TOWNSHIP OF SADDLE BROOK
WATER UTILTY OPERATING FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013		$ 122,173
Increased by:		
Accrued	$ 125,447	
		125,447
		247,620
Decreased by:		
Paid	$ 122,173	
Cancelled	-	
		122,173
Balance, December 31, 2014		$ 125,447

TOWNSHIP OF SADDLE BROOK
WATER UTILTY OPERATING FUND
SCHEDULE OF INTERFUND PAYABLE
YEAR ENDED DECEMBER 31, 2014

Description	Balance December 31, 2013	Interfunds Advanced	Interfunds Returned	Balance December 31, 2014
Due To - Current Fund	$ -	$ 86,862	$ 71,852	$ 15,010
	$ -	$ 86,862	$ 71,852	$ 15,010

TOWNSHIP OF SADDLE BROOK
WATER UTILTY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS
YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013		$ 20,100
Increased by:		
Accrued/Budget Appropriation	$ 59,703	
		59,703
		79,803
Decreased by:		
Paid by Current Fund	$ 30,150	
Paid by General Capital Fund	30,150	
		60,300
Balance, December 31, 2014		$ 19,503

TOWNSHIP OF SADDLE BROOK
WATER UTILTY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON NOTES
YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013		$ 952
Increased by:		
Accrued/Budget Appropriation	$ 2,766	
Adjustment	1,377	
		4,143
		5,095
Decreased by:		
Paid by General Capital Fund	$ 2,785	
		2,785
Balance, December 31, 2014		$ 2,310

TOWNSHIP OF SADDLE BROOK
WATER UTILTY OPERATING FUND
SCHEDULE OF OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2014

Balance, December 31, 2013		$ 27,245
Increased by:		
Current Year Overpayments	$ 19,369	
		19,369
		46,614
Decreased by:		
Applied to Rents	$ 27,245	
		27,245
Balance, December 31, 2014		$ 19,369

TOWNSHIP OF SADDLE BROOK
WATER UTILTY OPERATING FUND
SCHEDULE OF FUND BALANCE
YEAR ENDED DECEMBER 31, 2014

Description	Balance December 31, 2013	Increased by Bond/BAN Premiums	Increased by Cancelled Funded Authorizations	Increased by Current Year Operations	Decreased by Fund Balance Anticipated	Balance December 31, 2014
Fund Balance	$ 1,221,501	$ -	$ -	$ 12,440	$ -	$ 1,233,941

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
COMPARATIVE BALACE SHEET (REGULATORY BASIS)

	2014	2013
ASSETS		
Cash:		
Operating Account	$ 77,908	$ 77,908
Interfund Receivable:		
General Capital Fund	$ 275,643	$ -
Current Fund	137,036	137,036
	$ 412,679	$ 137,036
Fixed Capital Authorized & Uncompleted	$ 2,572,992	$ 2,237,992
Fixed Capital	$ 2,447,026	$ 2,447,026
Total Assets	$ 5,510,605	$ 4,899,962
LIABILITIES AND FUND BALANCE		
Interfund Payable:		
General Capital Fund	$ -	$ 271,734
Water Utility Operating Fund	82,504	82,504
	$ 82,504	$ 354,238
Other Liabilities and Reserves:		
Capital Improvement Fund	$ 17,748	$ 17,748
Reserve for Amortization	1,275,503	1,227,706
Reserve for Deferred Amortization	127,676	123,792
	$ 1,420,927	$ 1,369,246
Improvement Authorizations:		
Funded	$ 4,231	$ 4,231
Unfunded	2,286,105	1,738,728
	$ 2,290,336	$ 1,742,959
Serial Bonds Payable	$ 1,171,522	$ 1,219,319
Bond Anticipation Notes Payable	$ 545,316	$ 214,200
Total Liabilities and Reserves	$ 5,510,605	$ 4,899,962

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2014

Cash Balance, December 31, 2013		$ 77,908
Receipts:		
Capital Improvement Fund	$ -	
Due to Water Utility Operating Fund:		
Interest Earned	78	
		78
		77,986
Disbursements:		
Improvement Authorizations	$ -	
Contracts Payable	-	
Due to Water Utility Operating Fund:		
Interest Earned	78	
		78
Cash Balance, December 31, 2014		$ 77,908

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
SCHEDULE OF INTERFUND RECEIVABLE
YEAR ENDED DECEMBER 31, 2014

Description	Balance December 31, 2013	Interfunds Advanced	Interfunds Returned	Balance December 31, 2014
Due From - Current Fund	$ 137,036	$ -	$ -	$ 137,036
Due From - Water Utility Operating Fund	-	-	-	-
Due From - General Capital Fund	-	545,316	269,673	275,643
	$ 137,036	$ 545,316	$ 269,673	$ 412,679

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED & UNCOMPLETED
YEAR ENDED DECEMBER 31, 2014

Improvement	Balance December 31, 2013	Authorized	Receipts Applied	BANs Paid By Budget	Serial Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2014	Analysis of Balance		
								Outstanding BANs	B&N Authorized	Deferred Amortization
#1200/1411 Extension of Water Mains/Meter Purchase	$ 12,650	$ -	$ -	$ -	$ -	$ -	$ 12,650	$ -	$ -	$ 12,650
#1205 Automatic Meter Reading Equipment	342	-	-	-	-	-	342	-	-	342
#1514-11 Water Utility Improvements	225,000	-	-	-	-	-	225,000	210,316	-	14,684
#1557-13 Replacement of Water Mains	2,000,000	-	-	-	-	-	2,000,000	-	1,900,000	100,000
#1576-14 Replacement of Water Mains - Cambridge Avenue	-	335,000	-	-	-	-	335,000	335,000	-	-
	$ 2,237,992	$ 335,000	$ -	$ -	$ -	$ -	$ 2,572,992	$ 545,316	$ 1,900,000	$ 127,676

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2014

Description	Balance December 31, 2013	Transferred From Fixed Capital Authorized & Uncompleted	Adjustments	Cancellations	Balance December 31, 2014
Additional Water Mains	$ 516,996	$ -	$ -	$ -	$ 516,996
Fire Hydrants	5,000	-	-	-	5,000
General Equipment	650,833	-	-	-	650,833
Water Mains	2,650	-	-	-	2,650
Water Meters	813,897	-	-	-	813,897
Water Utility Improvements	457,650	-	-	-	457,650
Unallocated	$ 2,447,026	$ -	$ -	$ -	$ 2,447,026

Reserve for Amortization	$ 1,275,504
Serial Bonds Payable	1,171,522
	$ 2,447,026

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
SCHEDULE OF INTERFUND PAYABLE
YEAR ENDED DECEMBER 31, 2014

Description	Balance December 31, 2013	Interfunds Advanced	Interfunds Returned	Balance December 31, 2014
Due To - General Capital Fund	$ 271,734	$ -	$ 271,734	$ -
Due To - Water Utility Operating Fund	82,504	-	-	82,504
	$ 354,238	$ -	$ 271,734	$ 82,504

