

**BOROUGH OF BOGOTA**  
**BERGEN COUNTY, NEW JERSEY**  
**REPORT OF AUDIT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

# BOROUGH OF BOGOTA

## TABLE OF CONTENTS

<u>Exhibits</u>		<u>Page</u>
 <b><u>Part I – Report on Audit of Financial Statements and Supplementary Schedules</u></b>		
	Independent Auditor’s Report	1-3
 <b>Financial Statements</b>		
A	Comparative Balance Sheets - Regulatory Basis - Current Fund	4-5
A-1	Comparative Statements of Operations and Changes in Fund Balance - Regulatory Basis - Current Fund	6
A-2	Statement of Revenues - Regulatory Basis – Current Fund	7-8
A-3	Statement of Expenditures - Regulatory Basis – Current Fund	9-14
B	Comparative Balance Sheets - Regulatory Basis - Trust Funds	15-16
C	Comparative Balance Sheets - Regulatory Basis - General Capital Fund	17
C-1	Comparative Statements of Changes in Fund Balance - Statutory Basis – General Capital Fund	18
D	Comparative Statements of General Fixed Assets Account Group - Statutory Basis	19
	Notes to Financial Statements	20-57
 <b>Supplementary Schedules</b>		
<b><u>Current Fund</u></b>		
A-4	Statement of Current Cash and Investments –Treasurer	58
A-5	Statement of Change Funds	58
A-6	Statement of Grants Receivable	59
A-7	Statement of Due From State of New Jersey Senior Citizens' and Veterans' Deductions	59
A-8	Statement of Taxes Receivable and Analysis of Property Tax Levy	60
A-9	Statement of Tax Title Liens Receivable	61
A-10	Statement of Property Acquired for Taxes (At Assessed Valuation)	61
A-11	Statement of Deferred Charges	61
A-12	Statement of Deferred Charges N.J.S.A. 40A:4-55 – Special Emergency	61
A-13	Statement of Revenue Accounts Receivable	62
A-14	Statement of 2020 Appropriation Reserves	63-64
A-15	Statement of Encumbrances Payable/Accounts Payable	65
A-16	Statement of County Taxes Payable	65
A-17	Statement of Local District School Taxes	66
A-18	Statement of Prepaid Taxes	66
A-19	Statement of Tax Overpayments	66
A-20	Statement of Fees Payable to State of NJ	67
A-21	Statement of Due to Library	67
A-22	Statement of Miscellaneous Reserves	68
A-23	Statement of Unappropriated Grant Reserves	68
A-24	Statement of Appropriated Grant Reserves	69

**BOROUGH OF BOGOTA  
TABLE OF CONTENTS**

<b><u>Exhibits</u></b>		<b><u>Page</u></b>
<b>Supplementary Schedules (Continued)</b>		
<b><u>Trust Funds</u></b>		
B-3	Statement of Trust Cash - Treasurer	70
B-4	Statement of Due to Current Fund – Animal Control Trust Fund	71
B-3	Statement of Due to State of New Jersey – Animal Control Trust Fund	71
B-4	Statement of Reserve for Animal Control Expenditures	72
B-5	Statement of Due From/To Current Fund – Other Trust Fund	72
B-6	Statement of Payroll Deductions Payable	73
B-7	Statement of Miscellaneous Reserves	74
B-8	Statement of Reserve for Recreation Expenditures	75
<b><u>General Capital Fund</u></b>		
C-2	Statement of General Capital Cash - Treasurer	76
C-3	Analysis of General Capital Cash	77
C-4	Statement of Grants Receivable	78
C-5	Statement of Deferred Charges to Future Taxation - Funded	79
C-6	Statement of Deferred Charges to Future Taxation - Unfunded	80
C-7	Statement of Improvement Authorizations	81
C-8	Statement of Encumbrances Payable	82
C-9	Statement of Capital Improvement Fund	82
C-10	Statement of General Serial Bonds	83
C-11	Statement of Bonds Anticipation Notes	84
C-12	Statement of Reserve for Payment of Debt	85
C-13	Statement of Reserve for Developer Contribution	85
C-14	Statement of Due to Current Fund	85
C-15	Statement of Reserve for ARP Funds	86
C-16	Statement of Down Payment on Improvements	86
C-17	Statement of Bonds and Notes Authorized But Not Issued	87

**BOROUGH OF BOGOTA  
TABLE OF CONTENTS**

	<u><b>Page</b></u>
 <b><u>Part II – Government Auditing Standards</u></b>	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards – Independent Auditor’s Report	88-89
Schedule of Expenditures of Federal Awards, Schedule A	90
Schedule of Expenditures of State Financial Assistance, Schedule B	91-92
Notes to the Schedules of Expenditures of State Financial Assistance	93
Schedule of Findings and Responses	94-95
Summary Schedule of Prior Year Audit Findings	96
 <b><u>Part III – Supplementary Data and Letter of Comments and Recommendations</u></b>	
Comparative Statement of Operations and Change in Fund Balance - Current Fund	97
Comparative Schedule of Tax Rate Information	98
Comparison of Levies and Collection Currently	98
Delinquent Taxes and Tax Title Liens	99
Property Acquired by Tax Title Lien Liquidation	99
Comparative Schedule of Fund Balances	99
Officials in Office and Surety Bonds	100
General Comments	101-102
Recommendations	103

**BOROUGH OF BOGOTA**

**BERGEN COUNTY**

---

**PART I**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS**

**AND SUPPLEMENTARY SCHEDULES**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

**LV B** **LERCH, VINCI & BLISS, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, RMA, PSA  
DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA  
CHRISTOPHER VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and Members  
of the Borough Council  
Borough of Bogota  
Bogota, New Jersey

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

***Opinions***

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Borough of Bogota, as of December 31, 2021, and the related statements of operations and changes in fund balance - regulatory basis, statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the Current Fund for the year then ended and the related notes to the financial statements.

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

In our opinion, except for the possible effects of the matters discussed in the Basis for Qualified Opinion on Regulatory Basis of Accounting section of our report, the financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and account group of the Borough of Bogota as of December 31, 2021, and the results of operations and changes in fund balance – regulatory basis and the respective revenues – regulatory basis and expenditures – regulatory basis of the Current Fund for the year then ended in accordance with the financial accounting and reporting provisions and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

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

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

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Borough of Bogota 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 audit opinions.

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

As discussed in Note 18 of the financial statements, the financial statements – regulatory basis of the Length of Service Awards Program (LOSAP) Trust Fund have not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Borough's financial statements as of and for the year ended December 31, 2021. The LOSAP Trust Fund financial activities are included in the Borough's Trust Funds, and represent 26 and 24 percent of the assets and liabilities, respectively, of the Borough's Trust Funds as of December 31, 2021.

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

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

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

### ***Prior Year Financial Statements***

The financial statements of the Borough of Bogota as of and for the year ended December 31, 2020 were audited by other auditors whose report dated July 27, 2021 expressed a modified opinion on the financial statements – regulatory basis prepared in accordance with the regulatory basis of accounting because the auditors were unable to satisfy themselves as to the correct carrying value of the general fixed assets. In addition, the Length of Service Award Program amounts in the Borough's trust fund financial statements were not audited. These matters were described in the Basis for Qualified Opinion on Regulatory Basis of Accounting section of their report. Their report also expressed an adverse opinion on the financial statements because they were not prepared in accordance with accounting principles generally accepted in the United States of America but rather the regulatory basis of accounting described in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of their report.

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

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

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

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

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

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



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

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

### ***Supplementary Information***

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

### ***Other Information***

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

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated August 30, 2022 on our consideration of the Borough of Bogota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Bogota's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Borough of Bogota's internal control over financial reporting and compliance.

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

Dieter P. Lerch  
Registered Municipal Accountant  
RMA Number CR00398

Fair Lawn, New Jersey  
August 30, 2022



**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - STATUTORY BASIS - CURRENT FUND**  
**AS OF DECEMBER 31, 2021 AND 2020**

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>			
Operating Fund			
Cash	A-4	\$ 2,946,587	\$ 2,018,221
Change Funds	A-5	280	280
Due from State of New Jersey - Senior Citizen and Veteran's Deductions	A-7	<u>22,397</u>	<u>22,397</u>
		<u>2,969,264</u>	<u>2,040,898</u>
Receivables and Other Assets with Full Reserves			
Delinquent Property Taxes	A-8	11,821	61,308
Tax Title Liens	A-9	15,472	12,499
Property Acquired for Taxes	A-10	136,680	136,680
Revenue Accounts Receivable	A-13	8,680	7,681
Interfunds Receivable:			
Due from Animal Control Fund	B-2	1,570	826
Due from Other Trust Fund	B-5	<u>-</u>	<u>1,750</u>
		<u>174,223</u>	<u>220,744</u>
Deferred Charges			
Special Emergency Authorization	A-12	245,000	245,000
Emergency Authorizations	A-11	80,500	72,295
Overexpenditure of Appropriations	A-11	<u>-</u>	<u>67,083</u>
		<u>325,500</u>	<u>384,378</u>
		<u>3,468,987</u>	<u>2,646,020</u>
Federal and State Grant Fund			
Grants Receivable	A-6	106,151	62,712
Due from Current Fund	A	<u>189,942</u>	<u>150,227</u>
		<u>296,093</u>	<u>212,939</u>
		<u>\$ 3,765,080</u>	<u>\$ 2,858,959</u>

**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - STATUTORY BASIS - CURRENT FUND**  
**AS OF DECEMBER 31, 2021 AND 2020**

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
Operating Fund			
Liabilities:			
Appropriation Reserves	A-3,A-14	\$ 586,377	\$ 422,116
Encumbrances Payable/Accounts Payable	A-15	42,825	29,610
Prepaid Taxes	A-18	117,129	74,445
Tax Overpayments	A-19	3,835	5,060
Due to State of New Jersey	A-20	489	1,079
Due to Library	A-21	462	-
Local School Taxes Payable	A-17	140,708	-
Miscellaneous Reserves	A-22	277,328	35,526
Interfunds Payable			
Due to Federal and State Grant Fund	A	189,942	150,227
Due to Other Trust Fund	B-5	18,419	1,818
		<u>1,377,514</u>	<u>719,881</u>
Reserve for Receivables	A	174,223	220,744
Fund Balance	A-1	<u>1,917,250</u>	<u>1,705,395</u>
		<u>3,468,987</u>	<u>2,646,020</u>
Federal and State Grant Fund			
Appropriated Reserves	A-24	268,016	181,788
Unappropriated Reserves	A-23	<u>28,077</u>	<u>31,151</u>
		<u>296,093</u>	<u>212,939</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 3,765,080</u>	<u>\$ 2,858,959</u>

**BOROUGH OF BOGOTA**  
**COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -**  
**STATUTORY BASIS - CURRENT FUND**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
<b>REVENUE AND OTHER INCOME REALIZED</b>			
Fund Balance Utilized	A-2	\$ 600,000	\$ 508,684
Miscellaneous Revenue Anticipated	A-2	2,318,268	1,940,662
Receipts from Delinquent Taxes	A-2	10,364	4,392
Receipts from Current Taxes	A-2	26,663,286	26,145,293
Non-Budget Revenue	A-2	34,433	29,705
Other Credits to Income			
COVID Effectuated Revenue Losses		-	245,000
Cancelled Accounts Payable		-	480
Statutory Excess	B-2	1,570	1,051
Unexpended Balance of Appropriation Reserves	A-14	348,906	87,572
Prior Year Interfunds Returned	A	2,576	71,676
Refund of Prior Year Expenditures	A-4	<u>8,722</u>	<u>69,149</u>
Total Income		<u>29,988,125</u>	<u>29,103,664</u>
<b>EXPENDITURES</b>			
Budget Appropriations:			
Operations			
Salaries and Wages	A-3	3,980,974	3,848,421
Other Expenses	A-3	4,922,295	4,780,515
Deferred Charges and Statutory			
Expenditures- Municipal	A-3	926,169	894,324
Judgments	A-3	<u>87,595</u>	<u>92,161</u>
Capital Improvements	A-3	125,500	114,795
Municipal Debt Service	A-3	806,020	1,062,232
Local District School Taxes	A-16	16,042,978	15,904,721
County Taxes Payable	A-15	2,360,413	2,061,492
Due to County for Added and Omitted Taxes	A-15	3,256	-
Interfund Advances	A	1,570	71,832
Refund of Prior Year Revenue	A-4	<u>-</u>	<u>21,050</u>
Total Expenditures		<u>29,256,770</u>	<u>28,851,543</u>
Excess in Revenues		731,355	252,121
Adjustment to Income before Fund Balance:			
Expenditures included above which are by Statute Deferred			
Charges to Budget of Succeeding Year	A-11	<u>80,500</u>	<u>90,078</u>
Statutory Excess to Fund Balance		811,855	342,199
Fund Balance, January 1	A-1	<u>1,705,395</u>	<u>1,871,880</u>
		2,517,250	2,214,079
Decreased by:			
Utilized as Anticipated Revenue	A-2	<u>600,000</u>	<u>508,684</u>
Fund Balance, December 31	A-1	<u>\$ 1,917,250</u>	<u>\$ 1,705,395</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF REVENUES - STATUTORY BASIS**  
**CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Reference	2021 Budget	Added by N.J.S. 40A:4-87	2021 Realized	Excess or (Deficit)
FUND BALANCE ANTICIPATED	A-1	\$ 600,000	-	\$ 600,000	-
MISCELLANEOUS REVENUES					
Licenses					
Alcoholic Beverages	A-13	16,000		16,052	\$ 52
Other	A-13	5,600		12,727	7,127
Fees and Permits	A-13	46,000		45,825	(175)
Fines and Costs					
Municipal Court	A-13	100,000		124,461	24,461
Interest and Costs on Taxes	A-13	30,000		32,269	2,269
Interest on Investments and Deposits	A-13	5,000		1,113	(3,887)
Energy Receipts Tax	A-13	639,095		663,890	24,795
Consolidated Municipal Property Tax Relief Aid	A-13	38,581		13,786	(24,795)
Uniform Construction Code Fees	A-13	125,000		162,366	37,366
State and Federal Revenues Offset with Appropriations					
Municipal Alliance on Alcoholism and Drug Abuse	A-23	1,300		1,300	-
Clean Communities	A-23	12,123		12,123	-
Drunk Driving Enforcement	A-23	199		199	-
Alcohol Education and Rehabilitation	A-23	167		167	-
Body Armor	A-23	1,843		1,843	-
Recycling Tonnage	A-23	10,669		10,669	-
BCUA Recycling Enhancement	A-23	3,000		3,000	-
Bulletproof Vest Grant	A-23	1,750		1,750	-
Vest Donation	A-23	100		100	-
Drive Sober or Get Pulled Over	A-6		5,439	5,439	-
Click It or Ticket	A-6		5,557	5,557	-
Sustainable Jersey Small Grants Program	A-6		2,000	2,000	-
Body Worn Camera Grant	A-6		50,950	50,950	-
Cable Television Franchise Fees	A-13	90,000		88,578	(1,422)
Reserve for Payment of Debt	A	155,500		155,500	-
Bogota BOE - SLEO	A-13	68,000		86,475	18,475
Uniform Fire Safety Act	A-13	28,000		47,209	19,209
Swim Club Rent	A-13	6,667		10,000	3,333
Outside Police Employment-Administrative Fees	A-13	95,000		89,491	(5,509)
PILOT-421 River Road	A-13	100,000		192,973	92,973
PILOT-297 Palisades Ave	A-13	88,000		100,796	12,796
Developer's Contribution- River Development Bogota Urban- Tax Relief	C-14	379,660	-	379,660	-
	A-1	2,047,254	63,946	2,318,268	207,068
RECEIPTS FROM DELINQUENT TAXES	A-1,A-2	-	-	10,364	10,364
AMOUNT TO BE RAISED FOR SUPPORT OF MUNICIPAL BUDGET					
Local Tax for Municipal Purposes	A-2	7,934,537	-	8,121,883	187,346
Minimum Library Tax	A-2	309,756	-	309,756	-
Total Amount to be Raised by Taxes for Support of Municipal Budget		8,244,293	-	8,431,639	187,346
Total General Revenues	A-3	\$ 10,891,547	\$ 63,946	11,360,271	\$ 404,778
Non-Budget Revenue	A-1,A-2			34,433	
				\$ 11,394,704	

