58,216	58,421	205	58,216
Street Lighting	34,567	34,566	2,860	31,706
Telephone	9,001	10,915	3,874	7,041
Water	17,291	17,291		17,291
Fire Hydrant Service	14,607	14,607		14,607
Sewerage	13,610	13,610		13,610
Gasoline	27,208	27,208	6,848	20,360
Postage - All Departments	6,572	7,489	917	6,572
Technology	12,578	28,220	16,820	11,400
Contingent	365	6,125	5,760	365
Total Other expenses Within "CAPS"	759,879	880,527	398,094	482,433
Deferred Charges and Statutory Expenditures Within "CAPS":				
Social Security (O.A.S.I.)	32,542	32,542		32,542
Police and Firemans Retirement System of N.J.	393	393		393
Public Employees Retirement system	1,667	1,667		1,667
DCRP	723	723		723
Total Deferred Charges and Statutory Expenditures Within "CAPS"	35,325	35,325		35,325
Total Reserves Within "CAPS"	1,154,675	1,262,823	403,118	859,705
Other Expenses Excluded From "CAPS":				
911 - Other Expenses	36	13,535	13,498	37
Stormwater Management	11	14,761	13,600	1,161
Guttenberg Board of Education Security	38,016	44,294	6,278	38,016
North Hudson Regional Communication	108,750	178,750	178,750	
North Hudson Regional Fire and Rescue	2,292,773	2,292,773	2,121,680	171,093
Library Services-North Bergen	466	466		466

Exhibit A-11

TOWN OF GUTTENBERG, N.J.

Schedule of 2020 Appropriation Reserves

Current Fund

Year Ended December 31, 2021

	Balance, Dec. 31, 2020	Balance after Transfers	Paid or Charged	Balance Lapsed
Total Other Expenses Excluded from "CAPS"	2,440,052	2,544,579	2,333,806	210,773
Total Reserves Excluded from "CAPS"	2,440,052	2,544,579	2,333,806	210,773
Total Reserves	$ 3,594,727	3,807,402	2,736,924	1,070,478

Appropriation reserves	3,594,727
Encumbrances	212,675
	$ 3,807,402

Cash Disbursements	2,736,924
	$ 2,736,924

Exhibit A-12

TOWN OF GUTTENBERG

Schedule of Reserve for Encumbrances

Current Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	212,675
Increased by:		
2021 Encumbrances		862,963
		1,075,638
Decreased by:		
Transferred to appropriation reserves		212,675
Balance - December 31, 2021	$	862,963

Exhibit A-13

Schedule of Tax Overpayments

Current Fund

Year Ended December 31, 2021

Balance - December 31, 2020			$	139,618
Increased by:				
Cash Receipts				2,924
				142,542
Decreased by:				
Cash Disbursements	$	98,924		
Liabilities Cancelled		22,391		
Reclassed to 2022 Prepaids		1,229		
Overpayments Applied		19,998		
			$	142,542

Exhibit A-14

TOWN OF GUTTENBERG

Schedule of Prepaid Taxes

Current Fund

Year Ended December 31, 2021

Balance - December 31, 2020			$	340,388
Increased by:				
Transferred from Overpayments	$	1,229		
Prepaid Taxes Collected		457,681		
				458,910
				799,298
Decreased by:				
Applied to 2020 Taxes				340,388
Balance - December 31, 2021			$	458,910

Exhibit A-15

Schedule of Amount Due to the Hudson County Treasurer - Court Fines and Costs

Current Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	6,764
Balance - December 31, 2021	$	6,764

Exhibit A-16

TOWN OF GUTTENBERG

Schedule of Interfunds Due from/(to) Other Funds

Current Fund

Year Ended December 31, 2021

		Balance Dec. 31, 2020	Increased	Decreased	Balance Dec. 31, 2021
Trust Funds:					
Animal License Trust Fund	$	769	2,477	807	2,439
CDBG Trust Fund		183	60	183	60
Unemployment Compensation Trust		(220)	220		
Other Trust Fund - Redemption Account		(16,478)	21,915	5,437	
Other Trust Fund		(2,661)	11,293	8,775	(143)
Other Trust Fund - Asset Forfeiture - Justice			3,464		3,464
Escrow Trust Fund		139	55	139	55
POAA Trust Fund		(129)	129		
Alcohol Education & Rehabiliation Trust		(101)	101		
Fire Prevention Trust Fund		(375)	375		
General Capital Fund		259,111	33,151	292,362	(100)
Federal and State Grant Fund		1,013,855	285,831	9,963	1,289,723
	$	1,254,093	359,071	317,666	1,295,498

		Increased	Decreased
Interfunds Returned - Cash Receipts	$		260,202
Cash Receipts			8,150
Trust Fund Liability Cancelled		254	
Cash Disbursements		305,929	
Marriage License fees collected due Trust			325
Budget Appropriation - Matching Funds for Grants			1,325
Reimburse for expenses paid in error			684
Deposit Errors		3,464	
Statutory Excess		2,440	
Interest Earned		46,984	46,980
	$	359,071	317,666

Exhibit A-17

TOWN OF GUTTENBERG

Schedule of Due from/(to) Current Fund

Federal and State Grant Fund

Year Ended December 31, 2021

Balance - December 31, 2020		$ (1,013,855)
Increased by:		
Interest on Investments	$ 4,868	
Grant Expenditures	265,908	
Prior Year Encumbrances Paid	15,055	
		285,831
		(1,299,686)
Decreased by:		
Cash Disbursements	684	
Matching Appropriations	1,325	
Grant Receipts	3,150	
Cash Disbursements - Interest	4,804	
		9,963
Balance - December 31, 2021		$ (1,289,723)

Exhibit A-18

TOWN OF GUTTENBERG

Schedule of Various Reserves

Current Fund

Year Ended December 31, 2021

		Balance, Dec. 31, 2020	Increased	Decreased	Balance, Dec. 31, 2021
Reserve for:					
Pension Deferral	$	228,137			228,137
Revaluation		17,130			17,130
Library Contribution - North Bergen		20,554			20,554
State Library Aid		11,262			11,262
Tax Appeals		64,519	196,017		260,536
DCA Fees Payable			15,482	14,616	866
	$	341,602	211,499	14,616	538,485

		Increased	Decreased
Cash Receipts		15,482	
Cash Disbursements			14,616
Transfer from 2021 Budget Appropriations		196,017	
	$	211,499	14,616

Exhibit A-19

TOWN OF GUTTENBERG

Schedule of Tax Title Liens

Current Fund

Year Ended December 31, 2021

Balance - December 31, 2020			$	321,532
Increased by:				
Adjustment for prior liens sold on parking spaces	$	1,346		
Transferred from taxes receivable		56,180		
				57,526
Balance - December 31, 2021			$	379,058

