

BOROUGH OF CALDWELL

COUNTY OF ESSEX

REPORT OF AUDIT

2014

*NISIVOCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS*

BOROUGH OF CALDWELL
COUNTY OF ESSEX
REPORT OF AUDIT
2014

BOROUGH OF CALDWELL
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2014

<u>Part I - Financial Statements and Supplementary Data</u>	<u>Page</u>
Independent Auditors' Report	1-3
<u>Financial Statements</u>	<u>Schedule</u>
<u>Current Fund</u>	
Comparative Balance Sheet – Regulatory Basis	A
Comparative Statement of Operations and Change in Fund Balance – Regulatory Basis	A-1
Statement of Revenue – Regulatory Basis	A-2
Statement of Expenditures – Regulatory Basis	A-3
<u>Trust Funds</u>	
Comparative Balance Sheet – Regulatory Basis	B
Statement of Fund Balance - Assessment Trust Fund – Regulatory Basis (Not Applicable)	B-1
Statement of Revenue - Assessment Trust Fund – Regulatory Basis (Not Applicable)	B-2
Statement of Expenditures - Assessment Trust Fund – Regulatory Basis (Not Applicable)	B-3
<u>General Capital Fund</u>	
Comparative Balance Sheet – Regulatory Basis	C
Statement of General Capital Fund Balance – Regulatory Basis	C-1
<u>Water Utility Fund</u>	
Comparative Balance Sheet – Regulatory Basis	D
Comparative Statement of Operations and Change in	
Fund Balance - Water Utility Operating Fund – Regulatory Basis	D-1
Statement of Capital Fund Balance - Water Utility Capital Fund – Regulatory Basis	D-1A
Statement of Revenue - Water Utility Operating Fund – Regulatory Basis	D-2
Statement of Expenditures - Water Utility Operating Fund – Regulatory Basis	D-3
<u>Sewer Utility Fund</u>	
Comparative Balance Sheet – Regulatory Basis	E
Comparative Statement of Operations and Change in	
Fund Balance - Sewer Utility Operating Fund – Regulatory Basis	E-1
Statement of Capital Fund Balance - Sewer Utility Capital Fund	
– Regulatory Basis (Not Applicable)	E-1A
Statement of Revenue - Sewer Utility Operating Fund – Regulatory Basis	E-2
Statement of Expenditures - Sewer Utility Operating Fund – Regulatory Basis	E-3
<u>Public Assistance Fund</u>	
Comparative Balance Sheet	F
<u>Bond and Interest Fund (Not Applicable)</u>	G
<u>General Fixed Assets Account Group</u>	
Comparative Balance Sheet – Regulatory Basis	H
	<u>Page</u>
<u>Notes to Financial Statements</u>	1-19

BOROUGH OF CALDWELL
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2014
 (Continued)

<u>Part I - Financial Statements and Supplementary Data (Cont'd)</u>	<u>Schedule</u>
<u>Supplementary Data:</u>	
Roster of Officials	1
<u>Current Fund</u>	
Schedule of Cash - Treasurer	A-4
Schedule of Cash - Collector	A-5
Schedule of Cash - Federal and State Grant Fund (Not Applicable)	A-6
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-7
Schedule of Tax Title Liens (Not Applicable)	A-8
Schedule of Revenue Accounts Receivable	A-9
Schedule of Consumer Accounts Receivable (Not Applicable)	A-10
Schedule of 2013 Appropriation Reserves	A-11
Schedule of Regional School District Taxes Payable	A-12
Schedule of Grants Receivable - Federal and State Grant Fund	A-13
Schedule of Unappropriated Reserves - Federal and State Grant Fund	A-14
Schedule of Appropriated Reserves - Federal and State Grant Fund	A-15
<u>Trust Funds</u>	
Schedule of Cash - Treasurer	B-4
Schedule of Animal Control Fund Cash – Collector (Not Applicable)	
Analysis of Cash - Assessment Trust Fund (Not Applicable)	B-5
Schedule of Reserve for Animal Control Fund Expenditures	B-6
<u>General Capital Fund</u>	
Schedule of Cash - Treasurer	C-2
Analysis of Cash	C-3
Schedule of Deferred Charges to Future Taxation - Unfunded	C-4
Schedule of Improvement Authorizations	C-5
Schedule of Capital Improvement Fund	C-6
Schedule of Bond Anticipation Notes Payable	C-7
Schedule of Serial Bonds Payable	C-8
Schedule of Bonds and Notes Authorized but not Issued	C-9
<u>Water Utility Fund</u>	
Schedule of Cash - Treasurer	D-4
Schedule of Cash - Collector	D-4A
Analysis of Cash - Water Utility Capital Fund	D-5
Schedule of Consumer Accounts Receivable - Water Utility Operating Fund	D-6
Schedule of Fixed Capital - Water Utility Capital Fund	D-7
Schedule of Fixed Capital Authorized and Uncompleted - Water Utility Capital Fund	D-8
Schedule of 2013 Appropriation Reserves - Water Utility Operating Fund	D-9
Schedule of Improvement Authorizations - Water Utility Capital Fund	D-10
Schedule of Capital Improvement Fund - Water Utility Capital Fund	D-11
Schedule of Reserve for Amortization - Water Utility Capital Fund	D-12
Schedule of Deferred Reserve for Amortization - Water Utility Capital Fund	D-12A
Schedule of Bond Anticipation Notes Payable - Water Utility Capital Fund	D-13
Schedule of Serial Bonds Payable - Water Utility Capital Fund	D-14
Schedule of Bonds and Notes Authorized but not Issued - Water Utility Capital Fund	D-15

BOROUGH OF CALDWELL
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

<u>Part I - Financial Statements and Supplementary Data (Cont'd)</u>	<u>Schedule</u>
<u>Supplementary Data (Cont'd):</u>	
<u>Sewer Utility Fund</u>	
Schedule of Cash - Treasurer	E-4
Schedule of Cash - Collector - Sewer Utility Operating Fund	E-4A
Analysis of Cash - Sewer Utility Capital Fund	E-5
Schedule of Consumer Accounts Receivable - Sewer Utility Operating Fund	E-6
Schedule of Fixed Capital - Sewer Utility Capital Fund	E-7
Schedule of Fixed Capital Authorized and Uncompleted - Sewer Utility Capital Fund	E-8
Schedule of 2013 Appropriation Reserves - Sewer Utility Operating Fund	E-9
Schedule of Improvement Authorizations - Sewer Utility Capital Fund	E-10
Schedule of Capital Improvement Fund - Sewer Utility Capital Fund	E-11
Schedule of Reserve for Amortization - Sewer Utility Capital Fund	E-12
Schedule of Deferred Reserve for Amortization - Sewer Utility Capital Fund	E-12A
Schedule of Bond Anticipation Notes Payable - Sewer Utility Capital Fund (Not Applicable)	E-13
Schedule of Serial Bonds Payable - Sewer Utility Capital Fund	E-14
Schedule of NJ Environmental Infrastructure Trust (NJEIT) Loans Payable - Sewer Utility Capital Fund	E-15
Schedule of Bonds and Notes Authorized but not Issued - Sewer Utility Capital Fund	E-16
<u>Public Assistance Fund</u>	
Schedule of Cash – Treasurer	F-1
 <u>Part II - Single Audit</u>	
Schedule of Expenditures of Federal Awards	1
Schedule of Expenditures of State Awards	2
Notes to Schedules of Expenditures of Federal and State Awards	3
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	4-5
Schedule of Findings and Responses	6
Summary Schedule of Prior Audit Findings	7
 <u>Part III - Comments and Recommendations</u>	
Comments and Recommendations	1-5
Summary of Recommendations	6

BOROUGH OF CALDWELL

PART I

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2014



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 Mt. Arlington, NJ 07856
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Independent Auditors' Report

The Honorable Mayor and Members
 of the Borough Council
 Borough of Caldwell
 Caldwell, New Jersey

Report on the Financial Statements

We have audited the financial statements – *regulatory basis* – of the various funds of the Borough of Caldwell, in the County of Essex (the "Borough") as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, as listed in the foregoing table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey. 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 misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

The Honorable Mayor and Members
of the Borough Council
Borough of Caldwell
Page 2

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

As described in Note 1, the financial statements are prepared by the Borough on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred 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 as of December 31, 2014 and 2013, or the changes in financial position or where applicable, cash flows thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the various funds of the Borough as of December 31, 2014 and 2013, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as described in Note 1.

Other Matters

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's financial statements. The supplementary data schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedules of expenditures of federal and state awards, as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey's OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary data schedules and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the various fund financial statements. Such information has been subjected to the auditing procedures applied in the audit of the various financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund financial statements or to the various fund financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

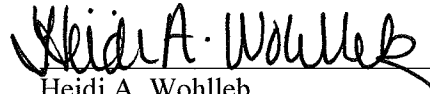
The Honorable Mayor and Members
of the Borough Council
Borough of Caldwell
Page 3

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 17, 2015 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
April 17, 2015

NISIVOCIA LLP



Heidi A. Wohlleb
Certified Public Accountant
Registered Municipal Accountant No. 481

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
CURRENT FUND

BOROUGH OF CALDWELL
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2014	2013
<u>ASSETS</u>			
Regular Fund:			
Cash and Cash Equivalents	A-4	\$ 1,739,401.57	\$ 1,918,624.37
Change Fund		350.00	300.00
		<u>1,739,751.57</u>	<u>1,918,924.37</u>
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7		28.47
Revenue Accounts Receivable	A-9	20,728.16	21,042.92
Due from Other Trust Funds	B	8,879.18	
		<u>29,607.34</u>	<u>21,071.39</u>
		<u>1,769,358.91</u>	<u>1,939,995.76</u>
Federal and State Grant Fund:			
Grants Receivable	A-13	470,605.62	8,326.62
Due from Current Fund	A	213,523.46	230,134.06
		<u>684,129.08</u>	<u>238,460.68</u>
		<u>\$ 2,453,487.99</u>	<u>\$ 2,178,456.44</u>

BOROUGH OF CALDWELL
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	Ref.	December 31,	
		2014	2013
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves:			
Encumbered	A-3;A-11	\$ 208,832.17	\$ 157,371.17
Unencumbered	A-3;A-11	265,633.82	516,571.42
		<u>474,465.99</u>	<u>673,942.59</u>
Accounts Payable - Vendors		6,874.76	4,786.82
Due State of New Jersey:			
Senior Citizens' and Veterans' Deductions		15,544.34	16,299.62
Marriage License Fees		275.00	350.00
Burial Permits			5.00
DCA Training Fees		2,098.00	1,765.00
County Added and Omitted Taxes Payable		8,004.91	2,011.03
Prepaid Taxes		77,536.80	75,012.50
Due to Federal and State Grant Fund	A	213,523.46	230,134.06
Due to Sewer Utility Operating Fund	E	0.72	53.08
Reserve for Storm Damage		9,335.68	9,335.68
Reserve for Hurricane Sandy Damage		7,033.76	11,633.76
Reserve for FEMA Reimbursements		23,371.19	23,371.19
Reserve for State Library Aid		3,400.22	0.22
Reserve for Tax Appeals		12,799.65	
		<u>854,264.48</u>	<u>1,048,700.55</u>
Reserve for Receivables and Other Assets	A	29,607.34	21,071.39
Fund Balance	A-1	885,487.09	870,223.82
Total Regular Fund		<u>1,769,358.91</u>	<u>1,939,995.76</u>
Federal and State Grant Fund:			
Encumbrances Payable	A-15	37,988.00	26,042.00
Appropriated Reserves	A-15	629,964.37	212,418.68
Unappropriated Reserves	A-14	16,176.71	
Total Federal and State Grant Fund		<u>684,129.08</u>	<u>238,460.68</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u><u>\$ 2,453,487.99</u></u>	<u><u>\$ 2,178,456.44</u></u>

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

BOROUGH OF CALDWELL
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - REGULATORY BASIS

<u>Revenue and Other Income Realized</u>	<u>Ref.</u>	<u>Year Ended December 31,</u>	
		<u>2014</u>	<u>2013</u>
Fund Balance Utilized		\$ 412,500.00	\$ 340,550.00
Miscellaneous Revenue Anticipated		5,286,297.11	4,354,085.62
Receipts from:			
Delinquent Taxes		28.47	8,954.83
Current Taxes		24,408,160.24	23,921,349.74
Nonbudget Revenue		164,155.23	295,328.37
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		221,967.10	302,702.84
Cancellation of Tax Overpayments			4,018.62
Cancellation of Federal and State Grant Fund Appropriated Reserves			165,506.24
Cancellation of Community Center Fees Refunds Payable			695.00
Cancellation of Reserve for Library State Aid			3,480.00
Adjustment to Change Funds			150.00
Interfunds Returned			105,054.31
Total Income		<u>30,493,108.15</u>	<u>29,501,875.57</u>
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Municipal Purposes		12,806,700.88	11,908,186.08
County Taxes		5,222,838.06	5,043,386.21
Local School District Taxes		11,925,838.00	11,693,276.00
Municipal Open Space Taxes		100,986.46	
Prior Year County Taxes - Added/Omitted		102.30	101,482.06
Refund of Prior Year Taxes			9,417.66
Cancellation of Federal and State Grant Fund Receivables			75,544.04
Interfunds Advanced		8,879.18	
Total Expenditures		<u>30,065,344.88</u>	<u>28,831,292.05</u>
Excess in Revenue		427,763.27	670,583.52
<u>Fund Balance</u>			
Balance January 1		<u>870,223.82</u>	<u>540,190.30</u>
		1,297,987.09	1,210,773.82
Decreased by:			
Utilized as Anticipated Revenue		<u>412,500.00</u>	<u>340,550.00</u>
Balance December 31	A	<u>\$ 885,487.09</u>	<u>\$ 870,223.82</u>

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

BOROUGH OF CALDWELL
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Fund Balance Anticipated	\$ 412,500.00		\$ 412,500.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	7,049.00		8,260.00	\$ 1,211.00
Other	56,768.50		53,701.00	3,067.50 *
Fees and Permits	36,679.25		40,733.99	4,054.74
Fines and Costs:				
Municipal Court	313,281.75		287,385.05	25,896.70 *
Interest and Costs on Taxes	31,858.82		35,855.46	3,996.64
Parking Meters	144,053.04		134,523.00	9,530.04 *
Interest on Investments and Deposits	1,761.28		1,721.53	39.75 *
Rent - Grover Cleveland Senior Citizens Center	11,049.96		11,049.96	
Sewer Utility Operating Fund - Administration Charge	99,022.00		99,022.00	
Senior Citizens' Transportation Program - Contributed by West Caldwell and Roseland	36,500.00		36,500.00	
Payment in Lieu of Taxes - Marion Manor Senior Citizens Housing	156,300.00		156,850.00	550.00
Lease of Municipal Property - Wastewater Treatment Plant	293,833.00		317,914.00	24,081.00
Cablevision Franchise Fees (N.J.S. 48:5A-30)	120,874.96		125,225.97	4,351.01
Sewer User Charges	182,409.35		177,122.77	5,286.58 *
Consolidated Municipal Property Tax Relief Aid	15,423.00		15,423.00	
Energy Receipts Tax	671,452.00		671,452.00	
Uniform Construction Code Fees	127,044.00		103,518.00	23,526.00 *
Shared Service Agreements:				
Township of West Caldwell - Welfare Services	8,000.00		8,000.00	
Community Center - Membership & Program Fees	1,492,594.15		1,463,612.92	28,981.23 *
N.J. Transportation Trust Fund Authority Act	467,000.00		467,000.00	
Drunk Driving Enforcement Fund - 2014		\$ 4,252.03	4,252.03	
Body Armor Replacement Fund - 2014		2,355.73	2,355.73	
Clean Communities Program - 2014		12,296.49	12,296.49	
Alcohol Education and Rehabilitation Fund - 2014		2,540.45	2,540.45	
Drive Sober or Get Pulled Over Holiday Crackdown - 2014		3,400.00	3,400.00	
Utility Operating Surplus of Prior Year (Sewer)	78,231.00		78,231.00	
Utility Operating Surplus of Prior Year (Water)	78,231.00		78,231.00	
Water Utility Operating Fund - Administration Charges	27,332.00		27,332.00	
Reserve for Open Space Trust to Offset Debt Service	67,000.00		67,000.00	
Reserve for Payment of Debt Service	795,057.76		795,057.76	
Senior Citizen's Transportation Program - Contributed by West Caldwell and Roseland	730.00		730.00	
Total Miscellaneous Revenue	5,319,535.82	24,844.70	5,286,297.11	58,083.41 *
Receipts from Delinquent Taxes	28.47		28.47	

BOROUGH OF CALDWELL
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	\$ 6,847,383.82		\$ 6,956,089.01	\$ 108,705.19
Minimum Library Tax	333,906.06		333,906.06	
	<u>7,181,289.88</u>		<u>7,289,995.07</u>	<u>108,705.19</u>
 Budget Totals	 12,913,354.17	 \$ 24,844.70	 12,988,820.65	 <u>\$ 50,621.78</u>
 Nonbudget Revenue			 164,155.23	
	<u>\$ 12,913,354.17</u>	<u>\$ 24,844.70</u>	<u>\$ 13,152,975.88</u>	

BOROUGH OF CALDWELL
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Allocation of Current Tax Collections:

Revenue from Collection of Current Taxes	\$ 24,408,160.24
Allocated to County, Local School District and Open Space Taxes	17,249,662.52
Balance for Support of Municipal Budget	7,158,497.72
 Add: Appropriation "Reserve for Uncollected Taxes"	 131,497.35
 Realized for Support of Municipal Budget	 \$ 7,289,995.07

Analysis of Licenses - Other:

Rental Licenses	\$ 41,700.00
Raffle Licenses	406.00
Amusement Licenses	195.00
Used Car Licenses	1,750.00
Vital Statistics	165.00
Other Licenses	9,485.00
	\$ 53,701.00

Analysis of Fees and Permits:

Garage Sale Permits	\$ 240.00
Police Report Fees	1,243.45
Vital Statistics Fees	13,510.00
Planning and Zoning Application Fees	3,250.00
Zoning Permits	4,771.00
Inspections	4,540.00
Other Fees	13,179.54
	\$ 40,733.99

BOROUGH OF CALDWELL
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Analysis of Nonbudget Revenue:

Miscellaneous Revenue Not Anticipated:

Treasurer:

Federal Emergency Management Agency Reimbursements:

Superstorm Sandy	\$ 62,698.56
State of New Jersey Motor Vehicle Inspections	12,065.00
State of New Jersey - Senior Citizens' and Veterans'	
Deductions Administrative Reimbursement	825.00
Insurance Claims	2,876.06
Bloomfield - Visiting Nurses Reimbursements	2,835.00
Police Outside Duties Administrative Fees	20,736.40
LEA Rebates	7,526.35
Phone System Upgrades Rebates	22,635.12
Return of LOSAP Funds	9,466.22
Other Miscellaneous	<u>22,491.52</u>