**BOROUGH OF BOGOTA**  
**STATEMENT OF REVENUES - STATUTORY BASIS**  
**CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(Continued)**

	<u>Reference</u>	
ANALYSIS OF REALIZED REVENUES		
Allocation of Current Tax Collection		
Revenue from Collections	A-8	\$ 26,663,286
Less: Allocated to School and County Taxes	A-15,A-16	<u>18,406,647</u>
Balance for Support of Municipal Budget Appropriations		8,256,639
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>175,000</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 8,431,639</u>
Licenses - Other		
Board of Health	A-12	\$ 9,218
Borough Clerk	A-12	<u>3,509</u>
	A-2	<u>\$ 12,727</u>
Fees and Permits		
Borough Clerk	A-12	\$ 1,035
Board of Health	A-12	3,040
Tax Assessor	A-12	40
Property Maintenance	A-12	37,383
Planning/Zoning Boards	A-12	2,891
Police Department	A-12	<u>1,436</u>
	A-2	<u>\$ 45,825</u>
Miscellaneous Revenue Not Anticipated:		
Copies		\$ 4,483
NJ DMV Inspection Fees		250
Restitution		159
County Snow Plowing Refund		10,813
Bus stop ad Commission		267
Property Maintenance Penalties		800
State of NJ- SLCHIP		1,395
State of NJ - LEA		8,900
State of NJ - EDRS		85
Miscellaneous		<u>7,281</u>
	A-2,A-4	<u>\$ 34,433</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>2021 Appropriations</u>		<u>2021 Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
<b>OPERATIONS - WITHIN "CAPS"</b>					
<b>GENERAL GOVERNMENT</b>					
Administrative and Executive					
Salaries and Wages	\$ 142,500	\$ 142,500	\$ 141,586	\$ 914	
Other Expenses	20,000	20,000	13,370	6,630	
Grantsperson					
Other Expenses	36,000	36,000	36,000	-	
Mayor & Council					
Salaries and Wages	18,000	18,000	17,860	140	
Other Expenses	3,200	3,200	2,648	552	
Municipal Clerk					
Salaries and Wages	142,600	142,600	134,397	8,203	
Other Expenses	40,000	40,000	39,092	908	
Financial Administration					
Salaries and Wages	14,415	17,665	17,598	67	
Other Expenses	135,000	135,000	134,751	249	
Audit Services					
Annual Audit	60,000	60,000	49,693	10,308	
Computerized Data Processing					
Other Expenses	45,000	48,000	46,213	1,787	
Revenue Administration (Tax)					
Salaries and Wages	10,404	10,404	10,404	-	
Other Expenses	80,000	83,000	81,521	1,479	
Assessment of Taxes					
Salaries and Wages	16,680	16,680	16,629	51	
Other Expenses	5,000	5,000	3,346	1,654	
Legal Services and Costs					
Other Expenses	120,000	135,000	129,457	5,543	
Engineering Services and Costs					
Other Expenses	15,000	15,000	14,925	75	
<b>LAND USE ADMINISTRATION</b>					
Municipal Land Use Law (N.J.S.A. 40:55-1):					
Planning Board					
Salaries and Wages	2,610	2,610	1,407	1,203	
Other Expenses	12,750	16,250	16,166	84	
Code Enforcement					
Salaries and Wages	30,000	30,750	30,030	720	
Other Expenses	2,500	2,500	1,672	828	
<b>INSURANCE</b>					
Other Insurance Premiums	10,000	10,000	5,916	4,084	
Group Insurance -Other Expenses	751,000	666,008	602,763	63,245	
Liability Insurance	415,000	415,000	415,000	-	
Worker's Compensation Insurance	215,000	195,000	192,345	2,655	
Unemployment Insurance	10,000	10,000	3,001	6,999	
<b>PUBLIC SAFETY FUNCTIONS</b>					
Department of Police					
Salaries and Wages	2,006,225	1,986,225	1,890,696	95,529	
Other Expenses	122,500	122,500	105,543	16,957	
Police clerical					
Salaries and Wages	39,300	39,300	39,015	285	
Crossing Guards					
Salaries and Wages	66,000	66,000	59,975	6,025	
				-	



**BOROUGH OF BOGOTA**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>2021 Appropriations</u>		<u>2021 Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
OPERATIONS - WITHIN "CAPS" (Cont'd)					
PUBLIC SAFETY FUNCTIONS (Cont'd)					
Auxiliary Police					
Other Expenses	\$ 5,000	\$ 5,000	\$ 3,491	\$ 1,509	
OEM					
Other Expenses	10,000	10,000	9,330	670	
Fire Department					
Other Expenses	100,000	100,000	94,215	5,785	
Rescue Squad					
Other Expenses	12,500	17,500	16,421	1,079	
First Aid					
Other Expenses	20,000	20,000	-	20,000	
Fire (Uniform Fire Safety Act)					
Salaries and Wages	43,000	43,000	40,788	2,212	
Other Expenses	75,000	75,000	66,078	8,922	
PUBLIC WORKS FUNCTIONS					
Road Repairs and Maintenance					
Salaries and Wages	690,985	690,985	609,819	81,166	
Other Expenses	117,500	132,500	124,106	8,394	
Shade Tree Commission					
Salaries and Wages	2,715	2,715	2,454	261	
Other Expenses	25,000	50,000	49,405	595	
Garbage and Trash Removal					
Solid Waste Disposal Fees	385,000	385,000	342,667	42,333	
Public Buildings and Grounds					
Other Expenses	130,000	142,500	133,726	8,774	
HEALTH AND HUMAN SERVICES FUNCTIONS					
Board of Health					
Salaries and Wages	4,350	4,350	2,454	1,896	
Other Expenses	40,000	40,500	40,378	122	
Animal Control Services					
Other Expenses	17,500	17,500	14,573	2,927	
Seniors					
Salaries and Wages	12,000	12,000	863	11,137	
Other Expenses	5,000	5,000	2,304	2,696	
PARK AND RECREATION FUNCTIONS					
Recreation Commission RS 40:12-1					
Salaries and Wages	124,275	99,425	55,198	44,227	
Other Expenses	42,000	42,000	35,084	6,916	
OTHER COMMON OPERATING FUNCTIONS					
Celebration of Public Events					
Other Expenses	15,000	15,250	15,079	171	
Bogota BOE- SLEO					
Salaries and Wages	18,250	18,250	14,894	3,357	

**BOROUGH OF BOGOTA**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>2021 Appropriations</u>		<u>2021 Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
OPERATIONS - WITHIN "CAPS" (Cont'd)					
Project Success					
Salaries and Wages	\$ 5,750	\$ 5,750	\$ -	\$ 5,750	
Other Expenses	6,000	6,000	-	6,000	-
STATE UNIFORM CONSTRUCTION CODE					
Construction Official					
Salaries and Wages	127,225	130,675	130,640	35	
Other Expenses	2,500	2,500	2,417	83	
UNCLASSIFIED					
Electricity and Gas	185,000	235,000	226,968	8,032	
Telephone/Communications	55,000	55,000	54,816	184	
Gasoline	51,000	51,000	50,972	28	-
Water	24,000	24,000	9,169	14,831	-
Solid Waste Disposal Costs					
Dump Fees	400,000	400,000	360,212	39,788	-
Total Operations Within "CAPS"	7,338,234	7,328,592	6,761,538	567,054	-
Detail					
Salaries and Wages	3,517,284	3,479,884	3,216,707	263,177	-
Other Expenses	3,820,950	3,848,708	3,544,831	303,877	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"					
Statutory Expenditures:					
Social Security System (O.A.S.I.)	160,000	160,000	159,368	632	
Public Employees Retirement System	138,690	138,690	138,690	-	
Police & Fireman's Retirement System of NJ	488,101	488,101	488,101	-	-
Deferred Charges					
Overexpenditure of Appropriation Reserves	67,083	67,083	67,083	-	-
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	853,874	853,874	853,242	632	-
Total General Appropriations for Municipal Purposes Within "CAPS"	8,192,108	8,182,466	7,614,781	567,685	-

**BOROUGH OF BOGOTA**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>2021 Appropriations</u>		<u>2021 Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
<b>OPERATIONS - EXCLUDED FROM "CAPS"</b>					
Sewer Processing and Disposal					
Other Expenses - Op and Maintenance	535,037	535,037	535,036	1	
Other Expenses - Debt Service	202,670	202,670	202,670	-	
Maintenance of Free Public Library					
Salaries and Wages	209,965	209,965	203,430	6,535	
Other Expenses	99,791	99,791	99,791	-	
Police Dispatch/911					
Salaries and Wages	187,850	191,500	191,462	38	
Other Expenses	5,000	6,140	6,140	-	
LOSAP Contribution					
Other Expenses	45,000	49,018	49,018	-	-
<b>Total Other Operations - Excluded from "CAPS"</b>	<b>1,285,313</b>	<b>1,294,121</b>	<b>1,287,547</b>	<b>6,574</b>	<b>-</b>
<b>Shared Service Agreements</b>					
Bogota BOE - SLEO					
Salaries and Wages	68,000	68,000	56,236	11,764	
Municipal Court - Borough of Little Ferry					
Salaries and Wages	31,625	31,625	31,572	53	
Other Expenses	85,000	85,834	85,534	300	-
<b>Total Shared Services - Excluded from "CAPS"</b>	<b>184,625</b>	<b>185,459</b>	<b>173,342</b>	<b>12,117</b>	<b>-</b>
<b>ADDITIONAL APPROPRIATIONS OFFSET BY REVENUES (N.J.S. 40A:4-45.3(h))</b>					
Alcohol Education and Rehabilitation Program	1,300	1,300	1,300	-	
Recycling Tonnage Grant	12,123	12,123	12,123	-	
Drunk Driving Grant	199	199	199	-	
Clean Communities	167	167	167	-	
Body Armor Replacement	1,843	1,843	1,843	-	
BCUA Recycling Enhancement	10,669	10,669	10,669	-	
Bulletproof Vest Grant	3,000	3,000	3,000	-	
Vest Donation	1,750	1,750	1,750	-	
Municipal Alliance	100	100	100	-	
Drive Sober or Get Pulled Over		5,439	5,439	-	
Click It or Ticket		5,557	5,557	-	
Sustainable Jersey Small Grants Program		2,000	2,000	-	
Body Worn Camera Grant	-	50,950	50,950	-	-
<b>Total Appropriations Offset by Revenues (N.J.S. 40A:4-45.3(h))</b>	<b>31,151</b>	<b>95,097</b>	<b>95,097</b>	<b>-</b>	<b>-</b>
<b>Total Operations - Excluded from "CAPS"</b>	<b>1,501,089</b>	<b>1,574,677</b>	<b>1,555,986</b>	<b>18,691</b>	<b>-</b>
<b>Detail</b>					
Salaries and Wages	497,440	501,090	482,700	18,390	-
Other Expenses	1,003,649	1,073,587	1,073,286	301	-

**BOROUGH OF BOGOTA**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>2021 Appropriations</u>		<u>2021 Expended</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	\$ 45,000	\$ 45,000	\$ 45,000	-	-
Down Payment on Improvements	-	80,500	80,500	-	-
Total Capital Improvements-Excluded from "CAPS"	45,000	125,500	125,500	-	-
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Principal	620,000	620,000	620,000	-	-
Interest on Bonds	175,275	175,275	175,275	-	-
Interest on Notes	10,780	10,780	10,745	0	35
Total Municipal Debt Service - Excluded from "CAPS"	806,055	806,055	806,020	0	35
DEFERRED CHARGES MUNICIPAL - EXCLUDED FROM "CAPS"					
Emergency Authorizations - Prior Year	72,295	72,295	72,295	-	-
Total Deferred Charges Municipal - Excluded from "CAPS"	72,295	72,295	72,295	-	-
Judgements	100,000	100,000	87,595	-	12,405
Total General Appropriations to Municipal Purposes Excluded from "CAPS"	2,524,439	2,678,527	2,647,395	18,692	12,440
Subtotal General Appropriations	10,716,547	10,860,993	10,262,176	586,377	12,440
Reserve for Uncollected Taxes	175,000	175,000	175,000	-	-
Total General Appropriations	\$ 10,891,547	\$ 11,035,993	\$ 10,437,176	\$ 586,377	\$ 12,440
<u>Reference</u>	A-2	A-3	A-1	A,A-1	

**BOROUGH OF BOGOTA**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Reference</u>	<u>Appropriations Budget After Modification</u>	<u>Expended Paid or Charged</u>
Budget as Adopted	A-2	\$ 10,891,547	
Added by N.J.S. 40A:4-87	A-2	63,946	
Emergency Appropriations	A-11	80,500	
Cash Disbursed	A-4		\$ 9,995,915
Encumbrances Payable	A-14		31,786
Appropriated Grant Reserves	A-23		95,097
Deferred Charges	A-11		139,378
Reserve for Uncollected Taxes	A-2	-	175,000
		<u>\$ 11,035,993</u>	<u>\$ 10,437,176</u>

**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - STATUTORY BASIS - TRUST FUNDS**  
**AS OF DECEMBER 31, 2021 AND 2020**

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>			
<b>ANIMAL CONTROL TRUST FUND</b>			
Cash	B-1	\$ 6,983	\$ 6,174
		<u>6,983</u>	<u>6,174</u>
<b>OTHER TRUST FUND</b>			
Cash	B-1	1,140,054	978,778
Due from Current Fund	B-5	<u>18,419</u>	<u>1,819</u>
		<u>1,158,473</u>	<u>980,597</u>
<b>RECREATION TRUST FUND</b>			
Cash	B-1	<u>22,778</u>	<u>14,223</u>
		<u>22,778</u>	<u>14,223</u>
<b>LENGTH OF SERVICE AWARDS PROGRAM FUND - (UNAUDITED)</b>			
Investments	B	356,881	269,518
Contributions Receivable	B	<u>50,469</u>	<u>49,018</u>
		<u>407,350</u>	<u>318,536</u>
Total Assets		<u>\$ 1,595,584</u>	<u>\$ 1,319,530</u>



**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - STATUTORY BASIS - TRUST FUNDS**  
**AS OF DECEMBER 31, 2021 AND 2020**

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
<b>LIABILITIES AND RESERVES</b>			
<b>ANIMAL CONTROL FUND</b>			
Due to Current Fund	B-2	\$ 1,570	\$ 5,346
Due to State of New Jersey	B-3	11	2
Reserve for Animal Control Trust Expenditures	B-4	<u>5,402</u>	<u>\$ 826</u>
		<u>6,983</u>	<u>6,174</u>
<b>OTHER TRUST FUND</b>			
Payroll Deductions Payable	B-6	17,074	16,937
Due to Current Fund	B-5	-	1,750
Miscellaneous Reserves	B-7	<u>1,141,399</u>	<u>961,910</u>
		<u>1,158,473</u>	<u>980,597</u>
<b>RECREATION TRUST FUND</b>			
Reserve for Recreation Expenditures	B-9	<u>22,778</u>	<u>14,223</u>
		<u>22,778</u>	<u>14,223</u>
<b>LENGTH OF SERVICE AWARDS PROGRAM</b>			
<b>FUND - (UNAUDITED)</b>			
Net Assets Available for Benefits	B	<u>407,350</u>	<u>318,536</u>
		<u>407,350</u>	<u>318,536</u>
Total Liabilities and Reserves		<u>\$ 1,595,584</u>	<u>\$ 1,319,530</u>

**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - STATUTORY BASIS**  
**GENERAL CAPITAL FUND**  
**AS OF DECEMBER 31, 2021 AND 2020**

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>			
Cash	C-2,C-3	\$ 1,790,698	\$ 381,710
Grants Receivable	C-4	520,445	448,689
Deferred Charges to Future Taxation			
Funded	C-5	6,355,000	6,975,000
Unfunded	C-6	<u>11,117,538</u>	<u>8,428,992</u>
Total Assets		<u>\$ 19,783,681</u>	<u>\$ 16,234,391</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
Improvement Authorizations			
Funded	C-7	\$ 26,272	\$ 820,815
Unfunded	C-7	5,148,761	5,893,442
Encumbrances Payable	C-8	2,909,807	-
Serial Bonds Payable	C-10	6,355,000	6,975,000
Bond Anticipation Notes Payable	C-11	2,950,000	1,436,595
Down Payment on Improvements	C-16	23,100	23,100
Reserve for Payment of Debt	C-12	-	155,500
Reserve for Grants Receivable	C-4	520,445	448,689
Reserve for Developer Contribution	C-13	1,414,090	481,250
Reserve for ARP Funds	C-15	<u>436,206</u>	<u>-</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 19,783,681</u>	<u>\$ 16,234,391</u>