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2014

Description	Balance December 31, 2013	Water Operating Fund Appropriation	Used to Finance Authorizations	Cancelled Funded Authorizations	Balance December 31, 2014
Capital Improvement Fund	$ 17,748	$ -	$ -	$ -	$ 17,748

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2014

Description	Balance December 31, 2013	Transferred From Fixed Capital Authorized & Uncompleted	Serial Bond Principal Payments	Cancellations	Balance December 31, 2014
Unidentified from CY2004 Audit	$ 1,227,706	$ -	$ 47,797	$ -	$ 1,275,503

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION
YEAR ENDED DECEMBER 31, 2014

Description	Balance December 31, 2013	BAN Paydowns	Adjustments	Cancellations	Balance December 31, 2014
Unidentified from CY2004 Audit	$ 123,792	$ 3,884	$ -	$ -	$ 127,676

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2014

Description	Balance - January 1, 2014		Authorized	Expended	Adjustments	Cancellations	Balance - December 31, 2013	
	Funded	Unfunded					Funded	Unfunded
#1200/1411 Extension of Water Mains/Meter Purchase	$ 3,889	$ -	$ -	$ -	$ -	$ -	$ 3,889	$ -
#1205 Automatic Meter Reading Equipment	342	-	-	-	-	-	342	-
#1514-11 Water Utility Improvements	-	10,462	-	-	-	-	-	10,462
#1557-13 Replacement of Water Mains	-	1,728,266	-	39,286	271,734	-	-	1,960,714
#1576-14 Replacement of Water Mains (Cambridge)	-	-	335,000	20,071	-	-	-	314,929
	$ 4,231	$ 1,738,728	$ 335,000	$ 59,357	$ 271,734	$ -	$ 4,231	$ 2,286,105

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2014

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2013	Issued In 2014	Paid by Budget Appropriation	Balance December 31, 2014
3/14/06 Water Utility Bonds - County Guaranteed	$ 1,510,057	$ 1,219,319	$ -	$ 47,797	$ 1,171,522
		$ 1,219,319	$ -	$ 47,797	$ 1,171,522

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2014

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2013	Issued	Decreased	Budget Paydown	Balance December 31, 2014
13-1RWU										
#1514-11 Water Utility Improvements	$ 214,200	11/8/2011	8/28/2013	08/28/14	1.30%	$ 214,200	$ -	$ 210,316	$ 3,884	$ -
						$ 214,200	$ -	$ 210,316	$ 3,884	$ -
14-1RWU										
#1514-11 Water Utility Improvements	$ 214,200	11/8/2011	08/28/14	08/28/15	1.25%	$ -	$ 210,316	$ -	$ -	$ 210,316
#1576-14 Replacement of Water Mains (Cambridge)	$ 335,000	08/28/14	08/28/14	08/28/15	1.25%	-	335,000	-	-	335,000
						$ -	$ 545,316	$ -	$ -	$ 545,316
						$ 214,200	$ 545,316	$ 210,316	$ 3,884	$ 545,316

TOWNSHIP OF SADDLE BROOK
WATER UTILTY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2014

Improvement Description	Balance December 31, 2013	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2014
#1557-13 Replacement of Water Mains	$ 1,900,000	$ -	$ -	$ -	$ -	$ 1,900,000
	$ 1,900,000	$ -	$ -	$ -	$ -	$ 1,900,000

TOWNSHIP OF SADDLE BROOK
GENERAL FIXED ASSET ACCOUNT GROUP
COMPARATIVE BALACE SHEET (REGULATORY BASIS)

	2014	2013
ASSETS		
Land	$ 13,708,700	$ 13,708,700
Buildings and Improvements	12,582,606	12,582,606
Machinery & Equipment	3,171,679	3,171,679
Vehicles	4,460,413	4,460,413
	$ 33,923,398	$ 33,923,398
FUND BALANCE		
Reserve for Investment in General Fixed Assets	$ 33,923,398	$ 33,923,398

TOWNSHIP OF SADDLE BROOK
GENERAL FIXED ASSET ACCOUNT GROUP
SCHEDULE OF CHANGES IN RESERVE FOR GENERAL FIXED ASSETS

	Balance December 31, 2013	Additions	Retirements	Adjustments	Balance December 31, 2014
Land	$ 13,708,700	$ -	$ -	$ -	$ 13,708,700
Buildings and Improvements	12,582,606	-	-	-	12,582,606
Machinery & Equipment	3,171,679	-	-	-	3,171,679
Vehicles	4,460,413	-	-	-	4,460,413
	$ 33,923,398	$ -	$ -	$ -	$ 33,923,398

TOWNSHIP OF SADDLE BROOK

NJ Comprehensive Annual Financial Report

Annual Financial Information & Operating Data Section

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
GENERAL INFORMATION ABOUT THE TOWNSHIP

History

The Township of Saddle Brook (the "Township") was originally part of Saddle River Township which was created in the early 1700's within the area known as New Barbadoes. Barbadoes is an island in the British West Indies, and New Barbadoes was the name chosen by the English settlers in that area.

Saddle River Township derived its name from its resemblance to a saddle before its boundaries were changed. It was bounded on the north by Ridgewood, south by Lodi, east by Saddle River (named from the Township) and west by the Passaic River. It is among the oldest Townships in Bergen County. In 1724, the Township seceded from New Barbadoes. As time passed, other towns were carved from Saddle River Township. Among the towns that were part of the original community were Ridgewood, Ho-Ho-Kus, Franklin, Garfield, East Paterson (now known as Elmwood Park), and Fair Lawn. Franklin separated from Saddle River in about 1772. Ridgewood and Ho-Ho-Kus seceded at this time also in order to form their own governments. The Township was incorporated in 1798. Garfield seceded in 1898, East Paterson in 1916, and Fair Lawn was the last to secede in 1924. With each secession, the Township was reduced in size until it reached its present size of 2.7 square miles.

Agriculture and small scale dairy farming predominated in the Township until the first decade of the 20th century. Some of the large farms included the Leswings, Ochs, Hubschmitt, DeChimony, Bowen, Coger and Pehle farms. Some of the dairy farms included Clover Farms, Friesian Dairy, Midland Farms Dairy, and Wagner Dairy Farms. Chicken farming was also very popular, and Frank Meyer's Poultry Farm supplied them fresh from his farm on Market Street.

At the time of the Revolutionary War, Saddle River Road was an Indian trail and during the Colonial Era was a well traveled wagon route to Newark. In those days, the road was called "Old Swamp Lane", a name that lived several generations and was used on Township maps earlier in the century. During the Centennial celebration of 1876, the area was dotted with farms. Its economy was based largely on the growing of fruits and vegetables to which the soil and climate were suited.

The 1900's brought considerable change to the area. An increase in population and commercial growth greatly altered the landscape of the farms and woodlands. In the 1920's, cars replaced horse drawn carriages and bus service between the area and other Bergen County towns began. During this same time period, streetlights replaced gas lamps on Saddle River Road and sidewalks were constructed in 1929.

In the 1950's the Township's population grew rapidly and the town fathers wanted to establish a post office to serve private homes and attract new business. A post office committee was formed by the Chamber of Commerce in 1953, and its members learned that a name change was necessary since there were two other towns with similar names in Bergen County (Upper Saddle River and the Borough of Saddle River). The citizens voted to change the name of the Township on November 8, 1955. The Saddle Brook Post Office was dedicated on January 6, 1960.

