

CITY OF ORANGE TOWNSHIP

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULES**

AND

INDEPENDENT AUDITORS' REPORTS

YEAR ENDED JUNE 30, 2010



McENERNEY, BRADY & COMPANY, LLC

CITY OF ORANGE TOWNSHIP
TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
<u>Part I</u>		
Roster of Officials		2
Independent Auditors' Report		3-4
<u>Financial Statements:</u>		
<u>Current Fund</u>		
Comparative Balance Sheets	A	5
Comparative Statement of Operations and Changes in Fund Balance	A-1	7
Statement of Revenues	A-2	8
Statement of Expenditures	A-3	16
<u>Trust Funds</u>		
Comparative Balance Sheets	B	25
<u>General Capital Fund</u>		
Comparative Balance Sheets	C	26
Statement of Fund Balance	C-1	27
<u>Water/Sewer Utility Fund</u>		
Comparative Balance Sheets	D	28
Comparative Statement of Operations and Changes in Fund Balance	D-1	30
Statement of Water Capital Fund Balance	D-2	31
Statement of Revenue Operating Fund	D-3	32
<u>Capital Fixed Assets</u>		
Comparative Balance Sheets	F	33
Notes to Financial Statements		34-59

CITY OF ORANGE TOWNSHIP
TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
<u>Current Fund</u>		
Schedule of:		
Cash	A-4	60
Bank Reconciliation	A-5	61
Cash Receipts and Disbursements Collector	A-6	62
Investments	A-7	63
Change Funds	A-8	64
Petty Cash Funds	A-9	64
Due from State of New Jersey Per Chapter 129 P.L. 1976	A-10	65
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-11	66
Tax Title Liens	A-12	67
Schedule of Property Acquired for Taxes	A-13	67
Sales Contract Receivable	A-14	68
Other Liens Receivable	A-15	69
Schedule of Revenue Accounts Receivable	A-16	70
Other Accounts Receivable	A-17	71
Deposits Receivable	A-18	72
Interfunds Receivable	A-19	73
Deferred Charges	A-20	74
Deferred Charges N.J.S.A. 40A:4-55 Special Emergency Revaluation Program	A-21	75
Grants Receivable	A-22	76
2009 Appropriation Reserves	A-23	80
Reserve for Revaluation	A-24	82
Accounts Payable	A-25	82
Tax Overpayments	A-26	83
Due to State of New Jersey	A-27	84
Reserve for Tax Appeals	A-28	85
Interfunds Payable	A-29	86
County Taxes Payable	A-30	87
Local School District Tax Payable	A-31	87
Prepaid Taxes	A-32	88
Deposits on Sale of Property	A-33	88
Due Federal and State Grant Fund Due to Current Fund	A-34	89
Schedule of Unappropriated Reserves	A-35	90
Reserve for Grant Expenditures	A-36	91

CITY OF ORANGE TOWNSHIP
TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
<u>Part I - Continued</u>		
<u>Trust Funds</u>		
Schedule of:		
Cash Receipts & Disbursements	B-1	95
Cash – Treasurer Schedule of Disbursements	B-2	96
Bank Reconciliation	B-3	97
Due from Municipal Court	B-4	98
Grants Receivable	B-5	99
Essex County Community Development Block Grant Receivables	B-6	100
Essex County Community Development Block Grant Receivable	B-7	102
Interfunds Receivable	B-8	103
Due to State of New Jersey	B-9	104
Accounts Payable	B-10	105
Reserve for Other Expenditures	B-11	106
Reserve for Other Deposits	B-12	107
Reserve for New Jersey Unemployment	B-13	108
Premium on Tax Sale	B-14	109
Interfunds Payable	B-15	110
Reserve for Rehabilitation Refunds Grant Trust Fund	B-16	111
Reserve for Animal Control Fund Expenditures	B-17	112
Reserve for Municipal Insurance Trust Fund Expenditures	B-18	113
Reserve for Essex County Community Development Block Grant	B-19	114
Reserve for Other Grant Fund Expenditures	B-20	116
<u>General Capital Fund</u>		
Schedule of Cash – Treasurer	C-2	117
Analysis of Cash	C-3	118
Grants Receivable	C-4	119
Loans Receivable	C-5	120
Schedule of Deferred Charges to Future Taxation Funded	C-6	121
Schedule of Deferred Charges to Future Taxation Unfunded	C-7	122
Schedule of Improvement Authorizations	C-8	123
Schedule of Capital Improvement Fund	C-9	124
Reserve for Debt Service	C-10	125
Reserve for Grants Receivable	C-11	125
Reserve for Capital Lease program Essex County Improvement Authority	C-12	126
Reserve for Loan Proceeds	C-13	126
Demolition Bond Loan Payable	C-14	127
N.J. Economic Development Authority Loan Payable	C-15	128
N.J. Environmental Infrastructure Trust Loan Payable	C-16	129
Green Acres Trust Loan Payable – School	C-17	130
Green Acres Trust Loan Payable – General	C-18	131
School Refunding Bonds	C-19	132
School Serial Bonds (Type I)	C-20	133
General Refunding Bonds	C-21	134
Schedule of Bonds and Notes Authorized by Not Issued	C-22	135

CITY OF ORANGE TOWNSHIP
TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
<u>Part I - Continued</u>		
<u>Water/Sewer Utility Fund</u>		
Statement of Expenditures	D-4	136
Cash Receipts and Disbursements - Treasurer	D-5	137
Bank Reconciliation June 30, 2010	D-6	138
Cash Receipts and Disbursements Water and Sewer Collections	D-7	139
Cash – Change Fund	D-8	139
Analysis of Capital Cash and Investments	D-9	140
Interfunds Receivable	D-10	141
Consumer Accounts Receivable	D-11	142
Other Accounts Receivable	D-12	142
Deferred Charges	D-13	143
Loans Receivable	D-14	143
Fixed Capital	D-15	144
Fixed Capital Authorized and Uncompleted	D-16	145
Appropriation Reserves	D-17	146
Due to United Water Company	D-18	147
Accrued Interest on Bonds	D-19	148
Water and Sewer Overpayments	D-20	149
Improvement Authorizations	D-21	150
Interfunds Payable	D-22	151
Reserve of Amortization	D-23	152
Deferred Reserve for Amortization	D-24	153
N.J. Environmental Infrastructure Trust Loan Payable	D-25	154
Serial Bonds	D-26	155
 <u>Part II</u>		
Letter of Transmittal		156
General Comments		157
Report on Internal Control Over Financial Reporting on Compliance and Other Matters Based on an Audit of Statutory Basis Financial Statements Performed in Accordance with Governmental Auditing Standards		168
Report on Compliance with Requirements That Could Have a Direct and Material Effect Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04		170
Comments and Recommendations		172

CITY OF ORANGE TOWNSHIP

PART I

ROSTER OF OFFICIALS, INDEPENDENT AUDITORS' REPORT, FINANCIAL
STATEMENTS AND SUPPLEMENTARY SCHEDULES

YEAR ENDED JUNE 30, 2010

CITY OF ORANGE TOWNSHIP
ROSTER OF OFFICIALS
JUNE 30, 2010

MAYOR

Elridge Hawkins, Jr.

CITY COUNCIL

Edward B. Marable Jr., President
Elroy A. Corbitt, Vice President
Hassan Abdul-Rasheed
Rayfield Mortin
Donna K. Williams
Lisa Y. Perkins
Tency A. Eason

CITY ADMINISTRATOR

John Mason

DIRECTOR OF FINANCE

John W. Kelly

CITY CLERK

Dwight Mitchell

CITY ATTORNEY

Marvin T. Braker

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members
of the City Council
City of Orange Township
County of Essex
Orange, New Jersey 07050

We have audited the accompanying regulatory basis financial statements of the various funds of the City of Orange Township, New Jersey as of June 30, 2010, and the related statements of operations and changes in fund balances for the year then ended, and the related statements of revenues, expenditures and fund balances for the year ended June 30, 2010, as listed in the foregoing table of contents. The financial statements of the City of Orange Township as of June 30, 2009 were audited by other auditors whose report dated January 8, 2010 expressed a qualified opinion in accordance with generally accepted accounting principles and an unqualified opinion on a regulatory basis. These financial statements are the responsibility of the management of the City of Orange Township, New Jersey. Our responsibility is to express an opinion on these financial statements based upon our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

These statutory basis financial statements have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which 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. These practices differ in certain respects, which in some instances may be material, from generally accepted accounting principles applicable to local government units. The more significant of these practices are described in Note 1 to the financial statements.

Honorable Mayor and Members
of City Council
City of Orange Township

Page 2 of 2

In our opinion, because of the Township's policy to prepare its financial statements on the basis of accounting discussed in the third paragraph of this report, the financial statements referred to above do not present fairly, in conformity with generally accepted accounting principles, the financial position of the City of Orange Township as of June 30, 2010 or the results of its operations for the year then ended.

However, in our opinion, the statutory basis financial statements referred to above present fairly, in all material respects, the financial position of the City of Orange Township in the County of Essex, as of June 30, 2010, and the results of operations of such funds for the year then ended, in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1 to the financial statements.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 15, 2011 on our consideration of the City of Orange Township's internal control over financial reporting and our test 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the statutory basis financial statements of the City of Orange Township taken as a whole. The accompanying supplementary schedules presented in the "Supplementary" sections, and the accompanying schedules of expenditures of federal and state awards are not required parts of the financial statements and are presented for purposes of additional analysis as required by New Jersey State Division of Local Government Services; U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Government, and Nonprofit Organizations*, and New Jersey State Office of Management and Budget Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Such information has been subjected to the auditing procedures applied in the audit of the statutory basis financial statements and, in our opinion, is fairly presented in all material respects in relation to the statutory basis financial statements taken as a whole.

McEnerney, Brady & Company, LLC
Certified Public Accountants

Francis M. McEnerney
Registered Municipal Accountant #539

Livingston, New Jersey
March 15, 2011

CITY OF ORANGE TOWNSHIP
CURRENT FUND

A

COMPARATIVE BALANCE SHEETS

ASSETS AND DEFERRED CHARGES

	Ref.	June 30,	
		2010	2009
CURRENT FUND			
Cash - Checking Accounts	A-4	\$ 7,586,632.29	\$ 8,406,031.85
Cash - Cash Management Funds	A-7	969,139.99	966,931.67
Cash - Change Funds	A-8	560.00	560.00
		<u>8,556,332.28</u>	<u>9,373,523.52</u>
Due from State of New Jersey	A-10	45,481.39	57,388.34
		<u>8,601,813.67</u>	<u>9,430,911.86</u>
Receivables and Other Assets with Full Reserves			
Delinquent Property Taxes	A-11	2,584,987.12	3,057,020.81
Tax Title Liens	A-12	269,541.81	53,626.08
Property Acquired for Taxes - Assessed Valuation	A-13	856,500.00	856,500.00
Sales Contract Receivable - Property			
Acquired for Taxes	A-14	80,601.00	80,601.00
Other Liens Receivable	A-15	178,022.71	114,418.31
Revenue Accounts Receivable	A-16	114,244.55	112,897.55
Other Accounts Receivable	A-17	14,000.00	14,000.00
Deposits Receivable	A-18	1,465.05	1,645.05
Interfunds Receivable	A-19	2,173,652.89	885,995.46
		<u>6,273,015.13</u>	<u>5,176,704.26</u>
Deferred Charges			
Overexpenditure of Budget Appropriation	A-20	235,225.15	-
Expenditures Without Budget Appropriations	A-20	160,142.38	-
Special Emergency Appropriation	A-20	77,982.83	-
Special Emergency Appropriation-Revaluation	A-21	-	90,000.00
		<u>473,350.36</u>	<u>90,000.00</u>
		<u>15,348,179.16</u>	<u>14,697,616.12</u>
STATE AND FEDERAL GRANT FUND			
Grants Receivable	A-22	9,988,948.88	5,064,927.72
		<u>\$ 25,337,128.04</u>	<u>\$ 19,762,543.84</u>

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
CURRENT FUND
COMPARATIVE BALANCE SHEETS

LIABILITIES, RESERVES AND FUND BALANCE

	Ref.	June 30,	
		2010	2009
Appropriation Reserves			
Encumbered	A-3,A-23	5,038,290.27	\$ 1,664,907.54
Unencumbered	A-3,A-23	2,941,159.40	2,182,778.11
Reserve for Revaluations	A-24	1,375.09	1,375.09
Accounts Payable	A-25	-	562,317.75
Tax Overpayments	A-26	295,712.89	95,712.89
Due to State of New Jersey	A-27	85.00	6,505.00
Reserve for Tax Appeals	A-28	446,861.85	1,656,648.07
Interfunds Payable	A-29	-	935,281.17
Prepaid Taxes	A-32	141,191.39	107,056.19
Deposits on Sale of Property	A-33	3,110.00	3,110.00
		<u>8,867,785.89</u>	<u>7,215,691.81</u>
Reserve for Receivables	A	6,273,015.13	5,176,704.26
Fund Balance	A-1	207,378.14	2,305,220.05
		<u>15,348,179.16</u>	<u>14,697,616.12</u>
STATE AND FEDERAL GRANT FUND			
Due to Current Fund	A-34	1,762,085.14	727,933.74
Unappropriated Reserves	A-35	180,893.57	94,660.52
Reserve for Grant Expenditures:			
Encumbered	A-36	1,535,291.98	644,802.00
Unencumbered	A-36	6,510,678.19	3,597,531.46
		<u>9,988,948.88</u>	<u>5,064,927.72</u>
		<u>\$ 25,337,128.04</u>	<u>\$ 19,762,543.84</u>

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP

CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE

	Ref.	Years Ended June 30,	
		2010	2009
REVENUE AND OTHER INCOME:			
Fund Balance Utilized	A-2	\$ 2,144,139.31	\$ 2,611,716.22
Miscellaneous Anticipated Revenue	A-2a	22,627,658.77	17,260,521.26
Receipts from Delinquent Taxes	A-2d	2,848,458.51	2,443,713.84
Receipts from Current Taxes	A-2d	46,835,304.07	45,703,512.30
Non-Budget Revenues	A-2e	345,924.87	323,235.38
Other Credit to Income:			
Other Liens Receivable Realized	A-15	114,418.31	55,050.64
Interfund Return		-	792,708.72
Lapsed Balances of Appropriation Reserves	A-23	1,197,469.20	1,233,188.80
Accounts Payable Cancelled	A-25	307,059.25	-
TOTAL REVENUE AND OTHER INCOME		76,420,432.29	70,423,647.16
EXPENDITURES:			
Budgeted and Emergency Appropriations			
Operations:			
Salaries and Wages		24,918,809.48	24,272,700.00
Other Expenses		24,308,785.56	18,261,767.58
Capital Improvements		-	-
Municipal Debt Service		3,685,013.99	3,735,479.92
Deferred Charges		167,982.83	866,084.59
Statutory Expenditures		3,135,533.48	3,065,545.66
Type I School District Debt Service		1,689,358.36	1,681,303.34
	A-3	57,905,483.70	51,882,881.09
Prior Year Revenue Refunds		-	28,124.16
Interfund Charges - Net	A-19	1,915,457.43	2,500.00
County Taxes	A-30	7,366,319.12	7,327,485.26
Local District Taxes	A-31	9,660,225.00	9,288,678.00
		76,847,485.25	68,529,668.51
DEFICIT OF EXPENDITURES OVER REVENUES		(427,052.96)	1,893,978.65
ADJUSTMENTS TO INCOME BEFORE FUND BALANCE:			
Expenditures Included Above Which Are by Statute			
Deferred Charges to Budget of Succeeding Year	A-20	473,350.36	-
STATUTORY EXCESS		46,297.40	-
FUND BALANCE, BEGINNING OF YEAR	A	2,305,220.05	3,022,957.62
Subtotal		2,351,517.45	4,916,936.27
UTILIZED AS ANTICIPATED REVENUE	A-2	2,144,139.31	2,611,716.22
FUND BALANCE, END OF YEAR	A	\$ 207,378.14	\$ 2,305,220.05

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
CURRENT FUND

A-2

STATEMENT OF REVENUES

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or Deficit</u>
Surplus Anticipated	A-1	\$ 2,144,139.31	\$ 2,144,139.31	\$ -
Miscellaneous Revenues	A-2a	22,734,836.51	22,627,658.77	(107,177.74)
Receipts from Delinquent Taxes	A-2d	<u>3,007,523.00</u>	<u>2,848,458.51</u>	<u>(159,064.49)</u>
Sub - Total General Revenue		<u>27,886,498.82</u>	<u>27,620,256.59</u>	<u>-</u>
Amount to be Raised by Taxation:				
Local Tax Municipal Purposes		32,280,639.25	32,986,791.40	706,152.15
Addition to Local Scholol District Tax		543,801.36		(543,801.36)
	A-2d, 11	<u>32,824,440.61</u>	<u>32,986,791.40</u>	<u>162,350.79</u>
Total General Revenue		60,710,939.43	60,607,047.99	162,350.79
Non-Budget Revenues	A-2e	<u>-</u>	<u>345,924.87</u>	<u>345,924.87</u>
		<u>\$ 60,710,939.43</u>	<u>\$ 60,952,972.86</u>	<u>\$ 508,275.66</u>

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
CURRENT FUND

STATEMENT OF REVENUES
ANALYSIS OF MISCELLANEOUS REVENUES

	Ref.	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
MISCELLANEOUS REVENUES:				
Licenses:				
Alcoholic Beverages	A-16	\$ 48,000.00	\$ 55,980.60	\$ 7,980.60
Other	A-16	63,000.00	77,535.00	14,535.00
Fees and Permits:				
Uniform Construction Code Fees	A-16	88,000.00	121,741.50	33,741.50
Other	A-16	211,000.00	241,954.02	30,954.02
Fines and Costs - Municipal Court	A-16	862,000.00	859,854.77	(2,145.23)
Interest and Costs on Taxes	A-16	650,000.00	601,259.24	(48,740.76)
Parking Meters	A-16	118,000.00	79,324.00	(38,676.00)
Right of Way - Fiber Optics Cable	A-16	1,000.00	1,000.00	-
Rent Leveling Fees	A-16	45,000.00	44,110.00	(890.00)
Interest on Investments and Deposits	A-16	69,000.00	2,308.81	(66,691.19)
Rent on City - Owned Property- Right of Way	A-16	-	-	-
Rent on City - Owned Property- Lincoln Avenue	A-16	-	-	-
Building Aid Allowance for School - State Aid	A-16	1,145,557.00	1,145,557.00	-
Payments in Lieu of Taxes:				
Transport of New Jersey	A-16	106,000.00	105,521.00	(479.00)
Our Lady of Mt. Carmel Senior Citizens	A-16	112,000.00	74,196.50	(37,803.50)
Millennium Homes - RPM	A-16	3,000.00	24,075.68	21,075.68
South Essex Urban Urban Renewal	A-16	71,000.00	63,154.00	(7,846.00)
Oakwood Towers	A-16	161,000.00	103,362.75	(57,637.25)
Salem Towers - High Street Associates	A-16	130,000.00	171,120.50	41,120.50
Orange Park Apartments Associates, Ltd.	A-16	127,000.00	157,415.50	30,415.50
The Berkely	A-16	32,000.00	31,553.00	(447.00)
Lincoln Court	A-16	134,000.00	111,002.00	(22,998.00)
Project Live, Inc.	A-16	6,000.00	7,067.25	1,067.25
New Community Corporation	A-16	41,669.00	63,960.75	22,291.75
Franchise Fee from Cablevision Gross Revenue				
Collections per N.J.S.A. 48:5A-30	A-16	69,000.00	70,110.46	1,110.46
Consolidated Municipal Property Tax Relief	A-16	6,469,179.00	6,469,179.00	-
Energy Receipts Tax	A-16	3,317,842.00	3,317,842.00	-
Extraordinary Aid	A-16	500,000.00	500,000.00	-
Reserve for Tax Appeals	A-28	658,000.00	658,000.00	-
State and Federal Revenue Offsets with				
Appropriations:				
Public Health Priority Funding	A-22	14,640.00	14,640.00	-
Clean Community Grant - UR	A-22	8,551.43	8,551.43	-
Drug Abuse	A-22	-	-	-
Municipal Alliance	A-22	85,000.00	85,000.00	-
Urban Enterprise Zone:				
09-134 Litter Collection	A-22	468,911.00	468,911.00	-
09-190 Police	A-22	168,552.00	168,552.00	-
09-160 Smart Future Phase II	A-22	230,000.00	230,000.00	-
09-144 CCTV	A-22	8,000.00	8,000.00	-
Administration - 2010	A-22	160,000.00	160,000.00	-
JAG FY 09 Stimulus Recovery	A-22	241,442.88	241,442.88	-
New Jersey Historic Trust - City Hall	A-22	140,500.00	140,500.00	-
Neighborhood Stabilization Grant	A-22	1,500,000.00	1,500,000.00	-
2010 State Health Services Grant	A-22	93,436.00	93,436.00	-
Drunk Driving Enforcement Fund	A-22	1,438.70	1,438.70	-
Public Health Priority Funding	A-22	11,499.50	11,499.50	-
Alcohol Education & Rehabilitation	A-22	2,529.61	2,529.61	-
Essex County Division on Aging	A-22	8,125.00	8,125.00	-
Recycling Tonnage Grant	A-22	9,046.52	9,046.52	-
Bullet Proof Vests	A-22	5,712.29	5,712.29	-
County Of Essex - Homeland Security	A-22	150,000.00	150,000.00	-
N.J. Homeland Security to Firefighters	A-22	58,000.00	58,000.00	-

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
CURRENT FUND

STATEMENT OF REVENUES
ANALYSIS OF MISCELLANEOUS REVENUES

	Ref.	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
MISCELLANEOUS REVENUES (Continued):				
State and Federal Revenue Offsets with				
Appropriations, continued				
Recycling Tonnage Grant	A-22	14,247.95	14,247.95	
Clean Energy	A-22	21,822.75	21,822.75	
County of Essex - Division on Aging	A-22	15,075.00	15,075.00	
Body Armor Fund	A-22	3,137.13	3,137.13	
COPS Hiring	A-22	964,875.00	964,875.00	
N.J. Council on the Arts	A-22	22,832.00	22,832.00	
Visiting Nurses	A-22	8,100.00	8,100.00	
Transit Village Program	A-22	583,457.00	583,457.00	
Various Streets	A-22	537,898.00	537,898.00	
Central Avenue	A-22	750,000.00	750,000.00	
Holiday Decorations	A-22	70,000.00	70,000.00	
Advertising Initiative	A-22	30,750.00	30,750.00	
Policing Project	A-22	350,296.00	350,296.00	
Hazardous Sute Discharge Remediation:				
534 Mitchell Avenue	A-22	19,031.50	19,031.50	
540 Mitchell Avenue	A-22	18,882.25	18,882.25	
N.J. Homeland Security to Firefighters	A-22	500.00	500.00	
N.J. Emergency Preparedness Grant - Health Officer	A-22	2,500.00	2,500.00	-
Other Special Items:				
Interlocal Service Agreement with Orange Board of Education:				
Extended School Day Program - FY2010	A-16	50,000.00	29,668.28	(20,331.72)
Extended School Day Program - FY2009	A-16			-
Uniform Fire Safety Act	A-16	40,000.00	33,215.65	(6,784.35)
Due from Federal and State Grant Fund	A-19	627,800.00	627,800.00	-
	A-1,2	<u>\$ 22,734,836.51</u>	<u>\$ 22,627,658.77</u>	<u>\$ (107,177.74)</u>

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
CURRENT FUND

A-2b

STATEMENT OF REVENUES (Continued)
ANALYSIS OF OTHER LICENSES

	Ref.		
City Clerk			
Raffle Licenses		\$ 60.00	
Tow Truck Licenses		<u>2,431.00</u>	
			\$ 2,491.00
Inspection and Licensing			
Garage and Gas Station Licenses		13,775.00	
Dance Hall		3,250.00	
Automatic Amusement Licenses		7,350.00	
Restaurant Licenses		4,750.00	
Taxi Driver and Owners Licenses		5,775.00	
Laundromat Licenses		2,250.00	
Other Business Licenses		<u>8,705.00</u>	
			45,855.00
Planning Department			
Superintendent Licenses			28,350.00
Health Department			
Marriage Licenses		541.00	
Milk Licenses		<u>298.00</u>	
			<u>839.00</u>
	A-16		<u>\$ 77,535.00</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

A-2c
Sheet 1

STATEMENT OF REVENUES
ANALYSIS OF OTHER FEES AND PERMITS (Continued)

<u>City Clerk</u>		
Taxi and Livery Permits	\$ 1,477.00	
Constable Fees	75.00	
Copy Fees	3,557.20	
Maps	<u>34.75</u>	\$ 5,143.95
<u>Health Department</u>		
Birth Certificates	24,690.00	
Death Transcripts	42,660.00	
Marriage Transcripts	5,510.00	
Burial Permits	5,216.00	
Correction Fee	255.00	
Tuberculosis Test	1,150.00	
Miscellaneous	<u>20.00</u>	79,501.00
<u>Public Works</u>		
Street Permits	2,080.00	
Sidewalk Occupancy	500.00	
Landscaping Permit	870.00	
Deeds and Tax Maps	25.00	
Copy Fees	283.00	
Handicapped Parking	200.00	
Registration Fees	14,250.00	
Miscellaneous	<u>1,700.00</u>	19,908.00
<u>Tax Search Officer</u>		
Tax Searches		797.00
<u>Zoning Board of Adjustment</u>		
Site Plans and Variances		5,690.00
<u>Police Department</u>		
Search Fees, Canvasser's Permits, Gun Permits and Accident Reports	7,269.50	
Alarm Permits	<u>3,872.00</u>	11,141.50
<u>Code Enforcement Department</u>		
Inspection fees	36,206.00	
Certificates of Habitability	<u>16,366.00</u>	52,572.00

CITY OF ORANGE TOWNSHIP
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF OTHER FEES AND PERMITS

	Ref.	
Planning Board		
Site Plans and Variances		\$ 429.00
Assessor		
Property Owner Lists		775.00
Copy of Deeds		<u>100.00</u>
		875.00
Planning Department		
Train Parking Lot Permits		40,482.65
Other Licenses		15,354.92
Zoning Officer		
Superintendent Licenses		<u>10,059.00</u>
	A-16	<u>\$ 241,954.02</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

A-2d

STATEMENT OF REVENUE
ANALYSIS OF REALIZED TAX REVENUE

	Ref.		
Receipts from Delinquent Taxes			
Delinquent Tax Collections:			
FY 2010 Collections	A-11	\$ 2,845,880.39	
Tax Title Lien Collections	A-12	2,578.12	
	A-1,A-2	<u>2,848,458.51</u>	\$ 2,848,458.51
Allocation of Current Tax Collections			
Revenue from Collections:			
FY 2010 Collections	A-11	46,649,691.03	
FY 2009 Collections	A-32	107,056.19	
Due from State of New Jersey	A-10	78,556.85	
	A-1	<u>46,835,304.07</u>	46,835,304.07
Less: Allocated to:			
Essex County	A-30	7,366,319.12	
Local School District	A-31	9,660,225.00	
		<u>17,026,544.12</u>	17,026,544.12
			<u>29,808,759.95</u>
Plus: Appropriation Reserve for Uncollected Taxes	A-3		<u>3,178,031.45</u>
Amount of Municipal Support	A-2		<u>\$ 32,986,791.40</u>

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenue Not Anticipated		
Retiree Drug Subsidy	\$	104,893.71
Rent on City Owned Property		329.00
Outside Employment of Off-Duty Police Officer		
Administrative Fee		52,416.75
Vending Machine Income		414.78
Division of Motor Vehicle Inspections		7,841.50
Administrative Fee for Car Towing		8,630.00
Application Fees - Washington/Dodd		9,010.00
Passaic Valley Sewer Rebate		1,102.38
State of New Jersey		
Administrative Fee for Senior Citizens and Veterans		1,846.20
Return Check Fees		2,687.39
Right of Way Fees		8,335.00
307 Washington Street		94,396.50
Telephone Commissions		347.60
Miscellaneous		53,674.06
		<hr/>
	\$	<u>345,924.87</u>
	<u>Ref.</u>	A-1,A-2

