

VILLAGE
OF
RIDGEWOOD

Village of Ridgewood
County of Bergen
Ridgewood, New Jersey

Comprehensive Annual Financial Report
For the Year Ended December 31, 2017

Comprehensive Annual
Financial Report

of the

VILLAGE OF RIDGEWOOD

Ridgewood, New Jersey

YEAR ENDED DECEMBER 31, 2017

Prepared by

Village of Ridgewood
Finance Department

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INTRODUCTORY SECTION

Village of Ridgewood

131 North Maple Avenue

Ridgewood, New Jersey 07450

August 24, 2018

The Honorable Mayor and Members
of the Village Council
Village of Ridgewood
County of Bergen, New Jersey

Dear Council Members:

The comprehensive annual financial report of the Village of Ridgewood (the "Village") for the year ended December 31, 2017, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Village. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the Village's organizational chart and a roster of officials. The financial section includes the financial statements and schedules, as well as the auditors' report thereon. The statistical section includes selected financial and demographic information generally presented on a multi-year basis. The Village is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' report on the internal control system and compliance with applicable laws, regulations, and findings and recommendations, is included in the single audit section of this report. The Village was not subject to the single audit provisions of the Uniform Guidance and New Jersey's OMB Circular 15-08 for the year ended December 31, 2017 as both state and federal expenditures were below the thresholds in the Uniform Guidance and New Jersey's OMB Circular 15-08.

REPORTING ENTITY AND ITS SERVICES: The Village of Ridgewood was incorporated as a Village in 1894 from that portion of the County of Bergen previously known as the Township of Ridgewood. The Village operates under the Council-Manager form of government, which is Plan B of the Faulkner Act. Five members, elected at large on a non-partisan basis for four-year overlapping terms, make up the Village Council. In turn a Mayor and Deputy Mayor are elected at the reorganization meeting of the new Council every two years. The Council appoints the Village Manager to administer its directives and conduct municipal affairs. This form of government provides a stable, non-partisan government with professional administration for all municipal services.

The Honorable Mayor and Members
of the Village Council
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The Village is located in the northwestern part of Bergen County, New Jersey, in the foothills of the Ramapo Mountains approximately twenty two miles from New York City. The area of the Village is approximately six square miles. The Village is a predominantly residential suburban community with most residences being owner occupied single family dwellings. There is virtually no manufacturing or other industry and very little underdeveloped land. The Village has, however, a substantial business district that serves as a regional center for shopping and dining and also has many professional and commercial offices.

The Village is served by New Jersey Transit, which offers rail service to Secaucus Junction that connects directly with New York City's Penn Station. Direct rail service is also available to Hoboken. From there, service is available to New York City via ferry or the Port Authority Trans-Hudson Railroad. There are also bus transportation facilities to New York City, Paterson, Newark and other nearby large cities.

The Board of Education in the Village operates under Title 18A, Education of the New Jersey Statutes and is an independent school district, coterminous in area with the Village of Ridgewood. It provides a full public education system and facilities from Kindergarten through Grade 12. The school system includes six elementary schools, two middle schools, and one four-year high school. The Village has a reputation of having one of the finest school systems in the State. The system has enjoyed excellent administration and has kept pace through its building program with the growth of the Village as well as the needs of its residents and school age population to ensure it maintains its high standing in the education community.

The School District prides itself in being an exemplary school system. Many state of the art programs are available and student achievement is extraordinarily high when compared to all reference groups. The focus of the School District is to provide a well-rounded educational experience for its students, together with many opportunities for exploration and experimentation. The School District offers a wide array of services for special needs students, as well as for those in accelerated programs.

The 2014 median family income for the Village of Ridgewood was \$169,490. This is almost double the state average. In 2017, the average assessed value of the residential property was approximately \$696,093. Residential property comprises 89.48% of the total taxable value in the Village of Ridgewood.

The Village Council has adopted the following "Mission Statement":

Mission Statement

It shall be the mission and purpose of the Ridgewood Village government –

To: Maintain the quality of life and municipal services, which have established the Village of Ridgewood as a premier residential community;

While: Maintaining sensitivity to economic conditions and State mandates which are imposing extraordinary costs of operation on the Village and increasing the tax burden on Village residents;

And: Emphasizing the strategic and entrepreneurial management of Village resources in order to mitigate the effect of those cost factors and to facilitate the effective and efficient delivery of services to the community.

The Honorable Mayor and Members
of the Village Council
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On occasion, the Village draws upon Village residents with varying degrees of specialization (i.e. accounting, engineering, conservation, strategic planning) to perform studies in various areas with a focus on cost-effectiveness or best practices. The results are then assessed for the impact on budgeting and future service providers.

Similar to most New Jersey municipalities, the Village Council has embraced the practice to finance capital projects in customary fashion, by providing a small down payment, applying grant monies, and then issuing debt to fund the balance of the project.

Aggressive Labor Costs Containment

Employee compensation has been, and will continue to be, the largest expense item in the Village budget. The Village Council has set policy and broad objectives for bargaining as goals for the administration to achieve. Some of the goals implemented to date include:

- Optimize use of the 2% contract rate arbitration law during fire and police contract negotiations
- Determination of the effectiveness of existing positions before filling vacancies
- Limitation of wage increases to no higher than statutory limitations, when possible
- The implementation of a merit pay system for Department Directors
- Reduction and/or elimination of longevity and starting salaries for new employees
- Increase in the number of steps within each range
- Employee contributions towards health benefits
- Establishing a cap on terminal leave payments

In 2017, the Village settled Blue Collar, White Collar and Supervisory contracts. In addition, all employees were offered enhanced dental and vision coverage. The Village pays for the employee coverage with the employee having responsibility for the costs of spousal and family plans.

Interlocal Agreements

The Village enters into interlocal service agreements with other municipalities, government entities, as well as the Ridgewood Board of Education, when a desirable piece of equipment or type of service would not be used 100% of the time by the Village. As we continuously analyze our cost of providing services we find areas where the Village has excess capacity and the ability to sell services to other communities. The additional revenue received partially offsets our costs of service, thereby reducing the Village's reliance on property taxes.

Examples of the Village's interlocal agreements include the fueling and maintenance of vehicles, consolidated dispatch of E-911 service, the purchase and/or use of shared equipment, health services, police pistol range, traffic signal maintenance and planning services. Each one of these agreements allows the Village to provide an enhanced service or the use of a piece of equipment at a cost less than what we could provide on our own. Beginning in 2015, the Village entered into two Public/Private Partnerships: HealthBarn USA, which provides a Healthy-Lifestyle Education for Children and Families and organic farming for residents; and, All City Management Services to furnish and deliver crossing guard services for all Village school posts for the Village Police Department. In 2017, the Village agreed to enter into agreement with Washington Township, to provide maintenance and repairs to Township vehicles. A similar agreement for vehicle repair and maintenance is planned in 2018 with the Ridgewood Board of Education.

The Honorable Mayor and Members
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August 24, 2018

Property Taxes

A historical perspective of the apportionment of tax levies for local, school and county taxes follows. In 2017, 65.29% of the total tax levy was directed to the Board of Education, 10.93% to the County of Bergen, and 23.78% for current municipal operations.

ACCOUNTING SYSTEM AND REPORTS: The Village's accounting records and financial statements are maintained and prepared in conformity with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. This method of accounting, a Regulatory Basis of Accounting other than Generally Accepted Accounting Principles, is designed primarily for determining compliance with legal provisions and budgetary restrictions. The accounting system of the Village is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

DEBT ADMINISTRATION: The Village affirmed their "AAA" rating from Standard and Poor's for the 2016 Refunding and General Bond Sales. Because of this high rating, the interest cost on debt the Village must issue to fund major capital projects will be based upon the lowest rate available. Standard and Poor's rating letter to the Village stated, "The rating reflects the Village's strong and mature property tax base, high wealth and income levels, access to deep and diverse employment centers, and strong financial management with adequate reserve levels. Highlights of the finance department's management include monthly budget monitoring with amendments, if necessary, a defined investment policy with monthly reporting on investment performance, and financial planning."

At December 31, 2017, the Village had bonded debt of \$46,660,000, consisting of \$28,696,000 General Capital Bonds and \$17,964,000 Water Capital Bonds. In General Capital, the Village also had a \$5,078,464 loan from the New Jersey Environmental Infrastructure Trust Loan Program (NJEIT). The Village also had temporary debt of \$13,030,133 in the form of bond anticipation notes, consisting of \$6,036,133 General Capital, \$6,794,000 Water Capital and \$200,000 Parking Capital. In addition, the Village has unissued General Capital, Water Capital and Parking Capital debt of \$10,306,149, \$6,361,250 and \$2,048,615 respectively.

CASH MANAGEMENT: The investment policy of the Village is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The Village has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

RISK MANAGEMENT: The Village carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The Village obtains the bulk of their insurance coverage through their participation in a risk-sharing public entity risk pool, the Bergen County Municipal Joint Insurance Fund. This Fund is described in more detail in Note 9 "Risk Management" to the financial statements.

The Honorable Mayor and Members
of the Village Council
Village of Ridgewood
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August 24, 2018

FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the Village continues to meet its responsibility for sound financial management. The following schedule presents a summary of the Current Fund, Water Utility Operating Fund and Parking Utility Operating Fund revenue for the year ended December 31, 2017, and the amount and percentage of increases or decreases in relation to prior year revenue.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2016</u>	<u>Percent of Increase/ (Decrease)</u>
Fund Balance Anticipated	\$ 7,676,764	4.14%	\$ 1,699,597	28.43%
Utility Rents	12,982,746	7.01%	(1,185,577)	(8.37%)
Miscellaneous Revenue	11,266,157	6.08%	(860,052)	(7.09%)
Receipts from Delinquent Taxes	770,381	0.42%	81,866	11.89%
Parking Fees	1,324,842	0.72%	1,780	0.13%
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes, Including Reserve for Uncollected Taxes	35,683,513	19.27%	840,093	2.41%
Municipal Budget Totals - Revenue	69,704,403	37.63%	577,707	0.84%
Nonbudget Revenue	392,223	0.21%	(12,155)	(3.01%)
Other Credits to Income	2,850,829	1.54%	731,018	34.49%
Taxes Allocated to Schools, County and Open Space Trust	112,303,093	60.62%	3,256,761	2.99%
Total	\$ 185,250,548	100.00%	\$ 4,553,331	2.52%

The modest increase in Current Fund fund balance reflects the Village's conservative approach in anticipating fund balance and the Village's attempt to stabilize and improve their fund balance position, while establishing and maintaining reserves and the Village's strong financial position. The increase in budgeted revenue is primarily attributable to increases in the Village's fund balance anticipated, collection of current and delinquent taxes and parking fees in 2017. The increase in taxes allocated to schools, county and open space trust reflect increases in the required collections of property taxes, which are remitted to those entities.

The Honorable Mayor and Members
of the Village Council
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August 24, 2018

The following schedule presents a summary of current fund and utility operating funds expenditures for the fiscal year ended December 31, 2017 and the percentage of increases or decreases in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2016</u>	<u>Percent of Increase/ (Decrease)</u>
Current:				
General Government	\$ 17,631,199	9.80%	\$ 141,182	0.81%
Public Safety	12,602,930	7.01%	(71,919)	(0.57%)
Streets and Roads	4,807,711	2.67%	137,513	2.94%
Health and Welfare	305,507	0.17%	15,552	5.36%
Recreation and Education	1,681,954	0.93%	169,144	11.18%
Deferred Charges and Statutory Expenditures	5,857,013	3.26%	298,240	5.37%
Utility Budgeted Fund Balance	1,256,118	0.70%	23,017	1.87%
Utility Operating	12,632,597	7.02%	1,844,386	17.10%
Capital Improvements	2,067,000	1.15%	79,100	3.98%
Debt Service	7,376,903	4.10%	(944,507)	(11.35%)
Reserve for Uncollected Taxes	1,228,956	0.68%	(146,693)	(10.66%)
Municipal Budget Totals - Expenditures	67,447,888	37.49%	1,545,015	2.34%
County Taxes	16,297,685	9.06%	566,366	3.60%
Local School Taxes	95,714,756	53.20%	2,684,584	2.89%
Municipal Open Space Taxes	290,652	0.16%	5,811	2.04%
Other Expenditures	158,499	0.09%	(427,044)	(72.93%)
Total	<u>\$ 179,909,480</u>	<u>100.00%</u>	<u>\$ 4,374,732</u>	

OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, RMAs, was selected by the Village Council. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the *Government Auditing Standards*, issued by the Comptroller General of the United States, the Uniform Guidance and New Jersey's OMB Circular 15-08. The auditors' report on the financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

The Honorable Mayor and Members
of the Village Council
Village of Ridgewood
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August 24, 2018

ACKNOWLEDGMENTS: We would like to express our appreciation to the Members of the Village Council for their efforts in providing fiscal accountability to the citizens and taxpayers of the Village and contributing their full support to the development and maintenance of our financial operations. The preparation of this report could not have been accomplished without the efficient and dedicated services of our staff.

Respectfully submitted,

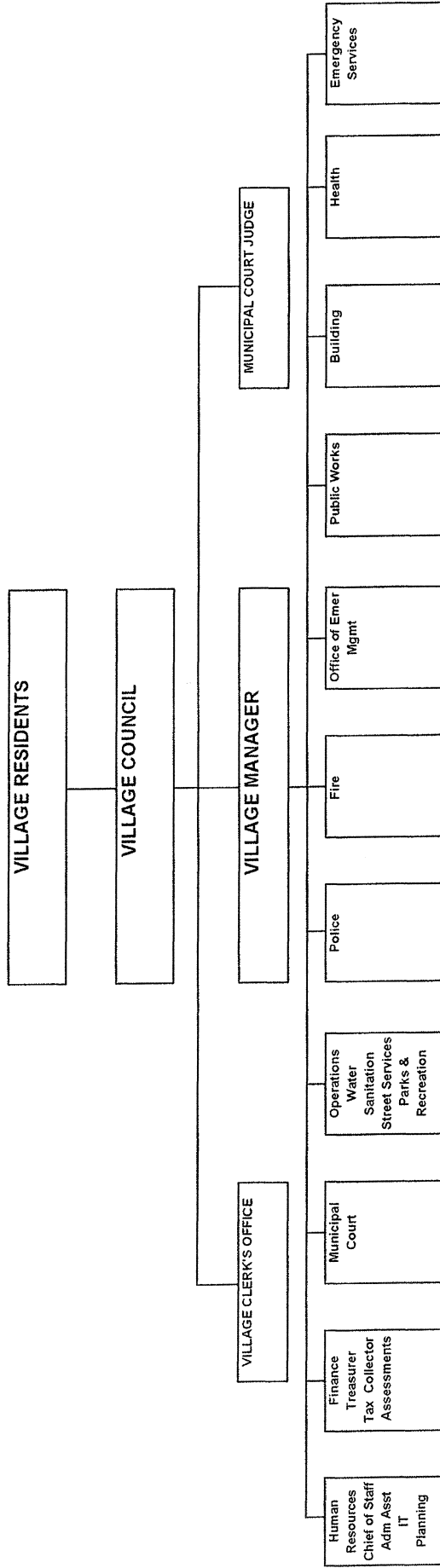
Heather A. Mailander

Heather A. Mailander
Village Manager / Village Clerk

Robert G. Rooney

Robert G. Rooney
Chief Financial Officer

VILLAGE OF RIDGEWOOD - ORGANIZATIONAL CHART



VILLAGE OF RIDGEWOOD
ROSTER OF OFFICIALS
DECEMBER 31, 2017

Elected Officials

Mayor	Susan Knudsen
Deputy Mayor	Michael Sedon
Councilman	Ramon Hache
Councilman	Jeffrey Voigt
Councilwoman	Bernadette Walsh

Appointed Officials

Village Manager	Heather A. Mailander	As of 3/1/2017
Acting Village Manager	Heather A. Mailander	Through 2/28/2017
Village Clerk	Heather A. Mailander	
Chief Financial Officer	Robert G. Rooney	
Treasurer	Stephen P. Sanzari	
Deputy Clerk	Donna Jackson	
Tax Collector	Mary Jo Gilmour	
Tax Assessor	Michael Barker	
Magistrate	David Pfund	
Court Administrator	Maria Doerr	
Village Attorney	Matthew S. Rogers	
Construction Code Official	Thomas M. Yotka	

VILLAGE OF RIDGEWOOD

Consultants and Advisors

AUDIT FIRM

Nisivoccia LLP, CPA's
Mount Arlington Corporate Center
200 Valley Road, Suite 300
Mount Arlington, New Jersey 07856

ATTORNEY

Matthew Rogers, Esq.
123 Prospect Street
Ridgewood, New Jersey 07450

BOND COUNSEL

McManimon, Scotland & Baumann, LLC
Edward J. McManimon, III
75 Livingston Ave., 2nd Floor
Roseland, New Jersey 07068

OFFICIAL DEPOSITORIES

TD Bank
Valley National Bank
M&T Bank

FINANCIAL ADVISORS

Phoenix Advisors, LLC
Anthony Inverso
4 West Park Street
Bordentown, NJ 08505

FINANCIAL SECTION



Mount Arlington Corporate Center
 200 Valley Road, Suite 300
 Mt. Arlington, NJ 07856
 973-328-1825 | 973-328-0507 Fax

Lawrence Business Park
 11 Lawrence Road
 Newton, NJ 07860
 973-383-6699 | 973-383-6555 Fax

Independent Auditors' Report

The Honorable Mayor and Members
 of the Village Council
 Village of Ridgewood
 Ridgewood, New Jersey

Report on the Financial Statements

We have audited the financial statements – *regulatory basis* - of the various funds of the Village of Ridgewood, in the County of Bergen (the "Village") as of and for the year ended December 31, 2017 and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed or permitted by the Division, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements 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 Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Honorable Mayor and Members
of the Village Council
Village of Ridgewood
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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements have been prepared by the Village on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. 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.

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* paragraph, the financial statements referred above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund and account group of the Village as of December 31, 2017, or the changes in financial position or where applicable, cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the various funds and account group of the Village of Ridgewood as of December 31, 2017, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the year then ended, on the basis of the accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds and account group that collectively comprise the Village's financial statements. The combining and individual fund and account group statements and schedules listed in the table of contents and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund and account group statements and schedules and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. 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 combining and individual fund and account group statements and schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

The Honorable Mayor and Members
of the Village Council
Village of Ridgewood
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The accompanying other information such as the introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 24, 2018 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
August 24, 2018


NISIVOCIA LLP



Francis J. Jones
Certified Public Accountant
Registered Municipal Accountant No. 442

GENERAL PURPOSE FINANCIAL STATEMENTS

The financial statements provide a financial overview of the Village's operations. These financial statements present the financial position and operating results of all funds and account groups.

VILLAGE OF RIDGEWOOD
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS - REGULATORY BASIS
DECEMBER 31, 2017
(With Comparative Totals for 2016)

ASSETS AND OTHER DEBITS:	Current Fund		Trust Funds	General Capital Fund	Utility Funds		Account Group General Fixed Assets	Totals	
	Regular	Grant			Operating	Capital		(Memorandum Only)	
								2017	2016 (Restated)
Assets:									
Cash and Cash Equivalents	\$ 30,560,927	\$ 48,386	\$ 4,983,863	\$ 4,151,138	\$ 11,800,982	\$ 10,787,588	\$ 62,332,884	\$ 36,043,071	
Receivables and Other Assets:									
Property Taxes Receivable	628,030				2,566,197		628,030	760,640	
Consumer Accounts Receivable				249,000			2,566,197	2,266,714	
Prospective Assessments	28,950						249,000	249,000	
Liens Receivable							28,950	21,787	
Federal and State Grant Fund		387,139					387,139	419,699	
Interfunds Receivable	20,148	36,252		210,740	124,234	14,746	406,120	280,785	
Other Receivables				852,857	63,231		916,088	1,250,937	
Property Acquired for Taxes at Assessed Valuation	805,200						805,200	805,200	
Fixed Assets in General Fixed Assets Account Group							\$ 182,153,156	179,520,134	
Total Assets	32,043,255	471,777	4,983,863	5,463,735	14,554,644	10,802,334	182,153,156	250,472,764	221,617,967
Other Debits:									
Deferred Charges:									
Special Emergency Authorizations	250,000			50,116,746			250,000	48,000	
To Future Taxation							50,116,746	46,720,262	
Fixed Capital						89,858,701	89,858,701	80,053,284	
Total Other Debits	250,000			50,116,746		89,858,701	140,225,447	126,821,546	
Total Assets and Other Debits	\$ 32,293,255	\$ 471,777	\$ 4,983,863	\$ 55,580,481	\$ 14,554,644	\$ 100,661,035	\$ 182,153,156	\$ 390,698,211	\$ 348,439,513
LIABILITIES, RESERVES AND FUND BALANCES:									
Appropriation Reserves	\$ 2,810,964				\$ 4,221,225		\$ 7,032,189	\$ 3,390,289	
Improvement Authorizations				\$ 9,087,510		\$ 11,510,180	20,597,690	14,876,414	
Accrued Interest on Bonds and Notes					200,860		200,860	143,056	
Interfunds Payable	321,226	\$ 50,000	\$ 20,148		14,746		406,120	280,785	
Reserves for Amortization						56,490,836	56,490,836	52,595,919	
Various Liabilities and Reserves	22,605,323	421,777	4,963,715	5,434,080	781,240	7,352,736	223,712,027	197,373,576	
Serial Bonds, Bond Anticipation Notes and Loans Payable				39,810,597		24,958,000	64,768,597	57,742,623	
Reserve for Receivables and Other Assets	1,482,328				2,629,428		4,111,756	4,200,982	
Fund Balance	5,073,414			1,248,294	6,707,145	349,283	13,378,136	17,835,869	
Total Liabilities, Reserves and Fund Balances	\$ 32,293,255	\$ 471,777	\$ 4,983,863	\$ 55,580,481	\$ 14,554,644	\$ 100,661,035	\$ 182,153,156	\$ 390,698,211	\$ 348,439,513

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

VILLAGE OF RIDGEWOOD
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CURRENT AND UTILITY OPERATING FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Current Fund			Utility Operating Funds		
	Final Budget	Actual	Variance	Final Budget	Actual	Variance
REVENUES:						
Fund Balance Utilized	\$ 3,630,000	\$ 3,630,000		\$ 4,046,764	\$ 4,046,764	
Water Rents				12,790,750	12,982,746	\$ 191,996
Parking Lot Fees and Permits				1,286,100	1,324,842	38,742
Miscellaneous Revenue	9,881,120	10,449,634	\$ 568,514	593,400	816,523	223,123
Receipts from Delinquent Taxes	750,000	770,381	20,381			
Total Amount to be Raised by Taxes for Support of Municipal Budget, Including Reserve for Uncollected Taxes	<u>34,620,690</u>	<u>35,683,513</u>	<u>1,062,823</u>			
Municipal Budget Totals - Revenue	48,881,810	50,533,528	1,651,718	18,717,014	19,170,875	453,861
Non-budget Revenues		230,675	230,675		161,548	161,548
Other Credits to Income		1,970,212	1,970,212		880,617	880,617
Taxes Allocated to School, County and Open Space	<u>112,303,093</u>	<u>112,303,093</u>				
TOTAL REVENUES	<u>161,184,903</u>	<u>165,037,508</u>	<u>3,852,605</u>	<u>18,717,014</u>	<u>20,213,040</u>	<u>1,496,026</u>
EXPENDITURES:						
General Government	17,669,224	17,631,199	38,025			
Public Safety	12,602,930	12,602,930				
Streets and Roads	4,807,711	4,807,711				
Health and Welfare	305,507	305,507				
Recreation and Education	1,681,954	1,681,954				
Deferred Charges and Statutory Expenditures	5,142,267	5,135,902	6,365	721,111	721,111	
Budgeted Fund Balance				1,256,118	1,256,118	
Utility Operating				12,632,597	12,632,597	
Capital	157,000	157,000		1,910,000	1,910,000	
Debt Service:						
Principal	4,141,597	4,107,764	33,833	1,315,000	1,315,000	
Interest	1,394,664	1,272,173	122,491	882,188	681,966	200,222
Reserve for Uncollected Taxes	<u>1,228,956</u>	<u>1,228,956</u>				
Municipal Budget Totals - Expenditures	49,131,810	48,931,096	200,714	18,717,014	18,516,792	200,222
County Taxes	16,297,685	16,297,685				
Local School Taxes	95,714,756	95,714,756				
Municipal Open Space Taxes	290,652	290,652				
Other Expenditures		158,499	(158,499)			
TOTAL EXPENDITURES	<u>\$ 161,434,903</u>	<u>161,392,688</u>	<u>42,215</u>	<u>\$ 18,717,014</u>	<u>18,516,792</u>	<u>200,222</u>
Excess of Revenues Over Expenditures		3,644,820	<u>\$ 3,894,820</u>		1,696,248	<u>\$ 1,696,248</u>
Adjustments Before Excess to Fund Balance:						
Expenditures Included Above Which are by Statute						
Deferred Charges to Budget of Succeeding Year		250,000			- 0 -	
Statutory Excess to Fund Balance		3,894,820			1,696,248	
Fund Balances January 1, 2017		4,808,594			9,057,661	
Less: Utilized as Anticipated Revenue		3,630,000			4,046,764	
Fund Balances December 31, 2017		<u>\$ 5,073,414</u>			<u>\$ 6,707,145</u>	

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Village of Ridgewood (the "Village") include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Village, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Village do not include the operations of the Free Public Library.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

The accounting policies of the Village conform to the accounting practices applicable to municipalities which have been prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). 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 Village accounts for its financial transactions through the following separate funds:

Current Fund - Resources and expenditures for governmental operations of a general nature, including Federal and State grant funds which are not accounted for in another fund.