There were \$8,167,538 and \$7,279,835 in bonds and notes authorized but not issued at December 31, 2021 and 2020, respectively. (Exhibit C-17)

**BOROUGH OF BOGOTA**  
**COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - STATUTORY BASIS**  
**GENERAL CAPITAL FUND**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>Reference</u>	<u>2021</u>	<u>2020</u>
Balance, January 1	C	\$ -	\$ 47,626
Decreased by:			
Budgeted Revenue		<u>-</u>	<u>47,626</u>
Balance, December 31		<u>\$ -</u>	<u>\$ -</u>

**BOROUGH OF BOGOTA**  
**COMPARATIVE BALANCE SHEETS - STATUTORY BASIS**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**AS OF DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Land	\$ 5,968,400	\$ 5,968,400
Buildings and Building Improvements	4,635,800	4,635,800
Machinery and Equipment	<u>6,379,518</u>	<u>5,894,528</u>
Total Assets	<u>\$ 16,983,718</u>	<u>\$ 16,498,728</u>
<b>FUND BALANCE</b>		
Investment in General Fixed Assets	<u>\$ 16,983,718</u>	<u>\$ 16,498,728</u>

The Accompanying Notes are an Integral Part of these Financial Statements

## **NOTES TO FINANCIAL STATEMENTS**

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Borough of Bogota (the "Borough") was incorporated in 1894 and operates under an elected Mayor and Council form of government. The Mayor is elected to a four-year term and the six council members are elected at-large, two each year for terms of three years. The Mayor is the Chief Executive Officer of the Borough and as such presides over all public meetings and makes appointments to various boards. The Borough Council exercises all legislative powers including final adoption of the municipal budget and bond ordinances and confirmation of the Mayor's appointments, and all executive authority which is not specifically provided to the Mayor, by state law. A Borough Administrator is appointed by the Borough Council and is responsible for the implementation of the policies of the Mayor and Council, for the administration of all Borough affairs and for the day to day operations of the Borough. The Borough Administrator is the Chief Administrative Officer for the Borough. The Borough's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the Borough is financially accountable. The Borough is financially accountable for an organization if the Borough appoints a voting majority of the organization's governing board and (1) the Borough is able to significantly influence the programs or services performed or provided by the organization; or (2) the Borough is legally entitled to or can otherwise access the organization's resources; the Borough is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Borough is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Borough in that the Borough approves the budget, the issuance of debt or the levying of taxes. The Borough is not includable in any other reporting entity as a component unit.

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

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

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

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



**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

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

The Borough uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Borough functions or activities. The Borough also uses an account group, which is designed to provide accountability for certain assets that are not recorded in those Funds.

The Borough has the following funds and account group:

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

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

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

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

Recreation Trust Fund - This fund is used to account for the receipts and disbursements relating to recreation activities of the Borough.

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

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

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

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

**Reclassifications** - Certain reclassifications may have been made to the December 31, 2020 balances to conform to the December 31, 2021 presentation.

**Financial Statements – Regulatory Basis**

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

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

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

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

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

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

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

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

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

**Property Acquired for Taxes** - Property acquired for taxes is recorded in the Current Fund at the assessed valuation when such property was acquired, and is fully reserved. GAAP requires such property to be recorded as a capital asset in the government-wide financial statements at fair 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 for interfunds and, therefore, does not recognize income in the year liquidated.

**Deferred Charges** - Certain expenditures, operating deficits and other items are required to be deferred to budgets of succeeding years. GAAP requires expenditures, operating deficits and certain other items generally to be recognized when incurred, if measurable.

Funded and unfunded debt authorizations for general capital projects are also recorded as deferred charges and represent permanent long-term debt issues outstanding (funded) and temporary debt issues outstanding or unissued debt authorizations (unfunded), respectively. GAAP does not permit the recording of deferred charges for funded and unfunded debt authorizations.

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

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

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

**BOROUGH OF BOGOTA  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

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

**Compensated Absences** - Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations are recorded as a long-term obligation in the government-wide financial statements.

**General Fixed Assets** - In accordance with NJAC 5:30-5.6, Accounting for Governmental Fixed Assets, the Borough of Bogota has developed a fixed assets accounting and reporting system. Fixed assets are defined by the Borough as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years.

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

General Fixed Assets purchased after December 31, 2015 are stated at cost. Donated fixed assets are recorded at acquisition value at the date of donation.

General Fixed Assets purchased prior to December 31, 2015 are stated as follows:

Land and Buildings	Assessed Value
Machinery and Equipment	Replacement Cost

No depreciation has been provided for in the financial statements.

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

GAAP requires that capital assets be recorded in proprietary-type funds as well as the government-wide financial statement at historical or estimated historical cost if actual historical cost is not available. In addition, GAAP requires depreciation on capital assets to be recorded in proprietary-type funds as well as in the government-wide financial statements.

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

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

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

Other Trust Fund  
General Capital Fund

The governing body is required to introduce and approve the annual budget no later than February 10, of the fiscal year. The budget is required to be adopted no later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last two months of the fiscal year, the governing body may, by a 2/3 vote; amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the governing body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2021 and 2020, the Borough Council increased the original budget by \$144,446 and \$131,769. The increases were attributable to emergency resolutions for down payments on improvements, along with additional aid allocated to the Borough. In addition, the governing body approved several budget transfers during 2021 and 2020.

**NOTE 3 CASH DEPOSITS AND INVESTMENTS**

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

**A. Cash Deposits**

The Borough's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Borough is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC or NCUSIF.

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

**A. Cash Deposits (Continued)**

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At December 31, 2021 and 2020, the book value of the Borough's deposits were \$5,907,380 and \$3,399,386 and bank and brokerage firm balances of the Borough's deposits amounted to \$6,042,782 and \$3,197,988, respectively. The Borough's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2021</u>	<u>2020</u>
Insured	\$ 6,042,782	\$ 3,197,988

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Borough does not have a formal policy for custodial credit risk. As of December 31, 2021 and 2020, none of the Borough's bank balances were exposed to custodial credit risk.

**B. Investments**

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

As of December 31, 2021 and 2020, the Borough had the following investments:

	<u>Fair Value</u>	
	<u>(LOSAP Unaudited)</u>	
	<u>2021</u>	<u>2020</u>
Investment:		
Lincoln Financial LOSAP Investment Fund	\$ 356,881	\$ 269,518



**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

**B. Investments (Continued)**

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Borough will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Borough does not have a policy for custodial risk. As of December 31, 2021 and 2020, \$356,881 and \$269,518 of the Borough's investments was exposed to custodial credit risk as follows:

	<u>Fair Value</u> <u>(LOSAP Unaudited)</u>	
	<u>2021</u>	<u>2020</u>
Uninsured and Collateralized:		
Collateral held by pledging financial institution's trust department but not in the Borough's name	\$ 356,881	\$ 269,518

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 40A:5-15.1 and NJAC 5:30-14.19). The Borough does not have an investment policy that would further limit its investment choices. As of December 31, 2021 and 2020, the Borough's investment in Lincoln National Corporation was rated Baa1 by Moody's Investor Service and A- by Standard and Poor's.

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

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

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

Investments are valued based on price data obtained from observed transactions and market price quotations provided by Lincoln Financial Group. Since the value is not obtained from a quoted price in an active market the investments held by the Borough at December 31, 2021 and 2020 are categorized as Level 2.

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 4 TAXES RECEIVABLE**

Receivables at December 31, 2021 and 2020 consisted of the following:

	<u>2021</u>	<u>2020</u>
Property Taxes	\$ 11,821	\$ 61,308
Tax Title Liens	<u>15,472</u>	<u>12,499</u>
	<u>\$ 27,293</u>	<u>\$ 73,807</u>

In 2021 and 2020, the Borough collected \$10,364 and \$4,392 from delinquent taxes, which represented 17% and 100%, respectively of the prior year delinquent taxes receivable balance.

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

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

	<u>2021</u>		<u>2020</u>	
	Due from <u>Other Funds</u>	Due to <u>Other Funds</u>	Due from <u>Other Funds</u>	Due to <u>Other Funds</u>
Current Fund:				
Regular	\$ 1,570	\$ 208,361	\$ 2,576	152,045
Grants	189,942		150,227	
Trust Fund:				
Animal Control		1,570		
Other Trust	18,419		1,818	826
Rereation Trust Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,750</u>
Total	<u>\$ 209,931</u>	<u>\$ 209,931</u>	<u>\$ 154,621</u>	<u>\$ 154,621</u>

The above balances are the result of expenditures being paid by one fund on behalf of another and/or to cover cash balances which were in an overdraft position.

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

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

	<u>Balance, December 31,</u>	<u>Subsequent Year Budget Appropriation</u>	<u>Balance to Succeeding Budgets</u>
<b><u>2021</u></b>			
Current Fund			
Emergency Authorization	\$80,500	\$80,500	
Special Emergency Authorization	245,000	49,000	196,000
<b><u>2020</u></b>			
Current Fund			
Overexpenditure of Appropriations	67,083	67,083	
Emergency Authorization	72,295	72,295	
Special Emergency Authorization	245,000		245,000

**NOTE 7 FUND BALANCES APPROPRIATED**

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

	<b><u>2021</u></b>		<b><u>2020</u></b>	
	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget</u>	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget</u>
Current Fund				
Cash Surplus	\$ 1,569,353	\$ 650,000	\$ 1,642,683	\$ 600,000
Non-Cash Surplus	<u>347,897</u>	<u>-</u>	<u>62,712</u>	<u>-</u>
	<u>\$ 1,917,250</u>	<u>\$ 650,000</u>	<u>\$ 1,705,395</u>	<u>\$ 600,000</u>

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 8 FIXED ASSETS**

**A. General Fixed Assets**

The following is a summary of changes in the general fixed assets account group for the years ended December 31, 2021 and 2020.

	Balance December 31, <u>2020</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2021</u>
<b><u>2021</u></b>				
Land	\$ 5,968,400			\$ 5,968,400
Buildings and Building Improvements	4,635,800			4,635,800
Machinery and Equipment	<u>5,894,528</u>	<u>\$ 484,990</u>	<u>\$ -</u>	<u>6,379,518</u>
	<u>\$ 16,498,728</u>	<u>\$ 484,990</u>	<u>\$ -</u>	<u>\$ 16,983,718</u>
	Balance December 31, <u>2019</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2020</u>
<b><u>2020</u></b>				
Land	\$ 5,968,400			\$ 5,968,400
Buildings and Building Improvements	4,635,800			4,635,800
Machinery and Equipment	<u>5,894,528</u>	<u>\$ -</u>	<u>\$ -</u>	<u>5,894,528</u>
	<u>\$ 16,498,728</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,498,728</u>

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 9 MUNICIPAL DEBT**

The Local Bond Law (N.J.S.A. 40A:2 et. seq.) governs the issuance of bonds and notes used to finance capital expenditures. General obligation bonds have been issued for general capital fund projects and acquisitions or other purposes permitted by the Local Bond Law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and four months or retired by the issuance of bonds.

The Borough's debt is summarized as follows:

	<u>2021</u>	<u>2020</u>
Issued		
General		
Bonds and Notes	\$ 9,305,000	\$ 8,411,595
Less Funds Temporarily Held to Pay Bonds and Notes	<u>-</u>	<u>155,500</u>
Net Debt Issued	9,305,000	8,256,095
Authorized But Not Issued		
General		
Bonds and Notes	<u>8,167,538</u>	<u>7,279,835</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 17,472,538</u>	<u>\$ 15,535,930</u>

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 9 MUNICIPAL DEBT (Continued)**

**Statutory Net Debt**

The statement of debt condition that follows is extracted from the Borough's Annual Debt Statement and indicates a statutory net debt of 1.95% and 1.82% at December 31, 2021 and 2020, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<b><u>2021</u></b>			
General Debt	\$ 17,472,538	\$ -	\$ 17,472,538
School Debt	<u>1,035,000</u>	<u>1,035,000</u>	<u>-</u>
Total	<u>\$ 18,507,538</u>	<u>\$ 1,035,000</u>	<u>\$ 17,472,538</u>
	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<b><u>2020</u></b>			
General Debt	\$ 15,691,430	\$ 155,500	\$ 15,535,930
School Debt	<u>1,535,000</u>	<u>\$ 1,535,000</u>	<u>-</u>
Total	<u>\$ 17,226,430</u>	<u>\$ 1,690,500</u>	<u>\$ 15,535,930</u>

**Statutory Borrowing Power**

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

	<u>2021</u>	<u>2020</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 31,342,590	\$ 29,412,593
Less: Net Debt	<u>17,472,538</u>	<u>15,535,930</u>
Remaining Borrowing Power	<u>\$ 13,870,052</u>	<u>\$ 13,876,663</u>

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 9 MUNICIPAL DEBT (Continued)**

**A. Long-Term Debt**

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

**General Obligation Bonds**

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

	<u>2021</u>	<u>2020</u>
\$3,295,000, 2012 Bonds, due in annual installments of \$320,000 through December 1, 2025, interest at 2.00-3.00%	\$ 1,280,000	\$ 1,600,000
\$5,675,000, 2019 Bonds, due in annual installments of \$300,000 to \$600,000 through May 1, 2032, interest at 2.00-3.00%	<u>5,075,000</u>	<u>5,375,000</u>
Total	<u>\$ 6,355,000</u>	<u>\$ 6,975,000</u>

The Borough's principal and interest for long-term debt issued and outstanding as of December 31, 2021 is as follows:

Calendar	<u>General</u>		
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 620,000	\$ 162,875	\$ 782,875
2023	620,000	150,475	770,475
2024	620,000	136,475	756,475
2025	620,000	122,475	742,475
2026	500,000	104,250	604,250
2027-2031	2,775,000	302,813	3,077,813
2032	<u>600,000</u>	<u>9,000</u>	<u>609,000</u>
Total	<u>\$ 6,355,000</u>	<u>\$ 988,363</u>	<u>\$ 7,343,363</u>

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 9 MUNICIPAL DEBT (Continued)**

**Changes in Long-Term Municipal Debt**

The Borough's long-term capital debt activity for the years ended December 31, 2021 and 2020 were as follows:

	Balance, December 31, <u>2020</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2021</u>	Due Within <u>One Year</u>
<b><u>2021</u></b>					
General Capital Fund Bonds Payable	\$ <u>6,975,000</u>	\$ <u>-</u>	\$ <u>620,000</u>	\$ <u>6,355,000</u>	\$ <u>620,000</u>
General Capital Fund Long-Term Liabilities	\$ <u>6,975,000</u>	\$ <u>-</u>	\$ <u>620,000</u>	\$ <u>6,355,000</u>	\$ <u>620,000</u>
	Balance, December 31, <u>2019</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2020</u>	Due Within <u>One Year</u>
<b><u>2020</u></b>					
General Capital Fund Bonds Payable	\$ <u>7,595,000</u>	\$ <u>-</u>	\$ <u>620,000</u>	\$ <u>6,975,000</u>	\$ <u>620,000</u>
General Capital Fund Long-Term Liabilities	\$ <u>7,595,000</u>	\$ <u>-</u>	\$ <u>620,000</u>	\$ <u>6,975,000</u>	\$ <u>620,000</u>



**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 9 MUNICIPAL DEBT (Continued)**

**B. Short-Term Debt**

The Borough's short-term debt activity for the years ended December 31, 2021 and 2020 was as follows:

