

VILLAGE
OF
RIDGEWOOD

Village of Ridgewood
County of Bergen
Ridgewood, New Jersey

Comprehensive Annual Financial Report
For the Year Ended December 31, 2018

Comprehensive Annual
Financial Report

of the

VILLAGE OF RIDGEWOOD

Ridgewood, New Jersey

YEAR ENDED DECEMBER 31, 2018

Prepared by

Village of Ridgewood
Finance Department

VILLAGE OF RIDGEWOOD
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2018

INTRODUCTORY SECTION (Unaudited)

Letter of Transmittal	1-7
Organizational Chart	8
Roster of Officials	9
Consultants and Advisors	10

FINANCIAL SECTION 11

Independent Auditors' Report	12-14
------------------------------	-------

FINANCIAL STATEMENTS 15

Combined Balance Sheet - All Fund Types and Account Groups – Regulatory Basis	16
Combined Statement of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual - Current and Utility Operating Funds – Regulatory Basis	17
Notes to Financial Statements	18-52

COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS
AND SCHEDULES 53

Current Fund:	54
A Comparative Balance Sheet	55-56
A-1 Comparative Statement of Operations and Change in Fund Balance	57
A-2 Statement of Revenue	58-60
A-3 Statement of Expenditures	61-69
A-4 Schedule of Taxes Receivable and Analysis of Property Tax Levy	70
A-5 Schedule of 2017 Appropriation Reserves	71-74
A-6 Schedule of Tax Title Liens	75
A-7 Schedule of Local School District Taxes Payable	76
A-8 Schedule of Grants Receivable – Grant Funds	77
A-9 Schedule of Unappropriated Reserves – Grant Funds	78
A-10 Schedule of Appropriated Reserves – Grant Funds	79-80

 Trust Funds: 81

B Combining Balance Sheet with Comparative Totals	82
B-1 Schedule of Reserve for Insurance Claims – Trust Fund	83
B-2 Schedule of Reserve for Animal Control Fund Expenditures	84
B-3 Schedule of Other Trust Reserves	85

 General Capital Fund: 86

C Comparative Balance Sheet	87
C-1 Analysis of Cash – General Capital Fund	88-89
C-2 Schedule of Deferred Charges to Future Taxation - Unfunded	90-91
C-3 Schedule of Improvement Authorizations	92-93
C-4 Schedule of New Jersey Environmental Infrastructure Trust (NJEIT) Loans Payable	94
C-5 Schedule of Bond Anticipation Notes Payable	95
C-6 Schedule of Serial Bonds Payable	96-97
C-7 Schedule of Bonds and Notes Authorized but not Issued	98

VILLAGE OF RIDGEWOOD
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2018
(Continued)

<u>FINANCIAL SECTION</u> (Cont'd)	<u>Page</u>
COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS AND SCHEDULES (Cont'd)	
Utility Operating Funds:	99
D Combining Balance Sheet with Comparative Totals	100
D-1 Combining Operations and Changes in Fund Balance with Comparative Totals	101
D-2 Statement of Revenues-Water Utility	102
D-2A Statement of Revenues-Parking Utility	103
D-3 Statement of Expenditures- Water Utility	104
D-3A Statement of Expenditures- Parking Utility	105
D-4 Schedule of Consumer Accounts Receivable - Water Utility Operating Fund	106
D-5 Schedule of 2017 Appropriation Reserves - Water Utility Operating Fund	107
D-5A Schedule of 2017 Appropriation Reserves - Parking Utility Operating Fund	108
D-6 Schedule of Accrued Interest on Bonds and Notes - Water Utility Operating Fund	109
D-6A Schedule of Accrued Interest on Notes - Parking Utility Operating Fund	110
Utility Capital Funds:	111
E Combining Balance Sheet with Comparative Totals	112
E-1 Analysis of Cash - Water Utility Capital Fund	113
E-1A Analysis of Cash – Parking Utility Capital Fund	114
E-2 Statement of Water Serial Bonds - Water Utility Capital Fund	115-117
E-2A Schedule of Serial Bonds Payable - Parking Utility Capital Fund (Not Applicable)	
E-3 Schedule of Bond Anticipation Notes Payable - Water Utility Capital Fund	118
E-3A Schedule of Bond Anticipation Notes Payable - Parking Utility Capital Fund	119
E-4 Schedule of Improvement Authorizations - Water Utility Capital Fund	120-121
E-4A Schedule of Improvement Authorizations - Parking Utility Capital Fund	122
E-5 Schedule of Deferred Reserve for Amortization - Water Utility Capital Fund	123
E-5A Schedule of Deferred Reserve for Amortization - Parking Utility Capital Fund	124
E-6 Schedule of Bonds and Notes Authorized but not Issued – Water Utility Capital Fund	125
E-6A Schedule of Bonds and Notes Authorized but not Issued – Parking Utility Capital Fund	126
General Fixed Assets Account Group:	127
F Schedule of General Fixed Assets	128
F-1 Schedule of Changes in General Fixed Assets	129
<u>STATISTICAL SECTION</u> (Unaudited)	130
Table	
1 Governmental Fund Expenditures by Function	131
2 Governmental Fund Revenue by Source	132
3 Property Tax Levies and Collections	133
4 Property Tax Rates - Direct and Overlapping Governments	134
5 Assessed and Estimated Actual Value of Property	135
6 Ten Largest Taxpayers	136
7 Computation of Legal Debt Margin	137
8 Ratio of Net General Obligation Debt to Assessed Value and Net General Obligation Debt Per Capita	138

VILLAGE OF RIDGEWOOD
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2018
(Continued)

STATISTICAL SECTION (Unaudited) (Cont'd)

Table

9	Ratio of Debt Service for Bonded Debt (including Bond Anticipation Notes) to Government Expenditures	139
10	Demographic Statistics	140
11	Miscellaneous Statistics	141

SINGLE AUDIT SECTION

142

	Schedule A - Schedule of Expenditures of Federal Awards	143
	Schedule B - Schedule of Expenditures of State Awards	144-145
	Notes to Schedules of Expenditures of Federal and State Awards	146
	Independent Auditors' Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	147-148
	Schedule of Findings and Responses	149-150
	Summary Schedule of Prior Audit Findings	151

COMMENTS AND RECOMMENDATIONS SECTION

152

	Comments and Recommendations	153-159
	Summary of Recommendations	160

INTRODUCTORY SECTION

Village of Ridgewood

131 North Maple Avenue

Ridgewood, New Jersey 07450

July 10, 2019

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, 2018, 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 and the Village's organizational chart, roster of officials and consultants and advisors. 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, 2018 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
Village of Ridgewood
Page 2
July 10, 2019

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 2018, the average assessed value of the residential property was approximately \$700,637. 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
Village of Ridgewood
Page 3
July 10, 2019

The Village has access to many residents with financial acumen who interact with Village management and council members. Residents with the appropriate skills are periodically contacted and consulted with on various matters such as financial reporting, budget processing and strategic planning.

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

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 2016, the Village agreed to enter into agreement with Washington Township, to provide maintenance and repairs to Township vehicles. In 2018, a similar arrangement has been established with the Ridgewood Board of Education.

The Honorable Mayor and Members
of the Village Council
Village of Ridgewood
Page 4
July 10, 2019

Property Taxes

A historical perspective of the apportionment of tax levies for local, school and county taxes follows. In 2018, 65.40% of the total tax levy was directed to the Board of Education, 10.91% to the County of Bergen, and 23.69% 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: On January 23, 2019, the Village affirmed their "AAA" rating from Standard and Poor's for an \$11,030,000 General Obligation Bond Sale. 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, financial planning, and the adoption of a formal debt issuance policy."

At December 31, 2018, the Village had bonded debt of \$42,545,000, consisting of \$25,871,000 General Capital Bonds and \$16,674,000 Water Capital Bonds. In General Capital, the Village also had a \$3,965,883 loan from the New Jersey Environmental Infrastructure Trust Loan Program (NJEIT). The Village also had temporary debt of \$20,240,897 in the form of bond anticipation notes, consisting of \$9,870,897 General Capital, \$10,170,000 Water Capital and \$200,000 Parking Capital. In addition, the Village has unissued General Capital, Water Capital and Parking Capital debt of \$13,520,995, \$8,008,250 and \$14,128,615 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.

DEBT MANAGEMENT: In 2018, the Village Council approved the establishment of a debt and financial management policy. Key areas include: annual access to the bond market as deemed financially advisable; annual contact with various bond rating agencies; maintaining liquid fund balance levels; maintaining prudent management and budgetary practices in accordance with applicable laws; compliance with all continuing disclosure requirements; and maintenance of established debt limitations in accordance with NJ Local Bond Law.

The Honorable Mayor and Members
of the Village Council
Village of Ridgewood
Page 5
July 10, 2019

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.

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, 2018, 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 2017</u>	<u>Percent of Increase/ (Decrease)</u>
Fund Balance Anticipated	\$ 7,128,540	3.76%	\$ (548,224)	(7.14%)
Utility Rents	12,397,824	6.54%	(584,922)	(4.51%)
Miscellaneous Revenue	12,869,390	6.79%	1,603,233	14.23%
Receipts from Delinquent Taxes	618,331	0.32%	(152,050)	(19.74%)
Parking Fees	1,564,779	0.82%	239,937	18.11%
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes, Including Reserve for Uncollected Taxes	35,832,640	18.90%	149,127	0.42%
Municipal Budget Totals - Revenue	70,411,504	37.13%	707,101	1.01%
Nonbudget Revenue	187,868	0.10%	(204,355)	(52.10%)
Other Credits to Income	4,970,762	2.62%	2,119,933	74.36%
Taxes Allocated to Schools, County and Open Space Trust	114,050,635	60.15%	1,747,542	1.56%
Total	<u>\$ 189,620,769</u>	<u>100.00%</u>	<u>\$ 4,370,221</u>	2.36%

The modest decrease 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 miscellaneous revenue and parking fees in 2018. 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
Village of Ridgewood
Page 6
July 10, 2019

The following schedule presents a summary of current fund and utility operating funds expenditures for the fiscal year ended December 31, 2018 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 2017</u>	<u>Percent of Increase/ (Decrease)</u>
Current:				
General Government	\$ 17,786,257	9.75%	\$ 155,058	0.88%
Public Safety	13,116,080	7.19%	513,150	4.07%
Streets and Roads	5,027,115	2.76%	219,404	4.56%
Health and Welfare	308,061	0.17%	2,554	0.84%
Recreation and Education	1,764,025	0.97%	82,071	4.88%
Deferred Charges and Statutory Expenditures	5,999,080	3.29%	142,067	2.43%
Utility Budgeted Fund Balance	961,326	0.53%	(294,792)	(-23.47%)
Utility Operating	12,213,638	6.70%	(418,959)	(-3.32%)
Capital Improvements	1,865,000	1.02%	(202,000)	(-9.77%)
Debt Service	7,604,223	4.17%	227,320	3.08%
Reserve for Uncollected Taxes	1,228,956	0.67%	- 0 -	0.00%
Municipal Budget Totals - Expenditures	67,873,761	37.22%	425,873	0.63%
County Taxes	16,314,814	8.95%	17,129	0.11%
Local School Taxes	97,444,257	53.43%	1,729,501	1.81%
Municipal Open Space Taxes	291,564	0.16%	912	0.31%
Other Expenditures	447,774	0.24%	289,275	182.51%
Total	<u>\$ 182,372,170</u>	<u>100.00%</u>	<u>\$ 2,462,690</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
Page 7
July 10, 2019

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,

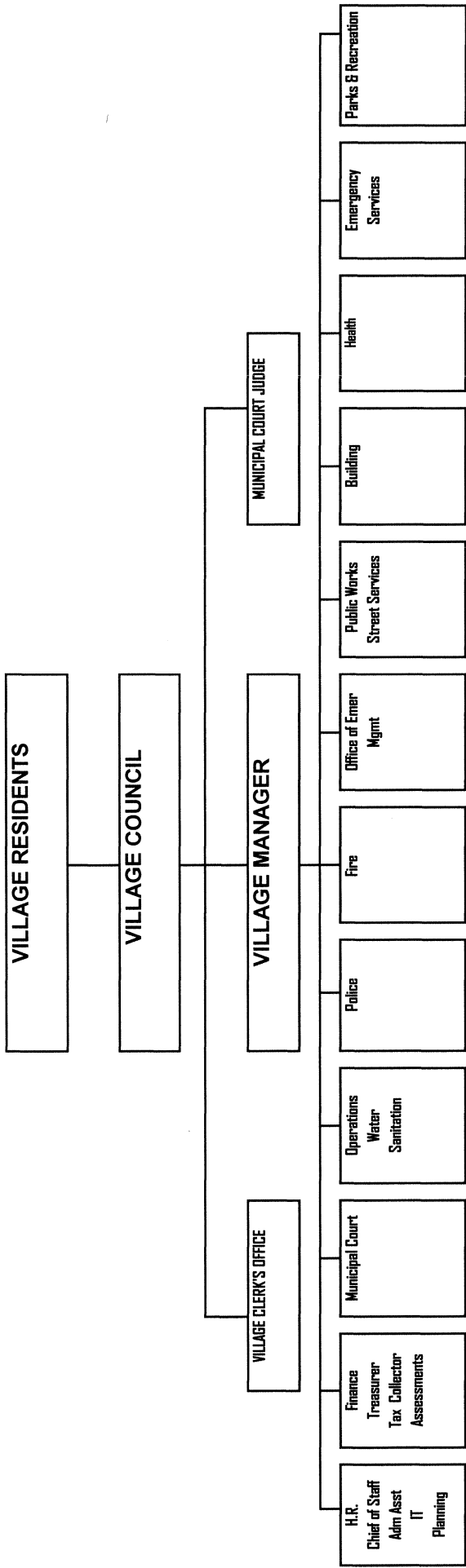
Heather A. Mailander

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, 2018

Elected Officials

Mayor	Ramon M. Hache, Sr.
Deputy Mayor	Susan Knudsen
Councilman	Michael Sedon
Councilman	Jeffrey Voigt
Councilwoman	Bernadette Walsh

Appointed Officials

Village Manager	Heather A. Mailander
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

Valley National Bank
TD Bank
M&T Bank

FINANCIAL ADVISORS

Acacia Financial Group, Inc.
Joshua Nyikita
6000 Mid Atlantic Drive
Suite 410 North
Mt. Laurel, NJ 08054

FINANCIAL SECTION



Mount Arlington Corporate Center
 200 Valley Road, Suite 300
 Mt. Arlington, NJ 07856
 973-298-8500 | 973-298-8501 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, 2018 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
Page 2

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, 2018, 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, 2018 and 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.

Emphasis of Matter

As discussed in Note 6 to the financial statements, the Village implemented Governmental Accounting Standards Board ("GASB") Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, during the year ended December 31, 2018. Our opinions are not modified with respect to this matter.

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 Honorable Mayor and Members
of the Village Council
Village of Ridgewood
Page 3

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 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 July 10, 2019 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
July 10, 2019


NISIVOCCIA 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, 2018
(With Comparative Totals for 2017)

ASSETS AND OTHER DEBITS:	Current Fund		Trust Funds	General Capital Fund	Utility Funds		Account Group		Totals (Memorandum Only)
	Regular	Grant			Operating	Capital	General		
							Fixed Assets	2017	
Assets:									
Cash and Cash Equivalents	\$ 10,301,218	\$ 48,235	\$ 5,132,329	\$ 1,361,703	\$ 11,446,001	\$ 9,903,592	\$ 38,193,078	\$ 62,332,884	
Receivables and Other Assets:									
Property Taxes Receivable	752,216				2,284,428		752,216	628,030	
Consumer Accounts Receivable				249,000			2,284,428	2,566,197	
Prospective Assessments							249,000	249,000	
Liens Receivable	36,188						36,188	28,950	
Federal and State Grant Fund		378,414					378,414	387,139	
Interfunds Receivable	2,512		75,000		266,432		343,944	406,120	
Other Receivables				63,017	71,027		134,044	916,088	
Property Acquired for Taxes at Assessed Valuation	805,200						805,200	805,200	
Fixed Assets in General Fixed Assets Account Group							\$ 183,995,979	182,153,156	
Total Assets	11,897,334	426,649	5,207,329	1,673,720	14,067,888	9,903,592	227,172,491	250,472,764	
Other Debits:									
Deferred Charges:									
Special Emergency Authorizations	200,000			53,228,775			200,000	250,000	
To Future Taxation						108,196,182	53,228,775	50,116,746	
Fixed Capital							108,196,182	89,858,701	
Total Other Debits	200,000			53,228,775		108,196,182	161,624,957	140,225,447	
Total Assets and Other Debits	\$ 12,097,334	\$ 426,649	\$ 5,207,329	\$ 54,902,495	\$ 14,067,888	\$ 118,099,774	\$ 388,797,448	\$ 390,698,211	
LIABILITIES, RESERVES AND FUND BALANCES:									
Appropriation Reserves					\$ 3,377,426		\$ 6,624,954	\$ 7,032,189	
Improvement Authorizations	\$ 3,247,528			\$ 10,441,148		\$ 21,157,631	31,598,779	20,597,690	
Accrued Interest on Bonds and Notes					250,802		250,802	200,860	
Interfunds Payable	6,432	\$ 75,000	\$ 2,512			260,000	343,944	406,120	
Reserves for Amortization						59,015,317	59,015,317	56,490,836	
Various Liabilities and Reserves	2,445,332	351,649	5,204,817	3,886,433	725,513	10,155,532	206,765,255	223,712,027	
Serial Bonds, Bond Anticipation Notes and Loans Payable				39,707,780		27,044,000	66,751,780	64,768,597	
Reserve for Receivables and Other Assets	1,596,116				2,355,455		3,951,571	4,111,756	
Fund Balance	4,801,926			867,134	7,358,692	467,294	13,495,046	13,378,136	
Total Liabilities, Reserves and Fund Balances	\$ 12,097,334	\$ 426,649	\$ 5,207,329	\$ 54,902,495	\$ 14,067,888	\$ 118,099,774	\$ 388,797,448	\$ 390,698,211	