\$ 164,155.23

BOROUGH OF CALDWELL
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operations Within "CAPS":					
GENERAL GOVERNMENT:					
General Administration:					
Salaries and Wages	\$ 68,732.96	\$ 68,732.96	\$ 68,319.65	\$ 413.31	
Other Expenses	76,250.00	86,750.00	86,715.07	34.93	
Mayor and Council:					
Salaries and Wages	11,000.00	11,000.00	11,000.00		
Other Expenses	6,200.00	1,200.00	1,200.00		
Municipal Clerk:					
Salaries and Wages	19,361.71	24,361.71	24,361.71		
Other Expenses	250.00	250.00	95.00	155.00	
Elections:					
Other Expenses	3,500.00	3,500.00	3,311.54	188.46	
Financial Administration:					
Salaries and Wages	51,948.70	54,648.70	54,601.16	47.54	
Other Expenses	56,937.50	56,937.50	54,365.45	2,572.05	
Annual Audit	23,500.00	23,500.00	23,500.00		
Collection of Taxes:					
Salaries and Wages	32,487.00	34,987.00	34,898.30	88.70	
Other Expenses	7,200.00	7,500.00	7,409.05	90.95	
Assessment of Taxes:					
Salaries and Wages	20,000.00	20,000.00	19,999.98	0.02	
Other Expenses	5,500.00	5,500.00	3,405.07	2,094.93	
Legal Services and Costs:					
Other Expenses	51,300.00	73,800.00	72,457.09	1,342.91	
Engineering Services and Costs:					
Other Expenses	24,000.00	24,000.00	24,000.00		

BOROUGH OF CALDWELL
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
GENERAL GOVERNMENT (Continued):					
Municipal Land Use Law (NJSA 40:55D-1):					
Planning Board:					
Other Expenses	\$ 3,200.00	\$ 3,200.00	\$ 2,980.00	\$ 220.00	
Zoning Board of Adjustment:					
Other Expenses	3,200.00	3,200.00	2,980.00	220.00	
Rent Review Board:					
Other Expenses	2,000.00	2,000.00	2,000.00		
PUBLIC SAFETY:					
Police:					
Salaries and Wages	2,000,019.15	1,924,226.15	1,922,462.79	1,763.36	
Other Expenses	262,705.03	262,705.03	244,731.25	17,973.78	
Public Defender:					
Other Expenses	4,050.00	4,050.00	4,050.00		
Parking Meter Maintenance:					
Other Expenses	2,750.00	2,750.00	978.85	1,771.15	
Office of Emergency Management:					
Other Expenses	855.00	5,250.00	5,250.00		
Aid to West Essex First Aid Squad:					
Other Expenses	11,501.20	11,501.20		11,501.20	
Fire Department:					
Other Expenses	45,202.00	49,202.00	48,133.64	1,068.36	
Fire Prevention Bureau:					
Salaries and Wages	15,600.00	15,600.00	15,600.00		
Other Expenses	5,000.00	2,500.00	1,809.24	690.76	
Municipal Prosecutor:					
Other Expenses	10,000.00	10,000.00	10,000.00		

BOROUGH OF CALDWELL
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operations Within "CAPS" (Continued):					
Municipal Court:					
Salaries and Wages	\$ 113,962.00	\$ 113,962.00	\$ 112,620.20	\$ 1,341.80	
Other Expenses	14,043.09	14,043.09	13,384.44	658.65	
STREETS AND ROADS:					
Road Repair and Maintenance:					
Salaries and Wages	338,353.78	338,353.78	331,399.00	6,954.78	
Other Expenses	39,000.00	69,700.00	63,927.64	5,772.36	
Recycling:					
Other Expenses	66,000.00	51,000.00	47,398.32	3,601.68	
Solid Waste Collection:					
Other Expenses	578,201.00	570,201.00	566,448.89	3,752.11	
Building and Grounds:					
Other Expenses	59,250.00	63,250.00	62,781.62	468.38	
Shade Tree Division:					
Other Expenses	27,500.00	15,500.00	13,535.00	1,965.00	
Vehicle Repair/Maintenance (Including Police):					
Other Expenses	58,000.00	58,000.00	53,822.55	4,177.45	
Snow Removal:					
Salaries and Wages	5,000.00	5,000.00		5,000.00	
Other Expenses	37,305.00	37,305.00	21,655.79	15,649.21	
HEALTH AND WELFARE:					
Public Health Service (Board of Health):					
Salaries and Wages	31,778.75	35,778.75	35,778.75		
Other Expenses	65,162.00	63,796.00	61,086.38	2,709.62	
Environmental Commission:					
Other Expenses	1,200.00	1,200.00	608.16	591.84	
Animal Control:					
Other Expenses	14,500.00	14,500.00	14,000.00	500.00	

BOROUGH OF CALDWELL
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Within "CAPS" (Continued):					
RECREATION AND EDUCATION:					
Recreation Services and Programs:					
Other Expenses	\$ 402,590.00	\$ 402,590.00	\$ 402,590.00		
Senior Citizens' Transportation:					
Salaries and Wages	50,120.76	50,120.76	49,772.99	\$ 347.77	
Other Expenses	35,035.28	35,035.28	34,535.28	500.00	
Special Events:					
Other Expenses	2,000.00	600.00	576.50	23.50	
UNIFORM CONSTRUCTION CODE:					
Salaries and Wages	120,105.12	91,805.12	91,782.94	22.18	
Other Expenses	5,900.00	5,900.00	5,424.54	475.46	
UTILITY EXPENSES AND BULK PURCHASES:					
Electric & Gas	83,500.00	83,500.00	81,009.57	2,490.43	
Street Lighting	140,000.00	140,000.00	136,261.19	3,738.81	
Telephone (excluding equipment acquisition)	58,000.00	65,500.00	63,683.30	1,816.70	
Gasoline	82,000.00	89,500.00	86,436.15	3,063.85	
INSURANCE:					
Workers Compensation/General Liability	168,004.50	172,283.50	172,283.50		
Employee Group Health	1,163,154.70	1,169,668.70	1,165,635.14	4,033.56	
Total Operations Within "CAPS"	6,583,916.23	6,550,945.23	6,439,052.68	111,892.55	
Detail:					
Salaries and Wages	2,878,469.93	2,788,576.93	2,772,597.47	15,979.46	
Other Expenses	3,705,446.30	3,762,368.30	3,666,455.21	95,913.09	

BOROUGH OF CALDWELL
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS":					
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	\$ 60,797.10	\$ 97,867.10	\$ 97,866.44	\$ 0.66	
Social Security System (O.A.S.I.)	140,000.00	135,900.00	135,895.53	4.47	
Police and Firemen's Retirement System of NJ	356,668.59	356,669.59	356,668.60	0.99	
Defined Contribution Retirement Program	3,100.00	3,100.00	1,431.72	1,668.28	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	560,565.69	593,536.69	591,862.29	1,674.40	
Total General Appropriations for Municipal Purposes Within "CAPS"	7,144,481.92	7,144,481.92	7,030,914.97	113,566.95	
Operations Excluded from "CAPS":					
Refund Tax Appeals:					
Other Expenses	25,000.00	25,000.00	25,000.00		
Sewerage Treatment:					
Other Expenses	1,061,580.84	1,061,580.84	1,061,210.65	370.19	
Length of Service Awards Program:					
Fire Department	40,000.00	40,000.00		40,000.00	
West Essex First Aid Squad	23,000.00	23,000.00		23,000.00	
Municipal Library:					
Salaries and Wages	229,083.00	229,083.00	227,900.71	1,182.29	
Other Expenses	192,415.21	192,415.21	189,669.35	2,745.86	
Shared Service Agreements:					
Township of West Caldwell - Welfare:					
Salaries and Wages	8,000.00	8,000.00	7,658.32	341.68	

BOROUGH OF CALDWELL
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Excluded from "CAPS" (Continued):					
Community Center:					
Salaries and Wages	\$ 924,589.63	\$ 924,589.63	\$ 900,247.19	\$ 24,342.44	
Other Expenses	528,633.84	528,633.84	468,549.43	60,084.41	
State and Federal Programs Offset by Revenue:					
Body Armor Replacement Fund - 2014 (N.J.S.A. 40A:4-87 + \$2,355.73)		2,355.73	2,355.73		
Alcohol Education and Rehabilitation Grant - 2014 (N.J.S.A. 40A:4-87 + \$2,540.45)		2,540.45	2,540.45		
Municipal Alliance on Alcohol & Drug Abuse Local Share - Cash Match	5,500.00	5,500.00	5,500.00		
Drive Sober or Get Pulled Over Holiday Crackdown - 2014 (N.J.S.A. 40A:4-87 + \$3,400.00)		3,400.00	3,400.00		
Clean Communities Grant (N.J.S.A. 40A:4-87 + \$12,296.49)		12,296.49	12,296.49		
Drunk Driving Enforcement Fund (N.J.S.A. 40A:4-87 + \$4,252.03)		4,252.03	4,252.03		
Total Operations Excluded from "CAPS"	3,037,802.52	3,062,647.22	2,910,580.35	152,066.87	
Detail:					
Salaries and Wages	1,161,672.63	1,161,672.63	1,135,806.22	25,866.41	
Other Expenses	1,876,129.89	1,900,974.59	1,774,774.13	126,200.46	
Capital Improvements-Excluded from "CAPS":					
Capital Improvement Fund	455,812.26	455,812.26	455,812.26		
Public and Private Programs Offset by Revenue: NJ Transportation Trust Fund Authority Act	467,000.00	467,000.00	467,000.00		
Total Capital Improvements Excluded from "CAPS"	922,812.26	922,812.26	922,812.26		

BOROUGH OF CALDWELL
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Municipal Debt Service Excluded from "CAPS":					
Payment of Bond Principal	\$ 915,000.00	\$ 915,000.00	\$ 915,000.00		
Interest on Bonds	394,373.26	394,373.26	394,373.26		
Interest on Notes	8,141.36	8,141.36	8,140.72		\$ 0.64
Total Municipal Debt Service Excluded from "CAPS"	<u>1,317,514.62</u>	<u>1,317,514.62</u>	<u>1,317,513.98</u>		<u>0.64</u>
Deferred Charges - Municipal - Excluded from "CAPS":					
Deferred Charges to Future Taxation - Unfunded:					
Ordinance #1197-09	209,245.50	209,245.50	209,245.50		
Ordinance #1098-00	100,000.00	100,000.00	100,000.00		
Ordinance #1107-01	50,000.00	50,000.00	50,000.00		
Total Deferred Charges - Municipal - Excluded from "CAPS"	<u>359,245.50</u>	<u>359,245.50</u>	<u>359,245.50</u>		
Total General Appropriations Excluded from "CAPS"	<u>5,637,374.90</u>	<u>5,662,219.60</u>	<u>5,510,152.09</u>	\$ 152,066.87	<u>0.64</u>
Subtotal General Appropriations	12,781,856.82	12,806,701.52	12,541,067.06	265,633.82	0.64
Reserve for Uncollected Taxes	<u>131,497.35</u>	<u>131,497.35</u>	<u>131,497.35</u>		
Total General Appropriations	<u>\$ 12,913,354.17</u>	<u>\$ 12,938,198.87</u>	<u>\$ 12,672,564.41</u>	<u>\$ 265,633.82</u>	<u>\$ 0.64</u>

Ref.

A

BOROUGH OF CALDWELL
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014
(Continued)

	Analysis of	
	Budget After Modification	Paid or Charged
Adopted Budget	\$ 12,913,354.17	
Appropriation by NJSA 40A:4-87	24,844.70	
	\$ 12,938,198.87	
	<u>Ref.</u>	
Cash Disbursed		\$ 11,952,960.45
Reserve for Uncollected Taxes		131,497.35
Reserve for Encumbrances	A	208,832.17
Reserve for Tax Appeals		25,000.00
Due Federal and State Grant Fund:		
Grants		491,844.70
Local Match		5,500.00
		12,815,634.67
Less: Appropriation Refunds		143,070.26
		\$ 12,672,564.41

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

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
TRUST FUNDS

BOROUGH OF CALDWELL
COMPARATIVE BALANCE SHEET - TRUST FUNDS - REGULATORY BASIS

	Ref.	December 31,	
		2014	2013
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents	B-4	\$ 5,698.90	\$ 3,024.10
		<u>5,698.90</u>	<u>3,024.10</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	774,597.74	611,511.13
		<u>774,597.74</u>	<u>611,511.13</u>
TOTAL ASSETS		<u>\$ 780,296.64</u>	<u>\$ 614,535.23</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due to State Board of Health		\$ 2.40	\$ 80.00
Reserve for Animal Control Fund Expenditures	B-6	5,696.50	2,944.10
		<u>5,698.90</u>	<u>3,024.10</u>
Other Trust Funds:			
Due to Current Fund	A	8,879.18	
Reserve for:			
Community Development Block Grant		35,019.00	
State Unemployment Insurance		11,311.59	7,371.59
Open Space		145,267.40	212,328.67
Escrow Fees		120,641.66	76,798.51
Tax Sale Premiums		172,500.00	54,900.00
Outside Tax Liens		3,991.66	756.05
Parking Offense Adjudication Act		16,840.20	15,328.20
Police Outside Duty Traffic Assignment		7,910.00	7,262.50
Recycling		26,790.47	48,465.71
Confiscated Funds		6,234.27	2,104.66
Accumulated Leave		55,043.99	76,195.24
Debt Service - 2005 Sinking Fund Bonds		115,000.00	90,000.00
Police Donations		13,575.00	10,000.00
Fire Safety Act Penalty		242.00	
Snow Removal		35,351.32	10,000.00
		<u>774,597.74</u>	<u>611,511.13</u>
TOTAL LIABILITIES AND RESERVES		<u>\$ 780,296.64</u>	<u>\$ 614,535.23</u>

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

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
GENERAL CAPITAL FUND

BOROUGH OF CALDWELL
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2014	2013
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 645,419.61	\$ 901,710.77
Grants Receivable:			
New Jersey Department of Community Affairs			150,000.00
Township of West Caldwell - Shared Services Agreement			26,835.27
Community Development Block Grants Receivable			224.06
New Jersey Department of Transportation Grants Receivable			66,827.43
Deferred Charges to Future Taxation:			
Funded		9,191,900.00	10,101,900.00
Unfunded	C-4	2,768,205.00	2,071,815.00
<u>TOTAL ASSETS</u>		<u>\$ 12,605,524.61</u>	<u>\$ 13,319,312.53</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-8	\$ 9,191,900.00	\$ 10,101,900.00
Bond Anticipation Notes Payable	C-7	1,326,605.00	1,326,605.00
Improvement Authorizations:			
Funded	C-5	79,566.75	976,316.04
Unfunded	C-5	1,263,810.78	522,613.25
Capital Improvement Fund	C-6	181,153.26	115,418.00
Reserve for:			
Encumbrances		218,642.85	38,209.30
Payment of Debt Service		336,137.56	236,884.54
Fund Balance	C-1	7,708.41	1,366.40
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 12,605,524.61</u>	<u>\$ 13,319,312.53</u>

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

BOROUGH OF CALDWELL
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ 1,366.40
Increased by:		
Premium on Sale of Notes		<u>6,342.01</u>
Balance December 31, 2014	C	<u><u>\$ 7,708.41</u></u>

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

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
WATER UTILITY FUND

BOROUGH OF CALDWELL
WATER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2014	2013
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	D-4	\$ 574,058.00	\$ 719,927.49
		<u>574,058.00</u>	<u>719,927.49</u>
Receivables and Inventory with Full Reserves:			
Consumer Accounts Receivable	D-6	702.46	580.81
		<u>702.46</u>	<u>580.81</u>
Total Receivables and Inventory with Full Reserves		<u>702.46</u>	<u>580.81</u>
Total Operating Fund		<u>574,760.46</u>	<u>720,508.30</u>
Capital Fund:			
Cash and Cash Equivalents	D-4	7,340.90	298,723.06
Fixed Capital	D-7	1,896,296.12	1,896,296.12
Fixed Capital Authorized and Uncompleted	D-8	3,931,050.00	3,331,050.00
		<u>5,834,687.02</u>	<u>5,526,069.18</u>
Total Capital Fund		<u>5,834,687.02</u>	<u>5,526,069.18</u>
TOTAL ASSETS		<u>\$ 6,409,447.48</u>	<u>\$ 6,246,577.48</u>

BOROUGH OF CALDWELL
WATER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	Ref.	December 31,	
		2014	2013
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	D-3;D-9	\$ 234,206.99	\$ 260,063.03
Encumbered	D-3;D-9	24,790.27	31,674.45
		<u>258,997.26</u>	<u>291,737.48</u>
Accrued Interest on Bonds		13,672.92	15,079.17
Accrued Interest on Notes		8,599.71	9,172.51
Water Rent Overpayments		2,094.31	1,243.80
		<u>283,364.20</u>	<u>317,232.96</u>
Reserve for Receivables	D	702.46	580.81
Fund Balance	D-1	290,693.80	402,694.53
		<u>574,760.46</u>	<u>720,508.30</u>
Total Operating Fund			
Capital Fund:			
Serial Bonds Payable	D-14	910,000.00	1,025,000.00
Bond Anticipation Notes Payable	D-13	1,665,050.00	1,795,050.00
Improvement Authorizations:			
Funded	D-10	34,205.13	80,351.63
Unfunded	D-10	658,214.20	293,764.49
Encumbrances Payable	D-10	54,299.62	16,694.98
Capital Improvement Fund	D-11	129,500.00	104,750.00
Reserve to Pay Debt Service		11,300.00	11,300.00
Reserve for Amortization	D-12	2,256,446.12	2,141,446.12
Deferred Reserve for Amortization	D-12A	59,900.00	9,900.00
Fund Balance	D-1A	55,771.95	47,811.96
		<u>5,834,687.02</u>	<u>5,526,069.18</u>
Total Capital Fund			
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 6,409,447.48</u>	<u>\$ 6,246,577.48</u>

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

BOROUGH OF CALDWELL
WATER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE -
REGULATORY BASIS

	Ref.	<u>Year Ended December 31,</u>	
		<u>2014</u>	<u>2013</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 121,579.49	\$ 67,330.00
Water Rents/Additional Water Billing		1,564,251.33	1,532,920.68
Miscellaneous Revenue Anticipated		16,258.37	27,655.24
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		65,887.06	242,137.23
		<u>1,767,976.25</u>	<u>1,870,043.15</u>
<u>Expenditures</u>			
Operating		1,388,688.41	1,371,525.72
Capital Improvements		24,750.00	24,750.00
Debt Service		219,611.58	169,516.96
Deferred Charges and Statutory Expenditures		47,116.50	57,541.77
		<u>1,680,166.49</u>	<u>1,623,334.45</u>
Excess in Revenue		87,809.76	246,708.70
<u>Fund Balance</u>			
Balance January 1		402,694.53	223,315.83
		<u>490,504.29</u>	<u>470,024.53</u>
Decreased by:			
Utilization as Anticipated Revenue:			
Water Utility Operating Budget		121,579.49	67,330.00
Current Fund Budget		78,231.00	
		<u>200,000.00</u>	
Balance December 31	D	<u>\$ 290,693.80</u>	<u>\$ 402,694.53</u>