**Bond Anticipation Notes**

<u>2021</u>	Ord. No.	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance, December 31, 2020	Increased	Decreased	Balance, December 31, 2021
	1516	Resurfacing of Leonia Ave (Phase III & IV)	4/18/2019	4/17/2020	4/16/2021	0.075	\$ 380,795		\$ 380,795	-
	1522	Improvement to Palisades Ave Phase III	4/17/2020	4/17/2020	4/16/2021	0.075	103,800		103,800	-
			4/17/2020	4/15/2021	4/14/2022	0.400		103,800		103,800
	1523	Various Public Improvements	4/17/2020	4/17/2020	4/16/2021	0.075	952,000		952,000	-
			4/17/2020	4/15/2021	4/14/2022	0.400		952,000		952,000
	1528	Rehab of Basketball and Tennis Courts	4/16/2021	4/15/2021	4/14/2022	0.400		318,200		318,200
	1541	Various Public Improvements	4/16/2021	4/15/2021	4/14/2022	0.400		1,006,000		1,006,000
	1549	Acquisition of Real Property	4/16/2021	4/15/2021	4/14/2022	0.400	-	570,000	-	570,000
							<u>\$ 1,436,595</u>	<u>\$ 2,950,000</u>	<u>\$ 1,436,595</u>	<u>\$ 2,950,000</u>

<u>2020</u>	Ord. No.	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance, December 31, 2019	Increased	Decreased	Balance, December 31, 2020
	1467	Refunding Bonds (Tasca)	11/13/2015				\$ 83,000		\$ 83,000	-
	1493	Reconstruction of Leonia Ave Phase II	5/12/2017				155,500		155,500	-
	1516	Resurfacing of Leonia Ave Phase III & IV	4/18/2019	4/17/2020	4/16/2021	0.75%	380,795	\$ 380,795	380,795	\$ 380,795
	1522	Improvement of Palisades Ave Phase III	4/17/2020	4/17/2020	4/16/2021	0.75%		103,800		103,800
	1523	Various Public Improvements	4/17/2020	4/17/2020	4/16/2021	0.75%	-	952,000	-	952,000
							<u>\$ 619,295</u>	<u>\$ 1,436,595</u>	<u>\$ 619,295</u>	<u>\$ 1,436,595</u>

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

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 10 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS**

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

<u>Capital Project</u>	<u>Construction Commitment</u>	<u>Estimated Date of Completion</u>
<b><u>2021</u></b>		
2021 Municipal Roadway	\$848,313	2022
Purchase of 2 Fire Trucks	1,913,730	2022
<b><u>2020</u></b>		
None		

**NOTE 11 OTHER LONG-TERM LIABILITIES**

**A. Compensated Absences**

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

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$638,477 and \$634,459 at December 31, 2021 and 2020, respectively. These amounts which are considered material to the financial statements, are not reported either as an expenditure or liability.

**B. Deferred Pension Obligation**

During the year ended December 31, 2009 the Borough elected to contribute 50% of its normal and accrued liability components of the PFRS and PERS obligations and deferred the remaining 50% in accordance with P.L. 2009, c.19. The deferred amount totaled \$171,430 and will be paid back with interest over 15 years beginning in the 2012 year. The Borough is permitted to payoff the deferred PFRS and PERS pension obligations at any time. It is estimated that the total deferred liability including accrued interest (7.00% effective July 1, 2017) at December 31, 2021 and 2020 is \$33,991 and \$51,519, respectively.

During the years ended December 31, 2021, 2020 and 2019 the Borough was required to contribute for the deferred pension obligation the following amounts which equaled the required contribution for each year.

<u>Years Ended December 31,</u>	<u>PERS</u>	<u>PFRS</u>
2021	\$ 5,189	\$ 21,562
2020	5,134	21,432
2019	5,293	21,966

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 11 OTHER LONG-TERM LIABILITIES (Continued)**

**Changes in Other Long-Term Liabilities**

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

The Borough's changes in other long-term liabilities for the years ended December 31, 2021 and 2020 were as follows:

	Balance, December 31, <u>2020</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2021</u>	Due Within <u>One Year</u>
<b><u>2021</u></b>					
Compensated Absences	\$ 634,459	\$ 4,018		\$ 638,477	
Deferred Pension Obligation	51,519	9,223	\$ 26,751	33,991	\$ 27,259
Net Pension Liability - PERS (1)	1,990,085			1,990,085	
Net Pension Liability - PFRS (1)	5,396,041			5,396,041	
Net OPEB Liability (1)	<u>6,520,406</u>	<u>-</u>	<u>-</u>	<u>6,520,406</u>	<u>-</u>
Total Other Long-Term Liabilities	<u>\$ 14,592,510</u>	<u>\$ 13,241</u>	<u>\$ 26,751</u>	<u>\$ 14,579,000</u>	<u>\$ 27,259</u>

(1) GASB Statement Numbers 68 Pension and 75 OPEB financial information was not provided by the State's Division of Pensions and Benefits as of the date of audit.

	Balance, December 31, <u>2019</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2020</u>	Due Within <u>One Year</u>
<b><u>2020</u></b>					
Compensated Absences	\$ 584,344	\$ 50,115		\$ 634,459	
Deferred Pension Obligation	67,622	10,463	\$ 26,566	51,519	\$ 26,751
Net Pension Liability - PERS	2,520,610		530,525	1,990,085	
Net Pension Liability - PFRS	5,129,750	266,291		5,396,041	
Net OPEB Liability	<u>5,004,533</u>	<u>1,515,873</u>	<u>-</u>	<u>6,520,406</u>	<u>-</u>
Total Other Long-Term Liabilities	<u>\$ 13,306,859</u>	<u>\$ 1,842,742</u>	<u>\$ 557,091</u>	<u>\$ 14,592,510</u>	<u>\$ 26,751</u>

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS**

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

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

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

The following represents the membership tiers for PFRS:

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

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

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

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

The following represents the membership tiers for PERS:

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

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

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

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

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

**Other Pension Funds**

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

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

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

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

**Measurement Focus and Basis of Accounting**

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

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

**Investment Valuation**

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

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

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2021 was not available and for June 30, 2020 is \$16.4 billion and the plan fiduciary net position as a percentage of the total pension liability is 58.32% at June 30, 2020. The collective net pension liability of the participating employers for local PFRS at June 30, 2021 was not available and for June 30, 2020 is \$14.9 billion and the plan fiduciary net position as a percentage of total pension liability is 63.52% at June 30, 2020.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2019 which were rolled forward to June 30, 2020.

**Actuarial Methods and Assumptions**

In the July 1, 2019 PERS and PFRS actuarial valuations, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions for 2021 and 2020 based on 10.0% for PFRS, 7.50% for PERS and 5.50% for DCRP of employee's annual compensation.

For the years ended December 31, 2021 and 2020 for PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All contributions made by the Borough for 2021, 2020, and 2019 were equal to the required contributions.

**BOROUGH OF BOGOTA  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

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

During the years ended December 31, 2021, 2020 and 2019, the Borough, was required to contribute for normal cost pension contributions, accrued liability pension contributions and non-contributory life insurance premiums the following amounts which equaled the required contributions for each respective year:

<u>Year Ended</u> <u>December 31</u>	<u>PFRS</u>	<u>PERS</u>
2021	\$ 466,539	\$ 133,501
2020	423,410	136,073
2019	458,829	131,954

In addition for the years ended December 31, 2021, 2020 and 2019 the Borough contributed for long-term disability insurance premiums (LTDI) \$-0-, \$685 and \$705, respectively for PERS.

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

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

Under GASB Statement No. 68 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer's prior fiscal year. The GASB No. 68 financial information from the State's Division of Pensions and Benefits to be reported for the year ended December 31, 2021 for the measurement date of June 30, 2021 was not available as of the date of audit. Accordingly, the State's Division of Local Government Services issued Local Finance Notice 2022-12 which authorized and permits New Jersey municipalities to present the most recent available audited GASB No. 68 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB No. 68 financial information for the year ended December 31, 2021 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the contributions made as an individual employer toward the actuarially determined contribution amount to total contributions to the plan during the fiscal years ended June 30, 2020 and 2019. Employer allocation percentages have been rounded for presentation purposes.

**Public Employees Retirement System (PERS)**

At December 31, 2020, the Borough reported a liability of \$1,990,085, 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 July 1, 2019. The Borough's proportionate share of the net pension liability was based on the ratio of the Borough's contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2020, the Borough's proportionate share was .01220 percent, which was a decrease of .00178 percent from its proportionate share measured as of June 30, 2019 of .01398 percent.

**BOROUGH OF BOGOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

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

For the years ended December 31, 2020, the pension system has determined the Borough's pension expense (benefit) to be \$136,073, respectively, for PERS based on the actuarial valuations which is less than the actual contributions reported in the Borough's financial statements of \$141,934. At December 31, 2020, the Borough's deferred outflows of resources and deferred inflows of resources related to PERS pension which are not reported on the Borough's financial statements are from the following sources:

	<b>2020</b>	
	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 36,236	\$ 7,038
Changes of Assumptions	64,561	833,267
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	68,023	
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	<u>515,506</u>	<u>324,074</u>
Total	<u>\$ 684,326</u>	<u>\$ 1,164,379</u>

At December 31, 2020 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense (benefit) as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2021	\$ (100,621)
2022	(100,621)
2023	(120,728)
2024	(133,332)
2025	(24,751)
Thereafter	<u>-</u>
	<u>\$ (480,053)</u>



**BOROUGH OF BOGOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

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

*Actuarial Assumptions*

The Borough's total pension liability reported for the year ended December 31, 2020 was based on the June 30, 2020 measurement date as determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

<u>PERS</u>	<u>2020</u>
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%
Mortality Rate Table	Pub-2010

Assumptions for mortality improvements are based on Society of Actuaries Scale MP for 2020.

The actuarial assumptions used in the July 1, 2019 valuations were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

**BOROUGH OF BOGOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (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 Expected Rate of Return***

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2020, as reported for the years ended December 31, 2020, are summarized in the following table:

<u>Asset Class</u>	<u>2020</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	3.40%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Investment Grade Credit	8.00%	2.67%
US Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
High Yield	2.00%	5.95%
Real Assets	3.00%	9.73%
Private Credit	8.00%	7.59%
Real Estate	8.00%	9.56%
Private Equity	13.00%	11.42%

***Discount Rate***

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Calendar Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2020	June 30, 2020	7.00%

**BOROUGH OF BOGOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

	<u><b>2020</b></u>
Period of Projected Benefit	
Payments for which the Following	
Rates were Applied:	
Long-Term Expected Rate of Return	All Periods

***Sensitivity of Net Pension Liability***

The following presents the Borough's proportionate share of the PERS net pension liability as of December 31, 2020 calculated using the discount rate of 7.00%, as well as what the Borough's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 6.00% or 1-percentage-point higher 8.00% than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
<u><b>2020</b></u>			
Borough's Proportionate Share of the PERS Net Pension Liability	\$ 2,505,185	\$ 1,990,085	\$ 1,553,009

The sensitivity analysis was based on the proportionate share of the Borough's net pension liability at December 31, 2020. A sensitivity analysis specific to the Borough's net pension liability was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

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

**BOROUGH OF BOGOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

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

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

At December 31, 2020, the Borough reported a liability of \$5,396,041, 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 July 1, 2019. The Borough's proportionate share of the net pension liability was based on the ratio of the Borough's contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2020, the Borough's proportionate share was .04176 percent, which was a decrease of .00015 percent from its proportionate share measured as of June 30, 2019 of .04191 percent.

For the years ended December 31, 2020, the pension system has determined the Borough pension expense (benefit) to be \$423,410, for PFRS based on the actuarial valuations which are less than the actual contributions reported in the Borough's financial statements of \$444,950. At December 31, 2020, the Borough's deferred outflows of resources and deferred inflows of resources related to PFRS pension which are not reported on the Borough's financial statements are from the following sources:

	<b>2020</b>	
	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 54,401	\$ 19,366
Changes of Assumptions	13,579	1,446,646
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	316,395	
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	<u>38,969</u>	<u>687,227</u>
Total	<u>\$ 423,344</u>	<u>\$ 2,153,239</u>

**BOROUGH OF BOGOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (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)**

At December 31, 2020 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PFRS pension will be recognized in pension expense (benefit) as follows:

<u>Year</u> <u>Ending</u> <u>December 31,</u>	<u>Total</u>
2021	\$ (524,254)
2022	(524,254)
2023	(437,301)
2024	(194,690)
2025	(49,396)
Thereafter	<u>-</u>
	<u>\$ (1,729,895)</u>

***Actuarial Assumptions***

The Borough's total pension liability reported for the year ended December 31, 2020 was based on the June 30, 2020 measurement date as determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

**2020**

**Inflation Rate:**

Price	2.75%
Wage	3.25%

**Salary Increases:**

Through	All Future Years 3.25%-15.25% Based on Years of Service
Thereafter	Not Applicable

Investment Rate of Return 7.00%

Mortality Rate Table Pub - 2010

Assumptions for mortality improvements are based on Society of Actuaries Scale MP for 2020.

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

**BOROUGH OF BOGOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (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 Expected Rate of Return***

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2020, as reported for the years ended December 31, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>2020</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	3.40%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Investment Grade Credit	8.00%	2.67%
US Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
High Yield	2.00%	5.95%
Real Assets	3.00%	9.73%
Private Credit	8.00%	7.59%
Real Estate	8.00%	9.56%
Private Equity	13.00%	11.42%

***Discount Rate***

The discount rate used to measure the total pension liabilities of the PFRS plan was as follows:

<u>Calendar</u>		
<u>Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2020	June 30, 2020	7.00%

**BOROUGH OF BOGOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

The following table represents the crossover period, if applicable, for the PFRS defined benefit plan:

**2020**

Period of Projected Benefit

Payments for which the Following

Rates were Applied:

Long-Term Expected Rate of Return

All Periods

***Sensitivity of Net Pension Liability***

The following presents the Borough's proportionate share of the PFRS net pension liability as of December 31, 2020 calculated using the discount rate of 7.00% as well as what the Borough's proportionate share of the PFRS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 6.00% or 1-percentage-point higher 8.00% than the current rate:

	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
<b><u>2020</u></b>			
Borough's Proportionate Share of the PFRS Net Pension Liability	<u>\$ 7,175,624</u>	<u>\$ 5,396,041</u>	<u>\$ 3,917,961</u>

The sensitivity analysis was based on the proportionate share of the Borough's net pension liability at December 31, 2020. A sensitivity analysis specific to the Borough's net pension liability was not provided by the pension system.

**BOROUGH OF BOGOTA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (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 Borough is responsible for their own PFRS contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the Borough by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Accordingly, the Borough's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PFRS under this legislation.

At December 31, 2020, the State's proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is \$37,441. For the years ended December 31, 2020, the pension system has determined the State's proportionate share of the pension expense attributable to the Borough for the PFRS special funding situation is \$94,907, which are more than the actual contributions the State made on behalf of the Borough of \$64,441. At December 31, 2020 (measurement date June 30, 2020) the State's share of the PFRS net pension liability attributable to the Borough was .04176 percent, which was a decrease of .00015 percent from its proportionate share measured as of December 31, 2019 (measurement date June 30, 2019) of .04191 percent. The State's proportionate share attributable to the Borough was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Borough's financial statements.

***Pension Plan Fiduciary Net Position***

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



**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 13 POST-RETIREMENT MEDICAL BENEFITS**

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

**Plan Description and Benefits Provided**

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

**State Health Benefit Program Fund – Local Government Retired (the Plan)** (including Prescription Drug Program Fund) – The Plan is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. 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) retires with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retires and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

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

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

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

**Measurement Focus and Basis of Accounting**

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

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

**Investment Valuation**

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

**Collective Net OPEB Liability**

The collective net OPEB liability of the participating employers and the State, as the non-employer contributing entity, of the Plan at June 30, 2021 was not available and for 2020 is \$17.9 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is 0.91% at June 30, 2020.

The total OPEB liabilities were determined based on actuarial valuations as of July 1, 2019 which was rolled forward to June 30, 2020.

**Actuarial Methods and Assumptions**

In the July 1, 2019 OPEB actuarial valuations, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

***Special Funding Situation***

Under N.J.S.A. 43:3C-24 the Borough is responsible for their own OPEB 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 330, P.L. 1997 and Chapter 271, P.L., 1989. Under Chapter 330, P.L. 1997, the State pays the premiums or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989. The amounts contributed on behalf of the Borough by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Accordingly, the Borough's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 75 is zero percent and the State's proportionate share is 100% of OPEB under this legislation.