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, 2018

	Current Fund			Utility Operating Funds		
	Final Budget	Actual	Variance	Final Budget	Actual	Variance
REVENUES:						
Fund Balance Utilized	\$ 3,730,000	\$ 3,730,000		\$ 3,398,540	\$ 3,398,540	
Water Rents				12,801,342	12,397,824	\$ (403,518)
Parking Lot Fees and Permits				1,324,000	1,564,779	240,779
Miscellaneous Revenue	10,711,155	11,442,030	\$ 730,875	1,051,151	1,427,360	376,209
Receipts from Delinquent Taxes	638,540	618,331	(20,209)			
Total Amount to be Raised by Taxes for Support of Municipal Budget, Including Reserve for Uncollected Taxes	35,002,462	35,832,640	830,178			
Municipal Budget Totals - Revenue	50,082,157	51,623,001	1,540,844	18,575,033	18,788,503	213,470
Non-budget Revenues		161,321	161,321		26,547	26,547
Other Credits to Income		2,167,498	2,167,498		2,803,264	2,803,264
Taxes Allocated to School, County and Open Space	114,050,635	114,050,635				
TOTAL REVENUES	164,132,792	168,002,455	3,869,663	18,575,033	21,618,314	3,043,281
EXPENDITURES:						
General Government	17,786,257	17,786,257				
Public Safety	13,116,080	13,116,080				
Streets and Roads	5,027,115	5,027,115				
Health and Welfare	308,061	308,061				
Recreation and Education	1,764,025	1,764,025				
Deferred Charges and Statutory Expenditures	5,251,743	5,251,138	605	747,942	747,942	
Budgeted Fund Balance				961,326	961,326	
Utility Operating				13,213,638	12,213,638	1,000,000
Capital	220,000	220,000		1,645,000	1,645,000	
Debt Service:						
Principal	4,230,355	4,196,111	34,244	1,414,000	1,414,000	
Interest	1,149,565	1,149,378	187	853,127	844,734	8,393
Reserve for Uncollected Taxes	1,228,956	1,228,956				
Municipal Budget Totals - Expenditures	50,082,157	50,047,121	35,036	18,835,033	17,826,640	1,008,393
County Taxes	16,314,814	16,314,814				
Local School Taxes	97,444,257	97,444,257				
Municipal Open Space Taxes	291,564	291,564				
Other Expenditures		446,187	(446,187)		1,587	(1,587)
TOTAL EXPENDITURES	\$ 164,132,792	164,543,943	(411,151)	\$ 18,835,033	17,828,227	1,006,806
Excess of Revenues Over Expenditures		3,458,512	\$ 3,458,512		3,790,087	\$ 4,050,087
Adjustments Before Excess to Fund Balance:						
Expenditures Included Above Which Were Funded by Bond Ordinance					260,000	
Statutory Excess to Fund Balance		3,458,512			4,050,087	
Fund Balances January 1, 2018		5,073,414			6,707,145	
Less: Utilized as Anticipated Revenue		3,730,000			3,398,540	
Fund Balances December 31, 2018		\$ 4,801,926			\$ 7,358,692	

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

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.

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, 2018
 (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, 2018
(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 budgeted, 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 OPEB liability and net pension liability and related deferred inflows and outflows, where applicable, 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, 2018
(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.

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, 2018
(Continued)

Note 2: Cash and Cash Equivalents and Investments

GASB 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, 2018
(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, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 313 (C.40A:5A-1 et seq.) Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;
- (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) of this subsection a. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983 c.313 (C.40A:5A-1 et seq.);
 - (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, 2018
(Continued)

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

As of December 31, 2018, 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	\$ 1,480	\$ 10,299,738	\$ 10,301,218
Grant Fund		48,235	48,235
Trust and Agency		5,132,329	5,132,329
General Capital		1,361,703	1,361,703
Water Utility Operating	100	10,490,375	10,490,475
Parking Utility Operating	3,496	952,030	955,526
Water Utility Capital		9,770,772	9,770,772
Parking Utility Capital		132,820	132,820
	<u>\$ 5,076</u>	<u>\$ 38,188,002</u>	<u>\$ 38,193,078</u>

The carrying amount of the Village's cash and cash equivalents at year end was \$38,193,078 and the bank balance was \$39,118,705. 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, 2018:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 2,512	\$ 6,432
Federal and State Grant Fund		75,000
Trust Funds	75,000	2,512
Water Utility Operating Fund	266,432	
Water Utility Capital Fund		260,000
	<u>\$ 343,944</u>	<u>\$ 343,944</u>

The interfund balances from the prior year were liquidated as of December 31, 2018. The \$2,512 Current Fund interfund receivable balance is due from the Other Trust Funds for interest earnings, offset by open space and other interfund activity. The Current Fund interfund payable of \$6,432 is due to the Water Utility Operating Fund for cell tower rents collected. The \$75,000 Federal and State Grant Fund interfund payable represents an interfund loan due to the Trust Funds. The Water Utility Operating Fund interfund receivable of \$260,000 represents deferred charges funded by ordinance due from the Water Utility Capital Fund.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
(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,		
	2018	2017	2016
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 39,707,780	\$ 39,810,597	\$ 38,463,623
Water Utility:			
Bonds, Loans and Notes	26,844,000	24,758,000	19,279,000
Parking Utility:			
Notes	200,000	200,000	
Total Issued	<u>66,751,780</u>	<u>64,768,597</u>	<u>57,742,623</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	13,520,995	10,306,149	8,256,639
Water Utility:			
Bonds and Notes	8,008,250	6,361,250	6,129,750
Parking Utility:			
Bonds and Notes	14,128,615	2,048,615	2,048,615
Total Authorized but Not Issued	<u>35,657,860</u>	<u>18,716,014</u>	<u>16,435,004</u>
Less:			
Reserve for Payment of Debt Service:			
General		160,740	
Parking Utility	80,000		
Total Deductions	<u>80,000</u>	<u>160,740</u>	<u>- 0 -</u>
Net Bonds, Notes and Loans Issued and Authorized but not Issued	<u>\$ 102,329,640</u>	<u>\$ 83,323,871</u>	<u>\$ 74,177,627</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 .81%.

VILLAGE OF RIDGEWOOD
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2018
 (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	\$ 43,205,000	\$ 43,205,000	
Water Utility Debt	34,852,250	34,852,250	
Parking Utility Debt	14,328,615	14,328,615	
General Debt	<u>53,228,775</u>		<u>\$ 53,228,775</u>
	<u>\$ 145,614,640</u>	<u>\$ 92,385,865</u>	<u>\$ 53,228,775</u>

Net Debt \$53,228,775 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$6,611,548,522 = .81%.

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

3-1/2% Average Equalized Valuation of Real Property	\$ 231,404,198
Net Debt	<u>53,228,775</u>
Remaining Borrowing Power	<u>\$ 178,175,423</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	\$ 17,026,868
Deductions:	
Operating, Maintenance and Debt Service Costs	<u>13,858,158</u>
Excess in Revenue	<u>\$ 3,168,710</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	\$ 1,788,182
Deductions:	
Operating, Maintenance and Debt Service Costs	<u>1,362,156</u>
Excess in Revenue	<u>\$ 426,026</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, 2018
 (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 \$1,770,000 and \$1,301,414, 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, 2018 are \$280,000 and \$614,469, respectively.

Schedule of Changes in Debt Issued

	Balance 12/31/2017	Additions	Retirements	Balance 12/31/2018
General Capital Fund:				
Serial Bonds	\$ 28,696,000		\$ 2,825,000	\$ 25,871,000
Bond Anticipation Notes	6,036,133	\$ 4,000,000	165,236	9,870,897
NJEIT Loans	5,078,464		1,112,581	3,965,883
Water Utility Capital Fund:				
Serial Bonds	17,964,000		1,290,000	16,674,000
Bond Anticipation Notes	6,794,000	3,500,000	124,000	10,170,000
Parking Utility Capital Fund:				
Bond Anticipation Notes	200,000			200,000
Total	<u>\$ 64,768,597</u>	<u>\$ 7,500,000</u>	<u>\$ 5,516,817</u>	<u>\$ 66,751,780</u>

At December 31, 2018, 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, 2018</u>
	<u>Original Note</u>	<u>Maturity</u>		
Acquisition of Land	7/14/2009	8/16/2019	3.00%	\$ 79,983
Various Capital Improvements	6/17/2016	8/16/2019	3.00%	290,914
Various Capital Improvements	8/17/2017	8/16/2019	3.00%	3,500,000
Various Capital Improvements	8/17/2017	8/16/2019	3.00%	2,000,000
Various Capital Improvements	8/16/2018	8/16/2019	3.00%	500,000
2018 Road Paving Program	8/16/2018	8/16/2019	3.00%	1,500,000
Various Capital Improvements	8/16/2018	8/16/2019	3.00%	2,000,000
				<u>\$ 9,870,897</u>

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
(Continued)

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

At December 31, 2018, the Village had debt issued and outstanding as follows: (Cont'd)

General Capital - Serial Bonds Payable

Improvement Description	Maturities at December 31, 2018				Balance Dec. 31, 2018
	Date of Issue	Date of Maturity	Amount	Interest Rate	
General Refunding Bonds of 2013	05/08/2013	07/01/19	\$ 600,000	4.00%	\$ 2,540,000
		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	06/15/19	850,000	4.00%	7,333,000
		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	06/15/19	815,000	4.00%	4,980,000
		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	06/15/24	820,000	5.00%	11,018,000
		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%	11,018,000
		08/01/29	1,168,000	2.00%	
Total General Capital - Serial Bonds Payable					<u>\$ 25,871,000</u>

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
(Continued)

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

At December 31, 2018, 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, 2018</u>
NJEIT Loan #1	8/1/2021	4 to 5.5%	\$ 3,071,414
NJEIT Loan #2	8/1/2024	3 to 5%	894,469
			<u>\$ 3,965,883</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, 2018</u>
	<u>Original</u> <u>Note</u>	<u>Maturity</u>		
Various Water Improvements	8/17/2017	8/16/2019	3.00%	\$ 390,000
Various Water Improvements	8/17/2017	8/16/2019	3.00%	980,000
Rehabilitation of Water Tanks	8/17/2017	8/16/2019	3.00%	1,300,000
Various Water Improvements	8/17/2017	8/16/2019	3.00%	2,000,000
Various Water Improvements	8/17/2017	8/16/2019	3.00%	2,000,000
Improvements to the Carr Granular Activated Carbon Treatment System	8/16/2018	8/16/2019	3.00%	1,000,000
Various Water Improvements	8/16/2018	8/16/2019	3.00%	2,000,000
Various Water Improvements	8/16/2018	8/16/2019	3.00%	500,000
				<u>\$ 10,170,000</u>

Water Capital - Serial Bonds Payable

<u>Improvement</u> <u>Description</u>	<u>Maturities at December 31, 2018</u>				<u>Balance</u> <u>Dec. 31, 2018</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 Bonds of 2013	05/08/2013	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%	\$ 3,275,000

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
(Continued)

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

At December 31, 2018, the Village had debt issued and outstanding as follows: (Cont'd)

Water Capital - Serial Bonds Payable (Cont'd)

<u>Improvement Description</u>	<u>Maturities at December 31, 2018</u>				<u>Balance Dec. 31, 2018</u>
	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	
Water Bonds of 2013	06/15/2013	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%	
				\$ 4,809,000	
Water Refunding Bonds of 2016	07/19/2016	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%	
06/15/32	235,000	5.00%			
				3,425,000	

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
(Continued)

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

At December 31, 2018, the Village had debt issued and outstanding as follows: (Cont'd)

Water Capital - Serial Bonds Payable (Cont'd)

<u>Improvement Description</u>	<u>Maturities at December 31, 2018</u>			<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>
	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>		
Water Bonds of 2016	08/18/2016	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	2.375%	\$ 5,165,000		
Total Water Capital - Serial Bonds Payable					<u>\$ 16,674,000</u>

Parking Capital - Bond Anticipation Notes Payable

<u>Improvement Description</u>	<u>Date of</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>
	<u>Original Note</u>	<u>Maturity</u>		
Preliminary Plans for Parking Garage	8/17/2017	8/16/2019	3.00%	<u>\$ 200,000</u>

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
(Continued)

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

At December 31, 2018, 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>
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	3,105,000	426,390	3,531,390
2024-2028	9,203,000	738,158	9,941,158
2029	1,168,000	23,360	1,191,360
	<u>\$ 25,871,000</u>	<u>\$ 4,127,243</u>	<u>\$ 29,998,243</u>

Water Capital:

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	1,385,000	382,653	1,767,653
2024-2028	5,554,000	1,189,160	6,743,160
2029-2033	3,370,000	369,425	3,739,425
2034-2036	1,040,000	48,725	1,088,725
	<u>\$ 16,674,000</u>	<u>\$ 4,036,650</u>	<u>\$ 20,710,650</u>

Net Pension Liability

The State of New Jersey Public Employees' Retirement System's (PERS) net pension liability was calculated to be \$30,554,314 at June 30, 2018. The State of New Jersey Police and Firemen's Retirement System's (PFRS) net pension liability was calculated to be \$39,642,530 at June 30, 2018. See Note 5 for further information on the PERS and PFRS.

Net OPEB Liability

The Village's net OPEB liability related to the State Health Benefit Local Government Retired Employees Plan was calculated to be \$83,479,344.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
 (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.state.nj.us/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, 2018
(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 is being paid by the employer in level annual payments over a period of 15 years, which began with the payments due in the fiscal year ended June 30, 2012 and are adjusted by the rate of return on the actuarial value of assets. Village contributions to PERS amounted to \$1,453,304 for 2018.

The employee contribution rate was 7.34% effective July 1, 2017 and increased to 7.50% effective July 1, 2018. Subsequent increases after October 1, 2011 were phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.50% of base salary as of July 1, 2018.

Pension Liabilities and Pension Expense

At June 30, 2018, the Village's liability was \$30,554,314 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017 which was rolled forward to June 30, 2018. 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, 2018, the Village's proportion was 0.1552%, which was an increase of 0.0007% from its proportion measured as of June 30, 2017.

For the year ended December 31, 2018, the Village recognized actual pension expense in the amount of \$1,453,304.

Actuarial Assumptions

The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017 which was rolled forward to June 30, 2018. 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 Conduent modified 2014 projection scale.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
 (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. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and using a generational approach based on the Conduent 2014 projection scale thereafter. 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, 2017 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, 2018) 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, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Management Strategies	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
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, 2018
(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 5.66% as of June 30, 2018. 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 3.87% as of June 30, 2018 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 June 30, 2046. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through June 30, 2046, 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, 2018 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, 2018		
	1%	Current	1%
	Decrease (4.66%)	Discount Rate (5.66%)	Increase (6.66%)
Village's proportionate share of the Net Pension Liability	\$ 38,418,530	\$ 30,554,314	\$ 23,956,740

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.state.nj.us/treasury/pensions/financial-reports.shtml.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
 (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 the retirement system, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability is being paid by the employer in level annual amounts over a period of 15 years, which began with the payments due in the fiscal year ended June 30, 2012 and are adjusted by the rate of return on the actuarial value of the assets.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
 (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, 2018 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, 2018 is the actuarially determined contribution amount that the State owes for the fiscal year ended June 30, 2018. The pension expense is deemed to be a State administrative expense due to the special funding situation.

Village contributions to PFRS amounted to \$2,617,330 for the year ended December 31, 2018. During the fiscal year ended June 30, 2018, the State of New Jersey contributed \$318,909 to the PFRS for normal pension benefits on behalf of the Village, which is less than the contractually required contribution of \$637,819.

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

Pension Liabilities and Pension Expense

At June 30, 2018, the Village's liability for its proportionate share of the net pension liability was \$39,642,530. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017 which was rolled forward to June 30, 2018. 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, 2018, the Village's proportion was 0.29296%, which was a decrease of 0.00278% from its proportion measured as of June 30, 2017.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
(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 \$5,384,782 as of June 30, 2018. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017 which was rolled forward to June 30, 2018. 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, 2018, the State's proportion was 0.29296%, which was a decrease of 0.00278% from its proportion measured as of June 30, 2017 which is the same proportion as the Village's.

Village's Proportionate Share of the Net Pension Liability	\$ 39,642,530
State's Proportionate Share of the Net Pension Liability Associated with the Village	<u>5,384,782</u>
Total Net Pension Liability	<u><u>\$ 45,027,312</u></u>

For the year ended December 31, 2017, the Village recognized total pension expense of \$2,617,330.

Actuarial Assumptions

The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017 which was rolled forward to June 30, 2018. 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 Combined Healthy Mortality Tables projected on a generational basis from the base year of 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scale thereafter. For pre-retirement accidental mortality, a custom table with representative rates was used and there is no mortality improvement assumed. Post-retirement mortality rates for male service retirements are based on the RP-2000 Combined Healthy Mortality Tables projected on a generational basis using Projection Scale AA from base year of 2012 to 2013 and the Conduent modified 2014 projection scale thereafter. Post-retirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected on a generational basis from the base year of 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scale thereafter. Disability retirement rates were based on a custom table with representative rates and no mortality improvement assumed.

The actuarial assumptions used in the July 1, 2017 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, 2018
(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, 2018) 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, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Management Strategies	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
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, 2018
(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 6.51% as of June 30, 2018. 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 3.87% as of June 30, 2018 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 50% 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 June 30, 2062. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through June 30, 2062, 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, 2018 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, 2018		
	1% Decrease (5.51%)	Current Discount Rate (6.51%)	1% Increase (7.51%)
Village's proportionate share of the Net Pension Liability and the State's proportionate share of the Net Pension Liability associated with the Village	\$ 60,263,470	\$ 45,027,312	\$ 32,460,258

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, 2018
 (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 \$8,521 for 2018. Employee contributions to DCRP were \$15,658 for 2018.