CITY OF ORANGE TOWNSHIP
CURRENT FUND
STATEMENT OF EXPENDITURES
JUNE 30, 2010

	Budget	Budget After Modification	Paid or Charged	Expended		Reserved	Cancelled	Over-Expenditures
				Encumbered	Encumbered			
OPERATIONS - WITHIN "CAPS":								
DEPARTMENT OF ADMINISTRATION								
Mayor's Office	\$ 172,000.00	\$ 172,000.00	\$ 171,352.59	\$ -	\$ 647.41	\$ -	\$ -	\$ -
Salaries and Wages	8,000.00	8,000.00	1,503.53	251.12	6,245.35	-	-	-
Other Expenses								
Office of the Business Administrator	153,200.00	153,200.00	151,916.69	-	1,283.31	-	-	-
Salaries and Wages	1,000.00	1,000.00	-	-	1,000.00	-	-	-
Other Expenses								
Office of Administrative Services	96,000.00	96,000.00	89,651.35	-	6,348.65	-	-	-
Salaries and Wages	245,000.00	245,000.00	225,204.10	19,248.88	547.02	-	-	-
Other Expenses								
Office of Public Defender	35,000.00	35,000.00	35,000.00	-	-	-	-	4,150.00
Salaries and Wages	2,000.00	2,000.00	6,150.00	-	-	-	-	-
Other Expenses								
Insurance:								
Unemployment Compensation								
General Liability	310,000.00	310,000.00	243,892.56	47,427.27	18,690.17	-	-	-
Workers Compensation	875,000.00	875,000.00	826,260.13	-	48,739.87	-	-	-
Employee Group Health	7,150,000.00	7,150,000.00	5,004,339.98	121,231.83	2,024,428.19	-	-	-
Municipal Insurance Fund	400,000.00	400,000.00	400,000.00	-	-	-	-	-
Municipal Alcohol Beverage Control Board								
Salaries and Wages	5,000.00	5,000.00	-	-	5,000.00	-	-	-
Other Expenses	7,000.00	7,000.00	6,947.51	321.28	(268.79)	-	-	-
	9,459,200.00	9,459,200.00	7,162,208.44	188,480.38	2,112,661.18	-	-	4,150.00
DEPARTMENT OF LAW								
Office of the City Attorney								
Salaries and Wages	406,750.00	406,750.00	406,620.09	-	129.91	-	-	-
Other Expenses	75,000.00	75,000.00	15,451.32	2,451.80	57,096.88	-	-	-
	481,750.00	481,750.00	422,071.41	2,451.80	57,226.79	-	-	-
CITY CLERK AND MUNICIPAL COUNCIL								
City Council								
Salaries and Wages	115,000.00	115,000.00	114,868.20	-	131.80	-	-	-
Other Expenses	119,000.00	119,000.00	4,816.65	369.60	113,813.75	-	-	-
City Clerk								
Salaries and Wages	202,500.00	202,500.00	194,831.37	-	7,668.63	-	-	-
Other Expenses	68,000.00	68,000.00	34,987.20	18,407.28	14,605.52	-	-	-
	504,500.00	504,500.00	349,503.42	18,776.88	136,219.70	-	-	-

CITY OF ORANGE TOWNSHIP
CURRENT FUND
STATEMENT OF EXPENDITURES
JUNE 30, 2010

	Budget	Budget After Modification	Paid or Charged	Expended	Reserved	Cancelled	Over-Expenditures
				Encumbered			
OPERATIONS - WITHIN "CAPS" (Continued):							
DEPARTMENT OF PLANNING AND DEVELOPMENT							
Inspection and Licensing							
Salaries and Wages	307,000.00	307,000.00	307,000.00				
Other Expenses	5,000.00	5,000.00	4,868.29	45.00	86.71		
Planning Division							
Salaries and Wages	220,000.00	220,000.00	285,070.19	1,189.92	9,406.99		65,070.19
Other Expenses	18,000.00	18,000.00	7,403.09				
Zoning Board							
Salaries and Wages	5,000.00	5,000.00	5,000.00				
Other Expenses	13,500.00	13,500.00	13,056.27	440.00	3.73		
Planning Board							
Salaries and Wages	5,000.00	5,000.00	5,000.00				
Other Expenses	12,000.00	12,000.00	4,805.35	3,130.88	4,063.77		
Rent Leveling Board							
Salaries and Wages	51,000.00	51,000.00	50,430.24		569.76		
Other Expenses	5,000.00	5,000.00	2,737.12	2,083.35	179.53		
	641,500.00	641,500.00	885,370.55	6,889.15	14,310.49		65,070.19
DEPARTMENT OF FINANCE							
Department of Finance							
Salaries and Wages	476,000.00	476,000.00	475,862.78		137.22		
Other Expenses	40,000.00	40,000.00	13,627.39		26,372.61		
Tax Assessor							
Salaries and Wages	136,050.00	136,050.00	136,005.41		44.59		
Other Expenses	50,000.00	50,000.00	29,788.85	15,869.71	4,361.44		
Office of Tax Collector							
Salaries and Wages	223,500.00	223,500.00	220,516.61		2,983.39		
Other Expenses	27,000.00	27,000.00	23,335.93	2,960.57	703.50		
	952,550.00	952,550.00	899,116.97	18,830.28	34,602.75		
DEPARTMENT OF COMMUNITY SERVICES							
Administrative Division							
Salaries and Wages	258,000.00	258,000.00	258,000.00				
Other Expenses	13,000.00	13,000.00	9,349.87	205.00	3,445.13		
Health Division							
Salaries and Wages	316,100.00	316,100.00	316,100.00				
Other Expenses	37,000.00	37,000.00	11,122.06	20,654.49	5,223.45		

CITY OF ORANGE TOWNSHIP
CURRENT FUND
STATEMENT OF EXPENDITURES
JUNE 30, 2010

	Budget	Budget After Modification	Expended			Reserved	Cancelled	Over-Expenditures
			Paid or Charged	Encumbered				
OPERATIONS - WITHIN "CAPS" (Continued):								
DEPARTMENT OF COMMUNITY SERVICES (Continued)								
Animal Control								
Salaries and Wages	58,250.00	58,250.00	56,600.06		1,649.94			
Other Expenses	77,000.00	77,000.00	51,994.60	25,005.40				
Older Adults Services								
Salaries and Wages	80,000.00	80,000.00	79,888.50		111.50			
Other Expenses	120,000.00	120,000.00	90,990.80	26,106.94	2,902.26			
Cultural Affairs								
Salaries and Wages	72,000.00	72,000.00	72,000.00					
Other Expenses	20,000.00	20,000.00	16,973.48	3,015.33	11.19			
Recreation								
Salaries and Wages	499,500.00	499,500.00	482,015.65		17,484.35			
Other Expenses	100,000.00	100,000.00	67,960.78	20,462.06	11,577.16			
	<u>1,650,850.00</u>	<u>1,650,850.00</u>	<u>1,512,995.80</u>	<u>95,449.22</u>	<u>42,404.98</u>			
DEPARTMENT OF POLICE								
Administration/Patrol Division								
Salaries and Wages	11,073,600.00	11,073,600.00	11,073,600.00					
Other Expenses	290,000.00	290,000.00	152,384.77	89,168.74	48,446.49			
School Guards								
Salaries and Wages	362,100.00	362,100.00	362,094.99		5.01			
	<u>11,725,700.00</u>	<u>11,725,700.00</u>	<u>11,588,079.76</u>	<u>89,168.74</u>	<u>48,451.50</u>			
DEPARTMENT OF FIRE								
Administration Division								
Salaries and Wages	7,420,300.00	7,420,300.00	7,420,300.00					
Other Expenses	155,000.00	155,000.00	110,069.79	7,940.62	36,989.59			
Office of Emergency Management								
Salaries and Wages	3,700.00	3,700.00	3,700.00					
Other Expenses	1,800.00	1,800.00			1,800.00			
Ambulance Services								
Other Expenses	55,000.00	55,000.00	53,541.85		1,458.15			
Uniform Fire Safety Act								
Salaries and Wages	33,000.00	33,000.00	33,000.00					
	<u>7,668,800.00</u>	<u>7,668,800.00</u>	<u>7,620,611.64</u>	<u>7,940.62</u>	<u>40,247.74</u>			

CITY OF ORANGE TOWNSHIP
CURRENT FUND
STATEMENT OF EXPENDITURES
JUNE 30, 2010

	Budget	Budget After Modification	Paid or Charged	Expended			Over-Expenditures
				Encumbered	Reserved	Cancelled	
OPERATIONS - WITHIN "CAPS" (Continued):							
DEPARTMENT OF PUBLIC WORKS							
Street Maintenance							
Salaries and Wages	448,000.00	448,000.00	448,000.00				
Other Expenses	90,000.00	90,000.00	75,713.54	12,710.03	1,576.43		
Maintenance of Parks							
Salaries and Wages	306,010.00	306,010.00	306,010.00				
Other Expenses	52,000.00	52,000.00	31,297.05	20,070.13	632.82		
Director's Office							
Salaries and Wages	317,000.00	317,000.00	314,431.33		2,568.67		
Other Expenses	50,000.00	50,000.00	34,282.34	15,198.58	519.08		
Equipment and Vehicle Management							
Salaries and Wages	34,050.00	34,050.00	34,050.00				
Other Expenses	555,000.00	555,000.00	567,461.36	23,455.09			35,916.45
Snow Removal							
Salaries and Wages	10,000.00	10,000.00			10,000.00		
Other Expenses	40,000.00	40,000.00	15,099.04	8,745.34	16,155.62		
Building and Grounds							
Salaries and Wages	43,000.00	43,000.00	42,709.22		290.78		
Other Expenses	280,000.00	280,000.00	229,687.35	50,173.43	139.22		
	2,225,060.00	2,225,060.00	2,098,741.23	130,352.60	31,882.62		35,916.45
MUNICIPAL COURT							
Salaries and Wages	670,500.00	670,500.00	674,129.29				3,629.29
Other Expenses	82,000.00	82,000.00	73,633.42	7,392.75	973.83		
	752,500.00	752,500.00	747,762.71	7,392.75	973.83		3,629.29
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS							
OFFSET BY DEDICATED REVENUES(N.J.A.C.5:23-4.17)							
Planning and Economic Development/Uniform							
Construction Code:							
Inspections and Licensing							
Salaries and Wages	86,000.00	86,000.00	86,000.00				
Other Expenses	2,000.00	2,000.00	311.49		1,688.51		
	88,000.00	88,000.00	86,311.49		1,688.51		

CITY OF ORANGE TOWNSHIP
CURRENT FUND
STATEMENT OF EXPENDITURES
JUNE 30, 2010

	Budget	Budget After Modification	Paid or Charged	Expended		Cancelled	Over-Expenditures
				Encumbered	Reserved		
OPERATIONS - WITHIN "CAPS" (Continued):							
UNCLASSIFIED							
Utilities:							
Telephone	140,000.00	140,000.00	168,201.55	79.98			28,281.53
Street Lighting	535,000.00	535,000.00	403,050.64	42,424.98	89,524.38		
Retirement/Termination Pay/Other Compensation							
Salaries and Wages	150,000.00	150,000.00	25,409.41	-	124,590.59		
Gas and Electric	460,000.00	460,000.00	336,220.41	70,144.05	53,635.54		
Refuse Removal	1,900,000.00	1,900,000.00	1,771,518.85	226,658.84			98,177.69
Contingent	2,000.00	2,000.00	506.67	150.00	1,343.33		
TOTAL UNCLASSIFIED	3,187,000.00	3,187,000.00	2,704,907.53	339,457.85	269,093.84		128,459.22
TOTAL OPERATIONS WITHIN "CAP"	39,337,410.00	39,337,410.00	35,877,680.95	905,190.27	2,789,763.93		235,225.15
Detail							
Salaries and Wages	24,850,110.00	24,850,110.00	24,737,163.97	-	181,645.51		68,699.48
Other Expenses	14,487,300.00	14,487,300.00	11,140,516.98	905,190.27	2,608,118.42		166,525.67
	39,337,410.00	39,337,410.00	35,877,680.95	905,190.27	2,789,763.93		235,225.15
STATUTORY EXPENDITURES							
Public Employee Retirement System	383,377.00	383,377.00		383,377.00			
Social Security System (O.A.S.I.)	900,000.00	900,000.00	798,604.53		101,395.47		
Consolidated Police and Fire	44,161.48	44,161.48	44,161.48				
Police and Fire Retirement System	1,807,995.00	1,807,995.00		1,807,995.00			
	3,135,533.48	3,135,533.48	842,766.01	2,191,372.00	101,395.47		
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	42,472,943.48	42,472,943.48	36,720,446.96	3,096,562.27	2,891,159.40		235,225.15

CITY OF ORANGE TOWNSHIP
CURRENT FUND
STATEMENT OF EXPENDITURES
JUNE 30, 2010

	Budget	Budget After Modification	Expended			Over-Expenditures
			Paid or Charged	Encumbered	Reserved	
OPERATIONS - EXCLUDED FROM "CAPS"						
OTHER OPERATIONS						
Municipal Library	717,800.00	717,800.00	717,800.00	-	-	-
Other Expenses				306,558.00	-	-
Public Employee Retirement System	306,558.00	306,558.00				
Police and Fire Retirement System	1,635,170.00	1,635,170.00		1,635,170.00	-	-
Interlocal Service Agreement						
Orange Board of Education - Extended School Day Program	50,000.00	50,000.00			50,000.00	
	<u>2,709,528.00</u>	<u>2,709,528.00</u>	<u>717,800.00</u>	<u>1,941,728.00</u>	<u>50,000.00</u>	<u>-</u>
Judgements			160,142.38			160,142.38

STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES

Public Health Priority Funding	14,640.00	14,640.00	14,640.00			
Dr Urban Enterprise Zone						
Recycling Tonnage Grant			14,247.95			
Police Solar Power						
Shuttle Bus						
Clean Community Grant -2010	8,551.43	8,551.43	8,551.43			
Clean Community Grant - UR						
Clean Energy			21,822.75			
Municipal Alliance on Alcoholism and Drug Abuse						
Municipal Alliance	85,000.00	85,000.00	85,000.00			
Safe and Secure Communities						
Essex County Local Arts Program						
Summer Food Program for Children - CY 2009						
Summer Food Program for Children - CY 2010						
County of Essex - Division on Aging						
Body Armor Fund	15,075.00	15,075.00	15,075.00			
COPS Hiring	3,137.13	3,137.13	3,137.13			
Visiting Nurses	964,875.00	964,875.00	964,875.00			
Transit Village Program	8,100.00	8,100.00	8,100.00			
Various Streets	583,457.00	583,457.00	583,457.00			
Recreation Opportunity Disability Grant	537,898.00	537,898.00	537,898.00			

CITY OF ORANGE TOWNSHIP
CURRENT FUND
STATEMENT OF EXPENDITURES
JUNE 30, 2010

	Budget	Budget After Modification	Paid or Charged	Expended	Cancelled	Over-Expenditures
				Encumbered	Reserved	
Urban Enterprise Zone:						
09-134 Litter Collection	468,911.00	468,911.00	468,911.00			
09-190 Police	168,552.00	168,552.00	168,552.00			
09-160 Smart Future Phase II	230,000.00	230,000.00	230,000.00			
09-144 CCTV	8,000.00	8,000.00	8,000.00			
Administration - 2010	160,000.00	160,000.00	160,000.00			
Central Avenue	750,000.00	750,000.00	750,000.00			
Holiday Decorations	70,000.00	70,000.00	70,000.00			
Advertising Initiative	30,750.00	30,750.00	30,750.00			
Policing Project	350,296.00	350,296.00	350,296.00			
Hazardous Sulte Discharge Remediation:						
534 Mitchell Avenue		19,031.50	19,031.50			
540 Mitchell Avenue		18,882.25	18,882.25			
JAG FY 09 Stimulus Recovery	241,442.88	241,442.88	241,442.88			
New Jersey Historic Trust - City Hall	140,500.00	140,500.00	140,500.00			
Neighborhood Stabilization Grant	1,500,000.00	1,500,000.00	1,500,000.00			
2010 State Health Services Grant	93,436.00	93,436.00	93,436.00			
Drunk Driving Enforcement Fund	1,438.70	1,438.70	1,438.70			
Public Health Priority Funding	11,499.50	11,499.50	11,499.50			
Alcohol Education & Rehabilitation	2,529.61	2,529.61	2,529.61			
Essex County Division on Aging	8,125.00	8,125.00	8,125.00			
Recycling Tonnage Grant	9,046.52	9,046.52	9,046.52			
Bullet Proof Vests	5,712.29	5,712.29	5,712.29			
County Of Essex - Homeland Security	150,000.00	150,000.00	150,000.00			
N.J. Homeland Security to Firefighters	58,000.00	58,000.00	58,000.00			
N.J. Homeland Security to Firefighters - Match	6,500.00	6,500.00	6,500.00			
N.J. Homeland Security to Firefighters	500.00	500.00	500.00			
N.J. Emergency Preparedness Grant -						
Health Officer	2,500.00	2,500.00	2,500.00			
HIN Grant	22,832.00	22,832.00	22,832.00			
NU Council on the Arts						
	<u>3,374,384.93</u>	<u>6,785,289.51</u>	<u>6,785,289.51</u>			
Total Operations	6,083,912.93	9,494,817.51	7,863,231.89	1,941,728.00	50,000.00	160,142.38

CITY OF ORANGE TOWNSHIP
CURRENT FUND
STATEMENT OF EXPENDITURES
JUNE 30, 2010

	Budget	Budget After Modification	Expended		Reserved	Cancelled	Over-Expenditures
			Paid or Charged	Encumbered			
DEBT SERVICE							
Payment of Bond Principal	2,536,992.62	2,536,992.62	2,536,992.62	-	-	-	-
Interest on Bonds	776,035.12	776,035.12	776,035.12	-	-	-	-
Green Trust Loan Program							
Loan Payment for Principal and Interest	20,937.54	20,937.54	20,937.54	-	-	100,774.64	-
New Jersey Environmental Infrastructure Loan	331,892.35	331,892.35	231,117.71	-	-	-	-
New Jersey Economic Development Authority Loan	66,995.00	66,995.00	66,995.00	-	-	-	-
Demolition Loan- Department of Community Affairs	52,936.00	52,936.00	52,936.00	-	-	-	-
	<u>3,785,788.63</u>	<u>3,785,788.63</u>	<u>3,685,013.99</u>	-	-	<u>100,774.64</u>	-
OPERATIONS - EXCLUDED FROM "CAPS"							
PUBLIC AND PUBLIC PROGRAMS OFFSET							
BY REVENUES							
DEFERRED CHARGES							
Special Emergency Authorizations - 5 years	90,000.00	90,000.00	90,000.00	-	-	-	-
Emergency Authorizations	90,000.00	77,982.83	77,982.83	-	-	-	-
		<u>167,982.83</u>	<u>167,982.83</u>	-	-	-	-
FOR LOCAL DISTRICT SCHOOL PURPOSES							
Type I District School Debt Service:							
Payment of Bond Principal	1,343,007.38	1,343,007.38	1,343,007.38	-	-	-	-
Interest on Bonds	315,259.38	315,259.38	315,259.38	-	-	-	-
Green Acres Loan	31,091.60	31,091.60	31,091.60	-	-	-	-
	<u>1,689,358.36</u>	<u>1,689,358.36</u>	<u>1,689,358.36</u>	-	-	-	-
Total General Appropriations excluded from "CAPS"	11,649,059.92	15,137,947.33	13,205,587.07	1,941,728.00	50,000.00	100,774.64	160,142.38
Sub Total	54,122,003.40	57,610,890.81	49,926,034.03	5,038,290.27	2,941,159.40	100,774.64	395,367.53
Reserve for Uncollectible Taxes	3,178,031.45	3,178,031.45	3,178,031.45	-	-	-	-
Total Appropriations	<u>\$ 57,300,034.85</u>	<u>\$ 60,788,922.26</u>	<u>\$ 53,104,065.48</u>	<u>\$ 5,038,290.27</u>	<u>\$ 2,941,159.40</u>	<u>\$ 100,774.64</u>	<u>\$ 395,367.53</u>

A-2
A
A
Below

Ref. A-20 235,225.15
A-20 160,142.38
395,367.53
Above

Overexpenditure of Budget Appropriations
Expenditure without Budget Appropriation

CITY OF ORANGE TOWNSHIP
CURRENT FUND

STATEMENT OF EXPENDITURES

	Ref.	<u>Modified Budget</u>	<u>Paid or Charged</u>
Adopted Budget	A-3	\$ 57,300,034.85	\$ -
Added by N.J.S.A. 40 A:4-87	A-3	3,410,904.58	
Emergency Appropriations	A-3	77,982.83	
Cash Disbursed	A-4		43,057,244.52
Deferred Charges:			
Special Emergency	A-21		90,000.00
Accounts Payable	A-25		-
Reserve for Grant Expenditures	A-36		6,778,789.51
Reserve for Uncollected Taxes	A-2d		3,178,031.45
	A-3	<u>\$ 60,788,922.26</u>	<u>\$ 53,104,065.48</u>
 <u>Analysis of Charges to Operations:</u>			
Paid or Charged	Above		53,104,065.48
Less: Reserve for Uncollected Taxes	Above		<u>3,178,031.45</u>
			49,926,034.03
 <u>Reserved</u>			
Encumbered	A-3	\$ 2,941,159.40	
Unencumbered	A-3	<u>5,038,290.27</u>	
			<u>7,979,449.67</u>
	A-1		<u>\$ 57,905,483.70</u>

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B

COMPARATIVE BALANCE SHEETS

ASSETS	Ref.	June		LIABILITIES, RESERVES AND FUND BALANCE	Ref.	June	
		2010	2009			2010	2009
ANIMAL CONTROL FUND:							
Cash	B-1	\$ 8,886.80	\$ 9,152.80	Reserve for Expenditures	B-17	\$ 4,703.20	\$ 4,751.20
				Interfunds Payable	B-15	3,760.00	3,984.60
				Due to State of New Jersey	B-9	423.60	417.00
		<u>8,886.80</u>	<u>9,152.80</u>			<u>8,886.80</u>	<u>9,152.80</u>
GENERAL TRUST FUND:							
Cash	B-1	2,485,168.52	1,940,294.84	Accounts Payable	B-10	24,719.88	24,719.88
				Interfunds Payable	B-8	69,500.58	-
				Reserve for:			
				Other Expenditures	B-11	348,648.67	327,966.69
Due from Municipal Court	B-4	1,515.00	1,515.00	Other Deposits	B-12	842,758.32	628,489.20
Other Accounts Receivable	B-7	22,968.00	22,968.00	New Jersey Unemployment Insurance	B-13	45,124.07	43,095.80
Interfunds Receivable	B-8	-	966,593.73	Premium on Tax Sale	B-14	1,178,900.00	1,907,100.00
		<u>2,509,651.52</u>	<u>2,931,371.57</u>			<u>2,509,651.52</u>	<u>2,931,371.57</u>
MUNICIPAL INSURANCE TRUST FUND							
Cash	B-1	558,364.09	299,508.88	Reserve for Municipal Insurance Trust	B-18	558,364.09	299,508.88
		<u>558,364.09</u>	<u>299,508.88</u>	Fund Expenditures		<u>558,364.09</u>	<u>299,508.88</u>
GRANT TRUST FUND							
Cash	B-1	95,078.43	206,018.22	Interfunds Payable	B-15	168,705.61	140,963.97
Grants Receivable	B-5	105,344.00	105,344.00	Reserve for:			
Essex County Community Development Block				Rehabilitation Grant Refunds	B-16	1,587.35	1,587.35
Grants Receivable	B-6	2,362,550.93	2,211,704.61	Essex County Community Development Block			
				Grants Receivable	B-19	2,211,265.65	2,199,100.76
				Other Grant Fund Expenditures	B-20	181,414.75	181,414.75
		<u>\$ 2,562,973.36</u>	<u>\$ 2,523,066.83</u>			<u>\$ 2,562,973.36</u>	<u>\$ 2,523,066.83</u>
TOTAL ASSETS		\$ 5,639,875.77	\$ 5,763,100.08	TOTAL LIABILITIES AND RESERVES		\$ 5,639,875.77	\$ 5,763,100.08

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

C

COMPARATIVE BALANCE SHEET

ASSETS	Ref.	June 30, 2010	
		2010	2009
Cash	C-2	\$ 1,030,089.69	\$ 522,242.66
Grants Receivable	C-4	1,273,823.26	1,273,823.26
Loans Receivable	C-5	1,253,757.70	2,801,236.81
Deferred Charges to Future Taxation:			
Funded	C-6	26,045,274.72	30,377,005.29
Unfunded	C-7	3,189,246.00	3,189,246.00
		<u>\$ 32,792,191.37</u>	<u>\$ 38,163,554.02</u>
LIABILITIES AND FUND BALANCE			
General Refunding Bonds	C-21	17,206,808.72	19,743,801.34
School Serial Bonds	C-20	1,480,000.00	1,945,000.00
School Refunding Bonds	C-19	5,238,191.28	6,116,198.66
Green Acres Trust Loan Payable:			
General	C-18	254,290.18	274,644.10
School	C-17	133,165.56	161,173.04
N.J. Environmental Infrastructure Trust Loan Payable	C-16	1,504,023.98	1,789,498.15
N.J. Economic Development Authority Loan Payable	C-15	66,995.00	133,990.00
Demolition Bond Loan Payable	C-14	161,800.00	212,700.00
Due to Current Fund	C-2	1,153.10	-
Improvement Authorizations:			
Funded	C-8	555,037.79	1,155,056.10
Unfunded	C-8	5,577,007.84	5,864,404.92
Capital Improvement Fund	C-9	60,779.61	60,779.61
Reserves for:			
Debt Service	C-10	4,225.00	4,225.00
Grants Receivable	C-11	17,750.00	17,750.00
Capital Lease Program	C-12	456,640.10	610,009.89
Loan Proceeds	C-13	61,176.74	61,176.74
Fund Balance	C-1	13,146.47	13,146.47
		<u>\$ 32,792,191.37</u>	<u>\$ 38,163,554.02</u>
Bonds and Notes Authorized But Not Issued	C-22	<u>\$ 3,189,246.00</u>	<u>\$ 3,189,246.00</u>

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

C-1

STATEMENT OF FUND BALANCE

Ref.