Exhibit A-20

TOWN OF GUTTENBERG

Schedule of Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2021

Purpose		Balance, Dec. 31, 2020	2021 Budget Revenue Realized	Received	Cancelled	Balance, Dec. 31, 2021
Clean Communities	$	640				640
CARES Act		657,954		281,501		376,453
Drunk Driving Enforcement Fund		3,033				3,033
Urban Enterprise Zone - Remaining Balance		4,490				4,490
Municipal Alliance		19,359		1,500	(16,710)	1,149
Summer Food Program		8,935				8,935
Recreation Opportunities for Individuals with Disabiliti		33,332				33,332
National Endowment for the Arts - Promotion of the Arts Grant		25,000				25,000
ML Tarantino Community Policing Grant		4,747			(4,747)	
Drive Sober or Get Pulled Over		125				125
Clean Communities Grant			16,642	16,642		
FY21 Strengthening Local Public Health Capacity Program			142,236	141,379		857
Municipal Alliance			5,298	2,252		3,046
Alcohol Education and Rehabilitation Grant			7,270	7,270		
Body Armor Replacement Fund			2,682	2,682		
Summer Food Program			30,698	25,531		5,167
FY22 Strengthening Local Public Health Capacity Program			291,042			291,042
CDBG-CV Funds - Food Pantry Program			57,902			57,902
CDBG-CV Funds - Senior Bus Service			100,000			100,000
American Rescue Plan			532,000	532,000		
Recycling Tonnage Grant			14,840	14,840		
	$	757,615	1,200,610	1,025,597	(21,457)	911,171

Unappropriated Grant Reserves		2,682
Due from Current Fund		3,150
Cash Receipts		1,019,765
	$	1,025,597

Exhibit A-21

TOWN OF GUTTENBERG

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year Ended December 31, 2021

Purpose		Balance, Dec. 31, 2020	Budget Appropriations	Expended	Cancelled	Balance, Dec. 31, 2021
Highway Safety Grant	$	390				390
Summer Food Program		512				512
Urban Enterprise Zone - Remaining Funds		449				449
Municipal Alliance		9,704			7,055	2,649
Municipal Alliance - Match		2,426				2,426
Municipal Alliance - Match		2,414				2,414
Municipal Alliance		1,677				1,677
Municipal Alliance - Match		2,414				2,414
Municipal Alliance - Match		1,757				1,757
Summer Food Program		36,657		32,400		4,257
Body Armor Replacement Fund		373		373		
Body Armor Replacement Fund		2,425		2,425		
Drive Sober or Get Pulled Over		284				284
Body Armor Replacement Fund		1,760		1,760		
Clean Communities Grant		15,624		15,624		
National Endowment for the Arts - Promotion of the Arts Grant		3,373				3,373
ML Tarantino Policing Grant		4,747			4,747	
Recreation Opportunities for Individuals with Disabi		31,265				31,265
Clean Communities Grant		10,628		10,628		
Municipal Alliance - 7/1/19-6/30/20		9,655			9,655	
Municipal Alliance - Match		2,414				2,414
Summer Food Program		1,505				1,505
Body Armor Replacement Fund		2,684		2,684		
FM Global Fire Prevention Grant		1,000				1,000
Recycling Tonnage Grant		28,914				28,914
Clean Communities Grant			16,642	8,172		8,470
FY21 Strengthening Local Public Health Capacity Program			142,236	142,186		50
Municipal Alliance			5,298	2,496		2,802
Municipal Alliance - Match			1,325			1,325
Alcohol Education and Rehabilitation Grant			7,270			7,270
Body Armor Replacement Fund			2,682	2,336		346
Summer Food Program			30,698	1,350		29,348
FY22 Strengthening Local Public Health Capacity Program			291,042	192,607		98,435
CDBG-CV Funds - Food Pantry Program			57,902			57,902

TOWN OF GUTTENBERG

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year Ended December 31, 2021

Purpose	Balance, Dec. 31, 2020	Budget Appropriations	Expended	Cancelled	Balance, Dec. 31, 2021
CDBG-CV Funds - Senior Bus Service		100,000	11,115		88,885
American Rescue Plan		532,000	531,718		282
Recycling Tonnage Grant		14,840			14,840
	$ 175,051	1,201,935	957,874	21,457	397,655

Adopted Budget	165,056
Matching Appropriations	1,325
Added by N.J.S.A. 40A:4-87	1,035,554
	$ 1,201,935

Due to Current	265,908
Prior Year Encumbrances Paid	15,055
Cash Disbursements	676,911
	$ 957,874

Exhibit A-22

TOWN OF GUTTENBERG

Schedule of Unappropriated Grant Reserves

Federal and State Grant Fund

Year Ended December 31, 2021

Purpose		Balance, Dec. 31, 2020	Received	Appropriated in 2021 Budget	Balance, Dec. 31, 2021
Body Armor Replacement Fund	$	2,682	2,096	2,682	2,096
American Rescue Plan			50,010		50,010
Alcohol Education and Rehabilitation			27,130		27,130
	$	2,682	79,236	2,682	79,236

Exhibit B-1

TOWN OF GUTTENBERG

Schedule of Cash - Treasurer

Trust Funds

Year Ended December 31, 2021

	Animal License Fund	Unemployment Compensation Fund	Community Development Block Grant	Other Trust Funds
Balance - December 31, 2020	$ 5,676	70,498	11,023	1,993,478
Increased by:				
Employee payroll deductions		11,180		
Budget Appropriation		10,000		
Dog License Fees	1,659			
State Fees	211			1,875
Interest Earned on investments	37	368	60	8,870
Interfunds		220		28,107
Miscellaneous Reserves				989,227
	1,907	21,768	60	1,028,079
	7,583	92,266	11,083	3,021,557
Decreased by:				
State Fees	61			375
Interfunds	807		183	14,026
Unemployment Claims payable		14,765		
Miscellaneous Reserves				1,218,901
	868	14,765	183	1,233,302
Balance - December 31, 2021	$ 6,715	77,501	10,900	1,788,255

Exhibit B-2

TOWN OF GUTTENBERG

Schedule of Reserve for Expenditures

Animal License Fund

Year Ended December 31, 2021

Balance - December 31, 2020		$	4,886
Increased by:			
Dog License Fees			1,659
			6,545
Decreased by:			
Statutory Excess			2,440
Balance - December 31, 2021		$	4,105

	Dog License Fees Collected		
	2019		2,578
	2020		1,527
		$	4,105

Exhibit B-3

TOWN OF GUTTENBERG

Schedule of Due to State of New Jersey- Animal License Fees

Animal License Trust Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	21
Increased by:		
2021 Fees Collected		211
		232
Decreased by:		
Paid to State Treasurer		61
Balance - December 31, 2021	$	171

Exhibit B-4

TOWN OF GUTTENBERG

Schedule of Community Development Block Grants Receivable

Community Development Block Grant Trust Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	316,320
Increased by:		
Grant Awarded		94,146
		410,466
Decreased by:		
Cash Receipts - General Capital Fund		177,320
Balance - December 31, 2021	$	233,146