Trust Funds - Receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. The Trust Funds include the Public Assistance Fund which accounts for the balance in the accounts since this function was transferred to Bergen County.

General Capital Fund - Receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. General bonds and notes payable are recorded in this fund offset by deferred charges to future taxation.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

B. Description of Funds (Cont'd)

Water Utility Operating Fund - Account for the operations of the Village Water Utility.

Water Utility Capital Fund - Account for the acquisition of capital facilities of the Water Utility.

Parking Utility Operating Fund – Account for the operations of the Village Parking Utility.

Parking Utility Capital Fund - Account for the acquisition of capital facilities of the Parking Utility.

General Fixed Asset Group of Accounts - These accounts were established with estimated values of land, buildings and certain fixed assets of the Village as discussed under the caption "Basis of Accounting".

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The more significant accounting policies in New Jersey follow.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Grant revenue is realized in the operating funds when it is budgeted and in the capital funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund and Water and Parking Utility Operating Funds.

Expenditures are charged to operations generally based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
 (Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

Had the Village's financial statements been prepared under generally accepted accounting principles, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, not when received, inventories would not be reflected as expenditures at the time of purchase, fixed assets purchased by the Utility Capital Funds would be depreciated, investments would generally be stated at fair value, and the Village's net pension liability and related deferred inflows and outflows would be recorded.

The cash basis of accounting is followed in the Trust Funds.

D. Deferred Charges to Future Taxation

The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds or loans have been issued and are being paid off on a serial basis. Unfunded means that debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget, by collecting a grant, or by selling bonds.

E. Other significant accounting policies include:

Management Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments – Investments, if any, are stated at cost.

Grants Receivable – Grants receivable represent total grant awards less amounts collected to date. Because the amount of grants funds to be collected are dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amount awarded.

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences – Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

Property Acquired For Taxes - Assessed Valuation – Property Acquired For Taxes - Assessed Valuation is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

E. Other significant accounting policies include (Cont'd)

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.

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

Fixed Assets - Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. Property and equipment purchased by the Utility Funds is recorded in the Utility Capital Funds at cost.

General Fixed Assets Account Group - General fixed assets are recorded at cost except for land and buildings which are recorded at estimated historical cost. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided on general fixed assets. The total value recorded for general fixed assets is offset by a "Reserve for Fixed Assets". When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Fixed assets may also be recorded in the Current Fund and Capital Funds. The values recorded in the General Fixed Asset Account Group and the Current and Capital Funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

Property and equipment purchased by the Utility Funds are recorded in the Utility Capital accounts at cost and are not adjusted for dispositions and abandonments. The amounts shown do not purport to represent replacement costs or current values. Contributions in aid of construction are not capitalized. The balances in the Reserve and Deferred Reserve for Amortization accounts in the Utility Capital Funds represent charges to operations for the costs of acquisitions of property, equipment and improvements. The Utility Funds do not record depreciation on fixed assets.

F. Budget/Budgetary Control

Annual appropriated budgets are usually prepared in the first quarter for Current, operating utilities, and Open Space Trust Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Village during the year.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 2: Cash and Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, amounts in deposit, and short-term investments with original maturities of three months or less.

Investments are stated at cost. The Village classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 40 *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures* requires disclosure of the level of custodial credit risk assumed by the Village in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Village ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Village limits its investments to those authorized in its cash management plan which are permitted under state statutes as detailed below.

Custodial Credit Risk – The Village's policy with respect to custodial credit risk requires that the Village ensures that Village funds are only deposited in financial institutions in which New Jersey municipalities are permitted to invest their funds.

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC), or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds; and in addition

If the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 2: Cash and Cash Equivalents and Investments (Cont'd)

Investments

New Jersey statutes permit the Village to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) 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 obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;
- (6) Local government investment pools;
- (7) 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); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to (1) and (3) above;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 2: Cash and Cash Equivalents and Investments (Cont'd)

As of December 31, 2017, cash and cash equivalents of the Village of Ridgewood consisted of the following:

<u>Fund</u>	<u>Cash on Hand</u>	<u>Checking Accounts</u>	<u>Total</u>
Current	\$ 1,830	\$ 30,559,097	\$ 30,560,927
Grant Fund		48,386	48,386
Trust and Agency		4,983,863	4,983,863
General Capital		4,151,138	4,151,138
Water Utility Operating	100	11,045,155	11,045,255
Parking Utility Operating	3,496	752,231	755,727
Water Utility Capital		10,636,442	10,636,442
Parking Utility Capital		151,146	151,146
	<u>\$ 5,426</u>	<u>\$ 62,327,458</u>	<u>\$ 62,332,884</u>

The carrying amount of the Village's cash and cash equivalents at year end was \$62,332,884 and the bank balance was \$59,125,169. The Village did not hold any investments during the year.

Note 3: Interfunds

The following interfund receivable and payable balances appear on the combined balance sheet as of December 31, 2017:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 20,148	\$321,226
Federal and State Grant Fund	36,252	50,000
Trust Funds		20,148
General Capital Fund	210,740	
Water Utility Operating Fund	124,234	14,746
Water Utility Capital Fund	14,746	
	<u>\$ 406,120</u>	<u>\$406,120</u>

The majority of the interfund balances from the prior year were liquidated as of December 31, 2017. The \$20,148 Current Fund interfund receivable balance is due from the Other Trust Funds for animal control statutory excess, open space interfund activity, on-behalf expenditures and interest earnings, respectively. The Current Fund interfund payable is comprised of \$36,252 due to the Federal and State Grant Fund as a result of grant interfund activity and \$114,688 and \$9,546 due to the Water Utility Operating Fund for debt service and other interfund activity, respectively. The \$50,000 Federal and State Grant Fund interfund payable is due to the General Capital Fund for on-behalf grant receipts. The Water Utility Operating Fund interfund payable represents \$6,190 and \$8,556 due to the Water Utility Capital Fund for debt service and other interfund activity, respectively.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 4: Long-Term Debt

The Local Bond Law governs the issuance of bonds to finance general Village capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Village are general obligation bonds. The Village's full faith and credit and taxing power have been pledged to the payment of general obligation debt principal and interest.

Summary of Municipal Debt

	December 31,		
	2017	2016	2015
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 39,810,597	\$ 38,463,623	\$ 36,570,560
Water Utility:			
Bonds, Loans and Notes	24,758,000	19,279,000	17,175,000
Parking Utility:			
Notes	200,000		186,000
Total Issued	<u>64,768,597</u>	<u>57,742,623</u>	<u>53,931,560</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	10,306,149	8,256,639	8,813,393
Water Utility:			
Bonds and Notes	6,361,250	6,129,750	5,616,200
Parking Utility:			
Bonds and Notes	2,048,615	2,048,615	2,048,615
Total Authorized but Not Issued	<u>18,716,014</u>	<u>16,435,004</u>	<u>16,478,208</u>
Less:			
General:			
Reserve for:			
Payment of Debt Service	160,740		274,311
Water Utility:			
Reserve for:			
Payment of Debt Service			1,310,000
Total Deductions	<u>160,740</u>	<u>- 0 -</u>	<u>1,584,311</u>
Net Bonds, Notes and Loans Issued and Authorized but not Issued	<u>\$ 83,323,871</u>	<u>\$ 74,177,627</u>	<u>\$ 68,825,457</u>

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .77%.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 4: Long-Term Debt (Cont'd)

Summary of Statutory Debt Condition – Annual Debt Statement (Cont'd)

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 46,025,000	\$ 46,025,000	
Water Utility Debt	31,119,250	31,119,250	
Parking Utility Debt	2,248,615	2,248,615	
General Debt	<u>50,116,746</u>	<u>160,740</u>	<u>\$ 49,956,006</u>
	<u>\$ 129,509,611</u>	<u>\$ 79,553,605</u>	<u>\$ 49,956,006</u>

Net Debt \$49,956,006 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$6,472,429,165 = .77%.

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

3-1/2% Average Equalized Valuation of Real Property	\$ 226,535,021
Net Debt	<u>49,956,006</u>
Remaining Borrowing Power	<u>\$ 176,579,015</u>

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

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 17,497,598
Deductions:	
Operating, Maintenance and Debt Service Costs	<u>14,045,499</u>
Excess in Revenue	<u>\$ 3,452,099</u>

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

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 1,834,825
Deductions:	
Operating, Maintenance and Debt Service Costs	<u>1,305,175</u>
Excess in Revenue	<u>\$ 529,650</u>

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount.

The foregoing debt information is in general agreement with the Annual Debt Statement filed by the Chief Financial Officer.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 4: Long-Term Debt (Cont'd)

New Jersey Environmental Infrastructure Trust (NJEIT) Loans

On August 1, 2001 the Village of Ridgewood entered into a New Jersey Environmental Infrastructure Financing Program loan agreement with the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection. The Village borrowed \$7,795,000 from the program at interest rates of 4% to 5.5% and \$8,472,000 at 0% payable each August 1 and February 1 until the loans are paid in full in 2021. Balances outstanding are \$2,305,000 and \$1,735,057, respectively.

On November 4, 2004, the Village of Ridgewood entered into a New Jersey Environmental Infrastructure Financing Program loan agreement with the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection. The Village borrowed \$675,000 from the program at interest rates of 3% to 5% and \$1,990,172 at 0% payable each September 1 and March 1 until the loans are paid in full in 2024. Balances outstanding at December 31, 2017 are \$320,000 and \$718,407, respectively.

Schedule of Changes in Debt Issued

	Balance 12/31/2016	Additions	Retirements	Balance 12/31/2017
General Capital Fund:				
Serial Bonds	\$ 31,521,000		\$ 2,825,000	\$ 28,696,000
Bond Anticipation Notes	787,350	\$ 5,500,000	251,217	6,036,133
NJEIT Loans	6,155,273		1,076,809	5,078,464
Water Utility Capital Fund:				
Serial Bonds	19,279,000		1,315,000	17,964,000
Bond Anticipation Notes		6,794,000		6,794,000
Parking Utility Capital Fund:				
Bond Anticipation Notes		200,000		200,000
Total	\$ 57,742,623	\$ 12,494,000	\$ 5,468,026	\$ 64,768,597

At December 31, 2017, the Village had debt issued and outstanding as follows:

General Capital - Bond Anticipation Notes Payable

<u>Improvement Description</u>	<u>Date of</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2017</u>
	<u>Original Note</u>	<u>Maturity</u>		
Acquisition of Land	7/14/2009	8/17/2018	2.25%	\$ 100,236
Various Capital Improvements	6/17/2016	8/17/2018	2.25%	435,897
Various Capital Improvements	8/17/2017	8/17/2018	2.25%	3,500,000
Various Capital Improvements	8/17/2017	8/17/2018	2.25%	2,000,000
				\$ 6,036,133

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 4: Long-Term Debt (Cont'd)

At December 31, 2017, the Village had debt issued and outstanding as follows: (Cont'd)

General Capital - Serial Bonds Payable

Improvement Description	Maturities at December 31, 2017				Balance Dec. 31, 2017
	Date of Issue	Date of Maturity	Amount	Interest Rate	
General Refunding Bonds of 2013	05/08/2013	07/01/18	\$ 600,000	4.00%	\$ 3,140,000
		07/01/19	600,000	4.00%	
		07/01/20	620,000	4.00%	
		07/01/21	645,000	4.00%	
		07/01/22	675,000	4.00%	
General Improvement Bonds of 2013	06/15/2013	06/15/18	800,000	4.00%	8,133,000
		06/15/19	850,000	4.00%	
		06/15/20	950,000	4.00%	
		06/15/21	1,000,000	4.00%	
		06/15/22	1,050,000	3.50%	
		06/15/23	1,100,000	3.50%	
		06/15/24	1,150,000	3.50%	
General Refunding Bonds of 2016	07/19/2016	06/15/18	825,000	4.00%	5,805,000
		06/15/19	815,000	4.00%	
		06/15/20	810,000	4.00%	
		06/15/21	830,000	4.00%	
		06/15/22	850,000	5.00%	
		06/15/23	855,000	5.00%	
General Improvement Bonds of 2016	08/18/2016	08/01/18	600,000	3.00%	11,618,000
		08/01/19	600,000	3.00%	
		08/01/20	600,000	3.00%	
		08/01/21	700,000	3.00%	
		08/01/22	800,000	3.00%	
		08/01/23	1,150,000	4.00%	
		08/01/24	1,200,000	4.00%	
		08/01/25	1,200,000	4.00%	
		08/01/26	1,200,000	3.00%	
		08/01/27	1,200,000	3.00%	
		08/01/28	1,200,000	2.00%	
08/01/29	1,168,000	2.00%			
Total General Capital - Serial Bonds Payable					<u>\$ 28,696,000</u>

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 4: Long-Term Debt (Cont'd)

At December 31, 2017, the Village had debt issued and outstanding as follows: (Cont'd)

General Capital - NJ Environmental Infrastructure Trust (NJEIT) Loans Payable

	<u>Date of</u> <u>Final Maturity</u>	<u>Interest</u> <u>Rate</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
NJEIT Loan #1	8/1/2021	4 to 5.5%	\$ 4,040,057
NJEIT Loan #2	8/1/2024	3 to 5%	1,038,407
			<u>\$ 5,078,464</u>

Water Capital - Bond Anticipation Notes Payable

<u>Improvement Description</u>	<u>Date of</u>		<u>Interest</u> <u>Rate</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
	<u>Original</u> <u>Note</u>	<u>Maturity</u>		
Various Water Improvements	8/17/2017	8/17/2018	2.25%	\$ 94,000
Various Water Improvements	8/17/2017	8/17/2018	2.25%	400,000
Various Water Improvements	8/17/2017	8/17/2018	2.25%	1,000,000
Rehabilitation of Water Tanks	8/17/2017	8/17/2018	2.25%	1,300,000
Various Water Improvements	8/17/2017	8/17/2018	2.25%	2,000,000
Various Water Improvements	8/17/2017	8/17/2018	2.25%	2,000,000
				<u>\$ 6,794,000</u>

Water Capital - Serial Bonds Payable

<u>Improvement</u> <u>Description</u>	<u>Maturities at December 31, 2017</u>				<u>Balance</u> <u>Dec. 31, 2017</u>
	<u>Date of</u> <u>Issue</u>	<u>Date of</u> <u>Maturity</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	
Water Refunding	05/08/2013	07/01/18	\$ 225,000	4.00%	
Bonds of 2013		07/01/19	225,000	4.00%	
		07/01/20	240,000	4.00%	
		07/01/21	245,000	4.00%	
		07/01/22	245,000	4.00%	
		07/01/23	250,000	4.00%	
		07/01/24	275,000	4.00%	
		07/01/25	275,000	3.50%	
		07/01/26	295,000	3.50%	
		07/01/27	290,000	4.00%	
		07/01/28	310,000	4.00%	
		07/01/29	305,000	4.00%	
		07/01/30	320,000	4.00%	\$ 3,500,000

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 4: Long-Term Debt (Cont'd)

At December 31, 2017, the Village had debt issued and outstanding as follows: (Cont'd)

Water Capital - Serial Bonds Payable (Cont'd)

Improvement Description	Maturities at December 31, 2017				Balance Dec. 31, 2017
	Date of Issue	Date of Maturity	Amount	Interest Rate	
Water Bonds of 2013	06/15/2013	06/15/18	\$ 650,000	4.00%	
		06/15/19	650,000	4.00%	
		06/15/20	650,000	4.00%	
		06/15/21	700,000	4.00%	
		06/15/22	700,000	3.50%	
		06/15/23	700,000	3.50%	
		06/15/24	700,000	3.50%	
		06/15/25	709,000	3.50%	
Water Refunding Bonds of 2016	07/19/2016	06/15/18	240,000	4.00%	
		06/15/19	240,000	4.00%	
		06/15/20	235,000	4.00%	
		06/15/21	235,000	4.00%	
		06/15/22	235,000	5.00%	
		06/15/23	235,000	5.00%	
		06/15/24	230,000	5.00%	
		06/15/25	255,000	5.00%	
		06/15/26	255,000	5.00%	
		06/15/27	255,000	5.00%	
		06/15/28	255,000	5.00%	
		06/15/29	255,000	5.00%	
		06/15/30	255,000	5.00%	
06/15/31	250,000	5.00%	3,665,000		
06/15/32	235,000	5.00%			

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 4: Long-Term Debt (Cont'd)

At December 31, 2017, the Village had debt issued and outstanding as follows: (Cont'd)

Water Capital - Serial Bonds Payable (Cont'd)

Improvement Description	Maturities at December 31, 2017				Balance Dec. 31, 2017
	Date of Issue	Date of Maturity	Amount	Interest Rate	
Water Bonds of 2016	08/18/2016	08/01/18	\$ 175,000	3.00%	
		08/01/19	175,000	3.00%	
		08/01/20	175,000	3.00%	
		08/01/21	175,000	3.00%	
		08/01/22	200,000	3.00%	
		08/01/23	200,000	4.00%	
		08/01/24	200,000	4.00%	
		08/01/25	200,000	4.00%	
		08/01/26	350,000	3.00%	
		08/01/27	350,000	3.00%	
		08/01/28	350,000	2.00%	
		08/01/29	350,000	2.00%	
		08/01/30	350,000	2.00%	
		08/01/31	350,000	2.125%	
		08/01/32	350,000	2.125%	
		08/01/33	350,000	2.25%	
		08/01/34	350,000	2.25%	
		08/01/35	350,000	2.375%	
			08/01/36	340,000	
Total Water Capital - Serial Bonds Payable					<u>\$ 17,964,000</u>

Parking Capital - Bond Anticipation Notes Payable

Improvement Description	Date of		Interest Rate	Balance Dec. 31, 2017
	Original Note	Maturity		
Preliminary Plans for Parking Garage	8/17/2017	8/17/2018	2.25%	<u>\$ 200,000</u>

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 4: Long-Term Debt (Cont'd)

At December 31, 2017, the Village had debt issued and outstanding as follows: (Cont'd)

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years and Thereafter for Bonded Debt Issued and Outstanding

General Capital:

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 2,825,000	\$ 1,013,565	\$ 3,838,565
2019	2,865,000	905,765	3,770,765
2020	2,980,000	795,265	3,775,265
2021	3,175,000	680,665	3,855,665
2022	3,375,000	557,640	3,932,640
2023-2027	11,108,000	1,117,188	12,225,188
2028-2029	<u>2,368,000</u>	<u>70,720</u>	<u>2,438,720</u>
	<u>\$ 28,696,000</u>	<u>\$ 5,140,808</u>	<u>\$ 33,836,808</u>

Water Capital:

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 1,290,000	\$ 637,428	\$ 1,927,428
2019	1,290,000	587,578	1,877,578
2020	1,300,000	537,828	1,837,828
2021	1,355,000	486,578	1,841,578
2022	1,380,000	434,703	1,814,703
2023-2027	6,024,000	1,410,275	7,434,275
2028-2032	3,935,000	498,825	4,433,825
2033-2036	<u>1,390,000</u>	<u>80,863</u>	<u>1,470,863</u>
	<u>\$ 17,964,000</u>	<u>\$ 4,674,078</u>	<u>\$ 22,638,078</u>

Net Pension Liability

The State of New Jersey Public Employees' Retirement System's (PERS) net pension liability was calculated to be \$35,951,750 at June 30, 2017. The State of New Jersey Police and Firemen's Retirement System's (PFRS) net pension liability was calculated to be \$45,656,127 at June 30, 2017. See Note 5 for further information on the PERS and PFRS.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 5: Pension Plans

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

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division).

For additional information about the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.nj.gov/treasury/pensions/financial-reports.shtml.

Benefits Provided

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

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65.

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

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability.

The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Village contributions to PERS amounted to \$1,393,872 for 2017.

The employee contribution rate was 7.20% effective July 1, 2016 and increased to 7.34% effective July 1, 2017. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

Pension Liabilities and Pension Expense

At June 30, 2017, the Village's liability was \$35,951,750 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. The Village's proportion of the net pension liability was based on a projection of the Village's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2017, the Village's proportion was 0.1544%, which was a decrease of 0.0007% from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the Village recognized actual pension expense in the amount of \$1,393,872.

Actuarial Assumptions

The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions:

Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.65% - 4.15% based on age
Thereafter	2.65% - 5.15% based on age
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active participants. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Actuarial Assumptions (Cont'd)

Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward one year for females).

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Market Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Discount Rate

The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based upon the contribution rate in the most recent fiscal year. The local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Village's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Village's proportionate share of the collective net pension liability as of June 30, 2017 calculated using the discount rate as disclosed below, as well as what the Village's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2017		
	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Village's proportionate share of the Net Pension Liability	\$ 44,600,586	\$ 35,951,750	\$ 28,746,198

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Police and Firemen's Retirement System (PFRS)

Plan Description

The State of New Jersey, State of New Jersey Police and Firemen's Retirement System (PFRS), is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey Division of Pensions and Benefits (the Division).

For additional information about the PFRS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.nj.gov/treasury/pensions/financial-reports.shtml.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Benefits Provided

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

The following represents the membership tiers for PFRS:

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

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

Contributions

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing members. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual amounts over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of the assets.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Special Funding Situation

Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State 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 local participating employers 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. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific funded amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation.

However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. The June 30, 2017 State special funding situation net pension liability amounts are the accumulated differences between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense for the fiscal year ended June 30, 2017 is the actuarially determined contribution amount that the State owes for the fiscal year ended June 30, 2017. The pension expense is deemed to be a State administrative expense due to the special funding situation.

Village contributions to PFRS amounted to \$2,528,169 for the year ended December 31, 2017. During the fiscal year ended June 30, 2017, the State of New Jersey contributed \$255,715 to the PFRS for normal pension benefits on behalf of the Village, which is less than the contractually required contribution of \$625,542.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

Pension Liabilities and Pension Expense

At June 30, 2017, the Village's liability for its proportionate share of the net pension liability was \$45,656,127. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. The Village's proportion of the net pension liability was based on a projection of the Village's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2017, the Village's proportion was 0.29574%, which was a decrease of 0.014% from its proportion measured as of June 30, 2016.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Pension Liabilities and Pension Expense (Cont'd)

Additionally, the State's proportionate share of the net pension liability attributable to the Village is \$5,113,871 as of June 30, 2017. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. The State's proportionate share of the net pension liability associated with the Village was based on a projection of the Village's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2017, the State's proportion was 0.29574%, which was a decrease of 0.014% from its proportion measured as of June 30, 2016 which is the same proportion as the Village's.

