

BOROUGH OF WOODLAND PARK

**Financial Statements with
Supplementary Information
December 31, 2014**

(With Independent Auditor's Reports Thereon)

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BOROUGH OF WOODLAND PARK

PART I

REPORT ON EXAMINATION OF FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2014

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Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA
Steven D. Wielkotz, CPA, RMA
James J. Cerullo, CPA, RMA
Paul J. Cuva, CPA, RMA
Thomas M. Ferry, CPA, RMA

Certified Public Accountants
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442
973-835-7900
Fax 973-835-6631

Newton Office
100B Main Street
Newton, N.J. 07860
973-579-3212
Fax 973-579-7128

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Borough Council
Borough of Woodland Park
County of Passaic, New Jersey

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Borough of Woodland Park in the County of Passaic, as of December 31, 2014 and 2013, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Borough's basic 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 the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion 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, the 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 entity'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 entity'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.

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

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

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

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 to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Borough of Woodland Park as of December 31, 2014 and 2013, or changes in financial position for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As described in Note 15 of the financial statements, the Borough participates in a Length of Service Award Program (LOSAP) for its volunteer fire and rescue personnel. The amount reflected in the trust fund statements of \$1,042,023 and \$973,121 for 2014 and 2013, respectively, were not audited and, therefore, we express no opinion on the LOSAP program.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the “*Basis for Qualified Opinion on Regulatory Basis of Accounting*” paragraph, the financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2014 and 2013, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2014 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Woodland Park’s basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information listed in the table of contents is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2015 on our consideration of the Borough of Woodland Park’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



The Honorable Mayor and
Members of the Borough Council
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matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Woodland Park's internal control over financial reporting and compliance.



Steven D. Wielkocz, C.P.A.
Registered Municipal Accountant
No. CROO413



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

February 24, 2015



BOROUGH OF WOODLAND PARK, N.J.

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2014 and 2013

<u>Assets</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Current Fund:			
Cash:			
Treasurer	A-4	\$ 5,215,901	5,423,851
Petty Cash		200	200
Change Fund	A-5	<u>310</u>	<u>310</u>
		<u>5,216,411</u>	<u>5,424,361</u>
Receivables and other assets with full reserves:			
Delinquent property taxes receivable	A-7	406,510	458,962
Property acquired for taxes - assessed valuations	A-8	4,072,200	4,072,200
Revenue Accounts Receivable	A-9	23,020	23,348
Interfund Receivables	A-12	910	609,473
Prepaid Regional High School Tax	A-22		<u>799</u>
		<u>4,502,640</u>	<u>5,164,782</u>
Deferred charges:			
Emergency Appropriations	A-11	100,000	
Special Emergency Appropriations	A-10		<u>45,000</u>
		<u>100,000</u>	<u>45,000</u>
		<u>9,819,051</u>	<u>10,634,143</u>
Federal and State Grant Funds:			
Due from Current Fund	A-26	2,407	
Grant Receivable	A-26	<u>1,805,161</u>	<u>2,020,098</u>
		<u>1,807,568</u>	<u>2,020,098</u>
		<u>\$ 11,626,619</u>	<u>12,654,241</u>

BOROUGH OF WOODLAND PARK, N.J.

Comparative Balance Sheet-Regulatory Basis

Current Fund

December 31, 2014 and 2013

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation reserves	A-3,A-13	976,901	956,492
Encumbrances	A-3,A-13	219,332	337,524
Due to State of New Jersey-Senior Citizens	A-6	36,560	36,887
Interfunds Payable	A-12	2,656	170,220
Accounts Payable	A-14	14,313	2,595
Reserve for Library State Aid	A-15	7,621	11,122
Prepaid taxes	A-16	191,607	187,117
Road opening Deposits	A-18	7,800	8,800
Various Reserves	A-23	1,023,291	1,286,562
Emergency Note Payable	A-24		45,000
		<u>2,480,081</u>	<u>3,042,319</u>
Reserve for receivables		4,502,640	
Fund balance	A-1	<u>2,836,330</u>	<u>2,427,042</u>
		<u>7,338,970</u>	<u>2,427,042</u>
		<u>9,819,051</u>	<u>5,469,361</u>
Federal and State Grant Funds:			
Reserve for Encumbrances	A-27	112,163	3,882
Appropriated Reserves	A-27	1,679,482	1,508,090
Unappropriated Reserves	A-28	15,923	
Due to Current Fund	A-25		508,126
		<u>1,807,568</u>	<u>2,020,098</u>
		<u>\$ 11,626,619</u>	<u>7,489,459</u>

See accompanying notes to financial statements.

BOROUGH OF WOODLAND PARK, N.J.

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

Current Fund

For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenues and other income:		
Fund balance utilized	\$ 1,600,000	1,627,623
Miscellaneous revenue anticipated	2,878,603	3,652,203
Receipts from delinquent taxes	456,569	392,445
Receipts from current taxes	45,022,437	44,391,972
Non-budget revenue	79,835	162,690
Other credits to income:		
Interfunds returned	609,224	68,301
Grants Cancelled		2,470
Unexpended balance of appropriation reserves	624,439	340,004
	<hr/>	<hr/>
Total revenues and other income	51,271,107	50,637,708
	<hr/>	<hr/>
Expenditures:		
Budget and emergency appropriations:		
Operations:		
Salaries and wages	5,530,601	5,096,548
Other expenses	7,324,388	7,946,527
Municipal debt service	1,627,452	1,576,623
Capital Improvement Fund	100,000	200,000
Deferred charges and statutory expenditures -		
municipal	1,147,463	1,224,429
Judgements		100,000
County taxes	11,476,378	11,455,775
Due county for added taxes	143,778	153,981
Local district school tax	14,771,034	14,401,468
Regional high school tax	7,038,982	6,554,752
Municipal Open Space Tax	171,043	169,971
Interfund Advanced		608,126
Prior year accounts payable	4,108	1,114
Grants Cancelled	2,483	
Refund of prior year's revenue	24,109	6,835
	<hr/>	<hr/>
Total expenditures	49,361,819	49,496,149
	<hr/>	<hr/>

BOROUGH OF WOODLAND PARK, N.J.

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

Current Fund

For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Excess (Deficit) in revenues	1,909,288	1,141,559
Adjustment to income before fund balance - expenditures included above which are by statute deferred charges to budget of succeeding year	<u>100,000</u>	<u> </u>
Statutory excess to fund balance	2,009,288	1,141,559
Fund balance, January 1	<u>2,427,042</u>	<u>2,913,106</u>
	4,436,330	4,054,665
Decreased by utilization as anticipated revenue	<u>1,600,000</u>	<u>1,627,623</u>
Fund balance, December 31	<u>\$ 2,836,330</u>	<u>2,427,042</u>

See accompanying notes to financial statements.

BOROUGH OF WOODLAND PARK, N.J.

Statement of Revenues-Regulatory Basis

Current Fund

Year ended December 31, 2014

	<u>Budget</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Fund balance anticipated	\$ 1,600,000	1,600,000	
Miscellaneous revenues:			
Licenses:			
Alcoholic beverages	17,500	33,410	15,910
Other	10,000	4,073	(5,927)
Fees and permits	40,000	71,184	31,184
Fines and costs - Municipal Court	335,000	324,650	(10,350)
Interest and costs on taxes	100,000	113,158	13,158
Interest on investments and deposits	300	2,568	2,268
Cable Television Franchise Fee	50,660	50,660	
Cable Television Franchise Fee - Verizon	26,604	26,604	
Consolidated Municipal Property Tax Relief Aid	92,212	92,212	
Energy Receipts Tax	728,265	728,265	
Watershed Moratorium Offset Aid	6,674	6,674	
Uniform construction code fees	300,000	356,793	56,793
Special items of general revenue anticipated with prior written consent of Director of Local Government Services - Public and Private revenues offset with appropriations:			
Clean Communities	17,640	17,640	
Safe and Secure Communities Program	60,000	60,000	
Body Armor	2,609	2,609	
Drive Sober or Get Pulled Over	7,500	7,500	
Alcohol Education Rehabilitation Fund	768	768	
Passaic County Open Space-Rose Park Place Impr.	93,555	93,555	
NJ DOT - McBride Streetscape Phase I	250,000	250,000	
Bulletproof Vest Partnership Program	1,567	1,567	
CDBG Disaster Recovery	25,000	25,000	
Emergency Management Grant	5,000	5,000	
Assistance to Firefighters Grant	4,851	4,851	
NJDEP - Passaic River De-Snag	150,000	150,000	
NJDEP - Peckman River De-Snag	150,000	150,000	
Other special items:			
Uniform Fire Safety Act	17,500	35,460	17,960
Life Hazard Use Fees	24,095	21,120	(2,975)
Reserve for Payment of Debt	150,000	150,000	
Sewer Connection Fees	40,000	71,400	31,400
General Capital Fund Balance	21,882	21,882	
Total miscellaneous revenues	2,729,182	2,878,603	149,421

BOROUGH OF WOODLAND PARK, N.J.

Statement of Revenues-Regulatory Basis

Current Fund

Year ended December 31, 2014

	<u>Budget</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Receipts from delinquent taxes	450,000	456,569	6,569
Subtotal general revenues	4,779,182	4,935,172	155,990
Amount to be raised by taxes for support of municipal budget - local tax for municipal purposes including reserve for uncollected taxes	11,236,349		
Minimum Library Tax	542,879	11,681,299	(97,929)
Budget totals	16,558,410	16,616,471	58,061
Non-budget revenue		79,835	
	\$ 16,558,410	16,696,306	58,061
Adopted Budget	15,819,921		
Appropriated by N.J.S.A. 40A:4-87	738,489		
	\$ 16,558,410		

Analysis of Realized Revenues

Allocation of current tax collections:	
Revenue from collections	45,022,437
Allocated to local school, regional high school and county taxes	34,075,138
Balance for support of municipal budget appropriations	10,947,299
Add appropriation reserve for uncollected taxes	734,000
Budget appropriations	\$ 11,681,299
Receipts from delinquent taxes	
Delinquent tax collections	\$ 456,569

BOROUGH OF WOODLAND PARK, N.J.

Statement of Revenues-Regulatory Basis

Current Fund

Year ended December 31, 2014

	<u>Budget</u>	<u>Realized</u>	<u>Excess (deficit)</u>
<u>Analysis of Non-budget Revenues</u>			
Miscellaneous revenues not anticipated:			
Sale of Assets		2,173	
Stickers		428	
Seniors and Veterans Administrative Fee		2,394	
Tax Searches		20	
Miscellaneous		5,063	
Duplicate Bills		400	
Street Lighting - County		3,074	
FEMA Reimbursement		17,061	
Police Outside Duty Administrative Fee		11,175	
Insurance Reimbursement		3,264	
T-Mobile Tower Rental		23,780	
Scrap Metal		10,705	
Recycling Bags		298	
		<hr/>	
		\$ 79,835	
		<hr/> <hr/>	

See accompanying notes to financial statements.

BOROUGH OF WOODLAND PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
General Government:					
Administration:					
Salaries and Wages	\$ 259,025	259,025	249,559	9,466	
Other Expenses	107,200	107,200	104,328	2,872	
Mayor and Council:					
Salaries and Wages	52,534	52,534	52,533	1	
Elections:					
Other Expenses	8,000	8,000	6,500	1,500	
Financial Administration:					
Salaries and Wages	81,006	81,006	79,365	1,641	
Other Expenses					
Annual Audit	70,150	70,150	8,375	61,775	
Miscellaneous Other Expenses	75,000	60,000	39,924	20,076	
Cost of Registration of Bonds	1,000				
Collection of Taxes:					
Salaries and Wages	38,000	38,000	37,685	315	
Other Expenses	15,000	17,800	17,535	265	
Liquidation of Tax Title Liens and Foreclosed Property:					
Other Expense	500				
Assessment of Taxes:					
Salaries and Wages	34,500	34,500	33,478	1,022	
Other Expenses	80,000	80,000	63,727	16,273	
Legal Services and Cost:					
Salaries and Wages	95,000	90,000	54,595	35,405	
Other Expenses	14,700	14,700	1,445	13,255	
Planner- Mt. Laurel Litigation					
Engineering Services and Costs:					
Other Expenses	30,000	25,000	3,665	21,335	

BOROUGH OF WOODLAND PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.)					
Planning Board:					
Salaries and Wages	8,986	8,986	8,957	29	
Other Expenses	7,100	7,100	400	6,700	
Zoning Board of Adjustment:					
Salaries and Wages	7,551	7,651	6,957	694	
Other Expenses	3,450	3,450	325	3,125	
Insurance:					
Other Insurance Premiums	798,579	798,579	795,851	2,728	
Surety Bond Premiums	4,500	4,500	2,929	1,571	
Group Insurance Plan for Employees	1,781,058	1,710,617	1,588,972	1,645	120,000
Health Benefit Waiver	27,000	34,000	33,456	544	
Public Safety:					
Police:					
Salaries and Wages	3,132,525	3,132,525	2,896,931	235,594	
Other Expenses	108,000	108,000	105,156	2,844	
Maintenance of Fire Alarm System:					
Salaries and Wages	3,485	3,485	3,484	1	
Other Expenses	5,000	5,000	804	4,196	
Emergency Management:					
Salaries and Wages	5,662	5,662	5,662		
Other Expenses	5,360	5,360	1,400	3,960	
First Aid Organization-Contribution	20,428	20,428	20,428		
Fire:					
Clothing Allowance	54,454	54,895	54,895		
Miscellaneous Other Expenses	96,586	96,586	94,310	2,276	
Uniform Fire Safety Act: (P.L. 1983 Chap. 383)					
Salaries and Wages	21,285	28,785	26,110	2,675	
Life Hazard Use Fee Payments:					
Salaries and Wages	34,453	34,453	34,452	1	
Other Expenses	7,000	7,000	6,625	375	

BOROUGH OF WOODLAND PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Municipal Prosecutor:					
Salaries and Wages	16,936	17,336	17,336		
Public Works Function:					
Road Repairs and Maintenance:					
Salaries and Wages	898,542	893,542	773,481	120,061	
Other Expenses	110,000	110,000	95,382	14,618	
Sanitation:					
Garbage and Trash Removal					
Contract - Collections	794,250	789,250	718,320	70,930	
Recycling:					
Other Expenses	5,000	5,000	656	4,344	
Sewer System					
Salaries and Wages	202,011	202,011	190,280	11,731	
Other Expenses	95,000	125,000	115,954	9,046	
Public Buildings and Grounds:					
Salaries and Wages	28,000	28,000	25,729	2,271	
Other Expenses	47,000	47,000	36,729	10,271	
Vehicle Maintenance:					
Salaries and Wages	89,011	89,011	87,300	1,711	
Other Expenses	51,000	51,000	46,757	4,243	
Snow Reserve	40,000	40,000	40,000		
Health and Welfare:					
Board of Health:					
Salaries and Wages	43,191	43,191	37,319	5,872	
Other Expenses	4,000	4,000	3,020	980	
Health Services - Contractual	13,127	13,127	13,127		
Animal Welfare:					
Other Expenses	17,200	17,200	17,083	117	

BOROUGH OF WOODLAND PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Parks and Recreation:					
West Paterson Youth and Senior Citizens Center:					
Salaries and Wages	21,450	21,450	20,226	1,224	
Other Expenses	8,500	8,500	4,177	4,323	
West Paterson Boys & Girls Club OE	3,894	3,894	3,894		
Parks and Playgrounds:					
Salaries and Wages	43,000	40,500	27,362	13,138	
Other Expenses	55,000	55,000	50,760	4,240	
Other Common Unclassified:					
Celebration of Public Events, Anniversary or Holiday	12,000	12,000	6,574	5,426	
Municipal Court:					
Salaries and Wages	142,500	154,500	151,235	3,265	
Other Expenses	20,000	22,000	21,487	513	
Public Defender:					
Salaries and Wages	11,548	11,548	11,547	1	
Board of Health - (OSHA):					
Blood Borne Pathogens	500				
Uniform Construction Code-					
Appropriations Offset by Dedicated					
Revenues (N.J.A.C. 5:23-4.17)					
Uniform Construction Code Officials:					
Salaries and Wages	250,000	254,000	252,816	1,184	
Other Expenses	6,000	6,500	6,354	146	
Plumbing Inspector:					
Salaries and Wages	12,152	12,152	12,151	1	
Fire Protection Official:					
Salaries and Wages	5,638	5,638	5,638		
Building Inspector:					
Salaries and Wages	500				
Other Expenses	1,500	1,000	515	485	

BOROUGH OF WOODLAND PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2014

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Elevator Inspection Fees:					
Other Expenses	18,000	18,000	18,000		
Electrical Inspections:					
Salaries and Wages	11,010	11,110	11,063	47	
Other Expenses	1,000	1,000	195	805	
Unclassified:					
Electric & Gas	125,000	119,000	83,496	35,504	
Street Lighting	128,000	122,000	88,784	33,216	
Telephone	38,778	35,778	27,894	7,884	
Fire Hydrant Services	35,945	35,945	32,613	3,332	
Gasoline	185,000	182,100	100,134	81,966	
Reassessment		100,000	100,000		
Total Operations within "CAPS"	10,685,260	10,723,260	9,696,206	907,054	120,000
Detail:					
Salaries & Wages	5,454,501	5,470,601	5,058,656	411,945	
Other Expenses (Including Contingent)	5,230,759	5,252,659	4,637,550	495,109	120,000
	10,685,260	10,723,260	9,696,206	907,054	120,000
Deferred Charges and Statutory Expenditures- Municipal within "CAPS"					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	255,536	255,536	255,536		
Social Security System (O.A.S.I.)	225,000	237,000	223,220	13,780	
Police and Firemen's Retirement System of NJ	588,627	588,627	588,627		
Unemployment Compensation Insurance	18,000	18,000	17,031	969	
Defined Contribution Retirement Program	10,800	10,800	2,996	304	7,500
Total Deferred Charged and Statutory Expenditures-Municipal within "CAPS"	1,097,963	1,109,963	1,087,410	15,053	7,500
Total General Appropriations for Municipal Purposes within "CAPS"	11,783,223	11,833,223	10,783,616	922,107	127,500