Analysis of Balance		
70th Street Improvements - 3-03K1-17		67,000
70th St. Sewer Improvements - 3-03K1-18		72,000
2021 68-69th Street - Palisades Ave Street Imps. - 3-03K1-21		94,146
	$	233,146

Exhibit B-5

TOWN OF GUTTENBERG

Schedule of Reserve for Community Development Block Grants Expenditures

Community Development Block Grant Trust Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	327,160
Increased by:		
Grant Awarded		94,146
		421,306
Decreased by:		
Expenditures incurred in General Capital		177,320
Balance - December 31, 2021	$	243,986

Exhibit B-6

TOWN OF GUTTENBERG

Schedule of Amount Due to State of New Jersey

Other Trust Funds

Year Ended December 31, 2021

Balance - December 31, 2020			$	1,879
Increased by:				
Cash Receipts	$	1,875		
Due from Current Fund		325		
				2,200
				4,079
Decreased by:				
Due to Current Fund	$	254		
Cash Disbursements		375		
				629
Balance - December 31, 2021			$	3,450

Analysis of Balance		
Marriage License Fees - 1st Quarter of 2015		600
Marriage License Fees - 3rd Quarter of 2015		25
Marriage License Fees - 4th Quarter of 2015		525
Marriage License Fees - 2nd Quarter of 2020		25
Marriage License Fees - 4th Quarter of 2020		450
Marriage License Fees - 2nd Quarter of 2021		725
Marriage License Fees - 3rd Quarter of 2021		550
Marriage License Fees - 4th Quarter of 2021		550
	$	3,450

Exhibit B-7

TOWN OF GUTTENBERG

Schedule of Interfunds

Trust Funds

Year Ended December 31, 2021

		Balance Due from/(to) Dec. 31, 2020	Increased	Decreased	Balance, from/(to) Dec. 31, 2021
Animal License Fund:					
Current Fund	$	(769)	2,477	807	(2,439)
Community Development Block Grant Fund:					
Current Fund		(183)	60	183	(60)
Unemployment Compensation Trust Fund:					
Current Fund		220	220		
Other Trust Fund:					
Escrow Trust - Current Fund		(139)	55	139	(55)
Current Fund - Redemption Account		16,478	21,915	5,437	
Current Fund		2,661	11,293	8,775	143
Current Fund - Asset Forfeiture, Dept. of Justice			3,464		(3,464)
POAA Trust		(46)			(46)
Alcohol Education & Rehabilitation Trust Fund:					
Current Fund		101	101		
Fire Prevention Trust Fund:					
Current Fund		375	375		
POAA Trust Fund:					
Other Trust		46			46
Current Fund		129	129		
	$	18,873	40,089	15,341	(5,875)

		Increased	Decreased
Cash Receipts	$	28,327	
Cash Disbursements			15,016
Statutory Excess		2,440	
Cancelled		101	
Cancelled Liability		254	
Due from Current - Marriage License Fees			325
Interest on Investments		8,967	
	$	40,089	15,341

Exhibit B-8

TOWN OF GUTTENBERG

Schedule of Miscellaneous Reserves

Other Trust Funds

Year Ended December 31, 2021

	Balance, Dec. 31, 2020	Increased	Decreased	Balance, Dec. 31, 2021
Reserve for:				
Tax Redemptions	$ 34,259	394,384	309,471	119,172
Snow Removal	175,000			175,000
P.O.A.A.	42,933	4,945		47,878
Law Enforcement Trust	93,744	25,105	86,669	32,180
Alcohol Education Rehab	27,061	69	27,130	
Recreation Trust	79,280	14,841	6,351	87,770
Annual Celebrations	13,213	5,000	6,138	12,075
Sewer Improvements	4,500		4,500	
Fire Prevention	19,176	7,813	702	26,287
Builders Escrow Deposits	79,872	108,908	44,502	144,278
Police Special Detail	64,187	237,049	173,245	127,991
Public Defender	21,640	5,074	25,400	1,314
Asset Forfeitures - Equitable Sharing				
Justice	4,227	3,669		7,896
Treasury	406	2		408
Senior Citizens	6,986	1,100	1,274	6,812
Tax Sale Premiums	1,317,700	164,000	522,100	959,600
Food Pantry	500	7,268		7,768
Accumulated Leave	15,000	10,000		25,000
Performance Bond	11,520		11,520	
	$ 2,011,204	989,227	1,219,002	1,781,429
Cash Receipts		989,227		
Cash Disbursements			1,218,901	
Interfund cancelled			101	
		$ 989,227	1,219,002	

Exhibit B-9

TOWN OF GUTTENBERG

Schedule of Reserve for Unemployment Compensation Insurance

Unemployment Insurance Compensation Trust

Year Ended December 31, 2021

Balance - December 31, 2020			$	70,718
Increased by:				
Employee Payroll Deductions	$	11,180		
Interest earnings		368		
Budget Appropriation		10,000		
				21,548
				92,266
Decreased by:				
Payment of Unemployment Insurance Claims				14,765
Balance - December 31, 2021			$	77,501

Exhibit C-2

TOWN OF GUTTENBERG

Schedule of Cash - Treasurer

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020		$ 6,246,553
Increased by receipts:		
Premium on Sale of Notes	$ 83,034	
Deferred Charges - Unfunded	100,000	
Due to/(from) Current Fund	181,737	
Grant Receipts - Hudson County Open Spce	285,479	
Grant Receipts - Department of Transportation	946,388	
Grant Reeipts - Hudson County Community Developm	177,320	
Reserve for Sewer Improvements	32,500	
Reserve for Green Acres	5	
Bond Anticipation Notes	12,600,000	
		14,406,463
		20,653,016
Decreased by disbursements:		
Due to/(from) Current Fund	440,948	
Capital Fund Balance - Budget Revenue	200,000	
Refund - Bid Deposits	12,844	
Reserve for Payment of Debt	100,000	
Bond Anticipation Notes	7,450,000	
Improvement Authorizations	3,640,727	
		11,844,519
Balance - December 31, 2021		$ 8,808,497