Balance, June 30, 2009 and June 30, 2010	C	<u>\$ 13,146.47</u>
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See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

D

COMPARATIVE BALANCE SHEETS

<u>Assets</u>	<u>Reference</u>	June 30, 2010	
		<u>2010</u>	<u>2009</u>
Operating Fund:			
Cash - Checking	D-5	\$ 1,272,692.79	\$ 1,481,297.71
Petty Cash	D-8	150.00	150.00
		<u>1,272,842.79</u>	<u>1,481,447.71</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-11	2,508,268.40	2,495,529.62
Other Accounts Receivable	D-12	-	9,000.00
		<u>2,508,268.40</u>	<u>2,504,529.62</u>
Deferred Charges:			
Deficit in Operations	D-13	-	350,151.91
Total Operating Fund		<u>3,781,111.20</u>	<u>4,336,129.24</u>
Capital Fund:			
Cash - Checking	D-5,D-9	\$ 3,383,434.69	\$4,895,534.29
Loans Receivable	D-14	7,499,719.00	7,499,719.00
Fixed Capital	D-15	8,633,725.74	8,633,725.74
Fixed Capital Authorized and not Completed	D-16	39,288,583.60	39,288,583.60
Total Capital Fund		<u>\$ 58,805,463.03</u>	<u>\$60,317,562.63</u>
Total Assets		<u>\$ 62,586,574.23</u>	<u>\$ 64,653,691.87</u>

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

D

COMPARATIVE BALANCE SHEETS

<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>June 30, 2010</u>	
		<u>2010</u>	<u>2009</u>
Operating Fund:			
Appropriation Reserves:			
Encumbered	D-4,D-17	59,966.66	814,488.71
Unencumbered	D-4,D-17	139,831.37	67,500.35
Due to United Water Company	D-18	305,094.16	252,012.65
Accrued Interest on Bonds	D-19	98,872.50	102,302.50
Water and Sewer Overpayments	D-20	86,124.24	103,197.32
Interfunds Payable	D-22	157,425.00	
		<u>847,313.93</u>	<u>1,339,501.53</u>
Reserve for Receivables		2,508,268.40	2,504,529.62
Fund Balance	D-1	425,528.87	492,098.09
		<u>3,781,111.20</u>	<u>4,336,129.24</u>
Capital Fund:			
Serial Bonds payable	D-26	25,505,000.00	26,415,000.00
N.J. Environmental Trust Fund	D-25	7,440,624.57	7,499,719.00
Improvement Authorizations:			
Funded	D-21	4,823,370.43	4,859,024.73
Unfunded	D-21	7,523,554.70	9,000,000.00
Reserve for Amortization	D-23	8,622,820.17	8,493,725.74
Deferred Reserve for Amortization	D-24	4,853,583.60	4,013,583.60
Fund Balance	D-2	36,509.56	36,509.56
		<u>\$ 58,805,463.03</u>	<u>\$ 60,317,562.63</u>
Total Liabilities, Reserves and Fund Balances		<u>\$ 62,586,574.23</u>	<u>\$ 64,653,691.87</u>
Bonds and Notes Authorized but Not Issued		<u>\$ 1,500,281.00</u>	<u>\$ 1,500,281.00</u>

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

D-1

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE

	Reference	June 30, 2010	
		2010	2009
Revenue and Other Income:			
Fund Balance Utilized	D-3	\$ 141,000.00	\$ 600,000.00
Water and Sewer Rents	D-3	8,013,825.15	6,637,039.62
Nonbudget Revenue	D-3	51,027.68	48,960.35
Other Credits to Income:			
Other Accounts Receivable	D-12	9,000.00	-
Unexpended Balance of Appropriation Reserves	D-17	48,794.86	-
		<u>8,263,647.69</u>	<u>7,285,999.97</u>
Expenditures:			
Budget Appropriations			
Operations	D-4	5,555,000.00	5,500,000.00
Debt Service	D-4	2,284,065.00	2,127,151.88
Deferred Charges	D-4	350,151.91	-
		<u>8,189,216.91</u>	<u>7,627,151.88</u>
Reserve for Other Accounts Receivable		-	9,000.00
		<u>8,189,216.91</u>	<u>7,636,151.88</u>
Excess (Deficit) in Revenue		74,430.78	(350,151.91)
Add Back Charges which are by Statute Deferred Charges to Succeeding Years Budget:			
Overexpenditure of Budget		-	-
Statutory Excess		<u>\$ 74,430.78</u>	<u>\$ (350,151.91)</u>
Fund Balance, July 1, 2010	D	492,098.09	1,092,098.09
Less: Amount Utilized as Anticipated Revenue	D-1	<u>141,000.00</u>	<u>600,000.00</u>
Fund Balance, June 30, 2010	D	<u>\$ 425,528.87</u>	<u>\$ 492,098.09</u>

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

STATEMENT OF FUND BALANCE

	<u>Ref.</u>	
Balance, June 30, 2009 and June 30, 2010	D	<u>\$ 36,509.56</u>

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

D-3

STATEMENT OF REVENUE
ANALYSIS OF NONBUDGET REVENUE

<u>Source</u>	<u>Reference</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance Anticipated	D-1	\$ 141,000.00	\$ 141,000.00	\$ -
Water and Sewer Rents	D-1,Below	8,052,159.86	8,013,825.15	(38,334.71)
Nonbudget Revenue	D-1,Below		51,027.68	51,027.68
	D-4	\$ 8,193,159.86	\$ 8,205,852.83	\$ 12,692.97

Analysis of Realized Revenues

	<u>Reference</u>	
<u>Rents</u>		
Collections	D-11	\$ 7,986,469.81
Overpayments Applied	D-20	27,355.34
	Above	\$ 8,013,825.15
<u>Nonbudget Revenue</u>		
Tapping Fee		22,530.00
Damaged Meters		6,122.13
Return Check Fee		1,377.48
Cap Fees		1,891.33
	D-7	31,920.94
Interest on Investments	D-5	19,106.74
	Above	\$ 51,027.68

See Notes to Financial Statements

CITY OF ORANGE TOWNSHIP
CAPITAL FIXED ASSETS

F

COMPARATIVE BALANCE SHEETS

	Balance June 30, 2010	Balance June 30, 2009
CAPITAL FIXED ASSETS		
Building	\$ 7,537,900.00	\$ 7,537,900.00
Land	9,454,900.00	9,454,900.00
Vehicles and Equipment	<u>4,419,489.19</u>	<u>4,419,489.19</u>
Total Capital Fixed Assets	<u>\$ 21,412,289.19</u>	<u>\$ 21,412,289.19</u>
RESERVE		
Investment in Capital Fixed Assets	<u>\$ 21,412,289.19</u>	<u>\$ 21,412,289.19</u>

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accounting policies of the City of Orange Township (“City”) conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”) which is an other comprehensive basis of accounting other than generally accepted accounting principles. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the City accounts for its financial transactions through the separate funds, which differ from the fund structure required by GAAP.

- Reporting Entity

The City of Orange Township is organized as a Mayor-Council Plan D municipality in accordance with the provisions of N.J.S.A. 40:69A-61 et seq. and amended by N.J.S.A. 40:69A-208.1. The City is governed by an elected Mayor and Council. The Council shall consist of seven members which are elected three at large and four from wards by voters of the municipality.

Each member of the Council carries a legislative vote.

GASB Statement No. 14 and 34 establishes certain standards for defining and reporting on the financial reporting entity. In accordance with these standards, the reporting entity should include the primary government and those component units which are fiscally accountable to the primary government.

The financial statements of the City of Orange Township include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the City, as required by the provisions of N.J.S.A. 40A:5-5. The financial statements, however, do not include the operations of the Municipal Library, which is a separate entity subject to a separate examination.

- Basis of Accounting

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

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

- Basis of Accounting (Continued)

The City has the following funds and account groups:

Current Fund – This fund is used to account for resources and expenditures for governmental operations of a general nature, including Federal and State grants which are reflected in a segregated section of the Current Fund.

Trust Funds – The records of receipts, disbursements and custodianship of monies in accordance with the purpose for which each account was created are maintained in Trust Funds. These include the General Trust Fund, Animal Control Trust Fund, Grant Trust Fund and Municipal Insurance Trust Fund.

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

Water and Sewer Utility Fund – This fund is used to account for the revenues and expenditures for the operation of the City's Water and Sewer Utility activities and the assets and liabilities relative to such activities. Acquisition or improvement of capital facilities for the Water and Sewer Utility, as well as the related long-term debt accounts, is accounted for in the capital section of the fund.

Payroll Fund – This fund is used to account for the net salaries, payroll deductions and social security contributions of municipal and utility operations which are deposited into various bank accounts of the Payroll Fund. A Payroll Fund does not exist under GAAP.

Capital Fixed Assets – These accounts reflect estimated valuations of land, buildings and certain movable fixed assets of the City.

Accounting Principles

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from GAAP applicable to local government units. The more significant differences are as follows:

Miscellaneous Revenues – Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are subject to accrual are recorded with offsetting reserves on the balance sheet of the City's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become subject to accrual.

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

- Basis of Accounting (Continued)

Grant Revenues – Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the City budget. GAAP requires such revenues to be recognized in the accounting period when they are earned and the expenditures to be recognized when the liability is incurred.

Property Tax Revenues – Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. Taxes are payable in four quarterly installments on August 1, November 1, February 1 and May 1. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500.00. The City also imposes a 6% year end penalty for a delinquency over \$10,000.00 as of December 31. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the City. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on May 1 in the year following the calendar year levy when the same became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing the property on a tax sale. The City institutes annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of the property. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become subject to accrual, reduced by an allowance for doubtful accounts.

Budget and Budgetary Accounting – An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the City and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq. The City is not required to adopt budgets for the following funds:

- General Capital Funds
- Trust Funds

The governing body shall introduce and approve the annual budget no later than February 10 of the year. The budget shall be adopted not later than April 20 and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board, may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line item level.

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

- Basis of Accounting (Continued)

Expenditures – Are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at June 30 are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31 are reported as expenditures through the establishment of appropriation reserves unless cancelled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt, which should be recognized when due.

Encumbrances – Contractual orders outstanding at June 30 are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

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

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

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

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

Capital Fixed Assets – In accordance with Technical Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, the City of Orange Township has developed a fixed asset accounting and reporting system.

General Capital Fixed Assets - General Capital Fixed Assets used in governmental operations are accounted for in the Capital Fixed Assets. Public domain (infrastructure) general capital fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Acquisitions of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual capital fixed asset record. Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established capital fixed assets are valued at cost. The City has adopted the policy of recording fixed assets valued at \$21,412,289.19 or greater and has adjusted their records during the year to remove assets previously recorded below the threshold amount. Depreciation of assets is not recorded as an operating expense of the City.

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

- Basis of Accounting (Continued)

Utilities – Capital acquisitions, including utility infrastructure costs of the Water and Sewer Utility are recorded at cost upon purchase or project completion in the Fixed Asset Account of the Utility. The Fixed Asset account is adjusted for dispositions or abandonments. Utility improvements that may have been constructed by developers are not recorded as additions to Fixed Capital. Fixed Capital of the Utilities are offset by accumulations in the Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift as well as grants, developers' contributions or liquidations of bonded debt and other liabilities incurred upon fixed asset acquisition.

The Fixed Capital Accounts reflected herein are recorded in the records of the municipality and do not necessarily reflect the true condition of such Fixed Capital. The records consist of a control account only. Detailed records are not maintained.

Inventories – An annual inventory of materials and supplies for the Water and Sewer Utility is required, by regulation, to be prepared by City personnel for inclusion on the Water Sewer Utility Operating Fund's balance sheet. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. The costs of inventories of supplies for other funds are recorded as expenditures at the time individual items are purchased and are not inventoried nor included on their respective balance sheets.

Cash and Investments – Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at cost and are limited by N.J.S.A. 40A:5-15.1 to bonds or obligations of, or guaranteed by, the Federal Government and bonds or other obligations of Federal or local its having a maturity date not more than twelve months from the date of purchase. GAAP requires that investments be reported at fair value.

Tax Appeal and Other Contingent Losses – Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body and not when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

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

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

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

- Basic Financial Statements

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

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS

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), the Savings Association Insurance Fund (SAIF), or by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are redeemed within one year. Twenty-five percent of the fund may be invested in eligible securities which mature within two years provided, however, the average maturity of all investments in the Fund shall not exceed one year. Collateralization of fund investments is generally not required.

In addition, by regulation of the Division of Local Governmental Services, municipalities are allowed to deposit funds in Government Money Market Mutual Funds purchased through state registered brokers/dealers and banks.

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 five percent of the average daily balance of public funds; or

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

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.

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. At June 30, 2010, the book value of the City's deposits was \$17,375,525.99 and bank balances of the City's cash and deposits amounted to \$25,736,023.35. The City's deposits which are displayed on the combined balance sheet as "cash" are categorized as:

Category 1 – Insured or collateralized with securities held by the City's or its agent in the City's name.

Category 2 – Collateralized with securities held by the pledging financial institutions trust department or agent in the City's name.

Category 3 – Uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the City's name.

Investments:

New Jersey statutes allow the City to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Government Money Market Mutual Funds.
- c. Any obligations that a federal agency or a federal instrumentality has issued, with 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.
- d. Bonds or other obligations of the City or bonds or other obligations of school districts, which are a part of the City or school districts located within the City.
- e. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase that are approved by the New Jersey Department of Treasury, Division of Investments.
- f. Local Government investment pools.
- g. Agreements for the repurchase of fully collateralized securities, if transacted in accordance with N.J.S.A. 40A:5-15.1 (8a-8e).

NOTE 3 – TAXES RECEIVABLE AND TAX TITLE LIENS

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the City, County and School purposes. Certified adopted budgets are submitted to the County Board of Taxation (Board) by each taxing district. The tax rate is determined by the Board upon the filing of these budgets.

Municipalities operating under a state fiscal year budget are required by statute to mail tax bills semi-annually and are payable in four quarterly installments due February 1, May 1, August 1 and November 1. Tax bills for the February and May installment must be delivered by December 1 and the August and November bills must be delivered by June 14. The amounts to be billed for each period are determined through formulas developed by the Division of Local Government Services.

CITY OF ORANGE TOWNSHIP
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2010

NOTE 3 – TAXES RECEIVABLE AND TAX TITLE LIENS (Continued)

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The resolution also sets a grace period of ten days before interest is calculated. In addition, any delinquency in excess of \$10,000.00 at the end of the calendar year is subject to a 6% penalty on the unpaid balance.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes became in arrears are subject to the tax sale provisions of the New Jersey Statutes. The municipality may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

The following is a five year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years:

Comparative Schedule of Tax Rates:

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tax Rate	<u>\$3.079</u>	<u>\$3.239</u>	<u>\$2.951</u>	<u>\$2.91</u>	<u>\$2.78</u>
Apportionment of Tax Rate:					
Municipal	\$1.936	\$2.150	\$1.903	\$1.97	\$1.89
County	0.441	0.434	0.414	0.37	0.34
County Open Space	0.017	0.017	0.017	0.01	0.01
School	0.685	0.638	0.617	0.56	0.54

Assessed Valuations:

<u>Year</u>	<u>Amount</u>
2010	\$1,601,318,870.00
2009	1,601,607,470.00
2008	1,612,092,114.00
2007	1,617,154,414.00
2006	1,640,334,521.00

Comparison of Tax Levies and Collections:

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>% of Collections</u>
2010	\$49,850,984.73	\$46,835,304.07	93.85%
2009	49,028,162.70	45,703,512.30	93.21%
2008	46,389,015.27	43,679,925.22	94.16%
2007	46,371,187.02	43,475,089.47	93.75%
2006	44,078,524.85	40,801,536.23	92.56%

CITY OF ORANGE TOWNSHIP
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2010

NOTE 3 – TAXES RECEIVABLE AND TAX TITLE LIENS (Continued)

Delinquent Taxes and Tax Title Liens:

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>% of Tax Levy</u>
2010	\$ 269,541.81	\$2,584,987.12	\$2,854,528.93	5.73%
2009	53,626.08	3,057,020.81	3,110,646.89	6.34%
2008	34,871.67	2,514,707.58	2,549,579.25	5.49%
2007	37,555.29	2,340,760.24	2,378,315.53	5.47%
2006	43,310.55	2,540,607.49	2,583,918.04	5.86%

NOTE 4 – PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens, on the basis of the last assessed valuation of such properties in the year of acquisition is as follows:

<u>Year</u>	<u>Amount</u>
2010	\$856,500.00
2009	856,500.00
2008	856,500.00
2007	828,600.00
2006	829,200.00

NOTE 5 - WATER/SEWER CONSUMER ACCOUNTS RECEIVABLE

The City of Orange Township maintains a utility fund for the billing and collection of water and sewer rents. The City is divided into three sections for the purposes of billings which are done on a quarterly basis.

A comparison of Water and Sewer Utility billings and collections for the past five years is as follows:

<u>Year</u>	<u>Billing</u>	<u>Collection</u>
2010	\$8,026,563.93	\$8,013,825.15
2009	7,207,212.36	6,637,039.62
2008	7,036,242.94	7,264,393.79
2007	6,966,154.89	6,985,541.42
2006	6,997,925.30	6,699,208.01

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 6 – FUND BALANCES APPROPRIATED

Fund balances at June 30th that were appropriated and included as anticipated revenue in their own respective funds for the succeeding years were as follows:

Schedule of Fund Balances Appropriated:

	<u>Year</u>	<u>Balance June 30</u>	<u>Utilized in Budgets of Succeeding Year</u>
Current Fund:	2010	\$ 207,378.14	* -
	2009	2,305,220.05	2,144,139.31
	2008	3,022,957.62	2,611,716.22
	2007	3,272,906.10	2,436,628.96
	2006	1,373,150.91	992,803.11
Water/Sewer Utility Operating Fund:	2010	\$425,528.87	* -
	2009	492,098.09	144,000.00
	2008	1,092,098.09	600,000.00
	2007	1,070,227.06	600,000.00
	2006	1,193,015.95	510,852.50

* As introduced

NOTE 7 – PENSION PLANS

Description of Systems

Substantially all of the City’s employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Public Employees’ Retirement System (PERS) or the Police and Firemen’s Pension Fund (PFRS). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The Public Employees’ Retirement System and the Police and Firemen’s Retirement System are considered cost sharing multiple-employer plans.

Public Employees’ Retirement System

The Public Employees’ Retirement System (PERS) was established January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide coverage, including postretirement health care, to substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after eight to ten years of service and twenty-five years for health care coverage. Members are eligible for retirement at age sixty with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years compensation for each year of membership during years of creditable service. Early retirement is available to those under age sixty with twenty-five or more years of credited service. Anyone who retires early and is under age fifty-five receives retirement benefits as calculated in the above-mentioned formula, but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age fifty-five).

CITY OF ORANGE TOWNSHIP
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2010

NOTE 7 – PENSION PLANS (Continued)

Police and Firemen’s Retirement System

The Police and Firemen’s Retirement System (PFRS) was established July 1, 1944 under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees. Members may opt for Service Retirement if over age 55 or Special Retirement at any age if they have a minimum of 25 years of service or 20 years of service if enrolled in the PFRS as of January 18, 2000. Retirement benefits vary depending on age and years of service.

Effective January 18, 2000, Chapter 428, Public Laws of 1999, allows a member, age 55 and older with 20 or more years of service, to retire with a benefit equaling 50% of final compensation, in lieu of the regular retirement allowance available to the member. Final compensation is defined as the compensation received by the member in the last twelve months of creditable service preceding retirement.

In addition, a member of the system as of the effective date of January may retire with 20 or more years of service with a retirement allowance of 50% of final compensation, regardless of age, and if required to retire because of attaining the mandatory retirement age of 65, an additional 3% of final compensation for every additional year of creditable service up to 25 years.

Consolidated Police and Firemen's Pension Fund:

The Consolidated Police and Firemen's Retirement System (CPFPPF) is a closed system with no active members and was established in January 1952 to provide coverage to municipal police and firemen who were appointed prior to July 1, 1944.

Contributions Required and Made

Contributions made by employees for PERS and PFRS are currently 5.5% and 8.5% of their base wages, respectively. Employer contributions are actuarially determined on an annual basis by the Division of Pensions. Contributions to the plan for the prior three (3) years are as follows:

Fiscal Year	PERS		PFRS		CPFPPF
	Township	Employees	Township	Employees	Township
2010	383,377.00*	-	1,807,995.00*	-	44,161.48*
2009	370,412.64*	390,980.41	1,746,855.00*	1,284,732.54	69,478.02
2008	442,093.00	365,038.53	3,334,486.00	1,223,251.70	56,856.55

* The City elected to defer 50% of the total pension contribution.

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 8 – DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

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

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

Description of System (Continued)

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

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

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service, may remain in the Public Employment Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured Chief Administrative Officer such as the Business Administrator, County Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

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

Contributions Required and Made

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

NOTE 9 – POST-RETIREMENT BENEFITS OTHER THAN PENSIONS

Plan Description

As of June 2010, the City of Orange Township 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. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 9 – POST-RETIREMENT BENEFITS OTHER THAN PENSIONS (Continued)

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.

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 or by visiting their website at www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf.

The City of Orange Township, by contractual agreement, provides certain post-employment benefits to retired employees and their spouses and dependent children for health insurance and prescriptions.

For the employee to be eligible for such benefits, the retiree in the Public Employees' Retirement System or the Police and Firemen's Retirement System must have twenty-five years or more of pension service credits.

Funding Policy

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 City of Orange Township on a monthly basis.

NOTE 10 – MUNICIPAL 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 City are general obligation bonds, backed by the full faith and credit of the City. Pursuant to N.J.S.A. 40A:2-8 bond anticipation notes, which are issued to temporarily finance capital projects, cannot be renewed past the third anniversary unless an amount equal to at least the first legal requirement is paid prior to each anniversary and must be paid off within ten years and five months or retired by the issuance of bonds.

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 10 – MUNICIPAL DEBT (Continued)

Summary of Municipal Debt (Excluding Current and Operating Debt and Type 1 School Debt)

	<u>June 30, 2010</u>	<u>June 30, 2009</u>
<u>Bonds and Notes Issued:</u>		
General Capital:		
Bonds	\$ 17,206,808.72	\$ 19,743,801.34
Loans	1,987,109.16	2,410,832.25
Water and Sewer Utility:		
Bonds	25,505,000.00	26,415,000.00
Loans	7,440,624.57	7,499,719.00
	<u>52,139,542.45</u>	<u>56,069,352.59</u>
<u>Authorized but Not Issued</u>		
General		
Bonds and Notes	\$3,189,246.00	\$3,189,246.00
Water and Sewer Utility		
Bonds and Notes	<u>1,500,281.00</u>	<u>1,500,281.00</u>
Total Debt	<u>56,829,069.45</u>	<u>60,758,879.59</u>
Less Debt Redemption:		
General:		
Reserve for Debt Service	4,225.00	4,225.00
State Grants	<u>17,750.00</u>	<u>17,750.00</u>
	<u>\$ 56,807,094.45</u>	<u>\$ 60,736,904.59</u>

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.09% at June 30, 2010.

<u>June 30, 2010</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Debt	\$ 6,851,357.00	\$ 6,851,357.00	\$ -
Water and Sewer Utility Debt	34,445,905.57	34,445,905.57	-
Other Bonds and Notes	22,383,163.88	2,836,975.00	19,546,188.88
	<u>\$ 63,580,426.45</u>	<u>\$ 41,297,262.57</u>	<u>\$ 19,546,188.88</u>

Net Debt, \$19,546,188.88 divided by Equalized Valuation Basis per N.J.S.A. 40:A2-2 as amended, \$1,795,252,474.00 equals 1.09%.

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 10 – MUNICIPAL DEBT (Continued)

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

3-1/2 of Equalized Valuation Basis (Municipal)	\$62,833,836.59
Net Debt	<u>19,546,188.88</u>
Remaining Borrowing Power	<u><u>\$43,287,647.71</u></u>

School Debt Deductions

School debt is deductible up to the extent of 4.0% of the Average Equalized Assessed Valuations of real property for the Local School District and entirely for the Regional High School.

Calculation of "Self-Liquidating Purposes" Water/Sewer Utility Per N.J.S.A. 40A:2-45

Surplus and Cash Receipts from Fees, Rents or Other Charges for Year and Fund Balance Anticipated	\$ 8,263,647.69
Deductions:	
Operating and Maintenance Cost	\$5,555,000.00
Debt Service per Water/Sewer Utility Operating Fund	<u>2,284,065.00</u>
	<u>7,839,065.00</u>
Excess in Revenue	<u><u>\$ 424,582.69</u></u>

There being an excess in revenue, all Water/Sewer Debt is deductible for Debt Statement Purposes.

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

CITY OF ORANGE TOWNSHIP
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2010

NOTE 10 – MUNICIPAL DEBT (Continued)

As of June 30, 2010, the City's long-term debt is as follows:

General Obligation Bonds

\$4,865,000.00: 2003 Pension Refunding Bonds are due in annual installments of \$390,000.00 to \$535,000.00 through May 2016, interest at 4.52% * \$ 2,815,000.00

\$1,511,471.34: 2006 Refunding Bonds, Series A due in annual installments of \$284,655.88 to \$328,751.85 through December 2012, interest at 4.00% to 5.00% * 951,175.58

\$3,139,246.63: 2000 Refunding Bonds, Series C due in annual installments of \$595,375.74 to \$691,599.70 through December 2012, interest at 5.05% to 5.21% 1,974,559.14

\$3,655,000.00: 2007 Refunding Bonds due in annual installments of \$25,000.00 to \$365,000.00 through August 2019, interest at 3.90% 3,355,000.00

\$9,103,035.00: 2009 Refunding Bonds, Series A due in annual installments of \$605,911.00 to \$1,334,095.00 through December 2017, interest at 3.25% to 4.00%. 8,116,074.00

\$17,206,808.72

Water Utility Bonds

\$1,050,000.00: 1990 Bonds due in annual installments of \$70,000.00 through November 2010, interest at 7.20% \$ 70,000.00

\$30,000,000.00: 2003 Bonds due in annual installments of \$840,000.00 to \$2,400,000.00 through June 2027, interest at 4.00% to 5.00% * 24,535,000.00

* Qualified Bond Act (P.L. 1976, c.38) \$25,505,000.00

CITY OF ORANGE TOWNSHIP
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2010

NOTE 10 – MUNICIPAL DEBT (Continued)

Green Acres Trust Loans

The City of Orange Township has entered into loan agreements with the State of New Jersey, Department of Environmental Protection, detailed as follows:

Renovation of Ropes Playground

\$125,000.00 loan due in annual installments of \$7,533.40 to \$7,996.84 through June 2013, interest at 2% \$ 23,520.96

Multi-Parks Project

\$250,000.00 loan due in annual installments of \$12,820.38 to \$12,820.52 through February 2028, interest free \$ 230,769.22

N.J Environmental Infrastructure Trust Loan Payable

Loan agreements were entered into by the City of Orange Township with the New Jersey Department of Environmental Protection for the purpose of improvements to the water and sewer, waste water and storm water systems, detailed as follows:

General Debt

	Total	Fiscal Year 1999	Fiscal Year 2000
Trust Fund	\$ 845,000.00	\$ 375,000.00	\$470,000.00
Fund Share	<u>659,023.98</u>	<u>294,093.19</u>	<u>364,930.79</u>
	<u>\$1,504,023.98</u>	<u>\$ 669,093.19</u>	<u>\$834,930.79</u>

Water and Sewer Utility Debt

	Fiscal Year <u>2010</u>
Trust Fund	\$3,835,000.00
Fund Share	<u>3,605,624.57</u>
	<u>\$7,440,624.57</u>

N.J. Economic Development Authority Loan Payable

Loan agreements in the amount of \$669,950.00, at no interest, were entered into by the City of Orange Township with the New Jersey Department of Environmental Protection for the purpose of removal and replacement of underground petroleum storage tanks. Annual principal payments subsequent to June 30, 2010 are as follows:

<u>Fiscal Year</u>	<u>Principal</u>
2011	<u>\$66,995.00</u>

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 10 – MUNICIPAL DEBT (Continued)

Demolition Bond Loan Payable

Loan agreements were entered into by the City of Orange Township with the New Jersey Department of Community Affairs for the purpose of demolition of unsafe buildings at an interest rate of 4%. The annual principal payments June 30, 2010 is as follows:

<u>Fiscal Year</u>	<u>Total Debt Service</u>	<u>Loan 2001</u>		<u>Loan 2003</u>	
		<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2010 – 2011	\$52,936.00	\$ 20,900.00	\$ 836.00	\$ 30,000.00	\$1,200.00
2011 – 2012	52,936.00	20,900.00	836.00	30,000.00	1,200.00
2012 - 2013	31,200.00			30,000.00	1,200.00
2013 - 2014	31,200.00			30,000.00	1,200.00
	<u>\$168,272.00</u>	<u>\$ 41,800.00</u>	<u>\$1,672.00</u>	<u>\$120,000.00</u>	<u>\$4,800.00</u>

Bond Anticipation Notes

There were no Bond Anticipation Notes outstanding at June 30, 2010.

Bond and Notes Authorized but Not Issued

	<u>Balance June 30, 2010</u>
General Capital Fund:	
General Improvements	\$3,189,246.00
Water and Sewer Capital Fund:	
General Improvements	1,500,281.00

10. Municipal Debt (Continued)

Fiscal Year	General Debt										Total Water and Sewer Utility	
	Total General Debt		General		Green Trust Loan **		New Jersey Environmental Infrastructure Trust Loan		New Jersey Economic Development Authority Loan *			Demolition Bond Loan
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2010 - 2011	\$ 3,935,635.27	\$ 662,692.86	\$ 2,803,676.60	\$ 432.19	\$ 20,505.35	\$ 432.19	\$ 289,104.77	\$ 39,292.50	\$ 66,995.00	\$ 2,036.00	\$ 945,000.00	\$ 1,181,430.00
2011 - 2012	3,865,560.69	545,437.53	2,913,951.57	277.72	20,659.81	277.72	300,580.56	31,717.50	50,900.00	2,036.00	925,000.00	1,141,722.50
2012 - 2013	3,817,976.24	420,253.62	3,018,152.55	120.17	20,817.36	120.17	303,652.54	23,780.00	30,000.00	1,200.00	980,000.00	1,101,947.50
2013 - 2014	2,568,125.75	311,853.66	2,110,948.00		12,820.52		82,786.07	19,517.50	30,000.00	1,200.00	1,040,000.00	1,059,807.50
2014 - 2015	2,518,485.59	224,301.80	2,184,095.00		12,820.52		81,225.77	16,042.50			1,105,000.00	1,014,567.50
2015 - 2016	1,736,282.66	149,318.18	1,480,911.00		12,820.52		79,665.46	13,567.50			1,170,000.00	964,280.00
2016 - 2017	1,159,256.69	87,315.56	961,995.00		12,820.52		86,170.61	10,955.00			1,240,000.00	911,055.00
2017 - 2018	1,179,533.49	48,064.08	1,018,079.00		12,820.52		92,502.39	8,067.50			1,310,000.00	854,635.00
2018 - 2019	489,284.22	20,865.00	360,000.00		12,820.52		90,611.20	4,987.50			1,390,000.00	795,030.00
2019 - 2020	474,177.63	6,922.50	355,000.00		12,820.52		97,724.61	1,710.00			1,470,000.00	725,530.00
2020 - 2021	12,820.52				12,820.52						1,560,000.00	652,030.00
2021 - 2022	12,820.52				12,820.52						1,655,000.00	574,030.00
2022 - 2023	12,820.52				12,820.52						1,750,000.00	491,280.00
2023 - 2024	12,820.52				12,820.52						2,100,000.00	403,780.00
2024 - 2025	12,820.52				12,820.52						2,180,000.00	307,530.00
2025 - 2026	12,820.52				12,820.52						2,285,000.00	215,970.00
2026 - 2027	12,820.52				12,820.52						2,400,000.00	120,000.00
2027 - 2028	12,820.38				12,820.38							
	<u>\$ 21,846,882.25</u>	<u>\$ 2,477,024.79</u>	<u>\$ 17,206,808.72</u>	<u>\$ 830.08</u>	<u>\$ 254,290.18</u>	<u>\$ 830.08</u>	<u>\$ 1,504,023.98</u>	<u>\$ 168,637.50</u>	<u>\$ 66,995.00</u>	<u>\$ 6,472.00</u>	<u>\$ 25,505,000.00</u>	<u>\$ 12,514,635.00</u>

* Interest Free

** The Multi-Parks Project Loan from Green Acres is Interest Free.

The interest reflected above is on the cash basis for all funds.