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
GENERAL INFORMATION ABOUT THE TOWNSHIP

History (Continued)

Governmental Structure

The Township's government is a party system under the Faulkner Act governed by a Mayor and five (5) Council people. The Township provides essential public services such as refuse collection, police protection, education, fire suppression and prevention, library, recreation, and other important services which impact the everyday lives of residents.

Geographical Location and Size

The Township is located in Bergen County, New Jersey just 8 miles west of New York City. It is a small suburban community with a population of approximately 13,659 (2010 census) covering an area of approximately 2.69 square miles. The majority of the Township is residential, however, it is a central transportation hub as it is intersected by the Garden State Parkway (exit 159), Interstate Route 80 (exit 62), and State Highway 46. In addition, State Highways 4 and 17 are within a quarter mile of its border. Even with the large influx of daily traffic, the Township still has a small town feel.

Utilities

PSE&G provides electric service and United Water provides water service.

Public Safety

Police Department - The Township's Police Department is made up of 30 full-time sworn law enforcement officers, 5 special police officers, 4 dispatchers and a civilian records clerk. The officers are divided among Administration, Patrol Bureau (three shifts), Investigations Division, and the Administrative Services Division (which includes the Community Services Bureau and Records Bureau). The PBA contract is up for renewal in June 30, 2015. The Department also supervises 30 school crossing guards.

Through the years, the fire department has expanded along with the Township's growth. From the original two fire trucks, the department has grown as follows:

Engine Co. 1, Cambridge Avenue (Northside), houses Engine 1, Rescue 1, Marine 1
Engine Co. 2, Third Street (Southside), houses Engine 2, Engine 4, Marine 2
Hook and Ladder Co. 1, Market Street (Central), houses Snorkel 1, Engine 3, Marine 3

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
ADOPTED BUDGETS

	2014	2013	2012	2011	2010	2009	2008	2007
CURRENT FUND								
REVENUES								
Fund Balance	$ 150,000	$ 220,000	$ -	$ -	$ 325,000	$ 257,548	$ 1,033,000	$ 1,900,000
Miscellaneous Revenues	3,034,233	3,247,828	3,130,119	2,712,678	2,920,291	4,139,184	3,563,603	3,295,513
Receipts From Delinquent Taxes	627,326	371,104	345,000	345,000	345,000	386,000	280,000	398,500
Amount to be Raised by Taxation - Local	15,538,905	15,479,778	15,209,004	15,160,243	15,164,113	13,640,355	13,457,554	11,919,055
Amount to be Raised by Taxation - Library	740,549	766,099	803,251	830,050	-	-	-	-
Total Revenues	$ 20,091,013	$ 20,084,809	$ 19,487,374	$ 19,047,971	$ 18,754,404	$ 18,423,087	$ 18,334,157	$ 17,513,068
APPROPRIATIONS								
Within "CAPS":								
Operations:								
Salaries and Wages	$ 6,983,750	$ 6,919,371	$ 6,477,251	$ 6,273,701	$ 6,586,215	$ 6,724,663	$ 6,655,723	$ 6,439,295
Other Expenses	6,178,744	6,206,225	6,253,185	6,111,805	5,800,531	5,697,140	5,666,842	3,143,028
Deferred Charges	-	-	791	399,753	98,000	90,000	401,218	373,284
Statutory Expenditures	1,602,266	1,691,384	1,785,633	1,884,674	1,066,404	1,015,696	388,093	412,493
Judgments	-	-	-	-	-	-	-	-
Excluded From "CAPS":								
Operations:								
Salaries and Wages	-	-	-	-	-	-	-	-
Other Expenses	1,695,822	1,707,849	1,797,457	1,688,050	2,599,602	1,896,278	2,708,457	4,929,158
Capital Improvements	150,000	280,806	50,000	40,000	240,000	275,000	225,000	75,000
Municipal Debt Service	2,665,431	2,264,174	2,043,057	2,015,988	1,730,600	1,846,280	1,729,824	1,673,810
Deferred Charges	165,000	265,000	480,000	84,000	84,000	341,730	84,000	-
Reserve for Uncollected Taxes	650,000	750,000	600,000	550,000	549,052	536,300	475,000	467,000
Total Appropriations	$ 20,091,013	$ 20,084,809	$ 19,487,374	$ 19,047,971	$ 18,754,404	$ 18,423,087	$ 18,334,157	$ 17,513,068
	-	-	-	-	-	-	-	-
WATER UTILITY FUND								
REVENUES								
Fund Balance Anticipated	$ -	$ -	$ -	$ 400,000	$ 47,485	$ 321,000	$ 68,000	$ 328,900
Water Rents	2,489,000	2,489,000	2,414,000	2,300,000	1,912,500	1,904,000	1,940,000	1,764,000
Interest on Delinquencies	10,000	10,000	10,000	9,700	8,700	6,800	9,000	16,500
Interest on Investments & Deposits	1,000	1,000	1,000	300	300	5,300	26,000	23,800
Receipts of Delinquent Rents	-	-	-	-	101,900	91,996	90,272	100,000
Special Billings	-	-	-	750,000				
Total Revenues	2,500,000	2,500,000	2,425,000	3,460,000	$ 2,070,885	$ 2,329,096	$ 2,133,272	$ 2,233,200
APPROPRIATIONS								
Operations:								
Salaries and Wages	$ 305,000	$ 315,000	$ 295,000	$ 690,000	$ 677,750	$ 673,000	$ 575,000	$ 673,000
Other Expenses	1,945,000	1,950,000	1,949,700	1,857,377	1,214,950	1,273,258	1,385,000	1,304,247
Capital Improvements	65,850	54,532	-	-	-	-	-	-
Municipal Debt Service	114,150	110,468	110,300	107,623	108,600	116,542	108,272	108,257
Deferred Charges & Statutory Expenditures	70,000	70,000	70,000	805,000	60,949	266,296	65,000	107,706
Deficit in Operations	-	-	-	-	8,636	-	-	39,990
Total Appropriations	$ 2,500,000	$ 2,500,000	$ 2,425,000	$ 3,460,000	$ 2,070,885	$ 2,329,096	$ 2,133,272	$ 2,233,200
	-	-	-	-	-	-	-	-

Source: Municipal Budgets, Township of Saddle Brook

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
FUND BALANCE SUMMARY

	2014	2013	2012	2011	2010	2009	2008	2007	2006
CURRENT FUND									
Fund Balance, Beginning	$ 532,233	$ 726,953	$ 286,746	$ 11,538	$ 335,384	$ 521,970	$ 1,415,269	$ 2,251,033	$ 2,005,896
Generated Current Year	168,397	25,280	440,207	275,208	1,154	70,962	139,701	1,064,236	1,245,137
Utilized Current Year	(150,000)	(220,000)	-	-	(325,000)	(257,548)	(1,033,000)	(1,900,000)	(1,000,000)
Fund Balance, Ending	$ 550,630	$ 532,233	$ 726,953	$ 286,746	$ 11,538	$ 335,384	$ 521,970	$ 1,415,269	$ 2,251,033
WATER UTILITY FUND									
Fund Balance, Beginning	$ 1,221,501	$ 993,592	$ 130,493	$ 440,869	$ 47,619	$ 337,999	$ 405,999	$ 401,637	$ 401,637
Generated Current Year	12,440	227,909	863,099	89,624	440,735	30,620	-	333,262	-
Utilized Current Year	-	-	-	(400,000)	(47,485)	(321,000)	(68,000)	(328,900)	-
Fund Balance, Ending	$ 1,233,941	$ 1,221,501	$ 993,592	$ 130,493	$ 440,869	$ 47,619	$ 337,999	$ 405,999	$ 401,637