Exhibit C-3

TOWN OF GUTTENBERG

Schedule of General Capital Fund Cash

General Capital Fund

Year Ended December 31, 2021

Capital Improvement Fund		$	916,646
Reserve for Payment of Debt			3,997,383
Grants Receivable - NJ Department of Transportation			(1,043,612)
Grant Receivable - Hudson County Open Space			(529,739)
Grant Receivable - State of NJ, Green Acres Program			(64,172)
Grant Receivable - State of NJ, Educational Facilities Construction			(182,587)
Grant Receivable - Hudson County Community Development			
Grant Receivable - Office of Law and Public Safety			(101,900)
Reserve for Grants Receivable			1,483,228
Reserve for Sewer Improvements			32,500
Due to Current Fund			(100)
Due from Board of Education			(42,182)
Reserve for Green Acres			1,019
Fund Balance			103,813
	Improvement description		
6-2008/18-2012/ 26-2013/16-2014	Improvements to Waterfront Park		(13,518)
08-2011	Various Capital Improvements		(61,016)
2-2012/8- 2018/28-2018	Construction of Building and Imps. to the Anna L. Klein School for Community, Recreational and Educational Purposes		363,830
17-2012/3-2013	Improvements to 68th Street, Sec. 4		45,778
25-2013	Various Street Improvements		60,149
27-2013	Sewer Repairs - Broadway & 70th Street		18,300
13-2014	Improvements to 69th Street		41,417
16-2015/26- 2017/24-2019	Various Capital Improvements		457,311
7-2016	Acquisition and Installation of a Generator		35,612
22-2017	70th Street Road and Related Sewer Imps.		16,643
20-2018	Renovation of Monument Park		12,445
21-2018/14-2019	Renovations to Veteran's Park		41,480
25-2018	Sewer Improvements		229,780
12-2019	Road Imps. to Broadway & Bellevue		57,936
31-2019	Acquisition and Imps. to 506 70th Street - Park Development		52,624
28-2020	Traffic Signal & Road Improvements		540,888
18-2021	Combined Sewer Overflow Sewer System Imps.		664,042
20-2021	Various Capital Improvements		1,674,499
		$	8,808,497

Exhibit C-4

TOWN OF GUTTENBERG

Schedule of Deferred Charges to Future Taxation - Funded

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020			$	17,962,746
Decreased by:				
Budget appropriations:				
Serial Bonds	$	605,000		
Green Acres Loan		17,746		
				622,746
Balance - December 31, 2021			$	17,340,000

Exhibit C-5

TOWN OF GUTTENBERG

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2021

Ordinance number	Improvement description	Balance, Dec. 31, 2020	2021 Authorizations	Decreased by:	Balance, Dec. 31, 2021	Analysis of Balance December 31, 2021: Funded by Bond Anticipation Notes	Expenditures	Unexpended improvement authorization
08-2011	Various Capital Improvements	$ 161,016		100,000	61,016		61,016	
2-2012	Construction of Building and Improvements to the Anna L. Klein School for Community, Recreational and Educational purposes	666			666			666
17-2012	Improvements to 68th Street, Section 4	125,519			125,519			125,519
16-2014	Improvements to Waterfront Park	88,352			88,352		13,518	74,834
26-2017	Various Capital Improvements	2			2			2
7-2016	Acquisition and Installation of a Generator							
22-2017	70th Street Road and Sewer Imps.	455,000			455,000	455,000		
08-2018	Construction of Building and Improvements to the Anna L. Klein School for Community, Recreational and Educational purposes	1,425,000			1,425,000	1,425,000		
20-2018	Renovation of Monument Park	201,400			201,400	201,400		
21-2018	Renovations to Veteran's Park	902,500			902,500	897,600		4,900
25-2018	Sewer Improvements	1,900,000			1,900,000	1,900,000		
28-2018	Construction of Building and Improvements to the Anna L. Klein School for Community, Recreational and Educational purposes	666,000			666,000	666,000		
12-2019	Road Imps. to Broadway & Bellevue	360,000			360,000	360,000		
24-2019	Various Capital Improvements	1,310,050			1,310,050	1,310,000		50
31-2019	Acquisition & Improvements to 506 70th Street - Park Development	237,500			237,500	235,000		2,500
28-2020	Traffic Signal and Road Improvements	1,700,000			1,700,000	1,700,000		
18-2021	Combined Sewer Overflow Sewer System Imps.		1,425,000		1,425,000	1,425,000		
20-2021	Various Capital Improvements		2,028,661		2,028,661	2,025,000		3,661
		$ 9,533,005	3,453,661	100,000	12,886,666	12,600,000	74,534	212,132

Budget Appropriation - Deferred Charges Unfunded	100,000	
	$ 100,000	

Improvement Authorizations - Unfunded		4,323,610
Less: Unexpended note proceeds		
Ord. 2-2012/28-2018	363,830	
Ord. 22-2017	16,643	
Ord. 20-2018	12,445	
Ord. 21-2018/14-2019	41,480	
Ord. 25-2018	229,780	
Ord. 12-2019	57,936	
Ord. 24-2019	457,311	
Ord. 31-2019	52,624	
Ord. 28-2020	540,888	
Ord. 18-2021	664,042	
Ord. 20-2021	1,674,499	
		4,111,478
		$ 212,132

Exhibit C-6

TOWN OF GUTTENBERG

Schedule of Grants Receivable
Hudson County Open Space Trust Fund

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	815,218
Decreased by:		
Cash Receipts		285,479
Balance - December 31, 2021	$	529,739

Analysis of Balance		
Ord. 24-2019		57,911
Ord. 31-2019		97,218
Ord. 35-2020		374,610
	$	529,739

Exhibit C-7

Schedule of Grants Receivable - State of New Jersey
Department of Transportation

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	1,990,000
Decreased by:		
Cash Receipts		946,388
Balance - December 31, 2021	$	1,043,612

Analysis of Balance		
Ord. 12-2019: Imps. to Broadway and Bellevue		240,000
Ord. 22-2017: 70th Street Road and related Sewer Imps.		223,270
Ord. 28-2020: Park Avenue Traffic Signal		580,342
	$	1,043,612

Exhibit C-8

TOWN OF GUTTENBERG

Schedule of Grants Receivable - State of New Jersey
Green Acres Program

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	64,172
Balance - December 31, 2021	$	64,172

Analysis of Balance		
Ord. 6-2008/18-2012: Improvements to Waterfront Park	$	64,172

Exhibit C-9

Schedule of Grants Receivable - State of New Jersey
Section 15 Educational Facilities Construction
Financing Act Grant - Ord. 2-2012

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	182,587
Balance - December 31, 2021	$	182,587

Exhibit C-10

TOWN OF GUTTENBERG

Schedule of Grants Receivable - Hudson County Community Development Block Grant

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$ 177,320
Decreased by:	
Cash Receipts	$ 177,320

Exhibit C-11

Schedule of Amount Due from the Guttenberg Board of Education

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$ 42,182
Balance - December 31, 2021	$ 42,182

Exhibit C-12

TOWN OF GUTTENBERG

Schedule of Grants Receivable - State of New Jersey
Office of Law and Public Safety

General Capital Fund

Year Ended December 31, 2021

Increased by:		
Grant Awards	$	101,900
Balance - December 31, 2021	$	101,900
Analysis of Balance		
Ord. 20-2021 - Acquisition of Body Cameras	$	101,900