**BOROUGH OF BOGOTA  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2021 AND 2020**

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

***Special Funding Situation (Continued)***

At December 31, 2020, the State's proportionate share of the net OPEB liability attributable to the Borough for the OPEB special funding situation is \$6,520,406. For the years ended December 31, 2020 the plan has determined the State's proportionate share of the OPEB expense attributable to the Borough for the OPEB special funding situation is \$324,587. At December 31, 2020, (measurement date June 30, 2020), the State's share of the OPEB liability attributable to the Borough was .11937 percent, which was an increase of .02881 percent from its proportionate share measured as of December 31, 2019 (measurement date June 30, 2019) of .09056 percent. The State's proportionate share attributable to the Borough was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

***OPEB Plan Fiduciary Net Position***

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

**NOTE 14 RISK MANAGEMENT**

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

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

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

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

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

**BOROUGH OF BOGOTA  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 15 MUNICIPAL EXCESS JOINT INSURANCE FUND LOAN**

The Borough entered into a loan agreement with the Municipal Excess Joint Insurance Fund (MEL) in order to finance the payout of a litigation settlement in the sum of \$1,500,000. The Borough shall reimburse the MEL in twenty (20) installments of \$75,000 plus interest, with the first payment being made on or before December 31, 2016 and subsequent payments to be made annually before the end of each calendar year thereafter until the full amount of the Borough's share of the settlement has been repaid to the MEL, together with interest equal to the rate of interest the MEL is currently receiving on its investments, which fluctuates, but which, at the moment is 0.87%. The annual payment must be accompanied by an interest payment on the unpaid principal. Under the terms and conditions of the agreement, if the Borough should resign or fail to renew its membership for any reason and is no longer a member of the South Bergen Joint Insurance Fund or the MEL, all outstanding monies due and owing to the MEL, including principal and interest shall be paid to the MEL on January 1<sup>st</sup> of the year the Borough is no longer a member of the South Bergen Joint Insurance Fund or the MEL. The amount outstanding at December 31, 2021 and 2020 was \$1,050,000 and \$1,125,000, respectively.

**NOTE 16 CONTINGENT LIABILITIES**

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

**Pending Tax Appeals** - Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2021 and 2020. Amounts claimed have not yet been determined. The Borough is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of community Affairs, State of New Jersey, the Borough does not recognize a liability, if any, until these cases have been adjudicated. The Borough expects such amounts, if any, could be immaterial. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

**Federal and State Awards** - The Borough participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Borough may be required to reimburse the grantor government. As of December 31, 2021 and 2020, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Borough believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Borough.

**NOTE 17 FEDERAL ARBITRAGE REGULATIONS**

The Borough is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At December 31, 2021 and 2020, the Borough has not estimated its estimated arbitrage earnings due to the IRS, if any.

**BOROUGH OF BOGOTA  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 18 LENGTH OF SERVICE AWARD PROGRAM (LOSAP)-UNAUDITED**

The Borough of Bogota Length of Service Award Program (the Plan) was created by a Borough ordinance adopted on June 19, 2012 pursuant to 457 (e)(11)(13) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the Length of Service Award Program as enacted into federal law in 1997. The voters of the Borough of Bogota approved the adoption of the Plan at the general election held on November 6, 2012.

The first year of eligibility for entrance into the Plan was calendar year 2013. The tax deferred income benefits for emergency services volunteers, consisting of the Volunteer Fire Department and the First Aid Organization, come from contributions made solely by the Borough on behalf of those volunteers who meet the criteria of a plan created by the governing body.

If an active member meets the year of active service requirement, a LOSAP must provide a benefit between the minimum contribution of \$650 and a maximum contribution of \$1,150 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services issues the permitted maximum increase annually.

The Borough of Bogota has contributed \$1,294 and \$1,225 for 2021 and 2020, respectively, for each eligible volunteer member into the Plan. The total Borough contributions were \$50,469 and \$49,018 for 2021 and 2020, respectively.

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

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

**Vesting and Benefits**

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

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

**Reporting Requirements**

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

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 19 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC**

The World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus. On March 13, 2020, the President of the United States declared a national emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. Governor Phil Murphy, of the State of New Jersey, also declared a public health emergency on March 9, 2020 and instituted mandatory measures via various executive orders to contain the spread of the virus, including closing schools and nonessential businesses and limiting social gatherings. These measures, which altered the behaviors of businesses and people, had negative impacts on regional, state and local economies. The Governor, pursuant to various executive orders, then implemented a multi-stage approach to restarting New Jersey's economy. The declaration of the state of emergency and of a public health emergency was terminated by the Governor, by executive order, on June 4, 2021. Also, on June 4, 2021, the Governor signed into law Assembly Bill No. 5820 which terminates most of the Governor's pandemic-related executive orders in early July. The remaining executive orders (dealing with coronavirus testing and vaccinations, moratoriums on evictions and utility shutoffs and various other matters) will terminate on January 1, 2022. On January 11, 2022, the Governor reinstated, via Executive Order No. 280, the state of emergency and declared a new public health emergency in response to a surge in cases tied to new variants of COVID-19, in particular the Omicron variant. Such public health emergency was set to expire 30 days from January 11, 2022, but was later extended, via Executive Order No. 288, for an additional 30 days on February 10, 2022. In the event of substantial increases in COVID-19 hospitalizations, spot positivity or rates of transmission, the Governor is empowered to impose more restrictive measures than currently in place.

In order to provide additional means for local governmental units to address the financial impact of the COVID-19 outbreak, the Governor signed into law P.L. 2020 c. 74 ("Chapter 74") on August 31, 2020. Chapter 74, which took effect immediately, adds two new purposes to the list of special emergency appropriations which may be raised by municipalities or counties over a five year period (either through the issuance of special emergency notes or raised internally without borrowing): (1) direct COVID-19 response expenses; and (2) deficits in prior year's operations attributable to COVID-19 (the beginning of the five year repayment schedule is delayed by one year for these new purposes). Upon approval by the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, in cases of significant fiscal distress, the five year period may be extended to up to ten years. In addition, the statute permits school districts and public authorities to issue debt with a maximum five year maturity schedule for direct COVID-19 expenses. Chapter 74 provides for State supervision of all local government unit borrowings. The statute also grants the Director the authority to modify municipal budgeting rules concerning anticipated revenues in order to lessen the impact of revenue reductions due to COVID-19.

The Borough of Bogota's finances and operations may be materially and adversely affected as a result of the continued spread of COVID-19 through reduced or delayed revenue streams, which include the collection of property taxes, which are the Borough of Bogota's primary revenue source for supporting its budget. The Borough of Bogota cannot predict costs associated with a potential infectious disease outbreak like COVID-19 such as operational costs to clean, sanitize and maintain its facilities, or costs to operate remotely and support Borough functions and critical government actions during an outbreak or any resulting impact such costs could have on the operations of the Borough. However, as of the date of audit, even though the Borough finances and operations had certain reduced revenue streams due to the COVID-19 outbreak, the overall finances and operations of the Borough have not been materially and adversely affected due to the COVID-19 outbreak.

**BOROUGH OF BOGOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**NOTE 19 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC (Continued)**

The degree of any such impact on the operations and finances of the Borough cannot be predicted due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the Borough and its economy. The Borough is monitoring the situation and will take such proactive measures as may be required to maintain its functionality and meet its obligations.

The American Rescue Plan Act of 2021, H.R. 1319 (the “Plan”), signed into law by President Biden on March 11, 2021, comprises \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic.

The Plan includes various forms of financial relief including up to a \$1,400 increase in direct stimulus payment to individuals and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the Borough.

The Borough will receive \$872,412 from the Plan in two equal payments. On May 24, 2021, the Borough received its first installment of funds under the Plan in the amount of \$436,206. The Borough has not yet determined how it will spend the installment received. The deadline to obligate the funds is December 31, 2024 and to spend them is December 31, 2026.

**NOTE 20 SUBSEQUENT EVENTS**

**Bond Anticipation Notes**

On April 14, 2022 the Borough issued bond anticipation notes in the amount of \$5,700,000 to temporarily finance expenditures related to various capital projects. The Borough have awarded the sale of said notes to Bogota Savings Bank at an interest rate of 1.6%. These notes dated April 14, 2022 will mature on April 14, 2023.

**Debt Authorized**

On January 20, 2022 the Borough adopted a bond ordinance authorizing the issuance \$5,210,000 in Bonds or bond anticipation notes to fund certain capital projects. As of the date of this report the Borough has not issued nor awarded the sale of said bonds or notes.

**CURRENT FUND**



**BOROUGH OF BOGOTA**  
**STATEMENT OF CURRENT CASH - TREASURER**

Balance, December 31, 2020		\$ 2,018,221
Increased by Receipts:		
Taxes Receivable	\$ 26,559,705	
Revenue Accounts Receivable	1,688,011	
Miscellaneous Revenue Not Anticipated	34,433	
Due from State of New Jersey - Senior Citizens' and Veterans' Deductions	39,500	
Tax Title Liens - Due to Other Trust	18,414	
Receipts from Animal Control Trust Fund	826	
Receipts from Other Trust Fund	60,011	
Receipts from Capital Fund	535,160	
Miscellaneous Reserves	248,871	
Fees Payable	11,465	
Reserve for Grants - Unappropriated	28,077	
Grants Receivable	20,507	
Prepaid Taxes	117,129	
Tax Overpayments	2,343	
Refund of Prior Year Expenditures	8,722	
		<u>29,373,174</u>
		31,391,395
Decreased by Disbursements:		
2021 Budget Appropriations	9,995,915	
2020 Appropriation Reserves	91,317	
Appropriated Grant Reserves	8,866	
County Taxes Payable	2,363,669	
Local District School Taxes Payable	15,902,270	
Miscellaneous Reserves	7,069	
Fees Payable	12,055	
Tax Overpayments	3,568	
Payments to Other Trust Fund	60,080	
		<u>28,444,809</u>
Balance, December 31, 2021		<u>\$ 2,946,587</u>

EXHIBIT A-5

**STATEMENT OF CHANGE FUNDS**

Balance, December 31, 2020	\$ 280
Balance, December 31, 2021	<u>\$ 280</u>

Analysis of Balance

Borough Clerk	\$ 125
Tax Collector	100
Municipal Court	50
Library	<u>5</u>
	<u>\$ 280</u>

**BOROUGH OF BOGOTA  
STATEMENT OF GRANTS RECEIVABLE**

	Balance, December 31, <u>2020</u>	2021 Budget <u>Revenue</u>	Cash <u>Receipts</u>	Balance, December 31, <u>2021</u>
Municipal Alliance	\$ 8,774			\$ 8,774
Bergen County Confiscated Funds	13,731			13,731
Community Stewardship Incentive Program	10,000			10,000
Bergen County CARES Reimbursement	7,511		7,511	-
FEMA - COVID-19	15,185			15,185
Assistance to Firefighters Grant	7,511			7,511
Drive Sober or Get Pulled Over		5,439	5,439	-
Click It or Ticket		5,557	5,557	-
Sustainable Jersey Small Grants Program		2,000	2,000	-
Body Worn Camera Grant	-	50,950	-	50,950
	<u>\$ 62,712</u>	<u>\$ 63,946</u>	<u>\$ 20,507</u>	<u>\$ 106,151</u>

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

Balance, December 31, 2020		\$ 22,397
Increased by:		
Senior Citizens' and Veterans' Deductions Per Tax Billings	\$ 42,250	
Senior Citizens' and Veterans' Deductions Allowed by Tax Collector	<u>250</u>	
		<u>42,500</u>
		64,897
Decreased by:		
Cash Received from State of New Jersey	39,500	
Senior Citizens' and Veterans' Deductions Disallowed by Tax Collector	<u>3,000</u>	
		<u>42,500</u>
Balance, December 31, 2021		<u>\$ 22,397</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

<u>Year</u>	<u>Balance,</u> <u>December 31,</u> <u>2020</u>	<u>Tax</u> <u>Levy</u>	<u>Added</u> <u>Assessments</u>	<u>Senior</u> <u>Citizens' and</u> <u>Veterans'</u> <u>Deductions</u> <u>Disallowed</u>	<u>Collected In</u>		<u>Senior</u> <u>Citizens' and</u> <u>Veterans'</u> <u>Deductions</u> <u>Allowed</u>	<u>Transferred to</u> <u>Tax Title</u> <u>Liens</u>	<u>Adjusted,</u> <u>Remitted, or</u> <u>Cancelled</u>	<u>Balance,</u> <u>December 31,</u> <u>2021</u>
					<u>2020</u>	<u>2021</u>				
2020	\$ 61,308	-	-	-	-	\$ 10,364	-	2,203	48,741	-
	61,308	-	-	-	-	10,364	-	2,203	48,741	-
2021	-	\$ 26,652,258	\$ 37,348	\$ 3,000	\$ 74,445	26,549,341	\$ 42,500	\$ 770	\$ 13,729	\$ 11,821
	\$ 61,308	\$ 26,652,258	\$ 37,348	\$ 3,000	\$ 74,445	\$ 26,559,705	\$ 42,500	\$ 2,973	\$ 62,470	\$ 11,821

Analysis of 2021 Property Tax Levy

General Purpose Tax	\$ 26,652,258
Added Taxes (54:4-63.1 et seq.)	37,348
	<u>\$ 26,689,606</u>

Tax Levy

Local District School Tax (Abstract)	\$ 16,042,978
County Tax (Abstract)	\$ 2,266,582
Due County for Added and Omitted Taxes	3,256
County Open Space Tax	<u>93,831</u>
Total County Taxes	<u>2,363,669</u>
	18,406,647
Local Tax for Municipal Purposes	7,934,537
Minimum Library Tax	309,756
Additional Taxes Levied	<u>38,666</u>
Total Local Tax for Municipal Purposes	<u>8,282,959</u>
	<u>\$ 26,689,606</u>

**BOROUGH OF BOGOTA  
STATEMENT OF TAX TITLE LIENS RECEIVABLE**

Balance, December 31, 2020	\$ 12,499
Increased by:	
Transfers from Taxes Receivable	770
Transfers from Delinquent Taxes Receivable	<u>2,203</u>
	<u>2,973</u>
Balance, December 31, 2021	<u>\$ 15,472</u>

EXHIBIT A-10

**STATEMENT OF PROPERTY ACQUIRED FOR TAXES (AT ASSESSED VALUATION)**

Balance, December 31, 2020	<u>\$ 136,680</u>
Balance, December 31, 2021	<u>\$ 136,680</u>

EXHIBIT A-11

**STATEMENT OF DEFERRED CHARGES**

	Balance, December 31, <u>2020</u>	Raised in 2021 <u>Budget</u>	Amount Resulting <u>from 2021</u>	Balance, December 31, <u>2021</u>
Emergency Authorization	\$ 72,295	\$ 72,295	80,500	\$ 80,500
Overexpenditure of Appropriations	<u>67,083</u>	<u>67,083</u>	<u>-</u>	<u>-</u>
	<u>\$ 139,378</u>	<u>\$ 139,378</u>	<u>\$ 80,500</u>	<u>\$ 80,500</u>

EXHIBIT A-12

**STATEMENT OF DEFERRED CHARGES N.J.S.A. 40A:4-55 - SPECIAL EMERGENCY**

<u>Date Authorized</u>	<u>Purpose</u>	Amount <u>Authorized</u>	1/5 of Net Amount <u>Authorized</u>	Balance, December 31, <u>2020</u>	Balance, December 31, <u>2021</u>
12/3/2020	COVID-19 Affected Revenue Losses	<u>\$ 245,000</u>	<u>\$ 49,000</u>	<u>245,000</u>	<u>\$ 245,000</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF REVENUE ACCOUNTS RECEIVABLE**