Village's Proportionate Share of the Net Pension Liability	\$ 45,656,127
State's Proportionate Share of the Net Pension Liability Associated with the Village	5,113,871
Total Net Pension Liability	\$ 50,769,998

For the year ended December 31, 2017, the Village recognized total pension expense of \$2,528,169.

Actuarial Assumptions

The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016 which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions:

Inflation Rate	2.25%
Salary Increases:	
Through 2026	2.10% - 8.98% based on age
Thereafter	3.10% - 9.98% based on age
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the RP-2000 Pre-retirement mortality tables projected thirteen years using Projection Scale BB and then projected on a generational basis using the plan actuary's modified 2014 projection scales. Post-retirement mortality rates for male service retirements and beneficiaries are based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and three years using the plan actuary's modified 2014 projection scales and further projected on a generational basis using the plan actuary's modified 2014 projection scales. Post-retirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected thirteen years using Projection Scale BB and then three years using the plan actuary's modified 2014 projection scales and further projected on a generational basis using the plan actuary's modified 2014 projection scales. Disability retirement rates were based on the special mortality tables used for the period after disability retirement.

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in PFRS' target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Market Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Discount Rate – PFRS

The discount rate used to measure the total pension liability was 6.14% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2057, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Total Net Pension Liability (including the State's proportionate share of the net pension liability attributable to the Village) to Changes in the Discount Rate

The following presents the total net pension liability (including the State's proportionate share of the net pension liability attributable to the Village) as of June 30, 2017 calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2017		
	1% Decrease (5.14%)	Current Discount Rate (6.14%)	1% Increase (7.14%)
Village's proportionate share of the Net Pension Liability and the State's proportionate share of the Net Pension Liability associated with the Village	\$ 66,893,653	\$ 50,769,998	\$ 37,522,582

Pension Plan Fiduciary Net Position - PFRS

Detailed information about the PFRS's fiduciary net position is available in the separately issued PFRS financial statements.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 5: Pension Plans (Cont'd)

C. Defined Contribution Retirement Program (DCRP)

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

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

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the Village recognized pension expense of \$8,184 for 2017. Employee contributions to DCRP were \$14,528 for 2017.

Note 6: Other Post-Employment Benefits

In addition to the pension benefits described in Note 5, the Village provides other post-employment benefits to certain employees after retirement, substantially similar in nature to the health benefits provided to employees presently working

The Village contributes to the State Health Benefits Program ("SHBP"), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP.

In accordance with the Village's resolution, Village employees are entitled to the following benefits:

Municipal and Police Employees:

Married Village employees retiring at age 62 or older who have accumulated 15 years or more of uninterrupted service, or under age 62 with 25 years or more, are entitled to fifty percent of the premium for hospital and surgical health insurance family coverage to be paid by the Village. Single employees retiring at age 62 or older who have accumulated 15 years or more of uninterrupted service, or under age 62 with 25 years or more, are entitled to one hundred percent of the premium for hospital and surgical insurance individual coverage to be paid by the Village. All years of qualifying service must be with the Village of Ridgewood.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 6: Other Post-Employment Benefits (Cont'd)

Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to:

State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Village on a monthly basis. The Village's portion of post-retirement benefits is funded on a pay-as-you-go basis from the Current Fund and Utility Operating Fund budgets.

In the event an employee qualifying under these conditions is eligible for Medicare coverage with supplemental coverage, the total cost of which amounts to less than fifty percent of the cost of the premium for hospital and surgical health insurance family coverage, or less than the cost of the premiums for hospital and surgical insurance individual coverage presently supplied by the Village to its employees, such employee will be required to enroll in the Medicare supplemental coverage program, the cost of which will be reimbursable by the Village.

The Village's portion of post-retirement benefits is funded on a pay-as-you-go basis. During 2017 the Village had 179 retirees who met the eligibility requirements and recognized expenditures in the amount of \$3,331,300.

Note 7: Accrued Sick and Vacation Benefits

Municipal employees are permitted to accrue unused sick time of which may be taken as time off or paid upon retirement or separation at an agreed upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$6,639,225. This amount is not reported either as an expenditure or liability. However, it is expected that the cost of such unpaid compensation will be included in the Village's budget operating expenditures in the year in which it is used.

The above amount is partially funded by the Reserve for Terminal Leave of \$581,979 on the Other Trust Funds balance sheet at December 31, 2017.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 8: Selected Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered to be delinquent and the imposition of interest charges is made. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year.

Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>Tax Rate</u>	\$ 2.538	\$ 2.476	\$ 2.433
<u>Apportionment of Tax Rate</u>			
Municipal	.598	.587	.581
County	.281	.272	.260
Local School	1.654	1.612	1.587
Municipal Open Space	.005	.005	.005
<u>Assessed Valuations</u>			
2017	<u>\$ 5,788,068,500</u>		
2016		<u>\$ 5,774,358,900</u>	
2015			<u>\$ 5,750,039,200</u>

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2017	\$ 147,534,947	\$ 146,757,650	99.47%
2016	143,389,420	142,514,103	99.38%
2015	140,449,848	139,674,690	99.44%

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding decreases in budgeted expenditures.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 9: Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health benefits are provided to employees through the State of New Jersey Health Benefits Plan.

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

As a member of the Fund, the Village could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities. The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body.

Selected financial information for the Fund as of December 31, 2017 is as follows:

Total Assets	<u>\$ 15,261,802</u>
Net Position	<u>\$ 3,951,503</u>
Total Revenue	<u>\$ 16,727,253</u>
Total Expenses	<u>\$ 16,267,987</u>
Member Dividends	<u>\$ 757,275</u>
Change in Net Position	<u>\$ (298,009)</u>

Financial statements for the Fund are available at the offices of the Fund's Executive Director:

Bergen County Municipal Joint Insurance Fund
PERMA Risk Management Services
9 Campus Drive, Suite 216
Parsippany, NJ 07054
(201) 881-7633

New Jersey Unemployment Compensation Insurance

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

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 9: Risk Management (Cont'd)

New Jersey Unemployment Compensation Insurance (Cont'd)

Fiscal Year	Contributions		Interest Earned	Amount Reimbursed	Ending Balance
	Village	Employee			
2017	\$ 75,000	\$ 49,998	\$ 1,939	\$ 106,816	\$ 256,747
2016	75,000	47,260	528	123,714	236,626
2015	142,084	42,938	425	116,854	237,552

Note 10: Fund Balances Appropriated

Fund balances at December 31, 2017, which were appropriated and included as anticipated revenue for the year ending December 31, 2018 are as follows:

Current Fund	\$ 3,730,000
Water Utility Operating Fund	3,187,859
Parking Utility Operating Fund	210,681

Note 11: Fixed Assets

The following schedule is a summarization of general fixed assets for the year ended December 31, 2017:

	Balance Dec. 31, 2016 (Restated)	Additions	Deletions	Balance Dec. 31, 2017
Land	\$ 121,453,459	\$ 600,537		\$ 122,053,996
Buildings and Building Improvements	26,896,116	158,755		27,054,871
Machinery and Equipment	31,170,559	2,170,338	\$ 296,608	33,044,289
	<u>\$ 179,520,134</u>	<u>\$ 2,929,630</u>	<u>\$ 296,608</u>	<u>\$ 182,153,156</u>

Note 12: Commitments and Contingencies

Claims and Other Legal Proceedings

The Village is periodically involved in lawsuits arising in the normal course of business, including claims for property damage, personnel litigation, personal injury, disputes over contract awards and property tax assessment appeals. The Village is involved in property tax assessment appeals which are pending at the Tax Court of New Jersey. The Village has established a reserve for litigation at December 31, 2017 in the amount of \$2,170 in the Water Utility Operating Fund. In the opinion of management, the ultimate outcome of these lawsuits will not have a material adverse effect on the Village's financial position as of December 31, 2017.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 12: Commitments and Contingencies (Cont'd)

Claims and Other Legal Proceedings (Cont'd)

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Village as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Village officials expect such amounts, if any, to be immaterial.

In accordance with the NJ Division of Pension and Benefits regulations, the Village previously elected to defer the payment of two months health insurance premiums. The December 31, 2017 and 2016 deferrals were approximately \$718,630 and \$730,929, respectively; which becomes payable upon the Village leaving the State Health Benefits Program.

Note 13: Local School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district. The Village of Ridgewood has elected to defer school taxes.

The Local School District Tax was raised on the school year basis and liability deferred by statute, resulting in school tax payable set forth in liabilities computed as follows:

	<u>Balance December 31,</u>	
	<u>2017</u>	<u>2016</u>
Balance of School Tax	\$ 47,857,539	\$ 46,515,257
Less: Amount Deferred	<u>47,392,649</u>	<u>46,515,257</u>
School Tax Payable (Cash Liability)	<u>\$ 464,890</u>	<u>\$ - 0 -</u>

Note 14: Other Reserves

Reserves on the balance sheet of the Current Fund at December 31, 2017, consisted of the following:

Sale of Municipal Assets	\$ 40,917
Flood Emergency	127,412
Planning Board Legal Fees	<u>40,000</u>
	<u>\$ 208,329</u>

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Note 15: Other Receivables

Other Receivables on the balance sheet of the various funds at December 31, 2017, consisted of the following:

	Water Utility Operating Fund
	<u> </u>
Fees for:	
Maintenance Plans	\$ 16,801
Fire Sprinkler Service	<u>45,998</u>
	<u>\$ 62,799</u>

Note 16: Open Space Trust Fund

The Village created an Open Space Trust Fund with a tax levy of up to \$.02 per \$100 of assessed valuation in 1998. The funds collected are used to acquire and maintain open space, historical preservation and farm land property in the Village. To date, \$4,332,020 has been collected and the balance in the Open Space Trust Fund at December 31, 2017 was \$551,369.

Note 17: Related Party Transactions

During 2017 the Village appropriated and charged \$2,366,776 to operations for the 2017 budget appropriation to the free public library. Of that amount \$2,144,846 was the minimum required library tax per state requirements.

Note 18: Deferred Compensation Plans

The County offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, which are administered by Nationwide and Valic, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

Note 19: Tax Abatement

During the year ended December 31, 2016, the Village implemented Governmental Accounting Standards Board (GASB) Statement 77, *Tax Abatements*, which requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
 (Continued)

Note 19: Tax Abatement (Cont'd)

As of December 31, 2017, the Village provided a tax abatement to a nonprofit housing corporation for its senior citizen housing development in the Village pursuant to the provisions of the Limited-Dividend Law (N.J.S.A. 55:16-18) (the "Law"), a resolution of the governing body dated March 18, 1982 and an agreement dated March 18, 1982. In consideration of the full abatement of taxes, the nonprofit housing corporation is required to pay to the Village an annual service charge. The annual service charge made by the nonprofit corporation will be equal to 6.28% of the annual gross revenues derived from such housing project as detailed in the tax abatement agreement. The tax abatement provided under the agreement shall be terminated when the nonprofit corporation or its successors and the development cease to remain subject to the provisions of the Law or a period of not more than 40 years from the effective date of the tax exemption, whichever event occurs first.

The Village recognized revenue in the amount of \$145,187 from this annual service charge or payment in lieu of taxes which is recorded as a miscellaneous revenue in the Current Fund. The taxes which would have been paid on this property for 2017 without the abatement would have been \$364,251 of which \$86,542 would have been for the local municipal tax, minimum library tax and municipal open space tax.

Note 20: Prior Period Adjustment

The prior period balance for the general fixed assets account group was restated as a result of a recent independent appraisal done to complete a full inventory of the Village's fixed assets.

	Balance Dec. 31, 2016	Retroactive Adjustments	Balance Dec. 31, 2016 (Restated)
Land	\$ 127,410,600	\$ (5,957,141)	\$ 121,453,459
Buildings and Building Improvements	27,820,493	(924,377)	26,896,116
Machinery and Equipment	31,170,559		31,170,559
	<u>\$ 186,401,652</u>	<u>\$ (6,881,518)</u>	<u>\$ 179,520,134</u>

**COMBINING AND INDIVIDUAL FUND AND ACCOUNT
GROUP STATEMENTS AND SCHEDULES**

The combining and individual fund and account group statements and schedules present more detailed information for the individual funds in a format that segregates information by fund type.

VILLAGE OF RIDGEWOOD
COUNTY OF BERGEN
2017
CURRENT FUND

The current fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

VILLAGE OF RIDGEWOOD
CURRENT FUND
COMPARATIVE BALANCE SHEET

	<u>December 31,</u>	
	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>		
Regular Fund:		
Cash and Cash Equivalents	\$ 30,559,097	\$ 8,158,121
Change Fund	1,830	1,115
	<u>30,560,927</u>	<u>8,159,236</u>
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable	628,030	760,640
Tax Title Liens Receivable	28,950	21,787
Property Acquired for Taxes - Assessed Valuation	805,200	805,200
Other Accounts Receivable		141,044
Interfunds Receivable	20,148	60,311
	<u>1,482,328</u>	<u>1,788,982</u>
Deferred Charges:		
Special Emergency Authorization	250,000	48,000
	<u>32,293,255</u>	<u>9,996,218</u>
Grant Fund:		
Cash and Cash Equivalents	48,386	8,765
Grants Receivable	387,139	419,699
Interfunds Receivable	36,252	
	<u>471,777</u>	<u>428,464</u>
TOTAL ASSETS	<u>\$ 32,765,032</u>	<u>\$ 10,424,682</u>

VILLAGE OF RIDGEWOOD
CURRENT FUND
COMPARATIVE BALANCE SHEET
(Continued)

	December 31,	
	2017	2016
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Regular Fund:		
Appropriation Reserves:		
Encumbered	\$ 877,627	\$ 637,988
Unencumbered	1,933,337	1,295,339
Total Appropriation Reserves	<u>2,810,964</u>	<u>1,933,327</u>
Other Encumbrances	76,510	81,758
Other Reserves	208,329	46,520
Interfunds Payable	321,226	94,529
Prepaid Taxes	21,673,167	1,029,038
Tax Overpayments	59,633	150,976
Deposit on Redemption of Third Party Tax Title Liens	37,653	
Due to State of New Jersey:		
Veterans and Senior Citizens Deductions	2,718	2,266
Marriage License Fees	325	300
Uniform Construction Code Fees	11,929	14,196
School Taxes Payable	464,890	
Due to County for Added Taxes	70,169	45,732
	<u>25,737,513</u>	<u>3,398,642</u>
Reserve for Receivables and Other Assets	1,482,328	1,788,982
Fund Balance	5,073,414	4,808,594
Total Regular Fund	<u>32,293,255</u>	<u>9,996,218</u>
Grant Fund:		
Appropriated Reserves	240,481	315,117
Reserve for Encumbrances	80,298	21,795
Unappropriated Reserves	100,998	74,616
Interfunds Payable	50,000	16,936
Total Grant Fund	<u>471,777</u>	<u>428,464</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE	<u><u>\$ 32,765,032</u></u>	<u><u>\$ 10,424,682</u></u>

VILLAGE OF RIDGEWOOD
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

<u>Revenue and Other Income Realized</u>	<u>Year Ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
Fund Balance Utilized	\$ 3,630,000	\$ 3,300,000
Miscellaneous Revenue Anticipated	10,449,634	10,038,994
Receipts from:		
Delinquent Taxes	770,381	688,515
Current Taxes	146,757,650	142,514,103
Nonbudget Revenue	230,675	345,806
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	889,465	1,039,233
Other Credits	879,392	923,797
Interfunds and Other Accounts Receivable Returned	201,355	24
Total Income	<u>163,808,552</u>	<u>158,850,472</u>
 <u>Expenditures</u>		
Budget Appropriations - Municipal Purposes	47,702,140	46,383,732
County Taxes	16,297,685	15,731,319
Local School District Taxes	95,714,756	93,030,172
Municipal Open Space Tax	290,652	284,841
Other Debits	138,351	320,429
Interfunds and Other Accounts Receivable Advanced	20,148	169,551
Total Expenditures	<u>160,163,732</u>	<u>155,920,044</u>
 Excess in Revenue	3,644,820	2,930,428
 Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Year	<u>250,000</u>	
 Statutory Excess to Fund Balance	3,894,820	2,930,428
 <u>Fund Balance</u>		
Balance January 1	<u>4,808,594</u>	<u>5,178,166</u>
	8,703,414	8,108,594
Decreased by:		
Utilized as Anticipated Revenue	<u>3,630,000</u>	<u>3,300,000</u>
 Balance December 31	<u>\$ 5,073,414</u>	<u>\$ 4,808,594</u>

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2017

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit *
Fund Balance Anticipated	\$ 3,630,000		\$ 3,630,000	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	37,500		38,110	\$ 610
Other	90,250		81,872	8,378 *
Fees and Permits - Other	344,000		364,322	20,322
Fines and Costs - Municipal Court	376,750		608,795	232,045
Interest and Costs on Taxes	206,500		250,939	44,439
Interest on Investments and Deposits	40,000		179,640	139,640
Rent of Municipal Property	131,750		111,933	19,817 *
Sewer User Fees - Tax Exempt Properties	255,500		247,837	7,663 *
Sewer User Fees - Outside Hookups	6,334		63,600	57,266
Recreation Fees	249,949		241,024	8,925 *
Special Franchise Tax	270,500		270,646	146
Cable Franchise Fees	363,835		363,835	
Graydon Pool Fees	342,500		329,081	13,419 *
Uniform Fire Safety Act	148,500		142,344	6,156 *
Management Agreement - Water Property Tax Exempt	97,000		99,618	2,618
Ambulance Billings	373,500		335,758	37,742 *
Sewer Significant Dischargers	178,500		242,005	63,505
Parking Utility Operating Surplus - Prior Year	450,000		450,000	
Water Utility Operating Surplus - Prior Year	806,118		806,118	
Energy Receipts Tax	1,867,322		1,867,322	
Uniform Construction Code Fees	1,087,500		1,195,680	108,180
Interlocal Municipal Service Agreements Offset with:				
Appropriations:				
Maintenance of Board of Education Vehicles	10,000		13,158	3,158
Township of Hanover Planning and Development Services	7,100		9,637	2,537
Washington Township - Fleet Services	38,025			38,025 *
Public and Private Revenue Offset with Appropriations:				
Drunk Driving Enforcement Fund	423		423	
Clean Communities Program	54,420		54,420	
Body Armor Replacement Fund	4,028		4,028	
Municipal Alliance on Alcoholism and Drug Abuse	11,677		11,677	
General Capital Fund Balance	1,000,000		1,000,000	
New Sewer Fees - Sewer Plant Discharge Acceptance	35,800		29,992	5,808 *
Sale of Village Property	16,000		16,000	
Open Space Trust	372,339		372,339	

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2017
(Continued)

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit *
Rent of Cellular Tower	\$ 110,000		\$ 127,244	\$ 17,244
Senior Citizens Housing Project:				
Payment in Lieu of Taxes	98,500		145,187	46,687
Reimbursement for Underwriting Fees	25,000		25,000	
Administrative Charges and Vehicle Fees for Police				
Outside Services	374,000		350,050	23,950 *
Total Miscellaneous Revenue	9,881,120		10,449,634	568,514
Receipts from Delinquent Taxes	750,000		770,381	20,381
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	32,475,844		33,538,667	1,062,823
Minimum Library Tax	2,144,846		2,144,846	
Total Amount to be Raised by Taxes for Support of Municipal Budget	34,620,690		35,683,513	1,062,823
Budget Totals	48,881,810		50,533,528	\$ 1,651,718
Nonbudget Revenue			230,675	
	<u>\$ 48,881,810</u>	<u>\$ - 0 -</u>	<u>\$ 50,764,203</u>	

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2017
 (Continued)

Analysis of Realized Revenue

Allocation of Current Tax Collections:	
Collection of Current Taxes	\$ 146,757,650
Less: Allocated to School, County, and Open Space Taxes	112,303,093
	<u>34,454,557</u>
Add: Appropriation "Reserve for Uncollected Taxes"	1,228,956
Realized for Support of Municipal Budget	<u>\$ 35,683,513</u>

Analysis of Delinquent Tax Collections

Delinquent Taxes	\$ 769,636
Tax Title Liens	745
	<u>\$ 770,381</u>

Analysis of Nonbudget Revenue

Miscellaneous Revenue Not Anticipated:	
Sale of Compost	\$ 41,100
Prior Year Flood Insurance Premium Adjustment	38,993
Planning Board Applications	26,245
Tax Sale Premiums Canceled	26,000
Tub Grinder Fees	18,003
Assessment Trust Account Closed	8,811
Glen Rock Fiber Optic Installation Fee	8,071
Supplemental School Tax Bills	7,200
Bulk Pick Up Fees	6,775
Police Alarm Fees	6,200
Road Side Inspections	5,750
Sewer Connection Fees	5,000
FEMA Winter Storm Jonas	4,295
Forfeiture of Ridgewood Taxi Security	3,600
Senior Citizen Bus Fees	2,182
State of New Jersey Administrative Reimbursements:	
Senior Citizens' and Veterans' Deductions	2,085
Homestead Rebate	529
Copies	2,002
Bid Specifications	1,131
Property Owner List	970
Statutory Excess - Animal Control	14,152
Rental of Polling Places	380
Void Checks	200
Other Miscellaneous	1,001
	<u>\$ 230,675</u>

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2017

	Appropriations		Expended By			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved		
Operations Within "CAPS":						
GENERAL GOVERNMENT:						
Village Manager:						
Salaries and Wages	\$ 77,506	\$ 86,506	\$ 84,035	\$	2,471	
Other Expenses	58,763	58,763	20,473		38,290	
Village Council:						
Salaries and Wages	24,150	24,150	19,220		4,930	
Other Expenses	56,322	56,322	9,018		47,304	
Village Clerk:						
Salaries and Wages	275,239	302,239	296,733		5,506	
Other Expenses	20,104	20,104	15,319		4,785	
Financial Administration:						
Salaries and Wages	272,867	272,867	253,786		19,081	
Other Expenses	31,193	31,193	26,973		4,220	
Annual Audit	41,655	41,655			41,655	
Management Information Systems:						
Salaries and Wages	103,175	103,175	84,560		18,615	
Other Expenses	37,681	37,681	31,652		6,029	
Tax Assessment Administration:						
Salaries and Wages	205,602	209,602	205,206		4,396	
Other Expenses	14,240	14,240	12,644		1,596	
Revenue Administration (Tax Collection):						
Salaries and Wages	101,228	105,228	102,928		2,300	
Other Expenses	28,174	32,174	28,507		3,667	
Legal Services and Costs:						
Salaries and Wages	17,601	17,601	9,620		7,981	
Other Expenses	259,440	259,440	236,937		22,503	

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2017
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Cont'd):					
GENERAL GOVERNMENT (Cont'd):					
Elections:					
Salaries and Wages	\$ 5,100	\$ 5,100	\$ 4,372	\$ 728	
Other Expenses	44,989	44,989	24,889	20,100	
Engineering Services and Costs:					
Salaries and Wages	350,273	356,273	353,522	2,751	
Other Expenses	11,822	14,822	13,794	1,028	
Historic Preservation:					
Salaries and Wages	600	700	605	95	
Other Expenses	125	125	78	47	
Municipal Land Use Law(N.J.S.A.40:55D-1):					
Planning Board:					
Salaries and Wages	122,953	75,953	57,783	18,170	
Other Expenses	134,180	119,080	44,271	74,809	
Master Plan Revision (NJSA 40A:4-53 +\$250,000)		250,000	250,000		
Board of Adjustment:					
Salaries and Wages	150,943	150,943	149,707	1,236	
Other Expenses	54,456	54,456	19,386	35,070	
Insurance:					
Other Insurance	633,266	633,266	439,180	194,086	
Workers' Compensation Insurance	210,989	210,989	201,750	9,239	
Group Insurance Plan for Employees	6,554,416	6,594,416	6,535,342	59,074	
No Coverage Option - Health Insurance Waiver	12,901	12,901	12,617	284	