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

BOROUGH OF CALDWELL
WATER UTILITY CAPITAL FUND
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2013	D	\$ 47,811.96
Increased by:		
Premium on Sale of Notes		<u>7,959.99</u>
Balance December 31, 2014	D	<u>\$ 55,771.95</u>

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

BOROUGH OF CALDWELL
WATER UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Anticipated	Realized	Excess or Deficit *
Operating Surplus Anticipated	\$ 121,579.49	\$ 121,579.49	
Water Rents	1,532,920.68	1,564,251.33	\$ 31,330.65
Miscellaneous Revenue	27,655.24	16,258.37	11,396.87 *
Budget Totals	\$ 1,682,155.41	\$ 1,702,089.19	\$ 19,933.78

Analysis of Water Rents

Water Rent Collections	\$ 1,563,007.53
Prior Year Overpayments Applied	1,243.80
	\$ 1,564,251.33

Analysis of Miscellaneous Revenue

Treasurer:

Interest on Investments and Deposits: \$ 457.02

Collector:

Meter Sales	\$ 1,221.00	
Meter Test	80.00	
Penalties/Interest on Water Charges	14,500.35	
		15,801.35
		\$ 16,258.37

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

BOROUGH OF CALDWELL
WATER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Appropriations		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 245,886.05	\$ 245,886.05	\$ 245,846.81	\$ 39.24	
Other Expenses	1,142,802.36	1,142,802.36	908,634.61	234,167.75	
Capital Improvements:					
Capital Improvement Fund	24,750.00	24,750.00	24,750.00		
Debt Service:					
Payment of Bond Principal	115,000.00	115,000.00	115,000.00		
Payment of Bond Anticipation Notes	50,000.00	50,000.00	50,000.00		
Interest on Bonds	38,650.00	38,650.00	37,243.75		\$ 1,406.25
Interest on Notes	17,950.50	17,950.50	17,367.83		582.67
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures - Contribution to:					
Public Employees' Retirement System	17,965.71	17,965.71	17,965.71		
Social Security System (O.A.S.I.)	18,810.28	18,810.28	18,810.28		
Defined Contribution Retirement Plan	3,000.00	3,000.00	3,000.00		
Police and Firemen's Retirement System	7,340.51	7,340.51	7,340.51		
	<u>\$ 1,682,155.41</u>	<u>\$ 1,682,155.41</u>	<u>\$ 1,445,959.50</u>	<u>\$ 234,206.99</u>	<u>\$ 1,988.92</u>
	Ref.			D	
Cash Disbursed			\$ 1,366,557.65		
Accrued Interest on Bonds			37,243.75		
Accrued Interest on Notes			17,367.83		
Encumbrances Payable	D		<u>24,790.27</u>		
			<u>\$ 1,445,959.50</u>		

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

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
SEWER UTILITY FUND

BOROUGH OF CALDWELL
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2014	2013
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	E-4	\$ 561,900.39	\$ 745,639.47
Due from Current Fund	A	0.72	53.08
		<u>561,901.11</u>	<u>745,692.55</u>
Receivables and Inventory with Full Reserves:			
Consumer Accounts Receivable	E-6	<u>130,560.95</u>	<u>130,318.36</u>
Total Receivables and Inventory with Full Reserves		<u>130,560.95</u>	<u>130,318.36</u>
Deferred Charges:			
Deficit in Operations	E-1	<u>41,683.32</u>	<u> </u>
Total Operating Fund		<u>734,145.38</u>	<u>876,010.91</u>
Capital Fund:			
Cash and Cash Equivalents	E-4	745,219.45	855,082.39
Due from New Jersey Environmental Infrastructure Trust		421,500.00	421,500.00
Fixed Capital	E-7	28,882,151.97	28,882,151.97
Fixed Capital Authorized and Uncompleted	E-8	<u>16,762,300.00</u>	<u>16,480,300.00</u>
Total Capital Fund		<u>46,811,171.42</u>	<u>46,639,034.36</u>
TOTAL ASSETS		<u><u>\$ 47,545,316.80</u></u>	<u><u>\$ 47,515,045.27</u></u>

BOROUGH OF CALDWELL
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	Ref.	December 31,	
		2014	2013
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	E-3;E-9	\$ 118,701.43	\$ 90,976.69
Encumbered	E-3;E-9	82,601.90	25,957.08
		<u>201,303.33</u>	<u>116,933.77</u>
Prepaid Sewer Rents		53.80	53.08
Accrued Interest on Bonds		4,839.55	5,814.55
Accrued Interest on Loans		110,598.96	115,398.96
		<u>316,795.64</u>	<u>238,200.36</u>
Reserve for Receivables	E	130,560.95	130,318.36
Fund Balance	E-1	286,788.79	507,492.19
		<u>734,145.38</u>	<u>876,010.91</u>
Total Operating Fund			
Capital Fund:			
Serial Bonds Payable	E-14	409,580.00	479,580.00
New Jersey Environmental Infrastructure Trust			
Loans Payable	E-15	11,228,189.79	11,965,684.74
Improvement Authorizations:			
Funded	E-10	581,835.33	328,940.53
Unfunded	E-10	144,731.83	340,646.32
Reserve for Encumbrances	E-10	156.75	
Capital Improvement Fund	E-11	878,215.54	1,045,215.54
Reserve for Amortization	E-12	33,106,911.07	32,299,416.12
Deferred Reserve for Amortization	E-12A	461,551.11	179,551.11
		<u>46,811,171.42</u>	<u>46,639,034.36</u>
Total Capital Fund			
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 47,545,316.80</u>	<u>\$ 47,515,045.27</u>

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

BOROUGH OF CALDWELL
SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE -
REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2014	2013
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 142,472.40	\$ 162,432.00
Sewer Rents		4,247,035.23	4,247,035.23
Additional Sewer Rents		25,334.55	238,615.19
Interest Income		610.25	646.43
KMOS Lease of Wastewater Plant Property		217,331.00	162,998.25
Additional KMOS Lease of Wastewater Plant Property			54,332.75
Sewer Connection Fees		307,200.00	179,400.00
Sewer Application Fees		2,000.00	1,750.00
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		37,787.75	206,455.73
 Total Income		<u>4,979,771.18</u>	<u>5,253,665.58</u>
<u>Expenditures</u>			
Operating		3,716,886.80	3,673,638.54
Capital Improvements		115,000.00	115,000.00
Debt Service		1,096,676.88	1,091,501.33
Deferred Charges and Statutory Expenditures		92,890.82	98,494.74
 Total Expenditures		<u>5,021,454.50</u>	<u>4,978,634.61</u>
Excess/(Deficit) in Revenue		<u>(41,683.32)</u>	275,030.97
Operating Deficit to be Raised in Budget in Succeeding Year	E	<u>\$ 41,683.32</u>	
Statutory Excess to Fund Balance			275,030.97
<u>Fund Balance</u>			
Balance January 1		507,492.19	423,105.22
		507,492.19	698,136.19
Decreased by:			
Utilization as Anticipated Revenue		142,472.40	162,432.00
Surplus Anticipated in Current Fund		78,231.00	28,212.00
Balance December 31	E	<u>\$ 286,788.79</u>	<u>\$ 507,492.19</u>

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

BOROUGH OF CALDWELL
SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Operating Surplus Anticipated	\$ 142,472.40	\$ 142,472.40	
Sewer Rents	4,247,035.23	4,247,035.23	
Interest Income	646.43	610.25	\$ 36.18 *
KMOS Lease of Wastewater Plant Property	217,331.00	217,331.00	
Sewer Connection Fees	179,400.00	307,200.00	127,800.00
Additional Sewer Rents	238,615.19	25,334.55	213,280.64 *
Sewer Application Fees	1,750.00	2,000.00	250.00
	<u>\$ 5,027,250.25</u>	<u>\$ 4,941,983.43</u>	<u>\$ 85,266.82 *</u>
Budget Totals			

Sewer Rents/Additional Sewer Rents

Collected in Sewer Utility Operating Fund	\$ 4,272,315.98
Prepaid Sewer Rents Applied	53.08
Due from Current Fund	0.72
	<u>\$ 4,272,369.78</u>

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

BOROUGH OF CALDWELL
SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Appropriations		Expended by		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 419,118.48	\$ 419,118.48	\$ 408,673.47	\$ 10,445.01	
Other Expenses	3,297,768.32	3,297,768.32	3,189,511.90	108,256.42	
Capital Improvements:					
Capital Improvement Fund	115,000.00	115,000.00	115,000.00		
Debt Service:					
Bond Principal	70,000.00	70,000.00	70,000.00		
Interest on Bonds	18,020.70	18,020.70	18,020.70		
NJ Environmental Infrastructure Trust:					
Payment of Loan Principal and Interest	1,014,451.93	1,014,451.93	1,008,656.18		\$ 5,795.75
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	17,868.33	17,868.33	17,868.33		
Police and Firemen's Retirement System	42,859.93	42,859.93	42,859.93		
Social Security System (O.A.S.I.)	32,062.56	32,062.56	32,062.56		
Defined Contribution Retirement Plan	100.00	100.00	100.00		
	<u>\$ 5,027,250.25</u>	<u>\$ 5,027,250.25</u>	<u>\$ 4,902,753.07</u>	<u>\$ 118,701.43</u>	<u>\$ 5,795.75</u>
				E	
Cash Disbursed			\$ 4,623,088.27		
Accrued Interest on Bonds			17,045.70		
Accrued Interest on Loans			260,637.50		
Encumbrances Payable			82,601.90		
			<u>4,983,373.37</u>		
Less: Appropriation Refunds			80,620.30		
			<u>\$ 4,902,753.07</u>		

Ref.

E

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

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
PUBLIC ASSISTANCE FUND

BOROUGH OF CALDWELL
PUBLIC ASSISTANCE FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		<u>December 31,</u>	
	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	F-1	<u>\$ 49,557.25</u>	<u>\$ 35,297.66</u>
TOTAL ASSETS		<u><u>\$ 49,557.25</u></u>	<u><u>\$ 35,297.66</u></u>
 <u>RESERVES</u>			
Reserve for Public Assistance		<u>\$ 49,557.25</u>	<u>\$ 35,297.66</u>
TOTAL RESERVES		<u><u>\$ 49,557.25</u></u>	<u><u>\$ 35,297.66</u></u>

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

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
GENERAL FIXED ASSETS ACCOUNT GROUP

BOROUGH OF CALDWELL
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	December 31,	
	2014	(Restated) 2013
<u>ASSETS</u>		
Land and Land Improvements	\$ 11,891,415.00	\$ 11,737,940.00
Buildings and Building Improvements	39,619,301.02	39,380,643.02
Machinery and Equipment	4,853,871.00	4,791,393.00
	\$ 56,364,587.02	\$ 55,909,976.02
<u>TOTAL ASSETS</u>	<u>\$ 56,364,587.02</u>	<u>\$ 55,909,976.02</u>
 <u>RESERVES</u>		
Reserve for General Fixed Assets	\$ 56,364,587.02	\$ 55,909,976.02
	\$ 56,364,587.02	\$ 55,909,976.02
<u>TOTAL RESERVES</u>	<u>\$ 56,364,587.02</u>	<u>\$ 55,909,976.02</u>

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

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Borough of Caldwell include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Borough do not include the operations of the municipal library, or volunteer fire and first aid squads.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e., benefit of economic resources, access/entitlement to resources, and significance) should be included in the financial reporting entities. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of Governmental Accounting Standards Board's Codification section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

The accounting policies of the Borough conform to the accounting practices applicable to municipalities which have been prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such 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:

Current Fund - Resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Funds - Receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - Receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Water Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned water utility.

Sewer Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned sewer utility.

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

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

B. Description of Funds (Cont'd)

Public Assistance Fund – Receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey Statutes. The operations of the State funded welfare program were transferred to the County effective July 1, 2011.

C. Basis of Accounting

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

The more significant accounting policies in New Jersey follow.

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

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

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

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

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

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

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

C. Basis of Accounting (Cont'd)

Had the Borough's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, not when awarded or budgeted; inventories would not be reflected as expenditures at the time of purchase; and fixed assets purchased by the Utility Capital Funds would be depreciated.

- D. Deferred Charges to Future Taxation – The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means the debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget, by collecting a grant, by selling bonds, by issuing loans or through capital lease purchase agreements.

- E. Other significant accounting policies include:

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

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

Investments – Investments are stated at cost or amortized cost, which approximates market.

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

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

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

Foreclosed Property – Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

Interfunds – Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies – The 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, except for the Water and Sewer Utility Operating Funds. The amounts reflected as inventories on the Water and Sewer Utility Funds balance sheets are offset by reserves.

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
 (Continued)

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

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

General Fixed Assets Account Group – In accordance with the New Jersey Administrative Code accounting requirements, as promulgated by the Division of Local Government Services, the Borough has developed a fixed assets accounting and reporting system based on the following:

General fixed assets are recorded at historical cost as estimated by the independent appraisal company which conducted the inventory of the Borough's assets in 2011. Subsequent fixed assets purchases are valued at historical cost. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. The total value recorded for general fixed assets is offset by a "Reserve for General Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the General Fixed Assets Account Group may also be recorded in the Current Fund, General Capital Fund, Water Utility Fund and Sewer Utility Fund. The values recorded in the General Fixed Assets Account Group and the Current, General Capital, Water Utility and Sewer Utility Funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

Property and equipment purchased by the Water Utility and Sewer Utility Funds are recorded in the capital account at cost and are not adjusted for dispositions and abandonments. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Funds represent charges to operations for the cost of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

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

Note 2: Long-Term Debt

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

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt

	December 31,		
	2014	2013	2012
<u>Issued:</u>			
General:			
Bonds and Notes	\$10,518,505.00	\$11,428,505.00	\$10,991,900.00
Water Utility:			
Bonds and Notes	2,575,050.00	2,820,050.00	1,940,000.00
Sewer Utility:			
Bonds and Loans	11,637,769.79	12,445,264.74	12,812,233.70
Total Issued	<u>24,731,324.79</u>	<u>26,693,819.74</u>	<u>25,744,133.70</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	1,441,600.00	745,210.00	1,935,965.00
Water Utility:			
Bonds and Notes	935,000.00	255,000.00	680,000.00
Sewer Utility:			
Bonds and Notes	438,220.00	438,220.00	858,720.00
Total Authorized but not Issued	<u>2,814,820.00</u>	<u>1,438,430.00</u>	<u>3,474,685.00</u>
<u>Less:</u>			
Funds Temporarily Held to Pay			
Bonds, Notes and Loans:			
General:			
Reserve to Pay Debt Service	336,137.56	236,884.54	68,032.83
Reserve for 2005 Sinking Fund Bonds	115,000.00	90,000.00	65,000.00
Water Utility:			
Reserve to Pay Debt Service	11,300.00	11,300.00	11,300.00
Net Bonds, Notes and Loans Issued and Authorized but not Issued	<u>\$27,083,707.23</u>	<u>\$27,794,065.20</u>	<u>\$29,074,485.87</u>

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt Issued and Outstanding - Current and Prior Years

	Balance 12/31/13	Additions	Retirements	Balance 12/31/14
Serial Bonds:				
General Capital Fund	\$ 10,101,900.00		\$ 910,000.00	\$ 9,191,900.00
Water Utility	1,025,000.00		115,000.00	910,000.00
Sewer Utility	479,580.00		70,000.00	409,580.00
Bond Anticipation Notes:				
General Capital Fund	1,326,605.00	\$ 1,326,605.00	1,326,605.00	1,326,605.00
Water Utility	1,795,050.00	1,665,050.00	1,795,050.00	1,665,050.00
NJEIT Loans Payable:				
Sewer Utility	11,965,684.74		737,494.95	11,228,189.79
Total	\$ 26,693,819.74	\$ 2,991,655.00	\$ 4,954,149.95	\$ 24,731,324.79

	Balance 12/31/13	Additions	Retirements	Balance 12/31/13
Serial Bonds:				
General Capital Fund	\$ 10,991,900.00		\$ 890,000.00	\$ 10,101,900.00
Water Utility	1,140,000.00		115,000.00	1,025,000.00
Sewer Utility	549,580.00		70,000.00	479,580.00
Bond Anticipation Notes:				
General Capital Fund		\$ 1,326,605.00		1,326,605.00
Water Utility	800,000.00	1,795,050.00	800,000.00	1,795,050.00
NJEIT Loans Payable:				
Sewer Utility	12,262,653.70	421,500	718,468.96	11,965,684.74
Total	\$ 25,744,133.70	\$ 3,543,155.00	\$ 2,593,468.96	\$ 26,693,819.74

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 1.121%.

	Gross Debt	Deductions	Net Debt
Regional School District Debt	\$ 4,094,186.21	\$ 4,094,186.21	
Water Utility Debt	3,510,050.00	3,510,050.00	
Sewer Utility Debt	12,075,989.79	12,075,989.79	
General Debt	11,960,105.00	451,137.56	\$ 11,508,967.44
	\$ 31,640,331.00	\$ 20,131,363.56	\$ 11,508,967.44

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 2: Long-Term Debt (Cont'd)

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

Net Debt: \$11,508,967.44 divided by Average Equalized Valuations of \$1,026,543,928.33 of Real Property = 1.121%.

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

3-1/2% Average Equalized Valuation of Real Property	\$ 35,929,037.49
Net Debt	<u>11,508,967.44</u>
Remaining Borrowing Power	<u><u>\$ 24,420,070.05</u></u>

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

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 1,702,089.19
Deductions:	
Operating and Maintenance Cost	\$ 1,435,804.91
Debt Service	<u>219,611.58</u>
Total Deductions	<u>1,655,416.49</u>
Excess in Revenue	<u><u>\$ 46,672.70</u></u>

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

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 4,941,983.43
Deductions:	
Operating and Maintenance Cost	\$ 3,809,777.62
Debt Service	<u>1,096,676.88</u>
Total Deductions	<u>4,906,454.50</u>
Excess in Revenue	<u><u>\$ 35,528.93</u></u>

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount, or the total amount of debt service for that fund, whichever is less.