Note 6: Post-Employment Benefits Other Than Pensions (OPEB)

State Health Benefit Local Government Retired Employees Plan

General Information about the OPEB Plan

Plan Description

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

Benefits Provided

The Plan provides medical and prescription drug coverage to retirees and their dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
 (Continued)

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

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Benefits Provided (Cont'd)

health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A. 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage.

Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

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.

Contributions

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

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
 (Continued)

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

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective inflows of resources, and collective OPEB expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2016 through June 30, 2017. Employer and nonemployer allocation percentages were rounded for presentation purposes.

OPEB Expense

The total OPEB liability as of June 30, 2018 was not available from the State of New Jersey Division of Pensions and Benefits as of the date of this report. The total OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017.

At June 30, 2017, the Village had a liability of \$83,479,344 for its proportionate share of the net OPEB liability. At June 30, 2017, the Village's proportion was .408896% which was a decrease of .0366% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2017 the Village's OPEB expense as determined by the State of New Jersey Division of Pensions and Benefits was \$4,716,827.

The Village's actual post retirement payments in 2018 for 182 retiree employees were \$3,229,482.

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases*:	
Through 2026	1.65% - 8.98%
Thereafter	2.65% to 9.98%

* - Salary increases are based on the defined benefit plan that the member is enrolled in and his or her age.

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
 (Continued)

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

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Actuarial Assumptions and Other Inputs (Cont'd)

Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female Mortality Table with fully generational mortality improvement projections from the central year using MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Health Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

Certain actuarial assumptions used in the June 30, 2016 valuation were based on the results of the pension plans' experience studies for which the members are eligible for coverage under this Plan – the Police and Firemen Retirement System (PFRS) and the Public Employees' Retirement System (PERS). The PFRS and PERS experience studies were prepared for the periods July 1, 2010 to June 30, 2013 and July 1, 2011 – June 30, 2014, respectively.

Health Care Trend Assumptions

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.9% and decreases to a 5.0% long term trend rate after nine years. For self-insured post 65 PPO medical benefits and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 10.5% decreasing to a 5.0% long term rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Discount Rate

The discount rate for June 30, 2017 was 3.58%. The discount rate for June 30, 2016 was 2.85%. This represents the municipal bond rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of the Net OPEB Liability Attributable to the Village to Changes in the Discount Rate

The following presents the net OPEB Liability of the Village as of June 30, 2017, calculated using the discount rate as disclosed in this note, as well as what the net OPEB Liability of the Village 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		
	At 1% Decrease (2.58%)	At Discount Rate (3.58%)	At 1% Increase (4.58%)
Net OPEB Liability Attributable to the Village	\$ 98,466,375	\$ 83,479,344	\$ 71,587,388

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
(Continued)

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

State Health Benefit Local Government Retired Employees Plan (Cont'd)

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

The following presents the net OPEB Liability of the Village as of June 30, 2017, calculated using the healthcare trend rate as disclosed in this note, as well as what the net OPEB Liability of the Village would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2017		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability Attributable to the Village	\$ 69,373,773	\$ 83,479,344	\$ 101,846,432

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 \$6,743,850. 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 \$791,736 on the Other Trust Funds balance sheet at December 31, 2018.

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.

VILLAGE OF RIDGEWOOD
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2018
 (Continued)

Note 8: Selected Tax Information (Cont'd)

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>Tax Rate</u>	\$ 2.565	\$ 2.538	\$ 2.476
<u>Apportionment of Tax Rate</u>			
Municipal	.603	.598	.587
County	.279	.281	.272
Local School	1.678	1.654	1.612
Municipal Open Space	.005	.005	.005
<u>Assessed Valuations</u>			
2018	<u>\$ 5,808,843,600</u>		
2017		<u>\$ 5,788,068,500</u>	
2016			<u>\$ 5,774,358,900</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>
2018	\$ 149,569,565	\$ 148,654,319	99.38%
2017	147,534,947	146,757,650	99.47%
2016	143,389,420	142,514,103	99.38%

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, 2018
(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, 2018 is as follows:

Total Assets	<u>\$ 16,301,632</u>
Net Position	<u>\$ 3,585,400</u>
Total Revenue	<u>\$ 17,203,854</u>
Total Expenses	<u>\$ 16,785,982</u>
Member Dividends	<u>\$ 783,975</u>
Change in Net Position	<u>\$ (366,103)</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, 2018
(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			
2018	\$ 80,000	\$ 50,323	\$ 5,383	\$ 57,298	\$ 335,155
2017	75,000	49,998	1,939	106,816	256,747
2016	75,000	47,260	528	123,714	236,626

Note 10: Fund Balances Appropriated

Fund balances at December 31, 2018, which were appropriated and included as anticipated revenue for the year ending December 31, 2019 are as follows:

Current Fund	\$ 3,730,000
Water Utility Operating Fund	2,734,305
Parking Utility Operating Fund	200,000

Note 11: Fixed Assets

The following schedule is a summarization of general fixed assets for the year ended December 31, 2018:

	Balance Dec. 31, 2017	Additions	Deletions	Balance Dec. 31, 2018
Land	\$ 122,053,996			\$ 122,053,996
Buildings and Building Improvements	27,054,871			27,054,871
Machinery and Equipment	33,044,289	\$ 2,546,526	\$ 703,703	34,887,112
	<u>\$ 182,153,156</u>	<u>\$ 2,546,526</u>	<u>\$ 703,703</u>	<u>\$ 183,995,979</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, 2018 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, 2018.

VILLAGE OF RIDGEWOOD
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2018
 (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, 2018 and 2017 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>2018</u>	<u>2017</u>
Balance of School Tax	\$ 48,722,299	\$ 47,857,539
Less: Amount Deferred	<u>48,257,409</u>	<u>47,392,649</u>
School Tax Payable (Cash Liability)	<u>\$ 464,890</u>	<u>\$ 464,890</u>

Note 14: Other Reserves

Reserves on the balance sheet of the Current Fund at December 31, 2018, consisted of the following:

Sale of Municipal Assets	\$ 36,820
Flood Emergency	226,522
Planning Board Legal Fees	51
Master Plan Revision	<u>206,185</u>
	<u>\$ 469,578</u>

VILLAGE OF RIDGEWOOD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018
(Continued)

Note 15: Other Receivables

Other Receivables on the balance sheet of the various funds at December 31, 2018, consisted of the following:

	Water Utility Operating Fund
Fees for:	
Maintenance Plans	\$ 16,841
Fire Sprinkler Service	53,654
	\$ 70,495

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 farmland property in the Village. To date, \$4,623,584 has been collected and the balance in the Open Space Trust Fund at December 31, 2018 was \$298,617.

Note 17: Related Party Transactions

During 2018 the Village appropriated and charged \$2,366,776 to operations for the 2018 budget appropriation to the free public library. Of that amount \$2,205,480 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

GASB 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, 2018
(Continued)

Note 19: Tax Abatement (Cont'd)

As of December 31, 2018, 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 \$143,873 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 2018 without the abatement would have been \$368,126 of which \$87,260 would have been for the local municipal tax, minimum library tax and municipal open space tax.

**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
2018
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

	December 31,	
	2018	2017
<u>ASSETS</u>		
Regular Fund:		
Cash and Cash Equivalents	\$ 10,299,738	\$ 30,559,097
Change Fund	1,480	1,830
	10,301,218	30,560,927
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable	752,216	628,030
Tax Title Liens Receivable	36,188	28,950
Property Acquired for Taxes - Assessed Valuation	805,200	805,200
Interfunds Receivable	2,512	20,148
	1,596,116	1,482,328
Deferred Charges:		
Special Emergency Authorization	200,000	250,000
Total Regular Fund	12,097,334	32,293,255
Grant Fund:		
Cash and Cash Equivalents	48,235	48,386
Grants Receivable	378,414	387,139
Interfunds Receivable		36,252
Total Grant Fund	426,649	471,777
TOTAL ASSETS	\$ 12,523,983	\$ 32,765,032

VILLAGE OF RIDGEWOOD
CURRENT FUND
COMPARATIVE BALANCE SHEET
(Continued)

	December 31,	
	<u>2018</u>	<u>2017</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Regular Fund:		
Appropriation Reserves:		
Encumbered	\$ 808,580	\$ 877,627
Unencumbered	2,438,948	1,933,337
Total Appropriation Reserves	<u>3,247,528</u>	<u>2,810,964</u>
Other Encumbrances	97,743	76,510
Other Reserves	469,578	208,329
Interfunds Payable	6,432	321,226
Prepaid Taxes	1,280,160	21,673,167
Tax Overpayments	45,988	59,633
Deposit on Redemption of Third Party Tax Title Liens		37,653
Due to State of New Jersey:		
Veterans and Senior Citizens Deductions	2,373	2,718
Marriage License Fees	300	325
Uniform Construction Code Fees	21,713	11,929
School Taxes Payable	464,890	464,890
Due to County for Added Taxes	62,587	70,169
	<u>5,699,292</u>	<u>25,737,513</u>
Reserve for Receivables and Other Assets	1,596,116	1,482,328
Fund Balance	4,801,926	5,073,414
Total Regular Fund	<u>12,097,334</u>	<u>32,293,255</u>
Grant Fund:		
Appropriated Reserves	263,583	240,481
Reserve for Encumbrances	6,333	80,298
Unappropriated Reserves	81,733	100,998
Interfunds Payable	75,000	50,000
Total Grant Fund	<u>426,649</u>	<u>471,777</u>
 TOTAL LIABILITIES, RESERVES AND FUND BALANCE	 <u>\$ 12,523,983</u>	 <u>\$ 32,765,032</u>

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

	Year Ended December 31,	
	2018	2017
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 3,730,000	\$ 3,630,000
Miscellaneous Revenue Anticipated	11,442,030	10,449,634
Receipts from:		
Delinquent Taxes	618,331	770,381
Current Taxes	148,654,319	146,757,650
Nonbudget Revenue	161,321	230,675
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	1,285,102	889,465
Other Credits	864,760	879,392
Interfunds and Other Accounts Receivable Returned	17,636	201,355
Total Income	<u>166,773,499</u>	<u>163,808,552</u>
 <u>Expenditures</u>		
Budget Appropriations - Municipal Purposes	48,818,165	47,702,140
County Taxes	16,314,814	16,297,685
Local School District Taxes	97,444,257	95,714,756
Municipal Open Space Tax	291,564	290,652
Other Debits	446,187	138,351
Interfunds and Other Accounts Receivable Advanced		20,148
Total Expenditures	<u>163,314,987</u>	<u>160,163,732</u>
Excess in Revenue	3,458,512	3,644,820
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	3,458,512	3,894,820
 <u>Fund Balance</u>		
Balance January 1	<u>5,073,414</u>	<u>4,808,594</u>
	8,531,926	8,703,414
Decreased by:		
Utilized as Anticipated Revenue	<u>3,730,000</u>	<u>3,630,000</u>
Balance December 31	<u>\$ 4,801,926</u>	<u>\$ 5,073,414</u>

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2018

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit *
Fund Balance Anticipated	\$ 3,730,000		\$ 3,730,000	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	38,000		38,360	\$ 360
Other	81,850		82,428	578
Fees and Permits - Other	364,000		406,536	42,536
Fines and Costs - Municipal Court	600,000		681,318	81,318
Interest and Costs on Taxes	250,000		197,431	52,569 *
Interest on Investments and Deposits	179,000		487,468	308,468
Rent of Municipal Property	111,000		102,410	8,590 *
Sewer User Fees - Tax Exempt Properties	247,000		222,647	24,353 *
Sewer User Fees - Outside Hookups	60,740		85,200	24,460
Recreation Fees	241,000		248,902	7,902
Special Franchise Tax	270,000		270,646	646
Cable Franchise Fees	363,800		368,893	5,093
Graydon Pool Fees	328,000		321,682	6,318 *
Uniform Fire Safety Act	142,000		140,786	1,214 *
Management Agreement - Water Property Tax Exempt	99,000		101,551	2,551
Ambulance Billings	333,500		395,607	62,107
Sewer Significant Dischargers	241,000		205,036	35,964 *
Parking Utility Operating Surplus - Prior Year	150,000		150,000	
Water Utility Operating Surplus - Prior Year	811,326		811,358	32
Energy Receipts Tax	1,867,322		1,867,322	
Uniform Construction Code Fees	1,195,000		1,327,532	132,532
Interlocal Municipal Service Agreements Offset with Appropriations:				
Maintenance of Board of Education Vehicles	35,500		41,971	6,471
Public and Private Revenue Offset with Appropriations:				
Drunk Driving Enforcement Fund	18,601		18,601	
Clean Communities Program	46,233		46,233	
Alcohol Education and Rehabilitation Fund	1,480		1,480	
Body Armor Replacement Fund	4,115		4,115	
Municipal Alliance on Alcoholism and Drug Abuse	11,677		11,677	
Green Communities Grant	3,000		3,000	
Drive Sober or Get Pulled Over	4,468		4,468	
National Priority Safety Grant - Distracted Driving	5,500		5,500	
Stigma Free Initiative Grant	1,856		1,856	
General Capital Fund Balance	1,150,000		1,150,000	
New Sewer Fees - Sewer Plant Discharge Acceptance	29,000		111,242	82,242
Reserve for Debt Service	160,740		160,740	
Sale of Village Property	40,900		40,900	
Open Space Trust	337,339		337,339	
Reserve for Flood	127,412		127,412	

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2018

(Continued)

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit *
Recycling Trust	\$ 161,296		\$ 161,296	
Rent of Cellular Tower	125,000		181,679	\$ 56,679
Senior Citizens Housing Project:				
Payment in Lieu of Taxes	98,500		143,873	45,373
Reimbursement for Underwriting Fees	25,000		31,250	6,250
Administrative Charges and Vehicle Fees for Police				
Outside Services	350,000		344,285	5,715 *
Total Miscellaneous Revenue	10,711,155		11,442,030	730,875
Receipts from Delinquent Taxes	638,540		618,331	20,209 *
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	32,796,982		33,627,160	830,178
Minimum Library Tax	2,205,480		2,205,480	
Total Amount to be Raised by Taxes for Support of Municipal Budget	35,002,462		35,832,640	830,178
Budget Totals	50,082,157		51,623,001	\$ 1,540,844
Nonbudget Revenue			161,321	
	\$ 50,082,157	\$ - 0 -	\$ 51,784,322	

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2018
(Continued)

Analysis of Realized Revenue

Allocation of Current Tax Collections:	
Collection of Current Taxes	\$ 148,654,319
Less: Allocated to School, County, and Open Space Taxes	114,050,635
	<u>34,603,684</u>
Add: Appropriation "Reserve for Uncollected Taxes"	<u>1,228,956</u>
Realized for Support of Municipal Budget	<u><u>\$ 35,832,640</u></u>

Analysis of Nonbudget Revenue

Miscellaneous Revenue Not Anticipated:	
Bulk Pick Up Fees	\$ 24,260
Sale of Compost	22,245
Credit Card Sales/Commissions	16,755
Prior Year Refunds/Rebates	15,652
Void Checks	14,514
Planning Board Applications	12,250
Cafeteria Plan Forfeitures	7,551
Sewer Connection Fees	6,786
Library Snow Removal	5,186
Police Alarm Fees	4,909
Tub Grinder Fees	4,867
Road Side Inspections	3,215
Glen Rock Fiber Optic Installation Fee	3,136
DMV Inspection Fees	2,800
Escrow Trust Accounts Closed	2,722
Senior Citizen Bus Fees	2,136
State of New Jersey Administrative Reimbursements:	
Senior Citizens' and Veterans' Deductions	1,916
Homestead Rebate	1,465
NJ Sports and Exposition Authority Reimbursement	1,700
Copies	1,314
Property Owner List	1,160
Bid Specifications	460
Arts Council	394
Rental of Polling Places	380
Other Miscellaneous	3,548
	<u><u>\$ 161,321</u></u>

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2018

	Appropriations		Expended By			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved		
Operations Within "CAPS":						
GENERAL GOVERNMENT:						
Village Manager:						
Salaries and Wages	\$ 101,696	\$ 101,696	\$ 100,712	\$ 984		
Other Expenses	74,747	74,747	59,141	15,606		
Village Council:						
Salaries and Wages	24,150	24,150	18,707	5,443		
Other Expenses	13,600	13,600	8,204	5,396		
Village Clerk:						
Salaries and Wages	314,545	314,545	307,464	7,081		
Other Expenses	48,135	48,135	29,998	18,137		
Financial Administration:						
Salaries and Wages	289,798	289,798	277,316	12,482		
Other Expenses	47,042	47,042	23,630	23,412		
Annual Audit	41,655	41,655	40,867	788		
Management Information Systems:						
Salaries and Wages	115,179	115,179	95,366	19,813		
Other Expenses	82,424	82,424	40,260	42,164		
Tax Assessment Administration:						
Salaries and Wages	209,721	209,721	208,909	812		
Other Expenses	22,090	22,090	6,266	15,824		
Revenue Administration (Tax Collection):						
Salaries and Wages	110,423	111,423	110,208	1,215		
Other Expenses	29,045	35,045	34,349	696		
Legal Services and Costs:						
Salaries and Wages	10,652	10,652	2,557	8,095		
Other Expenses	257,000	257,000	144,913	112,087		

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2018

(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	\$ 14,700	\$ 9,700	\$ 6,549	\$ 3,151		
Other Expenses	102,580	102,580	73,893	28,687		
Engineering Services and Costs:						
Salaries and Wages	393,071	388,071	366,071	22,000		
Other Expenses	13,788	13,788	12,444	1,344		
Historic Preservation:						
Salaries and Wages	600	600	535	65		
Other Expenses	125	125	72	53		
Municipal Land Use Law(N.J.S.A.40:55D-1):						
Planning Board:						
Salaries and Wages	65,481	65,481	61,769	3,712		
Other Expenses	13,880	18,880	13,393	5,487		
Board of Adjustment:						
Salaries and Wages	66,832	66,832	65,086	1,746		
Other Expenses	34,700	31,700	15,233	16,467		
Insurance:						
Other Insurance	666,001	656,001	398,916	257,085		
Workers' Compensation Insurance	217,514	217,514	182,750	34,764		
Group Insurance Plan for Employees	6,752,000	6,642,000	6,366,270	275,730		
No Coverage Option - Health Insurance Waiver	13,000	17,000	13,519	3,481		