	Balance, December 31, <u>2020</u>	Accrued in <u>2021</u>	<u>Collected</u>	Balance, December 31, <u>2021</u>
Board of Health				
Alcoholic Beverages/Licenses		\$ 16,052	\$ 16,052	
Other Licenses		9,218	9,218	
Fees and Permits		3,040	3,040	
Borough Clerk				
Other Licenses		3,509	3,509	
Fees and Permits		1,035	1,035	
Tax Assessor				
Fees and Permits		40	40	
Property Maintenance				
Fees and Permits		37,383	37,383	
Planning/Zoning Boards				
Fees and Permits		2,891	2,891	
Police Department				
Fees and Permits		1,436	1,436	
Tax Collector				
Fees and Permits				
Construction Code Fees		162,366	162,366	
Municipal Court				
Fines and Costs	\$ 7,681	125,460	124,461	\$ 8,680
Interest and Costs on Taxes		32,269	32,269	
Interest on Investments & Deposits		1,113	1,113	
Cable Television Franchise Fees		88,578	88,578	
Energy Receipts Tax		663,890	663,890	
Consolidated Municipal Purpose Tax Relief Aid		13,786	13,786	
Uniform Fire Safety Act		47,209	47,209	
Swim Club Rent		10,000	10,000	
Outside Police Employment- Administrative Fees		89,491	89,491	
Bogota BOE - SLEO		86,475	86,475	
PILOT - 421 River Road		192,973	192,973	
PILOT- 297 Palisades Avenue	-	100,796	100,796	-
	<u>\$ 7,681</u>	<u>\$ 1,689,010</u>	<u>\$ 1,688,011</u>	<u>\$ 8,680</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF 2020 APPROPRIATION RESERVES**

	Balance December 31, <u>2020</u>	Encumbrances <u>Cancelled</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
<b>GENERAL GOVERNMENT FUNCTIONS</b>					
General Administration					
Salaries and Wages	\$ 644		\$ 644		\$ 644
Other Expenses	708	110	818	708	110
Mayor and Council					
Salaries and Wages	90		90		90
Other Expenses	2,821		2,821		2,821
Municipal Clerk					
Salaries and Wages	654		654		654
Other Expenses	95	481	576	264	311
Financial Administration					
Salaries and Wages	802		802		802
Other Expenses	2,098	83	2,181		2,181
Computerized Data Processing					
Other Expenses	131		131	124	7
Revenue Administration					
Other Expenses	2		2		
Assessment of Taxes					
Other Expenses	47		47		47
Salaries and Wages	1,844		1,844	125	1,719
Engineering Services					
Other Expenses	3,060		3,060	2,248	813
Legal Services and Costs					
Other Expenses	417		417		417
<b>LAND USE ADMINISTRATION</b>					
Municipal Land Use Law (N.J.S.A. 40:55-1):					
Property Maintenance					
Salaries and Wages	400		400		400
Other Expenses	321		321		321
Planning and Zoning					
Salaries and Wages	18		18		18
Other Expenses	3,352		3,352	3,352	-
Construction Code					
Salaries and Wages	898		898		898
Other Expenses	2,573		2,573	1,800	773
Group Insurance	12,611		12,611		12,611
<b>PUBLIC SAFETY FUNCTIONS</b>					
Department of Police					
Salaries and Wages	64,647		64,647		64,647
Other Expenses	18,953	9,213	28,166	15,842	12,324
Police Clerical					
Salaries and Wages	250		250		250
Auxiliary Police					
Other Expenses	2,512		2,512	(88)	2,600
Police Dispatch 911					
Other Expenses		6,140	6,140	6,140	0
OEM					
Other Expenses	6,173	52	6,225	1,286	4,939
Fire					
Other Expenses	233	2,243	2,476	(561)	3,037
Rescue Squad					
Other Expenses	4		4	(70)	74
Uniform Fire Safety					
Salaries and Wages	800		800		800
Other Expenses	3,133	1,560	4,693	4,693	0
<b>PUBLIC WORKS FUNCTIONS</b>					
DPW					
Salaries and Wages	46,006		46,006	15,000	31,006
Other Expenses	1,095	2,695	3,790	1,829	1,962
<b>PARK AND RECREATION FUNCTIONS</b>					
Shade Tree					
Salaries and Wages	2		2		2

**BOROUGH OF BOGOTA**  
**STATEMENT OF 2020 APPROPRIATION RESERVES**

	Balance December 31, 2020	Encumbrances Cancelled	Balance After Modification	Paid or Charged	Balance Lapsed
<b>SANITATION</b>					
Solid Waste Collection					
Other Expenses	\$ 43		\$ 43		\$ 43
Celebrating of Public Event	5,018	5,631	10,649	5,993	4,655
Free Public Library	462		462	462	-
Public Building & Grounds					
Other Expenses	4,468	502	4,970	4,386	584
<b>UTILITY EXPENSES AND BULK PURCHASES</b>					
Utilities					
Gasoline	11,804		11,804		11,804
Electricity	9,353		9,353	9,353	-
Telephone	5,803		5,803	2,223	3,580
Water	12,495		12,495	12,495	-
Sewer Processing	7		7		7
Seniors					
Salaries and Wages	12,587		12,587		12,587
Other Expenses	3,414		3,414	586	2,828
Board of Health OSHA					
Salaries and Wages	2,074		2,074		2,074
Other Expenses	14,685		14,685	13,734	952
Animal Control					
Other Expenses	2,927		2,927		2,927
COVID-19 Office of Emergency Management					
Other Expenses	19,576		19,576		19,576
<b>RECREATION SERVICES</b>					
Salaries and Wages	31,964		31,964		31,964
Other Expenses	5,974	900	6,874	893	5,981
Statutory Expenditures					
Contribution to Social Security	2,501		2,501		2,501
<b>Other Operations - Excluded from "CAPS"</b>					
Insurance					
LOSAP	4,881		4,881		4,881
Bogota BOE- SLEO					
Salaries and Wages	93,262		93,262		93,262
Interlocal Municipal Service Agreements					
Municipal Court - Borough of Little Ferry					-
Salaries and Wages	47		47		47
Other Expenses	1,379	-	1,379	-	1,379
	<u>\$ 422,116</u>	<u>\$ 29,610</u>	<u>\$ 451,726</u>	<u>\$ 102,818</u>	<u>\$ 348,906</u>
Cash Disbursements				\$ 91,317	
Transfer to Accounts Payable				11,039	
Transfer to Due to Library				462	
				<u>\$ 102,818</u>	

**BOROUGH OF BOGOTA**  
**STATEMENT OF ENCUMBRANCES PAYABLE/ACCOUNTS PAYABLE**

Balance, December 31, 2020	\$	29,610
Increased by:		
Charges to 2021 Budget Appropriations	\$	31,786
Charges to 2020 Budget Appropriations		<u>11,039</u>
		<u>42,825</u>
		72,435
Decreased by:		
Cancelled to Appropriation Reserves		<u>29,610</u>
Balance, December 31, 2021	\$	<u><u>42,825</u></u>

**STATEMENT OF COUNTY TAXES PAYABLE**

Balance, December 31, 2020	\$	-
Increased by:		
2021 Tax Levy		
County Tax (Abstract)	\$	2,266,582
County Open Space Preservation		93,831
County Tax for Added Taxes		<u>3,256</u>
(54:4-63.1)		<u>2,363,669</u>
		2,363,669
Decreased by:		
Cash Disbursements		<u>2,363,669</u>
Balance, December 31, 2021	\$	<u><u>-</u></u>



**BOROUGH OF BOGOTA  
STATEMENT OF LOCAL DISTRICT SCHOOL TAXES**

Balance, December 31, 2020	\$ -
Increased by:	
Levy - Calendar Year 2021	<u>16,042,978</u>
	16,042,978
Decreased by:	
Cash Disbursements	<u>15,902,270</u>
Balance, December 31, 2021	<u>\$ 140,708</u>

**STATEMENT OF PREPAID TAXES**

Balance, December 31, 2020	\$ 74,445
Increased by:	
Collection of 2022 Taxes	<u>117,129</u>
	191,574
Decreased by:	
Applied to 2021 Taxes Receivable	<u>74,445</u>
Balance, December 31, 2021	<u>\$ 117,129</u>

**STATEMENT OF TAX OVERPAYMENTS**

Balance, December 31, 2020	\$ 5,060
Increased by:	
Tax Overpayments	<u>2,343</u>
	7,403
Decreased by:	
Overpayments Refunded	<u>3,568</u>
Balance, December 31, 2021	<u>\$ 3,835</u>

**BOROUGH OF BOGOTA  
STATEMENT OF FEES PAYABLE TO STATE OF NJ**

	Marriage License Fee	Construction Training Fee	Total
Balance, December 31, 2020	\$ 225	\$ 854	\$ 1,079
Increased by:			
Collections	<u>1,850</u>	<u>9,615</u>	<u>11,465</u>
	2,075	10,469	12,544
Decreased by:			
Payments	<u>1,800</u>	<u>10,255</u>	<u>12,055</u>
Balance, December 31, 2021	<u>\$ 275</u>	<u>\$ 214</u>	<u>\$ 489</u>

**STATEMENT OF DUE TO LIBRARY**

Balance, December 31, 2020	\$ -
Increased by:	
Transfer from 2020 Appropriation Reserves	<u>462</u>
Balance, December 31, 2021	<u>\$ 462</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF MISCELLANEOUS RESERVES**

	Balance, December 31, <u>2020</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, December 31, <u>2021</u>
Reserve for:				
Credit Card Fees	\$ 2,073	\$ 5,634	\$ 7,069	\$ 638
Emergency Roof Repairs	1,060	-	-	1,060
Emergency Sanitary Sewer/Catch Basin Repairs	32,393	-	-	32,393
Emergency Storm Damage - Insurance	-	243,237	-	243,237
	<u>\$ 35,526</u>	<u>\$ 248,871</u>	<u>\$ 7,069</u>	<u>\$ 277,328</u>

**STATEMENT OF UNAPPROPRIATED GRANT RESERVES**

<u>Grant</u>	Balance, December 31, <u>2020</u>	Budgeted <u>Revenue</u>	Cash <u>Receipts</u>	Balance, December 31, <u>2021</u>
Alcohol Education & Rehabilitation	\$ 167	\$ 167		\$ -
Clean Communities	12,123	12,123	12,906	12,906
Recycling Tonnage	10,669	10,669	10,839	10,839
Body Armor	1,843	1,843	1,482	1,482
Drunk Driving Enforcement Fund	199	199		-
BCUA Recycling Enhancement Grant	3,000	3,000		-
Bulletproof Vest Grant	1,750	1,750		-
Vest Donation	100	100	100	100
Municipal Alliance	1,300	1,300	-	-
Mid Bergen Regional COVID Grant	-	-	2,750	2,750
	<u>\$ 31,151</u>	<u>\$ 31,151</u>	<u>\$ 28,077</u>	<u>\$ 28,077</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF APPROPRIATED GRANT RESERVES**

	Balance, December 31, <u>2020</u>	Transferred from Budget <u>Appropriations</u>	<u>Expended</u>	Balance, December 31, <u>2021</u>
Recycling Tonnage Grant	\$ 45,490	\$ 10,669		\$ 56,159
Clean Communities	76,644	12,123		88,767
Alcohol Education and Rehabilitation Program	10,661	167		10,828
Body Armor Replacement Fund	5,844	1,843	4,215	3,472
Bergen County Confiscated Funds	13,731			13,731
Municipal Alliance - State Share	10,201	1,300	970	10,531
Municipal Alliance - Local Share	2,469			2,469
Community Stewardship Investment Program	10,000			10,000
Forest Management	2,150			2,150
Bergen County CARES Reimbursement	3,794			3,794
Drunk Driving Enforcement Fund	801	199		1,000
Click It or Ticket		5,557		5,557
Drive Sober or Get Pulled Over		5,439		5,439
Sustainable Jersey Small Grant		2,000	2,000	-
Body Worn Camera Grant		50,950		50,950
BCUA Recycling Enhancement Grant		3,000		3,000
Bulletproof Vest Grant		1,750	1,681	69
Vest Donation	-	100	-	100
	<u>\$ 181,785</u>	<u>\$ 95,097</u>	<u>\$ 8,866</u>	<u>\$ 268,016</u>

## **TRUST FUND**

**BOROUGH OF BOGOTA**  
**STATEMENT OF TRUST CASH - TREASURER**

	<u>Animal Control Fund</u>	<u>Other Trust Fund</u>	<u>Recreation Trust Fund</u>
Balance, December 31, 2020	\$ 6,174	\$ 978,778	\$ 14,223
Increased by Receipts:			
Animal Control Licenses	\$ 2,119		
State Fees Collected			
Miscellaneous Reserves		\$ 1,242,304	
Receipts from Current Fund		60,080	
Payroll Deposits		7,413,622	
Recreation Fees	-	-	\$ 14,919
	<u>2,119</u>	<u>8,716,006</u>	<u>14,919</u>
	8,293	9,694,784	29,142
Decreased by Disbursements:			
Miscellaneous Reserves		1,081,234	
Payments to Current Fund	879	60,011	
Payments to State of New Jersey	431		
Expenditures Under R.S. 4:19-15.1			
Recreation Expenditures			6,364
Payroll Deductions Payable	-	7,413,486	-
	<u>1,310</u>	<u>8,554,731</u>	<u>6,364</u>
Balance, December 31, 2021	<u>\$ 6,983</u>	<u>\$ 1,140,054</u>	<u>\$ 22,778</u>

## EXHIBIT B-2

**BOROUGH OF BOGOTA  
STATEMENT OF DUE TO CURRENT FUND  
ANIMAL CONTROL TRUST FUND**

Balance, December 31, 2020	\$ 826
Increased by:	
Statutory Excess	<u>\$ 1,570</u>
	2,396
Decreased by:	
Payments to Current Fund	<u>826</u>
Balance, December 31, 2021	<u><u>\$ 1,570</u></u>

## EXHIBIT B-3

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

Balance, December 31, 2020	\$ 2
Increased by:	
State Fees Collected	<u>440</u>
	442
Decreased by:	
Payments to State of New Jersey	<u>431</u>
Balance, December 31, 2021	<u><u>\$ 11</u></u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF RESERVE FOR ANIMAL CONTROL EXPENDITURES**

Balance, December 31, 2020	\$ 5,346
Increased by:	
Dog License Fees Collected	<u>1,679</u>
	7,025
Decreased by:	
Payment to Current Fund	\$ 53
Statutory Excess	<u>1,570</u>
	<u>1,623</u>
Balance, December 31, 2021	<u>\$ 5,402</u>

License Fees Collected

2020	\$ 1,986
2019	<u>3,408</u>
	<u>\$ 5,394</u>

**STATEMENT OF DUE FROM/TO CURRENT FUND**  
**OTHER TRUST FUND**

Balance, December 31, 2020	
Due from Current - Other Trust	\$ 1,819
Due to Current - Escrow	<u>(1,750)</u>
	\$ 69
Increased by:	
Deposits in Current Fund - Tax Title Liens	18,419
Payments to Current Fund - Other Trust	58,261
Payments to Current Fund - Escrow	<u>1,750</u>
	<u>78,430</u>
Decreased by:	78,499
Receipts from Current Fund - Other Trust	<u>60,080</u>
	<u>60,080</u>
Balance, December 31, 2021 (Due From)	<u>\$ 18,419</u>



**BOROUGH OF BOGOTA**  
**STATEMENT OF PAYROLL DEDUCTIONS PAYABLE**

Balance, December 31, 2020	\$ 16,937
Increased by:	
Payroll Deposits	<u>7,413,622</u>
	7,430,559
Decreased by:	
Payroll Disbursements	<u>7,413,486</u>
Balance, December 31, 2021	<u>\$ 17,074</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF MISCELLANEOUS RESERVES**

	Balance, December 31, <u>2020</u>	<u>Increased</u>	<u>Decreased</u>	Balance, December 31, <u>2021</u>
Reserved for:				
125th Anniversary Celebration	\$ 20	\$ 497	\$ 517	\$ -
Escrow Deposits	83,976	18,402	9,078	93,300
POAA- Municipal Court	39,040	914	138	39,816
Public Defender	13,386	-	-	13,386
Police Vests	600	-	-	600
Uniform Fire Safety	5,920	2,289	-	8,209
Tax Title Lien Redemption/Premiums	674,129	851,974	731,840	794,263
Community Garden	1,790	425	450	1,765
Recycling	39,614	31,325	7,022	63,917
Reserve for Recycling	-	328,786	328,786	-
COAH Trust	103,435	5,936	3,403	105,968
Reserve for Unemployment	-	5,175	-	5,175
Reserve for Storm Recovery	-	15,000	-	15,000
	<u>\$ 961,910</u>	<u>\$ 1,260,723</u>	<u>\$ 1,081,234</u>	<u>\$ 1,141,399</u>
Due from Current Fund		\$ 18,419		
Cash Receipts		<u>1,242,304</u>		
		<u>\$ 1,260,723</u>		