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

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 2: Long-Term Debt (Cont'd)

At December 31, 2014, the Borough had capital debt issued and outstanding described as follows:

General Capital Serial Bonds

<u>Description</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>
2005 Refunding Bonds	07/01/24	3.75%-4.35%	\$ 3,840,000.00
2005 ERI Refunding Bonds	07/01/19	3.75%-4.00%	140,000.00
2007 General Obligation Bonds	04/01/21	4.00%	2,167,900.00
2011 General Improvement Bonds	07/15/26	3.00%-5.00%	3,044,000.00
			<u>\$ 9,191,900.00</u>

General Capital Bond Anticipation Notes

<u>Purpose</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>
Various Street Improvements	06/25/15	1.00%	<u>\$ 1,326,605.00</u>

Water Utility Capital Serial Bonds

<u>Description</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>
Water Utility Bonds	04/01/21	3.75%-4.00%	\$ 325,000.00
Water Utility Bonds	07/15/21	3.00%-5.00%	585,000.00
			<u>\$ 910,000.00</u>

Water Utility Capital Bond Anticipation Notes

<u>Purpose</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>
Water System Improvements	06/25/15	1.00%	\$ 320,000.00
Water Main Improvements	06/25/15	1.00%	1,345,050.00
			<u>\$ 1,665,050.00</u>

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 2: Long-Term Debt (Cont'd)

At December 31, 2014, the Borough had capital debt issued and outstanding described as follows: (Cont'd)

Sewer Utility Capital Serial Bonds

<u>Description</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>
2005 Refunding Bonds	07/01/17	3.75%-4.00%	\$ 85,000.00
2007 Sewer Utility Bonds	04/01/21	3.75%-4.00%	324,580.00
			<u>\$ 409,580.00</u>

Sewer Utility Capital NJ Environmental Infrastructure Trust (NJEIT) Loans

<u>Description</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2014</u>
Wastewater Treatment Plant Upgrades:			
Trust Loan 1	08/01/27	3.40-5.00%	\$ 5,790,000.00
Fund Loan 1	08/01/27	0.00%	5,064,587.51
Fund Loan 2	08/01/27	0.00%	373,602.28
			<u>\$ 11,228,189.79</u>
TOTAL DEBT ISSUED AND OUTSTANDING			<u>\$ 24,731,324.79</u>

Environmental Infrastructure Loans

The Borough of Caldwell entered into three loan agreements with the State of New Jersey, acting by and through the NJ Department of Environmental Protection Fund (the "Fund"), and the NJ Environmental Infrastructure Trust (the "Trust"), in the revised aggregate amount of \$15,535,000.00, which represents direct obligations of the Borough. The loan agreements were obtained to finance a portion of the cost of wastewater treatment system projects.

At December 31, 2014, the Borough has borrowed or "drawn down" \$15,113,500.00 for these projects. The difference or unexpended proceeds of the "Trust" loan will be retired by NJ Environmental Infrastructure Trust from funds on hand, and any unexpended proceeds of the "Fund" will be reduced from future debt service payments. Principal payments to the "Fund" commenced on August 1, 2009, and will continue on a semiannual basis over 19 years. It is expected that interest will be paid from trust bond proceeds on deposit in the capitalized interest account (as defined in the bond resolution), and earnings thereon on the debt service reserve fund (as defined in the bond resolution) transferred to such capitalized interest account.

The Borough will nonetheless be responsible for all such interest payments to the extent such trust bond proceeds and interest earnings are not available from the capitalized interest account. Also, an annual administrative fee of fifteen hundredths of one percent (.15%) of the initial principal amount of the loan or such lesser amount, if any, as the Trust may approve from time to time is payable on these loans.

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 2: Long-Term Debt (Cont'd)

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

Calendar Year	General		Water Utility	
	Principal	Interest	Principal	Interest
2015	\$ 930,000.00	\$ 361,298.26	\$ 115,000.00	\$ 34,900.00
2016	940,000.00	327,673.26	120,000.00	31,150.00
2017	950,000.00	294,548.26	125,000.00	27,100.00
2018	950,000.00	260,533.26	130,000.00	22,800.00
2019	955,000.00	223,733.26	140,000.00	17,600.00
2020-2024	3,867,900.00	527,175.28	280,000.00	17,500.00
2025-2027	599,000.00	32,327.00		
	<u>\$ 9,191,900.00</u>	<u>\$ 2,027,288.58</u>	<u>\$ 910,000.00</u>	<u>\$ 151,050.00</u>

Calendar Year	Sewer Utility		
	Principal	Interest	Total
2015	\$ 824,761.23	\$ 280,758.20	\$ 2,546,717.69
2016	838,621.58	261,308.20	2,518,753.04
2017	846,993.51	241,133.20	2,484,774.97
2018	853,133.16	220,120.70	2,436,587.12
2019	873,621.58	198,870.70	2,408,825.54
2020-2024	4,494,529.45	692,862.30	9,879,967.03
2025-2027	2,906,109.28	146,437.50	3,683,873.78
	<u>\$ 11,637,769.79</u>	<u>\$ 2,041,490.80</u>	<u>\$ 25,959,499.17</u>

Note 3: Fund Balances Appropriated

As of the date of this report, the budget for 2015 has not been introduced. Thus, the amount of fund balance at December 31, 2014 which will be included in the Current Fund, Water Utility Operating Fund and Sewer Utility Operating Fund budgets for the year ending December 31, 2015, is not known at this date.

Note 4: Regional School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Borough of Caldwell has elected not to defer school taxes.

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 5: Pension Plans

Borough employees are enrolled in one of two cost sharing multiple-employer public employee retirement systems: the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS) of New Jersey; or the Defined Contribution Retirement Program (DCRP). The State of New Jersey sponsors and administers the PERS and the PFRS which cover substantially all Borough employees. Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. As a general rule, all full-time employees are eligible to join one of the two public employees' retirement systems. However, if an employee is ineligible to enroll in the PERS or the PFRS, the employee may be eligible to enroll in the DCRP.

Employees who are members of PERS and retire at a specified age according to the relevant tier category for that employee are entitled to a retirement benefit based upon a formula which takes "final average salary" during years of creditable service. Vesting occurs after 8 to 10 years of service. Enrolled PFRS members may retire at age 55 with a minimum of 10 years of service required for vesting. The DCRP provides eligible members with a tax- sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

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

The contribution policy is set by New Jersey State Statutes 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 employee contributions for PFRS are 10.00% of employees' annual compensation, as defined. For PERS, the contribution rate was 6.78% effective July 1, 2013 and increased to 6.92% effective July 1, 2014. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018. Employers are required to contribute at an actuarially determined rate in both funds. The actuarially determined employer contribution includes funding for cost-of- living adjustments and noncontributory death benefits. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Borough contributions to PERS amounted to \$164,505.00, \$155,909.00 and \$177,092.00 for 2014, 2013 and 2012, respectively. Borough contributions to PFRS amounted to \$428,299.00, \$496,787.00 and \$456,214.00 for 2014, 2013 and 2012, respectively. Borough contributions to the DCRP amounted to \$4,531.72, \$4,350.37 and \$4,000.53 for 2014, 2013 and 2012, respectively.

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 6: Accrued Sick and Vacation Benefits

The Borough policy allows Borough employees to accrue sick and vacation time. The current cost of such unpaid compensation upon termination or separation from the Borough would approximate \$668,269. This amount is not reported either as an expenditure or a liability. However, it is expected that the cost of such unpaid compensation would be included in the Borough's budget operating expenditures in the year in which it is used. This amount is partially funded in the Reserve for Accumulated Leave of \$55,043.99 reflected on the Other Trust Funds' balance sheet as of December 31, 2014.

Note 7: Deferred Compensation Plan

The Borough of Caldwell offers its employees a deferred compensation plan (the "Plan") created in accordance with Section 457 of the Internal Revenue Code. The Plan, which is administered by the Hartford Group, is available to all Borough employees and permits participants to defer a portion of their salary. The deferred compensation plan is not available to employees until termination, retirement, unforeseeable emergency, or upon death to their beneficiaries.

Note 8: Selected Tax Rate Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A 6% penalty may be assessed for any unpaid taxes and other municipal charges in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the prior year may be placed in lien at a tax sale held after January 1 and through December 31. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Tax Rate</u>	\$ 2.423	\$ 2.369	\$ 2.346
<u>Apportionment of Tax Rate</u>			
Municipal:			
Local	0.712	0.709	0.701
Open Space	0.010	0.010	0.010
County	0.518	0.497	0.481
Local School	1.183	1.153	1.154
<u>Assessed Valuations</u>			
2014	<u>\$ 1,008,312,088.00</u>		
2013		<u>\$ 1,014,393,486.00</u>	
2012			<u>\$ 1,022,421,277.00</u>

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

(Continued)

Note 8: Selected Tax Rate Information (Cont'd)

Comparison of Tax Levies and Collections Currently

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

Year	Tax Levy	Currently	
		Cash Collections	Percentage of Collection
2014	\$ 24,468,919.01	\$ 24,408,160.24	99.75%
2013	24,050,128.05	23,921,349.74	99.46%
2012	24,022,406.69	23,918,345.86	99.56%

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

Note 9: Cash and Cash Equivalents and Investments

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

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

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

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

Credit Risk – The Borough limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed on the following two pages.

Deposits:

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

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 9: Cash and Cash Equivalents and Investments (Cont'd)

Deposits: (Cont'd)

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund; or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
 - (b) the custody of collateral is transferred to a third party;

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 9: Cash and Cash Equivalents and Investments (Cont'd)

Investments: (Cont'd)

- (c) the maturity of the agreement is not more than 30 days;
- (d) the underlying securities are purchased through a public depository as defined in statute; and
- (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2014, cash and cash equivalents and investments of the Borough of Caldwell consisted of the following:

<u>Fund</u>	<u>Cash on Hand</u>	<u>Checking and Savings Accounts</u>	<u>Total</u>
Current	\$ 350.00	\$ 1,739,401.57	\$ 1,739,751.57
Animal Control		5,698.90	5,698.90
Other Trust		774,597.74	774,597.74
General Capital		645,419.61	645,419.61
Water Utility Operating		574,058.00	574,058.00
Water Utility Capital		7,340.90	7,340.90
Sewer Utility Operating		561,900.39	561,900.39
Sewer Utility Capital		745,219.45	745,219.45
Public Assistance		49,557.25	49,557.25
	<u>\$ 350.00</u>	<u>\$ 5,103,193.81</u>	<u>\$ 5,103,543.81</u>

During the year ended December 31, 2014, the Borough did not hold any investments. The carrying amount of the Borough's cash and cash equivalents and investments at December 31, 2014, was \$5,103,543.81 and the bank balance was \$5,138,519.21. The carrying amount of the Borough's cash and cash equivalents and investments at December 31, 2013, was \$6,089,840.44 and the bank balance was \$6,383,819.91.

Note 10: Post-Retirement Medical Benefits

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

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

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 10: Post-Retirement Medical Benefits (Cont'd)

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

The coverage applies to the employee and dependents. In the event of an employee's death, coverage ceases. In order to be eligible for this benefit, the employee must have a minimum of twenty-five (25) years of full-time service with the Borough.

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

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. The Borough's portion of post-retirement medical and dental benefits is funded on a pay-as-you-go basis from the Current Fund operating budget. The Borough paid premiums in the amount of \$667,994.80 and \$592,115.04 for 2014 and 2013, respectively, for 32 and 30 retired employees in 2014 and 2013, respectively.

Note 11: Risk Management

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

Property and Liability

The Borough is a member of the Garden State Municipal Joint Insurance Fund (the "Fund"). The Fund is both an insured and self-administered group of municipalities established for the purpose of providing low cost general liability and property insurance coverage to its members.

As a member of the Fund, the Borough could be subjected to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liability.

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. The members may either receive payment or offset their subsequent year assessments with their respective share of the distribution.

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 11: Risk Management (Cont'd)

Property and Liability (Cont'd)

The December 31, 2014 audit report of the Fund was not available as of the date of this audit. Summarized selected financial information for the Fund as of December 31, 2013 is as follows:

Total Assets	\$ 34,467,251
Net Position	\$ 1,892,397
Total Revenue	\$ 25,013,839
Total Expenses	\$ 24,507,224
Change in Net Position	\$ 506,615
Member Dividends	\$ -0-

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

Garden State Municipal Joint Insurance Fund
900 Route 9 North, Suite 503
Woodbridge, NJ 07095-1003
(800) 446-7647

New Jersey Unemployment Compensation Insurance

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State.

The following is a summary of Borough contributions, employee contributions, interest earned, reimbursements to the State for benefits paid and the ending balance of the Borough's expendable trust fund for the current and previous two years.

<u>Year</u>	<u>Borough Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014	\$ -0-	\$ 7,510.33	\$ -0-	\$ 3,570.33	11,311.59
2013	-0-	7,413.17	-0-	13,705.54	7,371.59
2012	-0-	7,571.85 *	2.47	13,405.89	13,663.96

* Includes reimbursement from State of New Jersey.

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 12: Interfund Receivables and Payables

The following interfund balances remained on the balance sheets at December 31, 2014:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 8,879.18	\$ 213,524.18
Federal and State Grant Fund	213,523.46	
Other Trust Funds		8,879.18
Sewer Utility Operating Fund	0.72	
	<u>\$ 222,403.36</u>	<u>\$ 222,403.36</u>

The Federal and State Grant Fund interfund receivable is the net of grant funds received in the Current Fund offset by disbursements made by the Current Fund on behalf of the Federal and State Grant Fund. The interfund receivable in the Current Fund is comprised of recycling trust expenses paid by the Current Fund on behalf of the Other Trust Funds, offset by added open space tax due to the Other Trust Funds. The Sewer Utility Operating Fund interfund receivable is due to sewer rents collected in the Current Fund.

Note 13: Economic Dependency

The Borough receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Borough's programs and activities.

Note 14: Contingent Liabilities

The Borough is periodically involved in various lawsuits arising in the normal course of business, including claims for property damage, personal injury, and various contract disputes. The Borough vigorously contests these lawsuits and believes the ultimate resolution will not have a material adverse effect on its financial position.

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

Note 15: Open Space Trust Reserve

The Borough established an Open Space Trust Fund in 2000. The Borough has levied a tax equal to one cent per \$100 of total Borough equalized real property valuation. The tax has remained one cent since the approval by the voters to establish the open space tax. The intention of the Borough is to use this funding for open space and recreation purposes. The funds are being held in the Open Space Fund Reserve on the Other Trust Funds balance sheet. The balance in the Reserve for Open Space at December 31, 2014 is \$145,267.40.

BOROUGH OF CALDWELL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014
(Continued)

Note 16: Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014, the following deferred charge was shown on the balance sheet of the following fund:

	Balance Dec. 31, 2014	Required 2015 Budget Appropriation
Sewer Utility Operating Fund:		
Deficit in Operations	\$ 41,683.32	\$ 41,683.32

The appropriation in the 2015 budget will not be less than that required by statute.

Note 17: Fixed Assets

The following is a summarization of general fixed assets for the year ended December 31, 2014 and 2013:

	Restated Balance Dec. 31, 2013	Additions	Deletions	Adjustments	Balance Dec. 31, 2014
Land and Land Improvements	\$11,737,940.00	\$ 153,475.00			\$11,891,415.00
Buildings and Building Improvements	39,380,643.02	238,658.00			39,619,301.02
Machinery and Equipment	4,791,393.00	124,049.00	\$ 61,571.00		4,853,871.00
	\$55,909,976.02	\$ 516,182.00	\$ 61,571.00	\$ -0-	\$56,364,587.02

	Balance Dec. 31, 2012	Additions	Deletions	Adjustments	Restated Balance Dec. 31, 2013
Land and Land Improvements	\$10,136,963.00	\$ 2,477.00		\$1,598,500.00	\$11,737,940.00
Buildings and Building Improvements	38,982,750.02	397,893.00			39,380,643.02
Machinery and Equipment	4,640,997.00	192,400.00	\$ 42,004.00		4,791,393.00
	\$53,760,710.02	\$ 592,770.00	\$ 42,004.00	\$1,598,500.00	\$55,909,976.02

Note 18: Prior Period Adjustment

The prior year balance for the General Fixed Assets Account Group was restated for certain land values related to the sewer plant which were not included in error.

	Balance 12/31/13	Retroactive Adjustments	Balance 12/31/13 Restated
General Fixed Assets:			
Land and Land Improvements	\$ 10,139,440.00	\$ 1,598,500.00	\$ 11,737,940.00
Reserves:			
Reserve for General Fixed Assets	54,311,476.02	1,598,500.00	55,909,976.02

SUPPLEMENTARY DATA

BOROUGH OF CALDWELL
ROSTER OF OFFICIALS
YEAR ENDED DECEMBER 31, 2014

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

Name	Title	Amount of Bond	Name of Corporate or Personal Surety
Ann Dassing	Mayor		
Richard Hauser	Council President; Councilman		
Pasquale Capozzoli	Councilman		
Edward Durkin, Jr.	Councilman		
John Kelley	Councilman		
Thomas O'Donnell	Councilman		
Frank Rogers	Councilman		
Paul Carelli	Administrator;	**	**
Chris Battaglia	Chief Financial Officer	**	**
Lisa O'Neill	Deputy Clerk	**	**
Donald O'Connor	Municipal Judge	**	**
Francine T. Paserchia	Municipal Clerk	**	**
Idamae Renne	Tax Collector; Utility Collector	**	**
Leanne O'Hern	Court Administrator	**	**
Gregory Mascera	Municipal Attorney		

** There is Blanket Crime Coverage in the amount of \$1,000,000 with the Garden State Municipal Joint Insurance Fund covering all Borough employees, including statutory positions. The bond coverage was examined and appeared to be properly executed.