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2018
(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	\$ 6,696,961	\$ 6,651,961	\$ 6,348,865	\$ 303,096		
Other Expenses	638,694	638,694	605,610	33,084		
Emergency Services:						
Salaries and Wages	196,000	196,000	182,540	13,460		
Other Expenses	118,447	118,447	105,286	13,161		
Office of Emergency Management:						
Salaries and Wages	15,750	15,750	15,389	361		
Other Expenses	24,315	24,315	5,965	18,350		
Fire Department:						
Salaries and Wages	4,902,208	4,976,208	4,880,318	95,890		
Other Expenses	127,280	127,280	121,707	5,573		
P.E.O.S.H.A. Fire:						
Other Expenses	18,200	18,200	15,335	2,865		
PUBLIC WORKS:						
Street and Roads Maintenance:						
Salaries and Wages	895,644	895,644	849,341	46,303		
Other Expenses	353,920	353,920	303,618	50,302		
Community Services Act	5,000	5,000	2,559	2,441		
Central Garage:						
Salaries and Wages	245,458	293,958	283,211	10,747		
Other Expenses	341,138	321,138	311,831	9,307		
Traffic and Signal:						
Salaries and Wages	448,037	461,037	449,066	11,971		
Other Expenses	39,420	39,420	23,840	15,580		

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2018
(Continued)

	Appropriations		Expended By			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	Reserved	
Operations Within "CAPS" (Cont'd):						
PUBLIC WORKS (Cont'd):						
Recycling:						
Salaries and Wages	\$ 445,380	\$ 462,380	\$ 462,265	\$ 115		
Other Expenses	30,729	25,729	17,371	8,358		
Solid Waste Collection:						
Salaries and Wages	1,545,966	1,566,966	1,556,895	10,071		
Other Expenses	21,266	21,266	12,886	8,380		
Yardwaste Recycling:						
Salaries and Wages	198,783	198,783	168,203	30,580		
Other Expenses	156,400	156,400	90,063	66,337		
Property Maintenance:						
Salaries and Wages	115,340	125,340	120,650	4,690		
Other Expenses	85,134	100,134	90,866	9,268		
HEALTH AND WELFARE:						
Health Services:						
Salaries and Wages	264,077	268,577	267,028	1,549		
Other Expenses - Miscellaneous	15,599	15,599	13,314	2,285		
Animal Control:						
Other Expenses	1,115	1,115		1,115		
Contribution to Social Services Agencies - Statutory:						
Other Expenses	22,770	22,770	20,121	2,649		
PARKS AND RECREATION:						
Recreation Services and Programs:						
Salaries and Wages	293,192	293,192	283,282	9,910		
Other Expenses	80,175	80,175	74,309	5,866		

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2018
(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	\$ 47,500	\$ 47,500	\$ 47,273	\$	227	
Other Expenses	5,250	5,250	4,447		803	
Community Relations Advisory Board:						
Other Expenses	250	250			250	
Parks Department:						
Salaries and Wages	884,268	864,268	824,445		39,823	
Other Expenses	176,280	176,280	157,849		18,431	
Graydon Pool:						
Salaries and Wages	175,000	184,300	184,300			
Other Expenses	88,810	94,810	93,343		1,467	
Project Pride:						
Other Expenses	18,000	18,000	12,222		5,778	
COURT OPERATIONS:						
Municipal Court:						
Salaries and Wages	227,121	232,821	232,257		564	
Other Expenses	10,055	10,055	666		9,389	
Public Defender:						
Salaries and Wages	2,500	6,500	4,400		2,100	
LANDFILL/SOLID WASTE DISPOSAL COSTS:						
Water Pollution Control:						
Salaries and Wages	1,103,044	1,131,044	1,131,014		30	
Other Expenses	375,033	326,033	233,915		92,118	
Landfill/Solid Waste Disposal Costs:						
Other Expenses	625,000	625,000	598,375		26,625	

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2018
(Continued)

	Appropriations		Budget After Modification	Expended By		Unexpended Balance Canceled
	Budget			Paid or Charged	Reserved	
Operations Within "CAPS" (Cont'd):						
Construction Code Official:						
Salaries and Wages	\$ 713,616	\$ 693,616	\$ 683,547	\$ 10,069		
Other Expenses	19,600	19,600	7,537	12,063		
UNCLASSIFIED:						
Accumulated Leave Compensation	400,000	400,000	400,000			
Salary Adjustment Account	160,000	160,000	31,914	128,086		
Utilities and Bulk Purchases	1,286,684	1,286,684	1,249,126	37,558		
Total Operations Within "CAPS"	34,806,583	34,786,583	32,663,731	2,122,852		
Contingent	25,000	25,000	8,845	16,155		
Total Operations Including Contingent Within "CAPS"	34,831,583	34,811,583	32,672,576	2,139,007		
Detail:						
Salaries and Wages	21,692,693	21,827,193	21,023,052	804,141		
Other Expenses	13,138,890	12,984,390	11,649,524	1,334,866		

Deferred Charges and Statutory Expenditures - Municipal Within "CAPS":

Deferred Charges:					
Prior Year Bills:					
National Safety Council	357	357	357		
FDR Hitches	347	347	347		
King Transcription	3,834	3,834	3,833	\$ 1	1
Ridgewood Press	162	162	161		1
Harvest Lawn Care	2,476	2,476	2,476		
Eco Logic Environmental	2,574	2,574	1,971		603
Clock Professional	250	250	250		

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2018
(Continued)

	Appropriations		Budget After Modification	Expended By		Unexpended Balance Canceled
	Budget			Paid or Charged	Reserved	
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS" (Cont'd):						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	\$ 1,120,356	\$ 1,120,356	\$ 1,100,828	\$ 19,528		
Social Security System (O.A.S.I.)	1,201,375	1,201,375	994,901	206,474		
Consolidated Police and Firemen's Pension Fund	1	1		1		
Police and Firemen's' Retirement System of NJ	2,597,011	2,597,011	2,596,330	681		
Contribution to:						
Defined Contribution Retirement Plan	13,000	13,000	8,521	4,479		
Unemployment Compensation Insurance	100,000	100,000	53,400	46,600		
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	5,041,743	5,041,743	4,763,375	277,763	\$ 605	
Total General Appropriations for Municipal Purposes Within "CAPS"	39,873,326	39,853,326	37,435,951	2,416,770	605	
Operations Excluded from "CAPS":						
Northwest Bergen County Sewer Authority - Contractual	27,000	27,000	25,106	1,894		
Sludge Removal - Contractual	122,000	122,000	102,466	19,534		
NJPDES Stormwater Permit (NJSA 40A:4-45.3(cc))	6,000	6,000	5,250	750		
Aid to Library	2,366,776	2,366,776	2,366,776			
Interlocal Municipal Service Agreements:						
Maintenance of Board of Education Vehicles	35,500	35,500	35,500			
Contribution to Joint Meeting for Consolidated Police Dispatch and Emergency 911	687,830	687,830	687,830			

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2018
(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	\$ 18,601	\$ 18,601	\$ 18,601		
Clean Communities Program	46,233	46,233	46,233		
Alcohol Education and Rehabilitation Fund	1,480	1,480	1,480		
Body Armor Replacement Fund	4,115	4,115	4,115		
Municipal Alliance on Alcoholism and Drug Abuse:					
State Share	11,677	11,677	11,677		
Local Share	2,919	2,919	2,919		
Green Communities Grant	3,000	3,000	3,000		
Drive Sober or Get Pulled Over	4,468	4,468	4,468		
National Priority Safety Grant - Distracted Driving	5,500	5,500	5,500		
Stigma Free Initiative Grant	1,856	1,856	1,856		
Total Operations Excluded from "CAPS"	3,344,955	3,344,955	3,322,777	\$ 22,178	
Detail:					
Other Expenses	3,344,955	3,344,955	3,322,777	22,178	
Capital Improvements-Excluded from "CAPS" :					
Capital Improvement Fund	200,000	220,000	220,000		
Total Capital Improvements-Excluded from "CAPS"	200,000	220,000	220,000		
Municipal Debt Service Excluded from "CAPS":					
Payment of Bond Principal	2,825,000	2,825,000	2,825,000		
Payment of Bond Anticipation Notes	165,236	165,236	165,236		
Interest on Bonds	1,013,565	1,013,565	1,013,565		
Interest on Notes	136,000	136,000	135,813		\$ 187
NJ Environmental Infrastructure Trust Program:					
Loan Repayments for Principal and Interest	1,240,119	1,240,119	1,205,875		34,244
Total Municipal Debt Service Excluded from "CAPS"	5,379,920	5,379,920	5,345,489		34,431

VILLAGE OF RIDGEWOOD
CURRENT FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2018

(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Deferred Charges - Municipal - Excluded from "CAPS":					
Special Emergency Authorizations - 5 Years	\$ 50,000	\$ 50,000	\$ 50,000		
Deferred Charges to Future Taxation - Unfunded - Ordinance #2490	5,000	5,000	5,000		
Total Deferred Charges - Municipal - Excluded from "CAPS"	55,000	55,000	55,000		
Total General Appropriations Excluded from "CAPS"	8,979,875	8,999,875	8,943,266	\$ 22,178	\$ 34,431
Subtotal General Appropriations	48,853,201	48,853,201	46,379,217	2,438,948	35,036
Reserve for Uncollected Taxes	1,228,956	1,228,956	1,228,956		
Total General Appropriations	\$ 50,082,157	\$ 50,082,157	\$ 47,608,173	\$ 2,438,948	\$ 35,036

	Paid or Charged
Cash Disbursed	\$ 47,053,791
Reserve for Uncollected Taxes	1,228,956
Deferred Charges	50,000
Outstanding Encumbrances	808,580
Due to Federal and State Grant Fund	99,849
Less: Appropriation Refunds	49,241,176
	1,633,003
	\$ 47,608,173

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

Year	Balance Dec. 31, 2017	2018 Levy	Collections		State of NJ Veterans' and Senior Citizens' Deductions	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2018
			2017	2018				
2017	\$ 628,030		\$ 618,331	\$ (750)			\$ 10,449	
2018		\$ 149,569,565	\$ 21,673,167	126,884,251	96,901	\$ 166,241	741,767	
	\$ 628,030	\$ 149,569,565	\$ 21,673,167	\$ 127,502,582	\$ 96,151	\$ 166,241	\$ 752,216	

Analysis of 2018 Property Tax Levy

Tax Yield:	
General Purpose Tax	\$ 148,996,858
Added and Omitted Taxes	572,707
	<u>\$ 149,569,565</u>
Tax Levy:	
Local School District Taxes	97,444,257
County Taxes	\$ 16,252,227
Due County for Added and Omitted Taxes	62,587
	<u>16,314,814</u>
Municipal Open Space Tax	291,564
	<u>114,050,635</u>
Local Tax for Municipal Purposes Levied	35,002,462
Add: Additional Tax Levied	516,468
	<u>35,518,930</u>
	<u>\$ 149,569,565</u>

VILLAGE OF RIDGEWOOD
CURRENT FUND
SCHEDULE OF 2017 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2018

	Balance Dec. 31, 2017	Balance After Modification	Paid or Charged	Balance Lapsed
General Administration:				
Salaries and Wages	\$ 2,471	\$ 2,471	\$ 236	\$ 2,235
Other Expenses	39,153	39,153	8,148	31,005
Mayor and Council:				
Salaries and Wages	4,930	4,930		4,930
Other Expenses	58,292	58,292	14,124	44,168
Municipal Clerk:				
Salaries and Wages	5,506	5,506	200	5,306
Other Expenses	5,507	17,507	16,344	1,163
Financial Administration:				
Salaries and Wages	19,081	19,081		19,081
Other Expenses	6,245	6,245	3,147	3,098
Annual Audit	56,360	56,360	39,500	16,860
Management Information Systems:				
Salaries and Wages	18,615	18,615		18,615
Other Expenses	8,169	8,169	1,653	6,516
Tax Assessment Administration:				
Salaries and Wages	4,396	4,396		4,396
Other Expenses	2,596	2,596	468	2,128
Revenue Administration (Tax Collection):				
Salaries and Wages	2,300	2,300		2,300
Other Expenses	3,667	3,667	25	3,642
Legal Services and Costs:				
Salaries and Wages	7,981	7,981		7,981
Other Expenses	41,661	41,661	18,332	23,329
Elections:				
Salaries and Wages	728	728		728
Other Expenses	20,100	20,100	457	19,643
Engineering Services and Costs:				
Salaries and Wages	2,751	2,751		2,751
Other Expenses	1,175	3,675	1,837	1,838
Historic Preservation:				
Salaries and Wages	95	95		95
Other Expenses	47	47	10	37

VILLAGE OF RIDGEWOOD
CURRENT FUND
SCHEDULE OF 2017 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2018
(Continued)

	Balance Dec. 31, 2017	Balance After Modification	Paid or Charged	Balance Lapsed
Municipal Land Use Law (N.J.S.A. 40:55D-1):				
Planning Board:				
Salaries and Wages	\$ 18,170	\$ 18,170		\$ 18,170
Other Expenses	90,809	90,809	\$ 4,391	86,418
Master Plan Revision	250,000	250,000	250,000	
Board of Adjustment:				
Salaries and Wages	1,236	1,236		1,236
Other Expenses	35,070	35,070		35,070
Insurance:				
Other Insurance	194,086	194,086	192,321	1,765
Workers' Compensation Insurance	9,239	9,239		9,239
Group Insurance Plan for Employees	59,074	59,074	4,118	54,956
No Coverage Option - Health Insurance Waiver	284	284		284
Police:				
Salaries and Wages	199,496	109,496	4,820	104,676
Other Expenses	165,517	165,517	106,547	58,970
Emergency Services:				
Salaries and Wages	16,752	16,752	14,812	1,940
Other Expenses	12,490	12,490	10,428	2,062
Office of Emergency Management:				
Salaries and Wages	112	112		112
Other Expenses	11,245	11,245	64	11,181
Fire Department:				
Salaries and Wages	30,446	64,446	63,658	788
Other Expenses	5,304	8,304	4,551	3,753
P.E.O.S.H.A. Fire:				
Other Expenses	1,815	1,815	89	1,726
Street and Roads Maintenance:				
Salaries and Wages	72,617	57,617	52,477	5,140
Other Expenses	122,802	143,802	122,092	21,710
Community Services Act	3,143	3,143		3,143
Central Garage:				
Salaries and Wages	11,435	6,435	1,815	4,620
Other Expenses	77,446	97,446	88,856	8,590
Traffic and Signal:				
Salaries and Wages	10,068	5,068	4,097	971
Other Expenses	7,056	12,056	6,770	5,286

VILLAGE OF RIDGEWOOD
CURRENT FUND
SCHEDULE OF 2017 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2018
(Continued)

	Balance Dec. 31, 2017	Balance After Modification	Paid or Charged	Balance Lapsed
Recycling:				
Salaries and Wages	\$ 4,619	\$ 4,619	\$ 2,384	\$ 2,235
Other Expenses	11,070	11,070	3,289	7,781
Solid Waste Collection:				
Salaries and Wages	49,780	49,780	39,465	10,315
Other Expenses	367	1,367	1,364	3
Yardwaste Recycling:				
Salaries and Wages	2,620	2,620	2,620	
Other Expenses	73,526	73,526	61,427	12,099
Property Maintenance:				
Salaries and Wages	1,886	1,886	1,829	57
Other Expenses	13,636	28,636	15,025	13,611
Health Services:				
Salaries and Wages	7,003	7,003	2,673	4,330
Other Expenses	597	597	242	355
Animal Control:				
Other Expenses	2,970	2,970		2,970
Contribution to Social Services Agencies - Statutory:				
Other Expenses	7,353	7,353	2,979	4,374
Recreation Services and Programs:				
Salaries and Wages	31,027	26,027		26,027
Other Expenses	916	5,916	4,099	1,817
Community Center:				
Salaries and Wages	1,898	1,898		1,898
Other Expenses	444	444		444
Community Relations Advisory Board:				
Other Expenses	250	250		250
Parks Department:				
Salaries and Wages	11,665	11,665	1,608	10,057
Other Expenses	19,628	19,628	10,769	8,859
Graydon Pool:				
Salaries and Wages	1,814	1,814		1,814
Other Expenses	306	1,806	656	1,150
Project Pride:				
Other Expenses	340	340		340

VILLAGE OF RIDGEWOOD
CURRENT FUND
SCHEDULE OF 2017 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2018
(Continued)

	Balance Dec. 31, 2017	Balance After Modification	Paid or Charged	Balance Lapsed
Municipal Court:				
Salaries and Wages	\$ 3,419	\$ 3,419		\$ 3,419
Other Expenses	2,413	2,413	\$ 724	1,689
Public Defender:				
Other Expenses	300	300		300
Water Pollution Control:				
Salaries and Wages	19,323	19,323	9,631	9,692
Other Expenses	127,579	127,579	63,411	64,168
Landfill/Solid Waste Disposal Costs:				
Other Expenses	66,029	66,029	48,074	17,955
Construction Code Official:				
Salaries and Wages	764	764		764
Other Expenses	5,595	5,595	833	4,762
Salary Adjustment Account	74,000	74,000	25,079	48,921
Utilities and Bulk Purchases	230,885	230,885	53,618	177,267
Contingent	13,722	13,722		13,722
Contribution to:				
Public Employees' Retirement System	29,962	29,962		29,962
Social Security System (O.A.S.I.)	188,593	188,593	126,406	62,187
Consolidated Police and Firemen's Pension Fund	13,000	13,000		13,000
Police and Firemen's Retirement System of NJ	681	681		681
Defined Contribution Retirement Plan	4,816	4,816		4,816
Unemployment Compensation Insurance	14,200	14,200		14,200
Northwest Bergen County Sewer Authority -				
Contractual	2,054	2,054		2,054
Sludge Removal - Contractual	51,956	51,956	11,270	40,686
NJPDES Stormwater Permit (NJSA 40A:4-45.3(cc))	420	420		420
	<u>\$ 2,810,964</u>	<u>\$ 2,810,964</u>	<u>\$ 1,525,862</u>	<u>\$ 1,285,102</u>
<u>Analysis of Beginning Balance/Paid or Charged:</u>				
Encumbered	\$ 877,627			
Unencumbered	<u>1,933,337</u>			
	<u>\$ 2,810,964</u>			
Cash Disbursed			\$ 1,319,677	
Other Reserves			<u>206,185</u>	
			<u>\$ 1,525,862</u>	