BOROUGH OF WOODLAND PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Operations Excluded from "CAPS"					
Passaic Valley Sewerage Charge	844,730	844,730	844,727	3	
Stormwater Management - Other Expenses	25,000	25,000	3,747	6,253	15,000
LOSAP Program - Contribution	85,630	85,630	73,491	12,139	
Maintenance of Free Public Library					
Other Expenses	542,879	542,879	506,480	36,399	
Group Health Benefits	44,067	44,067			44,067
Total Other Operations - Excluded from "CAPS"	1,542,306	1,542,306	1,428,445	54,794	59,067
Public and Private Programs Offset by Revenues					
Clean Communities Program-Recycling: Other Expenses	17,640	17,640	17,640		
Assistance to Firefighters Grant	4,851	4,851	4,851		
Drive Sober or Get Pulled Over	7,500	7,500	7,500		
Community Development Block Grant					
Disaster Recovery	25,000	25,000	25,000		
Body Armor Fund	2,609	2,609	2,609		
Bullet Proof Vest Partnership Grant	1,567	1,567	1,567		
Passaic County Open Space					
Rose Park	93,555	93,555	93,555		
NJDOT - McBride Streetscape Phase I	250,000	250,000	250,000		
NJDEP Peckman River De-Snag	150,000	150,000	150,000		
NJDEP Passaic River De-Snag	150,000	150,000	150,000		
Emergency Management Performance	5,000	5,000	5,000		
Alcohol Education Rehabilitation & Enforcement Fund	768	768	768		
Safe and Secure Communities	60,000	60,000	60,000		
Total Public and Private Programs Offset by Revenues	768,490	768,490	768,490		

BOROUGH OF WOODLAND PARK, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2014

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Total Operations-Excluded from "CAPS"	2,310,796	2,310,796	2,196,935	54,794	59,067
Detail:					
Salaries and Wages	60,000	60,000	60,000		
Other Expenses	2,250,796	2,250,796	2,136,935	54,794	59,067
	2,310,796	2,310,796	2,196,935	54,794	59,067
Capital Improvements - Excluded from "CAPS"	50,000	100,000	100,000		
Capital Improvement Fund	50,000	100,000	100,000		
Total Capital Improvements Excluded from "CAPS"	50,000	100,000	100,000		
Municipal Debt Service - Excluded from "CAPS"					
Payment of Bond Principal	765,000	765,000	765,000		
Payment of Bond Anticipation Notes and Capital Notes	200,000	200,000	200,000		
Interest on Bonds	452,671	452,671	452,671		
Interest on Notes	46,932	46,932	46,895		37
Bergen County Improvement Authority					
Principal	25,000	25,000	25,000		
Interest	19,050	19,050	19,050		
Waste Water Treatment Trust Fund:					
Principal	97,784	97,784	97,783		1
Interest	28,954	28,954	21,053		7,901
Total Municipal Debt Service-Excluded from "CAPS"	1,635,391	1,635,391	1,627,452		7,939
Deferred Charges - Municipal - Excluded from "CAPS"					
Special Emergency Authorizations	45,000	45,000	45,000		
5 years (N.J.S. 40A:4-55)					
Total Deferred Charges - Municipal -Excluded from "CAP"	45,000	45,000	45,000		

BOROUGH OF WOODLAND PARK, N.J.
Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2014

	<u>Budget</u>	<u>Budget after Modification and Transfer</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>4,041,187</u>	<u>4,091,187</u>	<u>3,969,387</u>	<u>54,794</u>	<u>67,006</u>
Subtotal General Appropriations	15,824,410	15,924,410	14,753,003	976,901	194,506
Reserve for Uncollected Taxes	<u>734,000</u>	<u>734,000</u>	<u>734,000</u>		
Total General Appropriations	<u>\$ 16,558,410</u>	<u>16,658,410</u>	<u>15,487,003</u>	<u>976,901</u>	<u>194,506</u>

Adopted Budget \$ 15,819,921
 Appropriated by N.J.S.A. 40A4-89 738,489
 Emergency authorizations 100,000
\$ 16,658,410

Reserve for Uncollected Taxes \$ 734,000
 Deferred Charges 45,000
 Transferred to Federal and State Grant Fund 768,490
 Encumbrances 219,332
 Cash 13,720,181
\$ 15,487,003

See accompanying notes to the financial statements.

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BOROUGH OF WOODLAND PARK, N.J.

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2014 and 2013

<u>Assets</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Assessment Fund:			
Assessment receivable	B-2	\$ <u>6,119</u>	<u>6,119</u>
Dog License Fund			
Cash - Treasurer	B-1	<u>3,870</u>	<u>4,247</u>
		<u>3,870</u>	<u>4,247</u>
Other Trust Funds:			
Cash - Treasurer	B-1	1,120,663	722,745
Due from Current Fund	B-5	<u>249</u>	<u>170,220</u>
		<u>1,120,912</u>	<u>892,965</u>
New Jersey Unemployment Compensation Insurance Fund			
Cash	B-1	<u>14,774</u>	<u>11,429</u>
Community Development Trust Fund:			
Cash	B-1	641	641
Grants Receivable	B-6	<u> </u>	<u>50,059</u>
		<u>641</u>	<u>50,700</u>
Emergency Services Volunteer Length of Service Award Program (unaudited):			
Cash	B-1	948,720	899,630
Service Award Contributions Receivable	B-11	<u>93,303</u>	<u>73,491</u>
		<u>1,042,023</u>	<u>973,121</u>
		<u>\$ 2,188,339</u>	<u>1,938,581</u>

BOROUGH OF WOODLAND PARK, N.J.
Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2014 and 2013

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Assessment Fund:			
Reserve for assessments	B-3	<u>6,119</u>	<u>6,119</u>
Dog License Fund:			
Reserve for Dog Fund expenditures	B-7	2,960	2,900
Due to Current Fund	B-5	<u>910</u>	<u>1,347</u>
		<u>3,870</u>	<u>4,247</u>
Other Trust Funds:			
Reserve for:			
Various Reserves	B-8	<u>1,120,912</u>	<u>892,965</u>
		<u>1,120,912</u>	<u>892,965</u>
Unemployment Compensation Insurance Fund:			
Reserve for New Jersey Unemployment Compensation Insurance Fund	B-9	<u>14,774</u>	<u>11,429</u>
Community Development Trust Fund:			
Reserve for Expenditures	B-10	<u>641</u>	<u>50,700</u>
		<u>641</u>	<u>50,700</u>
Emergency Services Volunteer Length of Service Award Program (unaudited):			
Net Assets Available for Benefits	B-12	<u>1,042,023</u>	<u>973,121</u>
		<u>\$ 2,188,339</u>	<u>1,938,581</u>

See accompanying notes to financial statements.

BOROUGH OF WOODLAND PARK, N.J.

Comparative Balance Sheet - Regulatory Basis

General Capital Fund

December 31, 2014 and 2013

<u>Assets</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Cash	C-2,C-3	\$ 2,362,912	1,800,139
Deferred Charges to Future Taxation:			
Funded	C-4	11,827,011	12,714,794
Unfunded	C-5	9,492,079	6,925,079
Grants Receivable:			
Department of Transportation	C-6	98,661	261,189
Department of Agriculture	C-7	2,298	2,298
Community Development Block Grant	C-9	305,460	305,460
Due from NJ Wastewater Trust Fund Loans	C-8	4,326	4,326
		<u>\$ 24,092,747</u>	<u>22,013,285</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Bond Anticipation Notes	C-15	5,725,000	4,225,000
General Serial Bonds Payable	C-16	10,542,000	11,307,000
Capital Leases Payable	C-17	305,000	330,000
New Jersey Wastewater Loan Payable	C-18	400,011	447,794
New Jersey Wastewater Trust Fund Loan Payable	C-19	580,000	630,000
Due to Current Fund	C-10		100,000
Capital Improvement Fund	C-11	46,321	85,961
Improvement authorization - Funded	C-12	789,939	869,654
Improvement authorization - Unfunded	C-12	3,602,323	1,940,155
Reserve for Encumbrances	C-13	1,795,073	1,646,425
Reserve for Payment of Debt	C-14	266,205	409,413
Fund Balance	C-1	40,875	21,883
		<u>\$ 24,092,747</u>	<u>22,013,285</u>

There were bonds and notes authorized but not issued on December 31, 2014 and 2013 of \$3,767,079 and \$2,700,079 (Exhibit C-20).

See accompanying notes to financial statements.

BOROUGH OF WOODLAND PARK, N.J.

Comparataive Statement of Fund Balance - Regulatory Basis

General Capital Fund

For the Year Ended December 31,

	<u>2014</u>	<u>2013</u>
Balance, December 31,	\$ <u>21,883</u>	\$ <u>3,945</u>
Increased by:		
Voided Checks		3
Premiums on Sale of Bond Anticipation Notes	<u>40,874</u>	<u>17,935</u>
	<u>40,874</u>	<u>17,938</u>
Decreased by:		
Fund Balance	<u>21,882</u>	<u> </u>
Balance, December 31,	\$ <u><u>40,875</u></u>	<u><u>21,883</u></u>
See accompanying notes to financial statements.		

BOROUGH OF WOODLAND PARK, N.J.

Comparative Balance Sheet - Regulatory Basis

Water Utility Operating Fund

December 31, 2014 and 2013

<u>Assets</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Water Utility Operating Fund:			
Cash - Treasurer	D-5	\$ <u>631,569</u>	<u>636,917</u>
Receivables with full reserves:			
Consumers' accounts receivable	D-8	<u>67,078</u>	<u>75,127</u>
Deferred charges:			
Overexpenditure of Appropriations	D-7	<u> </u>	<u>22,796</u>
Total Water Utility Operating Fund		<u>698,647</u>	<u>734,840</u>
Capital Fund:			
Cash - Treasurer	D-5,D-6	1,542,623	883,667
Due from Infrastructure Trust Fund - Unexpended			
Loan Proceeds - Project Credits Receivable	D-9	128,958	128,958
Fixed Capital	D-10	2,570,311	2,570,311
Fixed Capital Authorized and Uncompleted	D-11	<u>2,291,710</u>	<u>1,081,710</u>
Total Capital Fund		<u>6,533,602</u>	<u>4,664,646</u>
		<u>\$ 7,232,249</u>	<u>5,399,486</u>

BOROUGH OF WOODLAND PARK, N.J.

Comparative Balance Sheet - Regulatory Basis

Water Utility Operating Fund

December 31, 2014 and 2013

<u>Liabilities, Reserves and Fund Balance</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Water Utility Operating Fund:			
Appropriation Reserves	D-4,D-12	199,552	298,253
Reserve for Encumbrances	D-4	52,328	31,873
Reserve for Outside Liens	D-13	1,911	1,911
Overpayments	D-13	4,966	3,939
Accrued Interest on Bonds	D-15	9,758	11,534
		<u>268,515</u>	<u>347,510</u>
Reserve for receivables	Contra	67,078	75,127
Fund balance	D-1	363,054	312,203
		<u>698,647</u>	<u>734,840</u>
Total Water Utility Operating Fund			
Capital Fund:			
Improvement authorization:			
Funded	D-16	39,580	671,847
Unfunded	D-16	1,330,649	178,649
Capital Improvement Fund	D-17	309,653	37,179
Down Payment on Capital Improvements	D-18	1,500	1,500
Reserve for:			
Amortization	D-19	2,754,369	2,553,085
Deferred Amortization	D-20	58,000	
Debt Service	D-21	537,945	225,463
Serial Bonds Payable	D-22	292,000	432,000
Infrastructure Trust Loans Payable	D-23	503,084	564,368
Bond Anticipation Notes Payable	D-24	700,000	
Fund Balance	D-2	6,822	555
		<u>6,533,602</u>	<u>4,664,646</u>
Total Capital Fund			
		<u>\$ 7,232,249</u>	<u>5,399,486</u>

There were bonds and notes authorized but not issued at December 31, 2014 and December 31, 2013 of \$683,526 and \$231,526 (Exhibit D-25).

See accompanying notes to financial statements.

BOROUGH OF WOODLAND PARK, N.J.

Statement of Operations and Changes in Fund Balance - Regulatory Basis

Water Utility Operating Fund

For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenue and other income:		
Fund balance utilized	\$ 289,000	335,100
Water rents	1,651,657	1,602,459
Water rents-Additional	175,086	
Miscellaneous	83,759	
Reserve to Pay Debt Service	157,624	
Capital Surplus	200,000	290
Unexpended balance appropriation reserve	<u>199,238</u>	<u>46,353</u>
Total revenue and other income	<u>2,756,364</u>	<u>1,984,202</u>
Expenditures:		
Operating	1,696,466	1,726,500
Capital Improvements	435,234	
Debt service	211,917	223,296
Deferred charges and statutory expenditures	<u>72,896</u>	<u>48,100</u>
Total expenditures	<u>2,416,513</u>	<u>1,997,896</u>
Excess (Deficit) in revenues	339,851	(13,694)
Adjustment to income before fund balance - expenditures included above which are by statute deferred charges to budget of succeeding year		<u>22,796</u>
Statutory excess to fund balance	339,851	9,102
Fund balance, January 1	<u>312,203</u>	<u>638,201</u>
	652,054	647,303
Decreased by utilization by water operating budget	<u>289,000</u>	<u>335,100</u>
Balance, December 31	<u>\$ 363,054</u>	<u>312,203</u>

See accompanying notes to financial statements.

BOROUGH OF WOODLAND PARK, N.J.

Statement of Fund Balance - Regulatory Basis

Water Utility Capital Fund

For the Years Ended December 31,

	<u>2014</u>	<u>2013</u>
Balance - January 1,	\$ <u>555</u>	\$ <u>555</u>
Increased by:		
Improvement Authorizations Cancelled	201,267	
Premium on Note Sale	<u>5,000</u>	
	<u>206,267</u>	
	206,822	555
Decreased by:		
Budgeted Revenue	<u>200,000</u>	
Balance - December 31,	\$ <u><u>6,822</u></u>	\$ <u><u>555</u></u>

See accompanying notes to financial statements.

BOROUGH OF WOODLAND PARK, N.J.

Statement of Revenues - Regulatory Basis

Water Utility Operating Fund

Year ended December 31, 2014

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Operating surplus anticipated	\$ 289,000	289,000	
Rents	1,575,000	1,651,657	76,657
Rents-Additional	175,086	175,086	
Miscellaneous	46,300	83,759	37,459
Reserve to Pay Debt Service	157,624	157,624	
Capital Surplus	<u>200,000</u>	<u>200,000</u>	
	<u>\$ 2,443,010</u>	<u>2,557,126</u>	<u>114,116</u>

Analysis of Realized Revenue

Rents	\$ <u>1,826,743</u>
Interest on Investments	1,013
Interest on Delinquent Collections	6,060
Meter Installations	<u>76,686</u>
	<u>\$ 83,759</u>

See accompanying notes to financial statements.

BOROUGH OF WOODLAND PARK, N.J.

Statement of Expenditures - Regulatory Basis

Water Utility Operating Fund

Year ended December 31, 2014

	Appropriations		Expended		Canceled
	Budget	Budget after modifi- cation	Paid or charged	Reserved	
Operating:					
Salaries and wages	\$ 363,000	363,000	344,596	18,404	
Other expenses	1,568,700	1,333,466	1,153,122	180,344	
Total operating	1,931,700	1,696,466	1,497,718	198,748	
Capital Improvements					
Capital Improvement Fund	30,000	330,000	330,000		
Capital Outlay	170,000	105,234	105,234		
	200,000	435,234	435,234		
Debt Service:					
Payment of Bond Principal	140,000	140,000	140,000		
Interest on Bonds	18,900	18,900	17,624		1,276
Infrastructure Trust Loans	79,514	79,514	54,293		25,221
	238,414	238,414	211,917		26,497
Deferred Charges and Statutory Expenditures:					
Deferred Charges :					
Overexpenditure of Appropriation	22,796	22,796	22,796		
Statutory expenditures - contribution to:					
Social Security System (O.A.S.I.)	50,000	50,000	49,296	704	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	100	100		100	
Total deferred charges and statutory expenditures	72,896	72,896	72,092	804	
	\$ 2,443,010	2,443,010	2,216,961	199,552	26,497
			Cash disbursed \$ 2,069,920		
			Reserve for Encumbrances 52,328		
			Accrued Interest on Bonds 71,917		
			Deferred Charges 22,796		
			\$ 2,216,961		

See accompanying notes to financial statements.

BOROUGH OF WOODLAND PARK, N.J.

**Comparative Statement of General Fixed
Assets-Regulatory Basis**

General Fixed Assets Account Group

December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
General Fixed Assets:		
Land	\$ 10,938,963	10,761,829
Buildings	9,452,432	9,452,432
Automobiles and Vehicles	6,098,550	5,924,147
Machinery and equipment	<u>1,770,478</u>	<u>1,729,691</u>
Investment in General Fixed Assets	<u>\$ 28,260,423</u>	<u>27,868,099</u>

See accompanying notes to financial statements.