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
CURRENT FUND

BOROUGH OF CALDWELL
CURRENT FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2013	A	\$ 1,918,624.37
Increased by Receipts:		
Tax Collector		\$ 24,409,491.61
Revenue Accounts Receivable		4,756,875.42
Miscellaneous Revenue Not Anticipated		164,155.23
Interest on Investments and Deposits		1,721.53
Due to/from Federal and State Grant Fund:		
Grants Receivable		29,565.70
Unappropriated Grants		16,176.71
Due to Sewer Utility Operating Fund:		
Sewer Rents		0.72
Due from/to State of New Jersey:		
Senior Citizens' and Veterans' Deductions		41,250.00
Marriage Licenses		1,375.00
DCA Training Fees		8,035.00
Reserve for State Library Aid		3,400.00
Appropriation Refunds		143,070.26
		<hr/>
		29,575,117.18
		<hr/>
		31,493,741.55
Decreased by Disbursements:		
2014 Appropriation Expenditures		11,952,960.45
2013 Appropriation Reserve Expenditures		449,887.55
Regional School District Taxes		11,925,838.00
County Taxes		5,216,946.48
Due from Federal and State Grant Fund:		
Appropriated Reserves Expenditures		41,811.01
Liquidation of Prior Year Encumbrances		26,042.00
Due to/from Other Trust Funds:		
Open Space Tax Levy		100,831.21
Expenditures on Behalf of Recycling Trust		9,034.43
Due from Sewer Utility Operating Fund:		
Prior Year Interfund Returned		53.08
Due to State of New Jersey:		
Marriage Licenses		1,450.00
Burial Permits		5.00
DCA Training Fees		7,702.00
Reserve for Hurricane Sandy Damage		4,600.00
Reserve for Tax Appeals		12,200.35
Tax Overpayment Refunds		4,928.42
Change Funds		50.00
		<hr/>
		29,754,339.98
		<hr/>
Balance December 31, 2014	A	\$ 1,739,401.57

BOROUGH OF CALDWELL
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2014

Increased by Receipts:

Taxes Receivable	\$ 24,291,170.93	
2015 Prepaid Taxes	77,536.80	
Interest and Costs on Taxes	35,855.46	
Tax Overpayments	4,928.42	
	<hr/>	\$ 24,409,491.61

Decreased by:

Payments to Municipal Treasurer		<u><u>\$ 24,409,491.61</u></u>
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SCHEDULE OF CASH - FEDERAL AND STATE GRANT FUND
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

BOROUGH OF CALDWELL
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance	2014 Levy	Collections		State of NJ Veterans' and Senior Citizens' Deductions	Cancelled	Balance
	Dec. 31, 2013		2013	2014			Dec. 31, 2014
2013	\$ 28.47			\$ 28.47			
2014		\$ 24,468,919.01	\$ 75,012.50	24,291,142.46	\$ 42,005.28	\$ 60,758.77	\$ -0-
	<u>\$ 28.47</u>	<u>\$ 24,468,919.01</u>	<u>\$ 75,012.50</u>	<u>\$ 24,291,170.93</u>	<u>\$ 42,005.28</u>	<u>\$ 60,758.77</u>	<u>\$ -0-</u>
<u>Ref.</u>	A						A

Analysis of 2014 Property Tax Levy

Tax Yield:

General Purpose Tax	\$ 24,431,402.97
Added and Omitted Taxes	<u>37,516.04</u>
	<u>\$ 24,468,919.01</u>

Tax Levy:

Regional School District Taxes	\$ 11,925,838.00
County Taxes:	
General Tax	5,214,833.15
Due County for Added and Omitted Taxes	8,004.91
Municipal Open Space Taxes	100,831.21
Additional Open Space - Municipal	<u>155.25</u>
	<u>5,323,824.52</u>
	<u>17,249,662.52</u>
Local Tax for Municipal Purposes Levied	6,847,383.82
Municipal Library Taxes	333,906.06
Add: Additional Tax Levied	<u>37,966.61</u>
	<u>7,219,256.49</u>
	<u>\$ 24,468,919.01</u>

BOROUGH OF CALDWELL
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
YEAR ENDED DECEMBER 31, 2014

NOT APPLICABLE

BOROUGH OF CALDWELL
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2013	Accrued In 2014	Collected by Treasurer	Balance Dec. 31, 2014
Licenses:				
Alcoholic Beverages		\$ 8,260.00	\$ 8,260.00	
Other		53,701.00	53,701.00	
Fees and Permits		40,733.99	40,733.99	
Fines and Costs:				
Municipal Court	\$ 21,042.92	287,070.29	287,385.05	\$ 20,728.16
Parking Meters		134,523.00	134,523.00	
Rent - Grover Cleveland Senior Citizens Center		11,049.96	11,049.96	
Sewer Utility Operating Fund - Administration Charge		99,022.00	99,022.00	
Senior Citizens' Transportation Program - Contributed by West Caldwell and Roseland		37,230.00	37,230.00	
Payment in Lieu of Taxes - Marion Manor Senior Citizens Housing		156,850.00	156,850.00	
Lease of Municipal Property - Wastewater Treatment Plant		317,914.00	317,914.00	
Cablevision Franchise Fees (N.J.S. 48:5A-30)		125,225.97	125,225.97	
Sewer User Charges		177,122.77	177,122.77	
Consolidated Municipal Property Tax Relief Aid		15,423.00	15,423.00	
Energy Receipts Tax		671,452.00	671,452.00	
Uniform Construction Code Fees		103,518.00	103,518.00	
Township of West Caldwell - Welfare Services		8,000.00	8,000.00	
Community Center - Membership & Program Fees		1,463,612.92	1,463,612.92	
Sewer Utility Operating Surplus of Prior Year		78,231.00	78,231.00	
Water Utility Operating Fund - Administration Charges		27,332.00	27,332.00	
Reserve for Open Space Trust to Offset Debt Service		67,000.00	67,000.00	
Reserve for Payment of Debt Service		795,057.76	795,057.76	
Water Utility Operating Surplus of Prior Year		78,231.00	78,231.00	
	<u>\$ 21,042.92</u>	<u>\$ 4,756,560.66</u>	<u>\$ 4,756,875.42</u>	<u>\$ 20,728.16</u>

Ref.

A

A

BOROUGH OF CALDWELL
CURRENT FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	Balance Dec. 31, 2013	Balance After Transfers	Paid or Charged	Balance Lapsed
General Administration:				
Salaries and Wages	\$ 11,737.47	\$ 6,737.47		\$ 6,737.47
Other Expenses	6,138.69	6,138.69	\$ 5,966.31	172.38
Mayor and Council:				
Other Expenses	1,441.45	1,441.45	132.95	1,308.50
Municipal Clerk:				
Salaries and Wages	446.64	446.64		446.64
Other Expenses	1,500.00	1,500.00	40.00	1,460.00
Elections:				
Other Expenses	430.42	430.42		430.42
Financial Administration:				
Salaries and Wages	87.10	87.10		87.10
Other Expenses	6,796.29	10,796.29	9,905.61	890.68
Audit Services:				
Other Expenses	7,606.58	7,606.58		7,606.58
Collection of Taxes:				
Salaries and Wages	7,643.44	7,643.44		7,643.44
Other Expenses	1,773.76	1,773.76	1,233.64	540.12
Assessment of Taxes:				
Salaries and Wages	6,868.20	6,868.20		6,868.20
Other Expenses	823.27	823.27	656.25	167.02
Legal Services and Costs:				
Other Expenses	11,835.01	11,835.01	8,733.40	3,101.61
Engineering Services and Costs:				
Other Expenses	2,000.00	2,000.00	2,000.00	
Municipal Land Use Law (NJSA 40:55D-1):				
Planning Board:				
Other Expenses	553.00	553.00	65.00	488.00
Zoning Board of Adjustment:				
Other Expenses	453.00	453.00	65.00	388.00
Police:				
Salaries and Wages	84,058.28	84,058.28	70,000.00	14,058.28
Other Expenses	10,023.19	10,023.19	9,459.64	563.55
Parking Meter Maintenance:				
Other Expenses	1,146.30	1,146.30		1,146.30
Office of Emergency Management:				
Other Expenses	855.00	855.00	500.00	355.00
Aid to West Essex First Aid Organization - Contribution				
Fire Department:				
Other Expenses	10,315.58	10,315.58	5,448.28	4,867.30
Municipal Court:				
Salaries and Wages	13,885.64	13,885.64		13,885.64
Other Expenses	2,335.77	2,335.77	828.25	1,507.52

BOROUGH OF CALDWELL
CURRENT FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	Balance Dec. 31, 2013	Balance After Transfers	Paid or Charged	Balance Lapsed
Streets and Roads Maintenance:				
Salaries and Wages	\$ 3,970.22	\$ 3,970.22		\$ 3,970.22
Other Expenses	14,556.46	14,556.46	\$ 7,915.30	6,641.16
Solid Waste Collection:				
Other Expenses	39,369.99	39,369.99	27,708.85	11,661.14
Building and Grounds:				
Other Expenses	20,322.86	20,322.86	14,947.20	5,375.66
Shade Tree Division:				
Other Expenses	18,155.00	3,155.00	905.00	2,250.00
Vehicle Repair/Maintenance (Including Police):				
Other Expenses	10,519.84	12,519.84	11,576.52	943.32
Snow Removal:				
Salaries and Wages	5,000.00	5,000.00	5,000.00	
Other Expenses	4,285.35	39,285.35	39,285.35	
First Aid Contributions:				
Other Expenses		5,000.00	5,000.00	
Board of Health:				
Salaries and Wages	72.56	72.56		72.56
Other Expenses	18,484.51	18,484.51	14,762.16	3,722.35
Environmental Commission:				
Other Expenses	269.11	269.11		269.11
Animal Control:				
Other Expenses	8,004.00	8,004.00		8,004.00
Senior Citizens' Transportation:				
Salaries and Wages	374.26	374.26		374.26
Other Expenses	500.00	500.00		500.00
Special Events:				
Other Expenses	3,480.84	3,480.84		3,480.84
Uniform Construction Code:				
Salaries and Wages	3,106.47	3,106.47		3,106.47
Other Expenses	4,254.11	4,254.11	48.75	4,205.36
Utility Expenses and Bulk Purchases:				
Electric & Gas	8,474.12	17,474.12	17,204.98	269.14
Street Lighting	28,926.39	28,926.39	25,066.17	3,860.22
Telephone	6,691.64	6,691.64	5,538.00	1,153.64
Gasoline	12,152.70	12,152.70	6,561.00	5,591.70
Insurance:				
Worker's Compensation/General Liability	342.82	342.82		342.82
Group Insurance for Employees	66,909.82	31,909.82	12,902.70	19,007.12
Statutory Expenditures:				
Social Security System (O.A.S.I.)	645.42	645.42		645.42
Defined Contribution Retirement Program	657.99	657.99		657.99
Refund Tax Appeals	25,000.00	25,000.00		25,000.00

BOROUGH OF CALDWELL
CURRENT FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	<u>Balance Dec. 31, 2013</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Sewerage Treatment:				
Other Expenses	\$ 19,707.95	\$ 19,707.95	\$ 7,000.00	\$ 12,707.95
Length of Service Awards Program:				
Fire Department	42,000.00	42,000.00	42,000.00	
West Essex First Aid Squad	15,000.00	15,000.00	14,991.93	8.07
Municipal Library:				
Salaries and Wages	111.64	111.64		111.64
Other Expenses	15,059.51	15,059.51	13,064.78	1,994.73
Township of West Caldwell - Welfare:				
Salaries and Wages	227.38	227.38		227.38
Community Center:				
Salaries and Wages	7,181.25	7,181.25		7,181.25
Other Expenses	79,374.30	79,374.30	65,462.47	13,911.83
	<u>\$ 673,942.59</u>	<u>\$ 673,942.59</u>	<u>\$ 451,975.49</u>	<u>\$ 221,967.10</u>

Ref.

Analysis of Balance December 31, 2012:

Encumbered	A	\$ 157,371.17
Unencumbered	A	<u>516,571.42</u>
		<u>\$ 673,942.59</u>

Cash Disbursed	\$ 449,887.55
Accounts Payable	<u>2,087.94</u>
	<u>\$ 451,975.49</u>

BOROUGH OF CALDWELL
CURRENT FUND
SCHEDULE OF REGIONAL SCHOOL DISTRICT TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2014

Increased by:	
Levy - School Year 2014	\$ 11,925,838.00

Decreased by:	
Payments to Regional School District	<u>\$ 11,925,838.00</u>

BOROUGH OF CALDWELL
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

	Balance Dec. 31, 2013	2014 Budget Revenue Realized	Cash Received	Balance Dec. 31, 2014
Body Armor Grant:				
2014		\$ 2,355.73	\$ 2,355.73	
Drunk Driving Enforcement Fund:				
2014		4,252.03	4,252.03	
Bulletproof Vest Program:				
2012	\$ 1,184.37		521.00	\$ 663.37
2013	2,062.05			2,062.05
Clean Communities:				
2014		12,296.49	12,296.49	
Alcohol Education and Rehabilitation Fund:				
2014		2,540.45	2,540.45	
Hurricane Irene Disaster National Emergency Grant	680.20			680.20
Drive Sober or Get Pulled Over:				
Holiday Crackdown - 2013	4,400.00		4,200.00	200.00
Holiday Crackdown - 2014		3,400.00	3,400.00	
NJ Transportation Trust Fund Authority Act:				
2013 Municipal Aid - Hatfield, Erwin and Elm Streets		230,000.00		230,000.00
2014 Municipal Aid - Academy Road and Elizabeth Street		237,000.00		237,000.00
	<u>\$ 8,326.62</u>	<u>\$ 491,844.70</u>	<u>\$ 29,565.70</u>	<u>\$ 470,605.62</u>

Ref.

A

A

Federal	\$ 8,121.00
State	21,444.70
Local	-0-
	<u>\$ 29,565.70</u>

BOROUGH OF CALDWELL
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2014

	<u>Cash Received</u>	<u>Balance Dec. 31, 2014</u>
Recycling Tonnage Grant: 2014	<u>\$ 16,176.71</u>	<u>\$ 16,176.71</u>
	<u><u>\$ 16,176.71</u></u>	<u><u>\$ 16,176.71</u></u>
	<u>Ref.</u>	A

BOROUGH OF CALDWELL
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

	Balance Dec. 31, 2013	Transfer from 2014 Budget Appropriations	Expended	Encumbrances Payable	Prior Year Adjustment	Balance Dec. 31, 2014
Body Armor Grant:						
2006	\$ 671.78		\$ 671.78			
2011	1,531.78		1,531.78			
2013	3,011.63		1,814.44			\$ 1,197.19
2014		\$ 2,355.73				2,355.73
Domestic Preparedness Equipment Grant	94,258.90			\$ 37,988.00		56,270.90
NJ Transportation Trust Fund Authority Act:						
2013 Municipal Aid - Hatfield, Erwin and Elm Streets		230,000.00				230,000.00
2014 Municipal Aid - Academy Road and Elizabeth Street		237,000.00				237,000.00
Alcohol Education and Rehabilitation Grant:						
2008	5.63		5.63			
2009	649.73		649.73			
2010	351.91		44.64			307.27
2011	1,024.76					1,024.76
2012	1,858.52					1,858.52
2013	4,116.43					4,116.43
2014		2,540.45				2,540.45
Clean Communities:						
Prior Years	12,225.00					12,225.00
2006	1,998.93					1,998.93
2007	8,972.00					8,972.00
2011	11,349.13					11,349.13
2012	11,169.10					11,169.10
2013	13,113.43					13,113.43
2014		12,296.49				12,296.49
Green Communities:						
Prior Year	3,000.00					3,000.00
2013	1,931.58					1,931.58
Bulletproof Vest Partnership Grant:						
2012	2,226.87					2,226.87
2013	2,062.05					2,062.05

BOROUGH OF CALDWELL
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

	Balance Dec. 31, 2013	Transfer from 2014 Budget Appropriations	Expended	Encumbrances Payable	Prior Year Adjustment	Balance Dec. 31, 2014
Drunk Driving Enforcement Fund:						
2007	\$ 881.76		\$ 3,212.92		\$ 2,331.16	
2008	1,738.69		1,738.69			
2011	4,908.00		468.77		(2,331.16)	\$ 2,108.07
2012	3,638.44					3,638.44
2014		\$ 4,252.03				4,252.03
Municipal Alliance for Alcohol and Drug Abuse:						
Municipal Share:						
2014		5,500.00	2,750.00			2,750.00
Recycling Tonnage Grant:						
2012	9,034.43		9,034.43			
2013	12,288.20		12,288.20			
Drive Sober or Get Pulled Over:						
Holiday Crackdown - 2013	4,400.00		4,200.00			200.00
Holiday Crackdown - 2014		3,400.00	3,400.00			
	<u>\$ 212,418.68</u>	<u>\$ 497,344.70</u>	<u>\$ 41,811.01</u>	<u>\$ 37,988.00</u>	<u>\$ -0-</u>	<u>\$ 629,964.37</u>

Ref.

A

A

A

Original Budget

\$ 467,000.00

Added by NJSA 40A:4-87

24,844.70

491,844.70

Local Match

5,500.00

\$ 497,344.70

Federal

\$ 7,600.00 \$ 37,988.00

State

31,461.01

Local Matching Funds

2,750.00

\$ 41,811.01 \$ 37,988.00

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
TRUST FUNDS

BOROUGH OF CALDWELL
TRUST FUNDS
SCHEDULE OF CASH AND INVESTMENTS - TREASURER

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2013	B	\$ 3,024.10	\$ 611,511.13
Increased by Receipts:			
Dog License Fees		\$ 2,773.20	
Late Fees		135.00	
State Registration Fees		391.80	
2014 Budget Appropriation		14,000.00	
Reserve for:			
Community Development Block Grant			\$ 122,925.22
State Unemployment Insurance:			
Employee Contributions			7,510.33
Open Space:			
Interest Earned			82.87
Refund of Prior Year Expenditures			13,500.00
Open Space Tax Levy			100,831.21
Green Acres Grant Receipt			142,866.50
Escrow Fees			102,140.68
Tax Sale Premiums			134,900.00
Outside Tax Liens			123,167.80
Parking Offense Adjudication Act			1,662.00
Police Outside Duty Traffic Assignment			79,826.25
Recycling			10,948.46
Confiscated Funds			4,777.61
Accumulated Absences			70,000.00
Debt Service - 2005 Sinking Fund Bonds			25,000.00
Police Donations			3,575.00
Snow Removal			45,351.32
Fire Safety Act Penalty			242.00
		<u>17,300.00</u>	<u>989,307.25</u>
		20,324.10	1,600,818.38
Decreased by Disbursements:			
Administrative Expenses		\$ 14,219.00	
State Board of Health		406.20	
Reserve for:			
Community Development Block Grant			\$ 87,906.22
State Unemployment Insurance			3,570.33
Open Space			324,497.10
Escrow Fees			58,297.53
Tax Sale Premiums			17,300.00
Outside Tax Liens			119,932.19
Parking Offense Adjudication Act			150.00
Police Outside Duty Traffic Assignment			79,178.75
Recycling			23,589.27
Accumulated Leave			91,151.25
Confiscated Funds			648.00
Snow Removal			20,000.00
		<u>\$ 14,625.20</u>	<u>\$ 826,220.64</u>
Balance December 31, 2014	B	<u>\$ 5,698.90</u>	<u>\$ 774,597.74</u>

BOROUGH OF CALDWELL
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2013	B	\$ 2,944.10
Increased by:		
Animal Control License Fees:		
Dog Licenses		\$ 2,773.20
Late Fees		135.00
2014 Budget Appropriation		14,000.00
State Payable Cancelled		63.20
		16,971.40
		19,915.50
Decreased by:		
Animal Control Expenditures (R.S. 4:19-15.11):		
Cash Disbursed		14,219.00
		14,219.00
Balance December 31, 2014	B	\$ 5,696.50

License Fees Collected

<u>Year</u>	<u>Amount</u>
2013	\$ 2,820.60
2012	3,167.40
	5,988.00
Maximum Allowable Reserve	\$ 5,988.00

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
GENERAL CAPITAL FUND

BOROUGH OF CALDWELL
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ 901,710.77
Increased by:		
Capital Improvement Fund:		
2014 Budget Appropriation		\$ 455,812.26
Capital Fund Balance:		
Premium on Bond Anticipation Notes Issued		6,342.01
Bond Anticipation Notes Issued		1,326,605.00
Due from Current Fund:		
2014 Budget Appropriation:		
Deferred Charges to Future Taxation - Unfunded:		
Ord. #1197-09		209,245.50
Ord. #1098-00; #1107-01		150,000.00
Reserve for Payment of Debt Service:		
NJ Department of Transportation Grant Receipts - Brookside Avenue		79,253.02
		2,227,257.79
		3,128,968.56
Decreased by:		
Due to Current Fund:		
Anticipated as Current Year Revenue:		
Reserve to Pay Debt Service		795,057.76
Bond Anticipation Notes Redemption		1,326,605.00
Prior Year Encumbrances		34,495.83
Improvement Authorization Expenditures		327,390.36
		2,483,548.95
Balance December 31, 2014	C	\$ 645,419.61