**BOROUGH OF BOGOTA**  
**STATEMENT OF RESERVE FOR RECREATION EXPENDITURES**

Balance, December 31, 2020	\$ 14,223
Increased by:	
Recreation Fees Collected	<u>14,919</u>
	29,142
Decreased by:	
Cash Disbursements	<u>6,364</u>
Balance, December 31, 2021	<u>\$ 22,778</u>

## **GENERAL CAPITAL FUND**

**BOROUGH OF BOGOTA**  
**STATEMENT OF GENERAL CAPITAL CASH - TREASURER**

Balance, December 31, 2020		\$ 381,710
Increased by Receipts:		
Bond Anticipation Notes	2,950,000	
Grants Receivable	128,244	
Reserve for Developer Contribution	1,312,500	
Reserve for ARP Funds	436,206	
Reimbursements	17,710	
Current Fund Budget Appropriation		
Capital Improvement Fund	45,000	
Emergency Authorization - Down Payment Improvements	<u>80,500</u>	
		<u>4,970,160</u>
		5,351,870
Decreased by Disbursements:		
Improvement Authorizations	1,589,417	
Bond Anticipation Note Payable	1,436,595	
Payments to Current Fund	<u>535,160</u>	
		<u>3,561,172</u>
Balance, December 31, 2021		<u>\$ 1,790,698</u>

**BOROUGH OF BOGOTA  
ANALYSIS OF GENERAL CAPITAL CASH**

Balance,  
December 31,  
2021

Reserve for Developer Contributions	\$ 1,414,090
Reserve for ARP Funds	436,206
Down Payments on Improvements	23,100
Encumbrances Payable	2,909,807

Ord. <u>No.</u>	<u>Improvement Authorizations</u>	
1442	Acquisition of Passenger Bus	(1,111)
1443	Improvements to Municipal Facilities	(1,724)
1492	Reconstruction of West Shore Ave	(149,000)
1511	Various Public Improvements	8,501
1516	Resurfacing of Leonia Ave (Phase III & IV)	17,771
1522	Improvements to Palisade Avenue (Phase III)	10,698
1523	Various Public Improvements	179
1528	Rehab of Basketball & Tennis Courts Olsen Park	276,128
1532	Construction New Recreation Center Olsen Park	(169,808)
1541	Various Public Improvements	53,360
1542	Reconstruction of Pine Street	(260,000)
1544	Resurfacing of Leonia Ave (Phase V)	(165,336)
1547	Resurfacing of Central Avenue	(30,797)
1549	Acquisition of Real Property	44
1550	Replacement of ADA Curb Ramps on Main St	(285,000)
1560	Various Public Improvements	(394,236)
1567	Road & Sanitary Sewer	(236,974)
1568	Reconstruction of Pine Street (Phase II)	(349,876)
1569	Acquisition of Pumper Truck & Equipment	<u>(1,315,324)</u>
		 <u>\$ 1,790,698</u>

**BOROUGH OF BOGOTA  
STATEMENT OF GRANTS RECEIVABLE**

Balance, December 31, 2020	\$ 448,689
Increased by:	
Grant Awards	
Department of Transportation - Ord. 1568	<u>200,000</u>
	648,689
Decreased by:	
Cash Receipts	<u>128,244</u>
Balance, December 31, 2021	<u><u>\$ 520,445</u></u>

Analysis of Balance

Reserve for Receivable:	
Department of Transportation	
Ord. 1516	\$ 93,189
Ord. 1542	205,000
Ord. 1568	200,000
Community Development Block Grant	
Ord. 1547	<u>22,256</u>
	<u><u>\$ 520,445</u></u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED**

Balance, December 31, 2020	\$ 6,975,000
Decreased by:	
Current Fund Budget Appropriations	
Serial Bond Principal	<u>620,000</u>
Balance, December 31, 2021	<u>\$ 6,355,000</u>



**BOROUGH OF BOGOTA**  
**STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

Ord. No.	Description	Analysis of Balance					
		Balance, December 31, 2020	2021 Authorizations	Grant Receipts	Balance, December 31, 2021	Bond Anticipation Notes	Unexpended Improvement Authorizations
1442	Acquisition of Passenger Bus	\$ 1,111			\$ 1,111	\$ 1,111	
1443	Improvements to Municipal Facilities	1,724			1,724	1,724	
1492	Reconstruction of West Shore Ave	149,000			149,000	149,000	
1516	Resurfacing Leonia Ave (Phase III & IV)	93,357			93,357		\$ 93,357
1522	Improvements to Palisade Avenue (Phase III)	103,800			103,800	103,800	
1523	Various Public Improvements	952,000			952,000	952,000	
1528	Rehabilitation of Basketball and Tennis Courts at Olsen Park	319,000			319,000	318,200	800
1532	Construction of New Recreation Center at Olsen Park	4,350,000		17,710	4,332,290	169,808	4,162,482
1541	Various Public Improvements	1,006,000			1,006,000	1,006,000	
1542	Reconstruction of Pine Street	260,000			260,000	260,000	
1544	Resurfacing of Leonia Ave (Phase V)	228,500		50,500	178,000	165,336	12,664
1547	Resurfacing of Central Avenue	109,500		77,744	31,756	30,797	959
1549	Acquisition of Real Property	570,000			570,000	570,000	
1550	Replacement of ADA Curb Ramps on Main St	285,000			285,000	285,000	
1560	Various Public Improvements, Acquisition of Equipment		807,500		807,500	394,236	413,264
1567	Road & Sanitary Sewer		285,000		285,000	236,974	48,026
1568	Reconstruction of Pine Street (Phase II)		400,000		400,000	349,876	50,124
1569	Acquisition of Pumper Truck & Equipment	-	1,342,000	-	1,342,000	-	26,676
		<u>\$ 8,428,992</u>	<u>\$ 2,834,500</u>	<u>\$ 145,954</u>	<u>\$ 11,117,538</u>	<u>\$ 2,950,000</u>	<u>\$ 4,808,352</u>
					Improvement Authorizations- Unfunded		\$ 5,148,761
					Less: Excess Note Proceeds		
					Ord. 1522		10,698
					Ord. 1523		179
					Ord. 1528		276,128
					Ord. 1541		53,360
					Ord. 1549		44
							<u>\$ 4,808,352</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

Ord. No.	Description	Ordinance Date	Amount	Balance, December 31, 2020		2021 Authorizations			Expended	Balance, December 31, 2021	
				Funded	Unfunded	Capital Improv Fund	Emergency Appropriation	Deferred Charges Unfunded		Funded	Unfunded
1511	Various Public Improvements	4/19/2018	\$ 1,265,000	\$ 559,730					\$ 551,229	\$ 8,501	
1516	Resurfacing of Leonia Ave (Phase III & IV)	8/16/2018	500,000	111,172					44	17,771	\$ 93,357
1522	Improvements to Palisade Avenue (Phase III)	4/4/2019	109,000		11,016				318	-	10,698
1523	Various Public Improvements	4/4/2019	1,000,000		51,082				50,903		179
1528	Rehab of Basketball & Tennis Courts Olsen Park	8/15/2019	335,000		308,894				31,966		276,928
1532	Construction New Recreation Center Olsen Park	10/3/2019	4,600,000	104,913	4,350,000				292,431		4,162,482
1541	Various Public Improvements	4/16/2020	1,057,000		241,307				187,947		53,360
1542	Reconstruction of Pine Street	4/16/2020	260,000		31,229				31,229		-
1544	Resurfacing of Leonia Ave (Phase V)	6/4/2020	380,000		26,578				13,914		12,664
1547	Resurfacing of Central Avenue	10/1/2020	115,000		18,336				17,377		959
1549	Acquisition of Real Property	11/12/2020	600,000	30,000	570,000				599,956		44
1550	Replacement of ADA Curb Ramps on Main St	11/12/2020	300,000	15,000	285,000				300,000		-
1560	Various Public Improvements, Acquisition of Equipment	5/20/2021	850,000			42,500		807,500	436,736		413,264
1567	Road & Sanitary Sewer	9/16/2021	300,000			2,500	12,500	285,000	251,974		48,026
1568	Reconstruction of Pine Street (Phase II)	9/16/2021	400,000			-		400,000	349,876		50,124
1569	Acquisition of Pumper Truck & Equipment	9/16/2021	1,410,000	-	-	-	68,000	1,342,000	1,383,324	-	26,676
				<u>\$ 820,815</u>	<u>\$ 5,893,442</u>	<u>\$ 45,000</u>	<u>\$ 80,500</u>	<u>\$ 2,834,500</u>	<u>\$ 4,499,224</u>	<u>\$ 26,272</u>	<u>\$ 5,148,761</u>
Cash Disbursements									\$ 1,589,417		
Encumbrances Payable									2,909,807		
									<u>\$ 4,499,224</u>		

**BOROUGH OF BOGOTA  
STATEMENT OF ENCUMBRANCES PAYABLE**

Increased by:	
Charges to Improvement Authorizations	\$ 2,909,807
Balance, December 31, 2021	<u>\$ 2,909,807</u>

**STATEMENT OF CAPITAL IMPROVEMENT FUND**

Balance, December 31, 2020	\$ -
Increased by:	
Current Fund Budget Appropriation	<u>45,000</u>
	45,000
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>45,000</u>
Balance, December 31, 2019	<u>\$ -</u>

**BOROUGH OF BOGOTA  
STATEMENT OF GENERAL SERIAL BONDS**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2020		Interest Rate	Balance, December 31, 2020	Increased	Decreased	Balance, December 31, 2021
			Date	Amount					
2012 General Improvement Bonds	12/1/2002	\$ 3,295,000	12/1/2022	320,000	2.00%				
			12/1/2023	320,000	2.00%				
			12/1/2024	320,000	2.50%				
			12/1/2025	320,000	3.00%	\$ 1,600,000		\$ 320,000	\$ 1,280,000
2019 General Improvement Bonds	5/1/2019	5,675,000	5/1/2022	300,000	2.00%				
			5/1/2023	300,000	2.00%				
			5/1/2024	300,000	2.00%				
			5/1/2025	300,000	2.00%				
			5/1/2026	500,000	2.25%				
			5/1/2027	525,000	2.50%				
			5/1/2028	525,000	3.00%				
			5/1/2029	550,000	3.00%				
			5/1/2030	575,000	3.000%				
			5/1/2031	600,000	3.000%				
			5/1/2032	600,000	3.000%	5,375,000	-	300,000	5,075,000
						6,975,000	-	620,000	6,355,000
Paid by Budget Appropriation								\$ 620,000	

**BOROUGH OF BOGOTA**  
**STATEMENT OF BOND ANTICIPATION NOTES**

Ord. No.	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance, December 31, 2020	Increased	Decreased	Balance, December 31, 2021
1516	Resurfacing of Leonia Ave (Phase III & IV)	4/18/2019	4/17/2020	4/16/2021	0.075	\$ 380,795		\$ 380,795	-
1522	Improvement to Palisades Ave Phase III	4/17/2020	4/17/2020	4/16/2021	0.075	103,800		103,800	-
		4/17/2020	4/15/2021	4/14/2022	0.400		103,800		103,800
1523	Various Public Improvements	4/17/2020	4/17/2020	4/16/2021	0.075	952,000		952,000	-
		4/17/2020	4/15/2021	4/14/2022	0.400		952,000		952,000
1528	Rehab of Basketball and Tennis Courts	4/16/2021	4/15/2021	4/14/2022	0.400		318,200		318,200
1541	Various Public Improvements	4/16/2021	4/15/2021	4/14/2022	0.400		1,006,000		1,006,000
1549	Acquisition of Real Property	4/16/2021	4/15/2021	4/14/2022	0.400	-	570,000	-	570,000
						<u>\$ 1,436,595</u>	<u>\$ 2,950,000</u>	<u>\$ 1,436,595</u>	<u>\$ 2,950,000</u>
						Issued for Cash	2,950,000		
						Paid with Capital Cash	<u>-</u>	<u>1,436,595</u>	
							<u>\$ 2,950,000</u>	<u>\$ 1,436,595</u>	

**BOROUGH OF BOGOTA  
STATEMENT OF RESERVE FOR PAYMENT OF DEBT**

Balance, December 31, 2020	\$ 155,500
Decreased by:	
Budgeted Revenue - Current Fund	<u>155,500</u>
Balance, December 31, 2021	<u>\$ -</u>

## EXHIBIT C-13

**STATEMENT OF RESERVE FOR DEVELOPER CONTRUBUTION**

Balance, December 31, 2020	\$ 481,250
Increased by:	
Cash Receipts	<u>\$ 1,312,500</u>
	1,793,750
Decreased by:	
Budgeted Revenue - Current Fund	<u>379,660</u>
Balance, December 31, 2021	<u>\$ 1,414,090</u>

## EXHIBIT C-14

**STATEMENT OF DUE TO CURRENT FUND**

Increased by:	
Budget Revenue - Developer Deposit	\$ 379,660
- Reserve for Payment Debt	<u>155,500</u>
	535,160
Decreased by:	
Budgeted Revenue - Current Fund	<u>535,160</u>
Balance, December 31, 2021	<u>\$ -</u>

**BOROUGH OF BOGOTA  
STATEMENT OF RESERVE FOR ARP FUNDS**

Balance, December 31, 2020	\$ -
Increased by:	
Cash Receipts - American Rescue Plan	<u>436,206</u>
Balance, December 31, 2021	<u>\$ 436,206</u>

**STATEMENT OF DOWN PAYMENT ON IMPROVEMENTS**

Balance, December 31, 2020	\$ 23,100
Increased by:	
Emergency Appropriation	<u>\$ 80,500</u>
	103,600
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>80,500</u>
Balance, December 31, 2021	<u>\$ 23,100</u>

**BOROUGH OF BOGOTA**  
**STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

<u>Ord. No.</u>	<u>Description</u>	Balance, December 31, 2020	2021 <u>Authorizations</u>	Notes <u>Issued</u>	Notes not <u>Renewed</u>	Grants <u>Received</u>	Balance, December 31, 2021
1442	Acquisition of Passenger Bus	\$ 1,111					\$ 1,111
1443	Improvements to Municipal Facilities	1,724					1,724
1492	Reconstruction of West Shore Ave	149,000					149,000
1516	Resurfacing				93,357		93,357
1528	Rehabilitation of Basketball and Tennis Courts at Olsen Park	319,000		318,200			800
1532	Construction of New Recreation Center at Olsen Park	4,350,000				17,710	4,332,290
1541	Various Public Improvements	1,006,000		1,006,000			-
1542	Reconstruction of Pine Street	260,000					260,000
1544	Resurfacing of Leonia Ave (Phase V)	228,500				50,500	178,000
1547	Resurfacing of Central Avenue	109,500				77,744	31,756
1549	Acquisition of Real Property	570,000		570,000			-
1550	Replacement of ADA Curb Ramps on Main St	285,000					285,000
1560	Various Public Improvements		807,500				807,500
1567	Road & Sanitary Sewer		285,000				285,000
1568	Reconstruction of Pine Street (Phase II)		400,000				400,000
1569	Acquisition of Pumper Truck & Equipment	-	1,342,000	-	-	-	1,342,000
		<u>\$ 7,279,835</u>	<u>\$ 2,834,500</u>	<u>\$ 1,894,200</u>	<u>\$ 93,357</u>	<u>\$ 145,954</u>	<u>\$ 8,167,538</u>



**BOROUGH OF BOGOTA**  
**PART II**  
**GOVERNMENT AUDITING STANDARDS**



DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, RMA, PSA  
DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA  
CHRISTOPHER VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA

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

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and Members  
of the Borough Council  
Borough of Bogota  
Bogota, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of the Borough of Bogota 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 August 30, 2022. Our report on the financial statements – regulatory basis was modified to indicate that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the financial reporting requirements of the State of New Jersey for municipal government entities as described in Note 1. In addition, our report on the financial statements – regulatory basis was modified on the regulatory basis of accounting because of the presentation of the unaudited LOSAP Trust Fund financial statements.