VILLAGE OF RIDGEWOOD
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

Balance December 31, 2017	\$ 28,950
Increased by:	
Transfer from Taxes Receivable	<u>7,238</u>
Balance December 31, 2018	<u><u>\$ 36,188</u></u>

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

Balance December 31, 2017	
Local School District Tax Deferred	\$ 47,392,649
Increased by:	
Levy - School Year July 1, 2018 - June 30, 2019	97,444,257
	<u>144,836,906</u>
Decreased by:	
Payments to Local School District	<u>96,579,497</u>
Balance December 31, 2018	
Local School District Tax Deferred	<u><u>\$ 48,257,409</u></u>
 <u>Analysis of Increase - Deferred School Tax:</u>	
Balance December 31, 2018	\$ 48,257,409
Balance December 31, 2017	<u>47,392,649</u>
Net Increase Credited to Operations	<u><u>\$ 864,760</u></u>
 <u>School Taxes Payable</u>	
Balance December 31, 2017	\$ 464,890
Balance December 31, 2018	<u><u>\$ 464,890</u></u>

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

	Balance Dec. 31, 2017	2018 Budget Revenue Realized	Received	Transferred from Unappropriated Reserves	Canceled to Current Fund Operations	Balance Dec. 31, 2018
Drunk Driving Enforcement Fund:						
2018		\$ 18,601		\$ 18,601		
2008	\$ 8,424					\$ 8,424
Clean Communities Program:						
2018		46,233		46,233		
2011	35,005					35,005
Alcohol Education and Rehabilitation:						
2018		1,480		1,480		
2008	334					334
Body Armor Replacement Fund:						
2018		4,115		4,115		
2009	5,377					5,377
2008	78					78
Municipal Alliance on Alcoholism and Drug Abuse:						
2018		11,677	\$ 7,964			3,713
2017	3,955		2,471			1,484
2016	7,915				\$ 7,915	
2015	2,052				2,052	
Green Communities - 2018		3,000		3,000		
Drive Sober or Get Pulled Over - 2018		4,468		4,468		
National Priority Safety Grant - Distracted Driving - 2018		5,500		5,500		
Stigma Free Initiative - 2018		1,856		1,856		
F.E.M.A. Hazard Mitigation Grant - 2016	75,000					75,000
F.E.M.A. Assistance to Firefighter Grant: 2015	5,038					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>\$ 387,139</u>	<u>\$ 96,930</u>	<u>\$ 10,435</u>	<u>\$ 85,253</u>	<u>\$ 9,967</u>	<u>\$ 378,414</u>

Original Budget

\$ 96,930

VILLAGE OF RIDGEWOOD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2018

	Balance Dec. 31, 2017	Transferred to 2018 Budget Revenue	Received	Balance Dec. 31, 2018
Drunk Driving Enforcement Fund	\$ 18,601	\$ 18,601		
Clean Communities Program	46,233	46,233	\$ 44,235	\$ 44,235
Alcohol Education and Rehabilitation Fund	1,480	1,480	1,391	1,391
Body Armor Replacement Fund	7,314	4,115		3,199
Drive Sober or Get Pulled Over	17,014	4,468	7,882	20,428
Stigma Free Initiative	1,856	1,856		
National Priority Safety Grant - Distracted Driving	5,500	5,500	6,380	6,380
Green Communities - Consolidated Forest Management	3,000	3,000		
Performance Partnership Grants (PPG) - Radon Program			2,000	2,000
F.E.M.A. Assistance to Firefighter Grant - Tablets			4,100	4,100
	<u>\$ 100,998</u>	<u>\$ 85,253</u>	<u>\$ 65,988</u>	<u>\$ 81,733</u>

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

	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Transferred</u> <u>from</u> <u>2018 Budget</u> <u>Appropriations</u>	<u>Expended</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Drunk Driving Enforcement Fund:				
2018		\$ 18,601	\$ 1,880	\$ 16,721
Clean Communities Program:				
2018		46,233	46,233	
Alcohol Education and Rehabilitation:				
2018		1,480	1,116	364
2016	\$ 684		684	
2014			(700)	700
Body Armor Replacement Fund:				
2018		4,115	4,115	
2017	4,028		4,028	
Municipal Alliance on Alcoholism and Drug Abuse:				
State Share:				
2018		11,677	1,766	9,911
2017	8,850		8,850	
Local Share:				
2018		2,919	1,388	1,531
2017	2,919		2,919	
Green Communities - 2018		3,000		3,000
Drive Sober or Get Pulled Over - 2018		4,468	4,468	
National Priority Safety Grant - Distracted Driving - 2018		5,500		5,500
Stigma Free Initiative - 2018		1,856		1,856
F.E.M.A. Hazard Mitigation Grant:				
Federal Share - 2016				
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	1,100			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

VILLAGE OF RIDGEWOOD
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
(Continued)

	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Transferred</u> <u>from</u> <u>2018 Budget</u> <u>Appropriations</u>	<u>Expended</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
Bergen County JIF - Police Accreditation	\$ 4,736			\$ 4,736
	<u>\$ 240,481</u>	<u>\$ 99,849</u>	<u>\$ 76,747</u>	<u>\$ 263,583</u>
Original Budget		\$ 96,930		
Matching Funds		<u>2,919</u>		
		<u>\$ 99,849</u>		
Cash Disbursed			\$ 73,197	
Outstanding Encumbrances			<u>4,250</u>	
			<u>77,447</u>	
Less: Appropriation Refunds			<u>700</u>	
			<u>\$ 76,747</u>	

VILLAGE OF RIDGEWOOD
COUNTY OF BERGEN
2018
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, 2018
(With Comparative Totals for 2017)

	<u>Animal Control Fund</u>	<u>Other Trust Fund</u>	<u>Totals (Memorandum Only)</u>	
			<u>2018</u>	<u>2017</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 80,917	\$ 5,051,412	\$ 5,132,329	\$ 4,983,863
Interfunds Receivable		75,000	75,000	
TOTAL ASSETS	<u>\$ 80,917</u>	<u>\$ 5,126,412</u>	<u>\$ 5,207,329</u>	<u>\$ 4,983,863</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCES</u>				
Due to State of New Jersey Board of Health	\$ 42		\$ 42	\$ 147
Interfunds Payable		\$ 2,512	2,512	20,148
Accounts Payable - Vendors		41,153	41,153	15,469
Reserve for:				
Animal Control Fund Expenditures	80,875		80,875	90,213
Other Trust Funds		4,881,108	4,881,108	4,779,444
Insurance Claims		201,639	201,639	78,442
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	<u>\$ 80,917</u>	<u>\$ 5,126,412</u>	<u>\$ 5,207,329</u>	<u>\$ 4,983,863</u>

VILLAGE OF RIDGEWOOD
TRUST FUNDS
SCHEDULE OF RESERVE FOR INSURANCE CLAIMS

Balance December 31, 2017	\$ 78,442
Increased by Receipts:	
Insurance Deposits	433,788
	<u>512,230</u>
Decreased by Disbursements:	
Insurance Payments	310,591
	<u>310,591</u>
Balance December 31, 2018	<u><u>\$ 201,639</u></u>

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

Balance December 31, 2017		\$ 90,213
Increased by:		
License Fees Collected		40,664
		130,877
Decreased by:		
2018 Budget Appropriation	\$ 50,000	
Cancellation of Overpayment to State of New Jersey	2	
		50,002
Balance December 31, 2018		\$ 80,875

License Fees Collected

<u>Year</u>	<u>Amount</u>
2016	\$ 46,060
2017	39,882
	\$ 85,942
Maximum Allowable Reserve	

VILLAGE OF RIDGEWOOD
TRUST FUNDS
SCHEDULE OF OTHER TRUST RESERVES

	Balance Dec. 31, 2017	Receipts	Disbursements	Balance Dec. 31, 2018
Reserve for:				
Recycling Expenditures	\$ 337,452	\$ 171,635	\$ 348,016	\$ 161,071
Municipal Court Expenditures:				
POAA	10,183	9,326		19,509
Public Defender	4,000	200		4,200
Kasshau Music Shell	11,480	31,100	25,167	17,413
Recreation Fund	85,171	296,966	291,618	90,519
Unemployment Insurance	256,747	135,706	57,298	335,155
Escrow and Security Deposits Payable	1,154,491	249,815	215,350	1,188,956
Bequests/Gifts	38,765	14,291	11,067	41,989
Open Space	551,369	586,598	839,350	298,617
Storm Recovery	145,380	115,000	75,000	185,380
Terminal Leave	581,979	400,035	190,278	791,736
COAH Development	689,741	94,144		783,885
Community Center	8,241	31,054	27,996	11,299
Police Outside Duty	162,045	1,213,384	1,076,550	298,879
Tax Sale Premiums	742,400	325,800	415,700	652,500
Total	<u>\$ 4,779,444</u>	<u>\$ 3,675,054</u>	<u>\$ 3,573,390</u>	<u>\$ 4,881,108</u>

VILLAGE OF RIDGEWOOD
COUNTY OF BERGEN
2018
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,	
	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 1,361,703	\$ 4,151,138
Interfunds Receivable		210,740
Grants Receivable:		
County of Bergen		483,023
Community Development Block Grant	25,767	58,584
New Jersey Department of Transportation	37,250	311,250
Prospective Assessments Raised by Taxation	249,000	249,000
Deferred Charges to Future Taxation:		
Funded	29,836,883	33,774,464
Unfunded	23,391,892	16,342,282
TOTAL ASSETS	<u>\$ 54,902,495</u>	<u>\$ 55,580,481</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Serial Bonds Payable	\$ 25,871,000	\$ 28,696,000
NJEIT Loans Payable	3,965,883	5,078,464
Bond Anticipation Notes Payable	9,870,897	6,036,133
Improvement Authorizations:		
Funded	1,281,566	2,162,182
Unfunded	9,159,582	6,925,328
Recycling Grant	1,148	1,148
Encumbrances Payable	3,570,766	4,839,066
Capital Improvement Fund	46,753	165,360
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	867,134	1,248,294
TOTAL LIABILITIES, RESERVES AND FUND BALANCE	<u>\$ 54,902,495</u>	<u>\$ 55,580,481</u>

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

Ord. No.	Improvement Description	Balance/ (Deficit) Dec. 31, 2017	Receipts		Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2018
			Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Improvement Authorizations:										
3336	Watershed Protective Measures - Ho-Ho-Kus Brook and Saddle River									
3337	Restoration of Village Hall Level I	\$ 100,372					\$ 3,000	\$ 3,000		
3341	Acquisition of Fire Pumper and Equipment						115,572	15,200		
3346	Acquisition of Land	4,375					12,500	12,500		
3347	Watershed Protective Measures - Ho-Ho-Kus Brook and Saddle River Phase II	1,137					2,137	1,000		
3348	Acquisition of Fire Fighting Equipment	924					924			
3354	Construction of ADA Ramp at Graydon Pool	38,162								
3356	Purchase and Install Radio Communications Equipment									\$ 4,375
3361	Various Capital Improvements	(1,013,904)					12,809	12,778		(1,013,935)
3367	Various Capital Improvements	544,645				\$ 29,911	1,100	1,100		514,734
3384	Various Train Station Capital Improvements	15,215					17,147	1,932		
3392	Various Capital Improvements	101,833					109,864	8,031		
3421	Various Capital Improvements	443,946					64,624	3,611		382,933
3460	Various Capital Improvements	204,577					47,595	19,155		168,291
3475;	Various Capital Improvements	15,329					9,360	6,000		11,969
3507	Various Capital Improvements	(115,805)			\$ 50	83,245	59,627	8,565		(250,062)
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	18,924				15,175				3,749
3535	Various Capital Improvements	158,093			1,431	701,096	379,546	803,152		(117,966)
3564	Replacement of HVAC Unit at Library	1,227					1,227			
3577	Various Capital Improvements	(1,375,045)			3,046	81,376		26,876		(1,426,499)
3593	Various Capital Improvements	465,312		\$ 500,000		599,592	48,811	84,953		401,862
3632	2018 Road Paving Program			1,500,000		1,661,191	417,483	108,000		(470,674)
3644	Various Capital Improvements			2,000,000		692,270	1,245,854	250,000		311,876
3651	Hillcrest Road Streetscape Project						215,000	215,000		
3652	North Pleasant Avenue Streetscape Project						165,627	165,627		
3665	Acquisition of a Hook Lift Body with All Accessories for the Parks Department					600	57,393	3,000		(54,993)
3671	Phase II Improvements to Schedler Building							2,500		2,500
3676	Phase II Improvements to the Zabriskie-Schedler House					600		20,000		19,400
		\$ 4,151,138	\$ 225,000	\$ 4,000,000	\$ 504,989	\$ 3,949,043	\$ 5,954,112	\$ 5,954,112	\$ 1,361,703	

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

Ord. No.	Improvement Description	Balance Dec. 31, 2017	2018 Authorizations	Notes Paid by Budget Appropriation	Funded by Budget Appropriation	Canceled	Balance Dec. 31, 2018	Analysis of Balance at December 31, 2018		
								Financed by	Expenditures	Unexpended Improvement Authorizations
2490	Curbs and Sidewalks - CBD Phase III	\$ 80,644			\$ 5,000		\$ 75,644		\$ 75,644	
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	366,746		\$ 20,253			346,493	\$ 79,983	156,352	\$ 110,158
3169	Improvements to Habernickel Park	240,500					240,500		240,500	
3170	Various Capital Improvements	229,518					229,518		229,518	
3309	Improvements to Habernickel Park	50,456					50,456		50,456	
3316	Restoration of Saddle River Bank and Pipeline	200,000					200,000		200,000	
3356	Purchase and Install Radio Communications Equipment	1,013,935					1,013,935		1,013,935	

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

Ord. No.	Improvement Description	Balance Dec. 31, 2017	2018 Authorizations	Notes Paid by Budget Appropriation	Funded by Budget Appropriation	Canceled	Balance Dec. 31, 2018	Analysis of Balance at December 31, 2018		
								Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
3361	Various Capital Improvements	\$ 500,017		\$ 144,983			\$ 355,034	\$ 290,914		\$ 64,120
3475;										
3507	Various Capital Improvements	900,000					900,000	\$ 250,062		649,938
3535	Various Capital Improvements	4,293,000			\$ 12,654		4,280,346	3,500,000	117,966	662,380
3577	Various Capital Improvements	1,460,000					1,460,000	1,426,499		33,501
3593	Various Capital Improvements	5,928,000					5,928,000	2,500,000		3,428,000
3632	2018 Road Paving Program		\$ 2,052,000				2,052,000	1,500,000	470,674	81,326
3644	Various Capital Improvements		4,698,000				4,698,000	2,000,000		2,698,000
3665	Acquisition of a Hook Lift Body with All Accessories for the Parks Department		55,000				55,000		54,993	7
3671	Phase II Improvements to Schedler Building		47,500				47,500			47,500
3676	Phase II Improvements to the Zabriske-Schedler House		380,000				380,000			380,000
		<u>\$ 16,342,282</u>	<u>\$ 7,232,500</u>	<u>\$ 165,236</u>	<u>\$ 5,000</u>	<u>\$ 12,654</u>	<u>\$ 23,391,892</u>	<u>\$ 9,870,897</u>	<u>\$ 5,366,065</u>	<u>\$ 8,154,930</u>

Improvement Authorizations Unfunded
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:

Ord. No. 3361	\$ 290,914
Ord. No. 3593	401,862
Ord. No. 3644	311,876
	<u>1,004,652</u>
	<u>\$ 8,154,930</u>

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

Ord. No.	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2017		Capital Improvement Fund	Other Financing Sources	Deferred Charges to Future Taxation- Unfunded	Paid or Charged	Prior Year Encumbrances Canceled	Balance Dec. 31, 2018	
				Funded	Unfunded						Funded	Unfunded
2018 Authorizations												
3475:												
3507	Various Capital Improvements	11/09/15	\$ 2,559,725	\$ 784,195					\$ 142,822	\$ 8,565		\$ 649,938
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	18,924					15,175		3,749	
3535	Various Capital Improvements	06/08/16	4,519,975	951,093					1,079,211	803,152	12,654	662,380
3564	Replacement of HVAC Unit at Library	12/14/16	32,000	1,227						1,227		
3577	Various Capital Improvements	01/25/17:										
		08/09/17	1,537,000	84,955					78,330	26,876		33,501
3593	Various Capital Improvements	05/10/17	6,241,000	4,393,312					648,403	84,953		3,829,862
3632	2018 Road Paving Program	02/14/18	2,160,000		\$ 108,000		\$ 2,052,000		2,078,674			81,326
3644	Various Capital Improvements	05/09/18	4,948,000		250,000		4,698,000		1,938,124			3,009,876
3651	Hillcrest Road Streetscape Project	07/18/18	215,000			\$ 215,000				215,000		
3652	North Pleasant Avenue Streetscape Project	07/18/18	165,627			165,627				165,627		
3665	Acquisition of a Hook Lift Body with All Accessories for the Parks Department	09/12/18	58,000		3,000		55,000		57,993			7
3671	Phase II Improvements to Schedler Building	09/26/18	50,000		2,500		47,500				2,500	47,500
3676	Phase II Improvements to the Zabriskie-Schedler House	10/24/18	400,000		20,000		380,000		600		19,400	380,000
				<u>\$ 2,162,182</u>	<u>\$ 6,925,328</u>	<u>\$ 383,500</u>	<u>\$ 380,627</u>	<u>\$ 7,232,500</u>	<u>\$ 6,204,179</u>	<u>\$ 1,171,713</u>	<u>\$ 1,610,523</u>	<u>\$ 9,159,582</u>