BOROUGH OF CALDWELL
GENERAL CAPITAL FUND
ANALYSIS OF CASH

	Balance (Deficit) Dec. 31, 2013	Receipts			Disbursements			Transfers		Balance (Deficit) Dec. 31, 2014
		Miscellaneous	Bond	Budget	Miscellaneous	Bond	Improvement	From	To	
			Anticipation	Appropriation		Anticipation	Authorization			
		Notes		Notes	Expenditures					
Fund Balance	\$ 1,366.40	\$ 6,342.01								\$ 7,708.41
Capital Improvement Fund	115,418.00			\$ 455,812.26			\$ 390,900.00	\$ 823.00		181,153.26
NJ Department of Community Affairs Grants Receivable	(150,000.00)								150,000.00	
Township of West Caldwell - Shared Services Agreement	(26,835.27)								26,835.27	
Community Development Block Grants Receivable	(224.06)								224.06	
NJ Department of Transportation Grants Receivable	(66,827.43)								66,827.43	
Reserve for Payment of Debt Service	236,884.54	79,253.02			\$ 795,057.76				815,057.76	336,137.56
Reserve for Encumbrances	38,209.30				34,495.83			3,713.47	218,642.85	218,642.85
Ord. No.	Improvement Description									
1092-00	Various Capital Improvements	1,452.90						1,452.90		
1098-00;										
1107-01	Construction of Community Center			150,000.00				150,000.00		
1100-01	Various Capital Improvements	72.00						72.00		
1110-02	Various Capital Improvements	3,298.70						3,298.70		
1123-03	Various Capital Improvements	9,003.75						9,003.75		
1141-04	Various Capital Improvements	6,460.67						6,460.67		
1153-05	Various Capital Projects	133,833.34						133,833.34		
1161-05	Various Capital Projects	13,441.46					\$ 3,806.40	9,635.06		
1185-08	Various Capital Projects	48,860.57					6,110.14	46,463.90	3,713.47	
1189-08;										
1190-08	Acquisition of Fire Truck	377.87						377.87		
1192-08	Acquisition of Property	278,716.80						278,716.80		
1197-09	Various Road Improvements	(209,245.50)		209,245.50						
1207-10	Improvements to Kiwanis Oval	95,438.66						95,438.66		
1225-10	Various Capital Improvements	87,319.85						21,424.72	65,662.13	233.00
1226-10	Emergency Repairs to the Elgin Street Sweeper	5,028.31							5,028.31	
1227-10	Various Street Improvements	99,909.33							99,909.33	
1228-10	Capital Improvements to the Municipal Parking Facility	76,885.27						38,362.73	38,522.54	
1232-11	Improvements to Forest Avenue	115,393.56							115,393.56	
1244-11	Acquisition of Equipment for Community Center and Refurbishment of Parking Meters	823.00							823.00	
1248-12;										
1278-13;										
1283-13	Various Street Improvements	132,563.18	\$ 1,326,605.00			\$ 1,326,605.00	112,925.57	51,512.40		(31,874.79)
1252-12	Various Capital Improvements	(145,914.43)								(145,914.43)
1295-14	Various Capital Improvements						144,760.80	166,805.45	390,900.00	79,333.75
	<u>\$ 901,710.77</u>	<u>\$ 85,595.03</u>	<u>\$ 1,326,605.00</u>	<u>\$ 815,057.76</u>	<u>\$ 829,553.59</u>	<u>\$ 1,326,605.00</u>	<u>\$ 327,390.36</u>	<u>\$1,673,023.84</u>	<u>\$1,673,023.84</u>	<u>\$ 645,419.61</u>

BOROUGH OF CALDWELL
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	Balance Dec. 31, 2013	2014 Authorizations	Paid by Budget Appropriation	Cancellation of New Jersey Department of Community Affairs Receivable	Improvement Authorizations Cancelled	Balance Dec. 31, 2014	Analysis of Balance Dec. 31, 2014		
								Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
1092-00	Various Capital Improvements	\$ 600.00				\$ 600.00				
1098-00;										
1107-01	Construction of Community Center			\$ 150,000.00	\$ 150,000.00					
1197-09	Various Road Improvements	451,500.00		209,245.50		242,254.50				
1207-10	Improvements to Kiwanis Oval	250.00				250.00				
1225-10	Various Capital Improvements	260.00				260.00				
1248-12;										
1278-13;										
1283-13	Various Street Improvements	1,462,455.00					\$ 1,462,455.00	\$ 1,326,605.00	\$ 31,874.79	\$ 103,975.21
1252-12	Various Capital Improvements	156,750.00					156,750.00		145,914.43	10,835.57
1295-14	Various Capital Improvements		\$ 1,149,000.00				1,149,000.00			1,149,000.00
		<u>\$ 2,071,815.00</u>	<u>\$ 1,149,000.00</u>	<u>\$ 359,245.50</u>	<u>\$ 150,000.00</u>	<u>\$ 243,364.50</u>	<u>\$ 2,768,205.00</u>	<u>\$ 1,326,605.00</u>	<u>\$ 177,789.22</u>	<u>\$ 1,263,810.78</u>
<u>Ref.</u>		C					C			

Analysis of Unexpended Improvement Authorizations:
Improvement Authorizations - Unfunded

\$ 1,263,810.78

BOROUGH OF CALDWELL
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2013		2014 Authorizations		Paid or Charged	Prior Year Encumbrances Canceled	Balance Dec. 31, 2014		
		Date	Amount	Funded	Unfunded	Deferred Charges to Future Taxation - Unfunded	Capital Improvement Fund			Funded	Unfunded	
1092-00	Various Capital Improvements	02/08/00	\$ 250,000.00	\$ 1,452.90	\$ 600.00					\$ 2,052.90		
1100-01	Various Capital Improvements	03/13/01	600,000.00		72.00					72.00		
1110-02	Various Capital Improvements	03/12/02	400,000.00		3,298.70					3,298.70		
1123-03	Various Capital Improvements	03/25/03	250,000.00		9,003.75					9,003.75		
1141-04	Various Capital Improvements	04/13/04	553,500.00		6,460.67					6,460.67		
1153-05	Various Capital Projects	08/09/05	806,000.00		133,833.34					133,833.34		
1161-05	Various Capital Projects	11/17/05	285,538.00		13,441.46			\$ 3,806.40		9,635.06		
1185-08	Various Capital Projects	02/26/08	908,500.00		48,860.57			6,110.14	\$ 3,713.47	46,463.90		
1189-08;												
1190-08	Acquisition of Fire Truck	10/04/08	550,000.00		377.87					377.87		
1192-08	Acquisition of Property	12/09/08	650,000.00		278,716.80					278,716.80		
1197-09	Various Road Improvements	08/25/09	475,456.00			242,254.50				242,254.50		
1207-10	Improvements to Kiwanis Oval	04/27/10	2,000,000.00		95,438.66	250.00				95,688.66		
1225-10	Various Capital Improvements	11/23/10	653,000.00		87,319.85	260.00		21,749.72		65,597.13	\$ 233.00	
1226-10	Emergency Repairs to the Elgin Street Sweeper	11/23/10	26,915.90		5,028.31					5,028.31		
1227-10	Various Street Improvements	11/23/10	551,750.00		99,909.33					99,909.33		
1228-10	Capital Improvements to the Municipal Parking Facility	12/28/10	328,000.00		76,885.27			38,362.73		38,522.54		
1232-11	Improvements to Forest Avenue	03/22/11	410,000.00		115,393.56					115,393.56		
1244-11	Acquisition of Equipment for Community Center and Refurbishment of Parking Meters	12/27/11	32,500.00		823.00					823.00		
1248-12;		05/05/12;										
1278-13;		09/13/13;										
1283-13	Various Street Improvements	12/17/13	1,518,900.00			268,413.18		164,437.97			\$ 103,975.21	
1252-12	Various Capital Improvements	05/15/12	165,000.00			10,835.57					10,835.57	
1295-14	Various Capital Improvements	06/17/14	1,539,900.00					311,566.25			1,149,000.00	
				<u>\$ 976,316.04</u>	<u>\$ 522,613.25</u>	<u>\$ 1,149,000.00</u>	<u>\$ 390,900.00</u>	<u>\$ 546,033.21</u>	<u>\$ 3,713.47</u>	<u>\$ 1,153,132.02</u>	<u>\$ 79,566.75</u>	<u>\$ 1,263,810.78</u>

Ref. C C Ref. C C

Cash Disbursed \$ 327,390.36
 Encumbrances Payable C 218,642.85
\$ 546,033.21

Capital Improvement Fund \$ 823.00
 Reserve to Pay Debt Service 815,057.76
 Township of West Caldwell - Shared Services Agreement 26,835.27
 Community Development Block Grant 224.06
 New Jersey Department of Transportation Grant - Smull Avenue 66,827.43
 Deferred Charges to Future Taxation - Unfunded 243,364.50
\$1,153,132.02

BOROUGH OF CALDWELL
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2013	C	\$ 115,418.00
Increased by:		
Improvement Authorizations Cancelled		\$ 823.00
2014 Budget Appropriation		<u>455,812.26</u>
		<u>456,635.26</u>
		<u>572,053.26</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>390,900.00</u>
Balance December 31, 2014	C	<u><u>\$ 181,153.26</u></u>

BOROUGH OF CALDWELL
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2014

Ord. No.	Improvement Description	Original Note	Date of		Interest Rate	Balance Dec. 31, 2013	Issued	Matured	Balance Dec. 31, 2014
			Issue	Maturity					
1248-12; 1278-13; 1283-13	Various Street Improvements	\$ 1,326,605.00	11/15/13	06/27/14	1.00%	\$ 1,326,605.00		\$ 1,326,605.00	
			06/26/14	06/25/15	1.00%		\$ 1,326,605.00		\$ 1,326,605.00
						<u>\$ 1,326,605.00</u>	<u>\$ 1,326,605.00</u>	<u>\$ 1,326,605.00</u>	<u>\$ 1,326,605.00</u>
					<u>Ref.</u>	C			C
					Renewals		<u>\$ 1,326,605.00</u>	<u>\$ 1,326,605.00</u>	

BOROUGH OF CALDWELL
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2014		Interest Rate	Balance Dec. 31, 2013	Matured	Balance Dec. 31, 2014
			Date	Amount				
2005 Refunding Bonds	1/1/2005	\$ 7,325,000.00	7/1/2015	\$ 400,000.00	4.000%			
			7/1/2016	395,000.00	3.750%			
			7/1/2017	390,000.00	3.850%			
			7/1/2018	385,000.00	4.000%			
			7/1/2019	380,000.00	4.000%			
			7/1/2020	375,000.00	4.100%			
			7/1/2021	370,000.00	4.125%			
			7/1/2022	365,000.00	4.200%			
			7/1/2023	365,000.00	4.250%			
			7/1/2024	415,000.00	4.350%			
2005 ERI Refunding Bonds	1/1/2005	275,000.00	7/1/2015	20,000.00	4.000%			
			7/1/2016	25,000.00	3.750%			
			7/1/2017	30,000.00	3.850%			
			7/1/2018	30,000.00	4.000%			
			7/1/2019	35,000.00	4.000%			
2007 General Obligation Bonds	4/1/2007	3,782,900.00	4/1/2015-20	310,000.00	4.000%	2,477,900.00	310,000.00	2,167,900.00
			4/1/2021	307,900.00	4.000%			
2011 General Improvement Bonds	7/27/2011	3,519,000.00	7/15/2015	200,000.00	3.000%			
			7/15/2016	210,000.00	3.000%			
			7/15/2017	220,000.00	3.000%			
			7/15/2018	225,000.00	4.000%			
			7/15/2019	230,000.00	4.000%			
			7/15/2020	240,000.00	5.000%			
			7/15/2021	260,000.00	5.000%			
			7/15/2022	275,000.00	3.125%			

BOROUGH OF CALDWELL
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2014		Interest Rate	Balance Dec. 31, 2013	Matured	Balance Dec. 31, 2014
			Date	Amount				
2011 General Improvement Bonds	7/27/2011	\$ 3,519,000.00	7/15/2023	\$ 300,000.00	3.250%			
			7/15/2024	285,000.00	3.400%			
			7/15/2025	300,000.00	3.500%			
			7/15/2026	299,000.00	3.650%			
						\$ 3,219,000.00	\$ 175,000.00	\$ 3,044,000.00
						<u>\$ 10,101,900.00</u>	<u>\$ 910,000.00</u>	<u>\$ 9,191,900.00</u>
					<u>Ref.</u>	C		C

BOROUGH OF CALDWELL
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Improvement Description	Balance Dec. 31, 2013	2014 Authorizations	Funded by Budget Appropriation	Bond Anticipation Notes Issued	Bond Anticipation Notes Matured	Cancellation of New Jersey Department of Community Affairs Receivable	Improvement Authorizations Cancelled	Balance Dec. 31, 2014
1092-00	Various Capital Improvements	\$ 600.00						\$ 600.00	
1098-00; 1107-01	Construction of Community Center			\$ 150,000.00			\$ 150,000.00		
1197-09	Various Road Improvements	451,500.00		209,245.50				242,254.50	
1207-10	Improvements to Kiwanis Oval	250.00						250.00	
1225-10	Various Capital Improvements	260.00						260.00	
1248-12; 1278-13; 1283-13	Various Street Improvements	135,850.00			\$ 1,326,605.00	\$ 1,326,605.00			\$ 135,850.00
1252-12	Various Capital Improvements	156,750.00							156,750.00
1295-14	Various Capital Improvements		\$ 1,149,000.00						1,149,000.00
		<u>\$ 745,210.00</u>	<u>\$ 1,149,000.00</u>	<u>\$ 359,245.50</u>	<u>\$ 1,326,605.00</u>	<u>\$ 1,326,605.00</u>	<u>\$ 150,000.00</u>	<u>\$ 243,364.50</u>	<u>\$ 1,441,600.00</u>

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
WATER UTILITY FUND

BOROUGH OF CALDWELL
WATER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2013	D	\$ 719,927.49	\$ 298,723.06
Increased by Receipts:			
Water Utility Collector		\$ 1,580,903.19	
Miscellaneous Revenue		457.02	
Bond Anticipation Note Proceeds			\$ 1,665,050.00
2014 Budget Appropriation:			
Capital Improvement Fund			24,750.00
Capital Fund Balance:			
Premium on Sale of Notes			7,959.99
		<u>1,581,360.21</u>	<u>1,697,759.99</u>
		2,301,287.70	1,996,483.05
Decreased by Disbursements:			
2014 Appropriation Expenditures		1,366,557.65	
2013 Appropriation Reserve Expenditures		225,850.42	
Bond Anticipation Notes Matured			1,745,050.00
Accrued Interest on Bonds		38,650.00	
Accrued Interest on Notes		17,940.63	
Due Current Fund:			
Anticipated Revenue		78,231.00	
Prior Year Encumbrances			16,694.98
Improvement Authorizations			227,397.17
		<u>1,727,229.70</u>	<u>1,989,142.15</u>
Balance December 31, 2014	D	<u>\$ 574,058.00</u>	<u>\$ 7,340.90</u>

BOROUGH OF CALDWELL
WATER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2014

Increased by Receipts:

Consumer Accounts Receivable:

Water Rents \$ 1,563,007.53

Miscellaneous Revenue 15,801.35

1,578,808.88

Water Rent Overpayments

2,094.31

\$ 1,580,903.19

Decreased by:

Paid to Treasurer

\$ 1,580,903.19

BOROUGH OF CALDWELL
WATER UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2013	Receipts		Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2014		
		Bond Anticipation Notes	Budget Appropriation	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From		To	
Capital Fund Balance	\$ 47,811.96			\$ 7,959.99					\$ 55,771.95		
Capital Improvement Fund	104,750.00		\$ 24,750.00						129,500.00		
Reserve to Pay Debt Service	11,300.00								11,300.00		
Reserve for Encumbrances	16,694.98					\$ 16,694.98		\$ 54,299.62	54,299.62		
Miscellaneous	(950.00)								(950.00)		
Ord. No.	Improvement Description										
1174-06	Water System Improvements	80,351.63			\$ 32,781.50		\$ 13,365.00		34,205.13		
1178-07; 1231-11	Water Capital Projects	(45,512.91)							(45,512.91)		
1198-09; 1245-12	Water System Improvements	(67,430.20)	\$ 320,000.00			\$ 250,000.00			2,569.80		
1249-12; 1276-13	Water Main Improvements	151,707.60	1,345,050.00		3,104.68	1,495,050.00			(1,397.08)		
1296-14	Water Main Improvements				191,510.99		40,934.62		(232,445.61)		
		<u>\$ 298,723.06</u>	<u>\$ 1,665,050.00</u>	<u>\$ 24,750.00</u>	<u>\$ 7,959.99</u>	<u>\$ 227,397.17</u>	<u>\$ 1,745,050.00</u>	<u>\$ 16,694.98</u>	<u>\$ 54,299.62</u>	<u>\$ 54,299.62</u>	<u>\$ 7,340.90</u>

BOROUGH OF CALDWELL
WATER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2013	D	\$ 580.81
Increased by:		
Billings		<u>1,564,372.98</u>
		1,564,953.79
Decreased by:		
Prior Year Overpayments Applied		\$ 1,243.80
Collections		<u>1,563,007.53</u>
		<u>1,564,251.33</u>
Balance December 31, 2014	D	<u><u>\$ 702.46</u></u>

BOROUGH OF CALDWELL
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance December 31, 2013	D	<u>\$ 1,896,296.12</u>
Balance December 31, 2014	D	<u><u>\$ 1,896,296.12</u></u>

BOROUGH OF CALDWELL
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2013	2014 Improvement Authorizations	Balance Dec. 31, 2014
		Date	Amount			
1174-06	Water System Improvements	11/21/06	\$ 471,000.00	\$ 471,000.00		\$ 471,000.00
1178-07; 1231-11	Water Capital Projects	05/01/07; 03/08/11	810,000.00 150,000.00	960,000.00		960,000.00
1198-09; 1245-12	Water System Improvements	08/25/09; 04/03/12	180,000.00 175,000.00	355,000.00		355,000.00
1249-12; 1276-13	Water Main Improvements	05/15/12 05/07/13	975,000.00 570,050.00	975,000.00 570,050.00		975,000.00 570,050.00
1296-14	Water Main Improvements	07/01/14	290,000.00		\$ 290,000.00	290,000.00
1299-14	Water Main Improvements	11/06/14	310,000.00		310,000.00	310,000.00
				<u>\$ 3,331,050.00</u>	<u>\$ 600,000.00</u>	<u>\$ 3,931,050.00</u>
<u>Ref.</u>				D		D

BOROUGH OF CALDWELL
WATER UTILITY OPERATING FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 101.60	\$ 101.60		\$ 101.60
Other Expenses	290,482.68	290,482.68	\$ 225,850.42	64,632.26
Statutory Expenditures:				
Contribution to:				
Defined Contribution Retirement Plan	<u>1,153.20</u>	<u>1,153.20</u>		<u>1,153.20</u>
	<u>\$ 291,737.48</u>	<u>\$ 291,737.48</u>	<u>\$ 225,850.42</u>	<u>\$ 65,887.06</u>

Analysis of Balance December 31, 2013:

	<u>Ref.</u>	
Appropriation Reserves:		
Unencumbered	D	\$ 260,063.03
Encumbered	D	<u>31,674.45</u>
		<u>\$ 291,737.48</u>