10. Municipal Debt (Continued)

Schedule of Annual Debt Service for Principal and Interest for Water and Sewer Utility Debt

Fiscal Year	Total Water and Sewer Utility	Bonds		New Jersey Environmental Infrastructure Trust Loan	
		Principal	Interest	Principal	Interest
2010 - 2011	\$ 2,639,401.79	\$ 945,000.00	\$ 1,181,430.00	\$ 322,559.29	\$ 190,412.50
2011 - 2012	2,577,292.83	925,000.00	1,141,722.50	326,657.83	183,912.50
2012 - 2013	2,597,720.99	980,000.00	1,101,947.50	338,610.99	177,162.50
2013 - 2014	2,611,978.80	1,040,000.00	1,059,807.50	342,258.80	169,912.50
2014 - 2015	2,635,741.24	1,105,000.00	1,014,567.50	353,761.24	162,412.50
2015 - 2016	2,645,660.82	1,170,000.00	964,290.00	356,958.32	154,412.50
2016 - 2017	2,665,227.52	1,240,000.00	911,055.00	368,010.02	146,162.50
2017 - 2018	2,680,808.73	1,310,000.00	854,635.00	378,761.23	137,412.50
2018 - 2019	2,702,404.46	1,390,000.00	795,030.00	389,211.96	128,162.50
2019 - 2020	2,712,524.23	1,470,000.00	725,530.00	399,069.23	117,925.00
2020 - 2021	2,726,982.99	1,560,000.00	652,030.00	408,302.99	106,650.00
2021 - 2022	2,741,061.21	1,655,000.00	574,030.00	417,206.21	94,825.00
2022 - 2023	2,757,513.77	1,750,000.00	491,280.00	433,783.77	82,450.00
2023 - 2024	3,014,890.66	2,100,000.00	403,780.00	441,860.66	69,250.00
2024 - 2025	3,002,643.09	2,180,000.00	307,530.00	458,363.09	56,750.00
2025 - 2026	3,010,879.93	2,285,000.00	215,970.00	466,409.93	43,500.00
2026 - 2027	3,031,911.14	2,400,000.00	120,000.00	482,161.14	29,750.00
2027 - 2028	<u>512,711.80</u>	<u></u>	<u></u>	<u>497,461.80</u>	<u>15,250.00</u>
	<u>\$ 47,267,356.00</u>	<u>\$ 25,505,000.00</u>	<u>\$ 12,514,635.00</u>	<u>\$ 7,181,408.50</u>	<u>\$2,066,312.50</u>

The interest reflected above is on the cash basis for all funds.

CITY OF ORANGE TOWNSHIP
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2010

NOTE 11 – SCHOOL DEBT

The Board of Education of the City of Orange Township (BOE) is a Type I school district and the members of the BOE are appointed by the Mayor. A Board of School Estimate approves the school district tax levy after the final budget is determined by the BOE. The members of the Board of School Estimate include the Mayor, two members of the local school board and two members of the governing body. School debt, authorized by the Board of School Estimate, is obligation of the City and school debt service is raised as part of the school tax levy. School debt is reported on the balance sheet of the General Capital Fund and is detailed as follows:

Type I School Bonds

\$5,675,000.00, 1997 Bonds due in annual installments of \$465,000.00 to \$500,000.00 through July 2012, interest at 4.90% to 5.00%	\$1,480,000.00
\$2,213,528.66, 2006 Refunding Bonds, Series A due in annual installments of \$40,344.12 to \$46,248.15 through December 2012, interest at 4.00% to 5.00% *	133,824.42
\$520,000.00, 2006 Refunding Bonds, Series B due in annual installments of \$100,000.00 to \$110,000.00 through December,2012, interest at 3.35% to 3.70%	325,000.00
\$445,753.37, 2006 Refunding Bonds , series C due in annual installments of \$84,624.26 to \$98,400.30 through December 2012, interest at 5.05% to 5.21%	280,440.86
\$1,015,000.00, 2006 Refunding Bonds, Series D due in annual installments of \$190,000.00 to \$225,000.00 through December 2012, interest at 5.05% to 5.21%*	640,000.00
\$1,306,965.00, 2009 Refunding Bonds Series A due in annual installments of \$89,089.00 to \$190,905.00 through December 2017, interest at 3..25% to 4.00%	1,168,926.00
\$3,015,000.00, 2009 Refunding Bonds, Series B due in annual installments of \$210,000.00 to \$440,000.00 through December 2017, interest at 3.25% to 4.00%.	<u>2,690,000.00</u>
	<u>\$6,718,191.28</u>

Green Acres Trust Loan

The City of Orange Township has entered into a loan agreement with the State of New Jersey, Department of Environmental Protection, detailed as follows:

Bell Stadium Reconstruction

\$500,000.00 loan due in annual installments of \$15,391.87 to \$30,328.08 through August 2014, interest at 2%	<u>\$133,165.56</u>
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CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 11 – SCHOOL DEBT (Continued)

Annual debt service for principal and interest for school bonded debt as of June 30, 2010 is as follows:

<u>Fiscal Year</u>	<u>Total</u>	<u>Type I School</u>		<u>Green Trust Loan</u>	
		<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2010 – 2011	\$1,751,389.13	\$1,466,323.40	\$253,974.14	\$28,570.42	\$2,521.17
2011 – 2012	1,742,025.24	1,521,048.43	189,885.22	29,144.69	1,946.90
2012 - 2013	1,719,623.66	1,566,847.45	121,684.62	29,730.50	1,361.09
2013 – 2014	709,621.43	604,052.00	74,477.84	30,328.08	763.51
2014 – 2015	696,229.49	630,905.00	49,778.70	15,391.87	153.92
2015 – 2016	330,267.82	299,089.00	31,178.82	-	-
2016 - 2017	327,041.94	308,005.00	19,036.94	-	-
2017 - 2018	328,359.42	321,921.00	6,438.42	-	-
	<u>\$7,604,558.13</u>	<u>\$6,718,191.28</u>	<u>\$746,454.70</u>	<u>\$133,165.56</u>	<u>\$6,746.59</u>

NOTE 12 – INTERFUND RECEIVABLES AND PAYABLES

As of June 30, 2010, interfund receivables and payables that resulted from various interfund transactions were as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund	\$ 2,173,652.89	\$ -
Federal and State Grant Fund	-	1,762,085.14
Animal Control Trust Fund	-	3,760.00
General Trust Fund	-	69,500.58
Grant Trust Fund	-	168,705.61
Payroll Fund	-	11,022.78
General Capital Fund	-	1,153.10
Water and Sewer Utility	-	157,425.68
	<u>\$2,173,652.89</u>	<u>\$2,173,652.89</u>

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 13 – DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At June 30, 2010, the following deferred charges are shown on the balance sheet of the Current Fund, Water and Sewer Operating Fund and Payroll Fund.

	Balance June 30, 2010	Amount Raised in 2011 Budget
Current Fund:		
Over Expenditure of Budget Appropriations	\$ 235,225.15	\$ 235,225.15
Expenditures without Budget Appropriations	160,142.38	160,142.38
Special Emergency Appropriations	77,982.83	77,982.83
	\$ 473,350.36	\$ 473,350.36

NOTE 14 – DEFERRED COMPENSATION PLAN

The City of Orange Township offers its employees a Deferred Compensation Plan (the “Plan”) created in accordance with the provisions of N.J.S.A. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The Plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Statutory and regulatory requirements governing the establishment and operation of a Deferred Compensation Plan have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:37.

The “Small Business Job Protective Act of 1996” (the “Act”) revised several provisions of Section 457 of the Internal Revenue Code. A provision of the Act required that all existing plans be modified to provide that the funds be held for the exclusive benefit of the participating employees and their beneficiaries.

The City of Orange Township authorized such modifications to their plan by resolution of the City Council adopted September 15, 1998.

The Administrator for the City of Orange Township’s Deferred Compensation Plan is the Hartford Life Insurance Company and the Great-Western Assurance Company.

The Plan was subject to a review only as defined by the New Jersey Division of Local Government Services and the American institute of Certified Public Accountants. A review consists principally of inquiries of City officials and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards. The audit of the plan lies within the scope of the audit of the independent accountants of the Hartford Life Insurance Company and the Great-West Life Assurance Company.

CITY OF ORANGE TOWNSHIP
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2010

NOTE 15 – RISK MANAGEMENT

The City of Orange Township is self-insured with respect to workers' compensation and general liability. A description of these funds is detailed as follows:

Claims for workers' compensation are funded on a cash basis through budget appropriations. There

Workers' Compensation:

was no reserve established at June 30, 2010 for possible catastrophic claims.

Processing and payment of workers' compensation claims are administered by Inservco Insurance Services.

General Liability:

A Municipal Insurance Fund Commission was established by Ordinance #14-87 adopted on February 17, 1987. The fund is to be used for the following purposes.

1. To self-insure against loss or damage caused to any property, motor vehicles, equipment or apparatus owned by the City or owned by or under the control of any City department, board, agency, or commission, where no insurance coverage is in effect.
2. To self-insure against liability resulting from the use or operation of motor vehicles, equipment or apparatus owned by or controlled by the City or any City department, board, agency, or commission, where no insurance coverage is in effect.
3. To self-insure against liability for the City's negligence or that of its officers, employees and servants, whether full or part-time, who are acting within the scope of their authority - but not including an independent contractor - within the limitations of the New Jersey Tort Claims Act, where no insurance coverage is in effect (N.J.S.A. 59:1-1 et seq.).

There has been no provisions included in the financial statements for claims incurred but not reported as of June 30, 2010.

A summary of activity for these funds is detailed as follows:

	<u>Balance June 30, 2009</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance June 30, 2010</u>
General Liability	\$ 299,508.88	\$401,420.80	\$142,565.59	\$ 558,364.09
Workers Compensation	-	826,260.13	826,260.13	-

NOTE 16 – CONTINGENT LIABILITIES

The City of Orange Township permits its employees to accumulate unused vacation, sick and other days, which may be taken as compensatory time off or paid at a later date. The City's policy is summarized as follows:

Vacation

All accumulated vacation days up to 2 years and all unused vacation days normally granted the employee for the calendar year shall be paid.

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 16 – CONTINGENT LIABILITIES (Continued)

Sick Time

Employees receive payment for an accumulated sick time up to 120 days and 20% of accumulated time thereafter.

Compensatory Time

Any time owed to the employee, including accrued overtime, shall be paid.

Personal Days

Unused personal days are granted on a pro-rated basis in the year of retirement

City employees who resign or are terminated are entitled to the same vacation days benefits as a retired employee.

It is estimated for the year ending June 30, 2009 that the sum of \$7,150,631.21 computed internally at 2009 salary rates, would be payable to officials and employees of the City of Orange Township as of June 30, 2009 for accumulated vacation, sick and compensatory time and personal days. This amount was not verified by audit. There was no calculation of this amount performed for the year ended June 30, 2010.

Benefits paid in any future years will be charged to that year's budget.

Provisions for the above are not reflected in the Financial Statements of the City.

During the audit period, the City instituted a temporary layoff plan (furlough). Pursuant to the provisions of N.J.S.A. 11A:8-1 that for reasons of economy efficiency, a temporary layoff of all affected employees will occur. Between February 2010 and June 2010 a total of 12 furlough days will be required.

Tax Appeals

As of June 30, 2010, there were tax appeals pending before the New Jersey Tax Court. Amounts of tax claims being contested were undeterminable.

Judgments favorable to the taxpayers generally extend to two years following the year judged and would also subject the City to a liability for statutory interest based upon the amount of taxes refunded from the date of payment to the date of refund (RS. 54:3~ 27.2).

Federal and State Awards

The City participates in several federal and state grant programs which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2010 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying statutory basis financial statements for such contingencies.

CITY OF ORANGE TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2010

NOTE 16 – CONTINGENT LIABILITIES (Continued)

Litigation

Local governments are required to disclose contingencies in accordance with standards relating to Contingencies. The City has various lawsuits and claims arising from the conduct of its business. While these cases are in either discovery or early stages of discovery, the City believes, after consultation with legal counsel and considering the factors that gave rise to such litigation, that the overall results there from would not have a material adverse effect on the financial condition, results of operations and cash flows of the City.

CITY OF ORANGE TOWNSHIP
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS
TREASURER

	Ref.	<u>Regular Fund</u>	<u>State and Federal Grant Fund</u>
Balance, June 30, 2009	A	\$ 8,406,031.85	\$ -
Increased by Receipts:			
Transfers from Tax Collector	A-6	64,656,538.84	
Petty Cash Fund	A-9	1,200.00	
Due from State of New Jersey per Ch.129 P.L. 1976	A-10	90,757.94	
Interfunds Receivable	A-19	5,557,349.15	
State and Federal Grants Receivable	A-22		1,807,865.30
Interfunds Payable	A-29	2,502,391.02	
Due to Current Fund	A-34		1,034,151.40
Unappropriated Reserves for Grants	A-35		133,136.10
		<u>72,808,236.95</u>	<u>2,975,152.80</u>
Decreased by Disbursements:			
Budget Appropriations	A-3	43,057,244.52	
Petty Cash Fund	A-9	1,200.00	
Interfunds Receivable	A-19	6,841,294.51	
Appropriation Reserves	A-23	2,650,216.45	
Accounts Payable	A-25	255,258.50	
Tax Overpayments	A-26	351,786.22	
Due to State of New Jersey	A-27	1,905.00	
Interfunds Payable	A-29	3,442,187.19	
County Taxes	A-30	7,366,319.12	
Local School District Tax	A-31	9,660,225.00	
Due to Current Fund	A-34		
Reserve for Grant Expenditures	A-36		2,975,152.80
		<u>73,627,636.51</u>	<u>2,975,152.80</u>
Balance, June 30, 2010	A, A-5	\$ 7,586,632.29	\$ -

CITY OF ORANGE TOWNSHIP
CURRENT FUND

BANK RECONCILIATION
JUNE 30, 2010

Bank Reconciliation, June 30, 2010

Balance per bank Statements:

Bank of America, Orange, New Jersey

Account #

\$ 8,987,252.45

Account #

37,136.00

Account #

66,457.88

PNC Bank, Orange, New Jersey

Account #

256,391.49

9,347,237.82

Add: Deposits in Transit

\$ 2,055,030.00

2,055,030.00

11,402,267.82

Less: Outstanding Checks

3,815,635.53

\$ 7,586,632.29

Reference

A-4

CITY OF ORANGE TOWNSHIP
CURRENT FUND
CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR

	Ref.		
Balance, June 30, 2009			\$ -
Increased by:			
Interest and Costs on Taxes	A-2a	\$ 601,259.24	
Miscellaneous Revenue Not Anticipated	A-2e	345,924.87	
Taxes Receivable	A-11	49,495,571.42	
Tax Title Liens	A-12	2,578.12	
Other Liens Receivable	A-15	114,418.31	
Revenue Accounts Receivable	A-16	13,955,595.49	
Prepaid Taxes	A-32	<u>141,191.39</u>	
			\$ 64,656,538.84
Decreased by:			
Turnovers to Treasurer	A-4		<u>64,656,538.84</u>
Balance, June 30, 2010			<u>\$ -</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

INVESTMENTS

	Ref.	
Balance, June 30, 2009	A	\$ 966,931.67
Increased by:		
Interest Earned on Investments	A-16	<u>2,208.32</u>
Balance, June 30, 2010	A	<u><u>\$ 969,139.99</u></u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

CHANGE FUNDS

	Years Ended June 30,	
	2010	2009
Tax Office	\$ 150.00	\$ 150.00
Municipal Court	400.00	400.00
Police Department	10.00	10.00
	<u>\$ 560.00</u>	<u>\$ 560.00</u>
Reference	A	A

A-9

PETTY CASH FUNDS

	Funds Established	Funds Returned
Public Works Department	\$ 200.00	\$ 200.00
Planning and Development	200.00	200.00
Police Department	200.00	200.00
Clerk's Office	200.00	200.00
Mayor's Office	200.00	200.00
Administration of Community Services	200.00	200.00
	<u>\$ 1,200.00</u>	<u>\$ 1,200.00</u>
Reference	A-4	A-4

CITY OF ORANGE TOWNSHIP
CURRENT FUND

A-10

DUE FROM STATE OF NEW JERSEY
PER CHAPTER 129 P.L. 1976

	Ref.		
Balance, June 30, 2009	A		\$ 57,388.34
Increased by:			
Deductions per Tax Billings			
Senior Citizens		47,000.00	
Veterans		<u>43,000.00</u>	
			<u>90,000.00</u>
Allowed by Tax Collector:			<u>90,000.00</u>
Senior Citizens		1,000.00	
Veterans		<u>750.00</u>	
			<u>1,750.00</u>
			<u>91,750.00</u>
Less: Disallowed by Tax Collector			
Senior Citizens		6,943.15	
Veterans		<u>6,250.00</u>	
			<u>13,193.15</u>
	A-2d		<u>78,556.85</u>
	A-11		<u>78,556.85</u>
			<u>135,945.19</u>
Decreased by:			
Collections	A-4		<u>90,463.80</u>
Balance, June 30, 2010	A		<u>\$ 45,481.39</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

TAX TITLE LIENS

	Ref.	
Balance , June 30, 2009	A	\$ 53,626.08
Increased by:		
Transfer from Taxes Receivable	A-11	218,493.85
		<u>272,119.93</u>
Decreased by:		
Collections	A-2d, A-6	2,578.12
		<u>2,578.12</u>
Balance, June 30, 2010	A	<u>\$ 269,541.81</u>

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES

	Ref.	
Balance, June 30, 2009 and 2010	A	<u>\$ 856,500.00</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

SALES CONTRACT RECEIVABLE

	Ref.	
Balance, June 30, 2009 and 2010	A	<u>\$ 80,601.00</u>

Analysis of Balance

<u>Block</u>	<u>Lot</u>	
29	A	\$ 4,001.00
51	A	1,000.00
101	A	10,600.00
101	A	3,000.00
111	A	1,000.00
112	A	1,000.00
(114	25	
114	26)	60,000.00
		<u>\$ 80,601.00</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

OTHER LIENS RECEIVABLE

	Ref.	<u>Total</u>	<u>Due from New Jersey</u>	<u>Property Maintenance</u>
Balance , June 30, 2009	A	\$ 114,418.31	\$ 90,456.75	\$ 23,961.56
Increased by:				
2010 Liens	Reserve	<u>178,022.71</u>	<u>178,022.71</u>	<u>-</u>
		292,441.02	268,479.46	23,961.56
Decreased by:				
Collections	A-1, A-6	<u>114,418.31</u>	<u>114,418.31</u>	<u>-</u>
Balance, June 30, 2010	A	<u>\$ 178,022.71</u>	<u>\$ 154,061.15</u>	<u>\$ 23,961.56</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

A-16

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Ref.	Balance, June 30, 2009	Accrued in 2010	Collected by Treasurer	Balance, June 30, 2010
Licenses:					
Alcoholic Beverages	A-2a	\$ -	\$ 55,980.60	\$ 55,980.60	\$ -
Other	A-2a		77,535.00	77,535.00	-
Fees and Permits:					
Uniform Construction Code Fees	A-2a	-	121,741.50	121,741.50	-
Other	A-2a	425.00	241,954.02	241,954.02	-
Fines and Costs - Municipal Court	A-2a	70,803.55	860,279.77	859,854.77	71,228.55
Interest and Costs on Taxes	A-2				-
Parking Meters	A-2a		79,324.00	79,324.00	-
Right of Way - Fiber Optics Cable	A-2a		1,000.00	1,000.00	-
Rent Leveling Fees	A-2a		44,110.00	44,110.00	-
Interest on Investments and Deposits	A-2a		2,014.67	2,014.67	-
Rent on City - Owned Property- Lincoln Avenue	A-2a		-	-	-
Building Aid Allowance for School - State Aid			1,145,557.00	1,145,557.00	-
Payments in Lieu of Taxes:					
Transport of New Jersey	A-2a		105,521.00	105,521.00	-
Our Lady of Mt. Carmel Senior Citizens	A-2a		74,196.50	74,196.50	-
Millennium Homes - RPM	A-2a		24,075.68	24,075.68	-
South Essex Urban Urban Renewal	A-2a		63,154.00	63,154.00	-
Oakwood Towers	A-2a		103,362.75	103,362.75	-
Salem Towers - High Street Associates	A-2a		171,120.50	171,120.50	-
Orange Park Apartments Associates, Ltd.	A-2a		157,415.50	157,415.50	-
The Berkely	A-2a		31,553.00	31,553.00	-
Lincoln Court	A-2a		111,002.00	111,002.00	-
Project Live, Inc.	A-2a		7,067.25	7,067.25	-
New Community Corporation		41,669.00	65,307.75	63,960.75	43,016.00
Franchise Fee from Cablevision Gross Revenue	A-2a				-
Collections per N.J.S.A. 48:5A-30	A-2a		70,110.46	70,110.46	-
Consolidated Municipal Property Tax Relief	A-2a		6,469,179.00	6,469,179.00	-
Energy Receipts Tax	A-2a		3,317,842.00	3,317,842.00	-
Extraordinary Aid	A-2a		500,000.00	500,000.00	-
Other Special Items:					
Interlocal Service Agreement with Orange Board of Education:					
Extended School Day Program - FY2009	A-2a		29,668.28	29,668.28	-
Uniform Fire Safety Act	A-2a		33,215.65	33,215.65	-
		<u>\$ 112,897.55</u>	<u>\$ 13,963,287.88</u>	<u>\$ 13,961,515.88</u>	<u>\$ 114,244.55</u>

Reference

A

Below

A

Ref.

Collections	A-6	\$ 13,955,595.49
Interest Earned on Investments:		
Cash Management Fund	A-7	2,208.32
Interfunds Receivable:		
Interest on Deposits and Investments	A-19	<u>3,712.07</u>
		<u>\$ 13,961,515.88</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

A-17

OTHER ACCOUNTS RECEIVABLE

	Ref.	
Balance, June 30, 2009 and 2010	A	<u>\$ 14,000.00</u>
Analysis of Balance Court Restitution:		<u>\$ 14,000.00</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

DEPOSITS RECEIVABLE

	Ref.	<u>Total</u>	<u>County Register Mortgages</u>	<u>Superior Court of New Jersey</u>
Balance , June 30, 2009	A	\$ 1,645.05	\$ 1,398.55	\$ 246.50
Decreased by:				
Charges	Reserve	<u>180.00</u>	<u>180.00</u>	<u>-</u>
Balance, June 30, 2010	A	<u>\$ 1,465.05</u>	<u>\$ 1,218.55</u>	<u>\$ 246.50</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

INTERFUNDS RECEIVABLE

Ref.	Total	Federal and State Grant Fund	Animal Control Trust Fund	General Trust Fund	Grant Trust Fund	General Capital Trust Fund	Water and Sewer Operating Fund	Water and Sewer Capital Fund	Payroll Fund
A	\$ 685,985.46	\$ 727,933.74	\$ 3,984.60	\$ -	\$ 140,963.87	\$ -	\$ -	\$ -	\$ 13,113.15
A-4	8,841,294.51	2,975,152.80	3,760.00	87,485.75	27,447.50	1,156,425.68	2,600,000.00	11,022.78	
A-35	3,712.07			2,284.83	294.14	1,153.10			
A-16	6,845,006.58	2,975,132.80	3,760.00	69,750.56	27,741.64	1,156,425.68	2,600,000.00	11,022.78	
	7,731,002.04	3,703,086.54	7,744.60	69,750.56	168,705.61	1,153.10	2,600,000.00	24,135.92	
A-4	5,557,349.15	1,941,001.40	3,984.60	250.00			999,000.00	2,600,000.00	13,113.15
	5,557,349.15	1,941,001.40	3,984.60	250.00			999,000.00	2,600,000.00	13,113.15
A	\$ 2,173,652.89	\$ 1,762,085.14	\$ 3,760.00	\$ 69,500.56	\$ 168,705.61	\$ 1,153.10	\$ -	\$ -	\$ 11,022.78

Decreased by:
Interfund Returns

Balance, June 30, 2010

Analysis of Net Interfund Credit to Operations
Realized in 2010
Less: Realized as Miscellaneous Revenue
Originated in 2010
Change to Operations

Above
A-2a
Above
A-1

CITY OF ORANGE TOWNSHIP
CURRENT FUND

DEFERRED CHARGES

	Balance, June 30, 2009	Deferred Charges June 30,2010	To Be Charged June 30, 2011
Overexpenditure of Budget Appropriations	\$ -	235,225.15	\$ 235,225.15
Expenditures Without Budget Appropriations	-	160,142.38	160,142.38
Special Emergency Appropriation	-	77,982.83	77,982.83
	<u>\$ -</u>	<u>\$ 473,350.36</u>	<u>\$ 473,350.36</u>
Reference	A	A-1,A-3	A

CITY OF ORANGE TOWNSHIP
CURRENT FUND

DEFERRED CHARGES
N.J.S.A.40A:4-55 SPECIAL EMERGENCY - REVALUATION PROGRAM

<p><u>Date Authorized</u> 12/21/2004</p>	<p><u>Purpose</u> Revaluation Program</p>	<p><u>Net Amount Authorized</u> \$ 450,000.00</p>	<p><u>1/5 Net Amount Authorized</u> \$ 90,000.00</p>	<p><u>Balance June 30, 2009</u> \$ 90,000.00</p>	<p><u>Decrease</u> \$ 90,000.00</p>	<p><u>Balance June 30, 2010</u> \$ -</p>
			A		A-3	A

CITY OF ORANGE TOWNSHIP
CURRENT FUND

GRANTS RECEIVABLE

	Balance June 30, 2009	2010 Grants	Collections	Cancelled	From	To	Balance June 30, 2010
State Grants:							
New Jersey Transportation Trust Fund Authority Act:							
Fiscal Year 2001	\$ 119,074.92	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,074.92
Fiscal Year 2002	196,113.73	-	-	-	-	-	196,113.73
Fiscal Year 2003	58,651.19	-	-	-	-	-	58,651.19
Fiscal Year 2004	113,390.81	-	740.32	-	-	-	112,650.49
Fiscal Year 2005	108,566.74	-	53,418.27	-	-	-	55,148.47
Fiscal Year 2006	202,776.19	-	-	-	-	-	202,776.19
Fiscal Year 2007	49,812.71	-	35,657.09	-	-	-	14,155.62
Fiscal Year 2008	248,600.00	-	114,596.25	-	-	-	134,003.75
Fiscal Year 2009		11,499.50	11,499.50	-	-	-	-
Fiscal Year 2010		14,640.00	14,640.00	-	-	-	-
Summer Food Program for Children							
Calendar Year 2006	206,510.47	-	-	-	-	-	206,510.47
Calendar Year 2007	74,604.79	-	-	-	-	-	74,604.79
Calendar Year 2008	141,104.51	-	-	-	-	-	141,104.51
Calendar Year 2009	272,882.17	-	124,087.55	-	-	-	148,794.62
Clean Communities Act:							
Calendar Year 2006							
Calendar Year 2007							
Calendar Year 2008							
Calendar Year 2009							
Calendar Year 2010		8,551.43	8,551.43	-	-	-	21,822.75
Sale and secure Community Program:							
Fiscal Year 2008	90,000.00	-	-	-	-	-	90,000.00
Urban Enterprise Zone Program:							
97-21 Fire Department Communication Equipment	3,366.62	-	-	-	-	-	3,366.62
99-18 Trash Receptacles	6,589.24	-	-	-	-	-	6,589.24
99-19 Anti - Graffiti Project	18,000.00	-	-	-	-	-	18,000.00
03-08 Litter Equipment	26,575.72	-	-	-	-	-	26,575.72
03-18 Administrative Expenses	84,348.37	-	-	-	-	-	84,348.37
03-128 Marketing Plan	44,947.52	-	-	-	-	-	44,947.52
03-129 William Street Parking Rehabilitation	157,149.06	-	-	-	-	-	157,149.06
03-130 Main Street Resurfacing	75,648.12	-	-	-	-	-	75,648.12
03-129 Administration	3,423.15	-	-	-	-	-	3,423.15
04-22 Police Vehicles	3,234.00	-	-	-	-	-	3,234.00
04-26 Street Decorations	10,509.24	-	-	-	-	-	10,509.24
04-38 Litter Collection Equipment							
04-104 Roadway Improvement Design and Construction Administration	10,367.98	-	2,290.00	-	-	-	8,077.98
04-142 Policing	539.79	-	-	-	-	-	539.79
05-19 Administration Expense	33,315.31	-	-	-	-	-	33,315.31
05-85 Litter Equipment	76,787.92	-	-	-	-	-	76,787.92
05-137 Integrated Marketing Plan - Phase II	52,856.07	-	-	-	-	-	52,856.07
05-156 Advertising Co-Op	27.50	-	-	-	-	-	27.50
06-21 Administration Expense	53,827.78	-	-	-	-	-	53,827.78
06-89 Police Vehicle Acquisition	12,999.68	-	9,380.72	-	-	-	3,618.96