Exhibit C-13

TOWN OF GUTTENBERG

Schedule of Serial Bonds

General Capital Fund

Year Ended December 31, 2021

Purpose	Date of issue	Original issue	Maturities of bonds outstanding Date	Maturities of bonds outstanding Amount	Interest rate	Balance, Dec. 31, 2020	Decreased	Balance, Dec. 31, 2021
General Obligation Bonds	Jun. 7, 2018	19,150,000	Aug. 1, 2022	605,000	5.00%	$ 17,945,000	605,000	17,340,000
			Aug. 1, 2023	605,000	5.00%			
			Aug. 1, 2024	605,000	5.00%			
			Aug. 1, 2025	620,000	5.00%			
			Aug. 1, 2026	620,000	5.00%			
			Aug. 1, 2027	650,000	5.00%			
			Aug. 1, 2028	680,000	5.00%			
			Aug. 1, 2029	715,000	4.00%			
			Aug. 1, 2030	745,000	4.00%			
			Aug. 1, 2031	770,000	4.00%			
			Aug. 1, 2032	805,000	4.00%			
			Aug. 1, 2033	835,000	4.00%			
			Aug. 1, 2034	870,000	3.25%			
			Aug. 1, 2035	895,000	3.50%			
			Aug. 1, 2036	930,000	3.50%			
			Aug. 1, 2037	960,000	3.50%			
			Aug. 1, 2038	995,000	3.50%			
			Aug. 1, 2039	1,030,000	5.00%			
			Aug. 1, 2040	1,080,000	5.00%			
			Aug. 1, 2041	1,135,000	5.00%			
			Aug. 1, 2042	1,190,000	5.00%			
						$ 17,945,000	605,000	17,340,000

Exhibit C-14

TOWN OF GUTTENBERG

Schedule of Capital Improvement Fund

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	1,093,058
Decreased by:		
Appropriated to Finance Improvement Authorizations		176,412
Balance - December 31, 2021	$	916,646

Exhibit C-15

Schedule of Interfund (Reeivable)/Payable - Due to Current Fund

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020			$	259,111
Increased by:				
Interest on Investments	$	33,151		
Cash Receipts		148,586		
				181,737
				440,848
Decreased by:				
Cash Disbursements				440,948
Balance - December 31, 2021			$	(100)

Exhibit C-16

TOWN OF GUTTENBERG

Schedule of Bid Bond Deposits

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	12,844
Decreased by:		
Cash Disbursements	$	12,844

Exhibit C-17

Schedule of Reserve for Payment of Debt

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	2,990,906
Increased by:		
Transferred from Reserve for Grants Receivable		1,106,477
		4,097,383
Decreased by:		
Utilized as Budget Revenue - Cash Disbursements		100,000
Balance - December 31, 2021	$	3,997,383

Ord. 7-2016 - Bonds		159,048
Ord. 17-2012 - Notes		21,366
1. 2-2012 - State Educational Facilities Construction Financing - Bonds		1,865,956
Ord. 22-2017 - Notes		231,730
Ord. 20-2018 - Notes		164,536
Ord. 21-2018 - Notes		500,000
Ord. 24-2019 - Notes		160,089
Ord. 28-2020 - Notes		894,658
	$	3,997,383

Exhibit C-18

TOWN OF GUTTENBERG

Schedule of Reserve for Grants Receivable

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	2,487,805
Increased by:		
Grants Awarded not Appropriated		101,900
		2,589,705
Decreased by:		
Grant receipts transferred to reserve for payment of notes		1,106,477
Balance - December 31, 2021	$	1,483,228

Ord. 24-2019: Hudson County Open Space		57,911
Ord. 31-2019: Hudson County Open Space		97,218
Ord. 22-2017: Department of Transportation		223,270
Ord. 12-2019: Department of Transportation		240,000
Ord. 28-2020: Department of Transportation		580,342
Ord. 20-2021 - State of NJ, Dept. of Law & Public Safety		101,900
Ord. 2-2012: Sec. 15 Educational Facilities Construction Financing Grant		182,587
	$	1,483,228

Exhibit C-19

Schedule of Reserve for Green Acres

General Capital Fund

Year Ended December 31, 2021

Balance - December 31, 2020	$	1,014
Increased by:		
Interest Earnings		5
Balance - December 31, 2021	$	1,019

Exhibit C-20

TOWN OF GUTTENBERG

Schedule of Reserve for Sewer Improvements

General Capital Fund

Year Ended December 31, 2021

Increased by:		
Developer Deposits	$	32,500
Balance - December 31, 2021	$	32,500

Exhibit C-21

TOWN OF GUTTENBERG

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2021

Ordinance number	Improvement description	Ordinance Date	Amount	Balance, Dec. 31, 2020 Funded	Balance, Dec. 31, 2020 Unfunded	Authorized	Expended	Balance, Dec. 31, 2021 Funded	Balance, Dec. 31, 2021 Unfunded
6-2008/18-2012/26-2013/16-2014	Improvements to Waterfront Park	Mar. 24, 2008	450,000	$	74,834				74,834
2-2012/2-2018/28-2018	Construction of Building and Improvements to the Anna L. Klein School for Community, Recreation and Educational Purposes	May 29, 2012	20,335,000		364,496				364,496
		Mar. 28, 2018	1,500,000						
		Nov. 28, 2018	700,000						
17-2012/3-2013	Imprs. to 68th Street, Section 4	Oct. 22, 2012	250,000	45,778	125,519			45,778	125,519
		Feb. 25, 2013	120,000						
25-2013	Various Street Improvements	Sept. 23, 2013	850,000	60,149				60,149	
27-2013/1-2015	Sewer Repairs - Broadway & 70th Street	Dec. 30, 2013	744,680	18,300				18,300	
		Feb. 23, 2015	400,000						
13-2014	Improvements to 69th Street	Oct. 14, 2014	470,000	41,417				41,417	
16-2015/20-2015/26-2017/24-2019/35-2020	Various Capital Improvements	Oct. 26, 2015, Nov. 27, 2017, Oct. 30, 2019, Dec. 28, 2020	4,676,500		1,122,378		665,015		457,363
7-2016	Acq. and Installation of a Generator	Apr. 25, 2016	180,000	35,612				35,612	
22-2017	70th Street Road and related Sewer Imps.	Oct. 23, 2017	650,000		17,057		414		16,643
20-2018	Renovations to Monument Park	Sept. 7, 2018	212,000		12,445				12,445
21-2018/14-2019	Renovations to Veteran's Park	Sept. 7, 2018, June. 24, 2019	725,000		49,253		2,873		46,380
25-2018/36-2020	Sewer Improvements	Oct. 29, 2018, Dec. 28, 2020	2,000,000		629,387		399,607		229,780
12-2019	Road Improvements to Broadway & Bellevue	Jun. 24, 2019	360,000		58,182		246		57,936
31-2019	Acquisition/Improvements to 506 70th Street - Park Development	Dec. 27, 2019	250,000		191,894		136,770		55,124
28-2020	Traffic Signal and Road Improvements	Dec. 28, 2020	1,700,000		1,688,819		1,147,931		540,888
18-2021	Combined Sewer Overflow Sewer System Imps.	Jun. 30, 2021	1,500,000			1,500,000	835,958		664,042
20-2021	Various Capital Improvements	Jul. 29, 2021	2,130,073			2,130,073	451,913		1,678,160
				$ 201,256	4,334,264	3,630,073	3,640,727	201,256	4,323,610