C-4

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

Balance December 31, 2017	\$ 5,078,464
Less: Principal matured	1,112,581
Balance December 31, 2018	\$ 3,965,883

Schedule of Principal and Interest Payments Outstanding December 31, 2018

<u>Loan #2</u>				
<u>Due</u>	<u>Fund Loan Principal</u>	<u>Trust Loan Principal</u>	<u>Trust Loan Interest</u>	<u>Loan Balance</u>
				\$ 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	
	\$ 614,469	\$ 280,000	\$ 46,998	

Schedule of Principal and Interest Payments Outstanding December 31, 2018

<u>Loan #1</u>				
<u>Due</u>	<u>Fund Loan Principal</u>	<u>Trust Loan Principal</u>	<u>Trust Loan Interest</u>	<u>Loan Balance</u>
				\$ 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	
	\$ 1,301,414	\$ 1,770,000	\$ 172,402	

VILLAGE OF RIDGEWOOD
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Improvement Description	Date of Issue	Original Issue	Maturities				Interest Rate	Balance Dec. 31, 2017	Matured	Balance Dec. 31, 2018
			December 31, 2018							
			Date of Maturity	Amount	Amount	Rate				
General Refunding Bonds of 2013	5/8/2013	\$ 4,860,000	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%	\$ 3,140,000	\$ 600,000	\$ 2,540,000		
General Improvement Bonds of 2013	6/15/2013	10,858,000	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%	8,133,000	800,000	7,333,000		
			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	825,000	4,980,000		

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

Improvement Description	Date of Issue	Original Issue	Maturities				Interest Rate	Balance	
			Date of Maturity	Amount	December 31, 2018				
					Dec. 31, 2017	Dec. 31, 2018			
General Improvement Bonds of 2016	8/18/2016	\$ 12,218,000	8/1/2019	\$ 600,000	3.000%				
			8/1/2020	600,000	3.000%				
			8/1/2021	700,000	3.000%				
			8/1/2022	800,000	3.000%				
			8/1/2023	1,150,000	4.000%				
			8/1/2024	1,200,000	4.000%				
			8/1/2025	1,200,000	4.000%				
			8/1/2026	1,200,000	3.000%				
			8/1/2027	1,200,000	3.000%				
			8/1/2028	1,200,000	2.000%				
			8/1/2029	1,168,000	2.000%				
						\$ 11,618,000	\$ 600,000	\$ 11,018,000	
						<u>\$ 28,696,000</u>	<u>\$ 2,825,000</u>	<u>\$ 25,871,000</u>	

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

Ord. No.	Improvement Description	Balance Dec. 31, 2017	2018 Authorizations	Funded by		Authorizations Canceled	Balance Dec. 31, 2018
				Budget Appropriation	Bond Anticipation Notes Issued		
2490	Curbs and Sidewalks - CBD Phase III	\$ 80,644		\$ 5,000			\$ 75,644
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	266,510					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	793,000				\$ 12,654	780,346
3577	Various Capital Improvements	1,460,000					1,460,000
3593	Various Capital Improvements	3,928,000			\$ 500,000		3,428,000
3632	2018 Road Paving Program		\$ 2,052,000		1,500,000		552,000
3644	Various Capital Improvements		4,698,000		2,000,000		2,698,000
3665	Acquisition of a Hook Lift Body with All Accessories for the Parks Department		55,000				55,000
3671	Phase II Improvements to Schedler Building		47,500				47,500
3676	Phase II Improvements to the Zabriske-Schedler House		380,000				380,000
		<u>\$ 10,306,149</u>	<u>\$ 7,232,500</u>	<u>\$ 5,000</u>	<u>\$ 4,000,000</u>	<u>\$ 12,654</u>	<u>\$ 13,520,995</u>

VILLAGE OF RIDGEWOOD
COUNTY OF BERGEN
2018
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, 2018
(With Comparative Totals for 2017)

	<u>Utility Operating Funds</u>		<u>Totals</u> (Memorandum Only)	
	<u>Water</u>	<u>Parking</u>	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>				
Utility Operating:				
Cash and Cash Equivalents	\$ 10,490,375	\$ 952,030	\$ 11,442,405	\$ 11,797,386
Change Fund	100	3,496	3,596	3,596
	<u>10,490,475</u>	<u>955,526</u>	<u>11,446,001</u>	<u>11,800,982</u>
Interfunds Receivable	266,432		266,432	124,234
	<u>10,756,907</u>	<u>955,526</u>	<u>11,712,433</u>	<u>11,925,216</u>
Receivables with Full Reserves:				
Consumer Accounts Receivable	2,284,428		2,284,428	2,566,197
Hydrant Service Receivable	532		532	432
Other Receivables	70,495		70,495	62,799
	<u>2,355,455</u>		<u>2,355,455</u>	<u>2,629,428</u>
TOTAL ASSETS	<u>\$ 13,112,362</u>	<u>\$ 955,526</u>	<u>\$ 14,067,888</u>	<u>\$ 14,554,644</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCES</u>				
Appropriation Reserves:				
Unencumbered	\$ 2,264,985	\$ 157,541	\$ 2,422,526	\$ 2,417,728
Encumbered	950,658	4,242	954,900	1,803,497
Total Appropriation Reserves	<u>3,215,643</u>	<u>161,783</u>	<u>3,377,426</u>	<u>4,221,225</u>
Interfunds Payable				14,746
Accounts Payable - Vendors	39,328		39,328	91,040
Accrued Interest on Bonds and Notes	248,552	2,250	250,802	200,860
Water Rent Overpayments	342,757		342,757	360,985
	<u>3,846,280</u>	<u>164,033</u>	<u>4,010,313</u>	<u>4,888,856</u>
Reserve for:				
Receivables	2,355,455		2,355,455	2,629,428
Litigation	2,170		2,170	2,170
Park and Ride		341,258	341,258	327,045
Fund Balance	<u>6,908,457</u>	<u>450,235</u>	<u>7,358,692</u>	<u>6,707,145</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	<u>\$ 13,112,362</u>	<u>\$ 955,526</u>	<u>\$ 14,067,888</u>	<u>\$ 14,554,644</u>

VILLAGE OF RIDGEWOOD
UTILITY OPERATING FUNDS
COMBINING STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2018
(With Comparative Totals for 2017)

	<u>Utility Operating Funds</u>		<u>Totals</u> <u>(Memorandum Only)</u>	
	<u>Water</u>	<u>Parking</u>	<u>2018</u>	<u>2017</u>
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	\$ 3,187,859	\$ 210,681	\$ 3,398,540	\$ 4,046,764
Water Rents	12,397,824		12,397,824	12,982,746
Parking Lot Fees and Permits		1,564,779	1,564,779	1,324,842
Fire Hydrant Service	182,577		182,577	182,262
Cell Tower Rents	515,208		515,208	
Miscellaneous Revenue	721,028	8,547	729,575	634,261
Nonbudget Revenue	22,372	4,175	26,547	161,548
Other Credits to Income:				
Unexpended Balance of Appropriation Reserves	2,677,315	125,949	2,803,264	785,054
Other Accounts Receivable Returned				95,563
Total Income	<u>19,704,183</u>	<u>1,914,131</u>	<u>21,618,314</u>	<u>20,213,040</u>
<u>Expenditures</u>				
Budget Expenditures:				
Operating	10,961,023	1,252,615	12,213,638	12,632,597
Capital Improvements	1,620,000	25,000	1,645,000	1,910,000
Debt Service	2,253,659	5,075	2,258,734	1,996,966
Deferred Charges and Statutory Expenditures	643,476	104,466	747,942	721,111
Budgeted Fund Balance	811,326	150,000	961,326	1,256,118
Refund of Prior Year Revenue	1,587		1,587	
Total Expenditures	<u>16,291,071</u>	<u>1,537,156</u>	<u>17,828,227</u>	<u>18,516,792</u>
Excess in Revenue	3,413,112	376,975	3,790,087	1,696,248
Adjustments Before Fund Balance:				
Expenditures Included Above Which Were Funded by Bond Ordinance	<u>260,000</u>		<u>260,000</u>	
Statutory Excess to Fund Balance	3,673,112	376,975	4,050,087	1,696,248
<u>Fund Balance</u>				
Balance January 1	6,423,204	283,941	6,707,145	9,057,661
	<u>10,096,316</u>	<u>660,916</u>	<u>10,757,232</u>	<u>10,753,909</u>
Decreased by:				
Utilized as Anticipated Revenue	<u>3,187,859</u>	<u>210,681</u>	<u>3,398,540</u>	<u>4,046,764</u>
Balance December 31	<u>\$ 6,908,457</u>	<u>\$ 450,235</u>	<u>\$ 7,358,692</u>	<u>\$ 6,707,145</u>

VILLAGE OF RIDGEWOOD
WATER UTILITY OPERATING FUND
STATEMENT OF REVENUES
YEAR ENDED DECEMBER 31, 2018

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit*</u>
Fund Balance Anticipated	\$ 3,187,859	\$ 3,187,859	
Water Rents	12,801,342	12,397,824	\$ 403,518 *
Fire Hydrant Service	180,000	182,577	2,577
Cell Tower Rents	240,000	515,208	275,208
Miscellaneous Revenue	628,651	721,028	92,377
	<u>17,037,852</u>	<u>17,004,496</u>	<u>\$ 33,356 *</u>
Nonbudget Revenue		22,372	
	<u>\$ 17,037,852</u>	<u>\$ 17,026,868</u>	

Analysis of Miscellaneous Revenue:

Interest on Investments	\$ 373,093
Delinquent Payment Penalties	88,025
Maintenance Plan	75,850
Installation Service	122,408
Fire Sprinkler Service	59,214
Sewer Orders	2,348
Other Miscellaneous	90
	<u>\$ 721,028</u>

Analysis of Nonbudget Revenue:

Bid Specifications	\$ 6,628
Prior Year Budget Refunds	4,461
Hydrant/Pool Permits	3,519
Scrap Metal	3,266
Insurance Claim Reimbursements	2,910
Other Miscellaneous	1,588
	<u>\$ 22,372</u>

VILLAGE OF RIDGEWOOD
PARKING UTILITY OPERATING FUND
STATEMENT OF REVENUES
YEAR ENDED DECEMBER 31, 2018

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	\$ 210,681	\$ 210,681	
Parking Lot Fees and Permits	1,324,000	1,564,779	\$ 240,779
Interest on Investments	2,500	8,547	6,047
	<u>1,537,181</u>	<u>1,784,007</u>	<u>\$ 246,826</u>
Budget Totals			
Nonbudget Revenue		4,175	
	<u>\$ 1,537,181</u>	<u>\$ 1,788,182</u>	

Analysis of Nonbudget Revenue:

Bagged Meter Fees	\$ 5,760
Miscellaneous	2,325
Less: Refunds	3,910
	<u>\$ 4,175</u>

VILLAGE OF RIDGEWOOD
WATER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2018

	Water Utility Operating Fund				Unexpended Balance Canceled
	Appropriations		Expended by		
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 3,849,358	\$ 3,791,758	\$ 3,530,129	\$ 261,629	
Other Expenses	8,169,265	8,169,265	6,046,110	1,123,155	\$ 1,000,000
Total Operating	<u>12,018,623</u>	<u>11,961,023</u>	<u>9,576,239</u>	<u>1,384,784</u>	<u>1,000,000</u>
Capital Improvements:					
Capital Outlay	1,360,000	1,360,000	502,201	857,799	
Acquisition of Property - (Emergency +\$260,000)		260,000	237,598	22,402	
Total Capital Improvements	<u>1,360,000</u>	<u>1,620,000</u>	<u>739,799</u>	<u>880,201</u>	
Debt Service:					
Payment of Bond Anticipation Notes	124,000	124,000	124,000		
Payment of Bond Principal	1,290,000	1,290,000	1,290,000		
Interest on Bonds	637,562	637,562	629,281		8,281
Interest on Notes	152,865	210,465	210,378		87
Total Debt Service	<u>2,204,427</u>	<u>2,262,027</u>	<u>2,253,659</u>		<u>8,368</u>
Statutory Expenditures:					
Social Security System (O.A.S.I.)	295,000	295,000	295,000		
Public Employees' Retirement System	324,476	324,476	324,476		
Unemployment Compensation Insurance (N.J.S.A. 43:21-3et.seq.)	24,000	24,000	24,000		
Surplus (General Budget)	811,326	811,326	811,326		
Total Statutory Expenditures	<u>1,454,802</u>	<u>1,454,802</u>	<u>1,454,802</u>		
	<u>\$ 17,037,852</u>	<u>\$ 17,297,852</u>	<u>\$ 14,024,499</u>	<u>\$ 2,264,985</u>	<u>\$ 1,008,368</u>

Analysis of Paid or Charged:

Cash Disbursed	\$ 12,258,524
Accounts Payable	5,568
Accrued Interest on Bonds	629,281
Accrued Interest on Notes	210,378
Outstanding Encumbrances	950,658
	<u>14,054,409</u>
Less: Appropriation Refunds	29,910
	<u>\$ 14,024,499</u>

VILLAGE OF RIDGEWOOD
PARKING UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2018

	Parking Utility Operating Fund				Unexpended Balance Canceled
	Appropriations		Expended by		
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 657,065	\$ 656,465	\$ 635,400	\$ 21,065	
Other Expenses	596,150	596,150	462,074	134,076	
Total Operating	<u>1,253,215</u>	<u>1,252,615</u>	<u>1,097,474</u>	<u>155,141</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	4,500	5,100	5,075		\$ 25
Total Debt Service	<u>4,500</u>	<u>5,100</u>	<u>5,075</u>		<u>25</u>
Statutory Expenditures:					
Social Security System (O.A.S.I.)	50,266	50,266	50,266		
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	2,800	2,400	
Police and Firemen's Retirement System	21,000	21,000	21,000		
Surplus (General Budget)	150,000	150,000	150,000		
Total Statutory Expenditures	<u>254,466</u>	<u>254,466</u>	<u>252,066</u>	<u>2,400</u>	
	<u>\$ 1,537,181</u>	<u>\$ 1,537,181</u>	<u>\$ 1,379,615</u>	<u>\$ 157,541</u>	<u>\$ 25</u>

Analysis of Paid or Charged:

Cash Disbursed	\$ 1,375,373
Outstanding Encumbrances	<u>4,242</u>
	<u>\$ 1,379,615</u>

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

Balance December 31, 2017		\$ 2,566,197
Increased by:		
Water Charges Levied		<u>12,116,055</u>
		14,682,252
Decreased by:		
Collections	\$ 12,036,839	
Overpayments Applied	<u>360,985</u>	
		<u>12,397,824</u>
Balance December 31, 2018		<u><u>\$ 2,284,428</u></u>

VILLAGE OF RIDGEWOOD
WATER UTILITY OPERATING FUND
SCHEDULE OF 2017 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2018

	<u>Balance</u> <u>Dec. 31, 2017</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	\$ 299,078	\$ 299,078	\$ 16,118	\$ 282,960
Other Expenses	2,459,362	2,459,362	463,075	1,996,287
Capital Improvement Fund	1,319,719	1,319,719	921,651	398,068
	<u>\$ 4,078,159</u>	<u>\$ 4,078,159</u>	<u>\$ 1,400,844</u>	<u>\$ 2,677,315</u>
<u>Analysis of Balance:</u>				
Unencumbered	\$ 2,303,461			
Encumbered	1,774,698			
	<u>\$ 4,078,159</u>			

VILLAGE OF RIDGEWOOD
PARKING UTILITY OPERATING FUND
SCHEDULE OF 2017 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2018

	<u>Balance</u> <u>Dec. 31, 2017</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	\$ 26,560	\$ 26,560	\$ 65	\$ 26,495
Other Expenses	116,506	116,506	17,052	99,454
	<u>\$ 143,066</u>	<u>\$ 143,066</u>	<u>\$ 17,117</u>	<u>\$ 125,949</u>
 <u>Analysis of Balance:</u>				
Unencumbered	\$ 114,267			
Encumbered		28,799		
		<u>\$ 143,066</u>		

D-6

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

Balance December 31, 2017	\$ 199,185
Increased by:	
Charged to Current Year Budget	839,659
	<u>1,038,844</u>
Decreased by:	
Interest Paid	790,292
	<u>790,292</u>
Balance December 31, 2018	<u><u>\$ 248,552</u></u>

D-6A

VILLAGE OF RIDGEWOOD
PARKING UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON NOTES
YEAR ENDED DECEMBER 31, 2018

Balance December 31, 2017	\$ 1,675
Increased by:	
Charged to Current Year Budget	5,075
	<u>6,750</u>
Decreased by:	
Interest Paid	4,500
	<u>4,500</u>
Balance December 31, 2018	<u><u>\$ 2,250</u></u>

VILLAGE OF RIDGEWOOD
COUNTY OF BERGEN
2018
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, 2018
(With Comparative Totals for 2017)