Source: NJ CAFRs, Township of Saddle Brook

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
TAX LEVY AND COLLECTION DATA

	2014	2013	2012	2011	2010	2009	2008	2007	2006
CURRENT YEAR % COLLECTION RATES									
Current Tax Levy	$ 50,176,775	$ 49,542,145	$ 49,095,590	$ 48,869,920	$ 46,174,264	$ 43,281,951	$ 42,053,812	$ 39,277,735	$ 36,861,478
Current Collections	$ 49,638,235	$ 48,918,494	$ 48,403,136	$ 48,402,293	$ 45,683,871	$ 42,829,290	$ 41,520,173	$ 38,930,911	$ 36,357,494
Percentage of Collections	98.93%	98.74%	98.59%	99.04%	98.94%	98.95%	98.73%	99.12%	98.63%
DELINQUENT TAX %									
Delinquent Taxes	$ 535,137	$ 620,300	$ 713,376	$ 480,163	$ 490,393	$ 339,619	$ 442,956	$ 292,546	$ 406,495
Tax Title Liens	123,229	119,826	111,332	111,332	101,530	101,530	97,093	-	-
Total Delinquent	$ 658,366	$ 740,126	$ 824,708	$ 591,495	$ 591,923	$ 441,149	$ 540,049	$ 292,546	$ 406,495
Tax Levy	$ 50,176,775	$ 49,542,145	$ 49,095,590	$ 48,869,920	$ 46,174,264	$ 43,281,951	$ 42,053,812	$ 39,277,735	$ 36,861,478
Percentage of Tax Levy	1.31%	1.49%	1.68%	1.21%	1.28%	1.02%	1.28%	0.74%	1.10%
PROPERTY ACQUIRED BY MUNICIPALITY FOR NON-PAYMENT OF TAXES									
Recorded at - Assessed Valuation	$ 742,249	$ 742,249	$ 742,249	$ 742,249	$ 742,249	$ 742,249	$ 742,249	$ 934,149	$ 934,149

Source: Tax Collector, Township of Saddle Brook

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
ASSESSED AND COUNTY EQUALIZED
VALUATION DATA

Description	2014		2013*		2012		2011		2010		2009**		2008		2007		2006	
	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value
NET VALUATIONS TAXABLE																		
Vacant Land	62	$ 14,556,100	65	$ 14,930,800	66	$ 18,354,500	64	$ 17,964,700	64	$ 18,124,000	65	$ 25,575,000	65	$ 9,870,800	66	$ 9,961,800	138	$ 12,170,800
Residential	4132	1,219,569,100	4131	1,219,248,600	4135	1,485,483,200	4132	1,487,689,200	4129	1,482,058,700	4127	1,480,640,200	4143	779,770,600	4143	775,970,000	4072	754,697,700
Farm (Regular)	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
Farm (Qualified)	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
Commercial	145	341,476,130	144	347,277,600	140	378,682,945	138	389,686,700	140	397,401,100	141	407,172,400	124	207,328,400	123	207,257,500	123	209,372,500
Industrial	81	292,991,600	79	269,651,600	80	303,470,900	80	307,091,800	80	309,480,900	80	310,075,600	79	161,843,754	79	161,843,754	79	161,423,454
Apartments	8	74,807,500	8	75,505,900	9	81,712,700	9	81,712,700	9	81,712,700	8	63,652,700	7	28,978,300	7	29,578,300	7	29,578,300
Sub-Total	4428	1,943,400,430	4427	1,926,614,500	4430	2,267,704,245	4423	2,284,145,100	4422	2,288,777,400	4421	2,287,115,900	4418	1,187,791,854	4418	1,184,611,354	4419	1,167,242,754
Personal Property		-		-		1,889,310		2,351,315		2,351,315		2,301,600		768,949		1,451,852		1,451,852
Net Valuations Taxable		1,943,400,430		1,926,614,500		2,269,593,555		2,286,496,415		2,291,128,715		2,289,417,500		1,188,560,803		1,186,063,206		1,168,694,606
County Equalization Adjustment		312,945,011		191,199,971		140,786,576		217,351,154		120,431,815		179,970,648		1,283,789,359		1,154,042,146		947,163,766
County Equalized Valuations		$ 2,256,345,441		$ 2,117,814,471		$ 2,410,380,131		$ 2,503,847,569		$ 2,411,560,530		$ 2,469,388,148		$ 2,472,350,162		$ 2,340,105,352		$ 2,115,858,372
County Equalization Ratio		86.72%		91.73%		94.88%		92.00%		95.82%		93.51%		48.48%		51.11%		55.69%
Average Improved Residential Assessment		$ 295,152		$ 295,146		$ 359,246		$ 360,041		$ 358,939		$ 358,769		$ 188,214		$ 187,297		$ 185,338
Residential Load %		66.60%		67.20%		69.05%		68.64%		68.25%		67.45%		68.04%		67.92%		67.11%
Non-Residential Load %		33.40%		32.80%		30.95%		31.36%		31.75%		32.55%		31.96%		32.08%		32.89%
		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%

* Reassessment Year
**Revaluation Year

Source: Tax Assessor, Township of Saddle Brook

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
TAX REQUIREMENT AND RATE DATA

	2014	2013*	2012	2011	2010	2009**	2008	2007	2006
TAX REQUIREMENTS									
County	$ 5,129,504	$ 4,565,077	$ 5,197,650	$ 5,113,665	$ 4,645,675	$ 4,464,768	$ 4,320,480	$ 4,008,768	$ 3,743,430
County Open Space	56,409	52,945	60,259	62,596	60,289	246,939	247,235	234,011	211,586
District School	29,438,611	28,814,432	28,306,566	27,809,024	26,436,052	24,800,734	23,857,489	22,966,002	21,909,880
Municipal Open Space	-	-	-	-	-	-	-	-	-
Municipal - Local	15,538,905	15,479,778	15,209,004	15,160,243	15,154,113	13,640,355	13,457,554	11,919,055	10,551,714
Municipal - Library	740,549	766,099	803,251	830,050	-	-	-	-	-
Total Tax Requirements	$ 50,903,978	$ 49,678,331	$ 49,576,730	$ 48,975,578	$ 46,296,129	$ 43,152,796	$ 41,882,758	$ 39,127,836	$ 36,416,610
TAX RATES									
County	0.264	0.237	0.230	0.224	0.203	0.196	0.364	0.338	0.320
County Open Space	0.003	0.003	0.003	0.003	0.003	0.011	0.021	0.010	0.010
District School	1.515	1.496	1.247	1.216	1.154	1.083	2.007	1.936	1.875
Municipal Open Space	-	-	-	-	-	-	-	-	-
Municipal - Local	0.800	0.804	0.670	0.663	0.662	0.595	1.133	1.016	0.915
Municipal - Library	0.038	0.039	0.035	0.036	-	-	-	-	-
Total Tax Rates	2.620	2.579	2.185	2.142	2.022	1.885	3.525	3.300	3.120