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BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

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

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

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

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

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

The Borough has the following funds and account group:

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

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

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

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

Library Trust Fund - This fund is used to account for the activities of the Library.

Assessment Trust Fund - This fund is used to account for assessments for improvements levied against the improved properties.

Community Development Block Grant Trust Fund - This fund is used to account for the award of and subsequent receipt and disbursements related to Community Development Block Grants.

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

Water Utility Operating Fund - This fund is used to account for all revenues and expenditures applicable to the operations of the water department.

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

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

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

Water Utility Capital Fund – This fund is used to account for financial resources to be used for the acquisition or improvement of water capital facilities. The major resources are derived from the issuance of debt.

Payroll Account – This account is used for all net payroll checks distributed to employees.

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

Basis of Accounting

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

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. Additionally, a 6% penalty is assessed for balances over \$10,000 if not paid by the end of the calendar year. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on the 11th day of the 11th month of the current calendar year levy when the same became in arrears, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Borough. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

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

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

Basis of Accounting, (continued)

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

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

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

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

- General Capital Fund
- Trust Fund
- Public Assistance Fund
- Water Utility Capital Fund

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

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

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

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

Basis of Accounting, (continued)

During the years ended December 31, 2014 and 2013, the Governing Body approved additional revenues and appropriations of \$738,489 and \$1,306,334, respectfully, in accordance with N.J.S.A. 40A:4-87. The Governing Body also approved \$100,000 of emergency appropriations for reassessment in 2014. In addition, several budget transfers were approved by the Governing Body in 2014 and 2013.

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

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

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

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

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

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

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

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

Basis of Accounting, (continued)

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

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

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

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

General Fixed Assets - The Borough of Woodland Park has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles.

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

Fixed assets acquired by the Water Utility Fund are capitalized as Fixed Capital and not depreciated.

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

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

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

Basis of Accounting, (continued)

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

No depreciation has been provided for in the financial statements.

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

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

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

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

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

Recent Accounting Pronouncements

In June 2012, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27. This statement, which is effective for fiscal periods beginning after June 15, 2014, will not have any effect on the entity's financial reporting. However, the provisions of this statement will require significant modifications to the disclosure requirements related to the entity's proportionate share of the cost-sharing defined benefit plans reported at the State of New Jersey level.

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

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

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

Basis of Accounting, (continued)

In January 2013, the Government Accounting Standards Board issued GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term “government combinations” includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement, which is effective for financial statements beginning after December 15, 2013, will not have any effect on the entity’s financial reporting.

In April of 2013, the Government Accounting Standards Board issued GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement is effective for reporting periods beginning after June 15, 2013 and will not have any impact on the entity’s financial statement disclosures.

In November 2013, the Government Accounting Standards Board issued GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an amendment of GASB Statement No. 68. The provisions of this statement are required to be applied simultaneously with the provisions of Statement 68 which is effective for periods beginning after June 15, 2014. The provisions of this statement will require significant modifications to the disclosure requirements related to the entity’s proportionate share of the cost-sharing defined benefit plans reported at the State of New Jersey level.

C. Basic Financial Statements

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

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Borough's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2014 and 2013, \$-0- of the Borough's bank balance of \$11,055,916 and \$9,728,949, respectfully, were exposed to custodial credit risk.

Investments

Investment Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

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

Unaudited Investments

As more fully described in Note 13, the Borough has created a Length of Service Award Program (LOSAP) for emergency service volunteers. The LOSAP investments are similar to those allowed in a deferred compensation program as specified in NJSA 43:15B-1 et. seq. except that all investments are retained in the name of the Borough. All investments are valued at fair value. In accordance with NJAC 5:30-14.37, the investments are maintained by AIG, which is an authorized provider approved by the Division of Local Government Services. The balance in the account on December 31, 2014 and 2013 amounted to \$948,720 and \$899,630, respectively.

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

The following investments represent 5% or more of the total invested with AIG on December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Money Market Funds	\$114,012	\$96,203
Science and Technology	48,786	61,819
Fixed Account Plus	314,428	276,105
Stock Index Fund	248,319	226,586
All Others	<u>223,175</u>	<u>238,917</u>
Total	<u>\$948,720</u>	<u>\$899,630</u>

NOTE 3. MUNICIPAL DEBT

Long-term debt as of December 31, 2014 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Bonds Payable:					
General Capital	\$11,307,000	\$	\$765,000	\$10,542,000	\$835,000
Water Capital	<u>432,000</u>	<u> </u>	<u>140,000</u>	<u>292,000</u>	<u>145,000</u>
Total Bonds Payable	<u>11,739,000</u>	<u> </u>	<u>905,000</u>	<u>10,834,000</u>	<u>980,000</u>
Other Liabilities:					
PERS/PFRS Pension Deferral	235,594		18,134	217,460	18,246
Compensated Absences Payable	1,778,940	194,120	57,451	1,915,609	
Capital Lease Payable	330,000		25,000	305,000	25,000
New Jersey Infrastructure Trust:					
Wastewater Loans - General Capital	1,077,794		97,783	980,011	96,436
Wastewater Loans - Water Capital	<u>564,368</u>	<u> </u>	<u>61,284</u>	<u>503,084</u>	<u>60,505</u>
Total Other Liabilities	<u>3,986,696</u>	<u>194,120</u>	<u>259,652</u>	<u>3,921,164</u>	<u>200,187</u>
	<u>\$15,725,696</u>	<u>\$194,120</u>	<u>\$1,164,652</u>	<u>\$14,755,164</u>	<u>\$1,180,187</u>

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

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

The Borough's debt is summarized as follows:

Summary of Municipal Debt (Excluding Current Operating Debt)

	<u>Year 2014</u>	<u>Year 2013</u>	<u>Year 2012</u>
<u>Issued:</u>			
General - Bonds, Notes and Loans	\$17,247,011	\$16,609,794	\$15,414,089
Water Utility - Bonds, Notes and Loans	<u>1,495,084</u>	<u>996,368</u>	<u>1,185,219</u>
	<u>18,742,095</u>	<u>17,606,162</u>	<u>16,599,308</u>
<u>Authorized But Not Issued</u>			
General - Bonds and Notes	3,767,079	2,700,079	1,393,079
Water Utility - Bonds and Notes	<u>683,526</u>	<u>231,526</u>	<u>231,526</u>
	<u>4,450,605</u>	<u>2,931,605</u>	<u>1,624,605</u>
Total Bonds, Notes and Loans Issued and Authorized But Not Issued	23,192,700	20,537,767	18,223,913
Less: Deductions	<u>2,444,815</u>	<u>1,510,286</u>	<u>1,884,427</u>
Net Debt	<u>\$20,747,885</u>	<u>\$19,027,481</u>	<u>\$16,339,486</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 1.238% for 2014.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District Debt	\$2,008,810	\$2,008,810	\$ -
Local School District Debt	6,337,000	6,337,000	-
Water Utility	2,178,610	2,178,610	-
General Debt	<u>21,014,090</u>	<u>266,205</u>	<u>20,747,885</u>
	<u>\$31,538,510</u>	<u>\$10,790,625</u>	<u>\$20,747,885</u>

Net debt of \$20,747,885 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$1,676,488,100 equals 1.238%.

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

	<u>2014</u>	<u>2013</u>
3 ½% of Equalized Valuation Basis (Municipal)	\$58,677,084	\$59,165,306
Net Debt	<u>20,747,885</u>	<u>19,027,481</u>
Remaining Borrowing Power	<u>\$37,929,199</u>	<u>\$40,137,825</u>

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

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

	<u>2014</u>	<u>2013</u>
Cash receipts from fees, rents or other charges for year	\$2,557,126	\$1,957,476
Deductions:		
Operating and Maintenance Cost	2,181,800	1,774,600
Debt Service per Water Account	<u>211,917</u>	<u>223,296</u>
Total Deductions	<u>2,393,717</u>	<u>1,997,896</u>
Excess (Deficit) in Revenue - Self-Liquidating	<u>\$163,409</u>	<u>(\$40,420)</u>

Footnote: If there is an "excess in revenue", all such utility debt is deductible.

The Borough's long-term debt consisted of the following at December 31, 2014:

Paid by Current Fund:

<u>General Serial Bonds:</u>	<u>2014</u>	<u>2013</u>
\$2,015,000 Variable Rate Refunding Bonds issued Aug. 1, 2005, due through Aug. 1, 2017	\$595,000	\$850,000
\$4,332,000 General Improvement Bonds issued Aug. 1, 2001, due through Oct. 15, 2016 at an interest rate of 4.30%	887,000	1,287,000
\$9,500,000 Variable Rate General Improvement Bonds issued Jul. 15 2009, due through Jul. 15, 2027	<u>9,060,000</u>	<u>9,170,000</u>
Total General Serial Bonds	<u>10,542,000</u>	<u>11,307,000</u>

Paid by Water Utility Fund:

<u>Water Utility Serial Bonds:</u>		
\$1,507,000 Serial bonds issued Oct. 15, 2001, due through Oct. 15, 2015 at an interest rate of 4.375%	<u>292,000</u>	<u>432,000</u>
Total Water Utility Bonds	<u>292,000</u>	<u>432,000</u>
Total Serial Bonds	<u>\$10,834,000</u>	<u>\$11,739,000</u>

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

Aggregate debt service requirements during the next five years and thereafter are as follows:

<u>Year</u>	<u>General Capital</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$835,000	\$422,991	\$1,257,991
2016	862,000	388,904	1,250,904
2017	610,000	353,800	963,800
2018	590,000	329,400	919,400
2019	625,000	305,800	930,800
2020-2024	3,900,000	1,123,400	5,023,400
2025-2027	<u>3,120,000</u>	<u>415,000</u>	<u>3,535,000</u>
	<u>\$10,542,000</u>	<u>\$3,339,295</u>	<u>\$13,881,295</u>

<u>Year</u>	<u>Water Utility</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$145,000	\$12,775	\$157,775
2016	<u>147,000</u>	<u>6,431</u>	<u>153,431</u>
	<u>\$292,000</u>	<u>\$19,206</u>	<u>\$311,206</u>

General capital, water capital and assessment serial bonds are direct obligations of the Borough for which its full faith and credit are pledged, and are payable from taxes levied on all taxable property located within the Borough and/or water utilities revenues and special assessments.

At December 31, 2014, the Borough had authorized but not issued debt as follows:

General Capital Fund	\$3,767,079
Water Utility Capital Fund	<u>683,526</u>
	<u>\$4,450,605</u>

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 4. INTERGOVERNMENTAL LOANS PAYABLE

The Borough has entered into a loan agreement with the New Jersey Environmental Infrastructure Trust for the financing related to the Borough's combined storm water and sanitary sewer separation project.

<u>General Capital</u>	<u>2014</u>	<u>2013</u>
\$480,000 loan due in annual installments of \$15,000 to \$35,000 through August 1, 2023 interest at 3% to 5%.	\$275,000	\$300,000
\$420,000 loan due in annual installments of \$10,813 to \$18,674 through August 1, 2021.	147,669	169,344
\$485,000 loan due in annual installments of \$15,000 to \$35,000 through August 1, 2024.	305,000	330,000
\$493,977 loan due in semiannual installments of \$12,072 to \$23,189 through August 1, 2024.	<u>252,342</u>	<u>278,450</u>
	<u>\$980,011</u>	<u>\$1,077,794</u>
<u>Water Utility Capital</u>	<u>2014</u>	<u>2013</u>
\$580,000 loan due in annual installments of \$20,000 to \$45,000 through August 1, 2024 interest at 3.00% to 5.00%.	\$365,000	\$395,000
\$590,374 loan due in semiannual installments of \$638 to \$30,446 through August 1, 2029.	<u>138,084</u>	<u>169,368</u>
	<u>\$503,084</u>	<u>\$564,368</u>

<u>Year</u>	<u>General Capital Loans</u>			<u>Water Utility Loans</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$96,435	\$26,704	\$123,139	\$60,505	\$17,031	\$77,536
2016	95,226	24,704	119,930	59,727	15,831	75,558
2017	101,819	22,704	124,523	58,948	14,631	73,579
2018	108,544	20,194	128,738	66,219	13,131	79,350
2019	106,857	17,419	124,276	52,685	11,381	64,066
2020-2024	<u>471,130</u>	<u>40,144</u>	<u>511,274</u>	<u>205,000</u>	<u>29,244</u>	<u>234,244</u>
	<u>\$980,011</u>	<u>\$151,869</u>	<u>\$1,131,880</u>	<u>503,084</u>	<u>\$101,249</u>	<u>\$604,333</u>

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 5. BOND ANTICIPATION NOTES

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

On December 31, 2014 and 2013, the Borough had \$5,725,000 and \$4,225,000, respectfully, in outstanding General Capital bond anticipation notes. The Borough also had \$700,000 and \$0 of Water Utility Capital Fund bond anticipation notes.

The following activity related to bond anticipation notes occurred during the periods ended December 31, 2014 and 2013:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
General Capital Notes Payable:				
Oppenheimer & Co., Inc.	\$3,500,000	\$	\$3,500,000	\$ -
Capital One	725,000		725,000	-
Janney Montgomery Scott, LLC	<u> </u>	<u>5,725,000</u>	<u> </u>	<u>5,725,000</u>
	<u>\$4,225,000</u>	<u>\$5,725,000</u>	<u>\$4,225,000</u>	<u>\$5,725,000</u>
Water Utility Capital Notes Payable:				
Janney Montgomery Scott, LLC	<u>\$ </u>	<u>\$700,000</u>	<u>\$ </u>	<u>\$700,000</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
General Capital Notes Payable:				
Oppenheimer & Co., Inc.	\$900,000	\$3,500,000	\$900,000	\$3,500,000
Capital One	<u>1,300,000</u>	<u>725,000</u>	<u>1,300,000</u>	<u>725,000</u>
	<u>\$2,200,000</u>	<u>\$4,225,000</u>	<u>\$2,200,000</u>	<u>\$4,225,000</u>

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 6. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. The following deferred charges are shown on the balance sheets of the Borough of Woodland Park at December 31, 2014:

	<u>Balance Dec. 31, 2014</u>	<u>Subsequent Year Budget Appropriation</u>	<u>Balance Succeeding Years Budgets</u>
Current Fund:			
Emergency Authorizations	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$ -</u>

NOTE 7. LOCAL DISTRICT SCHOOL TAXES AND REGIONAL HIGH SCHOOL 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 Borough of Woodland Park has elected to defer school taxes as follows:

	<u>Local School District Tax Balance</u>		<u>Regional School District Tax Balance</u>	
	<u>Dec. 31, 2014</u>	<u>Dec. 31, 2013</u>	<u>Dec. 31, 2014</u>	<u>Dec. 31, 2013</u>
Balance of Tax	\$7,456,034	\$7,314,997	\$3,685,933	\$3,352,250
Deferred	<u>7,456,034</u>	<u>7,314,997</u>	<u>3,685,933</u>	<u>3,353,049</u>
Tax Payable/(Prepaid)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$799)</u>

NOTE 8. PENSION PLANS

Description of Systems:

Substantially all of the Borough's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Police and Firemen's Retirement System (PFRS) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Public Employees' Retirement System and the Police and Firemen's Retirement System (PFRS) are considered a cost sharing multiple-employer plans. According to the State of New Jersey Administrative Code, all obligations of the systems will be assumed by the State of New Jersey should the systems terminate.

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 8. PENSION PLANS, (continued)

Description of Systems, (continued)

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to certain qualified members. Membership is mandatory for substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not required to be a member of another State-administered retirement system. Vesting occurs after 8-10 years of service and 25 years for health care coverage. Members are eligible for retirement at age 60 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 60 with 25 or more years of credited service. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on contributions. In case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Chapter 103, P.L. 2007 amended the early retirement reduction formula for members hired on or after July 1, 2007 and retiring with 25 years of service to be reduced by 1% for every year between age 55 and 60, plus 3% for every year under age 55.

Chapter 89, P.L. 2008 increased the PERS eligibility age for unreduced benefits from age 60 to age 62 for members hired on or after November 1, 2008; increased the minimum annual compensation required for membership eligibility for new members. Also, it amended the early retirement reduction formula for members hired on or after November 1, 2008 and retiring with 25 years of service to be reduced by 1% for every year between age 55 and 62, plus 3% for every year under age 55.

Chapter 1, P.L. 2010, effective May 21, 2010, changed the membership eligibility criteria for new members of PERS from the amount of compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60 from 1/55, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined as 1/7th of the required amount, beginning in fiscal year 2012.

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 8. PENSION PLANS, (continued)

Description of Systems, (continued)

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

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 78, P.L. 2011, provides that new members of PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65. Tier 5 members will be eligible for a service retirement benefit at age 65.

Police and Firemens' Retirement System (PFRS)

The Police and Firemens' Retirement System was established in July 1944 under the provisions of N.J.S.A. 43:16A to provide retirement, death and disability benefits to its members. Membership is mandatory for all full time county and municipal police and firemen, and state firemen or officer employees with police powers appointed after June 30, 1944.

Enrolled members of the Police and Firemens' Retirement System may retire at age 55 with no minimum service requirement. The annual allowance is equal to 2% of the members' final compensation for each year of service up to 30 years, plus 1% of each year of creditable service over 30 years. Final compensation equals the compensation for the final year of service prior to retirement. Special retirement is permitted to members who have 25 or more years of creditable service in the system. Benefits fully vest on reaching 10 years of service. Members are always fully vested for their own contributions. In the case of death before retirement, members' beneficiaries are entitled to full payment of members' contributions.