	Utility Capital Funds		Totals (Memorandum Only)	
	Water	Parking	2018	2017
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 9,770,772	\$ 132,820	\$ 9,903,592	\$ 10,787,588
Fixed Capital	56,858,898	1,423,597	58,282,495	56,832,014
Fixed Capital Authorized and Uncompleted	35,115,027	14,798,660	49,913,687	33,026,687
Interfunds Receivable				14,746
TOTAL ASSETS	<u>\$101,744,697</u>	<u>\$ 16,355,077</u>	<u>\$118,099,774</u>	<u>\$100,661,035</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCES</u>				
Serial Bonds Payable	\$ 16,674,000		\$ 16,674,000	\$ 17,964,000
Bond Anticipation Notes Payable	10,170,000	\$ 200,000	10,370,000	6,994,000
Improvement Authorizations:				
Funded	1,754,058	20,091	1,774,149	2,264,925
Unfunded	6,604,785	12,778,697	19,383,482	9,245,255
Capital Improvement Fund	2,090,925	278,048	2,368,973	2,343,973
Interfunds Payable	260,000		260,000	
Reserve for:				
Encumbrances Payable	6,437,445	886,626	7,324,071	4,626,275
Arbitrage	177,412	199,876	377,288	377,288
Preliminary Expenses	5,200		5,200	5,200
Payment of Debt Service		80,000	80,000	
Amortization	53,570,794	1,739,982	55,310,776	52,910,295
Deferred Amortization	3,550,881	153,660	3,704,541	3,580,541
Fund Balance	449,197	18,097	467,294	349,283
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	<u>\$101,744,697</u>	<u>\$ 16,355,077</u>	<u>\$118,099,774</u>	<u>\$100,661,035</u>

VILLAGE OF RIDGEWOOD
 WATER UTILITY CAPITAL FUND
 ANALYSIS OF CASH

	Receipts			Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2018
	Balance/ (Deficit) Dec. 31, 2017	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
Fund Balance	\$ 333,462	\$ 115,735						\$ 449,197	
Capital Improvement Fund	2,090,925							2,090,925	
Due Water Utility Operating Fund	(14,746)	196,630	\$ 181,884			\$ 260,000		260,000	
Reserve for:									
Encumbrances	4,382,345		2,563,565		\$ 205,688	4,824,353		6,437,445	
Arbitrage Rebate	177,412							177,412	
Preliminary Expenses	5,200							5,200	
<u>Improvement Authorizations:</u>									
Ord. No.	Improvement Description								
2697	Various Water Improvements	59,028	11,982	\$ 45,279		644		25,087	
2930	Various Water Improvements	4,692						4,692	
3123	Various Water Improvements	299						299	
3181	Various Water Improvements	18,048		8,065				9,983	
3271	Various Water Improvements	5,740		5,739				1	
3303	Acquisition of Various Equipments	2						2	
3307	Various Water Improvements	338,690		217,891		95,671		25,128	
3351	Divestiture of Real Property	5,000						5,000	
3353	Acquisition and Installation of Water Meters	1,614						1,614	
3362	Various Water Improvements	213,821		810		136,440	10,001	86,572	
3393	Various Water Improvements	(619,739)		25,522			14,218	(631,043)	
3414	Various Water Improvements	379,648		5,188		92,028		282,432	
3476	Various Water Improvements	339,728	4,208	226,401		31,623	67,276	153,188	
3518	Rehabilitation of Water Tanks	184,593		31,870		52,065		100,658	
3536	Various Water Improvements	2,569,673		33,670		148,977	114,193	2,501,219	
3574	Water Distribution System Improvements	(862,299)		307,981		109,016		(1,279,296)	
3594	Various Water Improvements	(574,594)	\$ 1,000,000	970,054		1,316,893		(1,861,541)	
3606	Acquisition of Property	1,597,900		2,220				1,595,680	
3631	Improvements to the Cair Granular Activated Carbon Treatment System			1,708		2,815,920		(817,628)	
3642	Various Water Improvements			66,378		25,076		408,546	
3685	Acquisition of Property					260,000		(260,000)	
		\$ 10,636,442	\$ 3,500,000	\$ 328,555	\$ 1,948,776	\$ 2,745,449	\$ 5,290,041	\$ 9,770,772	

VILLAGE OF RIDGEWOOD
PARKING UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2017	Receipts		Disbursements		Transfers		Balance/ (Deficit) Dec. 31, 2018
		Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 15,821		\$ 2,276					\$ 18,097
Capital Improvement Fund	253,048	\$ 25,000						278,048
Due Parking Utility Operating Fund			1,965		\$ 1,965			
Reserve for:								
Encumbrances	243,930				10,904		\$653,600	886,626
Arbitrage	199,876						80,000	199,876
Payment of Debt Service								80,000
<u>Improvement Authorizations:</u>								
Ord.								
No.	Improvement Description							
2732	Various Parking Improvements			\$ 3,365				(103,980)
2977	Construction of Parking Garage							(57,029)
3363	Various Parking Improvements							2,784
3394	Various Parking Improvements							(13,606)
3415	Improvements to the Parking Utility							13,845
3443;								
3480	Work at Hudson Street Lot							(593,455)
3477	Purchase of a Pickup Truck and Plate Reader System							3,462
3595	Preliminary Plans for Parking Garage			30,133		\$106,000		46,952
3650	Design, Management, Construction, Furnishing and Equipping of the Hudson Street Parking Garage			600		614,400		(615,000)
3670	Redesign/Reconfiguration of the Train Station Parking Lot			600		13,200		(13,800)
		\$ 151,146	\$ 4,241	\$ 34,698	\$ 12,869	\$733,600	\$733,600	\$ 132,820

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

Purpose	Date of Issue	Original Issue	Maturities				Balance Dec. 31, 2017	Matured	Balance Dec. 31, 2018
			December 31, 2018						
			Date of Maturity	Amount	Interest Rate	Balance Dec. 31, 2017			
Water Refunding Bonds	05/08/13	\$ 4,180,000	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%		\$ 3,500,000	\$ 225,000	\$ 3,275,000	
Water Bonds	06/15/13	7,859,000	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%		5,459,000	650,000	4,809,000	

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

Purpose	Date of Issue	Original Issue	Maturities				Balance Dec. 31, 2018
			December 31, 2018				
			Date of Maturity	Amount	Interest Rate	Balance Dec. 31, 2017	
Water Refunding Bonds	07/19/16	\$ 3,665,000	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	\$ 240,000
Water Bonds	08/18/16	5,515,000	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, 2017	Balance Dec. 31, 2018
			Date of Maturity	Amount			
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%		
						\$ 5,340,000	\$ 5,165,000
						\$ 17,964,000	\$ 16,674,000

VILLAGE OF RIDGEWOOD
WATER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2018

Ord. No.	Improvement Description	Date of				Interest Rate	Balance Dec. 31, 2017	Balance Dec. 31, 2018
		Ordinance	Issue 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
			8/17/2017	8/16/2018	8/16/2019	3.00%		\$ 390,000
3476	Various Water Improvements	5/13/2015	8/17/2017	8/17/2017	8/17/2018	2.25%	1,000,000	1,000,000
			8/17/2017	8/16/2018	8/16/2019	3.00%		980,000
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
			8/17/2017	8/16/2018	8/16/2019	3.00%		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
			8/17/2017	8/16/2018	8/16/2019	3.00%		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
			8/17/2017	8/16/2018	8/16/2019	3.00%		2,000,000
			8/16/2018	8/16/2018	8/16/2019	3.00%		1,000,000
3631	Improvements to the Carr Granular Activated Carbon Treatment System	2/14/2018	8/16/2018	8/16/2018	8/16/2019	3.00%	2,000,000	2,000,000
3642	Various Water Improvements	5/9/2018	8/16/2018	8/16/2018	8/16/2019	3.00%	500,000	500,000
							\$ 6,794,000	\$ 10,170,000
							\$ 6,794,000	\$ 10,170,000
							\$ 6,670,000	\$ 6,670,000
							3,500,000	124,000
							\$ 10,170,000	\$ 6,794,000

Renewals
Issued for Cash
Paid by Budget Appropriation

VILLAGE OF RIDGEWOOD
WATER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance December 31, 2017		Charges to Future Revenue	Paid or Charged	Prior Year Encumbrances Canceled	Balance December 31, 2018	
		Date	Amount	Funded	Unfunded				Funded	Unfunded
2697	Various Water Improvements	05/17/00	\$ 625,000	\$ 59,028			\$ 33,941		\$ 25,087	
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	18,048			8,065		9,983	
3271	Various Water Improvements	12/01/10	425,000	5,740			5,739		1	
3303	Acquisition of Various Equipment	08/10/11	869,789	2					2	
3307	Various Water Improvements	09/14/11	900,000	338,690			313,562		25,128	
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	1,614	250				1,614	\$ 250
3362	Various Water Improvements	12/05/12	1,900,000	213,821			137,250	\$ 10,001	86,572	
3393	Various Water Improvements	10/09/13	2,126,250		355,261		25,522	14,218		343,957
3414	Various Water Improvements	05/28/14	2,126,500		379,648		97,216			282,432
3476	Various Water Improvements	05/13/15	2,625,000		632,728		253,816	67,276		446,188
3518	Rehabilitation of Water Tanks	01/13/16	1,312,500		197,093		83,935			113,158

VILLAGE OF RIDGEWOOD
WATER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
(Continued)

Ord. No.	Improvement Description	Ordinance		Balance December 31, 2017		Charges to Future Revenue	Paid or Charged	Prior Year Encumbrances Canceled	Balance December 31, 2018	
		Date	Amount	Funded	Unfunded				Funded	Unfunded
3536	Various Water Improvements	06/08/16	\$ 4,655,000	\$ 2,624,673			\$ 182,647	\$ 114,193	\$ 2,556,219	
3574	Water Distribution System Improvements	01/25/17	1,350,000	417,701		416,997				704
3594	Various Water Improvements	05/20/17	5,745,500	3,170,906		2,286,947				883,959
3606	Acquisition of Property	08/09/17	1,600,000	\$ 1,597,900		2,220			\$ 1,595,680	
3631	Improvements to the Carr Granular Activated Carbon Treatment System	02/14/18	3,570,000			\$ 3,570,000	2,817,628			752,372
3642	Various Water Improvements	05/09/18	1,317,000			1,317,000	91,454			1,225,546
3685	Acquisition of Property	11/07/18	260,000			260,000	260,000			
				\$ 2,244,834	\$ 7,778,260	\$ 5,147,000	\$ 7,016,939	\$ 205,688	\$ 1,754,058	\$ 6,604,785

VILLAGE OF RIDGEWOOD
PARKING UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2017		2018 Authorizations Deferred Charges to Future Revenue	Authorization Transfers	Paid or Charged	Balance December 31, 2018	
				Funded	Unfunded				Funded	Unfunded
2977	Construction of Parking Garage	02/22/06	\$ 3,000,000	\$ 2,784	\$ 845,971			\$ 3,365	\$ 2,784	\$ 842,606
3363	Various Parking Improvements	12/05/12	32,900							
3394	Various Parking Improvements	10/09/13	368,560		336,394		\$ (250,000)			86,394
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		1,545					1,545
3477	Purchase of a Pickup Truck and Plate Reader System	05/13/15	60,000	3,462					3,462	
3595	Preliminary Plans for Parking Garage	05/20/17	210,000		183,085		(80,000)	56,133		46,952
3650	Design, Management, Construction, Furnishing and Equipping of the Hudson Street Parking Garage	07/18/18	12,000,000			\$ 12,000,000		615,000		11,385,000
3670	Redesign/Reconfiguration of the Train Station Parking Lot	09/26/18	330,000				330,000	13,800		316,200
				\$ 20,091	\$ 1,466,995	\$ 12,000,000	\$ - 0 -	\$ 688,298	\$ 20,091	\$ 12,778,697

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

Ord. No.	Improvement Description	Ordinance Date	Balance Dec. 31, 2017	Notes Paid from Operating Budget	Balance Dec. 31, 2018
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	\$ 94,000	201,250
3414	Various Water Improvements	05/19/14	126,500	10,000	136,500
3476	Various Water Improvements	05/13/15	132,000	20,000	152,000
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>\$ 3,426,881</u>	<u>\$ 124,000</u>	<u>\$ 3,550,881</u>

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

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2017</u>	<u>Balance Dec. 31, 2018</u>
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>\$ 153,660</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, 2017	2018 Authorizations	Bond Anticipation Notes Issued	Balance Dec. 31, 2018
3353	Acquisition and Installation of Water Meters	\$ 250			\$ 250
3393	Various Water Improvements	975,000			975,000
3414	Various Water Improvements				
3476	Various Water Improvements	293,000			293,000
3518	Rehabilitation of Water Tanks	12,500			12,500
3536	Various Water Improvements	55,000			55,000
3574	Water Distribution System Improvements	1,280,000			1,280,000
3594	Various Water Improvements	3,745,500		\$ 1,000,000	2,745,500
3631	Improvements to the Carr Granular Activated Carbon Treatment System		\$ 3,570,000	2,000,000	1,570,000
3642	Various Water Improvements		1,317,000	500,000	817,000
3685	Acquisition of Property		260,000		260,000
		<u>\$ 6,361,250</u>	<u>\$ 5,147,000</u>	<u>\$ 3,500,000</u>	<u>\$ 8,008,250</u>

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

Ord. No.	Improvement Description	Balance Dec. 31, 2017	2018 Authorizations	Authorization Transfers	To Reserve for Payment of Debt Service	Balance Dec. 31, 2018
2732	Various Parking Improvements	\$ 100,615				\$ 100,615
2977	Construction of Parking Garage	903,000				903,000
3394	Various Parking Improvements	350,000		\$ (250,000)		100,000
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			(80,000)	\$ 80,000	
3650	Design, Management, Construction, Furnishing and Equipping of the Hudson Street Parking Garage		\$ 12,000,000			12,000,000
3670	Redesign/Reconfiguration of the Train Station Parking Lot			330,000		330,000
		<u>\$ 2,048,615</u>	<u>\$ 12,000,000</u>	<u>\$ - 0 -</u>	<u>\$ 80,000</u>	<u>\$ 14,128,615</u>

VILLAGE OF RIDGEWOOD
COUNTY OF BERGEN
2018
GENERAL FIXED ASSETS ACCOUNT GROUP

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

	December 31,	
<u>ASSETS</u>	2018	2017
Land	\$ 122,053,996	\$ 122,053,996
Buildings and Building Improvements	27,054,871	27,054,871
Machinery and Equipment	34,887,112	33,044,289
 TOTAL ASSETS	 \$ 183,995,979	 \$ 182,153,156
 <u>RESERVES</u>		
Reserve for Fixed Assets	\$ 183,995,979	\$ 182,153,156
 TOTAL RESERVES	 \$ 183,995,979	 \$ 182,153,156

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

	Balance Dec. 31, 2017	Additions	Deletions	Balance Dec. 31, 2018
Land	\$ 122,053,996			\$ 122,053,996
Buildings and Building Improvements	27,054,871			27,054,871
Machinery and Equipment	33,044,289	\$ 2,546,526	\$ 703,703	34,887,112
	<u>\$ 182,153,156</u>	<u>\$ 2,546,526</u>	<u>\$ 703,703</u>	<u>\$ 183,995,979</u>

STATISTICAL SECTION
(Unaudited)

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

EXPENDITURES	Year Ended December 31,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Current Fund:										
General Government	\$ 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	\$ 16,519,746
Public Safety	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	12,618,187
Public Works	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	4,742,665
Health and Welfare	376,951	320,727	293,428	315,540	297,472	307,109	300,168	283,424	295,745	300,463
Recreation and Education	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	1,681,470
Deferred Charges and Statutory Expenditures	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	4,951,197
State and Federal Grants	234,144	653,105	264,027	304,443	175,647					
Capital Improvements	1,073,425	178,471	12,200	10,000	140,000	140,000	157,000	157,000	157,000	220,000
Debt Service	3,624,142	3,637,914	4,214,379	4,042,378	3,842,935	4,523,143	4,920,185	4,843,607	5,379,937	5,345,489
Reserve for Uncollected Taxes	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	1,228,956
Current Fund Budget Totals	41,058,366	42,371,552	45,703,648	46,021,159	45,341,267	45,943,764	45,577,505	46,464,042	46,997,759	47,608,173
Water Utility Operating Fund:										
Operating	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	9,576,239
Debt Service	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	2,253,659
Deferred Charges and Statutory Expenditures	511,120	1,935,255	1,283,468	540,922	609,543	542,484	560,000	727,762	639,911	643,476
Capital Improvements	133,269	143,500	167,000	290,000	589,621	599,500	516,171	1,820,900	1,829,782	739,799
Budgeted Fund Balance				546,320	578,457	593,613	590,496	783,101	806,118	811,326
Water Utility Operating Fund Budget Totals	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	14,024,499
Parking Utility Operating Fund:										
Operating	688,962	693,193	739,521	742,850	736,433	738,700	924,129	1,080,529	1,108,033	1,097,474
Debt Service	118,863	67,353	45,425	40,144	83,722	46,912	53,106	187,715	1,675	5,075
Deferred Charges and Statutory Expenditures	157,842	351,813	117,427	75,773	71,714	77,079	73,153	74,543	81,200	102,066
Capital Improvements	35,000	1,000	1,000	1,000	1,000	1,000	1,000	10,000	25,000	25,000
Budgeted Fund Balance				1,000	1,000	135,000	250,000	450,000	450,000	150,000
Parking Utility Operating Fund Budget Totals	1,000,667	1,113,359	903,373	859,767	892,869	998,691	1,301,388	1,802,787	1,665,908	1,379,615
TOTAL EXPENDITURES	\$ 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	\$ 63,012,287

Source: Village records.