*Reassessment Year
**Revaluation Year

Source: Tax Assessor, Township of Saddle Brook

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
RATIO OF GROSS AND NET DEBT TO COUNTY EQUALIZED VALUE AND DEBT PER CAPITA

	2014	2013	2012	2011	2010	2009	2008	2007
Population (Est.)	13,895	13,895	14,021	13,748	13,675	14,173	13,845	13,440
County Equalized Valuation	$ 2,256,345,441	$ 2,117,814,471	$ 2,410,380,131	$ 2,503,847,569	$ 2,411,560,530	$ 2,469,388,148	$ 2,472,350,162	$ 2,340,105,352
Gross Debt	$ 48,579,699	$ 48,856,333	$ 46,209,046	$ 45,716,977	$ 45,754,762	$ 45,655,005	$ 47,261,250	$ 49,043,350
Gross Debt Per Capita	$ 3,496	$ 3,516	$ 3,296	$ 3,325	$ 3,346	$ 3,221	$ 3,414	$ 3,649
Ratio of Gross Debt to County Equalized Valuations	2.15%	2.31%	1.92%	1.83%	1.90%	1.85%	1.91%	2.10%
Net Debt	$ 27,134,711	$ 26,240,377	$ 27,559,029	$ 26,302,808	$ 27,976,762	$ 26,237,650	$ 27,198,370	$ 27,366,691
Ratio of Net Debt to County Equalized Valuations	1.20%	1.24%	1.14%	1.05%	1.16%	1.06%	1.10%	1.17%
Net Debt per Capita	$ 1,953	$ 1,888	$ 1,966	$ 1,913	$ 2,046	$ 1,851	$ 1,964	$ 2,036

Source: NJ CAFRs, Township of Saddle Brook

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
LEGAL DEBT MARGIN

	2014	2013	2012	2011	2010	2009	2008	2007
Equalized Valuation Basis (State)	$ 2,248,994,918	$ 2,308,487,706	$ 2,397,205,026	$ 2,427,364,509	$ 2,436,229,678	$ 2,421,464,260	$ 2,387,096,813	$ 2,271,467,030
Municipal Borrowing Power:								
3 1/2% of Equalized Valuation Basis	$ 78,714,822	$ 80,797,070	$ 83,902,176	$ 84,957,758	$ 85,268,039	$ 84,751,249	$ 83,548,388	$ 79,501,346
Net Debt	27,134,711	26,240,377	27,559,029	26,302,808	27,976,762	26,237,650	27,198,370	27,366,691
Remaining Borrowing Power	$ 51,580,111	$ 54,556,693	$ 56,343,147	$ 58,654,950	$ 57,291,277	$ 58,513,599	$ 56,350,018	$ 52,134,655
School Borrowing Power:								
4% of Equalized Valuation Basis	$ 89,959,797	$ 92,339,508	$ 95,888,201	$ 97,094,580	$ 97,449,187	$ 96,858,570	$ 95,483,873	$ 90,858,681
Net School Debt	13,805,000	14,990,000	16,125,000	17,190,000	17,778,000	18,023,000	18,913,000	19,768,000
School Borrowing Margin Available	$ 76,154,797	$ 77,349,508	$ 79,763,201	$ 79,904,580	$ 79,671,187	$ 78,835,570	$ 76,570,873	$ 71,090,681

Source: Annual Debt Statements, Township of Saddle Brook

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
LONG-TERM DEBT

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

The Township's Debt is summarized as follows:

Summary of Municipal Debt	2014	2013	2012	2011	2010	2009
Issued:						
General Bonds, Notes and Loans	28,911,899	28,964,314	26,530,578	25,352,808	25,673,941	24,242,650
Water Utility Bonds, Notes and Loans	1,716,838	1,433,519	1,479,668	1,524,169	1,352,821	1,394,355
	$ 30,628,737	$ 30,397,833	$ 28,010,246	$ 26,876,977	$ 27,026,762	$ 25,637,005
Authorized but not Issued:						
General Bonds and Notes	$ 2,245,962	$ 1,568,500	$ 2,073,800	$ 1,650,000	$ 950,000	$ 1,995,000
Water Utility Bonds and Notes	1,900,000	1,900,000	-	-	-	-
	$ 4,145,962	$ 3,468,500	$ 2,073,800	$ 1,650,000	$ 950,000	$ 1,995,000
Bonds and Notes Issued, and Authorized but not Issued	$ 34,774,699	$ 33,866,333	$ 30,084,046	$ 28,526,977	$ 27,976,762	$ 27,632,005

2014	Gross Debt	Deductions	Net Debt
Local School Debt	$ 13,805,000	$ 13,805,000	$ -
General Debt	31,157,861	4,023,150	27,134,711
Utility Debt	3,616,838	3,616,838	-
	$ 48,579,699	$ 21,444,988	$ 27,134,711

Percentage of net debt to average equalized valuations per NJSA 40A:2-2 = 1.207%

Source: Annual Debt Statements, Township of Saddle Brook

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
DIRECT AND OVERLAPPING DEBT