Chapter 1, P.L. 2010, effective May 21, 2010, eliminated the provision in PFRS that would permit a member to retire, at any age after 25 years of service credit, on a special retirement allowance of 70% of final compensation after the retirement system reaches a funded level of 104%. Also, for new members of PFRS, the law capped the maximum compensation that can be used to calculate a pension from the plan at the annual wage contribution base for Social Security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary.

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 for PERS and PFRS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Divisions of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 8. PENSION PLANS, (continued)

Description of Systems, (continued)

Significant Legislation

On March 17, 2009, the legislative of the State of New Jersey enacted Public Laws 2009, c.19(S-21) the "Pension Deferral Program". This law allows the Division of Pensions and Benefits to provide non-state government pension system employers the option of paying their full amount, or an amount that reflects a 50 percent reduction of the normal and accrued liability component of the Public Employees' Retirement System and/or the Police and Firemen's Retirement System obligation for payment due to the State Fiscal Year ending June 30, 2009. The amount deferred will be repaid starting in April 2012 over a 15-year period at 8¼ percent. The amount will fluctuate based on pension system investment earnings on the deferred amount. The local employer is allowed to payoff the obligation at any time prior to April 2012.

The Borough of Woodland Park opted for this deferral in the amount of \$330,043.

Contribution Requirements

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

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

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>
December 31, 2014	\$255,536	\$588,627
December 31, 2013	261,413	638,153
December 31, 2012	275,039	543,865

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 8. PENSION PLANS, (continued)

Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. The waiver is irrevocable.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee, employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment option provided by the employer.

The law requires that three classes of employees enroll in the DCRP detailed as follows:

All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may retain in the PERS.

A Governor appointee with advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.

Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured Chief Administrative Officer such as the Business Administrator, County Administrator, or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

Contributions made by employees for DCRP are currently at 5.5% of the base wages. Member contributions are matched by a 3.0% employer contribution.

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 8. PENSION PLANS, (continued)

Defined Contribution Retirement Program, (continued)

The Borough's contribution to the DCRP for each year were as follows:

<u>Year</u>	
December 31, 2014	\$2,996
December 31, 2013	2,443
December 31, 2012	253

NOTE 9. OTHER POST EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 8, the Borough provides post employment health care benefits in accordance with the provisions of Ch. 88, P.L. 1974 as amended by Chapter 436, P.L. 1981, at its cost, to all Borough retirees hired prior to January 1, 1995 who have retired after twenty-five (25) years or more of service credit in a state or local agency retirement system and who have worked a period of twenty (20) consecutive years with the Borough at the time of retirement.

Health insurance, including dental and prescription coverage, are provided for retirees and their spouses. Dependent coverage must be paid for by the retiree at the Borough cost imposed by the insurance carrier.

The Borough funds these benefits on a pay-as-you-go basis and, therefore, does not record accrued expenses related to these benefits. During 2014, the Borough contributed \$536,678 to the costs of retiree benefits.

Pursuant to GASB Statement No. 45 ("GASB 45"), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the Borough obtained an actuarially determined calculation for this obligation.

The Borough's annual other postemployment benefits ("OPEB") costs for the Plan, which is currently funded on a pay-as-you-go basis and is a non-contributory plan with all plan payments for plan benefits being funded by the Borough, is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an on-going basis, is

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 9. OTHER POST EMPLOYMENT BENEFITS, (continued)

projected to cover normal cost each year and interest on the net OPEB obligation and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The Borough's annual OPEB cost for the year ended December 31, 2014, and the related information for the plan, are as follows:

January 1, 2012 - Net OPEB Obligation (Initial) (NOO)	\$9,440,346
Annual OPEB Costs (AOC)	2,665,711
Contribution from employer and other contributing entities	<u>(561,841)</u>
December 31, 2013 - Net OPEB Obligation (NOO)	<u>\$11,544,216</u>

The Borough's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for FY2013 were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u> (Dollars in Thousands)	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2012	\$2,088,476	6.35%	\$7,888,548
2013	2,088,476	5.68	9,440,346
2014	2,665,711	4.87	11,544,216

<u>Valuation Date</u>	<u>Actuarial Value of Assets OPEB Cost</u>	<u>Actuarial Liability - Projected Unit Credit</u> (Dollars in Thousands)	<u>Unfunded Actuarial Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll*</u>	<u>Unfunded Actuarial Liability as a Percentage of Covered Payroll*</u>
12/31/14	\$-0-	\$32,586.5	\$32,586.5	0 %	N/A	N/A

*Required disclosure at adoption of standard payroll is not provided.

The **Present Value of all Projected Benefits** is the total present value of all expected future benefits, based on certain actuarial assumptions. The Present Value of all projected benefits is a measure of total liability or obligation. Essentially, the Present Value of all projected benefits is the value (on the valuation date) of the benefits promised to current and future retirees. The Plan's present value of all projected benefits (at January 1, 2008) is \$28,059,300 assuming no prefunding of obligations. The majority of this liability is for current active employees (future retirees).

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 9. OTHER POST EMPLOYMENT BENEFITS, (continued)

The **Actuarial Accrued Liability** is the liability or obligation for benefits earned through the valuation date, based on certain actuarial methods and assumptions. The Plan's Actuarial Accrued Liability (at December 31, 2014) is \$32,586,492 assuming no prefunding of obligations. The majority of this obligation is for current active employees.

Normal Cost is the value of benefits expected to be earned during the current year, again based on certain actuarial methods and assumptions. The 2014 Fiscal Year Normal Cost is \$665,176 assuming no prefunding of obligations. In pension accounting, this is also known as "service cost."

Future Normal Costs represent the present value of the remaining balance of all projected benefits to be earned in future years.

Assumptions

The results were calculated based upon plan provisions, as provided by the Borough of Woodland Park and the State of New Jersey, along with certain demographic and economic assumptions as recommended by Aon, in conjunction with the Borough of Woodland Park with guidance from the GASB statement.

Demographic Assumptions

Data was provided by the Borough of Woodland Park as of December 31, 2014. Demographic assumptions used to project the data are the same as those used to value the SHBP PERS pension liabilities. There is no assumption for future new hires.

Economic Assumptions

The GASB statement requires that the discount rate used to determine the retiree healthcare liabilities should be estimated long-term yield on the "investments that are expected to be used to finance the payments of benefits". Since the Borough of Woodland Park does not currently pre-fund the retiree healthcare liabilities, the discount rate for the "no prefunding" scenario should be based on the portfolio of the Borough of Woodland Park's "general assets" used to pay these benefits. The discount rate assumption selected by the Borough is 4.50%.

The trend assumption is used to project the growth of the expected claims over the lifetime of the healthcare recipients. The GASB statement does not require a particular source for information to determine healthcare trends, but it does recommend selecting a source that is "publicly available, objective and unbiased".

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 9. OTHER POST EMPLOYMENT BENEFITS, (continued)

Economic Assumptions, (continued)

UHY Advisors developed the trend assumptions on the SHBP plan along with information in published papers from other industry experts (actuaries, health economists, etc.). For the actuarial trend assumptions, this amount initially is at 9.0% and decreases to a 5.0% long-term trend rate for the benefits.

NOTE 10. COMMITMENTS PAYABLE

A. Operating Leases

The municipality has commitments to lease certain equipment under arrangements representing operating leases. Future minimum rental commitments for noncancelable operating leases as of December 31, 2014 were as follows:

Budget <u>Year</u>	Police <u>Vehicles</u>	2011 Chevrolet <u>Impala</u>	Toughbook Computers for Police <u>Cars</u>
2015	\$17,897	\$4,237	\$11,998
2016	17,897		3,999
2017	17,897		

NOTE 11. FUND BALANCE APPROPRIATED

The fund balance at December 31, 2014 and 2013 which has been appropriated as revenue in the 2015 and 2014 budgets is as follows:

	<u>2015</u>	<u>2014</u>
Current Fund	\$1,800,000	\$1,600,000
Water Utility Operating Fund	350,000	289,000

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 12. FIXED ASSETS

The following is a summary of General Fixed Assets Account Group as of December 31, 2014:

	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
General Fixed Assets:				
Land and Improvements	\$10,761,829	\$177,134	\$	\$10,938,963
Buildings and Improvements	9,452,432			9,452,432
Automobiles and Vehicles	5,924,147	255,780	81,377	6,179,927
Machinery and Equipment	<u>1,729,691</u>	<u>40,787</u>		<u>1,770,478</u>
	<u>\$27,868,099</u>	<u>\$473,701</u>	<u>\$81,377</u>	<u>\$28,260,423</u>

NOTE 13. ACCRUED SICK AND VACATION BENEFITS

The Borough has permitted employees to accrue unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$1,915,609 as of December 31, 2014 and the estimated amount at December 31, 2013 was \$1,778,940. These amounts have not been reported either as an expenditure or liability.

NOTE 14. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at December 31, 2014 consist of the following:

\$910	Due to the Current Fund from the Animal License Trust Fund for the prior year statutory excess calculations.
249	Due from the Current Fund to the Other Trust Fund to correct posting of prior year bank service charges.
<u>2,407</u>	Due to the Current Fund from the Federal and State Grant Fund for reimbursement of expenses paid.
<u>\$3,566</u>	

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

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 15. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP)

On May 8, 2002, the Division of Local Government Services approved the Borough's LOSAP plan, provided by the Variable Annuity Life Insurance Company (VALIC). The purpose of this plan is to enhance the Borough's ability to retain and recruit volunteer firefighters and volunteer members of emergency service squads.

VALIC will provide for the benefit of participants, a multi-fund variable annuity contract as its funding vehicle. The plan shall provide for an annual contribution of \$1,150 per year of active emergency service, subject to periodic increases as permitted by N.J.A.C. 5:30-14.9. The Borough's contribution shall be included in the current years budget.

All amounts awarded under a length of service award plan shall remain the asset of the sponsoring agency; the obligation of the sponsoring agency to participating volunteers shall be contractual only; and no preferred or special interest in the awards made shall accrue to such participants. Such money shall be subject to the claims of the sponsoring agency's general creditors until distributed to any or all participants.

We have reviewed the plan for the year ended December 31, 2014 in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Accounting and Review Services.

NOTE 16. CAPITAL LEASE PAYABLE

On March 31, 2003 the Borough entered into a \$405,000 capital lease through the Bergen County Improvement Authority for the retirement of its outstanding unfunded pension liability. Annual debt service requirements for this capital lease are as follows:

General Capital Leases			
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$25,000	\$17,550	\$42,550
2016	30,000	15,900	45,900
2017	35,000	13,950	48,950
2018	45,000	11,550	56,550
2019	50,000	8,700	58,700
2020-2021	120,000	7,500	127,500
	<u>\$305,000</u>	<u>\$75,150</u>	<u>\$380,150</u>

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 17. RISK MANAGEMENT

The Borough is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur. During the 2014 calendar year, the Borough did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

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

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

The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members.

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

NOTE 18. TAXES COLLECTED IN ADVANCE

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

	<u>Balance</u> <u>Dec 31, 2014</u>	<u>Balance</u> <u>Dec 31, 2013</u>
Prepaid Taxes	<u>\$191,607</u>	<u>\$187,117</u>
Cash Liability for Taxes Collected in Advance	<u>\$191,607</u>	<u>\$187,117</u>

BOROUGH OF WOODLAND PARK
Notes to Financial Statements
Years Ended December 31, 2014 and 2013
(continued)

NOTE 19. LITIGATION

The Borough is a defendant in various legal proceedings. These cases, if decided against the Borough, would be raised by future taxation. The Borough's legal counsel estimate such amounts to be immaterial, except for the following:

1. MCDUFFIE V. THE BOROUGH OF WOODLAND PARK

In this matter, the Borough received a Tort Claim notice from the plaintiff, in early 2010. The plaintiff alleges that his Civil Rights were violated by a member of the Borough's DPW, who struck him and used racial epithets against him. Thereafter, complaints were signed against the plaintiff, and he was arrested by the Police Department. The criminal charges proceeded to Court and were dismissed by the trial judge.

This matter is covered by the Borough's insurance policy. We estimate possible liability in the amount of Three Hundred Thousand (\$300,000.00) Dollars which should be covered by the Borough's Insurance Policy.

2. STATE OF NEW JERSEY VS. RALPH ARMINIO, ET AL.

This matter is a land use matter, wherein the State of New Jersey is attempting to use the eminent domain doctrine to confiscate property of the Borough and private owners along Route 46. In return, the Borough may obtain some payments from the State. If the State is successful in pursuing this action, the Borough may lose up to \$15,000.00 of tax revenues, in the following calendar year.

In addition, there are tax appeals pending that if refunds are awarded would be raised by future taxation.

NOTE 20. SUBSEQUENT EVENTS

The Borough has evaluated subsequent events through February 24, 2015, the date which the financial statements were available to be issued and no other items were noted for disclosure.

SUPPLEMENTARY DATA

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BOROUGH OF WOODLAND PARK

Supplementary Data

Comparative Schedule of Tax Rate Information

		<u>2014</u>	<u>2013</u>	<u>2012</u>
Tax rate - general	\$	2.703	2.651	2.570
Apportionment of tax rate:				
Municipal		0.6747	0.6498	0.6576
Library		0.0321	0.0336	0.0348
County		0.6786	0.6923	0.6635
Local school		0.8817	0.8712	0.8428
Regional high school		<u>0.4359</u>	<u>0.4041</u>	<u>0.3714</u>

Assessed valuation:

2014	\$	1,691,394,907
2013		1,678,103,100
2012		1,681,609,376

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>Currently</u>	
		<u>Tax levy</u>	<u>Cash collections</u>	<u>Percentage of collection</u>
2014	\$	46,296,510	45,022,437	97.25%
2013		45,127,616	44,391,972	98.37%
2012		43,532,870	43,002,315	98.78%

Delinquent Taxes and Tax Title Liens

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

<u>Year</u>		<u>Amount of delinquent taxes</u>	<u>Amount of tax title liens</u>	<u>Total delinquent</u>	<u>Percentage of tax levy</u>
2014	\$	406,510		406,510	0.88%
2013		458,962		458,962	1.02%
2012		392,445		392,445	0.90%

BOROUGH OF WOODLAND PARK

Supplementary Data, Continued

Property Acquired by Tax Title Lien Liquidation

No properties have been acquired in 2014 by foreclosure or deed as a result of liquidation of tax title liens.

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

<u>Year</u>		<u>Amount</u>
2014	\$	4,072,200
2013		4,072,200
2012		4,072,200

Comparison of Water Utility Levies and Collections

<u>Year</u>		<u>Levy</u>	<u>Collections</u>
2014	\$	1,818,694	1,826,743
2013		1,531,794	1,602,459
2012		1,675,652	1,649,708

Comparative Schedule of Fund Balances

	<u>Year</u>		<u>Balance, Dec. 31</u>	<u>Utilized in budget of succeeding year</u>
Current Fund:	2014	\$	2,836,330	1,800,000
	2013		2,427,042	1,600,000
	2012		2,913,106	1,627,623
	2011		1,696,036	1,345,000
	2010		1,674,088	1,154,500
Water Utility Operation Fund:	2014	\$	363,054	350,000
	2013		312,203	289,000
	2012		638,201	335,100
	2011		641,486	236,185
	2010		458,221	

BOROUGH OF WOODLAND PARK

Supplementary Data, Continued

Officials in Office and Surety Bonds

<u>Name</u>	<u>Title</u>	<u>Amount of bond</u>
Keith Kazmark	Mayor	
Joseph Spinelli	Council President	
Gary Holloway	Councilman	
Vincent DeCesare	Councilman	
Rita Pascrell	Councilwoman	
Tina Gatti	Councilwoman	
Tracy Kallert	Councilwoman	
Kevin Galland	Administrator, Municipal Clerk, Officer of Searches of Municipal Improvements	
Frederick Tomkins	Chief Financial Officer	
	Tax Search Official	
	Water Rent Collector	
	Treasurer of Library	(A)
Ann Purzycki	Treasurer	(A)
Bernadette Lawler	Tax Collector	200,000
George Galbraith	Department of Public Works - Superintendent	(A)
James DeBlock	Superintendent of Water Pollution Control	(A)
Anthony Galietti	Police Chief	(A)
Toni Belford Damiano	Magistrate	5,000
Frances Trawinski	Court Administrator	50,000
Tim Henderson	Tax Assessor	(A)
Alaimo Group	Engineer	
Albert Buglione	Municipal Attorney	

(A) - Public Employees Faithful Performance Bond of \$100,000 on each employee.