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2017
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Cont'd):					
PUBLIC SAFETY:					
Police:					
Salaries and Wages	\$ 6,429,753	\$ 6,335,753	\$ 6,136,257	\$ 199,496	
Other Expenses	588,328	588,328	465,511	122,817	
Emergency Services:					
Salaries and Wages	192,100	193,600	176,848	16,752	
Other Expenses	98,394	98,394	90,192	8,202	
Office of Emergency Management:					
Salaries and Wages	14,742	15,242	15,130	112	
Other Expenses	18,551	18,551	7,306	11,245	
Fire Department:					
Salaries and Wages	4,830,398	4,885,398	4,854,952	30,446	
Other Expenses	127,497	127,497	124,028	3,469	
P.E.O.S.H.A. Fire:					
Other Expenses	18,200	18,200	16,615	1,585	
PUBLIC WORKS:					
Street and Roads Maintenance:					
Salaries and Wages	935,684	930,684	858,067	72,617	
Other Expenses	293,458	298,458	296,445	2,013	
Community Services Act	5,000	5,000	1,857	3,143	
Central Garage:					
Salaries and Wages	207,665	260,265	248,830	11,435	
Other Expenses	354,397	314,397	314,198	199	
Traffic and Signal:					
Salaries and Wages	438,437	432,437	422,369	10,068	
Other Expenses	32,607	38,607	33,595	5,012	

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2017
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Cont'd):					
PUBLIC WORKS (Cont'd):					
Recycling:					
Salaries and Wages	\$ 489,599	\$ 489,599	\$ 484,980	\$ 4,619	
Other Expenses	20,091	20,091	14,941	5,150	
Solid Waste Collection:					
Salaries and Wages	1,513,937	1,493,937	1,444,157	49,780	
Other Expenses	8,916	8,916	8,709	207	
Yardwaste Recycling:					
Salaries and Wages	172,488	172,488	169,868	2,620	
Other Expenses	156,800	156,800	88,724	68,076	
Property Maintenance:					
Salaries and Wages	78,987	103,987	102,101	1,886	
Other Expenses	82,045	82,045	78,599	3,446	
HEALTH AND WELFARE:					
Health Services:					
Salaries and Wages	253,689	263,689	256,686	7,003	
Other Expenses - Miscellaneous	13,914	13,914	13,548	366	
Animal Control:					
Other Expenses	1,115	1,115		1,115	
Contribution to Social Services Agencies - Statutory:					
Other Expenses	26,789	26,789	25,511	1,278	
PARKS AND RECREATION:					
Recreation Services and Programs:					
Salaries and Wages	439,925	439,925	408,898	31,027	
Other Expenses	71,562	73,562	73,490	72	

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2017
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Cont'd):					
PARKS AND RECREATION (Cont'd):					
Community Center:					
Salaries and Wages	\$ 44,500	\$ 44,500	\$ 42,602	\$ 1,898	
Other Expenses	4,850	4,850	4,406	444	
Community Relations Advisory Board:					
Other Expenses	250	250		250	
Parks Department:					
Salaries and Wages	656,958	717,958	706,293	11,665	
Other Expenses	125,526	125,526	115,503	10,023	
Graydon Pool:					
Salaries and Wages	178,000	163,000	161,186	1,814	
Other Expenses	87,833	97,833	97,562	271	
Project Pride:					
Other Expenses	14,550	14,550	14,210	340	
COURT OPERATIONS:					
Municipal Court:					
Salaries and Wages	215,465	236,465	233,046	3,419	
Other Expenses	9,535	9,535	7,127	2,408	
Public Defender:					
Salaries and Wages	2,500	2,500	2,200	300	
LANDFILL/SOLID WASTE DISPOSAL COSTS:					
Water Pollution Control:					
Salaries and Wages	1,113,200	1,103,200	1,083,877	19,323	
Other Expenses	322,108	253,508	214,848	38,660	
Landfill/Solid Waste Disposal Costs:					
Other Expenses	582,000	642,000	642,000		

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2017
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Cont'd):					
Construction Code Official:					
Salaries and Wages	\$ 556,574	\$ 576,574	\$ 575,810	\$ 764	
Other Expenses	13,336	13,336	7,741	5,595	
UNCLASSIFIED:					
Accumulated Leave Compensation	400,000	400,000	400,000		
Salary Adjustment Account	190,000	74,000		74,000	
Utilities and Bulk Purchases	1,288,509	1,288,509	1,142,910	145,599	
Total Operations Within "CAPS"	33,632,715	33,872,715	32,228,640	1,644,075	
Contingent	25,000	25,000	11,278	13,722	
Total Operations Including Contingent Within "CAPS"	33,657,715	33,897,715	32,239,918	1,657,797	
Detail:					
Salaries and Wages	21,061,838	21,043,038	20,404,034	639,004	
Other Expenses	12,595,877	12,854,677	11,835,884	1,018,793	
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS":					
Deferred Charges:					
Prior Year Bills:					
PSE&G Company	20,980	20,980	15,518		\$ 5,462
Hopper Condominium	13,473	13,473	13,473		
Bruce Whitaker (Esq)	7,041	7,041	6,138		903

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2017
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS" (Cont'd):					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	\$ 1,070,923	\$ 1,070,923	\$ 1,040,961	\$ 29,962	
Social Security System (O.A.S.I.)	1,201,000	1,161,000	972,407	188,593	
Consolidated Police and Firemen's Pension Fund	13,000	13,000		13,000	
Police and Firemen's Retirement System of NJ	2,507,850	2,507,850	2,507,169	681	
Defined Contribution Retirement Plan	13,000	13,000	8,184	4,816	
Unemployment Compensation Insurance	100,000	60,000	45,800	14,200	
	<u>4,947,267</u>	<u>4,867,267</u>	<u>4,609,650</u>	<u>251,252</u>	<u>\$ 6,365</u>
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	<u>38,604,982</u>	<u>38,764,982</u>	<u>36,849,568</u>	<u>1,909,049</u>	<u>6,365</u>
Total General Appropriations for Municipal Purposes Within "CAPS"					
Operations Excluded from "CAPS":					
Northwest Bergen County Sewer Authority - Contractual	26,000	54,000	51,946	2,054	
Sludge Removal - Contractual	100,000	162,000	140,186	21,814	
NJPDES Stormwater Permit (NJSA 40A:4-45.3(cc))	6,000	6,000	5,580	420	
Aid to Library	2,366,776	2,366,776	2,366,776		
Interlocal Municipal Service Agreements:					
Maintenance of Board of Education Vehicles	10,000	10,000	10,000		
Township of Hanover Planning and Development Services	7,000	7,000	7,000		
Contribution to Joint Meeting for Consolidated Police Dispatch and Emergency 911	674,343	674,343	674,343		
Washington Township Interlocal - Fleet Services	38,025	38,025			38,025

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2017
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Excluded from "CAPS" (Cont'd):					
Public and Private Programs Offset by Revenue:					
Drunk Driving Enforcement Fund	\$ 423	\$ 423	423		
Clean Communities Program	54,420	54,420	54,420		
Body Armor Replacement Fund	4,028	4,028	4,028		
Municipal Alliance on Alcoholism and Drug Abuse:					
State Share	11,677	11,677	11,677		
Local Share	2,919	2,919	2,919		
Total Operations Excluded from "CAPS"	3,301,611	3,391,611	3,329,298	\$ 24,288	\$ 38,025
Detail:					
Other Expenses	3,301,611	3,391,611	3,329,298	24,288	38,025
Capital Improvements-Excluded from "CAPS" :					
Capital Improvement Fund	157,000	157,000	157,000		
Total Capital Improvements-Excluded from "CAPS"	157,000	157,000	157,000		
Municipal Debt Service Excluded from "CAPS":					
Payment of Bond Principal	2,825,000	2,825,000	2,825,000		
Payment of Bond Anticipation Notes	85,000	85,000	84,707		293
Interest on Bonds	1,386,554	1,386,554	1,264,063		122,491
Interest on Notes	8,110	8,110	8,110		
NJ Environmental Infrastructure Trust Program:					
Loan Repayments for Principal and Interest	1,231,597	1,231,597	1,198,057		33,540
Total Municipal Debt Service Excluded from "CAPS"	5,536,261	5,536,261	5,379,937		156,324

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2017
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Deferred Charges - Municipal - Excluded from "CAPS": Emergency Authorization	\$ 48,000	\$ 48,000	\$ 48,000		
Deferred Charges to Future Taxation - Unfunded - Ordinance #2490	5,000	5,000	5,000		
Total Deferred Charges - Municipal - Excluded from "CAPS"	53,000	53,000	53,000		
Total General Appropriations Excluded from "CAPS"	9,047,872	9,137,872	8,919,235	\$ 24,288	\$ 194,349
Subtotal General Appropriations	47,652,854	47,902,854	45,768,803	1,933,337	200,714
Reserve for Uncollected Taxes	1,228,956	1,228,956	1,228,956		
Total General Appropriations	\$ 48,881,810	\$ 49,131,810	\$ 46,997,759	\$ 1,933,337	\$ 200,714

Budget After Modification
\$ 48,881,810
250,000
<u>\$ 49,131,810</u>

Adopted Budget
Special Emergency Appropriation NJSA 40A:4-53

	Paid or Charged
Cash Disbursed	\$ 46,257,582
Reserve for Uncollected Taxes	1,228,956
Deferred Charges	48,000
Outstanding Encumbrances	877,627
Due to Federal and State Grant Fund	73,467
Due to General Capital Fund	165,740
	<u>48,651,372</u>
Less: Appropriation Refunds	1,653,613
	<u>\$ 46,997,759</u>

VILLAGE OF RIDGEWOOD
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance		2017 Levy	Added Taxes	Collections		State of NJ Veterans' and Senior Citizens' Deductions	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2017
	Dec. 31, 2016	2016			2017	2016				
2016	\$ 760,640	\$ 1,029,038	\$ 8,818	\$ 8,818	\$ 769,636	\$ (500)	\$ 322	\$ 628,030		
2017	\$ 147,534,947	\$ 1,029,038	\$ 8,818	\$ 8,818	\$ 145,625,063	\$ 103,549	\$ 7,492	\$ 628,030		
	\$ 760,640	\$ 1,029,038	\$ 8,818	\$ 8,818	\$ 146,394,699	\$ 103,049	\$ 7,814	\$ 628,030		

Analysis of 2017 Property Tax Levy

Tax Yield:	
General Purpose Tax	\$146,901,178
Added and Omitted Taxes	633,769
	<u>\$147,534,947</u>
Tax Levy:	
Local School District Taxes	\$ 95,714,756
County Taxes	\$ 16,227,516
Due County for Added and Omitted Taxes	70,169
	16,297,685
Municipal Open Space Tax	290,652
	<u>112,303,093</u>
Local Tax for Municipal Purposes Levied	34,620,690
Add: Additional Tax Levied	611,164
	<u>35,231,854</u>
	<u>\$147,534,947</u>

VILLAGE OF RIDGEWOOD
CURRENT FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2017

	Balance Dec. 31, 2016	Balance After Modification	Paid or Charged	Balance Lapsed
General Administration:				
Salaries and Wages	\$ 11,110	\$ 1,110	\$ 548	\$ 562
Other Expenses	2,296	4,796	1,664	3,132
Mayor and Council:				
Salaries and Wages	8,739	6,739		6,739
Other Expenses	12,026	12,026	10,720	1,306
Municipal Clerk:				
Salaries and Wages	857	857	565	292
Other Expenses	15,410	15,410	15,225	185
Financial Administration:				
Salaries and Wages	8,643	8,643	2,729	5,914
Other Expenses	6,733	6,733	3,385	3,348
Annual Audit	38,143	38,143	34,500	3,643
Management Information Systems:				
Salaries and Wages	23,188	3,188		3,188
Other Expenses	5,909	5,909	291	5,618
Tax Assessment Administration:				
Salaries and Wages	159	159		159
Other Expenses	761	761		761
Revenue Administration (Tax Collection):				
Salaries and Wages	2,072	2,072	411	1,661
Other Expenses	2,954	2,954	155	2,799
Legal Services and Costs:				
Salaries and Wages	732	732		732
Other Expenses	67,900	67,900	35,877	32,023
Elections:				
Salaries and Wages	269	269		269
Other Expenses	2,552	9,552	8,404	1,148
Engineering Services and Costs:				
Salaries and Wages	8,150	4,150	3,286	864
Other Expenses	1,448	3,948	1,598	2,350
Historic Preservation:				
Salaries and Wages	350	350		350
Other Expenses	59	59	20	39

VILLAGE OF RIDGEWOOD
CURRENT FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2017
(Continued)

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Municipal Land Use Law (N.J.S.A. 40:55D-1):				
Planning Board:				
Salaries and Wages	\$ 3,131	\$ 3,131	\$ 2,246	\$ 885
Other Expenses	53,024	53,024	27,652	25,372
Board of Adjustment:				
Salaries and Wages	5,223	2,223	836	1,387
Other Expenses	1,401	6,401	6,398	3
Insurance:				
Other Insurance	2,257	2,257		2,257
Workers' Compensation Insurance	41,264	41,264		41,264
Group Insurance Plan for Employees	145,987	145,987	18,358	127,629
No Coverage Option - Health Insurance Waiver	425	425		425
Police:				
Salaries and Wages	139,031	119,831	50,998	68,833
Other Expenses	44,006	44,006	33,749	10,257
Emergency Services:				
Salaries and Wages	15	15		15
Other Expenses	8,381	12,081	12,050	31
Office of Emergency Management:				
Salaries and Wages	66	66		66
Other Expenses	19,648	19,648	15,641	4,007
Fire Department:				
Salaries and Wages	13,816	53,816	50,291	3,525
Other Expenses	18,782	12,782	8,451	4,331
P.E.O.S.H.A. Fire:				
Other Expenses	4,065	4,065	3,816	249
Street and Roads Maintenance:				
Salaries and Wages	103,129	103,129	89,453	13,676
Other Expenses	82,341	82,341	72,522	9,819
Central Garage:				
Salaries and Wages	6,204	6,204	3,130	3,074
Other Expenses	85,802	85,802	44,290	41,512
Traffic and Signal:				
Salaries and Wages	6,993	1,993	1,794	199
Other Expenses	9,443	14,443	12,660	1,783

VILLAGE OF RIDGEWOOD
CURRENT FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2017
(Continued)

	Balance Dec. 31, 2016	Balance After Modification	Paid or Charged	Balance Lapsed
Recycling:				
Salaries and Wages	\$ 22,094	\$ 22,094	\$ 9,631	\$ 12,463
Other Expenses	2,467	2,467	742	1,725
Solid Waste Collection:				
Salaries and Wages	4,223	4,223	4,223	
Other Expenses	5,622	5,622	3,299	2,323
Yardwaste Recycling:				
Salaries and Wages	5,062	5,062	2,127	2,935
Other Expenses	58,377	58,377	50,672	7,705
Property Maintenance:				
Salaries and Wages	6,517	1,517	1,517	
Other Expenses	10,875	20,875	8,395	12,480
Health Services:				
Salaries and Wages	3,821	3,821	3,259	562
Other Expenses	1,258	1,258	365	893
Animal Control:				
Other Expenses	2,733	2,733		2,733
Contribution to Social Services Agencies - Statutory:				
Other Expenses	4,976	4,976	2,818	2,158
Recreation Services and Programs:				
Salaries and Wages	9,054	9,054	1,626	7,428
Other Expenses	4,923	4,923	201	4,722
Community Center:				
Salaries and Wages	2,102	2,102	550	1,552
Other Expenses	1,938	1,938	1,449	489
Community Relations Advisory Board:				
Other Expenses	250	250	40	210
Parks Department:				
Salaries and Wages	37,705	27,705	7,348	20,357
Other Expenses	16,836	23,836	20,351	3,485
Graydon Pool:				
Salaries and Wages	1	1		1
Other Expenses	161	1,661	1,191	470
Project Pride:				
Other Expenses	673	673		673

VILLAGE OF RIDGEWOOD
CURRENT FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2017
(Continued)

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Municipal Court:				
Salaries and Wages	\$ 405	\$ 405		\$ 405
Other Expenses	5,099	5,099	\$ 2,109	2,990
Public Defender:				
Other Expenses	700	700		700
Water Pollution Control:				
Salaries and Wages	6,869	6,869	5,835	1,034
Other Expenses	66,370	66,370	52,624	13,746
Landfill/Solid Waste Disposal Costs:				
Other Expenses	91,426	91,426	49,956	41,470
Construction Code Official:				
Salaries and Wages	562	562		562
Other Expenses	2,405	2,405	2,290	115
Salary Adjustment Account	81,184	81,184	36,406	44,778
Utilities and Bulk Purchases	253,016	253,016	101,923	151,093
Contingent	2,091	2,091		2,091
Contribution to:				
Social Security System (O.A.S.I.)	131,835	131,835	99,202	32,633
Police and Firemens' Retirement System of NJ	714	714		714
Defined Contribution Retirement Plan	1,378	1,378		1,378
Unemployment Compensation Insurance	61,542	61,542		61,542
Northwest Bergen County Sewer Authority -				
Contractual	1,547	1,547		1,547
Sludge Removal - Contractual	8,872	8,872		8,872
NJPDES Stormwater Permit (NJSA 40A:4-45.3(cc))	750	750		750
	<u>\$ 1,933,327</u>	<u>\$ 1,933,327</u>	<u>\$ 1,043,862</u>	<u>\$ 889,465</u>
<u>Analysis of Beginning Balance/Paid or Charged:</u>				
Unencumbered	\$ 637,988			
Encumbered	<u>1,295,339</u>			
	<u>\$ 1,933,327</u>			
Cash Disbursed			\$ 1,049,733	
Less: Refunds			<u>5,871</u>	
			<u>\$ 1,043,862</u>	

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VILLAGE OF RIDGEWOOD
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

Balance December 31, 2016		\$ 21,787
Increased by:		
Transfer from Taxes Receivable	\$ 7,814	
Interest and Costs Accrued at Tax Sale	<u>94</u>	
		<u>7,908</u>
		29,695
Decreased by:		
Cash Collections		<u>745</u>
Balance December 31, 2017		<u><u>\$ 28,950</u></u>

VILLAGE OF RIDGEWOOD
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE

Balance December 31, 2016		
Local School District Tax Deferred		\$ 46,515,257
Increased by:		
Levy - School Year July 1, 2017 - June 30, 2018		95,714,756
		<u>142,230,013</u>
Decreased by:		
Payments to Local School District	\$ 94,372,474	
Local School District Taxes Payable	<u>464,890</u>	
		<u>94,837,364</u>
Balance December 31, 2017		
Local School District Tax Deferred		<u><u>\$ 47,392,649</u></u>
 <u>Analysis of Increase - Deferred School Tax:</u>		
Balance December 31, 2017		\$ 47,392,649
Balance December 31, 2016		<u>46,515,257</u>
Net Increase Credited to Operations		<u><u>\$ 877,392</u></u>

VILLAGE OF RIDGEWOOD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

	Balance Dec. 31, 2016	2017 Budget Revenue Realized	Received	Transferred from Unappropriated Reserves	Balance Dec. 31, 2017
Drunk Driving Enforcement Fund:					
2017		\$ 423		\$ 423	
2008	\$ 8,424				\$ 8,424
Clean Communities Program:					
2017		54,420		54,420	
2011	35,005				35,005
Alcohol Education and Rehabilitation:					
2008	334				334
Body Armor Replacement Fund:					
2017		4,028		4,028	
2009	5,377				5,377
2008	78				78
Municipal Alliance on Alcoholism and Drug Abuse					
2017		11,677	\$ 7,722		3,955
2016	11,677		3,762		7,915
2015	2,052				2,052
F.E.M.A. Hazard Mitigation Grant:					
2016	75,000				75,000
F.E.M.A. Assistance to Firefighter Grant:					
2015	37,791		32,753		5,038
Safe Routes to School:					
2009	158,015				158,015
2009 Non-Infrastructure	42,000				42,000
2008	29,213				29,213
Pedestrian Safety Education and Enforcement:					
2007	14,000				14,000
Prior	733				733
	<u>\$ 419,699</u>	<u>\$ 70,548</u>	<u>\$ 44,237</u>	<u>\$ 58,871</u>	<u>\$ 387,139</u>

Original Budget

\$ 70,548

VILLAGE OF RIDGEWOOD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

	Balance Dec. 31, 2016	Transferred to 2017 Budget Revenue	Received	Balance Dec. 31, 2017
Drunk Driving Enforcement Fund	\$ 423	\$ 423	\$ 18,601	\$ 18,601
Clean Communities Program	54,420	54,420	46,233	46,233
Alcohol Education and Rehabilitation Fund			1,480	1,480
Body Armor Replacement Fund	7,227	4,028	4,115	7,314
Drive Sober or Get Pulled Over	12,546		4,468	17,014
Stigma Free Initiative			1,856	1,856
National Priority Safety Grant - Distracted Driving			5,500	5,500
Green Communities - Consolidated Forest Management			3,000	3,000
	<u>\$ 74,616</u>	<u>\$ 58,871</u>	<u>\$ 85,253</u>	<u>\$ 100,998</u>

VILLAGE OF RIDGEWOOD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

	Balance Dec. 31, 2016	Encumbrances Payable Returned	Transferred from 2017 Budget Appropriations	Expended	Canceled to Current Fund Operations	Balance Dec. 31, 2017
Drunk Driving Enforcement Fund:						
2017			\$ 423	\$ 423		
2016	\$ 5,740			5,740		
Clean Communities Program:						
2017			54,420	54,420		
2014	6,759			6,759		
Alcohol Education and Rehabilitation:						
2016	1,114			430		\$ 684
2011	955			955		
2007	215			215		
Body Armor Replacement Fund - 2017			4,028			4,028
Municipal Alliance on Alcoholism and Drug Abuse:						
State Share:						
2017			11,677	2,827		8,850
2016	7,454			7,454		
Local Share - 2017			2,919			2,919
Click It or Ticket - 2016						
F.E.M.A. Hazard Mitigation Grant:						
Federal Share - 2016	75,000			75,000		
Local Share - 2016	2,299					2,299
F.E.M.A. Assistance to Firefighter Grant:						
Federal Share - 2015	633					633
Local Share - 2015	2,493					2,493
New Jersey Sustainable Energy - 2015	2,000			900		1,100
Safe Routes to School:						
2009	153,782					153,782
2009 Non-Infrastructure	40,489					40,489
2007		\$ 7,020				7,020
Pedestrian Safety Education and Enforcement:						
2007	11,448					11,448
Bergen County JIF - Police Accreditation	4,736					4,736
Bicycle Safety Grant		2,000			\$ 2,000	
	<u>\$ 315,117</u>	<u>\$ 9,020</u>	<u>\$ 73,467</u>	<u>\$ 155,123</u>	<u>\$ 2,000</u>	<u>\$ 240,481</u>

Original Budget
Matching Funds

\$ 70,548

2,919

\$ 73,467

Cash Disbursed
Outstanding Encumbrances

\$ 80,123

75,000

\$ 155,123

VILLAGE OF RIDGEWOOD
COUNTY OF BERGEN
2017
TRUST FUNDS

Receipt, custodianship and disbursement of funds in accordance
with the purpose for which each reserve was created.