	2014	2013	2012	2011	2010	2009	2008	2007	2006
DIRECT DEBT									
Local School Debt	$ 13,805,000	$ 14,990,000	$ 16,125,000	$ 17,190,000	$ 17,778,000	$ 18,023,000	$ 18,913,000	$ 19,768,000	$ 19,768,000
Water Utility Debt	3,616,838	3,333,519	1,479,668	1,524,169	1,352,821	1,394,355	1,434,241	1,908,659	
General Municipal Debt	31,157,861	30,532,814	28,604,378	27,002,808	26,623,941	26,237,650	26,914,009	27,366,691	19,768,000
	$ 48,579,699	$ 48,856,333	$ 46,209,046	$ 45,716,977	$ 45,754,762	$ 45,655,005	$ 47,261,250	$ 49,043,350	$ 39,536,000
OVERLAPPING DEBT									
County of Bergen (1)	$ 20,457,973	$ 17,200,483	$ 18,258,682	$ 17,541,097	$ 16,352,383	$ 15,028,272	$ 14,884,743	$ 14,684,723	$ 11,310,689
Passaic Valley Sewerage Commission (2)	1,797,106	1,839,243	2,120,656	2,175,234	2,202,454	1,894,307	1,792,733	1,832,433	1,833,800
	$ 22,255,079	$ 19,039,726	$ 20,379,338	$ 19,716,331	$ 18,554,837	$ 16,922,579	$ 16,677,476	$ 16,517,156	$ 13,144,489
(1) County Debt:									
Township Equalized Valuations	$ 2,256,345,441	$ 2,117,814,471	$ 2,410,380,131	$ 2,503,847,569	$ 2,411,560,530	$ 2,469,388,148	$ 2,472,350,162	$ 2,340,105,352	$ 2,115,858,372
Total County Equalized Valuations	$ 162,301,130,131	$ 165,008,934,260	$ 168,748,014,772	$ 173,258,537,441	$ 183,412,099,706	$ 187,580,071,463	$ 182,767,512,263	$ 172,863,500,734	$ 153,984,695,626
	1.39%	1.28%	1.43%	1.45%	1.31%	1.32%	1.35%	1.35%	1.37%
County's Outstanding Debt	1,471,796,641	1,343,787,738	1,276,830,919	1,209,730,830	1,248,273,490	1,138,505,430	1,102,573,565	1,087,757,268	825,597,736
Township Share	$ 20,457,973	$ 17,200,483	$ 18,258,682	$ 17,541,097	$ 16,352,383	$ 15,028,272	$ 14,884,743	$ 14,684,723	$ 11,310,689
(2) Passaic Valley Sewerage Commission Debt:									
Township Sewer Flow Charges	$ 796,725	$ 792,728	$ 824,625	$ 826,653	$ 799,951	$ 789,364	$ 759,581	$ 729,217	$ 695,533
Total Flow Charges	$ 127,571,359	$ 127,569,056	$ 123,957,348	$ 129,883,667	$ 129,963,014	$ 127,525,062	$ 125,403,855	$ 121,388,216	$ 118,930,095
	0.62%	0.62%	0.67%	0.64%	0.62%	0.62%	0.61%	0.60%	0.58%
Commission's Outstanding Debt	289,855,869	296,652,116	316,515,886	339,880,368	355,234,494	305,533,465	293,890,682	305,405,498	316,172,356
Township Share	$ 1,797,106	$ 1,839,243	$ 2,120,656	$ 2,175,234	$ 2,202,454	$ 1,894,307	$ 1,792,733	$ 1,832,433	$ 1,833,800

Source: Annual Debt Statement, Township of Saddle Brook; Annual Debt Statement, County of Bergen;
Chief Financial Officer, Passaic Valley Sewerage Commission

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
RATIO OF ANNUAL DEBT SERVICE APPROPRIATIONS TO TOTAL ADOPTED CURRENT FUND APPROPRIATIONS

	2014	2013	2012	2011	2010	2009	2008	2007
CURRENT FUND								
Serial Bonds:								
Principal	$ 1,481,489	$ 953,851	$ 905,499	$ 862,147	$ 674,000	$ 771,359	$ 666,433	$ 647,752
Interest	943,709	947,228	975,684	1,005,293	997,000	1,021,415	996,857	1,026,058
Notes:								
Principal	39,200	175,000	-	-	-	-	-	-
Interest	65,500	50,000	29,700	10,000	59,600	53,506	66,534	-
Loans:								
Principal	97,226	98,213	90,931	92,185	-	-	-	-
Interest	38,307	39,883	41,243	46,363	-	-	-	-
	$ 2,665,431	$ 2,264,175	$ 2,043,057	$ 2,015,988	$ 1,730,600	$ 1,846,280	$ 1,729,824	$ 1,673,810
Total Current Fund Budget Appropriations	$ 20,091,013	$ 20,084,809	$ 19,487,374	$ 19,047,971	$ 18,754,404	$ 18,423,087	$ 18,333,541	$ 17,513,068
Ratio of Debt Service to Current Fund Budget Appropriations	13.27%	11.27%	10.48%	10.58%	9.23%	10.02%	9.44%	9.56%
WATER UTILITY FUND								
Serial Bonds:								
Principal	$ 47,797	$ 46,149	$ 44,501	$ 42,852	$ 41,600	$ 39,886	$ 38,568	$ 37,249
Interest	59,703	61,454	63,143	64,771	67,000	76,656	69,704	71,008
Notes:								
Principal	3,884	-	-	-	-	-	-	-
Interest	2,766	2,865	2,656	-	-	-	-	-
	$ 114,150	$ 110,468	$ 110,300	$ 107,623	$ 108,600	$ 116,542	$ 108,272	$ 108,257
Total Water Utility Fund Budget Appropriations	$ 2,500,000	$ 2,500,000	$ 2,425,000	$ 3,460,000	$ 2,070,885	$ 2,329,096	$ 2,133,272	$ 2,233,200
Ratio of Debt Service to Water Utility Fund Budget Appropriations	4.57%	4.42%	4.55%	3.11%	5.24%	5.00%	5.08%	4.85%

Source: Municipal Budgets, Township of Saddle Brook

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
DEMOGRAPHIC STATISTICS

	2013*	2012	2011	2010	2009	2008	2007	2006	2005	2004
Average Labor Force Estimates for Saddle Brook TWP:										
Labor Force	7,409	7,577	7,516	7,525	7,571	7,423	7,313	7,318	7,223	7,196
Employment	6,801	6,738	6,697	6,692	6,752	6,967	6,966	6,934	6,856	6,795
Unemployment	608	839	819	833	818	457	347	385	367	401
Unemployment Rate	8.2%	11.1%	10.9%	11.1%	10.8%	6.2%	4.7%	5.3%	5.1%	5.6%
Average Labor Force Estimates for Bergen County:										
Labor Force	477,410	483,097	479,131	477,342	480,494	477,932	473,160	473,499	467,127	466,477
Employment	443,734	443,956	441,277	438,688	442,452	456,482	456,861	455,256	449,712	446,843
Unemployment	33,676	39,141	37,854	38,654	38,042	21,450	16,299	18,243	17,415	19,634
Unemployment Rate	7.1%	8.1%	7.9%	8.1%	7.9%	4.5%	3.4%	3.9%	3.7%	4.2%
Per Capital Personal Income - Bergen County	$ 69,919	$ 69,919	$ 67,240	$ 63,950	$ 63,862	$ 67,375	$ 67,606	$ 63,166	$ 57,745	$ 55,322

	Estimates as of July 1,									
Subcounty Population Estimates:										
Saddle Brook TWP	13,895	14,021	13,748	13,675	14,173	13,845	13,440	13,332	13,126	13,053
County of Bergen	925,328	918,888	911,004	906,184	895,250	889,915	885,664	884,581	887,322	890,232

Source: State of NJ Department of Labor and Workforce Development
* Latest year available

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
TEN LARGEST TAXPAYERS BY ASSESSMENT

	Taxpayer (Block/Lot)	2014 Assessed Valuation	As a Percent of Total 2014 Net Valuations $ 1,943,400,430
1	L&L Park 80, LLC (1002/1)	$ 91,400,000	4.70%
2	Tri State Commercial Realty, LLC (123/1)	33,256,400	1.71%
3	CP Saddle Brook, LLC (1003/1)	26,000,000	1.34%
4	Midland Holding Co., Inc. (1202/30)	23,739,800	1.22%
5	A.O. Associates (512/3)	20,141,300	1.04%
6	Saddle Brook Mayhill Associates (910/2)	17,875,000	0.92%
7	Kessler c/o Complex Corp. (512/1)	15,202,300	0.78%
8	A.O. Associates (512/4)	13,858,700	0.71%
9	Peykar Brothers Realty (706/4)	13,595,500	0.70%
10	Saddle Brook Green Owner, LLC (801/5.01)	13,322,100	0.69%
		$ 268,391,100	13.81%