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Expenditures of State Awards

Year ended December 31, 2014

State program	State program	Grant number	Grant period	Grant award	Balance Dec. 31, 2013	Grant Receipts	Grant expenditures	Adjustment	Balance Dec. 31, 2014	MEMO Cumulative Expenditures
State Funding Department <i>Federal and State Grant Fund:</i> Department of Law and Public Safety	State program	9735-760-001 12	2013	897	692				692	205
		9735-760-001 12	2014	768	(2,453)	768		2,453	768	2,528
		066-1020-718-001	2008	2,528		557			557	2,220
		066-1020-718-001	2012	2,777		3,354			3,354	(1,020)
		066-1020-718-001	2013	3,354		1,020			2,609	60,000
		066-1020-718-001	2013	1,020		60,000			11,788	1,181
		066-1020-718-001	2014	2,609		1,387			294	2,284
		066-1020-100-232	2014	60,000		2,284			2,676	80,035
		066-1020-100-232	2013	60,000						
		066-1020-100-232	2014	1,181						
		6400-100-078-6400	2011	1,387						
		6400-100-078-6400	2012	1,387						
		6400-100-078-6400	2013	2,284						
		6400-100-078-6400	2014	2,676						
					(5,474)	66,053	62,606	2,453	426	
New Jersey Department of Transportation			2014	250,000						
					50,000				50,000	
New Jersey Department of Community Affairs			2005	50,000						
					2,552				2,552	
			2008	16,022	45		45		1,741	16,022
			2012	18,811	17,064		15,323		7,640	17,070
			2013	17,640			10,000		(1,600)	10,000
			2014	37,500	(1,600)				126	37,500
			2007	5,000	126					4,874
			2004	11,932	1,360		1,360			11,932
			2009	13,918	13,918		13,918			13,918
			2008	13,975	13,975		13,975			13,975
			2009	18,336	18,336		11,355		6,981	11,355
			2012	13,567	13,567				13,567	13,567
			2013	13,247					13,247	13,247
			2014	150,000			25,000		(25,000)	25,000
			2014	150,000						
					79,343	30,887	90,976		19,254	161,646
Total Federal and State Grant Fund				123,869	96,940	153,582	2,453	69,680	241,681	

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Expenditures of State Awards

Year ended December 31, 2014

State Funding Department		State program	Grant number	Grant period	Grant award	Balance Dec. 31, 2013	Grant Receipts	Grant expenditures	Adjustment	Balance Dec. 31, 2014	MEMO Cumulative Expenditures
<i>Trust Funds:</i>											
Passaic County Pass Through Grants		Municipal Alliance		2013 2014	23,200 12,287	(11,888) 12,074	11,888 12,287	12,287		(213)	23,200 12,287
<i>Total Trust Funds</i>						(11,888)	23,962	12,287		(213)	35,487
<i>General Capital Funds:</i>											
Department of Transportation		Williams Drive (Phase I and II) Lackawana Ave./Memorial Drive Curbs and Sidewalks	6320-480-608383-60	2004	250,000	(7,175)				(7,175)	250,000
<i>Total General Capital Fund</i>			6300-480-078-6300-CX3-TCAP	2004	120,000	(4,014)				(4,014)	120,000
<i>Total State Financial Assistance</i>						(11,189)	120,902	165,869	2,453	58,278	370,000
<i>Other Financial Assistance:</i>											
Passaic County Open Space		Dowling Park Improvements - 2004 Dowling Park Improvements - 2008 Zaccaria Park Improvements-2010 Morris Canal Improvements-2007 Morris Canal Improvements-2008 Zaccaria Park Improvements - 2011 Dowling Park Fountain Rose Park Place Improvements Rose Park Place Improvements Zaccaria Park - Splash Pad		2004 2008 2010 2007 2008 2011 2012 2013 2014 2013	325,000 250,000 260,000 100,000 200,000 175,000 100,000 99,000 93,555 150,000	(27) (42,785) 550 6,474 (107,159) (69,465) (99,980) (149,961)	42,785 6,173 100,684 69,465 98,180 149,961	27 6,173 23,747 75,935		550 301 (6,474) (23,747) (99,980) 22,245	325,000 250,000 259,450 93,827 175,172 175,000 99,980 75,935 149,961
<i>Total Other Financial Assistance</i>						(462,353)	461,075	105,855	28	(107,105)	1,604,325
<i>Total State and Other Financial Assistance</i>						(361,561)	581,977	271,724	2,481	(48,827)	2,251,493

Note: This schedule was not subject to an audit in accordance with N.J. OMB 04-04.

BOROUGH OF WOODLAND PARK, N.J.
Schedule of Expenditures of Federal Awards

Year ended December 31, 2014

Federal Grantor	Federal Program	CFDA #	Grant year	Grant award amount	Balance Dec. 31, 2013	Receipts	Expended	Adjustment	Balance Dec. 31, 2014	Memo Cumulative Expenditures
<i>Federal and State Grant Funds:</i> U.S. Department of Justice:				1,567 \$		1,567			1,567	
	Bulleproof Vest Partnership Program	16.607	2014							
U.S. Department of Transportation: National Highway Traffic Safety Administration (1)	Drive Sober or Get Pulled Over Newby Street Mt. Pleasant Ave Resurfacing - Phase II Overmount Ave	20.601 20.205 20.205 20.205	2013 2009 2010 2013	7,500 281,000 255,000 25,000	(7,657) (1,65,865) (173,522)	177,246 177,246			(7,657) 11,381 3,724 (75,400)	213,865 133,705 3,47,570 75,400
Community Development Block Grant	Disaster Relief	14.218	2013	848,263			75,400			
U.S. Department of Law and Public Safety	Emergency Management Grant	97.044	2014	5,000		5,000	2,371		2,629	2,371
U.S. Department of Homeland Security: State Homeland Security Program State Homeland Security Program	Assistance to Firefighters Grant Assistance to Firefighters Grant	97.073 97.073	2010 2013	58,707 4,851	(3) (3)		4,851 4,851	3 3	(4,851) (4,851)	58,707 4,851 63,558 488,899
<i>Total Federal and State Grant Fund</i>					(173,525)	183,813	82,622	3	(72,331)	
<i>Current Funds:</i> Disaster Grants - Public Assistance - (Presidentially Declared Disasters) (1)	Hurricane Sandy	97.036	2014	17,061		17,061	17,061			17,061
<i>Total Current Fund</i>										17,061
<i>General Capital Funds:</i> U.S. Department of Transportation: Federal Highway Administration	Resurfacing of Overmount Ave., Ord. 9-2012 Resurfacing of Overmount Ave., Ord. 8-2014	20.205 20.205	2012 2014	250,000 275,000	(250,000)	248,633 188,895	232,951		(1,367) (44,056)	250,000 232,951 482,951
U.S. Department of Housing and Urban Development Community Development Block Grant (Pass Through Funds) County of Passaic	Imps. to Woodrow Avenue - Ord. 9-2012	14.218	2008	183,581	(63,460)		232,951		(63,460)	183,581 666,532
<i>Total General Capital Fund</i>					(313,460)	437,528	232,951		(108,883)	

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BOROUGH OF WOODLAND PARK, N.J.

Schedule of Cash - Collector-Treasurer

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013		\$	5,423,851
Increased by receipts:			
Miscellaneous revenue not anticipated	\$	79,835	
Senior citizens' and veterans' reimbursements -			
State of New Jersey		119,703	
Taxes receivable		45,171,859	
Revenue accounts receivable		1,958,774	
Prepaid taxes		191,607	
Various Reserves		580,732	
Library State Aid		5,137	
Interfunds		251,638	
Road Opening Deposits		1,000	
State and Federal Grants Receivable		725,905	
Unappropriated Grants		15,923	
			<u>49,102,113</u>
			54,525,964
Decreased by disbursements:			
2014 Budget Appropriations		13,720,181	
2013 Appropriations Reserves		634,987	
Interfunds		341,014	
Accounts Payable		1,105	
Various Reserves		869,878	
Tax overpayments		24,109	
Road Opening Deposits		2,000	
County taxes payable		11,476,378	
Added County Taxes		143,778	
Local district school taxes		14,771,034	
Regional high school taxes		7,038,183	
Reserve for Library Aid		8,638	
Prior year grant encumbrances paid		3,882	
Special Emergency Note		45,000	
State and Federal Grants Appropriated Reserves		229,896	
			<u>49,310,063</u>
Balance, December 31, 2014		\$	<u>5,215,901</u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Cash - Change Fund

Current Fund

Year ended December 31, 2014

<u>Office</u>	Balance Dec. 31, <u>2014</u>	Balance Dec. 31, <u>2013</u>
Collector-treasurer	\$ 200	200
Librarian	10	10
Municipal Court	<u>100</u>	<u>100</u>
	\$ <u><u>310</u></u>	<u><u>310</u></u>

BOROUGH OF WOODLAND PARK, N.J.

**Schedule of Amount Due From/(To) State of New Jersey
for Senior Citizens' and Veterans' Deductions**

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013		\$ <u>(36,887)</u>
Increased by:		
Senior citizens' deductions per tax billing	\$ 22,250	
Veterans' deductions per tax billing	98,250	
Deductions allowed	<u>3,030</u>	
		<u>123,530</u>
		86,643
Decreased by:		
Collection from State of New Jersey	119,703	
Senior Citizens deductions disallowed	<u>3,500</u>	
		<u>123,203</u>
Balance, December 31, 2014		\$ <u><u>(36,560)</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year ended December 31, 2014

Year	Balance, Dec. 31, 2013	2014 Levy	Added	Collected 2013	2014	Senior Citizen and Veteran Deductions	Canceled	Balance, Dec. 31, 2014
2013	\$ 458,962				456,569		2,162	231
	458,962				456,569		2,162	231
2014		45,725,587	570,923	187,117	44,715,290	120,030	867,794	406,279
	\$ 458,962	45,725,587	570,923	187,117	45,171,859	120,030	869,956	406,510

Analysis of Tax Levy

Tax yield:	
General Purpose Tax	\$ 45,725,587
Added/Omitted Taxes	570,923
	\$ 46,296,510
Tax Levy:	
Local District School Tax	\$ 14,912,072
Regional High School Tax	7,371,867
Municipal Open Space Tax	171,043
County Tax	\$ 11,476,378
County Added and Omitted Taxes	143,778
	11,620,156
	34,075,138
Local Tax for Municipal Purposes	11,779,228
Additional Taxes	442,144
	12,221,372
	\$ 46,296,510

BOROUGH OF WOODLAND PARK, N.J.

**Schedule of Property Acquired for Taxes
(at Assessed Valuations) and
Analysis of Balance**

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>4,072,200</u>
Balance, December 31, 2014	\$ <u><u>4,072,200</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Revenue Accounts Receivable

Current Fund

Year ended December 31, 2014

	Balance Dec. 31, <u>2013</u>	<u>Accrued</u>	<u>Collected</u>	Balance Dec. 31, <u>2014</u>
Licenses:				
Alcoholic beverages	\$	33,410	33,410	
Other		4,073	4,073	
Fees and permits		71,184	71,184	
Municipal Court - fines and costs	23,348	324,322	324,650	23,020
Interest and cost on taxes		113,158	113,158	
Interest on Investments		2,568	2,568	
Cable Television Franchise Fees		50,660	50,660	
Cable Television Franchise Fees - Verizon		26,604	26,604	
Consolidated Municipal Property Tax Relief Aid		92,212	92,212	
Energy receipts taxes		728,265	728,265	
Watershed Moratorium Offset Aid		6,674	6,674	
Uniform Construction Code		356,793	356,793	
Uniform Fire Safety Act		35,460	35,460	
Life Hazard Use Fees		21,120	21,120	
Reserve for Payment of Debt		150,000	150,000	
Sewer Connection Fees		71,400	71,400	
General Capital Fund Balance		21,882	21,882	
	<u>\$ 23,348</u>	<u>2,109,785</u>	<u>2,110,113</u>	<u>23,020</u>
		Cash Receipts	1,958,774	
		Interfunds	151,339	
		<u>\$ 2,110,113</u>		

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Deferred Charges
 N.J.S. 40A:4-53 Special Emergency

Current Fund

Year ended December 31, 2014

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	Net Amount <u>Authorized</u>	1/5 of Net Amount <u>Authorized</u>	Balance, Dec. 31, 2013	<u>Reduced</u>
12/16/09	Revaluation	225,000	45,000	\$ 45,000	45,000
				\$ 45,000	45,000

BOROUGH OF WOODLAND PARK, N.J.

**Schedule of Deferred Charges
N.J.S. 40A:4-46 Special Emergency**

Current Fund

Year ended December 31, 2014

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	Net Amount <u>Authorized</u>	<u>Increased</u>	Balance, Dec. 31, <u>2014</u>
12/14/14	Reassessment	100,000 \$	<u>100,000</u>	<u>100,000</u>
		\$	<u><u>100,000</u></u>	<u><u>100,000</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Interfunds

Current Fund

Year Ended December 31, 2014

<u>Fund</u>	Due from/(to) Balance <u>Dec. 31, 2013</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Balance <u>Dec. 31, 2014</u>
Federal and State Grant Fund	\$ 508,126	488,817	999,350	(2,407)
General Capital Fund	100,000	150,000	250,000	
Animal License Trust Fund	1,347	910	1,347	910
Other Trust Fund	(249)	261	261	(249)
Municipal Alliance		30	30	
Open Space Trust	<u>(169,971)</u>	<u>341,014</u>	<u>171,043</u>	
	<u>\$ 439,253</u>	<u>981,032</u>	<u>1,422,031</u>	<u>(1,746)</u>
Due from	609,473	639,727	1,248,290	910
Due to	<u>(170,220)</u>	<u>341,305</u>	<u>173,741</u>	<u>(2,656)</u>
	<u>\$ 439,253</u>	<u>981,032</u>	<u>1,422,031</u>	<u>(1,746)</u>
Grant Fund	\$ 488,817	999,350		
Interest Earned	291			
Statutory Excess	910			
Open Space Tax Levy			171,043	
Budgeted Revenue	150,000			
Receipts			251,638	
Disbursements		<u>341,014</u>		
		<u>\$ 981,032</u>	<u>1,422,031</u>	

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2014

	Balance, Dec. 31, <u>2013</u>	Balance after Transfers and <u>Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Salaries and Wages Within "CAPS":				
Gen. Administration	\$ 268	268	164	104
Mayor and Council	1	1		1
Finacial Administration	110	110		110
Collection of Taxes	9	9		9
Assessment of Taxes	405	405		405
Zoning Board of Adjustment	594	600	600	
Police	162,929	117,929	32,447	85,482
Maintenance of Fire Alarm System	1	1		1
Emergency Management	1	1		1
Uniform Fire Safety Act	3,150	3,150	2,618	532
Road Repairs and Maintenance	136,797	136,797	11,591	125,206
Board of Health	26	26		26
Sewer System	10,805	10,805	888	9,917
Public Buildings and Grounds	2,671	2,671	2,315	356
Youth and Senior Citizen Center	1,477	1,477	502	975
Vehicle Maintenance	2,735	2,735	1,940	795
Parks and Playground	19,628	19,628	6,113	13,515
Municipal Court	9,526	9,526	2,108	7,418
Public Defender	1	1		1
Uniform Construction Code	5,370	5,370	5,360	10
Building Inspector	469	469		469
Housing Inspector	7,624	7,624		7,624
Electrical Inspections	397	397		397
Total Salaries and Wages Within "CAPS"	<u>364,994</u>	<u>320,000</u>	<u>66,646</u>	<u>253,354</u>
Other Expenses Within "CAPS":				
Administration	25,986	20,526	10,160	10,366
Elections	703	703		703
Financial Administration				
Annual Audit	59,600	59,600	59,450	150
Misc. Other	26,069	31,146	10,871	20,275
Assessment of Taxes	16,166	20,617	20,286	331
Collection of Taxes	329	398	174	224
Legal Services and Costs	12,527	43,459	32,403	11,056
Planner- Mt. Laurel Litigation	9,070	9,070		9,070
Engineering Services and Costs	6,246	16,208	11,536	4,672
Planning Board	4,508	4,508		4,508
Zoning Board of Adjustment	2,113	2,113		2,113
Police	644	58,604	57,373	1,231

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2014

	Balance, Dec. 31, <u>2013</u>	Balance after Transfers and <u>Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Maintenance of Fire Alarm System	465	4,296	3,831	465
Emergency Management Services	2,166	3,493	1,328	2,165
Fire - Misc Other Expenses	6,613	24,386	24,247	139
Life Hazard Use Fee	32	1,136	1,104	32
Municipal Court	983	1,657	1,364	293
Other Insurance Premiums	3,975	3,975		3,975
Group Insurance	37,510	37,510	(1,028)	38,538
Surety Bond Premiums	1	201	200	1
Road Repairs and Maintenance	23,000	63,023	44,549	18,474
Garbage & Trash Removal Contract	78,500	78,500	53,333	25,167
Recycling Program	5,000	5,000		5,000
Sewer System	3,750	12,179	11,212	967
Public Buildings & Grounds	14,551	20,821	7,635	13,186
Vehicle Maintenance	3,090	7,386	6,665	721
Board of Health	180	246	121	125
Animal Control Services	736	781	45	736
Parks and Playgrounds	18,503	19,078	972	18,106
Youth & Senior Citizen Center	3,480	4,121	641	3,480
Celebration of Public Events	21,123	21,311	20,275	1,036
Uniform Construction Code	101	238	237	1
Building Inspector	517	517	50	467
Electrical Inspections	800	800	78	722
Electric & Gas	35,564	42,464	11,143	31,321
Street Lighting	45,083	64,240	26,106	38,134
Telephone	4,101	6,947	3,338	3,609
Fire Hydrant Services	3,332	3,332	2,965	367
Gasoline	46,100	55,406	10,874	44,532
Total Other expenses Within "CAPS"	<u>523,217</u>	<u>749,996</u>	<u>433,538</u>	<u>316,458</u>
Deferred Charges and Statutory Expenditures Within "CAPS":				
Unemployment Compensation Insurance		607	607	
Public Employees' Retirement System		30,000	27,654	2,346
Defined Contribution Retirement Program	8,357	8,357		8,357
Police and Firemen's Retirement System of NJ		15,000		15,000
Social Security System (O.A.S.I.)	14,974	14,974		14,974
Total Deferred Charges and Statutory Expenditures Within "CAPS"	<u>23,331</u>	<u>68,938</u>	<u>28,261</u>	<u>40,677</u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2014