VILLAGE OF RIDGEWOOD
TRUST FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2017
(With Comparative Totals for 2016)

	Animal Control Fund	Other Trust Fund	Totals (Memorandum Only)	
			2017	2016
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 104,628	\$ 4,879,235	\$ 4,983,863	\$ 4,294,057
Interfunds Receivable				14
TOTAL ASSETS	\$ 104,628	\$ 4,879,235	\$ 4,983,863	\$ 4,294,071
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>				
Due to State of New Jersey Board of Health	\$ 147		\$ 147	\$ 101
Interfunds Payable	14,268	\$ 5,880	20,148	33,187
Accounts Payable - Vendors		15,469	15,469	23,301
Reserve for:				
Animal Control Fund Expenditures	90,213		90,213	94,483
Other Trust Funds		4,779,444	4,779,444	4,080,754
Insurance Claims		78,442	78,442	53,334
Public Assistance				1,506
Fund Balance				7,406
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	\$ 104,628	\$ 4,879,235	\$ 4,983,863	\$ 4,294,071

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VILLAGE OF RIDGEWOOD
ASSESSMENT TRUST FUND
SCHEDULE OF FUND BALANCE

Balance December 31, 2016	\$	7,406
Increased by:		
Collection of Unpledged Assessments		1,405
		8,811
Decreased by:		
Due to Current Fund		8,811
		8,811
Balance December 31, 2017	\$	-0-

VILLAGE OF RIDGEWOOD
TRUST FUNDS
SCHEDULE OF RESERVE FOR INSURANCE CLAIMS

Balance December 31, 2016	\$ 53,334
Increased by Receipts:	
Insurance Deposits	471,016
	<hr/> 524,350
Decreased by Disbursements:	
Insurance Payments	445,908
	<hr/> 445,908
Balance December 31, 2017	<u><u>\$ 78,442</u></u>

VILLAGE OF RIDGEWOOD
TRUST FUNDS
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

Balance December 31, 2016		\$ 94,483
Increased by:		
License Fees Collected		39,882
		134,365
Decreased by:		
2017 Budget Appropriation Refund	\$ 30,000	
Statutory Excess Due to Current Fund	14,152	
		44,152
Balance December 31, 2017		\$ 90,213

License Fees Collected

<u>Year</u>	<u>Amount</u>
2015	\$ 44,153
2016	46,060
Maximum Allowable Reserve	\$ 90,213

VILLAGE OF RIDGEWOOD
TRUST FUNDS
SCHEDULE OF OTHER TRUST RESERVES

	Balance Dec. 31, 2016	Receipts	Disbursements	Balance Dec. 31, 2017
Reserve for:				
Recycling Expenditures	\$ 212,028	\$ 303,670	\$ 178,246	\$ 337,452
Municipal Court Expenditures:				
POAA	2,651	7,532		10,183
Public Defender	3,750	250		4,000
Kasshau Music Shell	20,790	14,100	23,410	11,480
Taxi Stand Security	3,600		3,600	
Recreation Fund	47,755	329,260	291,844	85,171
Unemployment Insurance	236,626	126,937	106,816	256,747
Escrow and Security Deposits Payable	1,189,114	295,301	329,924	1,154,491
Bequests/Gifts	35,731	23,560	20,526	38,765
Open Space	579,527	344,181	372,339	551,369
Storm Recovery	131,723	80,000	66,343	145,380
Terminal Leave	448,444	450,000	316,465	581,979
COAH Development	552,492	137,249		689,741
Community Center	5,374	26,163	23,296	8,241
Police Outside Duty	58,849	1,512,931	1,409,735	162,045
Tax Sale Premiums	552,300	574,100	384,000	742,400
	<u>\$ 4,080,754</u>	<u>\$ 4,225,234</u>	<u>\$ 3,526,544</u>	<u>\$ 4,779,444</u>
Total	<u>\$ 4,080,754</u>	<u>\$ 4,225,234</u>	<u>\$ 3,526,544</u>	<u>\$ 4,779,444</u>

VILLAGE OF RIDGEWOOD
TRUST FUNDS
SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE

Balance December 31, 2016	\$ 1,506
Increased by Receipts:	
Interest - Due to Current Fund	10
	<hr/> 1,516
Decreased by Disbursements:	
Due to Current Fund	1,516
	<hr/> 1,516
Balance December 31, 2017	<u><u>\$ -0-</u></u>

VILLAGE OF RIDGEWOOD
COUNTY OF BERGEN
2017
GENERAL CAPITAL FUND

The general capital fund is used to account for the acquisition of capital facilities, other than those acquired in the current, utility operating, or utility capital funds

VILLAGE OF RIDGEWOOD
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET

	December 31,	
	2017	2016
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 4,151,138	\$ 4,818,670
Interfunds Receivable	210,740	94,515
Grants Receivable:		
County of Bergen	483,023	483,023
Community Development Block Grant	58,584	58,584
New Jersey Department of Transportation	311,250	423,000
Prospective Assessments Raised by Taxation	249,000	249,000
Deferred Charges to Future Taxation:		
Funded	33,774,464	37,676,273
Unfunded	16,342,282	9,043,989
TOTAL ASSETS	\$ 55,580,481	\$ 52,847,054
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Serial Bonds Payable	\$ 28,696,000	\$ 31,521,000
NJEIT Loans Payable	5,078,464	6,155,273
Bond Anticipation Notes Payable	6,036,133	787,350
Improvement Authorizations:		
Funded	2,162,182	3,355,193
Unfunded	6,925,328	3,394,602
Recycling Grant	1,148	1,148
Encumbrances Payable	4,839,066	4,872,726
Capital Improvement Fund	165,360	398,360
Reserve for:		
Arbitrage Rebate	13,416	13,416
Payment of Debt Service	160,740	
Preliminary Expenses	5,350	5,350
Prospective Assessments Raised by Taxation	249,000	249,000
Fund Balance	1,248,294	2,093,636
TOTAL LIABILITIES, RESERVES AND FUND BALANCE	\$ 55,580,481	\$ 52,847,054

VILLAGE OF RIDGEWOOD
GENERAL CAPITAL FUND
ANALYSIS OF CASH
(Continued)

Ord. No.	Improvement Description	Balance/ (Deficit) Dec. 31, 2016	Receipts			Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2017
			Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	
3346	Acquisition of Land	\$ 4,375									\$ 4,375
3347	Watershed Protective Measures - Ho-Ho-Kus Brook and Saddle River Phase	1,137									1,137
3348	Acquisition of Fire Fighting Equipment	1,874			\$ 950						924
3354	Construction of ADA Ramp at Graydon Pool	38,162									38,162
3356	Purchase and Install Radio Communications Equipment	(1,013,904)									(1,013,904)
3361	Various Capital Improvements	604,808			20,807			\$ 45,747	\$ 6,391		544,645
3367	Various Capital Improvements	83,234			67,735			24,284	24,000		15,215
3384	Various Train Station Capital Improvements	101,833									101,833
3392	Various Capital Improvements	541,094			36,821			65,000	4,673		443,946
3419	Various Road Improvements	3,489						3,489			
3421	Various Capital Improvements	275,589			80,246			2,610	11,844		204,577
3460	Various Capital Improvements	28,128			51,745			11,054	50,000		15,329
3475;											
3507	Various Capital Improvements	320,664			429,820			136,696	130,047		(115,805)
3495	Construction of a Handicapped Accessible Ramp at Graydon Pool	35,000									35,000
3506	Repairs to the Traffic and Signal Building	838									838
3520	Road Resurfacing and Reconstruction	194,811		\$ 18,924				194,811			18,924
3535	Various Capital Improvements	(2,578,675)		\$ 3,500,000	783,191			197,631	216,740		158,093
3552	Various Capital Improvements at Northwest Bergen Central Dispatch	25,400			25,400						
3564	Replacement of HVAC Unit at Library	1,227									1,227
3577	Various Capital Improvements			14,347	1,399,634			66,758	77,000		(1,375,045)
3593	Various Capital Improvements			2,000,000	400,630			1,447,058	313,000		465,312
		\$ 4,818,670	\$ 162,000	\$ 5,500,000	\$ 384,512	\$ 3,381,452	\$ 166,510	\$ 3,166,082	\$ 3,632,826	\$ 3,632,826	\$ 4,151,138

VILLAGE OF RIDGEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Notes Paid by		Funded by		Analysis of Balance at December 31, 2017		
				Budget Appropriation	Budget Appropriation	Budget Appropriation	Dec. 31, 2017	Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
2490	Curbs and Sidewalks - CBD Phase III	\$ 85,644			\$ 5,000	\$ 80,644		\$ 80,644		
2573	Curbs and Sidewalk Improvements	53,949				53,949		53,949		
2601	Reconstruction of Somerville Road	98,106				98,106		98,106		
2652	Various Capital Improvements	613,903				613,903		613,903		
2677	Purchase and Renovations	157,437				157,437		157,437		
2785	Graydon Pool Improvements	156,071				156,071		156,071		
3163	Acquisition of Land	387,000		\$ 20,254		366,746	\$ 100,236	156,308	\$ 110,202	
3169	Improvements to Habermickel Park	240,500				240,500		233,368	7,132	
3170	Various Capital Improvements	229,518				229,518		228,475	1,043	
3309	Improvements to Habermickel Park	50,456				50,456		50,456		
3316	Restoration of Saddle River Bank and Pipeline	200,000				200,000		106,652	93,348	
3356	Purchase and Install Radio Communications Equipment	1,013,935				1,013,935		1,013,904	31	87

VILLAGE OF RIDGEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
(Continued)

Ord. No.	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Notes Paid by		Funded by		Balance Dec. 31, 2017	Analysis of Balance at December 31, 2017		
				Budget Appropriation	Budget Appropriation	Budget Appropriation	Bond Anticipation Notes		Expenditures	Unexpended Improvement Authorizations	
3361	Various Capital Improvements	\$ 564,120		\$ 64,103				\$ 500,017	\$ 435,897		\$ 64,120
3367	Various Capital Improvements	350			350						
3475;											
3507	Various Capital Improvements	900,000						900,000		\$ 115,805	784,195
3535	Various Capital Improvements	4,293,000						4,293,000	3,500,000		793,000
3577	Various Capital Improvements		\$ 1,460,000					1,460,000		1,375,045	84,955
3593	Various Capital Improvements		5,928,000					5,928,000	2,000,000		3,928,000
		\$ 9,043,989	\$ 7,388,000	\$ 84,707	\$ 5,000	\$ 5,000	\$ 16,342,282	\$ 6,036,133	\$ 4,440,123	\$ 5,866,026	
	Improvement Authorizations Unfunded										\$ 6,925,328
	Less: Unexpended Proceeds of Bond Anticipation Notes Issued:										
	Ord. No. 3361								\$ 435,897		
	Ord. No. 3535								158,093		
	Ord. No. 3593								465,312		
											1,059,302
											\$ 5,866,026

VILLAGE OF RIDGEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2016		Capital Improvement Fund	Deferred Charges to Future Taxation- Unfunded	Paid or Charged	Prior Year Encumbrances Canceled	Balance Dec. 31, 2017	
		Date	Amount	Funded	Unfunded					Funded	Unfunded
2752;		10/24/01;									
2857	Supplemental Village Annex	12/15/03	\$ 6,670,000	\$ 4,138				\$ 4,138			
2866	Various Capital Improvements	02/25/04	1,167,147	137,301				137,301			
2867	Various Capital Improvements	02/11/04	463,000	119,857				44,893			
3012	Improve Access to Village Hall	08/09/06	85,000	37,960				37,960			
3042	Various Capital Improvements	03/14/07	1,809,000					1,778			
3111	Various Capital Improvements	04/09/08	2,529,500	3,650				1,568			
3163	Acquisition of Land	02/11/09	2,900,000		\$ 110,265						\$ 110,202
3169	Improvements to Habernickel Park	03/11/09	325,000		7,132			63			7,132
3170	Various Capital Improvements	03/11/09	715,000		5,031			3,988			1,043
3262	Repair and Replace Train Station Roof	08/11/10	790,720	434,797				434,797			
3270	Various Capital Improvements	12/01/10	3,460,500	15,729				11,217			
3306	Various Capital Improvements	09/14/11	3,354,000	740,076				397,923			
3316	Restoration of Saddle River Bank and Pipeline	12/14/11	800,000		93,348						93,348
3337	Restoration of Village Hall Level 1	03/28/12	400,000	100,372				100,372			
3346	Acquisition of Land	06/13/12	100,000	4,375				4,375			
3347	Watershed Protective Measures - Ho-Ho-Kus Brook and Saddle River Phase	06/13/12	155,000	1,137				1,137			
3348	Acquisition of Fire Fighting Equipment	06/13/12	131,195	1,874				924			
3354	Construction of ADA Ramp at Graydon Pool	10/10/12	95,000	38,162				38,162			
3356	Purchase and Install Radio Communications Equipment	10/10/12	1,067,935		31						31
3361	Various Capital Improvements	12/05/12	3,811,741	104,808	564,120			66,554	6,391		500,017
3367	Various Capital Improvements	12/12/12	613,000	82,884	350			92,019	24,000		
3384	Various Train Station Capital Improvements	06/12/13	185,000	101,833				101,833			
3392	Various Capital Improvements	10/09/13	3,328,763	541,094				101,821	4,673		
3419	Various Road Improvements	05/28/14	1,549,000	3,489				3,489			
3421	Various Capital Improvements	07/16/14	1,356,000	275,589				82,856	11,844		
3460	Various Capital Improvements	03/11/15	715,000	28,128				62,799	50,000		

VILLAGE OF RIDGEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
(Continued)

Ord. No.	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2016		Capital Improvement Fund	Deferred Charges to Future Taxation- Unfunded	Paid or Charged	Prior Year Encumbrances Canceled	Balance Dec. 31, 2017	
				Funded	Unfunded					Funded	Unfunded
3475;		05/13/15;									
3507	Various Capital Improvements	11/09/15	\$ 2,559,725	\$ 320,664	\$ 900,000			\$ 566,516	\$ 130,047		\$ 784,195
3495	Construction of a Handicapped Accessible Ramp at Graydon Pool	09/16/15	35,000	35,000						\$ 35,000	
3506	Repairs to the Traffic and Signal Building	10/14/15	31,000	838						838	
3520	Road Resurfacing and Reconstruction	03/09/16	1,200,000	194,811				175,887		18,924	
3535	Various Capital Improvements	06/08/16	4,519,975		1,714,325			979,972	216,740		951,093
3552	Various Capital Improvements at Northwest Bergen Central Dispatch	10/12/16	26,000	25,400				25,400			
3564	Replacement of HVAC Unit at Library	12/14/16	32,000	1,227						1,227	
		01/25/17;									
3577	Various Capital Improvements	08/09/17	1,537,000			\$ 77,000	\$ 1,460,000	1,452,045			84,955
3593	Various Capital Improvements	05/10/17	6,241,000			313,000	5,928,000	1,847,688			4,393,312
				\$ 3,355,193	\$ 3,394,602	\$ 390,000	\$ 7,388,000	\$ 5,909,851	\$ 469,566	\$ 2,162,182	\$ 6,925,328

VILLAGE OF RIDGEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL
INFRASTRUCTURE TRUST (NJEIT) LOANS PAYABLE

Balance December 31, 2016	\$ 6,155,273
Less: Principal matured	<u>1,076,809</u>
Balance December 31, 2017	<u><u>\$ 5,078,464</u></u>

Schedule of Principal and Interest Payments Outstanding December 31, 2017

<u>Due</u>	<u>Fund Loan Principal</u>	<u>Trust Loan Principal</u>	<u>Trust Loan Interest</u>	<u>Loan Balance</u>
				\$ 1,038,407
2/1/2018	\$ 14,387		\$ 7,656	1,024,020
8/1/2018	89,551	\$ 40,000	7,656	894,469
2/1/2019	12,508		6,656	881,961
8/1/2019	87,672	40,000	6,656	754,289
2/1/2020	10,629		5,656	743,660
8/1/2020	95,189	45,000	5,656	603,471
2/1/2021	8,515		4,531	594,956
8/1/2021	93,074	45,000	4,531	456,882
2/1/2022	6,401		3,406	450,481
8/1/2022	100,356	50,000	3,406	300,125
2/1/2023	4,052		2,156	296,073
8/1/2023	98,007	50,000	2,156	148,066
2/1/2024	2,055		1,094	146,011
8/1/2024	96,011	50,000	1,094	
	<u>\$ 718,407</u>	<u>\$ 320,000</u>	<u>\$ 62,310</u>	

VILLAGE OF RIDGEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL
INFRASTRUCTURE TRUST (NJEIT) LOANS PAYABLE
(Continued)

Schedule of Principal and Interest Payments Outstanding December 31, 2017

Loan #1

<u>Due</u>	<u>Fund Loan Principal</u>	<u>Trust Loan Principal</u>	<u>Trust Loan Interest</u>	<u>Loan Balance</u>
				\$ 4,040,057
2/1/2018	\$ 37,596		\$ 56,113	4,002,461
8/1/2018	396,047	\$ 535,000	56,113	3,071,414
2/1/2019	28,634		42,738	3,042,780
8/1/2019	403,836	560,000	42,738	2,078,944
2/1/2020	19,254		28,738	2,059,690
8/1/2020	414,556	590,000	28,738	1,055,134
2/1/2021	9,866		14,725	1,045,268
8/1/2021	425,268	620,000	14,725	
	<u>\$ 1,735,057</u>	<u>\$ 2,305,000</u>	<u>\$ 284,628</u>	

VILLAGE OF RIDGEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Improvement Description	Date of Issue	Original Issue	Maturities				Interest Rate	Matured	Balance Dec. 31, 2016	Balance Dec. 31, 2017
			December 31, 2017		Amount	Rate				
			Date of Maturity	Amount						
General Improvement Bonds of 2007	6/29/2007	\$ 12,514,000					\$ 900,000	\$ 900,000		
General Refunding Bonds of 2013	5/8/2013	4,860,000	7/1/2018	\$ 600,000	4.000%					
			7/1/2019	600,000	4.000%					
			7/1/2020	620,000	4.000%					
			7/1/2021	645,000	4.000%					
			7/1/2022	675,000	4.000%		575,000	3,715,000	\$ 3,140,000	
General Improvement Bonds of 2013	6/15/2013	10,858,000	6/15/2018	800,000	4.000%					
			6/15/2019	850,000	4.000%					
			6/15/2020	950,000	4.000%					
			6/15/2021	1,000,000	4.000%					
			6/15/2022	1,050,000	3.500%					
			6/15/2023	1,100,000	3.500%					
General Refunding Bonds of 2016	7/19/2016	5,805,000	6/15/2024	1,150,000	3.500%					
			6/15/2025	1,233,000	3.500%		750,000	8,883,000	8,133,000	
			6/15/2018	825,000	4.000%					
			6/15/2019	815,000	4.000%					
			6/15/2020	810,000	4.000%					
		6/15/2021	830,000	4.000%						
		6/15/2022	850,000	5.000%						
		6/15/2023	855,000	5.000%						
		6/15/2024	820,000	5.000%				5,805,000	5,805,000	

VILLAGE OF RIDGEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
(Continued)

Improvement Description	Date of Issue	Original Issue	Maturities				Interest Rate	Balance Dec. 31, 2016	Balance Dec. 31, 2017
			December 31, 2017						
			Date of Maturity	Amount	Matured	Balance			
General Improvement Bonds of 2016	8/18/2016	\$ 12,218,000	\$ 600,000			3.000%			
			600,000			3.000%			
			600,000			3.000%			
			700,000			3.000%			
			800,000			3.000%			
			1,150,000			4.000%			
			1,200,000			4.000%			
			1,200,000			4.000%			
			1,200,000			3.000%			
			1,200,000			3.000%			
			1,200,000			2.000%			
			1,168,000			2.000%	\$ 12,218,000	\$ 11,618,000	
							\$ 600,000	\$ 28,696,000	
							\$ 31,521,000	\$ 28,696,000	

VILLAGE OF RIDGEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Bond Anticipation Notes Redeemed	Funded by Budget Appropriation	Bond Anticipation Notes Issued	Balance Dec. 31, 2017
2490	Curbs and Sidewalks - CBD Phase III	\$ 85,644			\$ 5,000		\$ 80,644
2573	Curbs and Sidewalk Improvements	53,949					53,949
2601	Reconstruction of Somerville Road	98,106					98,106
2652	Various Capital Improvements	613,903					613,903
2677	Purchase and Renovations	157,437					157,437
2785	Graydon Pool Improvements	156,071					156,071
3163	Acquisition of Land	100,000		\$ 166,510			266,510
3169	Improvements to Habernickel Park	240,500					240,500
3170	Various Capital Improvements	229,518					229,518
3309	Improvements to Habernickel Park	50,456					50,456
3316	Restoration of Saddle River Bank and Pipeline	200,000					200,000
3356	Purchase and Install Radio Communications Equipment	1,013,935					1,013,935
3361	Various Capital Improvements	64,120					64,120
3475; 3507	Various Capital Improvements	900,000					900,000
3535	Various Capital Improvements	4,293,000				\$3,500,000	793,000
3577	Various Capital Improvements		\$ 1,460,000				1,460,000
3593	Various Capital Improvements		5,928,000			2,000,000	3,928,000
		<u>\$ 8,256,639</u>	<u>\$ 7,388,000</u>	<u>\$ 166,510</u>	<u>\$ 5,000</u>	<u>\$5,500,000</u>	<u>\$10,306,149</u>

VILLAGE OF RIDGEWOOD
COUNTY OF BERGEN
2017
UTILITY OPERATING FUNDS

Accounts for the operations of the
municipally owned water and parking utilities

VILLAGE OF RIDGEWOOD
UTILITY OPERATING FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2017
(With Comparative Totals for 2016)

	<u>Utility Operating Funds</u>		<u>Totals</u> (Memorandum Only)	
	<u>Water</u>	<u>Parking</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>				
Utility Operating:				
Cash and Cash Equivalents	\$ 11,045,155	\$ 752,231	\$ 11,797,386	\$ 11,403,091
Change Fund	100	3,496	3,596	3,596
	<u>11,045,255</u>	<u>755,727</u>	<u>11,800,982</u>	<u>11,406,687</u>
Interfunds Receivable	124,234		124,234	100,000
	<u>11,169,489</u>	<u>755,727</u>	<u>11,925,216</u>	<u>11,506,687</u>
Receivables with Full Reserves:				
Consumer Accounts Receivable	2,566,197		2,566,197	2,266,714
Hydrant Service Receivable	432		432	459
Other Receivables	62,799		62,799	144,827
	<u>2,629,428</u>		<u>2,629,428</u>	<u>2,412,000</u>
TOTAL ASSETS	<u><u>\$ 13,798,917</u></u>	<u><u>\$ 755,727</u></u>	<u><u>\$ 14,554,644</u></u>	<u><u>\$ 13,918,687</u></u>
 <u>LIABILITIES, RESERVES AND FUND BALANCES</u>				
Appropriation Reserves:				
Unencumbered	\$ 2,303,461	\$ 114,267	\$ 2,417,728	\$ 290,400
Encumbered	1,774,698	28,799	1,803,497	1,166,562
Total Appropriation Reserves	<u>4,078,159</u>	<u>143,066</u>	<u>4,221,225</u>	<u>1,456,962</u>
Interfunds Payable	14,746		14,746	36,133
Accounts Payable - Vendors	91,040		91,040	
Accrued Interest on Bonds and Notes	199,185	1,675	200,860	143,056
Water Rent Overpayments	360,985		360,985	494,374
	<u>4,744,115</u>	<u>144,741</u>	<u>4,888,856</u>	<u>2,130,525</u>
Reserve for:				
Receivables	2,629,428		2,629,428	2,412,000
Litigation	2,170		2,170	2,170
Park and Ride		327,045	327,045	316,331
Fund Balance	<u>6,423,204</u>	<u>283,941</u>	<u>6,707,145</u>	<u>9,057,661</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	<u><u>\$ 13,798,917</u></u>	<u><u>\$ 755,727</u></u>	<u><u>\$ 14,554,644</u></u>	<u><u>\$ 13,918,687</u></u>

VILLAGE OF RIDGEWOOD
UTILITY OPERATING FUNDS
COMBINING STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2017
(With Comparative Totals for 2016)