Capital Improvement Fund	176,412
Deferred Charges Unfunded	3,453,661
	$ 3,630,073

Cash Disbursements $ 3,640,727

Exhibit C-22

TOWN OF GUTTENBERG

Schedule of Green Acres Loans Payable

General Capital Fund

Year Ended December 31, 2021

Purpose	Date of issue	Original issue	Maturities of Loans Outstanding Date	Maturities of Loans Outstanding Amount	Interest rate	Balance, Dec. 31, 2020	Decreased
Ball Field Project No. 0903-94-052	3/11/2005	475,200	1/11/2021	17,746	2.00%	$ 17,746	17,746
						$ 17,746	17,746

Exhibit C-23

TOWN OF GUTTENBERG

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2021

Ord. Number	Purpose	Date of original issue	Original issue	Date of Maturity	Interest rate	Balance, Dec. 31, 2020	Increased	Decreased	Balance, Dec. 31, 2021
22-2017	70th Street Road and related Sewer Imps.	Oct. 24, 2019	455,000	Oct. 20, 2022	1.00%	455,000	455,000	455,000	455,000
8-2018	Amend 2-2012: Building Imps. - Anna L. Klein	Oct. 24, 2019	1,425,000	Oct. 20, 2022	1.00%	1,425,000	1,425,000	1,425,000	1,425,000
20-2018	Renovation of Monument Park	Oct. 24, 2019	201,400	Oct. 20, 2022	1.00%	201,400	201,400	201,400	201,400
21-2018/14-2019	Renovations to Veteran's Park	Oct. 24, 2019	897,600	Oct. 20, 2022	1.00%	897,600	897,600	897,600	897,600
25-2018	Sewer Improvements	Oct. 24, 2019	1,900,000	Oct. 20, 2022	1.00%	1,900,000	1,900,000	1,900,000	1,900,000
28-2018/2-2012	Amend 2-2012: Building Imps. - Anna L. Klein	Oct. 24, 2019	666,000	Oct. 20, 2022	1.00%	666,000	666,000	666,000	666,000
12-2019	Road Improvements to Broadway & Bellevue	Oct. 20, 2020	360,000	Oct. 20, 2022	1.00%	360,000	360,000	360,000	360,000
24-2019	Various Capital Improvements	Oct. 20, 2020	1,310,000	Oct. 20, 2022	1.00%	1,310,000	1,310,000	1,310,000	1,310,000
31-2019	Acquisition/Improvemens to 506 70th Street	Oct. 20, 2020	235,000	Oct. 20, 2022	1.00%	235,000	235,000	235,000	235,000
28-2020	Traffic Signal and Road Improvements	Oct. 20, 2021	1,700,000	Oct. 20, 2022	1.00%		1,700,000		1,700,000
18-2021	Combined Sewer Overflow Sewer System Imps.	Oct. 20, 2021	1,425,000	Oct. 20, 2022	1.00%		1,425,000		1,425,000
20-2021	Various Capital Improvements	Oct. 20, 2021	2,025,000	Oct. 20, 2022	1.00%		2,025,000		2,025,000
						$ 7,450,000	12,600,000	7,450,000	12,600,000
					Cash		5,150,000		
					Renewed		7,450,000	7,450,000	
							$ 12,600,000	7,450,000	

Exhibit C-24

TOWN OF GUTTENBERG

Schedule of Bonds and Notes Authorized Not Issued

General Capital Fund

Year Ended December 31, 2021

Ordinance number	Improvement description	Balance, Dec. 31, 2020	Authorized	Decreased by:	Balance, Dec. 31, 2021
08-2011	Various Capital Improvements	$ 161,016		100,000	61,016
2-2012	Construction of Building and Imps. To the Anna L. Klein School for Community Recreational and Educational purposes	666			666
17-2012	Improvements to 68th Street, Sec. 4	125,519			125,519
16-2014	Supplemental Approp: Waterfront Park, Phase I	88,352			88,352
26-2017	Additional Appropriation: Ord. 16-2015	2			2
21-2018	Renovations to Veteran's Park	4,900			4,900
24-2019	Various Capital Improvements	50			50
31-2019	Acquisition/Improvements to 506 70th Street - Park Development	2,500			2,500
28-2020	Traffic Signal and Road Improvements	1,700,000		1,700,000	
18-2021	Combined Sewer Overflow Sewer System Improvements		1,425,000	1,425,000	
20-2021	Various Capital Improvements		2,028,661	2,025,000	3,661
		$ 2,083,005	3,453,661	5,250,000	286,666

Budget Appropriation - Deferred Charges - Unfunded	100,000
Bond Anticipation Notes Issued	5,150,000
	$ 5,250,000

TOWN OF GUTTENBERG

PART II

LETTERS ON COMPLIANCE AND ON INTERNAL CONTROL

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2021

WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
PAUL J. CUVA, CPA, RMA, PSA
JAMES J. CERULLO, CPA, RMA, PSA
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor and
Members of the Town Council
Town of Guttenberg
County of Hudson, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements-regulatory basis of the Town of Guttenberg in the County of Hudson as of and for the year ended December 31, 2021 and the related notes to the financial statements, and have issued our report thereon dated June 21, 2022, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting.

Internal Control Over Financial Reporting

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

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

Honorable Mayor and
Members of the Town Council
Page 2.

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

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

Compliance and Other Matters

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

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Guttenberg internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Guttenberg internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Wielkotz & Company, LLC

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

June 21, 2022

W&CO

WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable Mayor and
Members of the Town Council
Town of Guttenberg
Guttenberg, NJ 07093

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Town of Guttenberg's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the N.J. Office of Management and Budget Circular 15-08 Compliance Supplement that could have a direct and material effect on each of Town of Guttenberg's major federal and state programs for the year ended December 31, 2021. Town of Guttenberg's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Town of Guttenberg complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and N.J. OMB Circular 15-08. Our responsibilities under those standards and the Uniform and N.J.

OMB Circular 15-08. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Town of Guttenberg's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance, and N.J. OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Town of Guttenberg's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance, and N.J. OMB Circular 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Town of Guttenberg's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Town of Guttenberg's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Town of Guttenberg's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and N.J. OMB Circular 15-08.