BOROUGH OF CALDWELL
WATER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2013		2014 Authorizations Deferred Charges to Future Revenue	Paid or Charged	Balance Dec. 31, 2014		
		Date	Amount	Funded	Unfunded			Funded	Unfunded	
1174-06	Water System Improvements	11/21/06	\$ 471,000.00	\$ 80,351.63			\$ 46,146.50	\$ 34,205.13		
1178-07; 1231-11	Water Capital Projects	05/01/07 03/08/11	810,000.00 150,000.00		\$ 104,487.09				\$ 104,487.09	
1198-09; 1245-12	Water System Improvements	08/25/09 04/03/12	180,000.00 175,000.00		37,569.80				37,569.80	
1249-12; 1276-13	Water Main Improvements	05/15/12 05/07/13	975,000.00 575,050.00		151,707.60		3,104.68		148,602.92	
1296-14	Water Main Improvements	07/01/14	290,000.00			\$ 290,000.00	232,445.61		57,554.39	
1299-14	Water Main Improvements	11/06/14	310,000.00			310,000.00			310,000.00	
				<u>\$ 80,351.63</u>	<u>\$ 293,764.49</u>	<u>\$ 600,000.00</u>	<u>\$ 281,696.79</u>	<u>\$ 34,205.13</u>	<u>\$ 658,214.20</u>	
				<u>Ref.</u>	D	D			D	D
						<u>Ref.</u>				
							\$ 227,397.17			
						D	54,299.62			
							<u>\$ 281,696.79</u>			

BOROUGH OF CALDWELL
WATER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2013	D	\$ 104,750.00
Increased by:		
2014 Budget Appropriation		<u>24,750.00</u>
Balance December 31, 2014	D	<u>\$ 129,500.00</u>

BOROUGH OF CALDWELL
WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2013	D	\$ 2,141,446.12
Increased by:		
Paid by Water Utility Operating Budget:		
Serial Bonds		<u>115,000.00</u>
Balance December 31, 2014	D	<u>\$ 2,256,446.12</u>

BOROUGH OF CALDWELL
WATER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2013	D	\$ 9,900.00
Increased by:		
Paid by Water Utility Operating Budget:		
Bond Anticipation Notes		<u>50,000.00</u>
Balance December 31, 2014	D	<u><u>\$ 59,900.00</u></u>

BOROUGH OF CALDWELL
WATER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Improvement Description	Ord. No.	Issue of Original Note	Date of		Interest Rate	Balance Dec. 31, 2013	Issued	Matured	Balance Dec. 31, 2014
			Issue	Maturity					
Water System Improvements	1198-09; 1245-12	12/21/12	06/28/13	06/27/14	1.000%	\$ 250,000.00		\$ 250,000.00	
			06/26/14	06/25/15	1.000%		\$ 320,000.00		\$ 320,000.00
Water Main Improvements	1249-12; 1276-13	12/21/12	06/28/13	06/27/14	1.000%	1,545,050.00		1,545,050.00	
			06/26/14	06/25/15	1.000%		1,345,050.00		1,345,050.00
						<u>\$ 1,795,050.00</u>	<u>\$ 1,665,050.00</u>	<u>\$ 1,795,050.00</u>	<u>\$ 1,665,050.00</u>
<u>Ref.</u>						D			D
						New Issuance	\$ 70,000.00		
						Renewals	1,595,050.00	\$ 1,595,050.00	
						Paid by Budget Appropriation		50,000.00	
						Redeemed for Cash		150,000.00	
							<u>\$ 1,665,050.00</u>	<u>\$ 1,795,050.00</u>	

BOROUGH OF CALDWELL
WATER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds			Int. Rate	Balance Dec. 31, 2013	Matured	Balance Dec. 31, 2014
			Outstanding December 31, 2014						
			Date	Amount					
Water Utility Bonds	04/01/07	\$ 575,000.00	04/01/15-16	\$ 40,000.00	3.750%	\$ 365,000.00	\$ 40,000.00	\$ 325,000.00	
			04/01/17	45,000.00	4.000%				
			04/01/18-21	50,000.00	4.000%				
Water Utility Bonds	07/27/11	810,000.00	07/15/15	75,000.00	3.000%	660,000.00	75,000.00	585,000.00	
			07/15/16	80,000.00	3.000%				
			07/15/17	80,000.00	3.000%				
			07/15/18	80,000.00	4.000%				
			07/15/19	90,000.00	4.000%				
			07/15/20	90,000.00	5.000%				
			07/15/21	90,000.00	5.000%				
						<u>660,000.00</u>	<u>75,000.00</u>	<u>585,000.00</u>	
						<u>\$ 1,025,000.00</u>	<u>\$ 115,000.00</u>	<u>\$ 910,000.00</u>	
<u>Ref.</u>						D		D	

BOROUGH OF CALDWELL
WATER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2013</u>	<u>2014 Authorizations</u>	<u>Bond Anticipation Notes Matured</u>	<u>Bond Anticipation Notes Issued</u>	<u>Notes Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2014</u>
1198-09; 1245-12	Water System Improvements	\$ 105,000.00		\$ 250,000.00	\$ 320,000.00		\$ 35,000.00
1178-07; 1231-11	Water Capital Projects	150,000.00					150,000.00
1249-12; 1276-13	Water Main Improvements			1,545,050.00	1,345,050.00	\$ 50,000.00	150,000.00
1296-14	Water Main Improvements		\$ 290,000.00				290,000.00
1299-14	Water Main Improvements		310,000.00				310,000.00
		<u>\$ 255,000.00</u>	<u>\$ 600,000.00</u>	<u>\$ 1,795,050.00</u>	<u>\$ 1,665,050.00</u>	<u>\$ 50,000.00</u>	<u>\$ 935,000.00</u>

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
SEWER UTILITY FUND

BOROUGH OF CALDWELL
SEWER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2013	E	\$ 745,639.47	\$ 855,082.39
Increased by Receipts:			
Sewer Collector		\$ 4,798,900.78	
Interest Income		610.25	
Due from Current Fund:			
Settlement of Prior Year Interfund		53.08	
Appropriation Refunds		80,620.30	
2014 Budget Appropriation:			
Capital Improvement Fund			\$ 115,000.00
		<u>4,880,184.41</u>	<u>115,000.00</u>
		5,625,823.88	970,082.39
Decreased by Disbursements:			
2014 Appropriation Expenditures		4,623,088.27	
2013 Appropriation Reserve Expenditures		79,146.02	
Accrued Interest on Bonds		18,020.70	
Accrued Interest on Loans		265,437.50	
Due to Current Fund:			
Anticipated Revenue - Operating Surplus		78,231.00	
Improvement Authorizations			224,862.94
		<u>5,063,923.49</u>	<u>224,862.94</u>
Balance December 31, 2014	E	<u>\$ 561,900.39</u>	<u>\$ 745,219.45</u>

BOROUGH OF CALDWELL
SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2014

Increased by Receipts:

Sewer Connection Fees	\$ 307,200.00	
Sewer Application Fees	2,000.00	
KMOS Lease of Wastewater Plant Property	217,331.00	
Consumer Accounts Receivable:		
Sewer Rents/Additional Sewer Rents	4,272,315.98	
Prepaid Sewer Rents	53.80	
	<hr/>	
		\$ 4,798,900.78

Decreased by:

Paid to Treasurer		<u>\$ 4,798,900.78</u>
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BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2013	Receipts Budget Appropriation	Disbursements Improvement Authorizations	Transfers		Balance/ (Deficit) Dec. 31, 2014
				From	To	
Capital Improvement Fund	\$ 1,045,215.54	\$ 115,000.00		\$ 282,000.00		\$ 878,215.54
Due from NJ Environmental Infrastructure Trust	(421,500.00)					(421,500.00)
Reserve for Encumbrances					\$ 156.75	156.75
<u>Ord.</u>						
<u>No.</u>	<u>Improvement Description</u>					
1175-06	Sewer Utility Improvements	328,940.53				328,940.53
1177-07	Wastewater Treatment Plant Upgrades	(97,573.68)	\$ 195,914.49			(293,488.17)
1298-14	Passaic Avenue Sewer Overflow		28,948.45	156.75	32,000.00	2,894.80
1301-14	Wastewater Treatment Plant Upgrades				250,000.00	250,000.00
	<u>\$ 855,082.39</u>	<u>\$ 115,000.00</u>	<u>\$ 224,862.94</u>	<u>\$ 282,156.75</u>	<u>\$ 282,156.75</u>	<u>\$ 745,219.45</u>

BOROUGH OF CALDWELL
SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2013	E	\$ 130,318.36
Increased by:		
Billings		<u>4,272,611.65</u>
		4,402,930.01
Decreased by:		
Prepaid Rents Applied	\$ 53.08	
Collected in Sewer Utility Operating Fund	<u>4,272,315.98</u>	
		<u>4,272,369.06</u>
Balance December 31, 2014	E	<u><u>\$ 130,560.95</u></u>

BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance December 31, 2013	E	<u>\$ 28,882,151.97</u>
Balance December 31, 2014	E	<u><u>\$ 28,882,151.97</u></u>

BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ord. No.	Improvement Description	Ordinance		Balance	2014	Balance
		Date	Amount	Dec. 31, 2013	Authorizations	Dec. 31, 2014
1175-06	Sewer Utility Improvements	12/12/06	\$ 480,300.00	\$ 480,300.00		\$ 480,300.00
1177-07	Wastewater Treatment Plant Upgrades	05/08/07	16,000,000.00	16,000,000.00		16,000,000.00
1298-14	Passaic Avenue Sewer Overflow	08/05/14	32,000.00		\$ 32,000.00	32,000.00
1301-14	Wastewater Treatment Plant Upgrades	12/16/14	250,000.00		250,000.00	250,000.00
				<u>\$ 16,480,300.00</u>	<u>\$ 282,000.00</u>	<u>\$ 16,762,300.00</u>
				Ref.	E	E

BOROUGH OF CALDWELL
SEWER UTILITY OPERATING FUND
SCHEDULE OF 2013 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 1,372.06	\$ 1,372.06		\$ 1,372.06
Other Expenses	115,523.27	115,523.27	\$ 79,146.02	36,377.25
Statutory Expenditures:				
Contribution to:				
Defined Contribution Retirement Plan	38.44	38.44		38.44
	<u>\$ 116,933.77</u>	<u>\$ 116,933.77</u>	<u>\$ 79,146.02</u>	<u>\$ 37,787.75</u>

Ref.

Analysis of Balance December 31, 2013:

Appropriation Reserves:			
Unencumbered	E	\$ 90,976.69	
Encumbered	E	25,957.08	
		<u>\$ 116,933.77</u>	

BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2013		2014 Authorizations Capital Improvement Fund	Paid or Charged	Balance Dec. 31, 2014	
		Date	Amount	Funded	Unfunded	Funded		Unfunded	
1175-06	Sewer Utility Improvements	12/12/06	\$ 480,300.00	\$ 328,940.53	\$ 16,720.00			\$ 328,940.53	\$ 16,720.00
1177-07	Wastewater Treatment Plant Upgrades	05/08/07	16,000,000.00		323,926.32		\$ 195,914.49		128,011.83
1298-14	Passaic Avenue Sewer Overflow	08/05/14	32,000.00			\$ 32,000.00	29,105.20	2,894.80	
1301-14	Wastewater Treatment Plant Upgrades	12/16/14	250,000.00			250,000.00		250,000.00	
				<u>\$ 328,940.53</u>	<u>\$ 340,646.32</u>	<u>\$ 282,000.00</u>	<u>\$ 225,019.69</u>	<u>\$ 581,835.33</u>	<u>\$ 144,731.83</u>
		<u>Ref.</u>	E	E		<u>Ref.</u>		E	E
					Cash Disbursed		\$ 224,862.94		
					Encumbrances	E	156.75		
							<u>\$ 225,019.69</u>		

BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2013	E	\$ 1,045,215.54
Increased by:		
2014 Budget Appropriation		115,000.00
		<u>1,160,215.54</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>282,000.00</u>
Balance December 31, 2014	E	<u><u>\$ 878,215.54</u></u>

BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2013	E	\$ 32,299,416.12
Increased by:		
Paid by Sewer Utility Operating Budget:		
Serial Bonds Payable		\$ 70,000.00
New Jersey Environmental Infrastructure Trust Loans		737,494.95
		<u>807,494.95</u>
Balance December 31, 2014	E	<u>\$ 33,106,911.07</u>

BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ord. No.	Improvement Description	Ord. Date	Balance Dec. 31, 2013	2014 Authorizations	Balance Dec. 31, 2014
1177-07	Wastewater Treatment Plant Upgrades	05/08/07	\$ 179,551.11		\$ 179,551.11
1298-14	Passaic Avenue Sewer Overflow	08/05/14		\$ 32,000.00	32,000.00
1301-14	Wastewater Treatment Plant Upgrades	12/16/14		250,000.00	250,000.00
			<u>\$ 179,551.11</u>	<u>\$ 282,000.00</u>	<u>\$ 461,551.11</u>
		<u>Ref.</u>	E		E

BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2013	Matured	Balance Dec. 31, 2014
			Date	Amount				
2005 Sewer Utility Refunding Bonds	01/01/05	\$ 335,000.00	07/01/15	\$ 30,000.00	4.000%	\$ 115,000.00	\$ 30,000.00	\$ 85,000.00
			07/01/16	30,000.00	3.750%			
			07/01/17	25,000.00	3.850%			
2007 Sewer Utility Bonds	04/01/07	564,580.00	04/01/15-16	40,000.00	3.750%	364,580.00	40,000.00	324,580.00
			04/01/17	40,000.00	4.000%			
			04/01/18-20	50,000.00	4.000%			
			04/01/21	54,580.00	4.000%			
						<u>\$ 479,580.00</u>	<u>\$ 70,000.00</u>	<u>\$ 409,580.00</u>
<u>Ref.</u>						E		E

BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST (NJEIT) LOANS PAYABLE

	<u>Ref.</u>	
Balance December 31, 2013	E	\$ 11,965,684.74
Decreased by:		
Principal Matured:		
Paid by Sewer Utility Operating Budget		<u>737,494.95</u>
Balance December 31, 2014	E	<u>\$ 11,228,189.79</u>

Schedule of Principal and Interest Payments Outstanding December 31, 2014
Trust Loan - 2007 Issue

<u>Payment Number</u>	<u>Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Loan Balance</u>
				\$ 5,790,000.00
14	02/01/15		\$ 132,718.75	5,790,000.00
15	08/01/15	\$ 335,000.00	132,718.75	5,455,000.00
16	02/01/16		124,343.75	5,455,000.00
17	08/01/16	350,000.00	124,343.75	5,105,000.00
18	02/01/17		115,593.75	5,105,000.00
19	08/01/17	365,000.00	115,593.75	4,740,000.00
20	02/01/18		106,468.75	4,740,000.00
21	08/01/18	385,000.00	106,468.75	4,355,000.00
22	02/01/19		96,843.75	4,355,000.00
23	08/01/19	405,000.00	96,843.75	3,950,000.00
24	02/01/20		88,743.75	3,950,000.00
25	08/01/20	420,000.00	88,743.75	3,530,000.00
26	02/01/21		80,343.75	3,530,000.00
27	08/01/21	435,000.00	80,343.75	3,095,000.00
28	02/01/22		69,468.75	3,095,000.00
29	08/01/22	460,000.00	69,468.75	2,635,000.00
30	02/01/23		57,968.75	2,635,000.00
31	08/01/23	480,000.00	57,968.75	2,155,000.00
32	02/01/24		47,768.75	2,155,000.00
33	08/01/24	505,000.00	47,768.75	1,650,000.00

BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST (NJEIT) LOANS PAYABLE
(Continued)

Schedule of Principal and Interest Payments Outstanding December 31, 2014

Trust Loan - 2007 Issue

(Continued)

Payment Number	Due	Principal	Interest	Loan Balance
34	02/01/25		\$ 36,406.25	\$ 1,650,000.00
35	08/01/25	\$ 525,000.00	36,406.25	1,125,000.00
36	02/01/26		24,593.75	1,125,000.00
37	08/01/26	550,000.00	24,593.75	575,000.00
38	02/01/27		12,218.75	575,000.00
39	08/01/27	575,000.00	12,218.75	-0-
		<u>\$ 5,790,000.00</u>	<u>\$ 1,986,962.50</u>	

Schedule of Principal Payments Outstanding December 31, 2014

Fund Loan - 2007 Issue

Payment Number	Due	Principal	Loan Balance
			\$ 5,064,587.51
14	02/01/15	\$ 86,430.36	4,978,157.15
15	08/01/15	304,592.24	4,673,564.91
16	02/01/16	80,976.31	4,592,588.60
17	08/01/16	308,906.64	4,283,681.96
18	02/01/17	75,278.06	4,208,403.90
19	08/01/17	312,976.82	3,895,427.08
20	02/01/18	69,335.59	3,826,091.49
21	08/01/18	320,058.94	3,506,032.55
22	02/01/19	63,067.50	3,442,965.05
23	08/01/19	326,815.45	3,116,149.60
24	02/01/20	57,792.54	3,058,357.06
25	08/01/20	331,308.93	2,727,048.13
26	02/01/21	52,322.22	2,674,725.91
27	08/01/21	335,607.05	2,339,118.86
28	02/01/22	45,240.09	2,293,878.77
29	08/01/22	344,805.67	1,949,073.10
30	02/01/23	37,750.96	1,911,322.14

BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST (NJEIT) LOANS PAYABLE
(Continued)

Schedule of Principal Payments Outstanding December 31, 2014

Fund Loan - 2007 Issue

(Continued)

<u>Payment Number</u>	<u>Due</u>	<u>Principal</u>	<u>Loan Balance</u>
31	08/01/23	\$ 350,341.12	\$ 1,560,981.02
32	02/01/24	31,108.41	1,529,872.61
33	08/01/24	359,979.31	1,169,893.30
34	02/01/25	23,708.82	1,146,184.48
35	08/01/25	365,604.31	780,580.17
36	02/01/26	16,016.17	764,564.00
37	08/01/26	374,192.40	390,371.60
38	02/01/27	7,957.21	382,414.39
39	08/01/27	382,414.39	-0-
		<u>\$ 5,064,587.51</u>	

Schedule of Principal Payments Outstanding December 31, 2013

Fund Loan - 2013 Issue

<u>Payment Number</u>	<u>Due</u>	<u>Principal</u>	<u>Loan Balance</u>
			\$ 373,602.28
4	02/01/15	\$ 9,579.54	364,022.74
5	08/01/15	19,159.09	344,863.65
6	02/01/16	9,579.54	335,284.11
7	08/01/16	19,159.09	316,125.02
8	02/01/17	9,579.54	306,545.48
9	08/01/17	19,159.09	287,386.39
10	02/01/18	9,579.54	277,806.85
11	08/01/18	19,159.09	258,647.76
12	02/01/19	9,579.54	249,068.22
13	08/01/19	19,159.09	229,909.13
14	02/01/20	9,579.54	220,329.59
15	08/01/20	19,159.09	201,170.50
16	02/01/21	9,579.54	191,590.96

BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST (NJEIT) LOANS PAYABLE
(Continued)

Schedule of Principal Payments Outstanding December 31, 2014
Fund Loan - 2013 Issue
(Continued)