	<u>Utility Operating Funds</u>		<u>Totals</u>	
	<u>Water</u>	<u>Parking</u>	<u>(Memorandum Only)</u>	
			<u>2017</u>	<u>2016</u>
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	\$ 3,546,764	\$ 500,000	\$ 4,046,764	\$ 2,677,167
Water Rents	12,982,746		12,982,746	14,168,323
Parking Lot Fees and Permits		1,324,842	1,324,842	1,323,062
Fire Hydrant Service	182,262		182,262	182,682
Miscellaneous Revenue	630,258	4,003	634,261	594,533
Reserve for Debt Service				1,310,000
Nonbudget Revenue	155,568	5,980	161,548	58,572
Other Credits to Income:				
Unexpended Balance of Appropriation Reserves	780,994	4,060	785,054	156,757
Other Accounts Receivable Returned	95,563		95,563	
Total Income	<u>18,374,155</u>	<u>1,838,885</u>	<u>20,213,040</u>	<u>20,471,096</u>
<u>Expenditures</u>				
Budget Expenditures:				
Operating	11,410,297	1,222,300	12,632,597	10,788,211
Capital Improvements	1,885,000	25,000	1,910,000	1,830,900
Debt Service	1,995,291	1,675	1,996,966	3,477,803
Deferred Charges and Statutory Expenditures	639,911	81,200	721,111	813,477
Budgeted Fund Balance	806,118	450,000	1,256,118	1,233,101
Other Accounts Receivable Advanced				95,563
Total Expenditures	<u>16,736,617</u>	<u>1,780,175</u>	<u>18,516,792</u>	<u>18,239,055</u>
Excess in Revenue	1,637,538	58,710	1,696,248	2,232,041
<u>Fund Balance</u>				
Balance January 1	8,332,430	725,231	9,057,661	9,502,787
	<u>9,969,968</u>	<u>783,941</u>	<u>10,753,909</u>	<u>11,734,828</u>
Decreased by:				
Utilized as Anticipated Revenue	3,546,764	500,000	4,046,764	2,677,167
Balance December 31	<u>\$ 6,423,204</u>	<u>\$ 283,941</u>	<u>\$ 6,707,145</u>	<u>\$ 9,057,661</u>

VILLAGE OF RIDGEWOOD
WATER UTILITY OPERATING FUND
STATEMENT OF REVENUES
YEAR ENDED DECEMBER 31, 2017

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	\$ 3,546,764	\$ 3,546,764	
Water Rents	12,790,750	12,982,746	\$ 191,996
Fire Hydrant Service	180,000	182,262	2,262
Miscellaneous Revenue	411,000	630,258	219,258
Budget Totals	16,928,514	17,342,030	<u>\$ 413,516</u>
Nonbudget Revenue		155,568	
	<u>\$ 16,928,514</u>	<u>\$ 17,497,598</u>	

Analysis of Miscellaneous Revenue:

Cell Tower	\$ 283,311
Delinquent Payment Penalties	92,523
Maintenance Plan	111,277
Installation Service	80,104
Fire Sprinkler Service	63,043
	<u>\$ 630,258</u>

Analysis of Nonbudget Revenue:

Interest on Investments	\$ 135,584
Prior Year Budget Refunds	8,580
Hydrant/Pool Permits	420
Sewer Orders	2,579
Spray Tank	2,753
Other Miscellaneous	5,652
	<u>\$ 155,568</u>

VILLAGE OF RIDGEWOOD
PARKING UTILITY OPERATING FUND
STATEMENT OF REVENUES
YEAR ENDED DECEMBER 31, 2017

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	\$ 500,000	\$ 500,000	
Parking Lot Fees and Permits	1,286,100	1,324,842	\$ 38,742
Interest on Investments	2,400	4,003	1,603
Budget Totals	<u>1,788,500</u>	<u>1,828,845</u>	<u>\$ 40,345</u>
Nonbudget Revenue		<u>5,980</u>	
	<u>\$ 1,788,500</u>	<u>\$ 1,834,825</u>	

Analysis of Nonbudget Revenue:

Bagged Meter Fees	\$ 5,580
Miscellaneous	<u>400</u>
	<u>\$ 5,980</u>

VILLAGE OF RIDGEWOOD
WATER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2017

	Water Utility Operating Fund				Unexpended Balance Canceled
	Appropriations		Expended by		
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 3,676,983	\$ 3,676,983	\$ 3,377,905	\$ 299,078	
Other Expenses	7,733,314	7,733,314	5,784,149	1,949,165	
Total Operating	<u>11,410,297</u>	<u>11,410,297</u>	<u>9,162,054</u>	<u>2,248,243</u>	
Capital Improvements:					
Capital Improvement Fund	1,885,000	1,885,000	1,829,782	55,218	
Total Capital Improvements	<u>1,885,000</u>	<u>1,885,000</u>	<u>1,829,782</u>	<u>55,218</u>	
Debt Service:					
Payment of Bond Principal	1,315,000	1,315,000	1,315,000		
Interest on Bonds	872,188	872,188	680,291		\$ 191,897
Total Debt Service	<u>2,187,188</u>	<u>2,187,188</u>	<u>1,995,291</u>		<u>191,897</u>
Statutory Expenditures:					
Social Security System (O.A.S.I.)	291,000	291,000	291,000		
Public Employees' Retirement System	324,911	324,911	324,911		
Unemployment Compensation					
Insurance (N.J.S.A. 43:21-3et.seq.)	24,000	24,000	24,000		
Surplus (General Budget)	806,118	806,118	806,118		
Total Statutory Expenditures	<u>1,446,029</u>	<u>1,446,029</u>	<u>1,446,029</u>		
	<u>\$ 16,928,514</u>	<u>\$ 16,928,514</u>	<u>\$ 14,433,156</u>	<u>\$ 2,303,461</u>	<u>\$ 191,897</u>

Analysis of Paid or Charged:

Cash Disbursed	\$ 12,039,890
Accounts Payable	6,651
Accrued Interest on Bonds	680,291
Outstanding Encumbrances	1,774,698
	<u>14,501,530</u>
Less: Appropriation Refunds	68,374
	<u>\$ 14,433,156</u>

VILLAGE OF RIDGEWOOD
PARKING UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2017

	Parking Utility Operating Fund				Unexpended Balance Canceled
	Appropriations		Expended by		
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 628,150	\$ 628,150	\$ 601,590	\$ 26,560	
Other Expenses	594,150	594,150	506,443	87,707	
Total Operating	<u>1,222,300</u>	<u>1,222,300</u>	<u>1,108,033</u>	<u>114,267</u>	
Capital Improvements:					
Capital Improvement Fund	25,000	25,000	25,000		
Total Capital Improvements	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>		
Debt Service:					
Interest on Notes	10,000	10,000	1,675		\$ 8,325
Total Debt Service	<u>10,000</u>	<u>10,000</u>	<u>1,675</u>		<u>8,325</u>
Statutory Expenditures:					
Social Security System (O.A.S.I.)	27,000	27,000	27,000		
Public Employees' Retirement System	28,000	28,000	28,000		
Unemployment Compensation					
Insurance (N.J.S.A. 43:21-3et.seq.)	5,200	5,200	5,200		
Police and Firemen's Retirement System	21,000	21,000	21,000		
Surplus (General Budget)	450,000	450,000	450,000		
Total Statutory Expenditures	<u>531,200</u>	<u>531,200</u>	<u>531,200</u>		
	<u>\$ 1,788,500</u>	<u>\$ 1,788,500</u>	<u>\$ 1,665,908</u>	<u>\$ 114,267</u>	<u>\$ 8,325</u>

Analysis of Paid or Charged:

Cash Disbursed	\$ 1,637,109
Outstanding Encumbrances	<u>28,799</u>
	<u>\$ 1,665,908</u>

D-4

VILLAGE OF RIDGEWOOD
WATER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Balance December 31, 2016		\$ 2,266,714
Increased by:		
Water Charges Levied		13,282,229
		<u>15,548,943</u>
Decreased by:		
Collections	\$ 12,488,372	
Overpayments Applied	494,374	
		<u>12,982,746</u>
Balance December 31, 2017		<u><u>\$ 2,566,197</u></u>

VILLAGE OF RIDGEWOOD
WATER UTILITY OPERATING FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2017

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 212,543	\$ 212,543	\$ 26,800	\$ 185,743
Other Expenses	651,000	651,000	310,291	340,709
Capital Improvement Fund	578,616	578,616	334,636	243,980
Social Security	10,562	10,562		10,562
	<u>\$ 1,452,721</u>	<u>\$ 1,452,721</u>	<u>\$ 671,727</u>	<u>\$ 780,994</u>

Analysis of Balance:

Unencumbered	\$ 288,472
Encumbered	1,164,249
	<u>\$ 1,452,721</u>

VILLAGE OF RIDGEWOOD
PARKING UTILITY OPERATING FUND
SCHEDULE OF 2016 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2017

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 192	\$ 192		\$ 192
Other Expenses	3,439	3,439	\$ 181	3,258
Social Security System (O.A.S.I.)	610	610		610
	<u>\$ 4,241</u>	<u>\$ 4,241</u>	<u>\$ 181</u>	<u>\$ 4,060</u>
 <u>Analysis of Balance:</u>				
Unencumbered	\$ 1,928			
Encumbered	2,313			
	<u>\$ 4,241</u>			

D-6

VILLAGE OF RIDGEWOOD
WATER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES

Balance December 31, 2016	\$ 143,056
Increased by:	
Charged to Current Year Budget	680,291
Charged to Improvement Authorizations	56,900
	<hr/> 880,247
Decreased by:	
Interest Paid	681,062
	<hr/>
Balance December 31, 2017	<u><u>\$ 199,185</u></u>

D-6A

VILLAGE OF RIDGEWOOD
PARKING UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON NOTES
YEAR ENDED DECEMBER 31, 2017

Increased by:

Charged to Current Year Budget

\$ 1,675

Balance December 31, 2017

\$ 1,675

VILLAGE OF RIDGEWOOD
COUNTY OF BERGEN
2017
UTILITY CAPITAL FUNDS

Accounts for the acquisition of capital facilities of the
municipally owned water and parking utilities

VILLAGE OF RIDGEWOOD
UTILITY CAPITAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2017
(With Comparative Totals for 2016)

	Utility Capital Funds		Totals (Memorandum Only)	
	Water	Parking	2017	2016
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 10,636,442	\$ 151,146	\$ 10,787,588	\$ 7,355,656
Fixed Capital	55,408,417	1,423,597	56,832,014	55,932,097
Fixed Capital Authorized and Uncompleted	30,228,027	2,798,660	33,026,687	24,121,187
Interfunds Receivable	14,746		14,746	25,945
TOTAL ASSETS	\$ 96,287,632	\$ 4,373,403	\$100,661,035	\$ 87,434,885
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>				
Serial Bonds Payable	\$ 17,964,000		\$ 17,964,000	\$ 19,279,000
Bond Anticipation Notes Payable	6,794,000	\$ 200,000	6,994,000	
Improvement Authorizations:				
Funded	2,244,834	20,091	2,264,925	772,502
Unfunded	7,778,260	1,466,995	9,245,255	7,354,117
Capital Improvement Fund	2,090,925	253,048	2,343,973	2,398,973
Interfunds Payable				100,000
Reserve for:				
Encumbrances Payable	4,382,345	243,930	4,626,275	2,683,314
Arbitrage	177,412	199,876	377,288	377,288
Preliminary Expenses	5,200		5,200	5,200
Amortization	51,090,313	1,819,982	52,910,295	50,695,378
Deferred Amortization	3,426,881	153,660	3,580,541	1,900,541
Fund Balance	333,462	15,821	349,283	1,868,572
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	\$ 96,287,632	\$ 4,373,403	\$100,661,035	\$ 87,434,885

VILLAGE OF RIDGEWOOD
WATER UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2016	Receipts		Disbursements		Transfers		Balance/ (Deficit) Dec. 31, 2017
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 1,855,059	\$ 78,403				\$ 1,600,000		\$ 333,462
Capital Improvement Fund	2,160,925					70,000		2,090,925
Due Water Utility Operating Fund	(25,945)	90,314		\$ 136,015		\$ 56,900		(14,746)
Reserve for:								
Encumbrances	2,442,717			1,156,391		280,084	3,376,103	4,382,345
Arbitrage Rebate	177,412							177,412
Preliminary Expenses	5,200							5,200
<u>Improvement Authorizations:</u>								
Ord. No.	Improvement Description							
2697	Various Water Improvements	67,120	4,331	\$ 30,837		26,286	44,700	59,028
2930	Various Water Improvements	4,692						4,692
3123	Various Water Improvements	299						299
3181	Various Water Improvements	64,990				55,007	8,065	18,048
3271	Various Water Improvements	5,740						5,740
3303	Acquisition of Various Equipment	2						2
3307	Various Water Improvements	379,675		40,985				338,690
3351	Divestiture of Real Property	5,000						5,000
3353	Acquisition and Installation of Water Meters	1,613						1,614
3362	Various Water Improvements	223,828	43,730	73,048			19,311	213,821
3393	Various Water Improvements	(695,524)	\$ 94,000	64,942		14,055	60,782	(619,739)
3414	Various Water Improvements	11,055	400,000	1,096		30,311		379,648
3476	Various Water Improvements	(490,303)	1,000,000	237,684		79,510	147,225	339,728
3518	Rehabilitation of Water Tanks	(831,082)	1,300,000	238,641		45,684		184,593
3536	Various Water Improvements	1,941,229	2,000,000	459,003		912,553		2,569,673
3574	Water Distribution System Improvements			725,126		207,173	70,000	(862,299)
3594	Various Water Improvements		2,000,000	513,670		2,060,924		(574,594)
3606	Acquisition of Property			600		1,500	1,600,000	1,597,900
		\$ 7,303,702	\$ 6,794,000	\$ 2,385,632	\$ 1,292,406	\$ 5,383,087	\$ 5,383,087	\$ 10,636,442

VILLAGE OF RIDGEWOOD
PARKING UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2016	Receipts			Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2017	
		Bond Anticipation Notes	Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To			
Fund Balance	\$ 13,513			\$ 2,308						\$ 15,821	
Capital Improvement Fund	238,048		\$ 25,000					\$ 10,000		253,048	
Due Parking Utility Operating Fund	100,000					\$ 100,000					
Reserve for:											
Encumbrances	240,597									243,930	
Arbitrage	199,876							3,223	\$ 11,867	199,876	
<u>Improvement Authorizations:</u>											
Ord.	No.	Improvement Description									
	2732	Various Parking Improvements									(100,615)
	2977	Construction of Parking Garage									(59,376)
	3363	Various Parking Improvements									2,784
	3394	Various Parking Improvements									(13,934)
	3415	Improvements to the Parking Utility									13,845
	3443;										
	3480	Work at Hudson Street Lot									(585,698)
	3477	Purchase of a Pickup Truck and Plate Reader System									2,914
	3595	Preliminary Plans for Parking Garage									
		\$ 51,954	\$ 200,000	\$ 25,000	\$ 2,308	\$ 22,805	\$ 105,311	\$ 25,090	\$ 25,090	\$ 151,146	

VILLAGE OF RIDGEWOOD
WATER UTILITY CAPITAL FUND
STATEMENT OF WATER SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities				Balance Dec. 31, 2017
			December 31, 2017		Interest Rate	Balance Dec. 31, 2016	
			Date of Maturity	Amount			
Water Bonds	06/15/07	\$ 6,486,000				\$ 275,000	\$ 275,000
Water Refunding Bonds		4,180,000	07/01/18	\$ 225,000	4.000%		
			07/01/19	225,000	4.000%		
			07/01/20	240,000	4.000%		
			07/01/21	245,000	4.000%		
			07/01/22	245,000	4.000%		
			07/01/23	250,000	4.000%		
			07/01/24	275,000	4.000%		
			07/01/25	275,000	3.500%		
			07/01/26	295,000	3.500%		
			07/01/27	290,000	4.000%		
		07/01/28	310,000	4.000%			
		07/01/29	305,000	4.000%			
		07/01/30	320,000	4.000%		3,715,000	215,000
Water Bonds		7,859,000	06/15/18	650,000	4.000%		
			06/15/19	650,000	4.000%		
			06/15/20	650,000	4.000%		
			06/15/21	700,000	4.000%		
			06/15/22	700,000	3.500%		
			06/15/23	700,000	3.500%		
			06/15/24	700,000	3.500%		
		06/15/25	709,000	3.500%		6,109,000	650,000
							5,459,000

VILLAGE OF RIDGEWOOD
WATER UTILITY CAPITAL FUND
STATEMENT OF WATER SERIAL BONDS
(Continued)

Purpose	Date of Issue	Original Issue	Maturities				Interest Rate	Balance Dec. 31, 2016	Balance Dec. 31, 2017
			Date of Maturity	Amount	Amount	Matured			
Water Refunding Bonds	07/19/16	\$ 3,665,000	06/15/18	\$ 240,000		4.000%			
			06/15/19	240,000		4.000%			
			06/15/20	235,000		4.000%			
			06/15/21	235,000		4.000%			
			06/15/22	235,000		5.000%			
			06/15/23	235,000		5.000%			
			06/15/24	230,000		5.000%			
			06/15/25	255,000		5.000%			
			06/15/26	255,000		5.000%			
			06/15/27	255,000		5.000%			
			06/15/28	255,000		5.000%			
			06/15/29	255,000		5.000%			
			06/15/30	255,000		5.000%			
			06/15/31	250,000		5.000%			
			06/15/32	235,000		5.000%	\$ 3,665,000	\$ 3,665,000	
Water Bonds	08/18/16	5,515,000	8/1/2018	175,000		3.000%			
			8/1/2019	175,000		3.000%			
			8/1/2020	175,000		3.000%			
			8/1/2021	175,000		3.000%			
			8/1/2022	200,000		3.000%			
			8/1/2023	200,000		4.000%			
			8/1/2024	200,000		4.000%			

VILLAGE OF RIDGEWOOD
WATER UTILITY CAPITAL FUND
STATEMENT OF WATER SERIAL BONDS
(Continued)

Purpose	Date of Issue	Original Issue	Maturities			Interest Rate	Balance Dec. 31, 2016	Balance Dec. 31, 2017
			Date of Maturity	Amount	December 31, 2017			
Water Bonds (Cont'd)	08/18/16	\$ 5,515,000	8/1/2025	\$ 200,000		4.000%		
			8/1/2026	350,000		3.000%		
			8/1/2027	350,000		3.000%		
			8/1/2028	350,000		2.000%		
			8/1/2029	350,000		2.000%		
			8/1/2030	350,000		2.000%		
			8/1/2031	350,000		2.125%		
			8/1/2032	350,000		2.125%		
			8/1/2033	350,000		2.250%		
			8/1/2034	350,000		2.250%		
			8/1/2035	350,000		2.375%		
			8/1/2036	340,000		2.375%		
							\$ 5,515,000	\$ 5,340,000
							\$ 19,279,000	\$ 17,964,000

VILLAGE OF RIDGEWOOD
WATER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2017

Ord. No.	Improvement Description	Ordinance	Date of			Interest Rate	Issued	Balance Dec. 31, 2017
			Issue of Original Note	Issue	Maturity			
3393	Various Water Improvements	10/19/2013	8/17/2017	8/17/2017	8/17/2018	2.25%	\$ 94,000	\$ 94,000
3414	Various Water Improvements	5/28/2014	8/17/2017	8/17/2017	8/17/2018	2.25%	400,000	400,000
3476	Various Water Improvements	5/13/2015	8/17/2017	8/17/2017	8/17/2018	2.25%	1,000,000	1,000,000
3518	Rehabilitation of Water Tanks	1/13/2016	8/17/2017	8/17/2017	8/17/2018	2.25%	1,300,000	1,300,000
3536	Various Water Improvements	6/8/2016	8/17/2017	8/17/2017	8/17/2018	2.25%	2,000,000	2,000,000
3594	Various Water Improvements	5/20/2017	8/17/2017	8/17/2017	8/17/2018	2.25%	2,000,000	2,000,000
							<u>\$ 6,794,000</u>	<u>\$ 6,794,000</u>
Issued for Cash							<u>\$ 6,794,000</u>	

VILLAGE OF RIDGEWOOD
PARKING UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2017

Ord. No.	Improvement Description	Ordinance	Date of		Maturity	Interest Rate	Issued	Balance Dec. 31, 2017
			Issue of Original Note	Issue				
3595	Preliminary Plans for Parking Garage	5/20/2017	8/17/2017	8/17/2018	8/17/2018	2.25%	\$ 200,000	\$ 200,000
							<u>\$ 200,000</u>	<u>\$ 200,000</u>
					Issued for Cash		<u>\$ 200,000</u>	

VILLAGE OF RIDGEWOOD
WATER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

2017 Authorizations

Ord. No.	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2016		Deferred Charges to Future Revenue	Capital Improvement Fund Balance	Paid or Charged	Prior Year Encumbrances Canceled Returned	Balance December 31, 2017	
				Funded	Unfunded					Funded	Unfunded
2697	Various Water Improvements	05/17/00	\$ 625,000	\$ 67,120				\$ 52,792	\$ 44,700	\$ 59,028	
2930	Various Improvements	03/09/05	965,000	4,692						4,692	
3123	Various Water Improvements	06/11/08	920,000	299						299	
3181	Various Water Improvements	05/13/09	1,570,000	64,990				55,007	8,065	18,048	
3271	Various Water Improvements	12/01/10	425,000	5,740						5,740	
3303	Acquisition of Various Equipment	08/10/11	869,789	2						2	
3307	Various Water Improvements	09/14/11	900,000	379,675				40,985		338,690	
3351	Divestiture of Real Property	06/26/12	81,000	5,000						5,000	
3353	Acquisition and Installation of Water Meters	10/03/12	815,000	1,613	\$ 250				1	1,614	\$ 250
3362	Various Water Improvements	12/05/12	1,900,000	223,828				29,318	19,311	213,821	
3393	Various Water Improvements	10/09/13	2,126,250	373,476				78,997	60,782	355,261	
3414	Various Water Improvements	05/28/14	2,126,500	411,055				31,407		379,648	
3476	Various Water Improvements	05/13/15	2,625,000	802,697				317,194	147,225	632,728	
3518	Rehabilitation of Water Tanks	01/13/16	1,312,500	481,418				284,325		197,093	
3536	Various Water Improvements	06/08/16	4,655,000	3,996,229				1,371,556		2,624,673	
3574	Water Distribution System Improvements	01/25/17	1,350,000			\$ 1,280,000	\$ 70,000	932,299		417,701	
3594	Various Water Improvements	05/20/17	5,745,500			5,745,500		2,574,594		3,170,906	
3606	Acquisition of Property	08/09/17	1,600,000				\$ 1,600,000	2,100		1,597,900	
				\$ 752,959	\$ 6,065,125	\$ 7,025,500	\$ 70,000	\$ 5,770,574	\$ 280,084	\$ 2,244,834	\$ 7,778,260

VILLAGE OF RIDGEWOOD
PARKING UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Date	Ordinance Amount	Balance December 31, 2016		2017 Authorizations			Prior Year Encumbrances Canceled Returned	Balance December 31, 2017	
				Funded	Unfunded	Deferred Charges to Future Revenue	Capital Improvement Fund	Paid or Charged		Funded	Unfunded
2977	Construction of Parking Garage	02/22/06	\$ 3,000,000	\$ 2,784	\$ 843,624			\$ 2,347	\$ 2,784	\$ 845,971	
3363	Various Parking Improvements	12/05/12	32,900								
3394	Various Parking Improvements	10/09/13	368,560		336,066			328		336,394	
3415	Improvements to the Parking Utility	05/28/14	127,200	13,845	100,000				13,845	100,000	
3443;		12/10/14;									
3480	Work at Hudson Street Lot	07/15/15	600,000		9,302					1,545	
3477	Purchase of a Pickup Truck and Plate Reader System	05/13/15	60,000	2,914						3,462	
3595	Preliminary Plans for Parking Garage	05/20/17	210,000								
				\$ 19,543	\$ 1,288,992	\$ 200,000	\$ 10,000		\$ 26,915	\$ 183,085	
				\$ 34,672	\$ 3,223	\$ 20,091	\$ 1,466,995				

VILLAGE OF RIDGEWOOD
WATER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ord. No.	Improvement Description	Ordinance Date	Balance Dec. 31, 2016	Fixed Capital Authorized	Balance Dec. 31, 2017
Various	Ordinances 2008 and Prior	Various	\$ 889,842		\$ 889,842
3181	Various Water Improvements	05/13/09	78,500		78,500
3211	Construction of Water Tank - Valley View Road	09/09/09	16,000		16,000
3247	Construction of an Additional Water Storage Tank	06/09/10	80,300		80,300
3271	Various Water Improvements	12/01/10	21,250		21,250
3303	Acquisition of Various Equipment	08/10/11	43,489		43,489
3307	Various Water Improvements	09/14/11	45,000		45,000
3351	Divestiture of Real Property	06/26/12	81,000		81,000
3353	Acquisition and Installation of Water Meters	10/03/12	40,750		40,750
3362	Various Water Improvements	12/05/12	95,000		95,000
3393	Various Water Improvements	06/03/13	107,250		107,250
3414	Various Water Improvements	05/19/14	126,500		126,500
3476	Various Water Improvements	05/13/15	132,000		132,000
3574	Water Distribution System Improvements	01/25/17		\$ 70,000	70,000
3606	Acquisition of Property	08/09/17		1,600,000	1,600,000
			<u>\$ 1,756,881</u>	<u>\$1,670,000</u>	<u>\$ 3,426,881</u>