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

Report on Internal Control over Compliance

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

Honorable Mayor and
Members of the Town Council
Page 4.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and N.J. OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

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

Wielkotz & Company, LLC

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

June 21, 2022

W&CO

TOWN OF GUTTENBERG

Schedule of Expenditures of Federal Awards

Year ended December 31, 2021 and 2020

Federal grantor	Program	CFDA number	FAIN number	Grant or State Project number	Grant period	Award Amount	Cash Received	Expenditures	Adjustment/ Cancelled	(MEMO) Cumulative Expenditures
Federal and State Grant Fund:										
Department of Transportation	State and Community Highway Safety									
	National Highway Traffic Safety Program									
	Alcohol Impaired Driving Countermeasures Incentive Grant									
	Drive Sober or Get Pulled Over	20.601			2015	5,000	$			5,000
	Drive Sober or Get Pulled Over	20.601			2016	5,000				4,716
	Drive Sober or Get Pulled Over	20.601			2016	5,000				5,000
(1) U.S. Department of the Treasury										
Coronavirus Aid, Relief and Economic Security Act	CARES Act	21.019			2020	1,037,377	281,501			1,037,377
(1) U.S. Department of Health and Human Services										
Centers for Dease Control and Prevention	Strengthening Local Public Health Capacity Program	93.323			7/1/21-6/30/22	291,042		192,607		192,607
					12/1/20-6/30/21	142,236	141,379	142,186		142,186
(2) U.S. Department of Housing and Urban Development										
Passed through County of Hudson	CDBG-CV Public Service Grant - Food Pantry Program	14.218			2021	57,902				
	CDBG-CV Public Service Grant - Senior Bus Program	14.218			2021	100,000		11,115		11,115
(1) U.S. Department of the Treasury										
Coronavirus State and Local Fiscal Recovery Funds		21.017			3/3/21-12/31/24	1,164,019	582,009	531,718		531,718
National Endowment for the Arts	Promotion of the Arts Partnership Agreements	45.024			9/1/17-9/30/18	25,000				21,627
Department of Agriculture	Summer Food Program	10.559			2014	23,703				23,191
		10.559			2019	19,659		12,571		19,659
		10.559			2020	25,591		19,829		19,829
		10.559			2021	30,698	25,531	1,350		1,350
	Total Federal and State Grant Fund						1,030,420	911,376		
Trust Funds:										
U.S. Department of Justice	Equitable Sharing Program	16.922			2020		3,627		43	
U.S. Department of Treasury	Equitable Sharing Program	21.016			2020				2	
	Total Trust Funds						3,627		45	

TOWN OF GUTTENBERG

Schedule of Expenditures of Federal Awards

Year ended December 31, 2021 and 2020

Federal grantor	Program	CFDA number	FAIN number	Grant or State Project number	Grant period	Award Amount	Cash Received	Expenditures	Adjustment/ Cancelled		(MEMO) Cumulative Expenditures
General Capital Fund:										*	
Community Development Block Grant Trust Fund:										*	
Department of Housing and Urban Development										*	
(passed through County of Hudson):	Community Development Block Grant:									*	
	3-03K1-20 Traffic Signal Improvements (Sewer)	14.218		Ord. 36-2020	2020	91,820	91,820	91,820		*	91,820
	3-03K1-19 Traffic Signal Improvements (Sewer)	14.218		Ord. 36-2020	2019	85,500	85,500	85,500		*	85,500
	3-03J1-18 Sewer Improvements	14.218			2018	72,000				*	
	3-03K1-17 70th Street Improvements	14.218		Ord. 22-2017	2017-18	67,000				*	
	Total Community Development Trust Fund						177,320	177,320		*	
Total Federal Financial Assistance							$ 1,211,367	1,088,696	45	*	

Note: This schedule was subject to an audit in accordance with the Uniform Guidance.

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

Schedule 2

TOWN OF GUTTENBERG

Schedule of Expenditures of State Awards and Other Financial Assistance

Year ended December 31, 2021 and 2020

State grantor	Program	Grant number	Grant period		Award Amount	Cash Received	Budgetary Expenditures	Adjustment	(MEMO) Cumulative Expenditures
Federal and State Grant Fund:									
Department of Commerce & Economic Development	Urban Enterprise Zone Assistance Fund		2011	$	24,038				23,588
Department of Community Affairs Office of Recreation	Recreation Opportunities for Individuals with Disabilities		2019		16,666				
			2018		16,666				2,067
Department of Environmental Protection	Recycling Tonnage Grant	042-4900-752-001	2021		14,840	14,840			
	Recycling Tonnage Grant	042-4900-752-001	2019		14,535				
	Recycling Tonnage Grant	042-4900-752-001	2017		14,378				
	Clean Communities Program	042-4900-765-004	2021		16,642	16,642	8,172		8,172
	Clean Communities Program	042-4900-765-004	2020		15,624		15,624		15,624
	Clean Communities Program	042-4900-765-004	2019		17,326		10,628		17,326
	Clean Communities Program	042-4900-765-004	2005-06		7,530				7,530
						31,482	34,424		
Department of Law and Public Safety	Body Armor Grant	066-1020-718-001	2021		2,096	2,096			
	Body Armor Grant	066-1020-718-001	2020		2,682		2,336		2,336
	Body Armor Grant	066-1020-718-001	2018		2,684		2,684		2,684
	Body Armor Grant	066-1020-718-001	2017		2,428		1,760		2,428
	Body Armor Grant	066-1020-718-001	2016		2,425		2,425		2,425
	Body Armor Grant	066-1020-718-001	2015		2,436		373		2,436
	Highway Safety		2006-07		1,945				1,555
Department of Law and Public Safety	Drunk Driving Enforcement Fund	1110-448-031020-22	2012		6,899				3,866
						2,096	9,578		
County of Hudson (1)	Municipal Alliance		2021-2022		5,298	2,252	2,496		
			Match		1,325	1,325			
			2020-2021		2,649	1,500			
			Match		2,426				
			2018-2019		9,655				7,978
			Match		2,414				
			Match		2,414				
			Match		2,414				
			Match		2,414				357
						5,077	2,496		

TOWN OF GUTTENBERG

Schedule of Expenditures of State Awards and Other Financial Assistance

Year ended December 31, 2021 and 2020

State grantor	Program	Grant number	Grant period	Award Amount	Cash Received	Budgetary Expenditures	Adjustment	(MEMO) Cumulative Expenditures
Administrative Offices of the Courts	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2021	7,270	7,270			
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2020	3,418				
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2019	8,439				
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2018	6,078				
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2017	4,439				300
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2016	3,505				
	Alcohol Education and Rehabilitation Fund	098-9735-760-001	2015	2,711			(460)	
					7,270		(460)	
	Total State and Federal Grant Fund				45,925	46,498	(460)	
General Capital Fund:								
Department of Transportation								
State Aid Highway Projects								
Highway Planning and Construction	Municipal Aid - Park Avenue Traffic Signal - Ord. 28-2020		2020	775,000	194,658	299,940		194,658
	Municipal Aid - Bergenline Traffic Signal - Ord. 28-2020		2020	700,000	700,000	700,000		700,000
	Municipal Aid - Broadway & Bellevue Ave - Ord. 12-2019		2019	240,000				240,000
	Municipal Aid - Broadway & Bellevue Ave - Ord. 22-2017		2017	240,000	51,730			240,000
	Municipal Aid - Broadway & Bellevue Ave - Ord. 22-2017		2016	215,000				215,000
					946,388	999,940		
Department of Law and Public Safety	Body Worn Cameras - Ord. 20-2021		2021	101,900		96,713		96,173
Department of Environmental Protection	Green Acres Program - Waterfront Park Imp. - Ord. 18-2012		2012	62,263				62,263
	Green Acres Program - Waterfront Park Imp. - Ord. 6-2008		2007-08	155,000				155,000
Department of Education	Section 15 Educational Facilities Financing Act Grant Construction of Building & Imps. To the Anna L. Klein School for Community, Recreational and Educational Purposes	Ord. 2-2012	2012	3,651,737				3,651,737
	Total General Capital Fund				946,388	1,096,653		
Total State Financial Assistance					$ 992,313	1,143,151	(460)	