	Balance, Dec. 31, <u>2013</u>	Balance after Transfers and <u>Encumbrances</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Other Expenses Excluded From "CAPS":				
Passaic Valley Sewerage Charge	1,272	1,272		1,272
Maintenance of Free Public Library	36,000	46,132	46,132	
LOSAP	<u>7,678</u>	<u>7,678</u>		<u>7,678</u>
Total Other Expenses Excluded from "CAPS"	<u>44,950</u>	<u>55,082</u>	<u>46,132</u>	<u>8,950</u>
Judgements		<u>100,000</u>	<u>95,000</u>	<u>5,000</u>
Total Reserves	<u>956,492</u>	<u>1,294,016</u>	<u>669,577</u>	<u>624,439</u>
Appropriation Reserves		956,492		
Encumbrances		<u>337,524</u>		
		<u>\$ 1,294,016</u>		
		Cash	634,987	
		Transferred to Reserve for Library	25,875	
		Accounts Payable	<u>8,715</u>	
			<u>\$ 669,577</u>	

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Accounts Payable

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013		\$	2,595
Increased by:			
Transfer from Appropriation Reserves	\$	8,715	
Transfer from Fund Balance		<u>4,108</u>	
			<u>12,823</u>
			15,418
Decreased by:			
Cash Disbursements			<u>1,105</u>
Balance, December 31, 2014		\$	<u><u>14,313</u></u>

Schedule of Reserve for Library State Aid

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013		\$	11,122
Increased by:			
Cash Receipts			<u>5,137</u>
			16,259
Decreased by:			
Cash Disbursements			<u>8,638</u>
Balance, December 31, 2014		\$	<u><u>7,621</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Prepaid Taxes

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 187,117
Increased by:	
Collection of 2015 Taxes	<u>191,607</u>
	378,724
Decreased by:	
Applied to 2014 Taxes	<u>187,117</u>
Balance, December 31, 2014	<u><u>\$ 191,607</u></u>

Schedule of Tax Overpayments

Current Fund

Year ended December 31, 2014

Increased by:	
Charged to Operations	<u>\$ 24,109</u>
Decreased by:	
Refunded	<u><u>\$ 24,109</u></u>

Exhibit A-18

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Road Opening Deposits

Year ended December 31, 2014

Balance, December 31, 2013	\$	8,800
Increased by:		
Cash Receipts		<u>1,000</u>
		9,800
Decreased by:		
Cash Disbursements		<u>2,000</u>
Balance, December 31, 2014	\$	<u><u>7,800</u></u>

Exhibit A-19

Schedule of County Taxes Payable

Current Fund

Year ended December 31, 2014

Increased by:		
2014 Levy	\$	<u>11,476,378</u>
Decreased by:		
Payments	\$	<u><u>11,476,378</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Amount Due County for Added Taxes

Current Fund

Year ended December 31, 2014

Increased by:		
2014 Added Taxes	\$	<u>143,778</u>
Decreased by:		
Payments	\$	<u><u>143,778</u></u>

Schedule of Local District School Tax

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013 (school tax deferred)	\$	7,314,997
Increased by levy - school year July 1, 2014 to June 30, 2015		<u>14,912,072</u>
		22,227,069
Decreased by:		
Cash Disbursements		<u>14,771,034</u>
Balance, December 31, 2014 (school tax deferred)	\$	<u><u>7,456,035</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Regional High School Tax

Current Fund

Year ended December 31, 2014

Balance, December 31, 2013		
(Prepaid regional school tax)	\$	(799)
(school tax deferred)		3,353,049
Increased by levy - school year		
July 1, 2014 to June 30, 2015		<u>7,371,867</u>
		10,724,916
Decreased by:		
Prepaid Applied	\$	799
Cash Disbursements		<u>7,038,183</u>
		<u>7,038,982</u>
Balance, December 31, 2014		
(school tax deferred)	\$	<u><u>3,685,934</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Various Reserves

Current Fund

Year ended December 31, 2014

	Balance Dec. 31, <u>2013</u>	<u>Increased</u>	<u>Decreased</u>	Balance Dec. 31, <u>2014</u>
\$				
Premium on Tax Title Liens	416,500	40,300	256,800	200,000
Library grant	80			80
Master Plan	1,035			1,035
Tax Map	500			500
Codification	409			409
Elevator Fees	290			290
State Fees Payable:				
DCA Fees	2,549	19,469	16,520	5,498
Marriage License Fees	1,375	2,625	2,400	1,600
Other Fees	1,901			1,901
Reserve for:				
Outside Liens	46,050	518,338	564,388	
Tax Appeals	264,615		24,970	239,645
Library - Capital Improvements	537,103	25,875	4,800	558,178
Reserve for Sale of Assets	2,359			2,359
Reserve for Salary and Wages	11,796			11,796
	<u>\$ 1,286,562</u>	<u>606,607</u>	<u>869,878</u>	<u>1,023,291</u>
Transferred from Appropriation Reserves		25,875		
Cash Receipts		580,732		
Cash Disbursements			869,878	
		<u>\$ 606,607</u>	<u>869,878</u>	

BOROUGH OF WOODLAND PARK, N.J.
Schedule of Special Emergency Note Payable

Current Fund

Year Ended December 31, 2014

<u>Note</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance, Dec.31, 2013</u>	<u>Payments</u>
13-1RSEN	Dec. 29, 2011	Dec. 13, 2013	June 6, 2014	0.85%	\$ 45,000	45,000

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Due to/(from) Current Fund

Federal and State Grant Fund

Year ended December 31, 2014

Balance, December 31, 2013		\$	508,126
Increased by:			
Grants Received - Appropriated	\$	725,905	
Grants Received - Unappropriated		15,923	
Receivables Cancelled		<u>257,522</u>	
			<u>999,350</u>
			(491,224)
Decreased by:			
Cash Disbursements -			
Appropriated Grant Reserves	\$	229,896	
Grants Cancelled		255,039	
Prior Year Encumbrances Paid		<u>3,882</u>	
			<u>488,817</u>
Balance, December 31, 2014		\$	<u><u>(2,407)</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended December 31, 2014

	Balance Dec. 31, <u>2013</u>	2014 Budget <u>Revenue</u>	Cash <u>Receipts</u>	<u>Canceled</u>	Balance Dec. 31, <u>2014</u>
Safe and Secure	\$ 60,000		60,000		
Body Armor	2,453			(2,453)	
Passaic County Open Space-Dowling Place	27			(27)	
Passaic County Open Space-Dowling Park	42,785		42,785		
Passaic County Open Space-Zaccaria Park	93,212		69,465		23,747
Passaic County Open Space-Morris Canal	107,158		100,684		6,474
Passaic County Open Space-Zacarria Park-Splash Pad	150,000		149,961	(39)	
DOT - Newby Street	8,357				8,357
DOT - Overmont Ave - 2012	275,000			(250,000)	25,000
CDBG - Disaster Relief	823,263	25,000			848,263
NJ Historic Trust-Morris Canal	1,600				1,600
Body Armor	1,020				1,020
Emergency Management	5,000			(5,000)	
Emergency Management		5,000	5,000		
NJDOT - Mt. Pleasant Ave Improvements	251,220		177,246		73,974
Passaic County Open Space-Rose Park Place Impr.	99,000		98,180		820
Passaic County Open Space-Dowling Park Fountain	100,000				100,000
Homeland Security - Firefighters Assistance	3			(3)	
NJDOT - McBride Streetscape		250,000			250,000
Clean Communities		17,640	17,640		
Alcohol Education Rehabilitation Fund		768	768		
NJDEP Peckman River		150,000			150,000
NJDEP Passaic River		150,000			150,000
Body Armor		2,609	2,609		
Federal Bullet Proof Vest		1,567	1,567		
Passaic County Open Space - Rose Park Place		93,555			93,555
Assistance to Firefighters		4,851			4,851
Drive Sober or Get Pulled Over		7,500			7,500
Safe and Secure		60,000			60,000
	<u>\$ 2,020,098</u>	<u>768,490</u>	<u>725,905</u>	<u>(257,522)</u>	<u>1,805,161</u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Appropriated Reserves

Federal and State Grants

Year ended December 31, 2014

<u>Grant</u>	Balance Dec. 31, 2013	Transferred from 2014 Budget Appro- priations	<u>Expended</u>	<u>Canceled</u>	Balance Dec. 31, 2014
Statewide Livable Communities	126				126
Special Purpose Grant Roof	50,000				50,000
Stormwater Regulation - 2008	2,552				2,552
DOT - Newby Street - 2009	700				700
NJDOT - Mt. Pleasant Ave Improvements - 2011	85,355				85,355
Passaic County Open Space-Morris Canal - 2008	6,474		6,173		301
Recycling Tonnage Grant - 2009	1,360		1,360		
Passaic County Open Space - Zaccaria Park	550				550
Passaic County Open Space - Zaccaria Park	23,747		23,747		
Recycling Tonnage Grant - 2008	13,918		13,918		
Recycling Tonnage Grant - 2009	13,975		13,975		
Drunk Driving Enforcement Fund	135		135		
Clean Communities - 2012	45		45		
Recycling Tonnage Grant - 2010	18,336		11,355		6,981
Body Armor	557				557
Drunk Driving Enforcement Fund - 2012	1,387		1,093		294
Passaic County Open Space - Dowling Park Fountair	20				20
Clean Communities - 2013	17,064		15,323		1,741
Recycling Tonnage Grant - 2011	13,567				13,567
Alcohol Education Rehabilitation Fund - 2013	692				692
Drunk Driving Enforcement Fund - 2013	2,284				2,284
Passaic County Open Space - Zaccaria Park - Splash Pad - 2013	39			(39)	
Safe and Secure - 2013	49,590		49,590		
DOT - Overmont Ave - 2012	275,000			(250,000)	25,000
CDBG - Disaster Relief	823,263	25,000	75,400		772,863
Passaic County Open Space - Rose Park Place Impr.	99,000		75,935		23,065
Body Armor Grant - 2013	3,354				3,354
Emergency Management	5,000			(5,000)	
Emergency Management		5,000	2,371		2,629
NJDOT McBride Streetscape		250,000			250,000
Clean Communities		17,640	10,000		7,640
Alcohol Education Rehabilitation		768			768
NJDEP Peckman River		150,000			150,000
NJDEP Passaic River		150,000	25,000		125,000
Body Armor		2,609			2,609
Federal Bullet Proof Vest		1,567			1,567
Passaic County Open Space-Rose Place Park		93,555			93,555
Assistance to Firefighters		4,851	4,851		
Drive Sober or Get Pulled Over - 2013		7,500			7,500
Safe and Secure		60,000	11,788		48,212
	<u>\$ 1,508,090</u>	<u>768,490</u>	<u>342,059</u>	<u>(255,039)</u>	<u>1,679,482</u>
		Cash	229,896		
		Encumbered	<u>112,163</u>		
			<u>\$ 342,059</u>		

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Unappropriated Reserves

Federal and State Grant Fund

Year ended December 31, 2014

<u>Grant</u>	<u>Receipts</u>	Balance Dec. 31, <u>2014</u>
Drunk Driving Enforcement Grant	\$ 2,676	2,676
Recycling Tonnage	<u>13,247</u>	<u>13,247</u>
	<u>\$ 15,923</u>	<u>15,923</u>

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BOROUGH OF WOODLAND PARK, N.J.

Schedule of Cash - Treasurer

Trust Funds

Year ended December 31, 2014

	Dog License Fund	Other Trust Fund	New Jersey Unem- ployment Insurance Fund	Community Development Trust Fund	Emergency Services LOSAP Trust
Balance, December 31, 2013	\$ 4,247	722,745	11,429	641	899,630
Increased by receipts:					
Due to State - Animal License Fees	327				
Dog License Fees	1,800				
Various Reserves		762,638			
Unemployment Contributions			8,304		
Interfunds		341,014			
Interest		291	41		53,801
Contributions					73,491
	<u>2,127</u>	<u>1,103,943</u>	<u>8,345</u>		<u>127,292</u>
	6,374	1,826,688	19,774	641	1,026,922
Decreased by disbursements:					
Dog Expenditures	830				
Due to State	327		5,000		
Various Reserves		705,734			
Interfunds	1,347	291			
Benefit Distributions					78,202
	<u>2,504</u>	<u>706,025</u>	<u>5,000</u>		<u>78,202</u>
Balance, December 31, 2014	\$ <u>3,870</u>	<u>1,120,663</u>	<u>14,774</u>	<u>641</u>	<u>948,720</u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Assessments Receivable

Trust Funds

Year ended December 31, 2014

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Date of confirmation</u>	<u>Annual install-ments</u>	<u>Balance Dec. 31, 2013</u>	<u>Balance, Dec. 31, 2014</u>
68-16	Construction of concrete curbs on Alcazar and Zoar Sts.	Dec. 21, 1977	3	\$ 420	420
71-6	Construction of concrete curbs on Rose Place	Jan. 12, 1983	3	605	605
72-6	Improvement of Rose Place - sanitary sewers	Jan. 12, 1983	3	924	924
74-8	Curbs and sidewalks in Garden Avenue from Woodrow Avenue 200 ft. north of Taft Avenue	Dec. 9, 1987	3	<u>4,170</u>	<u>4,170</u>
				<u>\$ 6,119</u>	<u>6,119</u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Reserve for Assessments

Trust Funds

Year ended December 31, 2014

Ord. No.	<u>Improvement description</u>	Balance, Dec. 31, <u>2013</u>	Balance, Dec. 31, <u>2014</u>
	Assessment receivable:		
68-16	Construction of concrete curbs on Alcazar and Zoar Streets \$	420	420
71-6	Construction of curbs in portion of Mt. Pleasant Avenue both sides from McBride Avenue	605	605
72-6	8" Sanitary sewer - Rose Place from the existing sanitary sewer easterly 180 linear feet	924	924
74-8	Curbs and sidewalks in Garden Avenue from Woodrow Avenue 200 ft. north of Taft Ave.	<u>4,170</u>	<u>4,170</u>
		<u>\$ 6,119</u>	<u>6,119</u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Amount Due from/(to) the State of New Jersey

Trust Funds

Year ended December 31, 2014

	<u>Increased</u>	<u>Decreased</u>
Animal Control Trust Fund:		
Animal Control License Fees	\$ <u>327</u>	<u>327</u>
	\$ <u><u>327</u></u>	<u><u>327</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Due from/(to) Current Fund

Trust Funds

Year ended December 31, 2014

	Due from/(to) Dec. 31, <u>2013</u>	<u>Increased</u>	<u>Decreased</u>	Due from/(to) Dec. 31, <u>2014</u>
Animal Control Trust Fund:	\$ (1,347)	1,347	910	(910)
Other Trust Fund:				
Escrow	249	261	261	249
Municipal Alliance		30	30	
Open Space Trust Fund	<u>169,971</u>	<u>171,043</u>	<u>341,014</u>	
	<u>\$ 168,873</u>	<u>172,681</u>	<u>342,215</u>	<u>(661)</u>
Due from	(1,347)	1,347	910	(910)
Due to	<u>170,220</u>	<u>171,334</u>	<u>341,305</u>	<u>249</u>
	<u>\$ 168,873</u>	<u>172,681</u>	<u>342,215</u>	<u>(661)</u>
Open Space Tax Collections		\$ 171,043		
Cash Disbursements		1,347	291	
Statutory Excess			910	
Interest Earnings		291		
Cash Receipts			<u>341,014</u>	
		<u>\$ 172,681</u>	<u>342,215</u>	

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Community Development Block Grants Receivable

Community Development Trust Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>50,059</u>
Decreased by:	
Cancelled	\$ <u><u>50,059</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Reserve for Dog Fund Expenditures

Trust Funds

Year ended December 31, 2014

Balance, December 31, 2013		\$	2,900
Increased by:			
Dog License Fees Collected			<u>1,800</u>
			4,700
Decreased by:			
Expenditures under R.S. 4:19-15.11	\$	830	
Statutory excess Due to Current Fund		<u>910</u>	
			<u>1,740</u>
Balance, December 31, 2014		\$	<u><u>2,960</u></u>

License fees collected

<u>Year</u>	<u>Amount</u>
2013	1,470
2012	<u>1,490</u>
	\$ <u><u>2,960</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Reserve for Expenditures - Various Reserves
Other Trust Funds

Trust Funds

Year ended December 31, 2014

	Balance Dec. 31, <u>2013</u>	<u>Deposits</u>	<u>Payments</u>	Balance Dec. 31, <u>2014</u>
Escrow Deposits	\$ 440,204	392,839	114,042	719,001
Performance Bonds	57,627	154		57,781
Drug and Alcohol Alliance	14,106	29,353	26,645	16,814
Open Space	210,018	171,152	178,461	202,709
Affordable Housing	198	1		199
Dedicated Fire Penalty	5,401	3,143	6,646	1,898
Recreation	26,635	133,500	133,152	26,983
Snow Revomal	63,004	29,189		92,193
Centennial	74,058	173,230	246,788	500
POAA	1,714	1,120		2,834
	<u>\$ 892,965</u>	<u>933,681</u>	<u>705,734</u>	<u>1,120,912</u>
Due From Current Fund		171,043		
Cash		<u>762,638</u>	<u>705,734</u>	
		<u>\$ 933,681</u>	<u>705,734</u>	

BOROUGH OF WOODLAND PARK, N.J.
Schedule of Reserve for New Jersey Unemployment
Compensation Insurance Fund

Trust Funds

Year ended December 31, 2014

Balance, December 31, 2013	\$	11,429
Increased by:		
Employee Payroll Deductions Received	\$	8,304
Interest earned on deposits		<u>41</u>
		<u>8,345</u>
		19,774
Decreased by:		
Unemployment Claims		<u>5,000</u>
Balance, December 31, 2014	\$	<u><u>14,774</u></u>

BOROUGH OF WOODLAND PARK, N.J.