CITY OF ORANGE TOWNSHIP
CURRENT FUND

GRANTS RECEIVABLE

	Balance June 30, 2009	2010 Grants	Collections	Cancelled	From	To	Balance June 30, 2010
State Grants:							
Urban Enterprise Zone Program:							
06-143 Main Street Streetscape	\$ 173,141.86	\$ -	\$ 73,865.42	\$ -	\$ -	\$ -	\$ 99,276.44
06-143 Main Street Streetscape - Supple.	7,710.36						7,710.36
06-144 Integrated Marketing Plan - Phase III	151,790.65						151,790.65
07-21 Administration Expense							
07-129 Policing, Phase IX							
07-178 Integrated Marketing Plan - Phase IV	106,072.44						106,072.44
08-21 Administration Expense	80.00						80.00
08-63 Smart Future 2007 - Phase I							
08-64 Downtown Main Street Feasibility Study- Phase I	9,500.00		1,600.00				7,900.00
08-94 Street Decorations - Phase II	34,905.00		34,905.00				-
08-137 Litter Collection Services - Phase V	187,592.45		123,902.01				63,690.44
08-189 Policing - Phase XI	86,057.82		86,057.81				0.01
08-190 Orange Main Street Year 1	75,000.00		1,865.48				73,134.52
09-21 Administration Expense	96,850.45		96,850.45				-
09-144 CCTV Surveillance		8,000.00					182,891.36
09-134 Litter Collection - Phase VI		468,911.00					
09-190 Police Phase XII		168,552.00					110,955.12
09-160 Smart Future Phase II		230,000.00					160,000.00
10-21 Administration Expense		750,000.00					750,000.00
UEZA Central Avenue Streetscape		70,000.00					70,000.00
03-09 Street Decorations		30,750.00					30,750.00
03-60 Advertising Initiative		350,296.00					350,296.00
UEZ Policing Phase XIII							
Alcohol Education Rehabilitation Enforcement Fund:		2,529.61	2,529.61				-
Fiscal Year 2010							
Drunk Driving Enforcement Fund		1,438.70	1,438.70				-
Fiscal Year 2010							
Transportation Enhancement - Train Station	200,000.00						200,000.00
Phase II- Fiscal Year 2002		583,457.00					583,457.00
Fiscal Year 2010							
N.J. Department of Transportation Various Streets		537,898.00					537,898.00
Fiscal Year 2010							
Statewide Livable Community Local Library Program:							
Fiscal Year 2005	16,009.12		16,006.42				2.70
N.J. Department of Community Affairs - Neighborhood Stabilization Grant		1,500,000.00					1,500,000.00
Fiscal Year 2010							
Solar Energy Project							
Calendar Year 2005							
Recreation for People with Disabilities:							
Fiscal Year 2005	9,100.00						9,100.00
Fiscal Year 2008	15,000.00						963.80
Americans with Disabilities Act Renovations		835.75					835.75
Fiscal Year 2005							
Home Lead Intervention		250,000.00					250,000.00
Fiscal Year 2009							
Lead Identification and Field Testing Grant		22,190.00					
Fiscal Year 2009							
Highway Pedestrian Safety		1.13					1.13
Fiscal Year 2007							
Fiscal Year 2009	7,950.00		7,350.00				600.00
Smart Future Award							
Fiscal Year 2007	35,000.00						35,000.00
State Health Services Grant							
Fiscal Year 2010		93,436.00					93,436.00
State Health Services Grant - Supplemental		22,832.00	22,832.00				-
Fiscal Year 2010							

CITY OF ORANGE TOWNSHIP
CURRENT FUND

GRANTS RECEIVABLE

	Balance June 30, 2009	2010 Grants	Collections	Cancelled	Transfers From To	Balance June 30, 2010
State Grants:						
Weed and Seed Community Collaborative Grant: Fiscal Year 2005	25,000.00	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00
New Jersey Office of Technology: Enhanced 911 Equipment: Fiscal Year 2007						
Hazardous Discharge Site Remediation Fund: 534 Mitchell Street - Fiscal Year 2008	400.00					400.00
540 Mitchell Street - Fiscal Year 2008	400.00					400.00
534 Mitchell Street - Fiscal Year 2009	1,819.00	19,031.50				20,850.50
540 Mitchell Street - Fiscal Year 2009	1,870.00	18,882.25				20,752.25
Special Improvement District Challenge Grant: Fiscal Year 2008	5,000.00					5,000.00
Office of Emerging Telecommunications: Public Safety Answering Points 911: Fiscal Year 2008						
N.J. Historic Trust - City Hall Preservation Plan Fiscal Year 2008	43,758.00	140,500.00				43,758.00
Fiscal Year 2010						140,500.00
Drunk Driving Enforcement Fund: Fiscal Year 2009						
Green Acres Bell Stadium Rehabilitation Fiscal Year 2009	500,000.00					500,000.00
N.J. State Health - Emergency Preparedness - LINCOS Fiscal Year 2010		2,500.00	2,490.00			10.00
Recycling Tonnage Grant Fiscal Year 2010		14,247.95	14,247.95			
Fiscal Year 2010		9,046.52	9,046.52			
Body Armor Fiscal Year 2010		3,137.13	3,137.13			
Federal Grants:						
Brownfield Redevelopment Pilot: Fiscal Year 2001	143,486.88		39,520.85			103,966.03
Juvenile Accountability Incentive Block Grant JAIBG-32-01 Fiscal Year 2007	17,011.00					17,011.00
Buildup Vestis Fiscal Year 2007						
Fiscal Year 2008						
Fiscal Year 2010		5,712.29	5,712.29			
Storm Water Management Plan: Fiscal Year 2007						
Fiscal Year 2009						
Edward Byrne Memorial Justice Assistance Grant(JAG) Fiscal Year 2006	9,094.56					9,094.56
US Department of Homeland Security Assistance to Firefighters Fiscal Year 2005	17,518.00					17,518.00
Fiscal Year 2010		58,500.00	58,500.00			
COPS in Shops: Fiscal Year 2005	9,061.00					9,061.00
Fiscal Year 2006	7,000.00					7,000.00

CITY OF ORANGE TOWNSHIP
CURRENT FUND

2009 APPROPRIATION RESERVES

	Balance, June 30, 2009	Transfer	Balance, After Transfer	Paid or Charged	Lapsed
DEPARTMENT OF ADMINISTRATION					
Mayor's Office					
Other Expenses	\$ 7,243.44	\$ -	\$ 7,243.44	\$ 1,258.49	\$ 5,984.95
Office of Business Administrator					
Other Expenses	2,500.00	-	2,500.00	-	2,500.00
Office of Administrative Services					
Other Expenses	176,528.96	-	176,528.96	28,855.09	147,673.87
Office of Public Defender					
Other Expenses	1,537.50	-	1,537.50	-	1,537.50
Insurances					
General Liability	80,938.36	-	80,938.36	49,339.59	31,598.77
Employee Group Health	714,354.66	-	714,354.66	674,567.91	39,786.75
Workers Compensation	49,702.11	-	49,702.11	22,362.11	27,340.00
Municipal Insurance Fund	-	-	-	-	-
Unemployment Compensation Insurance	50,000.00	-	50,000.00	28,134.17	21,865.83
Municipal Alcohol Beverage Control					
Salaries and Wages	5,000.00	-	5,000.00	-	5,000.00
Other Expenses	599.10	-	599.10	590.84	8.26
	<u>1,088,404.13</u>	<u>-</u>	<u>1,088,404.13</u>	<u>805,108.20</u>	<u>283,295.93</u>
DEPARTMENT OF LAW					
Salaries and Wages	-	-	-	-	-
Other Expenses	103,590.77	-	103,590.77	30,274.33	73,316.44
	<u>103,590.77</u>	<u>-</u>	<u>103,590.77</u>	<u>30,274.33</u>	<u>73,316.44</u>
CITY CLERK AND MUNICIPAL COUNCIL					
City Council					
Salaries and Wages	0.76	-	0.76	-	0.76
Other Expenses	27,406.73	-	27,406.73	551.00	26,855.73
City Clerk					
Salaries and Wages	5,700.23	-	5,700.23	-	5,700.23
Other Expenses	31,575.86	-	31,575.86	27,908.20	3,667.66
	<u>64,683.58</u>	<u>-</u>	<u>64,683.58</u>	<u>28,459.20</u>	<u>36,224.38</u>
DEPARTMENT OF PLANNING AND DEVELOPMENT					
Inspection and Licensing/UCC					
Other Expenses	3,844.91	-	3,844.91	1,810.28	2,034.63
Planning Division					
Other Expenses	9,013.96	-	9,013.96	8,780.20	233.76
Zoning Board					
Other Expenses	5,697.35	-	5,697.35	4,309.05	1,388.30
Planning Board					
Salaries and Wages	5,000.00	-	5,000.00	-	5,000.00
Other Expenses	4,330.24	-	4,330.24	2,507.46	1,822.78
Rent Leveling Board					
Salaries and Wages	251.94	-	251.94	-	251.94
Other Expenses	609.64	-	609.64	-	609.64
	<u>28,748.04</u>	<u>-</u>	<u>28,748.04</u>	<u>17,406.99</u>	<u>11,341.05</u>
DEPARTMENT OF FINANCE					
Department of Finance					
Salaries and Wages	280.20	-	280.20	-	280.20
Other Expenses	22,748.59	-	22,748.59	11,585.77	11,162.82
Tax Assessor					
Salaries and Wages	205.62	-	205.62	-	205.62
Other Expenses	29,389.62	-	29,389.62	10,589.05	18,800.57
Office of Tax Collector					
Salaries and Wages	749.79	-	749.79	-	749.79
Other Expenses	11,558.46	-	11,558.46	5,706.83	5,851.63
	<u>64,932.28</u>	<u>-</u>	<u>64,932.28</u>	<u>27,881.65</u>	<u>37,050.63</u>
DEPARTMENT OF COMMUNITY SERVICES					
Administration Division					
Salaries and Wages	132.75	-	132.75	-	132.75
Other Expenses	3,736.16	-	3,736.16	3,736.16	-
Health Division					
Other Expenses	14,941.25	-	14,941.25	11,151.25	3,790.00
Meals on Wheels					
Other Expenses	-	-	-	-	-
Animal Control					
Salaries and Wages	2,024.00	-	2,024.00	-	2,024.00
Other Expenses	18,944.49	-	18,944.49	12,375.00	6,569.49
Elder Adult Services					
Other Expenses	28,255.16	-	28,255.16	26,191.56	2,063.60
Cultural Affairs					
Salaries and Wages	7,868.20	-	7,868.20	7,353.61	514.59
Other Expenses	3,390.32	-	3,390.32	2,803.17	587.15
Recreation					
Other Expenses	47,091.58	-	47,091.58	26,332.32	20,759.26
	<u>126,383.91</u>	<u>-</u>	<u>126,383.91</u>	<u>89,943.07</u>	<u>36,440.84</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND
2009 APPROPRIATION RESERVES

	Balance, June 30, 2009	Transfer	Balance, After Transfer	Paid or Charged	Lapsed
DEPARTMENT OF POLICE					
Administrative Division					
Other Expenses	91,667.32	-	91,667.32	44,665.73	46,991.59
School Guards					
Salaries and Wages	13,415.63	-	13,415.63		13,415.63
	<u>105,072.95</u>	<u>-</u>	<u>105,072.95</u>	<u>44,665.73</u>	<u>60,407.22</u>
DEPARTMENT OF FIRE					
Administrative Division					
Other Expenses	30,340.21		30,340.21	25,555.66	4,784.55
Office of Emergency Management					
Other Expenses	1,220.70		1,220.70	360.50	860.20
Ambulance Services					
Other Expenses	17,708.01		17,708.01	10,708.37	6,999.64
	<u>49,268.92</u>	<u>-</u>	<u>49,268.92</u>	<u>36,624.53</u>	<u>12,644.39</u>
DEPARTMENT OF PUBLIC WORKS					
Street Maintenance					
Other Expenses	37,356.10	-	37,356.10	16,327.35	21,028.75
Maintenance of Parks					
Other Expenses	39,652.25	-	39,652.25	28,715.72	10,936.53
Director's Office					
Other Expenses	25,702.17	-	25,702.17	14,109.56	11,592.61
Equipment and Vehicle Maintenance					
Salaries and Wages	945.46	-	945.46	-	945.46
Other Expenses	111,567.69	-	111,567.69	80,935.35	30,632.34
Snow Removal					
Salaries and Wages	10,000.00	-	10,000.00		10,000.00
Other Expenses	53,953.00	-	53,953.00	53,952.23	0.77
Buildings and Grounds					
Salaries and Wages	532.27	-	532.27		532.27
Other Expenses	101,710.95	-	101,710.95	40,024.22	61,686.73
	<u>381,419.69</u>	<u>-</u>	<u>381,419.69</u>	<u>234,064.43</u>	<u>147,355.46</u>
MUNICIPAL COURT					
Salaries and Wages	13,475.55		13,475.55	-	13,475.55
Other Expenses	7,346.42		7,346.42	6,640.10	706.32
	<u>20,821.97</u>	<u>-</u>	<u>20,821.97</u>	<u>6,640.10</u>	<u>14,181.87</u>
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C.5:23-4.17) Planning and Economic Development /Uniform Constuction Code: Inspections and Licensing					
Other Expenses	575.00		575.00	558.00	17.00
UNCLASSIFIED					
Utilities					
Telephone	31,291.06		31,291.06	31,291.06	-
Street Lighting	129,738.80		129,738.80	125,235.58	4,503.22
Retirement/ Termination Pay/ Other Compensation	41,849.58		41,849.58	-	41,849.58
Gas and Electric	61,148.99		61,148.99	61,148.99	-
Refuse Removal	391,111.70		391,111.70	386,110.50	5,001.20
Prior Year Bills	724,804.09		724,804.09	724,804.09	-
Future Negotiated Salaries					
OMESA	200,000.00		200,000.00	-	200,000.00
FMBA Retro	182,366.88		182,366.88	-	182,366.88
	<u>1,762,311.10</u>	<u>-</u>	<u>1,762,311.10</u>	<u>1,328,590.22</u>	<u>433,720.88</u>
OTHER OPERATIONS					
Orange Board of education - Extended School Day Program	19,765.50		19,765.50		19,765.50
CONTINGENT					
	721.38		721.38		721.38
STATUTORY EXPENDITURES					
Contributions to :					
Social Security System	30,986.23		30,986.23		30,986.23
	<u>\$ 3,847,685.65</u>	<u>\$ -</u>	<u>\$ 3,847,685.65</u>	<u>\$ 2,650,216.45</u>	<u>\$ 1,197,469.20</u>
				A-4	A-1
Appropriation Reserve	A	1,664,907.54	Cash Disbursed	A-4	\$ 2,650,216.45
Reserve for Encumbrances	A	2,182,778.11	Accounts Payable	A-25	
		<u>3,847,685.65</u>			<u>\$ 2,650,216.45</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

RESERVE FOR REVALUATION

	Ref.	
Balance, June 30, 2009 and June 30, 2010	A	<u>\$ 1,375.09</u>

A-25

ACCOUNTS PAYABLE

	Ref.	
Balance , June 30, 2009	A	\$ 562,317.75
Decreased by:		
Disbursements	A-4	\$ 255,258.50
Accounts Payable Cancelled	A-1	<u>307,059.25</u>
		<u>562,317.75</u>
Balance, June 30, 2010	A	<u>\$ -</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

TAX OVERPAYMENTS

	Ref.	
Balance , June 30, 2009	A	\$ 95,712.89
Increased by:		
Collections	A-6	-
Transfer from Reserve for Tax Appeals	A-28	<u>551,786.22</u>
		647,499.11
Decreased by:		
Refunds	A-4	<u>351,786.22</u>
Balance, June 30, 2010	A	<u><u>\$ 295,712.89</u></u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

DUE TO STATE OF NEW JERSEY

	Ref.	Total	Marriage License Fees	Burial Permits	Construction Code Fees
Balance , June 30, 2009	A	\$ 6,505.00	\$ 1,500.00	\$ 490.00	\$ 4,515.00
Increased by:					
Collections	A-6	-	-	-	-
		<u>6,505.00</u>	<u>1,500.00</u>	<u>490.00</u>	<u>4,515.00</u>
Decreased by:					
Applied to Revenue	A-16	-	-	-	-
Disbursements	A-4	1,905.00	1,475.00	430.00	4,515.00
Due from General trust Fund	A-29	4,515.00	1,475.00	430.00	4,515.00
		<u>6,420.00</u>	<u>1,475.00</u>	<u>430.00</u>	<u>4,515.00</u>
Balance, June 30, 2010	A	\$ 85.00	\$ 25.00	\$ 60.00	\$ -

CITY OF ORANGE TOWNSHIP
CURRENT FUND

RESERVE FOR TAX APPEALS

	Ref.		
Balance , June 30, 2009	A		\$ 1,656,648.07
Increased by:			
Budget Appropriations			<u>-</u>
			1,656,648.07
Decreased by:			
2010 Anticipated Revenue	A-2	658,000.00	
Transfer to Tax Overpayments	A-26	<u>551,786.22</u>	
			<u>1,209,786.22</u>
Balance, June 30, 2010	A		<u>\$ 446,861.85</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

INTERFUNDS PAYABLE

	Ref.	<u>Total</u>	<u>General Trust Fund</u>	<u>General Capital Fund</u>
Balance , June 30, 2009	A	\$ 935,281.17	\$ 935,281.17	\$ -
Increased by:				
Advances	A-4	2,502,391.02	965,587.02	1,536,804.00
Due from General Trust Fund	A-27	<u>4,515.00</u>	<u>4,515.00</u>	
		<u>3,442,187.19</u>	<u>1,905,383.19</u>	<u>1,536,804.00</u>
Decreased by:				
Settlements	A-4	<u>3,442,187.19</u>	<u>1,905,383.19</u>	<u>1,536,804.00</u>
		<u>3,442,187.19</u>	<u>1,905,383.19</u>	<u>1,536,804.00</u>
Balance, June 30, 2010	A	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

COUNTY TAXES PAYABLE

	Ref.	
Balance , June 30, 2009		\$ -
Increased by:		
2009- 2010 Tax Levy	A-11	7,366,319.12
Decreased by:		
Disbursements	A-4	<u>7,366,319.12</u>
Balance , June 30, 2010		<u><u>\$ -</u></u>

A-31

LOCAL SCHOOL DISTRICT TAX PAYABLE

	Ref.	
Balance , June 30, 2009		\$ -
Increased by:		
School Tax Levy	A-1, 2d,11	<u>\$ 9,660,225.00</u>
		9,660,225.00
Decreased by:		
Disbursements	A-4	<u>9,660,225.00</u>
Balance , June 30, 2010		<u><u>\$ -</u></u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND

PREPAID TAXES

	Ref.	
Balance , June 30, 2009	A	\$ 107,056.19
Increased by:		
Collections	A-6	<u>141,191.39</u> 248,247.58
Decreased by:		
Applied to 2010 Taxes Receivable	A-2d,11	<u>107,056.19</u>
Balance, June 30, 2010	A	<u><u>\$ 141,191.39</u></u>

A-33

DEPOSITS ON SALE OF PROPERTY

Balance, June 30, 2009 and June 30, 2010	A	<u><u>\$ 3,110.00</u></u>
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CITY OF ORANGE TOWNSHIP
CURRENT FUND

A-34

FEDERAL AND STATE GRANT FUND
DUE TO CURRENT FUND

	Ref.	
Balance , June 30, 2009	A	\$ 727,933.74
Increased by:		
Interfund Advances	A-4	<u>\$ 1,034,151.40</u>
		1,762,085.14
Decreased by:		
Settlements	A-4	-
Balance, June 30, 2010	A	<u><u>\$ 1,762,085.14</u></u>

CITY OF ORANGE TOWNSHIP
CURRENT FUND
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

<u>Program</u>	<u>Balance June 30, 2009</u>	<u>Increase</u>	<u>Anticipated as Revenue in 2010 Budget</u>	<u>Balance June 30, 2010</u>
<u>State and Federal Grant Fund:</u>				
Clean Community Grant	\$ 8,551.43	\$ -	\$ 8,551.43	\$ -
Alcohol Education Rehabilitation Fund	2,529.61		2,529.61	-
Public Health Priority Funding	11,499.50		11,499.50	-
Recycling Tonnage Grant	9,046.52		9,046.52	-
Drunk Driving Enforcement Fund	1,438.70		1,438.70	-
Click It or Ticket	4,000.00			4,000.00
Bulletproof Vests	5,712.29		5,712.29	-
Essex County Office on Aging	8,125.00		8,125.00	-
Weed and Seed Grant	35,776.54			35,776.54
Program Income:				-
Harding Township	3,099.13			3,099.13
Mountain Lakes	2,814.71			2,814.71
Mendham Township	1,245.75			1,245.75
Hanover Township	631.60			631.60
South Orange Village Township	50.09			50.09
Urban Interprise Zone - Parking Lot	139.65			139.65
UEZ Admin Expenses		44,110.15		44,110.15
Division on Aging		8,449.00		8,449.00
State Health Services Grant		39,258.00		39,258.00
Clean Communities		41,189.95		41,189.95
Body Armor		129.00		129.00
	<u>\$ 94,660.52</u>	<u>\$ 133,136.10</u>	<u>\$ 46,903.05</u>	<u>\$ 180,893.57</u>
	A	A-4	A-2a	A

CITY OF ORANGE TOWNSHIP
CURRENT FUND
FEDERAL AND STATE GRANT FUND
RESERVE FOR GRANT EXPENDITURES

	Balance June 30, 2009		2010 Grants Chap. 159		Expenditures		Balance June 30, 2009	
	Encumbered	Unencumbered	Budgeted	Chap. 159	Encumbered	Unencumbered	Encumbered	Unencumbered
State Grants:								
New Jersey Transportation Trust Fund Authority Act:								
Fiscal Year 2001	\$ -	\$ 9,306.85	\$ -	\$ -	\$ -	\$ 9,121.10	\$ -	\$ 185.75
Fiscal Year 2002	14,800.00	156,202.49	-	-	(7,030.00)	-	14,800.00	163,232.49
Fiscal Year 2003	-	17,398.69	-	-	-	-	-	17,398.69
Fiscal Year 2004	70,346.75	27,242.75	-	-	9,370.00	-	70,346.75	17,872.75
Fiscal Year 2005	27,064.24	2,797.37	-	-	-	-	27,064.24	2,797.37
Fiscal Year 2006	42,995.38	131,268.25	-	-	7,167.80	-	-	167,095.74
Fiscal Year 2007	7,362.11	593.61	-	-	337.60	-	-	7,526.12
Fiscal Year 2008	-	248,600.00	-	-	44,915.71	-	160,354.29	43,330.00
Fiscal Year 2010	-	-	11,489.50	-	11,489.50	-	-	-
Summer Food Program for Children	-	-	14,640.00	15,075.00	24,641.58	-	-	5,073.42
Calendar Year 2006	-	-	-	-	-	-	-	-
Calendar Year 2007	173,411.81	-	-	-	-	-	52,008.38	173,411.81
Calendar Year 2008	45,488.13	-	-	-	-	-	52,640.10	45,488.13
Calendar Year 2009	96,151.29	-	-	-	-	-	65,953.90	96,151.29
Calendar Year 2010	272,892.17	-	-	-	79,246.94	-	-	127,679.33
Clean Communities Act:								
Calendar Year 2006	-	18,710.06	-	-	-	18,710.06	-	-
Calendar Year 2007	-	1,690.94	-	-	-	1,690.94	-	-
Calendar Year 2008	-	18,458.84	-	-	-	15,903.63	-	2,555.21
Calendar Year 2009	-	34,436.62	-	-	-	7,485.53	-	26,951.09
Calendar Year 2010	-	-	-	-	-	-	-	-
Fiscal Year 2010	-	8,551.43	-	21,822.75	-	-	21,822.75	8,551.43
Safe and secure Community Program:								
Fiscal Year 2009	-	-	-	-	-	-	-	-
Urban Enterprise Zone Program:								
97-21 Fire Department Communication Equipment	-	163.52	-	-	-	-	-	163.52
98-18 Trash Receptacles	-	3,884.05	-	-	-	-	-	3,884.05
98-19 Anti - Graffiti Project	-	17,264.69	-	-	-	-	-	17,264.69
03-08 Litter Equipment	-	37,919.40	-	-	-	-	-	37,919.40
03-18 Administrative Expenses	-	20,884.18	-	-	-	-	-	20,884.18
03-128 Marketing Plan	-	14,586.50	-	-	-	-	-	14,586.50
03-129 William Street Parking Rehabilitation	-	44,947.51	-	-	-	-	-	44,947.51
03-130 Main Street Resurfacing	-	157,149.06	-	-	-	-	-	157,149.06
03-123 Administration	-	14,780.53	-	-	-	-	-	14,780.53
04-22 Police Vehicles	-	4,610.19	-	-	-	-	-	4,610.19
04-25 Street Decorations	-	563.50	-	-	-	-	-	563.50
04-38 Litter Collection Equipment	-	10,509.24	-	-	-	-	-	10,509.24
04-104 Roadway Improvement Design and Construction Administration	-	8,077.98	-	-	-	-	-	8,077.98
05-19 Administration Expense	-	709.20	-	-	-	-	-	709.20
05-85 Litter Equipment	-	20,055.92	-	-	-	-	-	20,055.92
05-137 Integrated Marketing Plan - Phase II	-	11,402.07	-	-	-	-	-	11,402.07
05-156 Advertising Co-Op	-	27.50	-	-	-	-	-	27.50
06-21 Administration Expense	-	24,522.96	-	-	-	-	-	24,522.96