**Report on Internal Control over Financial Reporting**

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

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

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


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

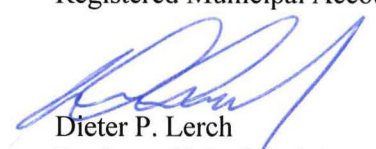
As part of obtaining reasonable assurance about whether the Borough of Bogota's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

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

### **Purpose of this Report**

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

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

  
Dieter P. Lerch  
Registered Municipal Accountant  
RMA Number CR00398

Fair Lawn, New Jersey  
August 30, 2022

**BOROUGH OF BOGOTA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Grant Year</u>	<u>Federal CFDA Number</u>	<u>Grant Award Amount</u>	<u>Balance, January 1, 2021</u>	<u>Revenue Realized</u>	<u>Expenditures</u>	<u>Cancelled/ Adjustments</u>	<u>Balance, December 31, 2021</u>
<u>U.S. Department of Homeland Security</u>								
(Pass through NJ State Police)								
Coronavirus Pandemic	2020	97.036	15185	\$ (15,185)	-	-	-	\$ (15,185)
Assistance to Firefighters	2020	97.044	7,511	(7,511)	-	-	-	(7,511)
<u>U.S. Department of Treasury</u>								
(Pass through County of Bergen)								
CARES Act	2020	21.019	34,681	(3,717)	7,511	-	-	3,794
American Rescue Plan	2021	21.027	436,206					
<u>U.S. Department of Justice</u>								
Bulletproof Vest Partnership Program	2020	16.607	1,750	1,750	-	1,681	-	69
				<u>\$ (24,663)</u>	<u>\$ 7,511</u>	<u>\$ 1,681</u>	<u>\$ -</u>	<u>\$ (18,833)</u>

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

**BOROUGH OF BOGOTA**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>State Grant Program</u>	<u>Grant Number</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>Grant Receipts</u>	<u>Balance, December 31, 2020</u>	<u>2021 Revenue Realized</u>	<u>Expended</u>	<u>Adjustment</u>	<u>Balance, December 31, 2021</u>	<u>MEMO Cumulative Expenditures</u>
<u>NJ Department of Environmental Protection</u>										
Clean Communities	4900-765-004	2012	\$ 9,700		\$ 119				\$ 119	\$ 9,581
		2014	10,663		10,663				10,663	
		2015	12,962		12,962				12,962	
		2016	14,818		14,818				14,818	
		2017	12,589		12,589				12,589	
		2018	12,048		12,048				12,048	
		2019	13,445		13,445				13,445	
		2020	12,123		-	\$ 12,123			12,123	
		2021	12,906	\$ 12,906	-				-	
					<u>76,644</u>	<u>12,123</u>	<u>-</u>	<u>-</u>	<u>88,767</u>	
Recycling Tonnage	4910-100-224	2012	11,013		3,776				3,776	7,237
		2014	11,115		11,115				11,115	
		2015	10,702		10,702				10,702	
		2016	6,538		6,538				6,538	
		2018	2,690		2,690				2,690	
		2019	10,669		10,669				10,669	
		2020	10,669		-	10,669			10,669	
		2021	10,839	10,839	-				-	
					<u>45,490</u>	<u>10,669</u>	<u>-</u>	<u>-</u>	<u>56,159</u>	
<u>NJ Department of Law and Public Safety</u>										
Body Armor Replacement	066-1020-718-001	2015	1,847		400		400		-	1,847
		2016	1,703		1,703		1,703		-	1,703
		2017	1,785		1,785		1,785		-	1,785
		2019	1,956		1,956		327		1,629	327
		2020	1,843		-	1,843			1,843	
		2021	1,482	1,482	-				-	
					<u>5,844</u>	<u>1,843</u>	<u>4,215</u>	<u>-</u>	<u>3,472</u>	
Body Worn Camera Grant		2021	50,950	-	-	50,950	-	-	50,950	
<u>NJ Department of Health</u>										
Alcohol Education Rehabilitation Program	9735-760-001	2013	5,526		5,526				5,526	
		2014	1,890		1,890				1,890	
		2015	1,355		1,355				1,355	
		2016	121		121				121	
		2017	708		708				708	
		2018	659		659				659	
		2019	402		402				402	
		2020	167		-	167			167	
					<u>10,661</u>	<u>167</u>	<u>-</u>	<u>-</u>	<u>10,828</u>	

**BOROUGH OF BOGOTA**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Grant Number</u>	<u>Grant Year</u>	<u>Grant Award</u>	<u>Grant Receipts</u>	<u>Balance, December 31, 2020</u>	<u>2021 Revenue Realized</u>	<u>Expended</u>	<u>Adjustment</u>	<u>Balance, December 31, 2021</u>	<u>MEMO Cumulative Expenditures</u>
<u>State Grant Program</u>										
<u>Council on Alcoholism and Drug Abuse</u>										
Pass through County of Bergen										
Municipal Alliance Grant Fund	100-082-2000-044	2017	9,876		328		328		-	9,876
		2018	9,876		1,102		642		1,102	8,774
		2020	1,300		-	1,300			1,300	
					<u>1,430</u>	<u>1,300</u>	<u>970</u>	<u>-</u>	<u>2,402</u>	
<u>NJ Division of Highway Traffic Safety</u>										
Drunk Driving Enforcement Fund	6400-100-078	2020	1,000		-	199	-	-	199	
<b>Total State Awards - Grant Fund</b>					<u>\$ 140,069</u>	<u>\$ 77,251</u>	<u>\$ 5,185</u>	<u>\$ -</u>	<u>\$ 212,777</u>	
<u>NJ Department of Transportation</u>										
Highway Planning and Construction	078-6320-480	2018	380,627		(56,694)		11		(56,705)	
		2020	205,000		(195,173)		9,827		(205,000)	
		2020	202,000		(50,500)	50,500			-	
		2021	200,000		-	-	12,688	-	(12,688)	
<b>Total State Awards - Capital Fund</b>					<u>(302,367)</u>	<u>50,500</u>	<u>22,515</u>	<u>-</u>	<u>(217,688)</u>	
<b>Total State Awards</b>					<u>\$ (162,298)</u>	<u>\$ 127,751</u>	<u>\$ 27,700</u>	<u>\$ -</u>	<u>\$ (4,911)</u>	

Note: This schedule was not subject to Single Audit requirements of NJ OMB 15-08.

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

**BOROUGH OF BOGOTA**  
**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**YEAR ENDED DECEMBER 31, 2021**

**NOTE 1 GENERAL**

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

**NOTE 2 BASIS OF ACCOUNTING**

The accompanying schedules are prepared and presented using the regulatory basis of accounting as prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. This basis of accounting is described in Note 1 to the Borough's financial statements.

**NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current Fund	\$ 7,511	\$ 77,251	\$ 84,762
General Capital Fund	<u>-</u>	<u>50,500</u>	<u>50,500</u>
Total Financial Awards	<u>\$ 7,511</u>	<u>\$ 127,751</u>	<u>\$ 135,262</u>

**NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5 DE MINIMIS INDIRECT COST RATE**

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



**BOROUGH OF BOGOTA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

*Part I – Summary of Auditor's Results*

**Financial Statements**

Type of auditors' report issued on financial statements Modified - Unaudited LOSAP Fund

Internal control over financial reporting:

1) Material weakness(es) identified                      yes       X       no

2) Significant deficiency(ies) that are not  
considered to be material weakness(es)?                      yes       X       none

Noncompliance material to the financial  
statements noted?                      yes       X       no

**Federal Awards Section**

NOT APPLICABLE

**State Awards Section**

NOT APPLICABLE

**BOROUGH OF BOGOTA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

*Part II – Schedule of Financial Statement Findings*

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18.5.20 of *Government Auditing Standards*.

There were none.

**BOROUGH OF BOGOTA**  
**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

**STATUS OF PRIOR YEAR FINDINGS**

There were none.

**BOROUGH OF BOGOTA**  
**BERGEN COUNTY, NEW JERSEY**

---

**PART III**

**SUPPLEMENTARY DATA**  
**LETTER OF COMMENTS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**BOROUGH OF BOGOTA  
SUPPLEMENTARY DATA**

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

	<u>Year 2021</u>			<u>Year 2020</u>	
	<u>Amount</u>	<u>Percent</u>		<u>Amount</u>	<u>Percent</u>
<b>REVENUE AND OTHER INCOME REALIZED</b>					
Fund Balance Utilized	\$ 600,000	2.00 %	\$	508,684	1.75 %
Miscellaneous - From Other Than Local					
Property Tax Levies	2,352,701	7.85		1,970,367	6.77
Collection of Delinquent Taxes and Tax Title Liens	10,364	0.03		4,392	0.02
Collection of Current Tax Levy	26,663,286	88.91		26,145,293	89.84
Other Credits	<u>361,774</u>	<u>1.21</u>		<u>474,928</u>	<u>1.63</u>
Total Income	<u>29,988,125</u>	<u>100.00 %</u>		<u>29,103,664</u>	<u>100.00 %</u>
<b>EXPENDITURES</b>					
Budget Expenditures					
Municipal Purposes	10,848,553	37.08		10,792,448	37.41 %
County Taxes	2,363,669	8.08		2,061,492	7.15
Local District School Taxes	16,042,978	54.84		15,904,721	55.13
Other Expenditures	<u>1,570</u>	<u>0.01</u>		<u>92,882</u>	<u>0.32</u>
Total Expenditures	<u>29,256,770</u>	<u>100.00 %</u>		<u>28,851,543</u>	<u>100.00 %</u>
Less: Expenditures to be Raised by Future Revenue	<u>80,500</u>			<u>90,078</u>	
Total Adjusted Expenditures	<u>29,176,270</u>			<u>28,761,465</u>	
Excess in Revenue	811,855			342,199	
Fund Balance, January 1	<u>1,705,395</u>			<u>1,871,880</u>	
	2,517,250			2,214,079	
Less Utilization as Anticipated Revenue	<u>600,000</u>			<u>508,684</u>	
Fund Balance, December 31	<u>\$ 1,917,250</u>			<u>\$ 1,705,395</u>	

**BOROUGH OF BOGOTA  
SUPPLEMENTARY DATA**

**Comparative Schedule of Tax Rate Information**

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>Tax Rate</u>	<u>\$4.138</u>	<u>\$4.073</u>	<u>\$4.018</u>

Apportionment of Tax Rate

Municipal	1.280	1.280	1.254
County	.352	0.308	.290
County Open Space	.015	0.013	.012
Local School	2.491	2.472	2.462

Assessed Valuation

2021	<u>\$644,085,500</u>	
2020	<u>\$643,425,600</u>	
2019		<u>\$639,934,700</u>

**Comparison of Levies and Collection Currently**

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2021	\$ 26,689,606	\$ 26,623,286	99.75%
2020	26,217,250	26,145,293	99.73%
2019	26,076,547	26,043,259	99.87%

**BOROUGH OF BOGOTA  
SUPPLEMENTARY DATA**

**Delinquent Taxes and Tax Title Liens**

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

<u>December 31 Year</u>	<u>Amount of Delinquent Taxes</u>	<u>Tax Title Liens</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2021	\$ 11,821	\$ 15,472	\$ 27,293	0.10%
2020	61,308	12,499	73,807	0.28%
2019	4,392	10,295	14,687	0.06%

**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 at December 31, on the basis of the last assessed valuation of such properties, was as follows:

<u>Year</u>	<u>Amount</u>
2021	\$136,680
2020	136,680
2019	136,680

**Comparative Schedule of Fund Balances**

	<u>Year</u>	<u>Balance, December 31</u>	<u>Utilized In Budget of Succeeding Year</u>
Current Fund	2021	\$1,917,250	\$650,000
	2020	1,705,395	600,000
	2019	1,871,880	508,684
	2018	1,034,600	135,000
	2017	595,905	570,000

**BOROUGH OF BOGOTA  
SUPPLEMENTARY DATA**

**OFFICIALS IN OFFICE AND SURETY BONDS**

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Christopher Kelemen	Mayor	
Consuelo Carpenter	Council President	
Michael Connors	Councilman	
Daniele Fede	Councilwoman	
Jo-Ellen Granquist	Councilwoman	
Mary Ellen Murphy	Councilwoman	
Robert Robbins	Councilman	
Joseph Scarpa	Borough Administrator	
Gregory Bock	Chief Financial Officer	
Jeanne M. Cook	Borough Clerk	
Christopher Battaglia	Tax Collector	
Daniel Howell	Construction Code Official	
Michael Quercia	Plumbing Subcode Official	
Jared Geist	Municipal Court Judge	
Patrick Wilkens	Tax assessor	
Daniel Maye	Chief of Police	
Gregory Polyniak	Borough Engineer	
William Betesh, Esq.	Borough Attorney	



## **BOROUGH OF BOGOTA**

### **LETTER OF COMMENTS AND RECOMMENDATION**

#### **GENERAL COMMENTS**

##### **Current Year Findings**

Our audit revealed old outstanding grant receivable balances. It is recommended that old grant receivable balances be reviewed and cleared of record.

Our audit indicated that certain contracts awarded during the year were not properly encumbered. It is recommended that all contracts be encumbered at the time of award.

Our audit indicated that state contracts in excess of the bid threshold were not always approved in the minutes. It is recommended that state contracts that exceed the bid threshold be awarded in the minutes.

Our audit indicated that certain purchases were made prior to issuance of purchase orders or certification of funds. It is recommended that purchase orders be issued prior to placing the orders for goods/services, and contain certification of available funds.

Our audit of the municipal court indicated that stale dated checks remain outstanding on the bail bank account reconciliation. It is recommended that old outstanding checks in the municipal court bail account be cleared of record.

Our audit of the Board of Health indicated that records were not adequately kept for cash receipts received following employee turnover. It is recommended that the Board of Health implement a cash receipts ledger.

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

NJS 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$21,000 except by contract or agreement".

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Borough Counsel's opinion should be sought before a commitment is made.

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

2021 Roadway Improvements Program  
Pine Street Section 2 and Larch Avenue

The minutes indicate that resolutions were adopted and advertised, authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S. 40A:11-5.

Our examination of expenditures except as previously noted in our general comments, did not reveal instances whereby individual payments were made in excess of the bid threshold "for the performance of any work, or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of NJS 40A:11-6.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. One such instance was detected

**BOROUGH OF BOGOTA**  
**LETTER OF COMMENTS AND RECOMMENDATION**

**GENERAL COMMENTS (Continued)**

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

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

The Governing Body on January 7, 2021 adopted the following resolution authorizing interest to be charged on delinquent taxes:

"BE IT RESOLVED, by the Mayor and Council of the Borough of Bogota, County of Bergen, State of New Jersey, that the rate of interest on taxes delinquent is set at eight (8) percent for the first (\$1,500) fifteen hundred dollars, and eighteen (18) percent on any amount in excess of \$1,500 fifteen hundred dollars, and

BE IT FURTHER RESOLVED, that no interest shall be charged if payment of any installment is made within ten (10) days after the date upon which the same is payable, and

BE IT RESOLVED, that in any case where the tax is not paid within those extended days the full penalty form this date due attaches.

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

**Delinquent Taxes and Tax Title Liens**

There was a tax sale held on December 16, 2021.

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

<u>Year</u>	<u>Number of Liens</u>
2021	1
2020	1
2019	1

**BOROUGH OF BOGOTA  
SUPPLEMENTARY DATA**

**RECOMMENDATIONS**


It is recommended that:

1. Old grants receivable balances be reviewed and cleared of record.
2. All contracts be encumbered at the time of award.
3. State contracts that exceed the bid threshold be awarded in the minutes.
4. Purchase orders be issued prior to placing the orders for goods/services, and contain certification of available funds.
5. Old outstanding checks in the municipal court bail and fines accounts be cleared of record.
6. The Board of Health implement a cash receipts ledger.

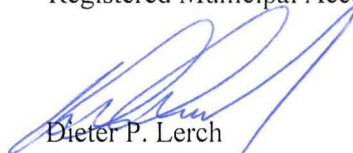
\* \* \* \* \*

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

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



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



Dieter P. Lerch  
Registered Municipal Accountant  
RMA Number CR00398