**Schedule of Reserve for
Community Development Block Grants**

Community Development Trust Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>50,700</u>
Decreased by:	
Cancelled	<u>50,059</u>
Balance, December 31, 2014	\$ <u><u>641</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Statement of Service Award Contributions Receivable

Emergency Services Volunteer Length of Service Award Program

Year ended December 31, 2014

Balance, December 31, 2013	73,491
Increased by:	
2014 Service Award Contributions	<u>93,303</u>
	166,794
Decreased by:	
Contributions Received	<u>73,491</u>
Balance, December 31, 2014	<u><u>\$ 93,303</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Statement of Net Assets Available for Benefits

Emergency Services Volunteer Length of Service Award Program

Year ended December 31, 2014

Balance, December 31, 2013		973,121
Increased by:		
Borough Contributions	\$ 93,303	
Investment Income	<u>53,801</u>	
		<u>147,104</u>
		1,120,225
Decreased by:		
Benefit Distributions		<u>78,202</u>
Balance, December 31, 2014		<u><u>\$ 1,042,023</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Cash - Treasurer

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013		\$	1,800,139
Increased by Receipts:			
Reserve for Payment of Debt	\$	6,792	
Fund Balance		40,874	
Capital Improvement Fund		100,000	
Grants Receivable		437,528	
Bond Anticipation Notes		<u>1,700,000</u>	
			<u>2,285,194</u>
			4,085,333
Decreased by Disbursements:			
Interfund		250,000	
Fund Balance		21,882	
Improvement Authorizations		400,727	
Encumbrances		<u>1,049,812</u>	
			<u>1,722,421</u>
Balance, December 31, 2014		\$	<u><u>2,362,912</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Analysis of Cash

General Capital Fund

December 31, 2014

Capital Improvement Fund	\$ 46,321
Grant Receivable - Department of Transportation	(98,661)
Grant Receivable - Department of Agriculture	(2,298)
Grant Receivable - Community Development Block Grant	(305,460)
Due from NJ Wastewater Trust Fund Loan	(4,326)
Reserve for Encumbrances	1,795,073
Reserve for Payment of Debt	266,205
Interfund Payable	
Fund Balance	40,875

Improvement authorizations:

<u>Ordinance number</u>	<u>Improvement description</u>	
99-20	Various Public Improvements	17,552
01-02	Renovation of Youth and Senior Center	(3,030)
01-04	Tax Refunds	47,811
01-08	Reconstruction/Repaving of Sunset Avenue	41,236
02-05	Acquisition of Property	32,626
02-06	Reconstruction of Mt. Pleasant Ave, Sec 2	10,230
02-11	Reconstruction of Jackson Ave	21,123
03-12	Sewer Improvement Project	(44,323)
03-06	Resurfacing of Various Roads	23,495
04-05	Various Improvements	285
04-6	Refunding Ordinance	4,974
05-18	Williams Drive Road Resurfacing Phase III	77
05-19	Various Capital Improvements	999
06-06	Various Improvements	98,552
06-17	Various Improvements	5,113
07-11	Various Improvements	73,212
08-08	Various Improvements	314,980
09-06	Various Public Improvements	97,674
09-15	Tax Appeal Refunds	33,711
11-19	Various Public Improvements	(509,499)
11-21	Various Public Improvements	715,369
12-09	Various Public Improvements	(625,307)
13-01	Replace Portion of McBride Avenue Sanitary Sewer Force Main	77,437
13-10	Various Public Improvements	(513,399)
14-08	Various Public Improvements	964,285
14-15	Removal of Underground Fuel Tanks	(260,000)
		<u>\$ 2,362,912</u>

BOROUGH OF WOODLAND PARK, N.J.

**Schedule of Deferred Charges to Future
Taxation - Funded**

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013		\$	12,714,794
Decreased by:			
Serial bonds paid via Budget appropriation	\$	765,000	
Capital Lease Payment		25,000	
Wastewater Loan Budget Appropriations		<u>97,783</u>	
			<u>887,783</u>
Balance, December 31, 2014		\$	<u><u>11,827,011</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year ended December 31, 2014

Ordinance number	Improvement description	Balance, Dec. 31, 2013	Authorizations	Decreased	Balance, Dec. 31, 2014	Bond anticipation notes	Expenditures	Unexpended improvement authorizations
	General improvements:							
01-02	Renovation of Youth and Senior Center	3,030			3,030		3,030	
03-12	Sewer Improvement Project	44,323			44,323		44,323	
09-06	Various Public Improvements	7,226			7,226			7,226
09-15	Tax Appeal Refunds	725,000		200,000	525,000	525,000	509,499	1
11-19	Various Public Improvements	509,500			509,500			33,000
11-21	Various Public Improvements	1,333,000			1,333,000	1,300,000	625,307	170,693
12-09	Various Public Improvements	796,000			796,000			
13-01	Replace Portion of McBride Avenue Sanitary Sewer Force Main	2,850,000			2,850,000	2,200,000		650,000
13-10	Various Public Improvements	657,000			657,000		513,398	143,602
14-08	Various Public Improvements		2,477,000		2,477,000	1,700,000		777,000
14-15	Removal of Underground Fuel Tanks		290,000		290,000		260,000	30,000
		<u>\$ 6,925,079</u>	<u>2,767,000</u>	<u>200,000</u>	<u>9,492,079</u>	<u>5,725,000</u>	<u>1,955,557</u>	<u>1,811,522</u>

Budget Appropriation 200,000

Improvement authorizations - unfunded \$ 3,602,323
 Less unexpended proceeds of bond anticipation notes:

Ordinance Number
 09-15 33,711
 11-21 715,369
 13-01 77,437
 14-08 964,285

\$ 1,811,522

BOROUGH OF WOODLAND PARK, N.J.

**Schedule of Grants Receivable - State
Department of Transportation**

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>261,189</u>
Increased by:	
Grant Awards	<u>275,000</u>
	536,189
Decreased by:	
Cash Receipts	<u>437,528</u>
Balance, December 31, 2014	\$ <u><u>98,661</u></u>

<u>Analysis of Balance</u>	
Williams Drive, Ord. 04-5	7,174
Lackawana Ave. Curbs and Sidewalks Ord. 04-5	4,015
Improvements to Overmont Ave, Ord. 12-09	1,367
Improvements to Overmont Ave, Ord. 14-08	<u>86,105</u>
	\$ <u><u>98,661</u></u>

Exhibit C-7

BOROUGH OF WOODLAND PARK, N.J.

**Schedule of Grants Receivable -
Department of Agriculture**

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>2,298</u>
Balance, December 31, 2014	\$ <u><u>2,298</u></u>

Exhibit C-8

**Schedule of New Jersey Wastewater Trust Fund
Loans Receivable**

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>4,326</u>
Balance, December 31, 2014	\$ <u><u>4,326</u></u>

	<u>Analysis of Balance</u>	
Rifle Camp Sewer Project, Ord. 2003-12; Trust Loan		<u>4,326</u>
	\$	<u><u>4,326</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Community Development Block Grant Receivable

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013 \$ 305,460

Balance, December 31, 2014 \$ 305,460

Analysis of Balance

Improvements to Woodrow Ave, Ord. 12-09 63,460

Improvements to Rockland Ave., Ord. 12-09 242,000

\$ 305,460

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Interfunds

General Capital Fund

Year ended December 31, 2014

	Due from/(to) Dec. 31, <u>2013</u>	<u>Increased</u>	<u>Decreased</u>
Current Fund	\$ <u>(100,000)</u>	<u>150,000</u>	<u>250,000</u>
	\$ <u><u>(100,000)</u></u>	<u><u>150,000</u></u>	<u><u>250,000</u></u>
Budgeted Revenue		150,000	
Cash Disbursements			250,000
		\$ <u><u>150,000</u></u>	<u><u>250,000</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Capital Improvement Fund

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	85,961
Increased by:		
2013 Budget Appropriation		<u>100,000</u>
		185,961
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>139,640</u>
Balance, December 31, 2014	\$	<u><u>46,321</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Reserve for Encumbrances

General Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 1,646,425
Increased by:	
Charges to Improvement Authorizations	<u>1,198,460</u>
	2,844,885
Decreased by:	
Expended	<u>1,049,812</u>
Balance, December 31, 2014	\$ <u><u>1,795,073</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Reserve for Payment of Debt

General Capital Fund

Year ended December 31, 2014

<u>Ordinance</u>	Dec. 31, <u>2013</u>	<u>Increased</u>	<u>Decreased</u>	Dec. 31, <u>2014</u>
99-20 Various Public Improvements	\$ 2,900			2,900
04-05 Various Improvements	203,166		150,000	53,166
11-19 Various Improvements	<u>203,347</u>	<u>6,792</u>		<u>210,139</u>
	<u>\$ 409,413</u>	<u>6,792</u>	<u>150,000</u>	<u>266,205</u>
		Cash Receipt \$ <u>6,792</u>		
		Interfunds \$ <u>150,000</u>		

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Bond Anticipation Notes

General Capital Fund

Year ended December 31, 2014

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Date of original issue</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance, Dec. 31, 2013</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance, Dec. 31, 2014</u>
09-15	Tax Appeal Refunds	Dec. 17, 2009	June 6, 2013	June 6, 2014	1.25%	725,000	525,000	725,000	525,000
11-21	Various Public Improvements	June 7, 2012	Dec. 13, 2013	June 6, 2014	0.85%	1,300,000	1,300,000	1,300,000	1,300,000
13-01	Replace Portion of McBride Avenue	June 6, 2013	June 6, 2013	June 6, 2014	1.25%	2,200,000	2,200,000	2,200,000	2,200,000
14-08	Sanitary Sewer Force Main	June 6, 2014	June 6, 2014	June 5, 2015	1.00%		1,700,000		1,700,000
	Various Public Improvements					\$ 4,225,000	5,725,000	4,225,000	5,725,000
							Renewed \$ 4,025,000	4,025,000	
							Cash 1,700,000		
							Budget Appropriation	200,000	
							\$ 5,725,000	4,225,000	5,725,000

BOROUGH OF WOODLAND PARK, N.J.

Schedule of General Serial Bonds

General Capital Fund

Year ended December 31, 2014

Purpose	Date of issue	Original issue	Maturities of bonds outstanding, December 31, 2014	Interest rate	Balance, Dec. 31, 2013	Decreased	Balance, Dec. 31, 2014
General Improvement Bonds	Oct. 15, 2001	4,322,000	Oct. 15, 2015 450,000	4.30%	\$ 1,287,000	400,000	887,000
			Oct. 15, 2016 437,000	4.30%			
Refunding Bonds	Aug. 1, 2005	2,015,000	Aug. 1, 2015 265,000	3.75%	850,000	255,000	595,000
			Aug. 1, 2016 275,000	3.75%			
			Aug. 1, 2017 55,000	4.00%			
General Improvement Bonds	July 15, 2009	9,500,000	July 15, 2015 120,000	4.00%	9,170,000	110,000	9,060,000
			July 15, 2016 150,000	4.00%			
			July 15, 2017 555,000	4.00%			
			July 15, 2018 590,000	4.00%			
			July 15, 2019 625,000	4.00%			
			July 15, 2020 650,000	4.00%			
			July 15, 2021 650,000	4.00%			
			July 15, 2022 810,000	4.00%			
			July 15, 2023 845,000	4.00%			
			July 15, 2024 945,000	4.00%			
		July 15, 2025 1,000,000	4.00%				
		July 15, 2026 1,050,000	4.00%				
		July 15, 2027 1,070,000	4.00%				
					\$ 11,307,000	765,000	10,542,000

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Capital Leases Payable

General Capital Fund

Year ended December 31, 2014

<u>Purpose</u>	<u>Date of issue</u>	<u>Original issue</u>	<u>Date</u>	<u>Maturities of Bonds Outstanding, December 31, 2014</u>	<u>Interest rate</u>	<u>Balance, Dec. 31, 2013</u>	<u>Decreased</u>	<u>Balance, Dec. 31, 2014</u>
Bergen County Improvement Authority - Pooled Early Retirement Unfunded Liability Project	Mar. 31, 2003	\$ 405,000		25,000	6.00%	\$ 330,000	25,000	305,000
			Mar. 15, 2015	30,000	6.00%			
			Mar. 15, 2016	35,000	6.00%			
			Mar. 15, 2017	45,000	6.00%			
			Mar. 15, 2018	50,000	6.00%			
			Mar. 15, 2019	55,000	6.00%			
			Mar. 15, 2020	65,000	6.00%			
			Mar. 15, 2021					
						\$ 330,000	25,000	305,000

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Environmental Infrastructure Fund Loans Payable

General Capital Fund

Year ended December 31, 2014

Purpose	Date of issue	Original issue	Maturities of Bonds Outstanding, December 31, 2014		Interest Rate	Balance, Dec. 31, 2013	Decreased	Balance, Dec. 31, 2014
			Date	Amount				
Wastewater Treatment Facilities	Oct. 15, 2003	420,000	Feb. 1, 2015	3,484	0.00%	169,344	21,675	147,669
			Aug. 1, 2015	17,491				
			Feb. 1, 2016	3,203				
			Aug. 1, 2016	17,211				
			Feb. 1, 2017	2,923				
			Aug. 1, 2017	19,732				
			Feb. 1, 2018	2,570				
			Aug. 1, 2018	19,379				
			Feb. 1, 2019	2,213				
			Aug. 1, 2019	19,022				
			Feb. 1, 2020	1,793				
			Aug. 1, 2020	18,601				
		Feb. 1, 2021	1,373					
		Aug. 1, 2021	18,674					

BOROUGH OF WOODLAND PARK, N.J.
Schedule of Environmental Infrastructure Fund Loans Payable

General Capital Fund

Year ended December 31, 2014

Purpose	Date of issue	Original issue	Maturities of Bonds Outstanding, December 31, 2014		Interest Rate	Balance, Dec. 31, 2013	Decreased	Balance, Dec. 31, 2014
			Date	Amount				
Wastewater Treatment Facilities	Nov. 4, 2004	493,977	Feb. 1, 2015	4,626		278,450	26,108	252,342
			Aug. 1, 2015	20,835				
			Feb. 1, 2016	4,302				
			Aug. 1, 2016	20,510				
			Feb. 1, 2017	3,977				
			Aug. 1, 2017	20,186				
			Feb. 1, 2018	3,572				
			Aug. 1, 2018	23,023				
			Feb. 1, 2019	3,086				
			Aug. 1, 2019	22,537				
			Feb. 1, 2020	2,600				
			Aug. 1, 2020	22,050				
			Feb. 1, 2021	2,113				
			Aug. 1, 2021	24,806				
			Feb. 1, 2022	1,546				
			Aug. 1, 2022	24,238				
		Feb. 1, 2023	979					
		Aug. 1, 2023	23,671					
		Feb. 1, 2024	496					
		Aug. 1, 2024	23,189					
						\$ 447,794	47,783	400,011

BOROUGH OF WOODLAND PARK, N.J.
Schedule of Environmental Infrastructure Trust Loans Payable

General Capital Fund

Year ended December 31, 2014

Purpose	Date of issue	Original issue	Maturities of Bonds Outstanding, December 31, 2014		Interest rate	Balance, Dec. 31, 2013	Decreased	Balance, Dec. 31, 2014
			Date	Amount				
Wastewater Treatment Facilities	Oct. 15, 2003	480,000	Aug. 1, 2015-16	25,000	4.000%	\$ 300,000	25,000	275,000
			Aug. 1, 2017	30,000	4.200%			
			Aug. 1, 2018	30,000	4.250%			
			Aug. 1, 2019-20	30,000	5.000%			
			Aug. 1, 2021	35,000	4.500%			
Aug. 1, 2022-23	35,000	4.750%						
Wastewater Treatment Facilities	Nov. 4, 2004	485,000	Aug. 1, 2015-16	25,000	4.000%	330,000	25,000	305,000
			Aug. 1, 2017	25,000	5.000%			
			Aug. 1, 2018-20	30,000	5.000%			
			Aug. 1, 2021-22	35,000	5.000%			
			Aug. 1, 2023	35,000	4.250%			
Aug. 1, 2024	35,000	4.375%						
						\$ 630,000	50,000	580,000

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year ended December 31, 2014

<u>Ordinance number</u>	<u>Improvement description</u>	Balance, Dec. 31, 2013	Increased	Decreased	Balance, Dec. 31, 2014
01-02	Reconstruction/Repaving of Meriline Ave	3,030			3,030
03-12	Sewer Improvements	44,323			44,323
09-06	Various Public Improvements	7,226			7,226
11-19	Various Public Improvements	509,500			509,500
11-21	Various Public Improvements	33,000			33,000
12-09	Various Public Improvements	796,000			796,000
13-1	Replace Portion of McBride Avenue Sanitary Sewer Force Main	650,000			650,000
13-10	Various Public Improvements	657,000			657,000
14-08	Various Public Improvements		2,477,000	1,700,000	777,000
14-15	Removal of Underground Fuel Tanks		290,000		290,000
		<u>\$ 2,700,079</u>	<u>2,767,000</u>	<u>1,700,000</u>	<u>3,767,079</u>
			Notes Issued	1,700,000	
				<u>\$ 1,700,000</u>	

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BOROUGH OF WOODLAND PARK, N.J.