CITY OF ORANGE TOWNSHIP
CURRENT FUND
FEDERAL AND STATE GRANT FUND
RESERVE FOR GRANT EXPENDITURES

	Balance June 30, 2009		Budgeted	2010 Grants Chsp. 159		Balance June 30, 2009	
	Encumbered	Unencumbered		Expenditures	Chsp. 159	Encumbered	Unencumbered
State Grants:							
Urban Enterprise Zone Program:							
06-89 Police Vehicle Acquisition	11,725.00	4,523.70			11,725.00		4,523.70
06-143 Main Street Streetscape	2,750.00	102,041.17			28,765.73		76,025.44
06-143 Main Street Streetscape - Phase III		24,752.00			1,501.00		23,251.00
06-144 Integrated Marketing Plan - Phase III		1,136.24					1,136.24
07-21 Administration Expense		45,607.28					45,607.28
07-129 Policing, Phase IX		59,914.00					59,914.00
07-178 Integrated Marketing Plan - Phase IV		298.63					298.63
08-21 Administration Expense		51,378.88					51,378.88
08-63 Smart Future 2007 - Phase I		80.00					80.00
08-64 Downtown Main Street Feasibility Study- Phase I	7,900.00					7,900.00	
08-94 Street Decorations - Phase II		159,270.74			95,580.29		63,690.45
08-137 Litter Collection Services - Phase V							
08-189 Policing - Phase XI		73,225.50			174.98		72,204.52
08-190 Orange Main Street Year 1		26,000.28			4,673.52		26,000.28
09-21 Administration Expense							
09-144 CCTV Surveillance		8,000.00					
09-134 Litter Collection - Phase VI		468,911.00			468,911.00		
09-190 Police Phase XII		168,552.00			168,552.00		
09-180 Smart Future Phase II		230,000.00			160,966.33		69,033.67
10-21 Administration Expense		160,000.00			140,469.43		19,530.57
UEZA Central Avenue Streetscape					39,074.12		170,015.05
03-09 Street Decorations					750,000.00		5,850.00
03-60 Advertising Initiative					70,000.00		40,848.00
UEZ Policing Phase XIII					30,750.00		27,990.27
Alcohol Education Rehabilitation Enforcement Fund:					350,296.00		
Fiscal Year 2010		2,529.61					2,529.61
Drunk Driving Enforcement Fund							
Fiscal Year 2010		1,438.70					1,438.70
Transportation Enhancements - Train Station							
Phase II - Fiscal Year 2002							
Fiscal Year 2010		200,000.00					200,000.00
N.J. Department of Transportation Various Streets							
Fiscal Year 2010					583,457.00		583,457.00
N.J. Department of Community Affairs - Neighborhood Stabilization Grant							
Fiscal Year 2010		1,500,000.00					1,500,000.00
Solar Energy Project							
Calendar Year 2005		3.50					3.50
Recreation for People with Disabilities:							
Fiscal Year 2005							
Fiscal Year 2006							
Fiscal Year 2008							
State Health Services Grant							
Fiscal Year 2010		1,040.00					1,040.00
State Health Services Grant Supple. -(H1N1)							
Fiscal Year 2010					69,037.92		19,655.87
					22,832.00		22,832.00

CITY OF ORANGE TOWNSHIP
CURRENT FUND
FEDERAL AND STATE GRANT FUND
RESERVE FOR GRANT EXPENDITURES

	Balance June 30, 2009		Budgeted	2010 Grants Chap. 159	Balance June 30, 2009	
	Encumbered	Unencumbered			Encumbered	Unencumbered
State Grants:						
Recycling Tonnage Grant						
Fiscal Year 2009						
Fiscal Year 2010	3,446.26		9,046.52	14,247.95	900.00	2,546.26
Smart Growth:					1,590.00	14,247.95
Fiscal Year 2005						7,466.52
Fiscal Year 2007						
Fiscal Year 2008						
Fiscal Year 2009						
Fiscal Year 2010						
Home Lead Intervention:						
Fiscal Year 2005	13,085.00	205,105.00			13,085.00	205,105.00
Lead Identification and Field Testing Grant						
Fiscal Year 2009	22,190.00				1,376.61	12.43
Body Armor Fund:						
Fiscal Year 2006	0.09				9,666.75	0.08
Fiscal Year 2008	9,666.75				10,447.81	-
Fiscal Year 2009	10,447.81					-
Fiscal Year 2010				3,137.13		3,137.13
Highway Pedestrian Safety:						
Fiscal Year 2005						
Fiscal Year 2007						
Fiscal Year 2008	1.13					1.13
Weed and Speed Community Collaborative Grant:						
Fiscal Year 2005	15,000.00				15,000.00	-
New Jersey Office of Technology:						
Enhanced 911 Equipment:						
Fiscal Year 2007	1.00	109.25			1.00	109.25
Fiscal Year 2008	2,696.17	1,815.00		19,031.50	21,927.67	1,815.00
Fiscal Year 2009	3,206.79	1,870.00		16,662.25	22,069.04	1,870.00
Fiscal Year 2010						
Special Improvement District Challenge Grant:						
Fiscal Year 2008	4,500.00	1,991.46			4,500.00	1,991.46
Office of Emerging Telecommunications:						
Public Safety Answering Points 911:						
Fiscal Year 2008	1,517.58	30,673.06			1,517.58	30,673.06
Fiscal Year 2009						
Fiscal Year 2010						
N.J. Historic Trust - City Hall Preservation Plan			140,500.00		276.92	43,758.00
Fiscal Year 2008						
Fiscal Year 2009						
Fiscal Year 2010						
Drunk Driving Enforcement Fund:						
Fiscal Year 2009						
Fiscal Year 2010						
Grease Acres						
Beik Stadium Rehabilitation						
Fiscal Year 2009		500,000.00				
Fiscal Year 2010						
N.J. State Health - Emergency Preparedness - LINCS			2,500.00			
Fiscal Year 2010						
						10.00

CITY OF ORANGE TOWNSHIP
CURRENT FUND
FEDERAL AND STATE FUND
RESERVE FOR GRANT EXPENDITURES

	Balance June 30, 2009		Budgeted	2010 Grants Chap. 159	Expenditures	Balance June 30, 2009	
	Encumbered	Unencumbered				Encumbered	Unencumbered
Federal Grants:							
Brownfield Redevelopment Pilot:							
Fiscal Year 2001	70,627.90	38,136.09			40,917.74	29,649.69	37,996.56
Juvenile Accountability Incentive Block Grant JAIBG - 32-01							
Fiscal Year 2007		17,011.00					17,011.00
Bulletproof Vests	424.02	7,458.11	5,712.29		3,186.00	424.02	-
Fiscal Year 2008						4,273.11	-
Fiscal Year 2010						5,551.33	160.96
Storm Water Management Plan:							
Fiscal Year 2007		10,309.00					10,309.00
Fiscal Year 2009		5,155.00					5,155.00
Edward Byrne Memorial Justice Assistance Grant(JAG)		9,094.56					9,094.56
Fiscal Year 2006							
US Department of Homeland Security Assistance to Firefighters		200.55	58,000.00	500.00	58,500.00		200.55
Fiscal Year 2005							
Fiscal Year 2010							
COPS in Shops:		7,000.00					7,000.00
Fiscal Year 2006							
FEMA Wellness Program:		12,184.00					12,184.00
Fiscal Year 2008							
Juvenile Accountability Grant			241,442.88	964,875.00	237,851.65	1,047.50	2,543.73
U.S. Department of Justice - COPS Hiring Fiscal Year 2010					142,403.18		822,471.81
County of Essex:							
Essex County Municipal Alliance Program:							
Calendar Year 2007	4,691.00					4,691.00	-
Calendar Year 2008		445.94					445.94
Calendar Year 2009	832.66	346.57				832.66	346.57
Calendar Year 2010			85,000.00		79,108.58	3,919.85	1,970.57
Open Space Trust Fund:							
Calendar Year 2005		216,065.00			24,500.00	9,000.00	182,565.00
Calendar Year 2009							
Summer Concert Series:							
Calendar Year 2007		294.00					294.00
Division on Aging:							
Senior Citizen's Public Health Nurse							
Fiscal Year 2010						8,100.00	-
Fiscal Year 2010						8,100.00	25.00
Local Arts Program:							
Calendar Year 2009		3,000.00			3,000.00		-
Homestead Security Grant Program			150,000.00		146,055.80		3,944.20
Fiscal Year 2007							
Other:							
Regional Contribution Agreement:							
Hanging Township		216,200.00				216,200.00	-
Program Income							
	\$	\$ 644,802.00	\$	\$ 3,410,904.58	\$	\$ 1,535,291.98	\$ 615,107.75
	A	A	A-3	A-4	A	A	A
Reference							
			Grants Approved:				
			Adopted Budget	\$	3,367,884.93		
			Chapter 159	\$	3,410,904.58		
				\$	6,778,789.51		

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-1

CASH RECEIPTS AND DISBURSEMENTS
TREASURER

	Ref.	Animal Control Fund	General Trust Fund	Municipal Insurance Trust Fund	Grant Trust Fund
Balance, June 30, 2009	B	\$ 9,152.80	\$ 1,940,294.84	\$ 299,508.88	\$ 206,018.22
Increased by:					
Due from Municipal Court Grants Receivable	B-4		\$ 21,128.50		
Essex County Community Development Development Block Grant Receivable	B-6		523,721.23		859,006.68
Other Accounts Receivable	B-7		2,011,376.33		294.14
Interfunds Receivable	B-8				
Due to State of New Jersey	B-9	1,143.00			
Reserve for Other Expenditures	B-11		109,196.84		
Reserve for Other Deposits	B-12		2,690,137.96		
Premium on Tax Sale	B-14		194,000.00		
Interfunds Payable	B-15,	400.00			
Reserve for Animal Control Trust Fund Expenditures:				401,420.80	
License Fees	B-17	2,477.60			
Miscellaneous Revenues	B-17	1,234.40			
Reserve for Municipal Insurance Trust Fund Expenditures	B-18			401,420.80	
Reserve for Other Grant Fund Expenditures		5,255.00	5,549,560.86	401,420.80	859,300.82
		14,407.80	7,489,855.70	700,929.68	1,065,319.04
Decreased by:					
Disbursements per Schedule	B-2	5,521.00	5,004,687.18	142,565.59	970,240.61
Balance, June 30, 2010	B	\$ 8,886.80	\$ 2,485,168.52	\$ 558,364.09	\$ 95,076.43

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

CASH - TREASURER
SCHEDULE OF DISBURSEMENTS

Ref.	Animal Control Fund	General Trust Fund	Municipal Insurance Trust Fund	Grant Trust Fund
B-8		918,103.02		
B-9	1,136.40			
B-11		109,643.36		
B-12		2,999,590.07		
B-13		55,150.73		
B-14		922,200.00		
B-15	4,384.60			
B-18			142,565.59	
B-19				970,240.61
B-1	<u>\$5,521.00</u>	<u>\$5,004,687.18</u>	<u>\$142,565.59</u>	<u>\$970,240.61</u>

Interfund Receivable

Due to State of New Jersey

Reserve for Other Expenditures

Reserve for Other Deposits

Reserve for N.J. Unemployment

Insurance

Premium on Tax Sale

Interfunds Payable

Reserve for Municipal Insurance Trust

Fund Expenditures

Reserve for Essex County Community

Development Block Grant

Reserve for Other Grant Fund

Expenditures

Miscellaneous Expenditures

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-3

BANK RECONCILIATION

Bank Reconciliation June 30, 2010	Animal Control Fund	General Trust Fund	Municipal Insurance Trust Fund	Grant Trust Fund
Balance per Bank Statements				
Bank of America, Orange , N.J.				
Animal Control Trust Fund - Account	\$ 9,109.40			
Local Law Enforcement Trust - Account		124,460.44		
Other Trust Fund - Account		1,485,071.82		
Other Trust Fund - Account		1,011,343.33		
PNC Bank, Orange , N.J.				
Municipal Insurance Fund Account			(10,024.36)	
Municipal Insurance Fund Account			568,388.45	
Essex County Community Development Block Grant Fund - Account				356,924.68
Supplemental Balanced Housing - Account				101,683.91
Urban Development Action Grant - Account				2,703.84
	9,109.40	2,620,875.59	558,364.09	461,312.43
Plus: Deposits -In- Transit	51.00	1,636.29	-	-
	9,160.40	2,622,511.88	558,364.09	461,312.43
Less: Outstanding Checks	273.60	137,343.36	-	366,234.00
	\$ 8,886.80	\$ 2,485,168.52	\$ 558,364.09	\$ 95,078.43

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-4

DUE FROM MUNICIPAL COURT

	Ref.		
Balance, June 30, 2009	B		\$ 1,515.00
Increased by:			
Parking Offenses Adjudication Act Fees		16,422.00	
Public Defender Fees		<u>4,706.50</u>	
	B-11		<u>21,128.50</u>
			<u>22,643.50</u>
Decreased by:			
Parking Offenses Adjudication Act Fees		16,422.00	
Public Defender Fees		<u>4,706.50</u>	
	B-1		<u>21,128.50</u>
Balance, June 30, 2010	B		<u><u>\$ 1,515.00</u></u>

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

GRANTS RECEIVABLE

	Balance June 30, 2009	Decrease	Cancelled	Balance June 30, 2010
State Balanced Housing Programs				
2000 Grants:				
Parrow Street Homes	\$ 105,344.00	\$ -	\$ -	\$ 105,344.00

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

ESSEX COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLES

Program Year	Program	Balance June 30, 2009	2009 Grants	Collections	Cancelled	Balance June 30, 2010
1996-1997	Restoration of Thomas Boulevard Orange Master Plan	\$ 2,080.93 1,359.35 <u>3,440.28</u>	\$ - - <u>-</u>	\$ - - <u>-</u>	\$ - - <u>-</u>	\$ 2,080.93 1,359.35 <u>3,440.28</u>
1998-1999	Demolition of Vacant Building	0.04				0.04
1999-2000	Walsh Avenue Reconstruction	1,135.26				1,135.26
2000-2001	Reconstruction of Webster Place Roadway Improvements	8,352.50 3,864.74 <u>12,217.24</u>				8,352.50 3,864.74 <u>12,217.24</u>
2002-2003	Orange Public Library	8,761.00				8,761.00
2003-2004	Reconstruction of Hawthorne Street	8,088.11				8,088.11
2004-2005	Memorial Park and Traffic Island Renovations	67,686.30		34,974.84		32,711.46
2005-2006	Reconstruction of Argyle Avenue Demolition of Vacant Structure Streetscapes Orange Public Library - Heating/Air Conditioning	129,768.82 26,000.00 4,367.60 28,499.00 <u>188,635.42</u>		4,608.91 26,000.00 - - <u>30,608.91</u>		125,159.91 - 4,367.60 28,499.00 <u>158,026.51</u>
2006-2007	Resurfacing of Benwyn Street Reconstruction of Melcate Park	134,780.85 125,000.00 <u>259,780.85</u>		833.35 124,709.50 <u>125,542.85</u>		133,947.50 290.50 <u>134,238.00</u>

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

ESSEX COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLES

Program Year	Program	Balance June 30, 2009	Grants	Collections	Cancelled	Balance June 30, 2010
2007-2008	Public Library Rotunda Restoration	\$ 47,000.00	\$ -	\$ 47,000.00	\$ -	\$ -
	Memorial Park Improvements	90,000.00	-	-	-	90,000.00
	Street Improvements Tremont Avenue	183,721.00	-	172,434.75	-	11,286.25
	Horizon Community Development	0.09	-	-	-	0.09
		<u>320,721.09</u>	<u>-</u>	<u>219,434.75</u>	<u>-</u>	<u>101,286.34</u>
2008-2009	Senior Citizen Handicapped Bus	\$ 35,000.00	\$ -	\$ 35,000.00	\$ -	\$ -
	Hampton Terrace Roadway Resurfacing	70,000.00	-	66,118.01	-	3,881.99
	Hilyer Street Sidewalk Improvements	72,000.00	-	67,573.50	-	4,426.50
	Expansion Colgate Park	125,000.00	-	5,411.00	-	119,589.00
	Community Technical Assistance	63,000.00	-	-	-	63,000.00
	Community Technical Assistance	36,000.00	-	-	-	36,000.00
	Securing of Vacant Structures	49,721.00	-	39,179.92	-	10,541.08
	Demolition of Vacant, Unsafe Structures	99,851.08	-	14,441.78	-	85,409.30
	Helping Hands and Ears Food Pantry	19,994.94	-	-	-	19,994.94
	Main Street Counseling Center	25,000.00	-	-	-	25,000.00
Horizon Community Development	24,997.00	-	-	-	24,997.00	
		<u>620,564.02</u>	<u>-</u>	<u>227,724.21</u>	<u>-</u>	<u>392,839.81</u>
2009-2010	Orange Library Elevator	56,525.00	-	5,000.00	-	\$ 51,525.00
	Roadway Infrastructure Improvements	268,600.00	-	-	-	268,600.00
	Demolition of Vacant Structures	200,000.00	-	243.12	-	199,756.88
	Emergency Board-Up Vacant Structures	81,000.00	-	22,125.00	-	58,875.00
	Helping Hands and Ears	28,000.00	-	-	-	28,000.00
	Main Street Counseling	20,000.00	-	-	-	20,000.00
	Community Technical Assistance	66,550.00	-	-	-	66,550.00
		<u>720,675.00</u>	<u>-</u>	<u>27,368.12</u>	<u>-</u>	<u>693,306.88</u>
2010-2011	Demolition of Vacant Structures	-	100,000.00	-	-	100,000.00
	Streetscape Improvements - Central	-	193,353.00	193,353.00	-	-
	YMCA Roof Replacement	-	169,000.00	-	-	169,000.00
	Reconstruction of Various Streets	-	325,000.00	-	-	325,000.00
	Youth Recreation Van	-	22,500.00	-	-	22,500.00
	Central Avenue Streets	-	200,000.00	-	-	200,000.00
		<u>-</u>	<u>1,009,853.00</u>	<u>193,353.00</u>	<u>-</u>	<u>816,500.00</u>
		<u>\$ 2,211,704.61</u>	<u>\$ 1,009,853.00</u>	<u>\$ 859,006.68</u>	<u>\$ -</u>	<u>\$ 2,362,550.93</u>
		<u>B</u>	<u>B-19</u>	<u>B-1</u>	<u>B-19</u>	<u>B</u>

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-7

ESSEX COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLE

	Ref.	<u>General Trust Fund</u>
Balance, June 30, 2009	B	\$ 22,968.00
Increased by:		
Outside Employment of Off- Duty Police Officers	B-12	<u>523,721.23</u> 546,689.23
Decreased by:		
Collections	B-1	<u>523,721.23</u>
Balance, June 30, 2010	B	<u><u>\$ 22,968.00</u></u>

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

INTERFUNDS RECEIVABLE

Ref.	Total General Trust Fund	General Trust Fund		
		Current Fund	Grant Trust Fund	Payroll Trust Fund
B	\$ 966,593.73	\$ 935,281.17	\$ -	\$ 31,312.56
Balance, June 30, 2009				
Increased by:				
B-2	918,103.02	918,103.02		
B-13	57,179.00	57,179.00		
	975,282.02	975,282.02	-	-
Decreased by :				
B-1	2,011,376.33	1,980,063.77		31,312.56
B	\$ (69,500.58)	\$ (69,500.58)	\$ -	\$ -
Balance, June 30, 2010				

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

DUE TO STATE OF NEW JERSEY

	Ref.		
Balance, June 30, 2009	B		\$ 417.00
Increased by:			
State Registration Fees		\$ 355.00	
Pilot Clinic Fund Fees		71.00	
Population Control Fees		<u>717.00</u>	
	B-1		<u>1,143.00</u>
			1,560.00
Decreased by:			
Settlements	B-2		<u>1,136.40</u>
Balance, June 30, 2010	B		<u>\$ 423.60</u>

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-10

ACCOUNTS PAYABLE

Balance, June 30, 2009 and 2010

\$ 24,719.88

CITY OF ORANGE TOWNSHIP
CURRENT FUND

B-11

RESERVE FOR OTHER EXPENDITURES

	Balance June 30, 2009	Increases	Decreases	Balance June 30, 2010
Municipal Court Parking Offenses	\$ 200,403.65	\$ 16,422.00	\$ 32,390.07	\$ 184,435.58
Adjudication Act	8,390.50	4,706.50	405.00	12,692.00
Public Defender Fees	20,975.82	33,975.90	968.00	53,983.72
Fire Code Dedicated Penalties				
Recreation Programs				
Recreation Trips	74,572.33	64,421.34	59,088.69	79,904.98
Atlantic City	4,135.10	1,638.00	4,778.60	994.50
High Class Theatre	395.86	150.00	294.00	251.86
Concert Under the Stars	1,819.25	4,876.60	3,269.00	3,426.85
Little League	98.10	-	-	98.10
Recreation Youth Games	16,912.66	1,823.00	7,900.00	10,835.66
Older Adults Donations	163.42	862.00	550.00	475.42
Health Food Beverage Fee	100.00	1,450.00	-	1,550.00
	<u>\$ 327,966.69</u>	<u>\$ 130,325.34</u>	<u>109,643.36</u>	<u>\$ 348,648.67</u>
Reference	B		B-2	B
	<u>Ref.</u>			
Collections	B-1	109,196.84		
Due from Municipal Court	B-4	21,128.50		
Above		<u>130,325.34</u>		

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-12

RESERVE FOR OTHER DEPOSITS

	Balance June 30, 2009	Increases	Decreases	Balance June 30, 2010
	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00
Escrow Deposits	22,846.00	8,176.00	5,463.00	25,559.00
Street Opening Deposits	46,664.81	51,865.50	51,662.34	46,867.97
Planning Board Escrow Deposits	66,013.52	22,979.56	31,850.97	57,142.11
Zoning Board Escrow Deposits	22,317.66	27,500.00	587.50	49,230.16
Planning Division Escrow Deposits	24,742.66	12,509.00	15,719.97	21,531.69
Fire LEA Rebates	49,538.00	134,824.00	49,844.00	134,518.00
Third Party Building Fees	23,655.80	38,324.00	46,075.00	15,904.80
Elevator Inspection Fees	35,239.00	61,335.00	19,334.00	77,240.00
Plumbing Inspection Fees	68,975.50	7,322.00	9,894.40	66,403.10
Electrical Inspection Fees	98,547.48	37,947.94	12,034.98	124,460.44
Special Law Enforcement Fund	34,183.65	523,721.23	509,126.31	48,778.57
Outside Employment of Off - Duty Police Officers	18,627.10	-	1,042.24	17,584.86
Federal Forfeited Property	114,809.02	2,097,005.32	2,066,969.86	144,844.48
Third Party Tax Redemptions	329.00	-	329.00	-
Rent on City Owned Property	-	545.00	-	545.00
Fishing Permits	-	167,323.50	167,323.50	-
City Construction Code Fees	-	14,574.00	11,333.00	3,241.00
DCA Fees	-	2,700.00	-	2,700.00
Food Handler Certificate	-	5,207.14	-	5,207.14
Flu Reimbursements	-	-	-	-
Assignment Bid Deposits	1,000.00	-	1,000.00	-
	<u>628,489.20</u>	<u>3,213,859.19</u>	<u>2,999,590.07</u>	<u>842,758.32</u>
Reference	B	B	B-2	B
Collections	B-1	2,690,137.96		
Other Accounts Receivable	B-7	<u>523,721.23</u>		
		<u>\$ 3,213,859.19</u>		

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-13

RESERVE FOR NEW JERSEY UNEMPLOYMENT

	Ref.		
Balance, June 30, 2009	B		43,095.80
Increased by:			
Advances from Payroll Fund		25,866.44	
Payroll Deductions	B-8	<u>31,312.56</u>	
			<u>57,179.00</u>
			100,274.80
Decreased by:			
Payments to New Jersey Department of Labor:			
Claims	B-2	\$ 55,150.73	
Accounts Payable	B-10	<u>-</u>	
			<u>55,150.73</u>
Balance, June 30, 2010	B		<u>\$ 45,124.07</u>

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-14

PREMIUM ON TAX SALE

	<u>Ref.</u>	
Balance, June 30, 2009	B	\$ 1,907,100.00
Increased by:		
Collections	B-1	<u>194,000.00</u>
		2,101,100.00
Decreased by:		
Refunds	B-2	<u>922,200.00</u>
Balance, June 30, 2010	B	<u><u>\$ 1,178,900.00</u></u>

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-15

INTERFUNDS PAYABLE

Ref.	Animal Control Current Fund	General Trust Fund Current Fund	Total Grant Trust Fund	Grant Trust Fund	
				Current Fund	General Trust Fund
B	\$ 2,984.60	\$ -	\$ 140,963.97	\$ 140,963.97	\$ -
B-1	400.00		294.14	294.14	
B-15			27,447.50	27,447.50	
B-17	3,760.00		168,705.61	168,705.61	
	4,160.00	-	168,705.61	168,705.61	-
B-2	3,384.60				
B	\$ 3,760.00	\$ -	\$ 168,705.61	\$ 168,705.61	\$ -
Balance, June 30, 2009					
Increased by:					
Advances					
Interest on Deposits					
Grant Expenditures					
Statutory Excess in Animal Control Trust Fund					
Decreased by:					
Settlements					
Balance, June 30, 2010					

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-16

RESERVE FOR REHABILITATION REFUNDS
GRANT TRUST FUND

Balance, June 30, 2009 and 2010

\$ 1,587.35

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-17

RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

Balance, June 30, 2009	B		\$ 4,751.20
Increased by:			
Collections:			
Dog License Fees		2,393.60	
Cat License Fees		84.00	
	B-1	<u>2,477.60</u>	
Miscellaneous Revenues:			
Late Fees		881.40	
Impounding Fees		350.00	
Replacement Fees		3.00	
	B-1	<u>1,234.40</u>	
			<u>3,712.00</u>
			8,463.20
Decreased by:			
Interfunds Payable	B-15		3,760.00
			<u>3,760.00</u>
Balance, June 30, 2010	B		<u>\$ 4,703.20</u>

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-18

RESERVE FOR MUNICIPAL INSURANCE TRUST FUND EXPENDITURES

	Ref.		
Balance, June 30, 2009	B		\$ 299,508.88
Increased by:			
Interest on Investments		\$ 1,420.80	
Budget Appropriations		<u>400,000.00</u>	
	B-1		<u>401,420.80</u>
			<u>700,929.68</u>
Decreased by:			
Administrative Expenses			<u>142,565.59</u>
Balance, June 30, 2010	B		<u><u>\$ 558,364.09</u></u>

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

RESERVE FOR ESSEX COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT

Program Year	Program	Balance June 30, 2009	2010 Grants	Expended	Cancelled	Balance June 30, 2010
1996-1997	UMOJA House Recreational Center	\$ 1,222.26	\$ -	\$ -	\$ -	\$ 1,222.26
1998-1999	Construction of South Essex Avenue	20,641.61				20,641.61
1999-2000	Cleveland Street Improvements	682.50				682.50
2000-2001	St. Matthew Neighborhood Development Program	456.00				456.00
2004-2005	Uptown Master Plan, Zoning Ordinances Memorial Park and Traffic Island Renovations	12,303.33 67,686.30 79,989.63		41,845.83 41,845.83		12,303.33 25,840.47 38,143.80
2005-2006	Reconstruction of Argyle Avenue Demolition of Vacant Structure Streetscapes Orange Weed and Seed Haven - Bethel Baptist Church Orange Public Library - Heating/Air Conditioning	129,768.82 26,000.00 4,368.00 25,000.00 28,718.00 213,854.82		4,544.91 26,000.00		125,223.91 - 4,368.00 25,000.00 28,718.00 183,309.91
2006-2007	Resurfacing of Berwyn Street Reconstruction of Metcalf Park Main Street Counseling Center	134,780.85 124,719.50 0.60 259,500.95		833.35 124,709.50 125,542.85		133,947.50 10.00 0.60 133,958.10
2007-2008	Public Library Rotunda Restoration Memorial Park Improvements Street Improvements Tremont Avenue Orange Affordable Housing	\$ 17,885.70 90,000.00 183,721.00 175.00 291,781.70		17,885.70 79,736.62 172,434.65 270,056.97		10,263.38 11,286.35 175.00 21,724.73

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

RESERVE FOR ESSEX COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT

Program Year	Program	Balance June 30, 2009	2010 Grants	Expended	Cancelled	Balance June 30, 2010	
2008-2009	Senior Citizen Handicapped Bus	\$ 35,000.00	\$ -	\$ 35,000.00	\$ -	\$ -	
	Hampton Terrace Roadway Resurfacing	70,000.00	-	66,118.01	-	3,881.99	
	Hilmer Street Sidewalk Improvements	72,000.00	-	67,573.50	-	4,426.50	
	Expansion Colgate Park	125,000.00	-	54,279.50	-	70,720.50	
	Community Technical Assistance	63,000.00	-	-	-	63,000.00	
	Community Technical Assistance	36,000.00	-	-	-	36,000.00	
	Securing of Vacant Structures	49,721.00	-	39,179.72	-	10,541.28	
	Demolition of Vacant, Unsafe Structures	100,000.00	-	14,441.78	-	85,558.22	
	Helping Hands and Ears Food Pantry	19,994.94	-	-	-	19,994.94	
	Main Street Counseling Center	25,000.00	-	-	-	25,000.00	
Horizon Community Development	14,580.35	-	-	-	14,580.35		
		<u>610,296.29</u>	<u>-</u>	<u>276,592.51</u>	<u>-</u>	<u>333,703.78</u>	
2009-2010	Orange Library Elevator	56,525.00	-	-	-	56,525.00	
	Roadway Infrastructure Improvements	268,600.00	-	-	-	268,600.00	
	Demolition of Vacant Structures	100,000.00	-	877.04	-	99,122.96	
	Demolition of Vacant Structures	100,000.00	-	-	-	100,000.00	
	Emergency Board-Up Vacant Structures	81,000.00	-	58,875.00	-	22,125.00	
	Helping Hands and Ears	28,000.00	-	-	-	28,000.00	
	Main Street Counseling	20,000.00	-	-	-	20,000.00	
	Community Technical Assistance	66,550.00	-	-	-	66,550.00	
			<u>720,675.00</u>	<u>-</u>	<u>59,752.04</u>	<u>-</u>	<u>660,922.96</u>
	2010-2011	Demolition of Vacant Structures	-	100,000.00	-	-	100,000.00
Streetscape Improvements - Central		-	193,353.00	193,353.00	-	-	
YMCA Roof Replacement		-	169,000.00	-	-	169,000.00	
Reconstruction of Various Streets		-	325,000.00	-	-	325,000.00	
Youth Recreation Van		-	22,500.00	-	-	22,500.00	
Central Avenue Streets		-	200,000.00	-	-	200,000.00	
		<u>-</u>	<u>1,009,853.00</u>	<u>193,353.00</u>	<u>-</u>	<u>816,500.00</u>	
		<u>\$ 2,199,100.76</u>	<u>\$ 1,009,853.00</u>	<u>\$ 997,688.11</u>	<u>\$ -</u>	<u>\$ 2,211,265.65</u>	
Reference	B	B-6	B	B	B	B	
			B-15	27,447.50			
			B-2	970,240.61			
				<u>\$ 997,688.11</u>			