Source: Tax Assessor, Township of Saddle Brook

TOWNSHIP OF SADDLE BROOK
ANNUAL FINANCIAL INFORMATION & OPERATING DATA
VALUE OF NEW CONSTRUCTION, IMPROVEMENTS, ALTERATIONS AND DEMOLITIONS

	2014	2013	2012	2011	2010	2009	2008	2007
# of New Permits Issued	724	756	742	876	624	596	636	712
# of Permit Updates	107	79	77	69	55	67	70	76
Value of Construction	$ 19,965,356	$ 13,087,237	$ 10,026,477	$ 8,877,231	$ 11,171,788	$ 8,020,666	$ 14,336,303	$ 29,364,594

Source: Construction Department, Township of Saddle Brook

TOWNSHIP OF SADDLE BROOK

NJ Comprehensive Annual Financial Report

Single Audit Section

Di Maria & Di Maria LLP
Accountants and Consultants

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Lodi, New Jersey 07644
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Independent Auditors' Report

Honorable Mayor and Members of the Township Committee
Township of Saddle Brook, County of Bergen, 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 Cornmunity 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 and account group of the Township of Saddle Brook, in the County of Bergen (the "Township") as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 30, 2015, which was adverse due to the financial statements being prepared in conformity with the New Jersey regulatory basis of accounting.

Internal Control Over Financial Reporting

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

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

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

Di Maria & Di Maria LLP

Independent Auditors' Report (Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of it's 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.*

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

DI MARIA & DI MARIA LLP
Accountants and Consultants

Frank DiMaria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

June 30, 2015

Schedule A

TOWNSHIP OF SADDLE BROOK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2014

Catalog of Federal Domestic Assistance Program Title	Federal C.F.D.A. Number	State Aid/Grant Program Titles	State Project Number	Award Amount	Grant Period From	Grant Period To	Balance December 31, 2013	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable) December 31, 2014	Deferred Revenue December 31, 2014	Due to Grantor at December 31, 2014
General Capital Fund															
US Department of Housing and Urban Development - Passed Thru the County of Bergen-															
CDBG Grant - Senior Center ADA Improvements	20.205	Community Development	N/A	$ 316,814	01/01/09	12/31/09	$ (261,514)	$ -	$ -	$ -	$ -	$ -	$ (261,514)	$ -	$ -
US Department of Housing and Urban Development - Passed Thru the County of Bergen-															
CDBG Grant - Polling Place ADA Improvements	20.205	Community Development	N/A	$ 106,250	01/01/14	12/31/14	-	-	-	-	-	-	(106,250)	106,250	-
Transportation State Aid Highway Projects															
Highway Planning and Construction															
NJ Department of Transportation-															
Road Impts. Oxford Avenue Phase III	20.205	Highway Planning & Construction	N/A	200,000	01/01/09	12/31/09	(17,428)	-	-	-	-	-	(17,428)	-	-
							$ (278,942)	$ -	$ -	$ -	$ -	$ -	$ (385,192)	$ 106,250	$ -
Federal and State Grant Fund															
None															
				Total Federal Financial Assistance			$ (278,942)	$ -	$ -	$ -	$ -	$ -	$ (385,192)	$ 106,250	$ -

See Accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

TOWNSHIP OF SADDLE BROOK
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2014

Schedule B

State Grantor / Program Title	Grant or State Project Number	Award Amount	Grant Period From	Grant Period To	Balance December 31, 2013	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable) December 31, 2014	Deferred Revenue December 31, 2014	Due to Grantor at December 31, 2014
State of N.J., Department of Environmental Protection --													
Clean Communities Program	042-4900-765-004	$ 41,224	01/01/14	12/31/14	$ -	$ -	$ 41,224	$ (14,948)	$ -	$ -	$ -	$ 26,276	$ -
Clean Communities Program	042-4900-765-004	19,274	01/01/13	12/31/13	3,986	-	-	(3,986)	-	-	-	-	-
Recycling Tonnage Grant		62,945	01/01/14	12/31/14	-	-	62,945	-	-	-	-	62,945	-
Recycling Tonnage Grant		50,443	01/01/13	12/31/13	48,129	-	-	(8,009)	-	-	-	40,120	-
State of N.J., Department of Law and Public Safety --													
Body Armor Replacement Program		6,104	01/01/14	12/31/14	-	-	6,104	(9,854)	4,441	-	-	691	-
Body Armor Replacement Program		7,033	01/01/13	12/31/13	5,700	-	-	(5,700)	-	-	-	-	-
Drunk Driving Enforcement Fund		28,332	01/01/10	12/31/10	27,787	-	-	-	-	-	-	27,787	-
Drunk Driving Enforcement Fund		10,783	01/01/09	12/31/09	6,574	-	-	-	-	-	-	6,574	-
Alcohol Education & Rehabilitation Fund		1,310	01/01/09	12/31/09	677	-	-	-	-	-	-	677	-
			Total State Financial Assistance		$ 92,853	$ -	$ 110,273	$ (42,497)	$ 4,441	$ -	$ -	$ 165,070	$ -

See Accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

TOWNSHIP OF SADDLE BROOK
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2014

Note 1 - General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Township of Saddle Brook, County of Bergen, State of New Jersey. The Township of Saddle Brook is defined in Note I to the basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2 - Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting. This basis of accounting is described in Note 2 to the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3 - Relationship to General-Purpose Finacial Statements

Organization
The Township of Saddle Brook, New Jersey is the prime sponsor and recipient of various federal and state grant funds. The Township has delegated the general administration of grant programs and the reporting function to the Borough Treasurer. Substantially all grant and program cash funds are commingled with the Township's other funds, although each grant is accounted for separately within the Township's financial records. The Township Treasurer's office performs accounting functions for all grants.

Basis of Accounting
The Township's grants are presented on the modified accrual basis of accounting utilizing the following methods:

Current Fund Grants -
In accordance with a directive from the State Department of Community Affairs, Division of Local Government Services, all grant revenues and expenditures are fully realized within the current fund budget and corresponding receivables and spending reserves are recorded to account for grant activity.

Trust Fund and Capital Fund Grants -
In accordance with accounting principles prescribed by the State of New Jersey, grant receivables are offset with grant spending reserves.

Local Contributions
Local matching contributions are raised in the current fund budget. The percentage of matching contributions varies with each program. Local and state shares of grants are reflected in total on the Schedule of State Financial Assistance.

TOWNSHIP OF SADDLE BROOK
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2014

Note 3 - Relationship to General-Purpose Finacial Statements (continued)

Expenditures
Expenditures, as reported on the accompanying schedules of federal and state grants, reflect actual cash disbursements charged directly to a grant program and, in certain instances, do not include allocated expenses or accrued expenses. Differences between budget and actual cash disbursements, as well as differences between budget revenues and actual cash receipts, are transferred to current fund balance when the grant is closed out.