Schedule of Cash - Treasurer

Water Utility Fund

Year ended December 31, 2014

	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2013	\$ <u>636,917</u>	<u>883,667</u>
Increased by receipts:		
Water collector	1,818,895	
Overpayments	23,353	
Miscellaneous	83,759	
Reserve to Pay Debt Service	157,624	
Capital Surplus	200,000	
Capital Improvement Fund		330,000
Fund Balance		5,000
Bond Anticipation Notes		<u>700,000</u>
	<u>2,283,631</u>	<u>1,035,000</u>
	2,920,548	1,918,667
Decreased by disbursements:		
2014 Appropriations	2,069,920	
2013 Appropriation Reserves	130,888	
Accrued interest on debt	73,693	
Refunds	14,478	
Budgeted Revenue		357,624
Improvement Authorizations		<u>18,420</u>
	<u>2,288,979</u>	<u>376,044</u>
Balance, December 31, 2014	\$ <u><u>631,569</u></u>	<u><u>1,542,623</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Analysis of Cash

Water Utility Capital Fund

December 31, 2014

	Balance, Dec. 31, <u>2014</u>
Capital Improvement Fund	\$ 309,653
Down Payments on Improvements	1,500
Reserve for Payment of Debt	537,945
Fund Balance	6,822
Improvement Authorizations:	
<u>Ordinance</u>	
<u>number</u>	<u>General improvements</u>
99-8	Phase I of Extension to Water System (1,900)
04-16	Water System Improvements (50,977)
14-09	Water System Improvements <u>739,580</u>
	<u>\$ 1,542,623</u>

BOROUGH OF WOODLAND PARK, N.J.

**Schedule of Deferred Charges -
Overexpenditure of Appropriations**

Water Utility Operating Fund

Year ended December 31, 2014

	Balance, Dec. 31, <u>2013</u>	Decreased by: <u>Budget</u>
Overexpenditure of Appropriations		
Interest on Bonds	\$ 8,076	8,076
Infrastructure Trust Loans	<u>14,720</u>	<u>14,720</u>
	<u>\$ 22,796</u>	<u>22,796</u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Consumers' Accounts Receivable

Water Utility Operating Fund

Year ended December 31, 2014

Balance, December 31, 2013		\$	75,127
Increased by:			
2014 Levy			<u>1,818,694</u>
			1,893,821
Decreased by:			
Cash receipts	\$	1,818,895	
Applied		<u>7,848</u>	
			<u>1,826,743</u>
Balance, December 31, 2014		\$	<u><u>67,078</u></u>

BOROUGH OF WOODLAND PARK, N.J.

**Schedule of Due from New Jersey Environmental Infrastructure Trust -
Unexpended Loan Proceeds - Project Credits Receivable**

Water Utility Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>128,958</u>
Balance, December 31, 2014	\$ <u><u>128,958</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Fixed Capital

Water Utility Capital Fund

Year ended December 31, 2014

<u>Account</u>	Balance, Dec. 31, <u>2013</u>	Balance, Dec. 31, <u>2014</u>
Distribution	\$ 637,088	637,088
Meters	27,525	27,525
Passaic Valley Water Commission contribution on main	23,103	23,103
Easement	160	160
Various equipment	19,435	19,435
Equipment - tractor shovel	2,800	2,800
Equipment - bucket loader	5,800	5,800
Water storage tank	157,000	157,000
Water distribution system	1,522,900	1,522,900
Water mains	156,000	156,000
Backhoe	18,500	18,500
	<u>\$ 2,570,311</u>	<u>2,570,311</u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Fixed Capital Authorized and Uncompleted

Water Utility Capital Fund

Year ended December 31, 2014

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Date</u>	<u>Ordinance Amount</u>	Balance, Dec. 31, 2013	Transferred to Fixed Capital	Balance, Dec. 31, 2014
04-16	Water System Improvements	Aug. 4, 2004	1,400,000 \$	1,081,710		1,081,710
14-09	Water System Improvements	May 7, 2014	1,210,000		1,210,000	1,210,000
				\$ 1,081,710	1,210,000	2,291,710

BOROUGH OF WOODLAND PARK, N.J.

Schedule of 2013 Appropriation Reserves

Water Utility Operating Fund

Year ended December 31, 2014

	Balance, Dec. 31, <u>2013</u>	Balance after transfers and <u>encumbrances</u>	Paid or <u>charged</u>	Balance <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 14,031	14,031	224	13,807
Other Expenses	282,244	314,117	130,664	183,453
Social Security	1,878	1,878		1,878
Unemployment Compensation	<u>100</u>	<u>100</u>		<u>100</u>
	<u>\$ 298,253</u>	<u>330,126</u>	<u>130,888</u>	<u>199,238</u>
Appropriation Reserves		298,253		
Encumbrances		<u>31,873</u>		
		<u>\$ 330,126</u>		

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Reserve for Outside Liens

Water Utility Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ <u>1,911</u>
Balance, December 31, 2014	\$ <u><u>1,911</u></u>

Schedule of Overpayments

Water Utility Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 3,939
Increased by:	
Receipts	<u>23,353</u>
	27,292
Decreased by:	
Applied	\$ 7,848
Refunded	<u>14,478</u>
	<u>22,326</u>
Balance, December 31, 2014	\$ <u><u>4,966</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Accrued Interest on Bonds

Water Utility Operating Fund

Year ended December 31, 2014

Balance, December 31, 2013		\$	11,534
Increased by:			
Budget Appropriation			
Infrastructure Trust Loans	\$	54,293	
Interest on Bonds		<u>17,624</u>	
			<u>71,917</u>
			83,451
Decreased by:			
Interest on Bonds Paid			<u>73,693</u>
Balance, December 31, 2014		\$	<u><u>9,758</u></u>

<u>Principal</u> <u>Outstanding</u> <u>Dec. 31, 2014</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Required</u> <u>Amount</u>	<u>Actual</u> <u>Amount</u>
365,000	Various	8/1/13	12/31/13	5,677	7,096
292,000	4.375%	10/15/13	12/31/13	2,661	<u>2,662</u>
					\$ <u><u>9,758</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Capital Improvement Fund

Water Utility Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013		\$	37,179
Increased by:			
Improvement Authorizations Cancelled	\$	474	
Budget Appropriation		<u>330,000</u>	
			<u>330,474</u>
			367,653
Decreased by:			
Appropriated to Finance Improvement Authorization			<u>58,000</u>
Balance, December 31, 2014		\$	<u><u>309,653</u></u>

Schedule of Down Payments on Improvements

Water Utility Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$	<u>1,500</u>
Balance, December 31, 2014	\$	<u><u>1,500</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Reserve for Amortization

Water Utility Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013		\$ 2,553,085
Increased by:		
Bond Payments	\$ 140,000	
Infrastructure Trust Payments	<u>61,284</u>	
		<u>201,284</u>
Balance, December 31, 2014		\$ <u><u>2,754,369</u></u>

Schedule of Reserve for Deferred Amortization

Water Utility Capital Fund

Year ended December 31, 2014

Increased by:		
Downpayment on Improvement Authorization	\$ <u>58,000</u>	
Balance, December 31, 2014		\$ <u><u>58,000</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Reserve for Reserve for Payment of Debt

Water Utility Capital Fund

Year ended December 31, 2014

Balance, December 31, 2013	\$ 225,463
Increased by:	
Improvement Authorizations Cancelled	<u>470,106</u>
	695,569
Decreased by:	
Budgeted Revenue	<u>157,624</u>
Balance, December 31, 2014	<u><u>\$ 537,945</u></u>

Analysis of Balance

Improvement Authorization Cancelled Ord. 00-09	\$ 312,482
Grants Received - Hazardous Discharge Site Cleanup	<u>225,463</u>
	<u><u>\$ 537,945</u></u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Water Utility Serial Bonds

Water Utility Capital Fund

Year ended December 31, 2014

<u>Purpose</u>	<u>Date of issue</u>	<u>Original issue</u>	<u>Maturities of Bonds Outstanding, December 31, 2014</u>		<u>Interest rate</u>	<u>Balance, Dec. 31, 2013</u>	<u>Decreased</u>	<u>Balance, Dec. 31, 2014</u>
			<u>Date</u>	<u>Amount</u>				
General Improvement Bonds	Oct. 15, 2001	1,507,000	Oct. 15, 2015	145,000	4.375%	432,000	140,000	292,000
			Oct. 15, 2016	147,000				
						<u>\$ 432,000</u>	<u>140,000</u>	<u>292,000</u>

BOROUGH OF WOODLAND PARK, N.J.
Schedule of Environmental Infrastructure Trust Fund Loans Payable

Water Utility Capital Fund

Year ended December 31, 2014

Purpose	Date of issue	Original issue	Maturities of Bonds Outstanding, December 31, 2014		Rate	Balance, Dec. 31, 2013	Decreased	Balance, Dec. 31, 2014
			Date	Amount				
Water System Improvements	Oct. 14, 2004	\$ 580,000	Aug. 1, 2015	30,000	4.000%	\$ 395,000	30,000	365,000
			Aug. 1, 2016	30,000	4.000%			
			Aug. 1, 2017	30,000	5.000%			
			Aug. 1, 2018	35,000	5.000%			
			Aug. 1, 2019	35,000	5.000%			
			Aug. 1, 2020	35,000	5.000%			
			Aug. 1, 2021	40,000	5.000%			
			Aug. 1, 2022	40,000	5.000%			
			Aug. 1, 2023	45,000	4.250%			
			Aug. 1, 2024	45,000	4.375%			
Water System Improvements	Nov. 4, 2004	590,374	Feb. 1, 2015	5,523		169,368	31,284	138,084
			Aug. 1, 2015	24,982				
			Feb. 1, 2016	5,134				
			Aug. 1, 2016	24,593				
			Feb. 1, 2017	4,745				
			Aug. 1, 2017	24,203				
			Feb. 1, 2018	4,259				
			Aug. 1, 2018	26,960				
			Feb. 1, 2019	3,691				
			Aug. 1, 2019	13,994				
						<u>\$ 564,368</u>	<u>61,284</u>	<u>503,084</u>

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Bond Anticipation Notes

Water Utility Capital Fund

Year ended December 31, 2014

<u>Ordinance number</u>	<u>Improvement description</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Increased</u>	<u>Balance, Dec. 31, 2014</u>
14-09	Water System Improvements	June 6, 2014	June 6, 2014	June 5, 2015	1.00%	\$ 700,000	700,000
						\$ 700,000	700,000

BOROUGH OF WOODLAND PARK, N.J.

Schedule of Bonds and Notes Authorized But Not Issued

Water Utility Capital Fund

December 31, 2014

<u>Ordinance number</u>	<u>Improvement description</u>	Balance, Dec. 31, <u>2013</u>	<u>Increased</u>	<u>Decreased</u>	Balance, Dec. 31, <u>2014</u>
04-16	Water System Improvements	\$ 229,626			229,626
99-8	Phase I, Extension to Water System	1,900			1,900
14-09	Water System Improvements		1,152,000	700,000	452,000
		<u>\$ 231,526</u>	<u>1,152,000</u>	<u>700,000</u>	<u>683,526</u>

BOROUGH OF WOODLAND PARK

PART II

**LETTER ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS**

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2014

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Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA
Steven D. Wielkotz, CPA, RMA
James J. Cerullo, CPA, RMA
Paul J. Cuva, CPA, RMA
Thomas M. Ferry, CPA, RMA

Certified Public Accountants
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442
973-835-7900
Fax 973-835-6631

Newton Office
100B Main Street
Newton, N.J. 07860
973-579-3212
Fax 973-579-7128

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

Honorable Mayor and
Members of the Borough Council
Borough of Woodland Park
County of Passaic, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements-regulatory basis of the Borough of Woodland Park in the County of Passaic as of and for the year ended December 31, 2014 and the related notes to the financial statements, and have issued our report thereon dated February 24, 2015, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting. The regulatory basis opinion was qualified for the Length of Service Awards Program not being audited.

Internal Control Over Financial Reporting

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

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



Honorable Mayor and
Members of the Borough Council
Page 2.

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

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

Compliance and Other Matters

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

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

Purpose of this Report

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


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


FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

February 24, 2015



BOROUGH OF WOODLAND PARK

GENERAL COMMENTS

Contracts and Agreements

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

- a. When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to 25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.
- b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (I) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.
- c. The Governor, in consultation with the Department of the Treasury, shall no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c.198(C.40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made.

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

- a. Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act of specifically by any other law. The governing body of a contracting unit may, 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.

BOROUGH OF WOODLAND PARK
GENERAL COMMENTS, CONTINUED

Effective July 1, 2010, the bid threshold, in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is \$26,000 and with a qualified purchasing agent the threshold may be up to \$36,000. On May 7, 2009, the Borough increased the bid threshold to \$36,000 as allowed by law for having a qualified purchasing agent.

Effective January 1, 2011, P.L., 2009, c.166 eliminated the previous lower non-qualified purchasing agent threshold of \$26,000. Thus a contracting unit without a qualified purchasing agent now has a maximum bid threshold of \$17,500.

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

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

- Provision and Installation of Fencing at Recycling Center
- One Bobcat Compact Excavator
- Purchase of Lighting Fixtures for Dowling Gardens
- Overmount Avenue Phase II Project
- Collection, Transportation and Disposal of all Recyclable Materials
- Lease of Borough Owned Property (Block 58 Lot 14.01) for Use of Erecting Billboard

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

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

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

BOROUGH OF WOODLAND PARK
GENERAL COMMENTS, CONTINUED

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body, on January 8, 2014, adopted the following amended resolution authorizing interest to be charged on delinquent taxes:

“NOW THEREFORE BE IT RESOLVED by the Mayor and Council of the Borough of Woodland Park, that taxes due to the Borough shall be payable February 1st, May 1st, August 1st, and November 1st each year, after which dates, if unpaid, shall become delinquent and from and after the respective dates herein before provided for taxes to become delinquent, the tax payer or property assessed shall be subject to interest at 8% per annum on the first \$1,500 and 18% thereafter and a 6% additional penalty for a delinquency over \$10,000 if not paid by the end of the calendar year. Delinquent water bills over \$100 shall be subject to interest at 1% per month thirty days after the due date.

ALSO, BE IT RESOLVED, that in the event said taxes shall be paid within ten days from the due date the interest shall be waived except in the office of the Tax Collector is closed on the tenth day of February, May, August or November then the grace period shall be extended to include the first business day thereafter; and,

BE IT FURTHER RESOLVED that the interest rates so stated will revert back to the due date of any installment of taxes or assessments received after the expiration of the ten-day grace period or as otherwise provided in the Resolution.”

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

Delinquent Taxes and Tax Title Liens

A tax sale was held on October 23, 2014, and was complete.

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

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

<u>Year</u>	<u>Number of liens</u>
2014	0
2013	0
2012	0

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BOROUGH OF WOODLAND PARK

COMMENTS

FINANCE/TREASURER:

1. *A dedication by rider has not been approved for the following trust fund:
 - a. Community Development Block Grant Trust
2. *There is a prior year balance of \$850 owed to the State for marriage license fees.
3. There were thirteen monthly payments made for the police vehicle lease charged to the current year operating budget.

DEPARTMENTS:

Municipal Court:

1. *Reconciled cash bail per the bank account does not agree to the Bail on Account per ATS/ACS
2. The Bail Account cash reconciliation prepared by the client does not balance the bank and book balances
3. There are stale dated checks being carried as outstanding checks on both the Magistrates and Bail Account bank reconciliations.
4. There are 40 tickets "Eligible for Dismissal" on the December 2014 monthly management report.

Building Department:

Other Departments:

1. The following departments do not maintain a monthly cash book that summarizes collections by category:
 - Municipal Clerk
 - Police Department

BOROUGH OF WOODLAND PARK

RECOMMENDATIONS

FINANCE/TREASURER:

1. *The Borough contact the State of New Jersey and follow up in regard to approval for the dedication by rider for a Community Development Trust Fund.
2. *The prior year State marriage license fees be remitted to the State without delay.
3. That more care be taken to ensure only twelve payments are charged to any given operating budget year.

DEPARTMENTS:

Municipal Court:

1. *Bail on Account must be reconciled to the Bail Account cash on a monthly basis.
2. That more care be taken to ensure the book and bank balances are reconciled on a monthly basis.
3. That outstanding checks that are considered stale dated be cancelled by resolution and the funds be disbursed to the proper agencies.
4. That more care be taken to ensure that tickets "Eligible for Dismissal" are processed in a timely manner.

Building Department:

Other Departments:

1. That all departments maintain a monthly cash ledger that summarizes collections by category.

BOROUGH OF WOODLAND PARK

STATUS OF PRIOR YEAR AUDIT FINDINGS/RECOMMENDATIONS

A review was performed on all prior year recommendations and corrective action was taken on all except for the Findings/Recommendations marked with an “*”.

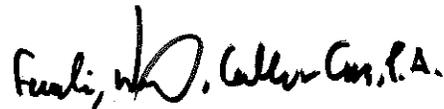
ACKNOWLEDGMENT

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

Respectfully submitted,



Steven D. Wielkocz
Registered Municipal Accountant
No. CR00413



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

February 24, 2015