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

REVENUE	Year Ended December 31,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Current Fund:										
Receipts from Current Taxes	\$ 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	\$ 35,832,640
Receipts from Delinquent Taxes	875,195	890,118	963,219	941,295	749,734	886,736	700,599	688,515	770,381	618,331
Fees, Permits, Fines, and Licenses	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	9,477,778
State Aid	376,997	171,936	135,502	71,473	71,473	71,473	96,058	155,684	70,548	96,930
State and Federal Grants	530,944	520,951	260,988	301,404	382,727	75,179	1,867,322	1,867,322	1,867,322	1,867,322
Energy Receipts Tax	2,062,353	1,695,386	1,731,820	1,795,849	1,795,849	1,795,849	3,032,000	3,030,000	3,630,000	3,730,000
Fund Balance Anticipated	3,100,000	2,606,710	2,670,000	2,567,129	2,950,000	2,982,000	3,032,000	3,000,000	3,630,000	3,730,000
Miscellaneous Revenue	4,593,976	3,662,502	3,299,578	2,960,553	2,159,293	80,036	298,714	345,806	230,675	161,321
Current Fund Budget Totals	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	51,784,322
Water Utility Operating Fund:										
Fund Balance Anticipated	1,543,275		175,000		300,000	594,000	645,420	2,173,167	3,546,764	3,187,859
Water Rents	8,984,425	8,984,000	10,961,634	10,925,000	12,018,520	13,921,652	13,687,362	14,168,323	12,982,746	12,397,824
Fire Hydrant Service	81,690	81,000	133,219	173,402	147,274	131,312	212,831	182,682	182,262	182,577
Miscellaneous Revenue	204,873	183,202	239,405	156,456	288,510	148,597	377,139	647,729	785,826	1,258,608
Increase in Water Rents		1,977,634	56,324	961,573						
Increase in Hydrant Rents		66,321								
Reserves		300,000	250,000					1,310,000		
Water Capital Fund Balance			80,000							
Water Utility Operating Fund Budget Totals	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	17,026,868
Parking Utility Operating Fund:										
Fund Balance Anticipated	32,724						153,684	504,000	500,000	210,681
Parking Meter Fees	767,074	712,655	705,265	646,678	1,052,661	1,161,239	1,305,869	1,323,062	1,324,842	1,564,779
Interest on Investments	3,062	2,270	543	1,083	1,584	2,136	3,830	2,305	4,003	8,547
Miscellaneous Revenue						81,310	768,128	3,071	5,980	4,175
Parking Capital Fund Balance	19,980	42,000								
Operating Deficit - General Budget		308,359	189,173	154,267						
Parking Utility Operating Fund Budget Totals	822,840	1,065,284	894,981	802,028	1,054,245	1,244,685	2,231,511	1,832,438	1,834,825	1,788,182
TOTAL REVENUE	\$ 53,978,369	\$ 55,175,652	\$ 57,669,523	\$ 59,238,961	\$ 60,399,812	\$ 63,684,653	\$ 65,675,037	\$ 69,531,074	\$ 70,096,626	\$ 70,599,372

Source: Village records.

Table 3

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

Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of		Ratio of Delinquent Taxes to Total Tax Levy
						Current Tax Collections	Delinquent Taxes to Total Tax Levy	
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%	770,381	147,528,031	100.00%	628,030	0.43%
2018	149,569,565	148,654,319	99.38%	618,331	149,272,650	99.80%	752,216	0.50%

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>
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
2018	0.269	0.010	1.678	0.603	0.005	2.565

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>
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%
2018	5,808,843,600	6,651,451,246	87.33%

* - Revaluation year

Source: Bergen County apportionment of taxes

Table 6

VILLAGE OF RIDGEWOOD
TEN LARGEST TAXPAYERS
FOR THE YEAR ENDED DECEMBER 31, 2018
UNAUDITED

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2018 Assessed Valuation</u>	<u>Percentage of Net Assessed Valuation</u>
1200 E Ridgewood Ave, LLC % Cushman/Wake	Offices	\$ 23,000,000	0.40%
Milridge Realty, LLC	Retail	10,250,700	0.18%
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%
Kimco Ridgewood 615, Inc.	Retail (Whole Foods)	7,452,500	0.13%
Van Dyk Health Care	Healthcare Facilities	7,391,000	0.13%
Total		<u>\$ 99,044,400</u>	<u>1.72%</u>

Source: Tax Assessor

VILLAGE OF RIDGEWOOD
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2018
UNAUDITED

<u>Year Ended</u> <u>December 31,</u>	<u>Equalized</u> <u>Valuation Basis</u>	
2018	\$ 6,783,654,794	
2017	6,616,447,759	
2016	<u>6,434,543,013</u>	
	<u>\$19,834,645,566</u>	
Average equalized valuation of taxable property		<u>\$ 6,611,548,522</u>
Village borrowing margin (3.5% of \$6,611,548,522)		\$ 231,404,198
Net debt as of December 31, 2018		<u>53,228,775</u>
Village borrowing margin available		<u>\$ 178,175,423</u>

Source: Equalized valuation bases were provided by the Annual report of the State of New Jersey, Department of Treasury, Division of Taxation for 2018, 2017, and 2016.

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

Year	Population (1)	Assessed Value	Net General Obligation Debt	Ratio of Debt to Assessed Value	Net General Obligation Debt Per Capita
2009	24,181	\$ 6,711,348,505	\$ 54,048,734	0.81%	\$ 2,235
2010	24,993	6,686,008,403	58,316,022	0.87%	2,333
2011	25,159	6,660,772,666	45,196,741	0.68%	1,796
2012	25,279	6,610,269,000	48,249,143	0.73%	1,909
2013	25,398	5,723,651,600	48,400,491	0.85%	1,906
2014	25,480	5,733,152,900	45,375,176	0.79%	1,781
2015	25,607	5,750,039,200	45,109,642	0.78%	1,762
2016	25,620	5,774,358,900	46,720,262	0.81%	1,824
2017	25,692	5,788,068,500	49,956,006	0.86%	1,944
2018	25,692 *	5,808,843,600	53,228,775	0.92%	2,072

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

* 2018 numbers not available, used 2017 as an estimate.

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>
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%
2018	4,102,817	1,242,672	5,345,489	47,608,173	11.23%

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>
2009	5.50%	\$ 65,097	24,181
2010	5.70%	66,080	24,993
2011	5.60%	69,044	25,159
2012	5.90%	71,953	25,279
2013	5.30%	71,449	25,398
2014	4.00%	73,293	25,480
2015	3.50%	76,388	25,607
2016	3.20%	77,187	25,620
2017	3.10%	77,187	25,692
2018	3.10%	77,187	25,692

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

(2) Information not available for 2018, used 2017 as an estimate

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

(4) Information not available for 2018 or 2017, used 2016 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, 2018
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	36
Inactive	16
Treatment Facilities	24
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, 2018

Federal Funding Department	Program	CFDA #	State Program Account #	Grant Award	Grant Receipts	Grant Period		Expenditures	MEMO Cumulative Total Expenditures	Amounts Provided to Subrecipients
						From	To			
US Department of Transportation: Passed through NJ Department of Law and Public Safety	Drive Sober or Get Pulled Over	20.616	100-066-1160-	\$ 5,390	5,390	01/01/17	12/31/17	\$ 5,390 *	\$ 5,390	
			157-031020	4,468	4,468	01/01/17	12/31/18	4,468	4,468	
				4,504	4,504	01/01/18	12/31/19			
				3,378	3,378	01/01/18	12/31/19		9,858	\$ -
				13,272	13,272				9,858	\$ -
	Distracted Driving Crackdown	20.616	100-066-1160-158-031030	6,380	6,380	01/01/18	12/31/19			
	Total US Department of Transportation				19,652			9,858	9,858	- 0 -
US Department of Homeland Security:	Operations and Firefighter Safety Program - Assistance to Firefighters Grants	97.044	N/A	75,000	75,000	01/01/16	12/31/18	75,000	75,000	
		97.044	N/A	4,100	4,100	01/01/18	12/31/19		75,000	- 0 -
				4,100	4,100				75,000	- 0 -
Passed through NJ Department of Law and Public Safety	Disaster Grants - Public Assistance - F.E.M.A. Superstorm Sandy	97.036	100-066-1200-A92-068280	729,000	1,460	10/30/12	12/31/12	1,460 *	729,000	
		97.036	100-066-1200-B80-068460	140,135	135,840	01/22/16	12/31/16	135,840 *	140,135	
		97.036	100-066-1200-C27-063430	88,921	88,921	03/07/18	12/31/18	88,921	88,921	
				226,221	226,221			226,221	958,056	- 0 -
				230,321	230,321			301,221	1,033,056	- 0 -
Total US Department of Homeland Security				50,000	50,000	01/01/12	12/31/13	50,000 *	50,000	- 0 -
US Department of Housing & Urban Development: Passed through Bergen County Office of Community Development	Community Development Block Grant: Habernickel Park ADA Ramp	14.218	N/A	50,000	50,000	01/01/12	12/31/13	50,000 *	50,000	- 0 -
					50,000	50,000			50,000	50,000
Total US Department of Housing & Urban Development										
US Department of Environmental Protection: Passed through NJ Department of Environmental Protection	Performance Partnership Grants (PPG): Radon Program	66.605	100-042-4820-	1,000	1,000	01/01/18	12/31/19	1,000	1,000	
			047-017200	1,000	1,000	01/01/18	12/31/19			
					2,000			- 0 -	- 0 -	- 0 -
Total US Department of Environmental Protection										
TOTAL FEDERAL AWARDS					\$ 301,973			\$ 361,079	\$ 1,092,914	\$ - 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, 2018

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	\$ 18,601	\$ - 0 -	01/01/17	12/31/18	\$ 1,880	\$ 1,880
		718-066-1020-001-090160	4,127		01/01/14	12/31/18	3,214	4,127
			4,029		01/01/16	12/31/18	4,028	4,029
			4,115		01/01/17	12/31/18	4,115	4,115
							11,357	12,271
							13,237	14,151
Total Department of Law and Public Safety								
Department of Environmental Protection	Clean Communities Program	765-042-4900-004-178910	46,233		01/01/17	12/31/18	46,233	46,233
			44,235	44,235	01/01/18	12/31/19		
Total Department of Environmental Protection								
Department of Health & Senior Services	Alcohol Education, Rehabilitation and Enforcement Fund (Trust)	760-098-9735-001-060000	1,768		01/01/15	12/31/18	684	1,768
			1,480		01/01/17	12/31/19	1,116	1,116
			1,391	1,391	01/01/18	12/31/19		
Total Department of Health and Senior Services								
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	2,471	07/01/17	06/30/18	8,850	11,677
			11,677	7,964	07/01/18	06/30/19	1,766	1,766
Total Department of Treasury								
							10,435	13,443

VILLAGE OF RIDGEWOOD
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018
 (Continued)

State Funding Department	State Program	State Grant Account #	Grant Award	Grant Receipts	Grant Period		Expenditures	MEMO Cumulative Total Expenditures
					From	To		
Department of Transportation	NJ Transportation Trust Fund Authority Act - Municipal Aid: North Monroe Avenue	480-078-6320- AKE-600599	\$ 300,000	\$ 75,000	01/01/09	12/31/10		\$ 300,000
		480-078-6320- ALLW-609164	149,000	149,000	01/01/14	12/31/15		149,000
				224,000				\$ - 0 -
	Total Department of Transportation			\$ 280,061			\$ 71,886	\$ 525,711
TOTAL STATE AWARDS								

VILLAGE OF RIDGEWOOD
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2018

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, 2018. 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, 2018:

NJEIT Loan #1	\$ 3,071,414
NJEIT Loan #2	<u>894,469</u>
	<u>\$ 3,965,883</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
 973-298-8500 | 973-298-8501 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, 2018 and 2017, and the related notes to the financial statements and have issued our report thereon dated July 10, 2019. 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 have not been 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 2018-001, 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

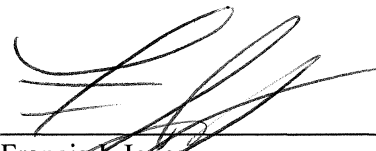
The Village's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. The Village's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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
July 10, 2019


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, 2018

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, 2018 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 2018-001

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, 2018

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

Finding 2018-001 (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.

Recommendation

It is recommended that the Village review and evaluate internal controls of the various departments.

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. Also planned to be implemented in other departments, through the Village's financial institution, is a service known as Capturepoint which also strengthens the record-keeping function by providing the users with more accurate and timely financial information which will be 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, 2018

The Village's prior year finding 2017-001 regarding segregation of duties was not fully resolved in 2018 due to time constraints and is included on the Schedule of Findings and Responses as finding 2018-001 for the year ended December 31, 2018.

**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 2018, 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, 2018. 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>
2018	1
2017	1
2016	1

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 2018 Taxes	20
Payments of 2019 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, 2018. 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, 2018.

VILLAGE OF RIDGEWOOD
COMMENTS AND RECOMMENDATIONS
(Continued)

Municipal Court

The transactions for the year 2018 were as follows:

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Balance Dec. 31, 2017	Receipts	Disbursements	Balance Dec. 31, 2018
State of New Jersey	\$ 28,008	\$ 392,587	\$ 389,116	\$ 31,479
County	7,777	111,976	110,312	9,441
Municipality:				
Fines and Fees	56,392	680,188	679,633	56,947
Interest:				
Regular Account	92	1,648	1,568	172
Bail Account	2	73	64	11
Parking Offense Adjudication Act	686	9,444	9,326	804
Public Defender		350	200	150
Fire Fees		3,110	3,025	85
Weights and Measures		2,050	2,050	
Cash Bail	1,360	27,426	26,036	2,750
	<u>\$ 94,317</u>	<u>\$ 1,228,852</u>	<u>\$ 1,221,330</u>	<u>\$ 101,839</u>

Animal Control Fund

During our review of the Animal Control Fund, it was noted that the State fees collected for May, June and July 2018 were not remitted to the State Treasurer until September 2018 and the State fees collected for November and December 2018 were not remitted to the State Treasurer until January 2019 and March 2019, respectively.

It is recommended that Animal Control Fund State fees collected be remitted to the State Treasurer by the end of the subsequent month.

Management's Response:

Animal Control State fees will be remitted to the State Treasurer by the end of the subsequent month.

VILLAGE OF RIDGEWOOD
COMMENTS AND RECOMMENDATIONS
(Continued)

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, 2018, 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, as needed, through the next note or bond sale.

Outside Offices

During the review of the records of the outside offices, 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. Also planned to be implemented in other departments, through the Village's financial institution, is a service known as Capturepoint which strengthens the record-keeping function by providing the users with more accurate and timely financial information which will be used to reconcile monthly reporting with the Finance Department. 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)

Bank Reconciliations

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. In addition, the bank reconciliations for the Current and Developers' Escrow Funds contain reconciling items over six months old.

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 and the reconciling items on the Current and Developers' Escrow Funds bank reconciliations over six months old be reviewed and investigated for their proper disposition.

Management's Response:

Reconciling items on the bank reconciliations for the Net Payroll and Payroll Agency Funds will continue to be reviewed and investigated for their proper disposition and the reconciling items on the Current and Developers' Escrow Funds bank reconciliations over six months old will be reviewed and investigated for their proper disposition.

Water Utility Fund

The Water Utility Fund utilizes an outside service organization for water billings. Currently, on the detailed utility accounts receivable report, there are utility accounts with unusual balances, of which some are listed as inactive.

It is recommended that any unusual and inactive account balances be investigated for proper disposition in a timely manner.

Management's Response:

Unusual and inactive account balances will be investigated for proper disposition in a timely manner.

During our review of the water rents accounts receivable records, it was noted that billing adjustments were not approved by either an official independent of the water rents billing and adjustment process or by a resolution of the governing body and water rent overpayment refunds were not always supported by proper documentation.

It is recommended that water utility billing adjustments be approved by either an official independent of the water rents billing and adjustment process or by a resolution of the governing body and water rent overpayment refunds be supported by proper documentation.

Management's Response:

Water rent refunds are currently presented to the Village Council for approval. Water utility adjustments will be reviewed by the Chief Financial Officer and adjustments exceeding \$1,000 will also be approved by a resolution of the governing body.

VILLAGE OF RIDGEWOOD
COMMENTS AND RECOMMENDATIONS
(Continued)

Encumbrances

The balance sheets of all Capital Funds include encumbrances from prior years. Although a number of prior year encumbrances were canceled, continued review for possible cancellation is necessary.

It is recommended that encumbrance balances in 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.

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. It is suggested that the Village 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.

Current Fund

The balance sheet required audit adjustments to the prepaid taxes and tax overpayment balances to bring them into agreement with the tax collector's reports. It is suggested that balance sheet be compared to the tax collector's reports to ensure they are in agreement.

Grants Receivable and Appropriated Grant Reserves

During our review of the Federal and State Grant Fund we noted the Schedules of Grants Receivable and Appropriated Reserves include a few grants receivable and appropriated reserve balances from prior years. It is suggested that the Village continue to review grants receivable and appropriated reserve balances from prior years for continued recognition.

Corrective Action Plan

The Village has initiated a corrective action plan to resolve comments and recommendations from the 2017 audit report. Prior year recommendations 1, 2, 4 and 5 regarding prepaid tax and tax overpayment balances activity in the tax collector's accounts, timely turnover of Animal Control Fund receipts, the recording of debt activity in the General Capital and Water Utility Capital Funds and the calculation of accrued interest in the Water Utility Operating Fund, respectively, were resolved in 2018. Prior year recommendations 8 and 9 regarding the Water Utility Fund billings, accounts receivable, overpayments and unusual/inactive balances and encumbrance balances in the Current and Capital Funds, respectively, were partially resolved in 2018 and the unresolved portions are repeated in the 2018 report as recommendations 5 and 7, respectively. Prior year recommendations 3, 6 and 7 were not resolved and are repeated in the 2018 report as recommendations 2, 3 and 4, respectively.

VILLAGE OF RIDGEWOOD
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. The Animal Control Fund State fees collected be remitted to the State Treasurer by the end of the subsequent month in the future.
2. 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.
3. 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.
4. 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 and the reconciling items on the Current and Developers' Escrow Funds bank reconciliations over six months old be reviewed and investigated for their proper disposition.
5. Any unusual and inactive account balances be investigated for proper disposition in a timely manner.
6. Water utility billing adjustments be approved by either an official independent of the water rents billing and adjustment process or by a resolution of the governing body and water rent overpayment refunds be supported by proper documentation.
7. Encumbrance balances in all Capital Funds be reviewed for continued recognition and possible cancellation.