Expenditures per Financial Reports
Expenditures, as reported on the accompanying schedules of federal and state grants, reflect the sum of all expenditures including allocated expenses and accrued expenses reported to the grant funding agency from January 1, 2014 to December 31, 2014.

Note 4 - 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.

Note 5 - Federal and State Loans Outstanding

The Township had the following federal and state loans outstanding at December 31, 2014:

General Capital Fund (Paid by the Current Fund):		
NJEIT Trust Loan	$	800,000
NJEIT Fund Loan		673,207
	$	1,473,207

Note 6 - Contingencies

Each of the grantor agencies reserve the right to conduct additional audits of the Township's grant programs for economy, efficiency and program results.

TOWNSHIP OF SADDLE BROOK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014

Section I -- Summary of Auditors' Results

Financial Statements

A) Type of auditors' report issued: Adverse - GAAP; Qualified - Regulatory

B) Internal control over financial reporting:

1. Material weakness(es) identified? X yes ____ no
2. Significant deficiency(ies) identified? ____ yes X no

C) Noncompliance material to general-purpose financial statements noted? ____ yes X no

TOWNSHIP OF SADDLE BROOK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014

Section I -- Summary of Auditors' Results (Continued)

Federal Awards

****NOT APPLICABLE - EXPENDITURES UNDER $500,000****

A) Internal control over compliance:

1. Material weakness(es) identified? _____ yes _____ no

2. Significant deficiency(ies) identified? _____ yes _____ no

B) Type of auditors' report issued on compliance for major programs: N/A

C) Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB Circular A-133? _____ yes _____ no

D) Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster

E) Dollar threshold used to distinguish between type A and type B programs:

F) Auditee qualified as low-risk auditee? _____ yes _____ no

TOWNSHIP OF SADDLE BROOK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014

Section I -- Summary of Auditors' Results (Continued)

State Awards

****NOT APPLICABLE - EXPENDITURES UNDER $500,000****

A) Internal control over major programs:

1. Material weakness(es) identified? _____ yes _____ no

2. Significant deficiency(ies) identified? _____ yes _____ no

B) Type of auditors' report issued on compliance for major programs: N/A

C) Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular 04-04? _____ yes _____ no

D) Identification of major programs:

Program GMIS Number(s)	Name of State Program or Cluster

E) Dollar threshold used to distinguish between type A and type B programs:

F) Auditee qualified as low-risk auditee? _____ yes _____ no

TOWNSHIP OF SADDLE BROOK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014

Section II -- Financial Statement Findings

1. Condition: The municipality failed to comply with N.J.A.C. 5:30-5.6 which requires the implementation and continued maintenance of a fixed asset accounting system.

   Criteria: N.J.A.C. 5:30-5.6

   Cause: The CFO has failed to implement the accounting directive.

   Effect: The financial statements do not reflect correct amounts for fixed assets.

   Recommendation: That a fixed asset accounting system be implemented in accordance with N.J.A.C. 5:30-5.6.

TOWNSHIP OF SADDLE BROOK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014

Section III -- Federal and State Award Findings and Questioned Costs

Current Year

Federal Awards:

None

State Awards:

None

TOWNSHIP OF SADDLE BROOK
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2014

The Chief Financial Officer did not implement and maintain a general fixed asset accounting system as per *N.J.A.C. 5:30-5.6*.

Status: Condition continues to exist.

TOWNSHIP OF SADDLE BROOK

NJ Comprehensive Annual Financial Report

General Comments and Recommendations Section

TOWNSHIP OF SADDLE BROOK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2014

Cash Cycle	Ref.
None	N/A

TOWNSHIP OF SADDLE BROOK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2014

Revenues/Receipts Cycle	Ref.
Municipal Court	
A deficit in the municipal court general account existed at the end of the fiscal year.	1.
It is suggested that the the Township utilize a private collection agency to collect outstanding municipal court debts.	N/A
Construction Official	
None	N/A
Recreation	
None	N/A
Tax Collector	
Outside lien redemption receipts and disbursements were not proven.	2.
Outside lien redemption dates used for calculations did not correlate to meeting dates.	2.
Senior citizen deductions were granted without required verification.	3.

TOWNSHIP OF SADDLE BROOK
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2014

Expenditures/Disbursements Cycle	Ref.
None	N/A

Payroll Cycle	Ref.
Payroll Agency accounts were not maintained on an imprest basis.	4.
Controls regarding electronic disbursement for payroll purposes were not implemented in accordance with N.J.A.C. 5:30-17.	5.

Fixed Assets	Ref.
The Township did not implement a fixed asset accounting system in accordance with N.J.A.C. 5:30-5.6.	6.

Long-Term Debt	Ref.
None	N/A

Water Utility	Ref.
It is suggested that rate increases be implemented as early as possible in the fiscal year in order to maximize revenue collections, keep rates consistent throughout the fiscal year, and ensure self-liquidation.	N/A

Other Significant Matters	Ref.
The Township did not implement a general ledger accounting system in accordance with N.J.A.C. 5:30-5.7; Several significant posting differences were noted; subsidiary records were not reconcilied to control accounts.	7.
Disclosures for Post-Employment Benefits were not prepared in accordance with State Regulations.	8.
There were significant interfund balances existing at year end.	9.
Required Dedications by Rider approvals were not obtained for all trust purposes.	10.

Recommendations

1. That all bank reconciling items and the shortage in the Municipal Court general account be reviewed, identified and cleared of record.*
2. That the Tax Collector properly calculate outside lien redemptions, and maintain adequate receipt and disbursement records.*
3. That the Tax Collector verify all senior citizen deductions, and bill back any disallowances from prior years.
4. That payroll agency accounts be maintained on an imprest basis.*
5. That controls be implemented in accordance with N.J.A.C. 5:30-17 regarding electronic disbursement controls for payroll purposes.*
6. That a fixed asset system be implemented in accordance with N.J.A.C. 5:30-5.6.*
7. That a general ledger accounting system be implemented in accordance with N.J.A.C. 5:30-5.7.*
8. That required disclosures pertaining to post-employment benefits be prepared.*
9. That all interfund balances be cleared prior to year end.*
10. That the Chief Financial Officer maintain all Trust Accounts in accordance with State Regulations regarding Dedication by Rider.

Suggestions

1. That a private collection agency be utilized to collect outstanding municipal court debts.
2. That utility rate increases be implemented as early as possible in the fiscal year in order to maximize revenue collections, keep rates consistent throughout the fiscal year, and ensure self-liquidation.
3. The Township should consider the option of establishing a separate lien redemption bank account to assist with corrective action pertaining to recommendation #2.
4. That a review be made of all open improvement authorization balances in both the General Capital and Water Utility Capital funds for possible cancellation.

Status of Prior Years' Recommendations

A review was made of all prior year's recommendations, and corrective action was taken on all with the exception of those denoted with an asterisk.

The synopsis of this report, together with the recommendations must be published as required by statute. We wish to express our appreciation of the assistance and courtesies extended by the Municipal Officials during the course of the audit.

DI MARIA & DI MARIA LLP
Accountants and Consultants

Frank DiMaria

Registered Municipal Accountant
RMA No. CR00463

June 30, 2015