Payment Number	Due	Principal	Loan Balance
17	08/01/21	\$ 19,159.09	\$ 172,431.87
18	02/01/22	9,579.54	162,852.33
19	08/01/22	19,159.09	143,693.24
20	02/01/23	9,579.54	134,113.70
21	08/01/23	19,159.09	114,954.61
22	02/01/24	9,579.54	105,375.07
23	08/01/24	19,159.09	86,215.98
24	02/01/25	9,579.54	76,636.44
25	08/01/25	19,159.09	57,477.35
26	02/01/26	9,579.54	47,897.81
27	08/01/26	19,159.09	28,738.72
28	02/01/27	9,579.54	19,159.18
29	08/01/27	19,159.18	-0-
		<u>\$ 373,602.28</u>	

BOROUGH OF CALDWELL
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2013</u>	<u>Balance Dec. 31, 2014</u>
1175-06	Sewer Utility Improvements	\$ 16,720.00	\$ 16,720.00
1177-07	Wastewater Treatment Plant Upgrades	<u>421,500.00</u>	<u>421,500.00</u>
		<u>\$ 438,220.00</u>	<u>\$ 438,220.00</u>

BOROUGH OF CALDWELL
COUNTY OF ESSEX
2014
PUBLIC ASSISTANCE FUND

BOROUGH OF CALDWELL
PUBLIC ASSISTANCE FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>P.A.T.F. I</u>	<u>Total</u>
Balance December 31, 2013	F	\$ 35,297.66	\$ 35,297.66
Increased by Receipts:			
Donations		48,993.47	48,993.47
		<u>84,291.13</u>	<u>84,291.13</u>
Decreased by Disbursements:			
Ineligible Assistance		34,733.88	34,733.88
		<u>34,733.88</u>	<u>34,733.88</u>
Balance December 31, 2014	F	<u>\$ 49,557.25</u>	<u>\$ 49,557.25</u>

BOROUGH OF CALDWELL

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2014

BOROUGH OF CALDWELL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2014

Federal Department	Federal Program	C.F.D.A. Account Number	State Account/Project Number	Grant Award	Grant Period		Grant Receipts	Grant Expenditures	MEMO
					From	To			Cumulative Total Expenditures
U.S. Department of Justice: Office of Justice Programs (Passed through NJ Department of Law and Public Safety)	Statewide Local Domestic Preparedness Grant	16.007	100-066-1020- 354-YLDP	N/A	N/A	12/31/15		\$ 37,988.00	\$ 37,988.00
	Bulletproof Vest Program	16.607	N/A	4,542.50	01/01/12	12/31/15	\$ 521.00		2,315.63
Total US Department of Justice							521.00	37,988.00	40,303.63
U.S. Department of Transportation: (Passed through NJ Department of Transportation)	Highway Planning and Construction: Municipal Aid Program - Brookside Avenue	20.205	ALC-609162	265,000.00	01/01/12	12/31/14	79,253.02	79,253.02	262,521.90
(Passed through NJ Department of Law and Public Safety)	Drive Sober or Get Pulled Over: Holiday Crackdown - 2013	20.616	066-1160-100- 157-031020	4,400.00	01/01/13	12/31/15	4,200.00	4,200.00	4,200.00
	Holiday Crackdown - 2014			3,400.00	01/01/14	12/31/14	3,400.00	3,400.00	3,400.00
							7,600.00	7,600.00	7,600.00
Total U.S. Department of Transportation							86,853.02	86,853.02	270,121.90
U.S. Department of Housing and Urban Development: (Passed through the County of Essex)	Community Development Block Block Grants Entitlement Cluster: Public Library Parking Garage Ramps Borough Hall ADA Chairlift	14.228	N/A B-13UC-34-0101	96,303.72 56,000.00	01/01/12 01/24/14	12/31/14 12/31/15	87,906.22 35,019.00	87,906.22	96,303.72
Total U.S. Department of Housing and Urban Development							122,925.22	87,906.22	96,303.72
U.S. Department of Homeland Security: (Passed through N.J. Department of Law and Public Safety)	Disaster Grants - Public Assistance - FEMA: Super Storm Sandy	97.036	N/A	139,660.35	01/01/12	12/31/12	62,698.56	62,698.56 *	139,660.35
Total U.S. Department of Homeland Security							62,698.56	62,698.56	139,660.35
TOTAL FEDERAL AWARDS							<u>\$ 272,997.80</u>	<u>\$ 275,445.80</u>	<u>\$ 546,389.60</u>

* Expended in 2012.

N/A - Not Available/Applicable

BOROUGH OF CALDWELL
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2014

Name of State Agency or Department	Name of Program	State Program Account Number	Grant Award	Grant Period		Grant Receipts	Grant Expenditures	MEMO
				From	To			Cumulative Total Expenditures
Department of Environmental Protection	Clean Communities Grant	765-042-4900- 004-178900	\$ 12,296.49	01/01/14	12/31/15	\$ 12,296.49		
	Recycling Tonnage Grant	752-042-4900- 004-178840	9,034.43	01/01/12	12/31/14		\$ 9,034.43	\$ 9,034.43
			12,288.20	01/01/13	12/31/14		12,288.20	12,288.20
			16,176.71	01/01/14	12/31/15	16,176.71		
						16,176.71	21,322.63	21,322.63
	Green Trust Program - Green Acres	727-042-4800- 002-100200	142,866.50	01/01/10	12/31/14	142,866.50	142,866.50	142,866.50
Total Department of Environmental Protection						171,339.70	164,189.13	164,189.13
Department of Health and Senior Services	Alcohol Education, Rehabilitation and Enforcement Fund (Trust)	760-046-4240- 040000	1,338.00	01/01/08	12/31/14		5.63	1,338.00
			649.73	01/01/09	12/31/14		649.73	649.73
			351.91	01/01/10	12/31/15		44.64	44.64
			2,540.45	01/01/14	12/31/15	2,540.45		
Total Department of Health and Senior Services						2,540.45	700.00	2,032.37
Department of Law and Public Safety	Drunk Driving Enforcement Fund	100-066-1110- 260-YYYY	2,900.00	01/01/07	12/31/14		3,212.92	2,900.00
			5,146.99	01/01/08	12/31/14		1,738.69	5,146.99
			4,908.00	01/01/11	12/31/15		468.77	2,799.93
			4,252.03	01/01/14	12/31/15	4,252.03		
						4,252.03	5,420.38	10,846.92
Body Armor Replacement Fund	718-066-1020- 001-6120		8,422.65	01/01/06	12/31/14		671.78	8,422.65
			2,204.15	01/01/11	12/31/14		1,531.78	2,204.15
			3,011.63	01/01/13	12/31/15		1,814.44	1,814.44
			2,355.73	01/01/14	12/31/15	2,355.73		
						2,355.73	4,018.00	12,441.24
Total Department of Law and Public Safety						6,607.76	9,438.38	23,288.16
TOTAL STATE AWARDS						\$ 180,487.91	\$ 174,327.51	\$ 189,509.66

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

BOROUGH OF CALDWELL
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2014

A. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the "Schedules") includes the federal and state grant activity of the Borough of Caldwell under programs of the federal and state governments for the year ended December 31, 2014. The information in these schedules is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and New Jersey's OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Borough, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Borough.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governmental Units*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

C. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

D. STATE LOANS OUTSTANDING

The Borough of Caldwell has the following loans outstanding as of December 31, 2014:

Sewer Utility Capital Fund:	
New Jersey Environmental Infrastructure Trust Loans	<u>\$ 11,228,189.79</u>

Currently, the Borough is in the process of repaying the loan balances on the 2007 loans. There have been no expenditures or receipts on the project related to the \$421,500 2013 loan. At December 31, 2014, the Borough has received and expended \$15,113,500.00 of the \$15,535,000.00. Loan funds are for the upgrades to the wastewater treatment system.



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

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

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

Independent Auditors' Report

The Honorable Mayor and Members
 of the Borough Council
 Borough of Caldwell
 Caldwell, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements – *regulatory basis* - of the various funds of the Borough of Caldwell, in the County of Essex (the "Borough") as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements and have issued our report thereon dated April 17, 2015. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as Finding 2014-01, that we consider to be a significant deficiency.

The Honorable Mayor and Members
of the Borough Council
Borough of Caldwell
Page 2

Compliance and Other Matters

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

The Borough's Response to the Finding

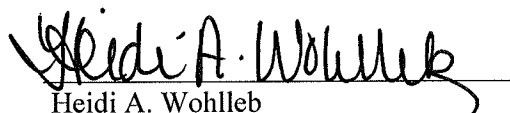
The Borough's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. The Borough's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Borough'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's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mount Arlington, New Jersey
April 17, 2015

NISIVOCCIA LLP



Heidi A. Wohlleb

Certified Public Accountant

Registered Municipal Accountant No. 481

BOROUGH OF CALDWELL
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2014

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey.
- A significant deficiency was disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
- No instances of noncompliance material to the financial statements of the Borough which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Borough was not subject to the single audit provisions of Federal OMB Circular A-133 and New Jersey's OMB Circular 04-04 for the year ended December 31, 2014 as both state and federal grant expenditures were less than the single audit thresholds of \$500,000 identified in the Circulars.

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

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

Finding 2014-01

The Borough does not maintain an adequate segregation of duties with respect to the recording and treasury functions. Segregation of duties refers to separating those functions that place too much control over a transaction or class of transactions that would enable a person to perpetuate errors and prevent detection within a reasonable period of time. The various departments or offices of the Borough are responsible for the issuance of permits and licenses; collection of taxes, utility charges and permit and license fees; and recording of collections. Also, the Tax Collector is responsible for collecting, depositing and posting all cash receipts to the Borough's finance software. This is due, in part, to the limited number of personnel of the Borough and the decentralized nature of governmental collection procedures. Accordingly, management and the Borough Council should be aware of this situation and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

Management's Response:

This finding will be evaluated by the governing body and administration in 2015.

Findings and Questioned Costs for Federal Awards:

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

Findings and Questioned Costs for State Awards:

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

BOROUGH OF CALDWELL
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2014

The Borough's prior year audit finding regarding segregation of duties was not resolved in 2014 and is therefore included as current year finding 2014-01.

BOROUGH OF CALDWELL

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2014

BOROUGH OF CALDWELL
COMMENTS AND RECOMMENDATIONS

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

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 (N.J.S.A. 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 (N.J.S.A. 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 (N.J.S.A. 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: "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 therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective January 1, 2011 and thereafter, the bid threshold in accordance with N.J.S. 40A:11-3 and 40A:11-4 (as amended) is \$17,500 and with a qualified purchasing agent the bid threshold may be up to \$36,000.

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

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

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

BOROUGH OF CALDWELL
COMMENTS AND RECOMMENDATIONS
(Continued)

Collection of Interest on Delinquent Taxes, Utility Rents and Assessments

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

On January 1, 2014, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes and utility charges:

"BE IT RESOLVED by the Borough Council of the Borough of Caldwell, NJ pursuant to R.S. 54:4-67, as amended and supplemented, that the rate of interest to be charged for the non-payment of taxes or assessments on or after the date when they become delinquent shall be as follows:

1. No interest shall be charged if payment of any installment so due is made within ten (10) days of the date the same shall be payable; and
2. Upon expiration of the ten (10) day period as aforesaid, the rate of interest shall be eight (8) percent on the first \$1,500.00 of the delinquency and eighteen (18) percent thereafter on any amount in excess of \$1,500; and
3. A penalty shall be charged to a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the calendar year in the amount of 6% of the delinquency.

FURTHER, BE IT RESOLVED that

4. Any water or sewer account remaining unpaid after due date on each billing shall be subject to a penalty of ten (10) percent of the unpaid balance."

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

Delinquent Taxes and Tax Title Liens

An accelerated tax sale was held on December 18, 2014.

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-

Verification of Delinquent Taxes and Other Charges

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

<u>Type</u>	<u>Number Mailed</u>
Payment of 2014 and 2015 Taxes	30
Payment of 2014 and 2015 Water Rents	20
Payment of 2014 Excess Sewer Rents	15

BOROUGH OF CALDWELL
COMMENTS AND RECOMMENDATIONS
(Continued)

New Jersey Administrative Code Accounting Requirements

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

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

The Borough maintains encumbrance, fixed assets and general ledger accounting systems.

Outside Offices

During our review of the Community Center operations, we noted the following:

- a. Individual log-ons are not assigned for each employee who utilizes the same Community Center cash drawer. Also, corrections to postings of receipts in the Community Center's accounting software are approved by either the Community Center Director or the Front Desk Supervisor, who are not independent of collections. However, their involvement with cash collections is kept to a minimum. In 2012, the Borough installed security cameras in certain areas of the Community Center, including the front desk where cash is collected.
- b. Not all cash collections are deposited within forty-eight hours of receipt in accordance with New Jersey state statute.

It is recommended that:

- a. Each employee who is designated to collect funds at the Community Center is at least assigned an individual log on within the registration software. Also, the cash drawer should be formally proven at the end of each employee's assignment to the cash drawer at the Community Center. Consideration should be given to assigning individual cash drawers to each Community Center employee responsible for collections. Corrections to postings of receipts in the Community Center's accounting software should be approved by a Community Center employee independent of collections.
- b. Greater care be taken to ensure that all cash collections are deposited within forty-eight hours of receipt in accordance with New Jersey state statute.

Management's Response

The Borough will continue to evaluate job duties and systems controls at the Community Center, including the possibility of a central cashier. Also, extra care will be taken to ensure all cash receipts are deposited in a timely manner.

Sewer Utility Operating

The Borough does not have formal written sewer fees contracts with the various municipalities in which sewer rates and terms are established to help ensure collection of sewer billings. It is recommended that the Borough implement formal written contracts with the various municipalities for sewer fees.

BOROUGH OF CALDWELL
COMMENTS AND RECOMMENDATIONS
(Continued)

Sewer Utility Operating (Cont'd)

Management's Response

The Borough is in the process of negotiating contract terms with the various municipalities.

As of December 31, 2014, the Borough had an operating deficit in the Sewer Utility Operating Fund at year end. The operating deficit was primarily due to a large consumer accounts receivable due from a local municipality. As the Borough has put plans in place to ensure that future operating deficits do not occur, a formal recommendation is not warranted.

Municipal Court

The report of the Municipal Court has been forwarded to the Division of Local Government Services and the Borough Magistrate under separate cover. Reflected below is a summary of receipts and disbursements for the year ended December 31, 2014.

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

	Balance Dec. 31, 2013	Receipts	Disbursements	Balance Dec. 31, 2014
Municipal Treasurer:				
Fines and Costs	\$ 21,042.92	\$ 285,980.27	\$ 286,320.03	\$ 20,703.16
P.O.A.A. Fines	122.00	1,696.00	1,662.00	156.00
Public Defender		1,090.00	1,065.00	25.00
State Treasurer	15,947.08	196,099.98	200,093.22	11,953.84
County Treasurer	5,068.00	61,821.25	62,963.25	3,926.00
Conditional Discharge Fee		1,347.00	1,402.00	(55.00)
Weights and Measures		450.00		450.00
Restitution		60.00		60.00
Cash Bail	495.00	18,692.00	18,705.00	482.00
	<u>\$ 42,675.00</u>	<u>\$ 567,236.50</u>	<u>\$ 572,210.50</u>	<u>\$ 37,701.00</u>

During our review of the Municipal Court records, we noted the following:

- a. Although the Court Administrator had made a significant effort in voiding older tickets on the tickets assigned to an officer but not issued report, there were still a large number of tickets on the tickets assigned to an officer but not issued report which had been issued over six months ago. Also, certain tickets selected for testing could not be located.
- b. During our review of the bank reconciliations for the regular account, we noted that there are reconciling differences beginning in September of 2013. Also, not all receipts collected in a particular month were disbursed by the fifteenth of the following month.
- c. During our review of the Bail account, we noted that there are a number of items of bail held on account that related to cases that appeared to have been closed in prior years. We also noted that the total outstanding bail on account does not agree with the reconciled book balance for the bail account.

BOROUGH OF CALDWELL
COMMENTS AND RECOMMENDATIONS
(Continued)

Municipal Court (Cont'd)

It is recommended that:

- a. The Court Administrator continue to pursue collection of the older tickets on the tickets assigned to an officer but not issued report so that these tickets may be voided and pursue disposition of any tickets on these reports which cannot be located.
- b. Reconciling differences on the monthly bank reconciliations be investigated and resolved and greater care be taken to ensure that receipts collected in the regular account in a particular month are disbursed by the fifteenth of the following month.
- c. Older items of bail held on account be investigated and refunded or forfeited as deemed appropriate. Also, the total outstanding bail on account be reconciled with the bail account book balance on a monthly basis.

Management's Response

The Court Administrator will continue to pursue collection from the respective officers of the older tickets on the tickets assigned to an officer but not issued report so they may be voided and pursue disposition of any tickets which cannot be located. Also, the Court Administrator will review and resolve the reconciling differences on the monthly bank reconciliations and ensure receipts are disbursed in a timely manner. Additionally, the Court Administrator will review and resolve older bail items held on account and ensure that the total outstanding bail on account is reconciled with the bail cash balance on a monthly basis.

Management Suggestions

Older Federal and State Grant Reserves

There are various appropriated reserves in the grant fund which have been on the Borough's records for several years. It is suggested that older grant reserve balances be reviewed for possible cancellation.

Parking Meter Collections

The internal controls over parking meter collections should be considered to ensure that sufficient controls are in place.

Status of Prior Year Recommendations

The Borough has initiated a corrective action plan to resolve comments and recommendations from the 2013 audit report. The prior year recommendation with respect to the availability of an outstanding check list for the court accounts and vouchers being approved before goods are ordered or services are rendered were resolved during the current year. The remaining prior year recommendations have been repeated in the current year's audit and corrective action with respect to these recommendations is in the process of being implemented.

BOROUGH OF CALDWELL
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. Consideration be given to providing for a more adequate segregation of duties with respect to the recording and treasury functions.
2. Community Center:
 - a. Each employee who is designated to collect funds at the Community Center is at least assigned an individual log on within the registration software. Also, the sole cash drawer should be formally proven at the end of each employee's assignment to the cash drawer at the Community Center. Consideration should be given to assigning individual cash drawers to each Community Center employee responsible for collections. Corrections to postings of receipts in the Community Center's accounting software should be approved by a Community Center employee independent of collections.
 - b. Greater care be taken to ensure that all cash collections are deposited within forty-eight hours of receipt in accordance with New Jersey state statute.
3. Sewer Operating Utility:
 - a. The Borough implement formal written contracts with the various municipalities for sewer fees.
4. Municipal Court:
 - a. The Court Administrator continues to pursue collection of the older tickets on the tickets assigned to an officer but not issued report so that these tickets may be voided and pursue disposition of any tickets on these reports which cannot be located.
 - b. Reconciling differences on the monthly bank reconciliations be investigated and resolved and greater care be taken to ensure that receipts collected in the regular account in a particular month are disbursed by the fifteenth of the following month.
 - c. Older items of bail held on account be investigated and refunded or forfeited as deemed appropriate. Also, the total outstanding bail on account be reconciled with the bail account book balance on a monthly basis.

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