VILLAGE OF RIDGEWOOD
PARKING UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ord. No.	Improvement Description	Ordinance Date	Balance Dec. 31, 2016	Fixed Capital Authorized	Balance Dec. 31, 2017
3363	Various Parking Improvements	12/05/12	\$ 32,900		\$ 32,900
3394	Various Parking Improvements	10/09/13	18,560		18,560
3415	Improvements to the Parking Utility	05/28/14	27,200		27,200
3443; 3480	Work at Hudson Street Lot	12/10/14; 07/15/15	5,000		5,000
3477	Purchase of a Pickup Truck and Plate Reader System	05/13/15	60,000		60,000
3595	Preliminary Plans for Parking Garage	05/20/17		\$ 10,000	10,000
			<u>\$ 143,660</u>	<u>\$ 10,000</u>	<u>\$ 153,660</u>

VILLAGE OF RIDGEWOOD
WATER UTILITY CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Bond Anticipation Notes Issued	Balance Dec. 31, 2017
3353	Acquisition and Installation of Water Meters	\$ 250			\$ 250
3393	Various Water Improvements	1,069,000		\$ 94,000	975,000
3414	Various Water Improvements	400,000		400,000	
3476	Various Water Improvements	1,293,000		1,000,000	293,000
3518	Rehabilitation of Water Tanks	1,312,500		1,300,000	12,500
3536	Various Water Improvements	2,055,000		2,000,000	55,000
3574	Water Distribution System Improvements		\$ 1,280,000		1,280,000
3594	Various Water Improvements		5,745,500	2,000,000	3,745,500
		<u>\$ 6,129,750</u>	<u>\$ 7,025,500</u>	<u>\$ 6,794,000</u>	<u>\$ 6,361,250</u>

VILLAGE OF RIDGEWOOD
PARKING UTILITY CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Bond Anticipation Notes Issued	Balance Dec. 31, 2017
2732	Various Parking Improvements	\$ 100,615			\$ 100,615
2977	Construction of Parking Garage	903,000			903,000
3394	Various Parking Improvements	350,000			350,000
3415	Improvements to the Parking Utility	100,000			100,000
3443; 3480	Work at Hudson Street Lot	595,000			595,000
3595	Preliminary Plans for Parking Garage		\$ 200,000	\$ 200,000	
		<u>\$ 2,048,615</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 2,048,615</u>

VILLAGE OF RIDGEWOOD
COUNTY OF BERGEN
2017
GENERAL FIXED ASSETS ACCOUNT GROUP

VILLAGE OF RIDGEWOOD
GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF GENERAL FIXED ASSETS

	December 31,	
<u>ASSETS</u>	2017	2016 (Restated)
Land	\$ 122,053,996	\$ 121,453,459
Buildings and Building Improvements	27,054,871	26,896,116
Machinery and Equipment	33,044,289	31,170,559
 TOTAL ASSETS	 \$ 182,153,156	 \$ 179,520,134
 <u>RESERVES</u>		
Reserve for Fixed Assets	\$ 182,153,156	\$ 179,520,134
 TOTAL RESERVES	 \$ 182,153,156	 \$ 179,520,134

VILLAGE OF RIDGEWOOD
GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS

	Balance Dec. 31, 2016 (Restated)	Additions	Deletions	Balance Dec. 31, 2017
Land	\$ 121,453,459	\$ 600,537		\$ 122,053,996
Buildings and Building Improvements	26,896,116	158,755		27,054,871
Machinery and Equipment	31,170,559	2,170,338	\$ 296,608	33,044,289
	<u>\$ 179,520,134</u>	<u>\$ 2,929,630</u>	<u>\$ 296,608</u>	<u>\$ 182,153,156</u>

STATISTICAL SECTION
(Unaudited)

Table 1

VILLAGE OF RIDGEWOOD
GOVERNMENTAL FUND EXPENDITURES BY FUNCTION
LAST TEN YEARS
UNAUDITED

	Year Ended December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
EXPENDITURES										
Current Fund:										
General Government	\$ 10,305,502	\$ 12,148,449	\$ 12,249,099	\$ 8,844,371	\$ 11,196,821	\$ 12,100,085	\$ 16,118,679	\$ 15,921,383	\$ 16,833,364	\$ 16,681,490
Public Safety	10,653,554	10,808,784	11,192,509	12,299,248	12,021,395	14,060,830	12,331,802	12,357,087	12,510,152	12,202,679
Public Works	6,592,886	6,956,021	6,597,661	8,932,161	7,070,255	6,483,918	4,973,544	4,621,257	4,425,689	4,567,440
Health and Welfare	407,742	376,951	320,727	293,428	315,540	297,472	307,109	300,168	283,424	295,745
Recreation and Education	1,592,761	644,385	1,593,217	3,753,787	3,697,491	1,404,160	1,484,690	1,377,018	1,458,447	1,624,150
Deferred Charges and Statutory Expenditures	3,761,581	3,937,607	4,633,942	5,648,561	5,738,548	5,211,798	4,689,148	4,547,758	4,576,710	4,860,362
State and Federal Grants	222,092	234,144	653,105	264,027	304,443	175,647				
Capital Improvements	1,229,139	1,073,425	178,471	12,200	10,000	140,000	140,000	157,000	157,000	157,000
Debt Service	3,854,959	3,624,142	3,637,914	4,214,379	4,042,378	3,842,955	4,523,143	4,920,185	4,843,607	5,379,937
Reserve for Uncollected Taxes	1,150,073	1,254,458	1,314,907	1,441,486	1,624,288	1,624,422	1,375,649	1,375,649	1,375,649	1,228,956
Current Fund Budget Totals	\$ 39,770,289	\$ 41,058,566	\$ 42,371,552	\$ 45,703,648	\$ 46,021,159	\$ 45,341,267	\$ 45,943,764	\$ 45,577,505	\$ 46,464,042	\$ 46,997,759
Water Utility Operating Fund:										
Operating	8,212,208	8,394,901	7,916,770	7,969,465	7,672,602	7,334,720	7,952,013	8,090,142	9,428,454	9,162,054
Debt Service	2,678,998	2,546,249	2,597,639	2,859,533	2,510,443	2,105,676	2,608,252	1,992,495	3,290,088	1,995,291
Deferred Charges and Statutory Expenditures	608,004	511,120	1,935,255	1,283,468	540,922	609,543	542,484	560,000	727,762	639,911
Capital Improvements	13,339	133,269	143,500	167,000	290,000	589,621	599,500	516,171	1,820,900	1,829,782
Budgeted Fund Balance				167,000	546,320	578,457	593,613	590,496	783,101	806,118
Water Utility Operating Fund Budget Totals	\$ 11,512,549	\$ 11,585,539	\$ 12,593,164	\$ 12,279,466	\$ 11,560,287	\$ 11,218,017	\$ 12,295,862	\$ 11,749,304	\$ 16,050,305	\$ 14,433,156
Parking Utility Operating Fund:										
Operating	676,627	688,962	693,193	739,521	742,850	736,433	738,700	924,129	1,080,529	1,108,033
Debt Service	108,438	118,863	67,353	45,425	40,144	83,722	46,912	53,106	187,715	1,675
Deferred Charges and Statutory Expenditures	133,977	157,842	351,813	117,427	75,773	71,714	77,079	73,153	74,543	81,200
Capital Improvements	50,000	35,000	1,000	1,000	1,000	1,000	1,000	1,000	10,000	25,000
Budgeted Fund Balance				1,000	1,000	1,000	135,000	250,000	450,000	450,000
Parking Utility Operating Fund Budget Totals	\$ 969,042	\$ 1,000,667	\$ 1,113,359	\$ 903,373	\$ 859,767	\$ 892,869	\$ 998,691	\$ 1,301,388	\$ 1,802,787	\$ 1,665,908
TOTAL EXPENDITURES	\$ 52,251,880	\$ 53,644,572	\$ 56,078,075	\$ 58,886,487	\$ 58,441,213	\$ 57,452,153	\$ 59,238,317	\$ 58,628,197	\$ 64,317,134	\$ 63,096,823

Source: Village records.

Table 2

VILLAGE OF RIDGEWOOD
GOVERNMENTAL FUND REVENUE BY SOURCE
LAST TEN YEARS
UNAUDITED

REVENUE	Year Ended December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Current Fund:										
Receipts from Current Taxes	\$ 27,919,510	\$ 29,001,858	\$ 30,186,507	\$ 32,133,074	\$ 33,725,755	\$ 33,915,863	\$ 33,819,725	\$ 34,528,254	\$ 34,843,420	\$ 35,683,513
Receipts from Delinquent Taxes	657,052	875,195	890,118	963,219	941,295	749,734	886,736	700,599	688,515	770,381
Fees, Permits, Fines, and Licenses	1,752,705	1,799,943	2,784,101	3,684,779	3,857,044	4,566,324	7,933,409	7,997,827	8,015,988	8,511,764
State Aid	550,711	376,997	171,936	135,502	71,473	71,473	71,473	96,058	155,684	70,548
State and Federal Grants	222,092	530,944	520,951	260,988	301,404	382,727	75,179	1,867,322	1,867,322	1,867,322
Energy Receipts Tax	1,990,278	2,062,353	1,695,386	1,731,820	1,795,849	1,795,849	1,795,849	3,032,000	3,300,000	3,630,000
Fund Balance Anticipated	3,371,000	3,100,000	2,606,710	2,670,000	2,567,129	2,950,000	2,982,000	298,714	345,806	230,675
Miscellaneous Revenue	3,581,173	4,593,976	3,662,502	3,299,578	2,960,553	2,159,293	80,036			
Current Fund Budget Totals	40,044,521	42,341,266	42,518,211	44,878,960	46,220,502	46,591,263	47,644,407	48,520,774	49,216,735	50,764,203
Water Utility Operating Fund:										
Fund Balance Anticipated	668,268	1,543,275	175,000	175,000	10,925,000	300,000	594,000	645,420	2,173,167	3,546,764
Water Rents	9,858,364	8,984,425	8,984,000	10,961,634	173,402	12,018,520	13,921,652	13,687,362	14,168,323	12,982,746
Fire Hydrant Service	130,340	81,690	81,000	133,219	173,402	147,274	131,312	212,831	182,682	182,262
Miscellaneous Revenue	335,251	204,873	183,202	239,405	156,456	288,510	148,597	377,139	647,729	785,826
Increase in Water Rents		1,977,634	1,977,634	56,324	961,573					
Increase in Hydrant Rents		66,321	66,321							
Reserves			300,000	250,000					1,310,000	
Water Capital Fund Balance			300,000	80,000						
Water Utility Operating Fund Budget Totals	10,992,223	10,814,263	11,592,157	11,895,582	12,216,431	12,754,304	14,795,561	14,922,752	18,481,901	17,497,598
Parking Utility Operating Fund:										
Fund Balance Anticipated	72,836	32,724			646,678	1,052,661	1,161,239	153,684	504,000	500,000
Parking Meter Fees	784,626	767,074	712,655	705,265	1,083	1,052,661	1,161,239	1,305,869	1,323,062	1,324,842
Interest on Investments	19,799	3,062	2,270	543	1,083	1,584	2,136	3,830	2,305	4,003
Miscellaneous Revenue							81,310	768,128	3,071	5,980
Parking Capital Fund Balance	13,500	19,980	42,000	189,173	154,267					
Operating Deficit - General Budget	100,671		308,359							
Parking Utility Operating Fund Budget Totals	991,432	822,840	1,065,284	894,981	802,028	1,054,245	1,244,685	2,231,511	1,832,438	1,834,825
TOTAL REVENUE	\$ 52,028,176	\$ 53,978,369	\$ 55,175,652	\$ 57,669,523	\$ 59,238,961	\$ 60,399,812	\$ 63,684,653	\$ 65,673,037	\$ 69,531,074	\$ 70,096,626

Source: Village records.

Table 3

VILLAGE OF RIDGEWOOD
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
UNAUDITED

Year	Total Tax Levy	Percent of			Ratio of			Ratio of Delinquent Taxes to Total Tax Levy
		Current Tax Collections	Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	
2008	\$ 116,134,231	\$ 115,026,839	99.04%	\$ 868,237	\$ 115,895,076	99.79%	\$ 937,193	0.81%
2009	120,478,825	119,378,365	99.08%	898,284	120,276,649	99.83%	967,129	0.80%
2010	126,434,009	125,038,024	98.89%	951,962	125,989,986	99.65%	1,032,816	0.82%
2011	130,488,772	128,895,911	98.77%	941,670	129,837,581	99.50%	1,034,651	0.79%
2012	133,839,843	132,459,568	98.96%	749,735	133,209,303	99.53%	855,887	0.64%
2013	135,038,077	133,056,899	98.53%	749,735	133,806,634	99.09%	905,951	0.67%
2014	137,031,046	136,226,560	99.41%	886,736	137,113,296	100.06%	706,469	0.52%
2015	140,449,848	139,674,690	99.44%	700,599	140,375,289	99.95%	688,738	0.49%
2016	143,389,420	142,514,103	99.38%	688,515	143,202,618	99.87%	760,640	0.53%
2017	147,534,947	146,757,650	99.47%	769,636	147,527,286	99.99%	628,030	0.43%

Source: Tax Collector.

Table 4

VILLAGE OF RIDGEWOOD
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS
UNAUDITED

<u>Year</u>	<u>Bergen County</u>	<u>County Open Space</u>	<u>Ridgewood School District</u>	<u>Ridgewood Village</u>	<u>Municipal Open Space</u>	<u>Total</u>
2008 *	\$ 0.178	\$ 0.010	\$ 1.117	\$ 0.410	\$ 0.005	\$ 1.720
2009	0.185	0.110	1.165	0.426	0.005	1.891
2010	0.196	0.003	1.237	0.454	0.005	1.895
2011	0.199	0.003	1.268	0.481	0.005	1.956
2012	0.207	0.003	1.304	0.500	0.005	2.019
2013	0.236	0.003	1.535	0.578	0.004	2.356
2014	0.243	0.003	1.560	0.574	0.005	2.385
2015	0.257	0.003	1.587	0.581	0.005	2.433
2016	0.269	0.003	1.612	0.587	0.005	2.476
2017	0.270	0.011	1.654	0.598	0.005	2.538

* - Revaluation year

Source: Tax Collector.

Table 5

VILLAGE OF RIDGEWOOD
ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY
LAST TEN YEARS
UNAUDITED

<u>Year</u>	<u>Net Assessed Valuation Taxable</u>	<u>Estimated Full Cash Valuations</u>	<u>Percent of Net Assessed to Estimated Full Cash Valuations</u>
2008 *	\$ 6,733,457,668	\$6,848,892,924	98.31%
2009	6,711,348,505	6,827,113,070	98.30%
2010	6,686,008,403	6,707,210,394	99.68%
2011	6,660,772,666	6,476,883,013	102.84%
2012	6,610,269,000	6,342,573,286	104.22%
2013	5,723,651,600	5,968,091,065	95.90%
2014	5,733,152,900	6,022,176,495	95.20%
2015	5,750,039,200	6,224,840,527	92.37%
2016	5,774,358,900	6,404,608,448	90.16%
2017	5,788,068,500	6,616,447,759	87.48%

* - Revaluation year

Source: Bergen County apportionment of taxes

Table 6

VILLAGE OF RIDGEWOOD
TEN LARGEST TAXPAYERS
FOR THE YEAR ENDED DECEMBER 31, 2017
UNAUDITED

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2017 Assessed Valuation</u>	<u>Percentage of Net Assessed Valuation</u>
1200 E Ridgewood Ave, LLC % Cushman/Wake	Offices	\$ 23,000,000	0.40%
Society of the Valley Hospital, Inc.	Offices	11,706,600	0.20%
Milridge Realty, LLC	Retail	10,800,000	0.19%
SL Oak Manor, LLC	Apartments	9,705,700	0.17%
Ridgewood Mayflower Realty	Apartments	8,700,600	0.15%
Franklin-Maple LLC % P Hirschmann	Apartments	8,232,900	0.14%
Cameron Apartments	Apartments	8,167,200	0.14%
Lucerne-Ridgewood, LLC	Retail	8,080,000	0.14%
Pondview Medical Center of Ridgewood	Offices	8,063,800	0.14%
257 Ridgewood Avenue, LLC	Retail/Offices	8,000,000	0.14%
Total		<u>\$ 104,456,800</u>	<u>1.81%</u>

Source: Tax Assessor

Table 7

VILLAGE OF RIDGEWOOD
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2017
UNAUDITED

<u>Year Ended</u> <u>December 31,</u>	<u>Equalized</u> <u>Valuation Basis</u>
2017	\$ 6,616,447,759
2016	6,434,543,013
2015	<u>6,366,296,723</u>
	<u>\$19,417,287,495</u>
Average equalized valuation of taxable property	<u>\$ 6,472,429,165</u>
Village borrowing margin (3.5% of \$6,472,429,165)	\$ 226,535,021
Net debt as of December 31, 2017	<u>49,956,006</u>
Village borrowing margin available	<u>\$ 176,579,015</u>

Source: Equalized valuation bases were provided by the Annual report of the State of New Jersey, Department of Treasury, Division of Taxation for 2017, 2016, and 2015.

Table 8

VILLAGE OF RIDGEWOOD
RATIO OF NET GENERAL OBLIGATION DEBT
TO ASSESSED VALUE AND NET GENERAL OBLIGATION DEBT PER CAPITA
LAST TEN YEARS
UNAUDITED

<u>Year</u>	<u>Population (1)</u>	<u>Assessed Value</u>	<u>Net General Obligation Debt</u>	<u>Ratio of Debt to Assessed Value</u>	<u>Net General Obligation Debt Per Capita</u>
2008 **	24,102	\$ 6,733,457,668	\$ 53,816,823	0.80%	\$ 2,233
2009	24,181	6,711,348,505	54,048,734	0.81%	2,235
2010	24,992	6,686,008,403	58,316,022	0.87%	2,333
2011	25,146	6,660,772,666	45,196,741	0.68%	1,797
2012	25,243	6,610,269,000	48,249,143	0.73%	1,911
2013	25,352	5,723,651,600	48,400,491	0.85%	1,909
2014	25,422	5,733,152,900	45,375,176	0.79%	1,785
2015	25,546	5,750,039,200	45,109,642	0.78%	1,766
2016	25,533	5,774,358,900	46,720,262	0.81%	1,830
2017	25,533 *	5,788,068,500	49,956,006	0.86%	1,957

(1) Information provided by U.S. Bureau of the Census, Population Division.

* 2017 numbers not available, used 2016 as an estimate.

** Revaluation Year.

Source: Village Records

Table 9

VILLAGE OF RIDGEWOOD
RATIO OF DEBT SERVICE FOR BONDED DEBT
(INCLUDING BOND ANTICIPATION NOTES) TO GOVERNMENTAL EXPENDITURES
LAST TEN YEARS
UNAUDITED

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures</u>	<u>Ratio of Debt Service to General Governmental Expenditures</u>
2008	\$ 2,152,125	\$ 1,702,834	\$ 3,854,959	\$ 39,770,289	9.69%
2009	2,254,885	1,369,257	3,624,142	41,058,366	8.83%
2010	2,317,196	1,320,718	3,637,914	42,371,552	8.59%
2011	2,988,561	1,225,818	4,214,379	45,703,648	9.22%
2012	2,885,323	1,157,055	4,042,378	46,021,159	8.78%
2013	2,630,349	1,212,586	3,842,935	45,341,267	8.48%
2014	3,284,198	1,238,945	4,523,143	45,943,764	9.84%
2015	3,745,228	1,174,957	4,920,185	45,577,505	10.80%
2016	3,723,937	1,119,670	4,843,607	46,464,042	10.42%
2017	4,107,764	1,272,173	5,379,937	46,997,759	11.45%

Source: Village of Ridgewood Records

Table 10

VILLAGE OF RIDGEWOOD
DEMOGRAPHIC STATISTICS
LAST TEN YEARS
UNAUDITED

<u>Year</u>	<u>Unemployment Rate (1) (2)</u>	<u>Per Capita Income (3) (4)</u>	<u>Population (5) (2)</u>
2008	3.00%	\$ 68,124	24,102
2009	5.50%	65,097	24,181
2010	5.70%	66,073	24,992
2011	5.60%	69,021	25,146
2012	5.90%	71,929	25,243
2013	5.30%	71,388	25,352
2014	4.00%	73,424	25,422
2015	3.50%	75,849	25,546
2016	3.20%	75,849	25,533
2017	3.20%	75,849	25,533

(1) Information provided by N.J. Department of Labor

(2) Information not available for 2017, used 2016 as an estimate

(3) Indicates County information from the U.S. Department of Commerce

(4) Information not available for 2017 or 2016, used 2015 as an estimate

(5) Information provided by U.S. Bureau of Census, Population Division

Source: Village of Ridgewood Records

Table 11

VILLAGE OF RIDGEWOOD
MISCELLANEOUS STATISTICS
DECEMBER 31, 2017
UNAUDITED

Date of Incorporation	1894
Form of Government	Council-Manager Plan B
Miles of Streets	
Paved	97
Unpaved	- 0 -
Sewers - Storm or Sanitary - Miles	134
Water - Wells	
Active	39
Inactive	13
Treatment Facilities	25
Customer Meters	20,414
Parking Lots	
Municipal - Metered	7
Attended Lots	- 0 -
Number of Meters (includes Street Meters)	1,126

<u>Parks</u>	<u>Area</u>	<u>Facilities</u>
Leuning Park	1.63 acres	Passive Park
Gypsy Pond	2.41 acres	Undeveloped Landscape
Kings Pond Park	27.36 acres	Undeveloped Landscape
North Monroe Tennis Courts	2.00 acres	2 Tennis Courts
Bellair Tennis Courts	1.79 acres	3 Tennis Courts
Glen Ave Tennis Courts	.28 acres	2 Tennis Courts
Somerville Tennis Courts	.66 acres	3 Tennis Courts
Graydon Park	7.64 acres	Swimming & Skating
		Roller Hockey Rink, Skate Park
		Basketball Courts
		Picnic Tables & BBQ Grills, Pavilion
Twinney Pond	3.47 acres	Strolling Path, Pond (ice skating)
Van Neste Park	1.67 acres	Strolling Path, Gardens, Monuments
Citizens Park	5.00 acres	Softball Diamond, Multi-Purpose Field
Maple Park	12.12 acres	Recreation Office, 2 Softball Diamonds, Multi-Purpose Field
Pleasant Park	17.84 acres	2 Baseball Diamonds, 1 Basketball Court
Veterans Field	13.84 acres	Nature Trails, Soccer/Lacrosse Field
		Band Shell, 4 Baseball Diamonds, 1/2 mile jogging track
		1 Diamond, Multi-Purpose Field
Habernickel Family Park	9.92 acres	Open Space - 1 multi-purpose field, Baseball Diamond, Meadow Pond
Grove Street Park	32.18 acres	Wildscape Area
Dunham Trail	1.75 acres	Undeveloped Landscape
Ho-Ho-Kus Brook, North	3.37 acres	Undeveloped Landscape
Ho-Ho-Kus Brook, South	12.94 acres	Undeveloped Landscape
North Road Park	2.26 acres	Undeveloped Landscape
Schedler Property	6.72 acres	Undeveloped Landscape

Source - Various Village offices and servicing entities

SINGLE AUDIT SECTION

VILLAGE OF RIDGEWOOD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

Federal Funding Department	Program	CFDA #	State Program Account #	Grant Award	Grant Receipts	Grant Period		Expenditures	MEMO	
						From	To		Cumulative Total Expenditures	Amounts Provided to Subrecipients
US Department of Transportation: Passed through NJ Department of Law and Public Safety	Drive Sober or Get Pulled Over	20.616	066-1160-100-157-031020	\$ 4,468	\$ 4,468	01/01/17	12/31/18			
	Distracted Driving Crackdown	20.616	066-1160-100-158-031030	5,500	5,500	01/01/17	12/31/18			
	Total US Department of Transportation				9,968					
US Department of Homeland Security:	Operations and Firefighter Safety Program - Assistance to Firefighters Grants	97.044	N/A	37,791	32,753	01/01/15	12/31/18	\$ 5,155	\$ 35,074	\$ 35,074
	Disaster Grants - Public Assistance - F.E.M.A. - January 22, 2016 Storm	97.036	N/A	4,295	4,295	01/22/16	12/31/16	4,295 *	4,295	4,295
	Total US Department of Homeland Security				37,048			9,450	39,369	
US Department of Agriculture: Passed through NJ Department of Environmental Protection	Cooperative Forestry Assistance: Consolidated Forest Management	10.664	100-042-4870-038-110230	3,000	3,000	01/01/13	12/31/16	3,000 *		
	Total US Department of Agriculture				3,000			3,000	- 0 -	
US Department of Housing & Urban Development: Passed through Bergen County Office of Community Development	Community Development Block Grant: Lester Stable ADA Ramp Graydon Pool Parking Lot ADA Ramp	14.218 14.218	N/A N/A	50,000 35,000	50,000 35,000	01/01/15 01/01/14	12/31/16 12/31/16	50,000 35,000	50,000 35,000	
	Disaster Recovery Grants: Hurricane Sandy	14.269	100-022-8022-004-CDBG-DR	145,038	145,038	10/30/12	12/31/12	145,038 *	145,038	
	Total US Department of Housing & Urban Development				230,038			230,038	230,038	
	TOTAL FEDERAL AWARDS			\$ 274,554	\$ 274,554			\$ 242,488	\$ 269,407	\$ -0-

* - Expended in Prior Year(s)
N/A - Not Available/Applicable.