TOWN OF GUTTENBERG

Schedule of Expenditures of State Awards and Other Financial Assistance

Year ended December 31, 2021 and 2020

State grantor	Program	Grant number	Grant period	Award Amount	Cash Received	Budgetary Expenditures	Adjustment	(MEMO) Cumulative Expenditures
Other Financial Assistance:								
FM Global Fire Prevention Grant				1,000				
Hudson County Open Space	Acquisition/Imps. To All Access Park Property	Ord. 35-2020		500,000	125,390	125,390		125,390
	Acquisition/Imps. To 506 70th Street Park Development	Ord. 31-2019		97,218				58,106
	Park Improvements	Ord. 24-2019		218,000	160,089	10,180		160,089
	Total Other Financial Assistance				285,479	135,570		
Total State and Other Financial Assistance					$ 1,277,792	1,278,721	(460)	

Note: This schedule was subject to an audit in accordance with N.J. OMB 2015-08.

(1) - Passed through the State of New Jersey

TOWN OF GUTTENBERG
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

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

NOTE 3. RELATIONSHIP TO FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules do not agree with amounts reported in the Town's financial statements because encumbrances are not reported in the accompanying schedules. Financial assistance awards are reported in the Town's financial statements on a basis of accounting described above as follows:

	Federal	State	Local	Total
Community Development Trust Fund	$177,320			$177,320
Federal and State Grant Fund	911,376	46,498	$	957,874
General Capital Fund		1,096,653	135,570	1,232,223
Total Current Fund	$1,088,696	$1,143,151	$135,570	$2,367,417

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

TOWN OF GUTTENBERG
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021
(continued)

NOTE 5. <u>INDIRECT COST RATE</u>

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

TOWN OF GUTTENBERG
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	adverse - USGAAP unmodified - regulatory	
Internal control over financial reporting:		
1. Significant deficiencies identified that are not considered to be material weaknesses?	____ yes	X no
2. Material weakness(es) identified?	____ yes	X no
Noncompliance material to financial statements noted?	____ yes	X no

Federal Awards Section

Dollar threshold used to determine type A programs:	$ 750,000	
Auditee qualified as low-risk auditee?	____ yes	X no
Type of auditors' report on compliance for major programs:	unmodified	
Internal Control over compliance:		
1. Significant deficiencies identified that are not considered to be material weaknesses?	____ yes	X none
2. Material weakness(es) identified?	____ yes	X no
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	____ yes	X no

Identification of major programs:

CFDA Number(s)	Name of Federal Program
21.017 (A)	Coronavirus State and Federal Fiscal Recovery Funds

(A) Tested as a major Type A Program

TOWN OF GUTTENBERG
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(continued)

State Awards Section

Dollar threshold used to determine type A programs:	$ 750,000	
Auditee qualified as low-risk auditee?	____ yes	X no
Type of auditors' report on compliance for major programs:	unmodified	
Internal Control over compliance:		
1. Significant deficiencies identified that are not considered to be material weaknesses?	____ yes	X none
2. Material weakness(es) identified?	____ yes	X no
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	____ yes	X no

Identification of major programs:

GMIS Number(s)		Name of State Program
480-078-6320	(A)	New Jersey Department of Transportation - municipal aid

(A) Tested as a major Type A Program

TOWN OF GUTTENBERG
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(continued)

Section II – Financial Statement Findings

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

NONE

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

NONE

STATUS OF PRIOR YEAR FINDINGS

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

Finding 2020-001:

Our audit revealed that tax collections posted to the general ledger were not in agreement with the collections posted to the tax system.

Status

Resolved

Finding 2020-002:

A review of costs submitted for reimbursement through CARES Act funding revealed examples of expenses that were not eligible for reimbursement under the grant in accordance with the Uniform Guidance.

Status

Resolved

TOWN OF GUTTENBERG

GENERAL COMMENTS

Contracts and Agreements

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

a. When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of $17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to 25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c.198(C.40A:11-2), and shall round the adjustment to the nearest $1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made.

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

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

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

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 Town Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

Landscaping Services
Improvements to 506 70th Street DPW Storage Lot
Police Department Dispatch Desk and Stair Renovation
Various Sewer Improvements
Municipal Building Roof Replacement

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

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

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on January 4, 2021 adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, Chapter 75 of the Public Laws of 1991 of the State of New Jersey authorizes the governing body of each municipality by resolution to fix the rate of interest to be charged for nonpayment of taxes or assessments on or before the date when they would become delinquent, and

GENERAL COMMENTS, (continued)

WHEREAS, the provisions of said statute provides that the rate of interest to be so charged may be fixed at a rate not to exceed 8% per annum on the first $1,500 of delinquency, and a rate of 18% per annum on any amount in excess of $1,500.

WHEREAS, the statute further provides that the governing body may provide that no interest shall be charged if payment is made within the tenth calendar day following the date which the same became payable, and

It appears from our test of the collector's record that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 9, 2021 and was complete.

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

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

	Number of Liens
Year Ended December 31, 2021	8
Year Ended December 31, 2020	6
Year Ended December 31, 2019	6

TOWN OF GUTTENBERG
DECEMBER 31, 2021

COMMENTS

FINANCE

1. Claimant's certifications are not being obtained prior to the approval and/or payment of all expenditures as required by the Town's purchasing policies.
2. There are various old unexpended appropriated grant balances.

TAX COLLECTOR

1. There are various transactions within the lien redemption account that need investigation for proper disposition.

OTHER

1. There are numerous safes throughout the Town with no master location for combinations.

RECOMMENDATIONS

FINANCE

1. Claimant certifications be obtained, in accordance with the Town's purchasing policies, for all expenditures prior to the release of payment.
2. Appropriated grant balances be spent on allowable expenditures; old balances should be investigated and cancelled if necessary.

TAX COLLECTOR

1. Greater emphasis be taken on redemption activity to ensure proper disposition of lien redemptions and disbursements.

OTHER

1. That a master location for all safe combinations be established to be overseen by the Business Administrator.

TOWN OF GUTTENBERG

Status of Prior Year Audit Findings/Recommendations

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

Acknowledgment

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

Respectfully submitted,

Steven D. Wielkotz
Registered Municipal Accountant
No. CR00413

Wielkotz & Company, LLC

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

June 21, 2022