CITY OF ORANGE TOWNSHIP
TRUST FUNDS

B-20

RESERVE FOR OTHER GRANT FUND EXPENDITURES

Program Year	Program	June 30, 2009	Increase Program Income	Decreases	Cancelled	June 30, 2010
	Urban Development Action Grant: Program Income	\$ 53,646.92	\$ -	\$ -	\$ -	\$ 53,646.92
	Balanced Housing Project: Supplemental Balanced Housing	10,521.75				10,521.75
1990	Garcia Homes	19,500.00				19,500.00
1998	Parrow Street Homes	96,803.08				96,803.08
2000	East Ward Operator Neighborhood	943.00				943.00
		<u>\$ 181,414.75</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 181,414.75</u>

Reference

B B-1 B-2 B-5 B

CITY OF ORANGE TOWNSHIP
 GENERAL CAPITAL FUND

C-2

SCHEDULE OF CASH - TREASURER

	Ref.		
Balance, June 30, 2009	C		\$ 522,242.66
Increased by Receipts:			
Loans Receivable	C-5	\$ 1,547,479.11	
Interfunds Payable	C	<u>1,153.10</u>	
			<u>1,548,632.21</u>
			2,070,874.87
Decreased by Disbursements:			
Improvement Authorizations	C-8	887,415.39	
Reserve For Capital Lease Program	C-12	<u>153,369.79</u>	
			<u>1,040,785.18</u>
Balance June 30, 2010	C		<u>\$ 1,030,089.69</u>

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

C-3

ANALYSIS OF CASH

Ordinance Number	Balance June 30, 2009	Receipts	Disbursements		Balance June 30, 2010
			Improvement Authorizations	Other	
	\$ 345.00	\$ -	\$ -	\$ -	\$ 345.00
39-87 26-97	197,726.52	-	1,345.00	-	196,381.52
10-98	585,099.27	1,536,804.00	852,886.56	-	1,269,016.69
2-00	335,707.81	-	2,501.54	-	333,206.27
24-00	40.59	-	40.59	-	-
8-02	(495,740.67)	-	-	-	(495,740.67)
13-02	-	10,675.11	10,675.11	-	-
16-03	16,247.49	-	7,685.49	-	8,562.00
11-04	19,889.42	-	3,346.42	-	16,543.00
05-05	(97,180.35)	-	-	-	(97,180.35)
28-05	(671,003.44)	-	8,934.66	-	(679,938.10)
41-05	(118,226.69)	-	-	-	(118,226.69)
Other Accounts					
Current Fund Interfund		1,153.10	-	-	1,153.10
Capital Improvement Fund	60,779.61	-	-	-	60,779.61
Reserve for Debt Service	4,225.00	-	-	-	4,225.00
Reserve For Capital Lease Program	610,009.89	-	-	153,369.79	456,640.10
Reserve For Loan Proceeds	61,176.74	-	-	-	61,176.74
Fund Balance	13,146.67	-	-	-	13,146.67
	\$ 522,242.86	\$ 1,548,632.21	\$ 887,415.39	\$ 153,369.79	\$ 1,030,089.89
Reference	C	C-2	C-3, C-8	C-2	C

CITY OF ORANGE TOWNSHIP
 GENERAL CAPITAL FUND

C-4

GRANTS RECEIVABLE

Program	<u>ORD#</u>	<u>Balance June 30, 2009</u>	<u>Balance June 30, 2010</u>
Green Trust Loan	#28-05	\$ 1,245,000.00	\$ 1,245,000.00
Green Trust Loan	#41-05	<u>28,823.26</u>	<u>28,823.26</u>
		<u>\$ 1,273,823.26</u>	<u>\$ 1,273,823.26</u>
	<u>Reference</u>	C	C

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

C-5

LOANS RECEIVABLE

	Ref.	
Balance, June 30, 2009	C	\$ 2,801,236.81
Decreased by:		
Collections	C-2	<u>1,547,479.11</u>
Balance, June 30, 2010	C	<u>\$ 1,253,757.70</u>
 <u>Analysis of Balance</u>		
N.J. Environmental Infrastructure Trust Loan:		
Ordinance # 10-98		\$ 1,243,932.81
Demolition Bond Loan:		
Ordinance # 13-02		<u>9,824.89</u>
		<u>\$ 1,253,757.70</u>

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

C-6

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION FUNDED

	Ref.		
Balance, June 30, 2009	C		\$ 30,377,005.29
Decreased by:			
<u>2010 Budget Appropriations to Pay Debt:</u>			
Demolition Bond Debt	C-14	\$ 50,900.00	
N.J. Economic Development Authority Loan Payable	C-15	66,995.00	
N.J. Environmental Infrastructure Trust Loan Payable	C-16	285,474.17	
Green Acres Loan:			
School	C-17	28,007.48	
General	C-18	20,353.92	
School Refunding Bonds	C-19	878,007.38	
School Serial Bonds	C-20	465,000.00	
General Refunding Bonds	C-21	2,536,992.62	
		4,331,730.57	
Balance, June 30, 2010	C		\$ 26,045,274.72

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION UNFUNDED

Ordinance Number	Improvement Description	Balance, June 30, 2009	2010 Authorizations	Cancelled	Balance, June 30, 2010	Analysis of Balance	
						Unfinanced Expenditures	Unfunded Improvement Authorizations
10-98	Improvements to Water, Waste Water and Storm Water Systems	\$ 819,246.00	\$ -	\$ -	\$ 819,246.00	\$ -	\$ 819,246.00
8-02	Renovation of 593 Lincoln Avenue	500,000.00			500,000.00	495,740.67	4,259.33
05-05	Redevelopment within the City of Orange	1,425,000.00			1,425,000.00	97,180.35	1,327,819.65
28-05	Acquisition of Property	355,000.00			355,000.00	355,000.00	
41-05	Multi - Parks Projects	90,000.00			90,000.00	90,000.00	
		<u>\$ 3,189,246.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,189,246.00</u>	<u>\$ 1,037,921.02</u>	<u>\$ 2,151,324.98</u>
Reference		C			C		C-3

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Date	Ordinance Number	Amount	Balance June 30, 2009		2010 Authorizations	Paid or Charged	Balance June 30, 2010	
				Funded	Unfunded			Funded	Unfunded
Renovations of City Hall	9/1/1987	39-87	\$ 300,000.00	\$ 345.00	\$ -	\$ -	\$ 345.00	\$ -	
Construction of Police Headquarters and Municipal Headquarters	9-04-97	26-97	5,500,000.00	197,726.52	-	1,345.00	196,381.52	-	
Improvements to Water, Waste Water and Storm Water Systems	8-05-98	10-98	4,915,000.00	585,099.27	3,599,982.81	852,886.58	-	3,332,195.50	
Removal and Replacement of Underground Petroleum Storage Tanks	2-01-00	2-00	669,950.00	335,707.81	-	2,501.54	333,206.27	-	
Acquisition of Trucks - Public Works	12-04-00	24-00	250,000.00	40.59	-	40.59	-	-	
Renovation of 593 Lincoln Avenue	6-18-02	8-02	500,000.00	-	4,259.33	-	-	4,259.33	
Demolition of Unsafe Buildings and Structures	9-03-02	13-02	300,000.00	-	20,500.00	10,675.11	-	9,824.89	
General Facilities Improvements	7-01-03	16-03	251,813.49	16,247.49	-	7,685.49	8,562.00	-	
General Facilities Improvements	5-04-04	11-04	190,503.14	19,889.42	-	3,346.42	16,543.00	-	
Redevelopment Within the City of Orange	11-03-04	24-04	1,500,000.00	-	-	-	-	-	
Orange Township	4-05-05	5-05	-	-	1,327,819.65	-	-	1,327,819.65	
Acquisition of Property	10-04-05	28-05	1,600,000.00	911,246.56	-	8,934.66	-	902,311.90	
Multi-Park Projects	4-05-05	41-05	180,000.00	596.57	-	-	-	596.57	
				\$ 1,155,056.10	\$ 5,864,404.92	\$ 887,415.39	\$ 555,037.79	\$ 5,577,007.84	

Reference

C

C

C-2

C

C

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

C-9

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.	
Balance, June 30, 2009 and June 30, 2010	C	<u>\$ 60,779.61</u>

CITY OF ORANGE TOWNSHIP
 GENERAL CAPITAL FUND

C-10

RESERVE FOR DEBT SERVICE

	Ref.	
Balance, June 30, 2009 and June 30, 2010	C	<u>\$ 4,225.00</u>

C-11

RESERVE FOR GRANTS RECEIVABLE

<u>Program</u>	<u>Balance June 30, 2009</u>	<u>Balance June 30, 2010</u>
New Jersey Department of Environment Protection: Green Acres Program: Ordinance #28-05	<u>\$ 17,750.00</u>	<u>\$ 17,750.00</u>

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

C-12

RESERVE FOR CAPITAL LEASE PROGRAM
ESSEX COUNTY IMPROVEMENT AUTHORITY

	<u>Ref.</u>	<u>Total</u>	<u>1993 Series</u>	<u>1994 Series</u>
Balance, June 30, 2009	C	\$ 610,009.89	\$ 2,591.30	\$ 607,418.59
Decreased by: Expenditures	C-2	<u>153,369.79</u>	<u>-</u>	<u>153,369.79</u>
Balance, June 30, 2010	C	<u>456,640.10</u>	<u>2,591.30</u>	<u>454,048.80</u>

RESERVE FOR LOAN PROCEEDS

C-13

	<u>Ref.</u>	
Balance, June 30, 2009 and June 30, 2010	C	<u>\$ 61,176.74</u>
<u>Analysis of Balance</u> Green Acres Loan Program: Ordinance # 41-05		<u>\$ 61,176.74</u>

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

DEMOLITION BOND LOAN PAYABLE

Ordinance Number	Improvement Description	Ordinance Number	Amount of Original Issue	Maturities of Loan Outstanding Date	Interest Rate	Balance June 30, 2009	Decreased	Balance June 30, 2010
19-00	Demolition of Unsafe Buildings	19-00	209,000.00	10/9/2010/2011	4.00%	\$ 62,700.00	\$ 20,900.00	\$ 41,800.00
13-02	Demolition of Unsafe Buildings and Structures	13-02	300,000.00	10/15/2010/2013	4.00%	150,000.00	30,000.00	120,000.00
						<u>\$ 212,700.00</u>	<u>\$ 50,900.00</u>	<u>\$ 161,800.00</u>

Reference C C-6 C

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

C-15

N.J. ECONOMIC DEVELOPMENT AUTHORITY LOAN PAYABLE

Improvement Description	Ordinance Number	Amount of Original Issue	Maturities of Loan Outstanding June 30, 2010 Date	Interest Rate	Balance June 30, 2009	Decreased	Balance June 30, 2010
Removal and Replacement of Underground Petroleum Storage Tanks	2-00	669,950.00	10/1/2011	*	\$ 133,990.00	\$ 66,995.00	\$ 66,995.00

* Interest free

Reference

C-6

C

C

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding, June 30, 2010		Interest Rate	Balance June 30, 2009	Increased	Decreased	Balance June 30, 2010
			Date	Amount					
Trust Share	11/5/1998	\$ 1,340,000.00	8/1/2010	120,000.00	4.50%	\$ 490,000.00	\$ -	\$ 115,000.00	\$ 375,000.00
			8/1/2011	125,000.00	4.50%				
				8/1/2012	130,000.00	4.50%			
Trust Share	11/4/1999	\$ 725,000.00	8/1/2010	35,000.00	5.00%	505,000.00		35,000.00	470,000.00
			8/1/11-2	40,000.00	5.50%				
			8/1/13-15	45,000.00	5.50%				
			8/1/2016	50,000.00	5.50%				
			8/1/2017	55,000.00	5.50%				
			8/1/2018	55,000.00	5.50%				
Fund Share	11/5/1998	\$ 1,308,068.00	8/1/2010	94,251.78	-	392,766.32		98,673.13	294,093.19
			2/1/2011	4,210.37	-				
			8/1/2011	95,939.60	-				
			2/1/2012	2,146.46	-				
			8/1/2012	97,544.98	-				
Fund Share	11/4/1999	\$ 722,686.00	8/1/2010	29,157.19	-	401,731.83		36,801.04	364,930.79
			2/1/2011	6,485.43	-				
			8/1/2011	31,702.54	-				
			2/1/2012	5,791.96	-				
			8/1/2012	31,009.07	-				
			2/1/2013	5,098.49	-				
			8/1/2013	33,467.74	-				
			2/1/2014	4,318.33	-				
			8/1/2014	32,667.59	-				
			2/1/2015	3,538.18	-				
			8/1/2015	31,907.43	-				
			2/1/2016	2,758.03	-				
			8/1/2016	34,279.42	-				
			2/1/2017	1,891.19	-				
			8/1/2017	36,564.72	-				
		2/1/2018	937.67	-					
		8/1/2018	35,611.20	-					
		8/1/2019	37,724.61	-					

Reference									
	\$	1,769,498.15	\$	-	\$	285,474.17	\$	1,504,023.98	
		C				C-6			C

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

C-17

GREEN ACRES TRUST LOAN PAYABLE -SCHOOL

Improvement Description	Ordinance Number	Amount of Original Issue	Maturities of Loan Outstanding		Interest Rate	Balance June 30, 2009	Decreased	Balance June 30, 2010
			Date	Amount				
School Loan:								
Bell Stadium Reconstruction	14-97	\$ 500,000.00	8/23/2010	14,214.14				
			2/23/2011	14,356.28				
			8/23/2011	14,499.85				
			2/23/2012	14,644.84				
			8/23/2012	14,791.29				
			2/23/2013	14,939.21				
			8/23/2013	15,088.60				
			2/23/2014	15,239.48				
			8/23/2014	15,391.87				
					2.00%	\$ 161,173.04	\$ 28,007.48	\$ 133,165.56
					Reference	C	C-6	C

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

GREEN ACRES TRUST LOAN PAYABLE - GENERAL

Purpose	Ordinance Number	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance June 30, 2009	Increased	Decreased	Balance June 30, 2010
			Date	Amount					
Renovations of Ropes Playground	18-92	\$ 125,000.00	12/16/2010	3,823.30	2.00%	\$ 31,054.36	\$ -	\$ 7,533.40	\$ 23,520.96
			6/16/2011	3,861.53					
			12/16/2011	3,900.14					
			6/16/2012	3,939.15					
			12/16/2012	3,978.54					
6/16/2013	4,018.30								
Multi- Parks Project	30-03	\$ 250,000.00	8/19/2010	6,410.26	2.00%	243,589.74		12,820.52	\$ 230,769.22
			2/19/2011	6,410.26					
			8/19/2011	6,410.26					
			2/19/2012	6,410.26					
			8/19/2012	6,410.26					
			2/19/2013	6,410.26					
			8/19/2013	6,410.26					
			2/19/2014	6,410.26					
			8/19/2014	6,410.26					
			2/19/2015	6,410.26					
			8/19/2015	6,410.26					
			2/19/2016	6,410.26					
			8/19/2016	6,410.26					
			2/19/2017	6,410.26					
			8/19/2017	6,410.26					
			2/19/2018	6,410.26					
			8/19/2018	6,410.26					
			2/19/2019	6,410.26					
			8/19/2019	6,410.26					
			2/19/2020	6,410.26					
			8/19/2020	6,410.26					
			2/19/2021	6,410.26					
			8/19/2021	6,410.26					
2/19/2022	6,410.26								
8/19/2022	6,410.26								
2/19/2023	6,410.26								
8/19/2023	6,410.26								
2/19/2024	6,410.26								
8/19/2024	6,410.26								
2/19/2025	6,410.26								
8/19/2025	6,410.26								
2/19/2026	6,410.26								
8/19/2026	6,410.26								
2/19/2027	6,410.26								
8/19/2027	6,410.26								
						\$ 274,644.10	\$ -	\$ 20,353.92	\$ 254,290.18

Reference C C-6 C

* Interest free

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

C-20

SCHOOL SERIAL BONDS
(TYPE I)

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding, June 30, 2010			Interest Rate	Balance June 30, 2009	Increased	Decreased	Balance June 30, 2010
			Date	Amount						
School	6/1/1997	\$ 5,675,000.00	7/1/2010	485,000.00	4.90%	\$ 1,945,000.00		\$ 465,000.00	\$ 1,480,000.00	
			7/1/2011	495,000.00	5.00%					
			7/1/2012	500,000.00	5.00%					
						<u>\$ 1,945,000.00</u>		<u>\$ 465,000.00</u>	<u>\$ 1,480,000.00</u>	

Reference C C-6 C

CITY OF ORANGE TOWNSHIP
 GENERAL CAPITAL FUND
 GENERAL REFUNDING BONDS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding, June 30, 2011		Interest Rate	Balance June 30, 2009	Increased	Decreased	Balance June 30, 2010
			Date	Amount					
Pension Refunding Bonds	5/1/2003	\$ 4,865,000.00	5/1/2011	\$ 410,000.00		\$ 3,205,000.00	\$ -	\$ 390,000.00	\$ 2,815,000.00
			5/1/2012	430,000.00					
			5/1/2013	455,000.00					
			5/1/2014	480,000.00					
			5/1/2015	505,000.00					
			5/1/2016	535,000.00		4.52%			
General Refunding Bonds Series 2005A Qualified Bond Act (P.L. 1976.C.38)	12/1/2005	1,511,471.34	12/1/2010	302,687.87	5.00%	1,235,831.46		284,655.88	951,175.58
			12/1/2011	319,735.86	4.00%				
			12/1/2012	328,751.85	5.00%				
Series 2005B Qualified Bond Act (P.L. 1976.C.38)	12/1/2005	3,139,246.63	12/1/2010	626,439.73	5.11%	2,569,934.88		595,375.74	1,974,559.14
			12/1/2011	656,519.71	5.17%				
			12/1/2012	691,599.70	5.21%				
General Refunding Bonds	4/25/2007	3,655,000.00	8/1/2010	305,000.00		3,630,000.00		275,000.00	3,355,000.00
			8/1/2011	305,000.00					
			8/1/2012	300,000.00					
			8/1/2013	345,000.00					
			8/1/2014	345,000.00					
			8/1/2015	340,000.00					
General Refunding Bonds	8/27/2008	9,103,035.00	8/1/2010	1,159,549.00	3.25%	9,103,035.00		991,961.00	8,111,074.00
			12/1/2011	1,202,696.00	3.50%				
			12/1/2012	1,242,801.00	3.75%				
			12/1/2013	1,285,948.00	4.00%				
			12/1/2014	1,334,095.00	4.00%				
			12/1/2015	605,911.00	4.00%				
		12/1/2016	626,995.00	4.00%					
		12/1/2017	653,079.00	4.00%					
						\$ 19,743,801.34	\$ -	\$ 2,536,992.62	\$ 17,206,808.72

Reference C C-6 C

CITY OF ORANGE TOWNSHIP
GENERAL CAPITAL FUND

C-22

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance, June 30, 2009	Balance, June 30, 2010
10-98	Improvements to Water, Waste Water and Storm Water Systems	\$ 819,246.00	\$ 819,246.00
8-02	Renovation of 593 Lincoln Avenue	500,000.00	500,000.00
05-05	Redevelopment within the City of Orange	1,425,000.00	1,425,000.00
28-05	Acquisition of Property	355,000.00	355,000.00
41-05	Multi - Parks Projects	90,000.00	90,000.00
		<u>\$ 3,189,246.00</u>	<u>\$ 3,189,246.00</u>
	Reference	C	C

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY
STATEMENT OF EXPENDITURES

	Ref.	Appropriation Budget	Balance After Transfer	Paid or Charged	Reserved		Cancelled	Balance Cancelled
					Encumbered	Unencumbered		
Operating:								
Salaries and Wages		\$ 5,555,000.00	\$ 5,555,000.00	\$ 5,355,201.97	\$ 59,966.66	\$ 139,831.37	\$ -	\$ -
Other Expenses								
Total Operating	D-1	5,555,000.00	5,555,000.00	5,355,201.97	59,966.66	139,831.37	-	-
Debt Service:								
Payment of Bond Principal		910,000.00	910,000.00	910,000.00				
Interest on Bonds		1,220,070.00	1,220,070.00	1,216,640.00				3,430.00
NJEIT		157,425.00	157,425.00	157,425.00				
Total Debt Service	D-1	2,287,495.00	2,287,495.00	2,284,065.00				3,430.00
Deferred Charge:								
Deficit in Water Utility Fund	D-1	350,664.86	350,664.86	350,151.91				512.95
		\$ 8,193,159.86	\$ 8,193,159.86	\$ 7,989,418.88	\$ 59,966.66	\$ 139,831.37	\$ -	\$ 3,942.95
	Reference	D-3		Below	D	D		
Interfund								
Cash Disbursements	D-22			\$ 157,425.00				
Accrued Interest	D-5			6,265,201.97				
Deferred Charge: Deficit in Water Utility Fund	D-1, D-13			350,151.91				
				\$ 7,989,418.88				

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

D-5

CASH RECEIPTS AND DISBURSEMENTS - TREASURER

	<u>Reference</u>	<u>Operating</u>	<u>Capital</u>
Balance , June 30, 2009	D	\$ 1,481,297.71	\$ 4,895,534.29
Increased By:			
Interest on Investments	D-3	19,106.74	-
Collector	D-7	8,081,754.51	-
Interfunds Receivable	D-10	7,277.74	2,607,277.74
Other Accounts Receivable	D-12	9,000.00	-
Interfunds Payable	D-22	3,853,019.21	-
		<u>11,970,158.20</u>	<u>2,607,277.74</u>
		<u>13,451,455.91</u>	<u>7,502,812.03</u>
Decreased By:			
Budget Appropriations	D-4	6,265,201.97	-
Interfunds Receivable	D-10	7,277.74	2,607,277.74
Appropriation Reserves	D-17	833,194.20	-
Accrued Interest on Bonds	D-19	1,220,070.00	-
Improvement Authorizations	D-21	-	1,512,099.60
Interfunds Payable	D-22	3,853,019.21	-
		<u>12,178,763.12</u>	<u>4,119,377.34</u>
Balance, June 30, 2010	D	<u>\$ 1,272,692.79</u>	<u>\$ 3,383,434.69</u>

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

BANK RECONCILIATION
JUNE 30, 2010

	Operating	Capital
<u>Bank Reconciliation</u>		
Balance per Bank Statements		
Bank of America, Orange, N.J.		
Account	127,861.82	\$ -
Account		3,667,877.85
PNC Bank, Orange, N.J.		
Account	4,038.00	
Account	3,560,981.61	
	3,692,881.43	3,667,877.85
 Less: Outstanding Checks	 2,420,188.64	 284,433.16
	\$ 1,272,692.79	\$ 3,383,444.69
Reference	D-5	D-5

CITY OF ORANGE TOWNSHIP
 WATER AND SEWER UTILITY

CASH RECEIPTS AND DISBURSEMENTS
 WATER AND SEWER COLLECTIONS

	<u>Ref.</u>	
Increased by Receipts	D	\$ -
Increased by:		
Nonbudget Revenue	D-3	31,920.94
Consumer Accounts Receivable	D-11	7,986,469.81
Due to United Water Company	D-18	53,081.50
Water and Sewer Overpayments	D-20	<u>10,282.26</u>
		8,081,754.51
Decreased by:		
Remittances to Treasurer	D-5	<u>8,081,754.51</u>
	D	<u>\$ -</u>

D-8

Cash - Change Fund

Balance , June 30, 2009 and June 30,2010	D	<u>\$ 150.00</u>
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CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

Ordinance Number	Balance June 30, 2009	Receipts	Disbursements Improvement Authorizations	Balance June 30, 2010
19-83	\$ 4.06	\$ -	4.06	\$ -
22-85	5,350.08		5350.08	-
8-01	1,923.60		1,923.60	-
22-02	4,851,746.99		28376.56	4,823,370.43
8-08	-		1,476,445.30	(1,476,445.30)
Other Accounts				
General Capital Fund Interfund	36,509.56			36,509.56
Fund Balance	\$ 4,895,534.29	\$ -	\$ 1,512,099.60	\$ 3,383,434.69

Reference

D

D-21

D

CITY OF ORANGE TOWNSHIP
 WATER AND SEWER UTILITY

D-10

INTERFUNDS RECEIVABLE

Ref.	Total	Water Operating Fund		Water Capital Fund	
		Current Fund	Current Fund	Water Operating Fund	Current Fund
Balance, June 30, 2009	\$ -	\$ -	\$ -	\$ -	\$ -
Increases:					
Borrowed	2,607,277.74	-	-	7,277.74	2,600,000.00
Decreases:					
Settlements	2,607,277.74	-	-	7,277.74	2,600,000.00
Balance, June 30, 2010	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF ORANGE TOWNSHIP
 WATER AND SEWER UTILITY

D-11

CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>		
Balance, June 30, 2009	D		\$ 2,495,529.62
Increased by:			
Water and Sewer Billings		7,767,406.08	
Interest and Penalties		259,157.85	
	Reserve	<u>8,026,563.93</u>	<u>10,522,093.55</u>
Decreased by::			
Collections	D-3,D-7	7,986,469.81	
Overpayments Applied	D-20	<u>27,355.34</u>	
			<u>8,013,825.15</u>
Balance, June 30, 2010	D		<u>\$ 2,508,268.40</u>

OTHER ACCOUNTS RECEIVABLE

D-12

Balance, June 30, 2009	D		\$ 9,000.00
Decrease			
Collections	D-5		<u>9,000.00</u>
Balance, June 30, 2010	D		<u>\$ -</u>

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

D-13

DEFERRED CHARGES

	<u>Ref.</u>	
Balance, June 30, 2009	D	\$ 350,151.91
Decreased by:		
Charged to Operations	D-6	350,151.91
Balance, June 30, 2010	D	<u><u>\$ -</u></u>

D-14

LOANS RECEIVABLE

	<u>Ref.</u>	
Balance, June 30, 2009	D	<u>\$ 7,499,719.00</u>
Balance, June 30, 2010	D	<u><u>\$ 7,499,719.00</u></u>
<u>Analysis of Balance</u>		
N.J. Environmental Infrastructure Trust Loan		<u><u>\$ 7,499,719.00</u></u>

CITY OF ORANGE TOWNSHIP
 WATER AND SEWER UTILITY

FIXED CAPITAL

	June 30, 2010	
	2010	2009
Water Plant	\$ 2,977,684.92	\$ 2,977,684.92
Filtration Plant	138,812.11	138,812.11
Computer System	100,000.00	100,000.00
New Pumping Plant	10,283.17	10,283.17
Alterations in Pumping Plant	106,581.94	106,581.94
Retainer Wall Construction	2,517.70	2,517.70
Water Meters	459,899.65	459,899.65
Right- of - Way	830.50	830.50
Truck Elevation	13,583.51	13,583.51
Construction of Well House #6 and Underground Service for Well #3	73,102.66	73,102.66
Improvements to Water Supply System	4,750,429.58	4,750,429.58
	<u>\$ 8,633,725.74</u>	<u>\$ 8,633,725.74</u>
Reference	D	D

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ordinance Number	Ordinance Date	Amount	June 30,	
			2010	2009
19-83	7/5/1983	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00
22-85	6/18/1985	75,000.00	75,000.00	75,000.00
8-01	5/1/2001	138,583.60	138,583.60	138,583.60
22-02	6/1/2003	30,000,000.00	30,000,000.00	30,000,000.00
8-08	6/4/2008	9,000,000.00	9,000,000.00	9,000,000.00
			<u>\$ 39,288,583.60</u>	<u>\$ 39,288,583.60</u>
		Reference	D	D

CITY OF ORANGE TOWNSHIP
 WATER AND SEWER UTILITY

D-17

APPROPRIATION RESERVES

	Balance June 30, 2009			
	<u>Encumbered</u>	<u>Unencumbered</u>	<u>Paid or Charged</u>	<u>Unexpended Balance</u>
Operating				
Other Expenses	\$ 814,488.71	\$ 67,500.35	\$ 833,194.20	\$ 48,794.86
Reference				
	D	D	D-5	D-1

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

DUE TO UNITED WATER COMPANY

	<u>Ref.</u>	
Balance, June 30, 2009	D	\$ 252,012.66
Increased by: Collections	D-7	<u>53,081.50</u>
Balance, June 30, 2010	D	<u>\$ 305,094.16</u>

CITY OF ORANGE TOWNSHIP
 WATER AND SEWER UTILITY

D-19

ACCRUED INTEREST ON BONDS

	<u>Ref.</u>	
Balance, June 30, 2009	D	\$ 102,302.50
Increased by:		
Budget Appropriations	D-4	1,216,640.00
		<u>1,318,942.50</u>
Decreased by:		
Payments	D-5	1,220,070.00
Balance, June 30, 2010	D	<u>\$ 98,872.50</u>

Analysis of Balance

	Bonds Outstanding June 30, 2010	Interest Rate	Accrued		Period	Amount
			From	To		
\$	875,000.00	4.25%	6/1/2010	6/30/2010	1 month	\$ 3,098.96
	1,905,000.00	4.30%	6/1/2010	6/30/2010	1 month	6,826.25
	1,040,000.00	4.35%	6/1/2010	6/30/2010	1 month	3,770.00
	4,825,000.00	4.55%	6/1/2010	6/30/2010	1 month	18,294.79
	8,925,000.00	5.00%	6/1/2010	6/30/2010	1 month	37,187.50
	1,000,000.00	4.125%	6/1/2010	6/30/2010	1 month	3,437.50
	4,465,000.00	4.20%	6/1/2010	6/30/2010	1 month	15,627.50
	2,400,000.00	5.00%	6/1/2010	6/30/2010	1 month	7,830.00
						<u>\$ 96,072.50</u>

The excess balance has been used to reduce the Fiscal Year 2011 budget appropriation.