VILLAGE OF RIDGEWOOD
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

State Funding Department	State Program	State Grant Account #	Grant Award	Grant Receipts	Grant Period		Expenditures	MEMO Cumulative Total Expenditures
					From	To		
Department of Law & Public Safety	Drunk Driving Enforcement Fund	100-078-6400-260-YYYY	\$ 7,475		01/01/15	12/31/17	\$ 5,740	\$ 7,475
			423		01/01/16	12/31/17	423	423
			18,601		01/01/17	12/31/18	6,163	7,898
	Body Armor Replacement Fund	718-066-1020-001-6120	4,115		01/01/17	12/31/18	- 0 -	- 0 -
	Total Department of Law and Public Safety						6,163	7,898
Department of Environmental Protection	Clean Communities Program	765-042-4900-004-6020	41,759		01/01/13	12/31/16	6,759	41,759
			54,420		01/01/16	12/31/17	54,420	54,420
			46,233		01/01/17	12/31/18		
	Total Department of Environmental Protection						61,179	96,179
Department of Health & Senior Services	Alcohol Education, Rehabilitation and Enforcement Fund (Trust)	760-046-4240-001-040000	215		01/01/07	12/31/17	215	215
			955		01/01/11	12/31/17	955	955
			2,111		01/01/13	12/31/17	368	2,111
			1,300		01/01/14	12/31/17	1,300	1,300
			1,768		01/01/15	12/31/17	1,084	1,084
	Total Department of Health and Senior Services						3,922	5,665
Department of Treasury: Passed through the County of Bergen	Governor's Council on Alcoholism & Drug Abuse - Municipal Alliance Program	100-082-2000-044-995120	11,677		07/01/16	06/30/17	7,454	11,677
			11,677		01/01/17	12/31/18	2,827	2,827
							10,281	14,504
	Total Department of Treasury						10,281	14,504

VILLAGE OF RIDGEWOOD
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

(Continued)

State Funding Department	State Program	State Grant Account #	Grant Award	Grant Receipts	Grant Period		MEMO	
					From	To	Expenditures	Total Expenditures
Department of Transportation	NJ Transportation Trust Fund Authority Act - Municipal Aid: Morningside Road	480-078-6320-	\$ 149,000	\$ 111,750	01/01/16	12/31/16	\$ -	\$ 149,000
		156-601385		111,750			\$ - 0 -	149,000
Total Department of Transportation				111,750			\$ - 0 -	149,000
TOTAL STATE AWARDS			\$ 189,548				\$ 81,545	\$ 273,246

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

VILLAGE OF RIDGEWOOD
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2017

A. BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards (the "Schedules") include the federal and state grant activity of the Village of Ridgewood under programs of the federal and state governments for the year ended December 31, 2017. The information in these schedules is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Village of Ridgewood, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Village of Ridgewood.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying Schedules of Expenditures of Federal and State Awards are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through identifying numbers are presented where available. The Village has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

C. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

D. STATE LOANS OUTSTANDING

The Village has the following loans outstanding as of December 31, 2017:

NJEIT Loan #1	\$ 4,040,057
NJEIT Loan #2	<u>1,038,407</u>
	<u>\$ 5,078,464</u>

The Village is in the process of repaying these NJ Environmental Infrastructure Trust (NJEIT) loans. There were no loan receipts or expenditures in the current year and the General Capital projects related to these loans are complete.



Mount Arlington Corporate Center
 200 Valley Road, Suite 300
 Mt. Arlington, NJ 07856
 973-328-1825 | 973-328-0507 Fax

Lawrence Business Park
 11 Lawrence Road
 Newton, NJ 07860
 973-383-6699 | 973-383-6555 Fax

Report on Internal Control Over Financial Reporting and
 Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements
 Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

The Honorable Mayor and Members
 of the Village Council
 Village of Ridgewood
 Ridgewood, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements - *regulatory basis* - of the various funds of the Village of Ridgewood, in the County of Bergen (the "Village") as of, and for the years ended, December 31, 2017, and the related notes to the financial statements and have issued our report thereon dated August 24, 2018. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 Village'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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal controls, described in the accompanying Schedule of Findings and Responses as Finding 2017-01 that we consider to be a significant deficiency.

The Honorable Mayor and Members
of the Village Council
Village of Ridgewood
Page 2

Compliance and Other Matters

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

The Village's Response to the Finding


The Village's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. The Village's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 Village'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 Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mount Arlington, New Jersey
August 24, 2018


NISIVOCCIA LLP


Francis J. Jones
Certified Public Accountant
Registered Municipal Accountant No. 442

VILLAGE OF RIDGEWOOD
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2017

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the Village's financial statements, prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey.
- A significant deficiency was disclosed during the audit of the financial statements as reported in the *Independent Auditors' 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*. No material weaknesses are reported.
- No instances of noncompliance material to the financial statements of the Village which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Village was not subject to the single audit provisions of the Uniform Guidance and New Jersey's OMB Circular 15-08 for the year ended December 31, 2017 as both state and federal grant expenditures were less than the single audit thresholds of \$750,000 identified in the Uniform Guidance and NJOMB 15-08.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit disclosed the following significant deficiency required to be reported under Generally Accepted Government Auditing Standards:

Finding 2017-01

Segregation of Duties

Criteria

Concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

Condition

The Village does not maintain an adequate segregation of duties with respect to the recording and treasury functions.

The various departments/offices of the Village are responsible for the issuance of permits and licenses; collection of taxes, and permit and license fees; and recording of these collections. Accordingly, management and the Village Council should be aware of this situation and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

VILLAGE OF RIDGEWOOD
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2017

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards (Cont'd)

Finding 2017-01 (Cont'd)

Cause

This is due, in part, to the limited number of personnel of the Village and the decentralized nature of governmental collection procedures.

Effect or Potential Effect

Segregation of duties refers to separating those functions that place too much control over a transaction or class of transactions that would enable a person to perpetuate errors and prevent detection within a reasonable period of time.

Management's Response

The Village has undertaken a program to review and evaluate internal controls of the various departments on a planned schedule. Three of the departments have already been reviewed and changes to improve internal controls have been implemented.

Management continues to strengthen internal controls in various outside departments. Spatial Data Logic, a software program designed to enhance government operations, has been implemented in the Building and Health Departments. This program strengthens the record-keeping function by providing the users with more accurate and timely financial information which is used to reconcile monthly reporting with the Finance Department. Management continues to engage its external auditors to conduct detailed internal process control reviews in various departments to identify any areas of internal control weaknesses and recommendations for improvements.

Findings and Questioned Costs for Federal Awards:

- Not applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- Not applicable since state expenditures were below the single audit threshold.

VILLAGE OF RIDGEWOOD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017

The Village's prior year finding regarding segregation of duties was not fully resolved in 2017 due to time constraints and is included on the Schedule of Findings and Responses for the year ended December 31, 2017.

**COMMENTS AND RECOMMENDATIONS
SECTION**

VILLAGE OF RIDGEWOOD
COMMENTS AND RECOMMENDATIONS

Contracts and Agreements Required to be Advertised for N.J.S. 40A:11-4

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

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1071, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

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

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L.1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L.1971, c.198 (C.40A11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S. 40A: 11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

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

In 2016, the Village appointed a qualified purchasing agent and approved raising the bid threshold to \$40,000.

VILLAGE OF RIDGEWOOD
COMMENTS AND RECOMMENDATIONS
(Continued)

Contracts and Agreements Required to be Advertised for N.J.S. 40A:11-4 (Cont'd)

The governing body of the Village of Ridgewood has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the year and where question arises as to whether any contract or agreement might result in violation of the statute, the Village Attorney's opinion should be sought before a commitment is made.

The minutes indicated that bids were requested by public advertising per N.J.S. 40A:11-4. The minutes also indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" or "Extraordinary Unspecifiable Services" in accordance with N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

Collection of Interest on Delinquent Taxes, Sewer Fees, Assessments and Water Rents

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent. In 2017, the governing body adopted resolutions authorizing interest to be charged on delinquent taxes, sewer fees, assessments and water rents including the following:

BE IT RESOLVED by the Mayor and Council of the Village of Ridgewood, County of Bergen, and State of New Jersey, that the rate of interest on unpaid taxes, sewer fees, assessments and water rents shall be eight percent (8%) per annum on the first One Thousand Five Hundred (\$1,500) Dollars of delinquency and 18 percent (18%) per annum on any amount of delinquency in excess of One Thousand Five Hundred (\$1,500) Dollars to be calculated from the date payable until the date of actual payment, provided that no interest shall be charged if payment is made within ten (10) days of the due date for taxes and assessments and within thirty (30) days following the billing date for sewer fees and water rents; and

BE IT FURTHER RESOLVED, that in addition to the interest provided above, on all delinquencies of taxes, sewer fees, assessments and water rents in excess of Ten Thousand (\$10,000) Dollars and which are not paid prior to the end of the year; the Tax Collector shall also collect a penalty of six percent (6%) of the amount of the delinquency in addition to the interest herein above provided.

It appears from a test examination of the Collector's records that interest was generally collected in accordance with the foregoing resolution, with the exception of water and sewer fees.

Interest collected on delinquent water fees paid subsequent to a month's end is only being calculated through the end of the previous month. Interest collected on delinquent sewer fees paid subsequent to the due date is being calculated through the end of the following month. As the total difference in the interest calculations was approximately \$500 and the Village is working with the vendor, Computil, to modify the calculation of interest, a formal recommendation is judged to be unnecessary at this time.

VILLAGE OF RIDGEWOOD
COMMENTS AND RECOMMENDATIONS
(Continued)

Delinquent Taxes and Tax Title Liens

A tax sale was held during the year ended December 31, 2017. All eligible properties were included in the sale.

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>
2017	1
2016	1
2015	7

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>
Payments of 2017 Taxes	20
Payments of 2018 Taxes	20
Delinquent Taxes	15
Payments of Water Utility Charges	10
Delinquent Water Utility Charges	10

Verification notices were mailed to confirm balances as of December 31, 2017. The items that were returned were checked and in agreement with the Village's records. For items not returned, alternative procedures were performed, as appropriate.

New Jersey Administrative Code Accounting Requirements

The Division of Local Government Services has established three (3) accounting requirements which are prescribed in the New Jersey Administrative Code. They are as follows:

1. Maintenance of an encumbrance accounting system.
2. Fixed asset accounting and reporting system.
3. General ledger accounting and recording system.

The Village is in compliance with the New Jersey Administrative Code accounting requirements at December 31, 2017.

VILLAGE OF RIDGEWOOD
COMMENTS AND RECOMMENDATIONS
(Continued)

Municipal Court

The transactions for the year 2017 were as follows:

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2017

	Balance Dec. 31, 2016	Receipts	Disbursements	Balance Dec. 31, 2017
State of New Jersey	\$ 21,964	\$ 345,344	\$ 339,300	\$ 28,008
County	4,225	109,018	105,466	7,777
Municipality:				
Fines and Fees	52,851	611,736	608,195	56,392
Interest:				
Regular Account	15	648	571	92
Bail Account		31	29	2
Parking Offense Adjudication Act	656	7,562	7,532	686
Public Defender		250	250	
Fire Fees	110	2,665	2,775	
Restitution		1,192	1,192	
Weights and Measures		5,650	5,650	
Cash Bail	2,650	30,084	31,374	1,360
	<u>\$ 82,471</u>	<u>\$ 1,114,180</u>	<u>\$ 1,102,334</u>	<u>\$ 94,317</u>

Current Fund

The prepaid tax and tax overpayment balances on the Current Fund balance sheet did not reflect tax appeals and overpayments applied to 2018 taxes and current year overpayments refunded, respectively.

It is recommended that, in the future, greater care be exercised to ensure activity in the tax collector's accounts with regard to prepaid tax and tax overpayment balances is properly reflected on the Current Fund balance sheet.

Management's Response:

Greater care will be exercised to ensure activity in the tax collector's accounts with regard to prepaid tax and tax overpayment balances is properly reflected on the Current Fund balance sheet.

Grants Receivable and Appropriated Grant Reserves

During our review of the Federal and State Grant and General Capital Funds we noted the following:

The Federal and State Grant Fund Schedules of Grants Receivable and Appropriated Reserves include a few grants receivable and appropriated reserve balances from prior years and the General Capital Fund balance sheet includes grants receivable from prior years related to ordinances which have not been collected.

It is suggested that the Village continue to review grants receivable and appropriated reserve balances from prior years for continued recognition and appropriate action be taken, if necessary. As the Village implemented a formal process to review grants and grant activity, a formal recommendation is judged to be unnecessary at this time.

VILLAGE OF RIDGEWOOD
COMMENTS AND RECOMMENDATIONS
(Continued)

Animal Control Fund

During our review of the Animal Control Fund, we noted that the monthly reports submitted to the State Treasurer for dog license fees collected were not reconciled to the monthly collections for dog license fees and the dog tags remaining on hand. In addition, we noted a few months where turnover to the State Treasurer was not made in a timely manner. As there was improvement since the prior year and all balances were remitted to State Treasurer by year end, a formal recommendation is judged to be unnecessary at this time.

We also noted that cash receipts were not always turned over to the Finance Department for deposit within 48 hours of receipt.

It is recommended that Animal Control Fund cash receipts be turned over to the Finance Department for deposit within 48 hours of receipt.

Management's Response

Animal Control cash receipts will be turned over to the Finance Department for deposit within 48 hours of receipt. A review of the current processing procedures will be performed to assess improvements needed to facilitate compliance.

The balance sheet of the Animal Control Fund includes an interfund payable to the Current Fund for animal control statutory excess. It is suggested that the Village consider the possibility of allocating additional eligible expenses to the Animal Control Fund as there have been substantial statutory excess balances in recent years.

Capital Funds

There are ordinances in the General Capital and Parking Utility Capital Funds over five years old with deficit cash balances as of December 31, 2017, including some where the projects appear to be complete and payments made from cash not provided by the particular ordinances with unfinanced costs. This situation arises when expenditures are made from an ordinance without the related debt being issued. In addition, various older ordinances in the General Capital and Utility Capital Funds appear to be complete and have unexpended balances.

It is recommended that future budgets include additional funding for ordinances over five years old with deficit cash balances or the authorized debt be issued to finance the cash deficits and that all older unexpended ordinance balances continue to be reviewed for possible cancellation.

Management's Response

Annually, the Village reviews unexpended ordinance balances and cancels such where appropriate. Deficits will be funded through the next note or bond sale.

An interest payment on the balance of the 2007 General Capital Fund bonds which were not refunded was charged to the Water Utility Operating Budget instead of the Current Fund Budget. Also, General Capital Fund interest on loans was charged to interest on bonds in the Current Fund Budget. In addition, the Water Utility Operating Fund calculation of accrued interest on Water Utility Capital Fund bonds was in excess of what should have been accrued.

It is recommended that, in the future, greater care be exercised with regard to the recording of debt activity in the General Capital and Water Utility Capital Funds and the Water Utility Operating Fund calculation of accrued interest on Water Utility Capital Fund bonds.

VILLAGE OF RIDGEWOOD
COMMENTS AND RECOMMENDATIONS
(Continued)

Capital Funds (Cont'd)

Management's Response

Greater care will be exercised with regard to the recording of debt activity in the General Capital and Water Utility Capital Funds and the Water Utility Operating Fund calculation of accrued interest on Water Utility Capital Fund bonds.

The general ledgers of the Utility Capital Funds were not fully updated to reflect the down payment portions of the ordinances which affected Fixed Capital Authorized and Uncompleted and Deferred Reserve for Amortization and the general ledger of the General Capital Fund was not fully updated to reflect an ordinance funded by budget appropriation which affected Bonds and Notes Authorized but not Issued.

It is recommended that, in the future, greater care be exercised to ensure that the general ledgers for the Utility Capital Funds are currently maintained to reflect changes in Fixed Capital Authorized and Uncompleted and Deferred Reserve for Amortization and the general ledger for the General Capital Fund is currently maintained to reflect changes in Bonds and Notes Authorized but not Issued.

Management's Response

Greater care will be exercised to ensure that the general ledgers for the Utility Capital Funds are currently maintained to reflect changes in Fixed Capital Authorized and Uncompleted and Deferred Reserve for Amortization.

Outside Offices

During the review of the outside offices records, it was noted that, although the offices utilize prenumbered receipts, they are not all maintaining a cashbook for monies received as revenue. Currently, the Construction, Board of Health, Police, Fire Official, Engineering and Recreation Departments maintain cashbooks and the Construction, Board of Health and Engineering Departments prepare monthly receipt reports, however, the cashbooks and/or monthly reports are not reconciled to the Finance Department's records.

It is recommended that all offices collecting funds maintain cashbooks for monies received and monthly receipt reports be prepared and submitted to the Finance Department for reconciliation with the Finance Department's records.

Management's Response:

The use of Spatial Data Logic ("SDL") has been incorporated in the Building and Health Departments. This will provide the foundation to support the recording of financial transactions. The Engineering Department is scheduled for implementation in the fall. In addition, Finance will set up an Excel spreadsheet by department on a shared server to account for each day's collections. This will then be used to reconcile collections to Finance's records.

VILLAGE OF RIDGEWOOD
COMMENTS AND RECOMMENDATIONS
(Continued)

Payroll Fund

The bank reconciliations for the Net Payroll and Payroll Agency Funds contain a number of reconciling items which require further review and investigation for their proper disposition.

It is recommended that the reconciling items contained on the bank reconciliations for the Net Payroll and Payroll Agency Funds continue to be reviewed and investigated for their proper disposition.

Management's Response:

Reconciling items on the bank reconciliations of the Net Payroll and Payroll Agency Funds will be reviewed and disposed of appropriately.

Water Utility Fund

The Water Utility Fund utilizes an outside service organization for water billings. Currently, the accounts receivable and overpayment balances are not reviewed and reconciled on a monthly basis by the Village.

It is recommended that the Village review and reconcile the Water Utility Fund billing, accounts receivable and overpayment balances on a monthly basis and that any unusual and inactive account balances be investigated for proper disposition in a timely manner.

Management's Response

Outstanding receivables and overpayments are reviewed monthly for propriety and any required adjustments to accounts for refunds, bounced checks, failed ACH transfers, etc. are coordinated with the tax collector on a timely basis.

The Village made expenditures directly against the capital improvement fund budget line. As the 2018 Municipal Budget expenditure line has already been modified to Capital Outlay, a formal recommendation is judged to be unnecessary at this time.

Encumbrances

The balance sheets of the Current Fund (Regular and Grant) and all Capital Funds include encumbrances from prior years. Two of the old encumbrances in the Grant Fund were cancelled in the current year, however, there are currently two additional encumbrances outstanding as of December 31, 2017. In addition, a number of prior year encumbrances were cancelled in the capital funds, however, continued review for possible cancellation is necessary.

It is recommended that encumbrance balances in the Current Fund and all Capital Funds be reviewed for continued recognition and possible cancellation.

Management's Response

Management will review encumbrance balances to determine whether prior year balances are appropriate or whether cancellations are required.

VILLAGE OF RIDGEWOOD
COMMENTS AND RECOMMENDATIONS
(Continued)

Corrective Action Plan

The Village has initiated a corrective action plan to resolve comments and recommendations from the 2016 audit report. Prior year recommendation 1 regarding the turnover of Municipal Court fees to the appropriate agencies was resolved in 2017. Prior year recommendation 4 regarding remittance of bond interest and recording of debt activity in the General Capital and Water Utility Capital Funds was partially resolved and the unresolved portion is repeated in recommendation 5 in the 2017 report. Prior year recommendations 2, 3, 5, 6, 7 and 8 were not resolved and are repeated in the 2017 report as recommendations 1, 3, 5, 6, 8 and 9, respectively.

Management Suggestions

The Village government's greatest asset is its people. Their knowledge, skills and expertise have been accumulated over a period of time through formal training and varied professional experience. The Village should consider utilizing their existing personnel to develop an operating manual for the Village. Such a manual could document Village policy, process, and position descriptions for each of the Village's functions. The manual, once developed, could be used to acclimate new personnel into their roles within the Village's operations and permit them to function at a higher level within a shorter period of time. This manual could be developed over a period of time, possibly identifying critical operations and those in which turnover is expected to occur to be prepared sooner than other operations.

Governmental Accounting Standards Board Statements

The next Governmental Accounting Standards Board ("GASB") statement which will have a significant impact on the Village will be GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, will be effective for calendar year ending December 31, 2018. This standard replaces GASB No. 45, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. It is similar to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* in that successful implementation of this standard will require the provision of certain key financial and non-financial information from the State of New Jersey.

VILLAGE OF RIDGEWOOD
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. In the future, greater care be exercised to ensure activity in the tax collector's accounts with regard to prepaid tax and tax overpayment balances is properly reflected on the Current Fund balance sheet.
2. Animal Control Fund cash receipts be turned over to the Finance Department for deposit within 48 hours of receipt.
3. Future budgets include additional funding for ordinances over five years old with deficit cash balances or the authorized debt be issued to finance the cash deficits and that all older unexpended ordinance balances continue to be reviewed for possible cancellation.
4. In the future, greater care be exercised with regard to the recording of debt activity in the General Capital and Water Utility Capital Funds and the Water Utility Operating Fund calculation of accrued interest on Water Utility Capital Fund bonds.
5. In the future, greater care be exercised to ensure that the general ledgers for the Utility Capital Funds are currently maintained to reflect changes in Fixed Capital Authorized and Uncompleted and Deferred Reserve for Amortization and the general ledger for the General Capital Fund is currently maintained to reflect changes in Bonds and Notes Authorized but not Issued.
6. All offices/departments maintain cashbooks for monies received and monthly receipt reports be prepared and submitted to the Finance Department for reconciliation with the Finance Department's records.
7. Reconciling items contained on the bank reconciliations for the Net Payroll and Payroll Agency Funds continue to be reviewed and investigated for their proper disposition.
8. The Village review and reconcile the Water Utility Fund billing, accounts receivable and overpayment balances on a monthly basis and that any unusual and inactive account balances be investigated for proper disposition in a timely manner.
9. Encumbrance balances in the Current and all Capital Funds be reviewed for continued recognition and possible cancellation.