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

D-20

WATER AND SEWER OVERPAYMENTS

	<u>Reference</u>	
Balance, June 30, 2009	D	\$ 103,197.32
Increased by:		
Collections	D-7	<u>10,282.26</u>
		113,479.58
Decreased by:		
Applied to Revenue	D-3, D- 11	27,355.34
		<u>86,124.24</u>
Balance, June 30, 2010	D	<u><u>\$ 86,124.24</u></u>

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Date	Amount	June 30, 2009		Paid or Charged	June 30, 2010	
			Funded	Unfunded		Funded	Unfunded
Improvement to Walls	19-83	75,000.00	\$ 4.06	\$ -	\$ 4.06	\$ -	\$ -
Renovations of Water Filter Plant and Pumping Station	22-85	75,000.00	5,350.08	-	5,350.08	-	-
Reprocurement of the Operation of the City Water, Storm Water and Waste Water System	8-01	136,583.00	1,923.60	-	1,923.60	-	-
Reacquisition of Water and Sewer Franchises and Improvement to Water and Sewer System	22-02	30,000,000.00	4,851,746.99	-	28,376.56	4,823,370.43	-
Construction of and Improvements to the City's Mountain Wells, the Chestnut Street Treatment Facilities and High Pump Station.	8-08	9,000,000.00	-	9,000,000.00	1,476,445.30	-	7,523,554.70
			\$ 4,859,024.73	\$ 9,000,000.00	\$ 1,512,099.60	\$ 4,823,370.43	\$ 7,523,554.70

Reference D D D-5 D D

CITY OF ORANGE TOWNSHIP
 WATER AND SEWER UTILITY

D-22

INTERFUNDS PAYABLE

	<u>Ref.</u>		
Balance, June 30, 2009	D	\$	-
Increased by:			
Collections	D-5	3,853,019.21	
Interfund Advances	D-4	<u>157,425.00</u>	
			<u>4,010,444.21</u>
			4,010,444.21
Decreased by:			
Settlements	D-5		3,853,019.21
			<u>3,853,019.21</u>
Balance, June 30, 2010	D	\$	<u><u>157,425.00</u></u>
Intefund Advances - Current Fund:			
NJEIT Loan - Principal	D-25	\$	59,094.43
NJEIT Loan - Interest	D-4		<u>98,330.57</u>
		\$	<u><u>157,425.00</u></u>

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

D-23

RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance, June 30, 2009	D	\$ 8,493,725.74
Increased by:		
Serial Bonds Paid by Operating Budget	D-26	70,000.00
Interfund Advances	D-25	59,094.43
		<u>129,094.43</u>
Balance, June 30, 2010	D	<u>\$ 8,622,820.17</u>

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

D-24

DEFERRED RESERVE FOR AMORTIZATION

<u>Ordinance Number</u>	<u>Date</u>	<u>Balance June 30, 2009</u>	<u>Bonds Paid from Operating Budget</u>	<u>Balance June 30, 2010</u>
19-83	7/5/1983	\$ 75,000.00	\$ -	\$ 75,000.00
22-85	6/18/1985	75,000.00		75,000.00
8-01	5/1/2001	138,583.60		138,583.60
22-02	6/1/2003	3,725,000.00	840,000.00	4,565,000.00
		<u>\$ 4,013,583.60</u>	<u>\$ 840,000.00</u>	<u>\$ 4,853,583.60</u>

Reference

D-10

D-26

D

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

Purpose	Date of Issue	Amount Of Original Issue	Maturities of Bonds Outstanding June 30, 2010	Interest Rate	Balance June 30, 2009	Increase	Decrease	Balance June 30, 2010
Trust Share	11/6/2008	\$ 3,835,000.00		5.00%	\$ -	\$ -	\$ -	\$ -
	8/1/2010		\$ 125,000.00	5.00%				
	8/1/2011		130,000.00	5.00%				
	8/1/2012		135,000.00	5.00%				
	8/1/2013		145,000.00	5.00%				
	8/1/2014		150,000.00	5.00%				
	8/1/2015		160,000.00	5.00%				
	8/1/2016		165,000.00	5.00%				
	8/1/2017		175,000.00	5.00%				
	8/1/2018		185,000.00	5.00%				
	8/1/2019		195,000.00	5.00%				
	8/1/2020		205,000.00	5.00%				
	8/1/2021		215,000.00	5.00%				
	8/1/2022		225,000.00	5.00%				
	8/1/2023		240,000.00	5.00%				
	8/1/2024		250,000.00	5.00%				
	8/1/2025		265,000.00	5.00%				
	8/1/2026		275,000.00	5.00%				
	8/1/2027		290,000.00	5.00%				
	8/1/2028		305,000.00	5.00%				
					3,835,000.00			3,835,000.00
Fund Share	11/6/2008	\$ 3,664,719.00		*				
	2/1/2010		134,216.07	*				
	2/1/2011		57,216.39	*				
	8/1/2011		135,342.90	*				
	2/1/2012		55,263.23	*				
	8/1/2012		136,394.60	*				
	2/1/2013		53,234.94	*				
	8/1/2013		140,376.05	*				
	2/1/2014		51,056.42	*				
	8/1/2014		141,202.38	*				
	2/1/2015		48,802.77	*				
	8/1/2015		144,958.47	*				
	2/1/2016		46,398.88	*				
	8/1/2016		145,559.44	*				
	2/1/2017		43,919.86	*				
	8/1/2017		149,090.16	*				
	2/1/2018		41,290.60	*				
	8/1/2018		152,470.63	*				
	2/1/2019		38,511.10	*				
	8/1/2019		155,700.86	*				
	2/1/2020		35,434.87	*				
	8/1/2020		158,634.36	*				
	2/1/2021		32,046.89	*				
	8/1/2021		161,256.10	*				
	2/1/2022		28,493.63	*				
	8/1/2022		163,712.58	*				
	2/1/2023		24,775.11	*				
	8/1/2023		169,008.66	*				
	2/1/2024		20,808.69	*				
	8/1/2024		171,051.97	*				
	2/1/2025		17,052.61	*				
	8/1/2025		176,310.48	*				
	2/1/2026		13,071.16	*				
	8/1/2026		178,338.77	*				
	2/1/2027		8,939.47	*				
	8/1/2027		183,221.67	*				
	2/1/2028		4,582.41	*				
	8/1/2028		187,879.39	*				
					3,664,719.00		59,094.43	\$ 3,605,624.57
					\$ 7,499,719.00	\$ -	\$ 59,094.43	\$ 7,440,624.57

Refer to D-14

CITY OF ORANGE TOWNSHIP
WATER AND SEWER UTILITY

SERIAL BONDS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding June 30, 2010	Interest Rate	Balance June 30, 2009	Increase	Decrease	Balance June 30, 2010
Improvement to Water Supply System	11/15/1990	\$ 1,000,000.00	\$ 70,000.00	7.20%	\$ 140,000.00	\$ -	\$ 70,000.00	\$ 70,000.00
Requisition of Water and Sewer Franchise and Improvement to Water System and Sewer System	6/1/2003	\$ 30,000,000.00	875,000.00	4.25%				
	6/1/2012		925,000.00	4.30%				
	6/1/2013		980,000.00	4.30%				
	6/1/2014		1,040,000.00	4.35%				
	6/1/2015		1,105,000.00	4.55%				
	6/1/2016		1,170,000.00	4.55%				
	6/1/2017		1,240,000.00	4.55%				
	6/1/2018		1,310,000.00	4.55%				
	6/1/2019		1,390,000.00	5.00%				
	6/1/2020		1,470,000.00	5.00%				
	6/1/2021		1,560,000.00	5.00%				
	6/1/2022		1,655,000.00	5.00%				
	6/1/2023		1,750,000.00	5.00%				
	6/1/2024		1,000,000.00	4.125%				
	6/1/2025		2,180,000.00	4.20%				
	6/1/2026		2,285,000.00	4.20%				
	6/1/2027		2,400,000.00	5.00%				
			26,275,000.00		\$ 26,415,000.00	\$ -	\$ 840,000.00	\$ 25,435,000.00
					\$ 26,415,000.00	\$ -	\$ 910,000.00	\$ 25,505,000.00

Reference

D

Below

D

Rel.

Reserve for Amortization D-23 \$ 70,000.00
 Deferred Reserve for Amortization D-24 840,000.00
 Above \$ 910,000.00



The Honorable Mayor and Members
of the City Council
City of Orange Township
Orange, New Jersey 07050

We have audited the financial statements and supplemental schedules and data of the

**CITY OF ORANGE TOWNSHIP
COUNTY OF ESSEX**

for the fiscal year ended June 30, 2010, and have issued our report thereon. As part of our audit, we reviewed and tested the municipality's system of internal accounting control to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America; by the Division of Local Government services of the Department of Community Affairs, State of New Jersey; by the *Governmental Auditing standards* used by the U.S. General Accounting Office; and by the provisions of the "Single Audit Act of 1984". Compliance requirements were also reviewed in accordance with the requirements of the aforementioned standards and guidelines or, where applicable, the terms and conditions of particular grant agreements and as approved by the Cognizant Audit Agency.

Our comments with respect to the audit, internal control, and any error, omission, irregularity, violation of law, discrepancy or other nonconformity to the law or regulation found during the audit are herewith set forth.

General Comments and Recommendations

Federal and State Grant Fund

Various grant receivables and unexpended grant reserves are recorded on page A-22 and A-36, have not been realized or fully expended.

It is recommended that the City review these receivables and reserves and appropriate action should be taken as to their disposition.

Premium on Tax Sale

We have reviewed a detailed list of Premiums on Tax Sale at June 30, 2010. There is a difference between the detailed listing balance and the trial balance of the City at June 30, 2010.

It is recommended that the City reconcile the variance between the trial balance and detailed listing.

Third Party Tax Redemptions

We have reviewed a detailed list of Third Party Tax Redemptions at June 30, 2010. There is a difference between the detailed listing balance and the trial balance of the City at June 30, 2010.

It is recommended that the City reconcile the variance between the trial balance and detailed listing.

Dedication by Rider

The General Trust Fund contains several accounts that may be subject to the provisions of Dedication by Rider N.J.S. 40A:4-39.

It is recommended that a resolution be adopted by the City Council requesting approval for insertion of a certain account in the Municipal Budget under provisions of N.J.S. 40A:4-39 "Dedication by Rider"

Animal Control Trust Fund

Our audit resulted in the following comment:

There is a balance due to the State of New Jersey of \$294.60 as of August 2009 that remains unpaid.

The cash receipt book of the animal control fund did not agree with the amounts deposited into the treasurer's account.

We were unable to reconcile the dog report activity to the general ledger.

It appears that there is a balance due to the State of New Jersey which we are unable to determine what period of time it applies to.

Cash collections for the dog licenses were not turned over to the tax collector within the 48 hour period.

The following recommendations are made:

- All funds due and owing to the State should be paid timely.
- The animal control fund cash receipts book should be reconciled to the treasurer's account on a monthly basis and any variances should be investigated.

- That the City reviews and institutes procedures to assure that transactions are recorded properly in the general ledger.
- That the Due to State of New Jersey for Dog Licenses be reviewed and appropriate action taken as to the payment or cancellation.
- That the dog license collection procedures be reviewed to ensure compliance with N.J.S.A. 40A:5-15.

Outside Employment of Off-Duty Police Officers

Our audit resulted in the following comment:

Pursuant to Ordinance #10-2002 adopted on July 2, 2002 the City is required to maintain an escrow account for the purpose of receiving deposits from persons or entities requesting outside police services. Monies must be deposited by the party prior to the rendering of any services. The Police Director shall not post a request for services without sufficient funds deposited.

During our review it was noted that several entities received services prior to the depositing of the required funds.

The detailed listing of deposit balances at June 30, 2010 was not consistent with the balance recorded in the trust account.

That cash collections for the outside employment of off-duty police officers, as reflected on the yearly report, be reconciled to bank statements.

The following recommendations are made:

- Services for outside police services should not be rendered until funds are received in advance.
- Deposit balances should be reconciled from a detailed listing maintained to the trial balance on a monthly basis

Water and Sewer Utility

The operation of the Water and Sewer Utility System is contracted with a third-party provider.

Our review resulted in the following comment:

- A service provider is required to submit a report on the adequacy of their internal controls which is known as a SAS 70 Report. The United Water Company and Utility Business Services have not submitted this report. It is recommended that the SAS Report be issued by the third party vendor to the City.

Payroll Fund

The City contracts with ADP to provide third party payroll services. An audit of the service provider's payroll account was not provided by the City nor did we prepare such an audit. It should be noted that we could not verify required payments to Federal and State agencies made by the service provider.

Our audit resulted in the following comment:

Gross salaries reported on Federal and State payroll reports are not in agreement with salaries and wages reported in the City's general ledger.

Copies or facsimiles of employee cancelled payroll checks were not available for our inspection.

The City was unable to provide detailed health benefit bills listing all employees covered under the health care plan.

The third quarter 2010 pension report was not available for our review.

We discovered eligibility issues for 4 City employees. Employees were not on the pension report but are eligible for pension participation.

The payroll checking account has not been reconciled for any months in fiscal year ending June 30, 2010.

The payroll checking account balance is not recorded in the general ledger of the City and not included in the audit report.

Time sheets were not available for City employees.

A receivable balance due the City of \$112,468.86 which includes overpayments of payroll taxes, as detailed in the June 30, 2009 audit report comments is not reflected as collected in the fiscal year ending June 30, 2010.

The bank statements for November and December 2010 were not available.

There were no accounting prepared for the Payroll Fund for the year ending June 30, 2010.

The following recommendations are made:

- That the City prepares quarterly reconciliations between the general ledger and the payroll reports and details any variances that may be reviewed.
- That copies or facsimiles of the employee cancelled checks are maintained by the City.
- That proper care be taken in the organization and filing of the City's health care invoices and that the City perform interim reviews of these to determine that only qualified employees be included.
- That proper care be taken in the organization and filing of the City's payroll reports.
- That the City perform interim reviews of the City's pension bills to assure that all qualified employees are included.
- The City should prepare monthly bank reconciliations for the payroll account to determine the it's accurate balance.
- The City should take the necessary measures to have the reconciled balance of the City's payroll account recorded in the proper Fund.

- That all departments prepare, maintain and monitor all employee time through the use of time sheets or other process.
- The City should prepare monthly accountings of transactions of the Payroll Fund.
- As a result of the issues enumerated above, we are unable to present the Payroll Fund as part of the financial statements.

Grant Trust Fund

In accordance with regulations promulgated by the Division of Local Government Services, a general ledger accounting system is required to be maintained for all municipal funds.

Our audit resulted in the following comment:

The City should record all transactions for the Grant Trust Fund in a general ledger.

Cancellations of balances in grant receivables, reserve for grant expenditures and unallocated grant reserves are recorded on schedules, prepared by the City, are inconsistent with balances found in the Grant Trust Fund.

The following recommendations are made:

- A general ledger should be maintained for the Grant Trust Fund.
- Cancellations should be recorded against their respective balances.

Recreation Department

Our audit resulted in the following comment:

Recreation department cash receipt book totals did not agree with amounts deposited in Treasurer's account

Receipts deposited into the treasurer's account were not found in the recreation cash receipt book.

The recreation department cash receipts book had inaccurate footings of subtotals and monthly totals.

Rosters of participants were not available for individual recreational activities.

There were numerous recreational activities that included fees not approved by City Council by ordinance.

The following recommendations are made:

- The recreation cash receipts book should be reconciled to the treasurer's account on a monthly basis and any variances should be investigated.
- More care should be taken in maintaining the integrity of the recreation department cash receipts book by assuring that proper totals are recorded.

- A roster of all participating individuals should be kept for each recreational activity offered by the City. These individual rosters should be periodically checked to the cash receipts book to determine that payment was received.
- All recreation fees charged should be approved by ordinance approved by the City Council.

Construction Code Department

Our audit resulted in the following comment:

Cash receipts were deposited into the wrong checking accounts due to inaccurate notations on the deposit slips.

The cash receipt book of the construction code department did not agree with the amounts deposited into the treasurer's account.

There were not copies available for a number of permits issued for our sample of permits tested.

The following recommendations are made:

- The construction code department cash receipts book should be reconciled to the Treasurer's account on a monthly basis and any variances should be investigated.
- More care should be taken in maintaining the integrity of the construction code department cash receipts book by assuring that proper totals are recorded.
- Copies of permits distributed and their appropriate back up documentation should be maintained in the construction code department.

Inspection and Licensing

Our audit resulted in the following comment:

Cash receipts were deposited into the wrong checking accounts due to inaccurate notations on the deposit slips.

The cash receipt book of the inspection and licensing department did not agree with the amounts deposited into the treasurer's account.

No receipts were on file for all business license activity in the months July and August 2009.

A number of licenses included in our sample test could not be located.

The following recommendations are made:

- The inspection and licensing department cash receipts book should be reconciled to the Treasurer's account on a monthly basis and any variances should be investigated.
- More care should be taken in maintaining the integrity of the inspection and licensing department cash receipts book by assuring that proper totals are recorded.

- Copies of licenses issued should be maintained in the inspection and licensing department.
- Receipts for all licenses should be maintained by the department

Zoning Board

Our audit resulted in the following comment

Zoning board monthly cash receipts ledger did not include all amounts received. Receipts taken by an employee were entered into report. Receipts received by zoning official were kept in file and not in receipts book.

Receipts were not turned over within 48 hours

The following recommendations are made:

- All receipts should be recorded in the monthly report and stored in the same location. The cash receipt book should be totaled and reconciled to the treasurers account on a monthly basis.
- Receipts should be remitted and deposited in the Treasurer's account within 48 hours.

Police Department

Our audit resulted in the following comment:

Police Hall of Records could not locate any records, receipts, or turnover slips for the six months from July 2009 through December 2010.

Receipts were not turned over to the Treasurer and deposited within 48 hours

The following recommendations are made:

- All records, receipts and turnover slips should be maintained and protected. There should be adequate attention paid to their security.
- Receipts should be remitted and deposited in the treasurer's account within 48 hours.

Tax Collector

Our audit resulted in the following comments:

The control records for all year's taxes were not in agreement with detail listings of account balances.

The control records for tax title liens were not in agreement with detail listing of account balances.

Tax overpayments were not properly reflected. The balance, as reported was abstracted from various sources. We were unable to verify if all overpayments were established.

The tax levy was not proven. Overbill accounts were never posted to the computer system resulting in overpayments which are not reflected and delinquent balances which do not exist.

A detail listing of the Tax Collector's Special Account (third party lien redemptions) in the General Trust Fund was not being maintained on a current basis. This has resulted in additional interest having to be paid by the City because refunds were not made in a timely manner to the lien holders.

The following recommendations are made:

- That listings of taxes receivable be prepared monthly and reconciled to master controls.
- That listing of tax title liens receivable be prepared monthly and reconciled to master controls.
- That controls be maintained for all tax overpayments.
- That a detail listing of open third party lien redemption balances be prepared and refunds be made timely to prevent the City from incurring interest costs.
- That listings of water and sewer consumer accounts receivable be prepared monthly and reconciled to master control
- That the reports filed with the State of New Jersey for senior citizen and veteran's deductions are in agreement with the tax collector's record.

General Capital Fund

Our audit resulted in the following comments:

Expenditures were made from the general capital fund with regard to tax maps and charged against an existing reserve account. Tax map costs are current fund expenditure and no rationale to charge this cost to capital was available.

Charges were made to the Reserve for Capital Lease Program – Essex County Improvement that are related to this reserve account

The following recommendations are made:

- Expenditures from the general capital fund charged against the reserve for capital leases should be exclusive to only related charges.

Cash

Our audit resulted in the following comment:

The bank statements of the current fund checking accounts reflect numerous wire transfers and online transfers. There are no authorizations for any of these transfers or separate record keeping to indicate the source and destination of these transfers. Wire and Online transfers are not recorded to the general ledger well after they occur.

There were three checking accounts whose reconciled book balance is negative. They were in the Municipal Insurance Fund, Grant Trust Fund and Water Operating fund.

Inter-fund balances were not closed out by year end.

Bank charges and fees were recorded as an offset to the investment income revenue account.

The payroll checking account has not been reconciled for any months in fiscal year ending June 30, 2010. The current fund operating checking account balance and the trial balance did not agree with the bank reconciliation at June 30, 2010.

The following recommendations are made:

- Wire transfers should be executed after proper authorization is received.
- On line transfers should be reviewed by another party other than those who executed the on line transfer.
- Checks should not be issued until adequate funds are available in their respective checking account
- All interfunds should be reconciled on a monthly basis. Interfunds that can be closed before year end should be.
- Bank charges on checking account balances should be recorded against the appropriate budget line
- The payroll checking account should be reconciled monthly.
- Wire and online transfers should be recorded in the City's disbursement journal in the month they occur.

Municipal Court

Our audit resulted in the following comment:

The ATS general cash account has \$13,285.75 in old outstanding checks at June 30, 2010.

The ATS Bail cash account has \$5,281.00 in old outstanding checks at June 30, 2010.

The MVP Bail account has an old remaining balance of \$1,000.00 plus interest that dates to the year 2000.

Certain selected court receipts examined were not deposited within 48 hours.

Certain time payments selected for examination were missing.

All tickets that have been assigned must be issued within six months. At June, 2010, there were 645 tickets not issued in excess of six months.

All tickets that are issued must be properly assigned. At June 30, 2010, there were 27 tickets that were issued but not assigned.

Surety bonds for the Judges, Municipal Court Administrator, and the deputy Municipal Court Administrator were unavailable for review and as a result we were unable to determine if these individuals were bonded.

The ATS cash account was not in agreement with the reconciled cash book balance by \$1,672.

The following recommendations are made:

- The municipal court turn over their old outstanding checks in its ATS General and ATS Bail cash accounts to the City.
- The old remaining balance of \$1,000 in the MVP Bail cash account be refunded, interest be turned over to the City and the account closed out.
- All municipal court fines and costs received should be deposited within 48 hours.
- All municipal court time payments be kept on file and available for examination.
- Surety bonds for court personnel should be reviewed by management to determine the existence and adequacy of coverages
- The ATS bail account difference should be reviewed and reconciled.

Annual Budget

Our audit resulted in the following comment:

Over-expenditures of budget appropriations occurred as a result of the failure to approve transfer resolutions before year end.

Various revenue items were found to be classified incorrectly.

Debt service expenditures for the Water & Sewer Capital Fund were expended from and charged to the Current Fund operations.

The calculation to determine accumulated vacation days, sick days, compensatory time and personal days was not completed.

The City had yet to make the required pension contributions for 2010.

The following recommendations are made:

- Budget activity should be monitored regularly to determine the need for any budget transfers.
- More care should be taken in classifying revenue items in the current fund.
- Debt service payments against the water & sewer should be made from the water and sewer fund.
- The calculation to determine accumulated vacation days, sick days, compensatory time and personal days should be completed.

Vouchers – General

Our audit resulted in the following comment:

In the process of applying our test of transactions against source documents chosen we found certain items not to be available.

The following recommendation is made:

All items requested be made available for audit.

Capital Fixed Assets

The City has not maintained the schedule of Fixed Capital Assets for the year ending June 30, 2010.

Corrective Action Plan

There was no corrective action plan adopted for the comments applicable to the audit period June 30, 2010.

CITY OF ORANGE

PART II

SINGLE AUDIT SECTION

YEAR ENDED JUNE 30, 2010

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

The Honorable Mayor and Members of the City Council
City of Orange
Orange, New Jersey

We have audited the financial statements of the City of Orange, New Jersey (the "City") as of and for the year ended June 30, 2010, and have issued our report thereon dated March 15, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

As described in Note 1, the financial statements were prepared in conformity with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive 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, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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 Entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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 or 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies or material weaknesses. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be a deficiency in internal control.

We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses (2010-2, 2010-4, 2010-6, 2010-7, 2010-8, 2010-9, 2010-10, 2010-12, 2010-13, 2010-13, 2010-15, 2010-17, 2010-18, 2010-19, 2010-20, 2010-21, 2010-22, 2010-23, 2010-24, 2010-25, 2010-26, 2010-27, 2010-29, 2010-31, 2010-32, 2010-34, 2010-35, 2010-38, 2010-39, 2010-40, 2040-41, 2010-42, 2010-43, 2010-44, 2010-45, 2010-46, 2010-48, 2010-49 and 2010-52).

We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be a deficiency in internal controls (2010-1, 2010-3, 2010-11, 2010-14, 2010-16, 2010-28, 2010-30, 2010-33, 2010-36, 2010-37, 2010-47, 2010-50 and 2010-51).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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*. We noted certain matters that we reported to management of the City incorporated herein the schedule of findings and questioned costs.

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and accordingly, we express no opinion on it.

This report is intended solely for the information of the City's management, Division of Local Government Services, New Jersey Department of Community Affairs, the United States Department of Housing and Urban Development, federal awarding agencies and other pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

McEnerney, Brady & Company, LLC
Certified Public Accountants

Francis M. McEnerney
Registered Municipal Accountant #539

Livingston, New Jersey
March 15, 2011

**Report on Compliance with Requirements That Could Have a
Direct and Material Effect Each Major Program and on Internal Control over Compliance in
Accordance With OMB Circular A-133 and New Jersey OMB Circular 04-04**

To The Honorable Mayor and Members of the City Council
City of Orange
Orange, New Jersey

Compliance

We have audited the compliance of the City of Orange (the "City"), New Jersey with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the State of New Jersey Department of Treasury Office of Management and Budget State Grant Compliance Supplement that are applicable to each of its major federal and state programs for the year ended June 30, 2010. The City's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants, applicable to each of its major federal and state programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

Except as discussed in the following paragraph, we conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and the State of New Jersey Department of Treasury Office of Management and Budget Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid" (collectively, "OMB Circular A-133"). Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state programs occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

We were unable to obtain sufficient documentation supporting the compliance of the City with the U.S. Department of Justice COPS Hiring grant regarding Activities Allowed, Allowable Costs/Cost Principles, Cash Management, Period of Availability, Reporting, Special Provisions/Tests and other compliance requirements that may be applicable to the grant, nor were we able to satisfy ourselves as to the City's compliance with those requirements by other auditing procedures.

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we been able to examine sufficient evidence regarding the City's compliance requirements of the U.S. Department of Justice COPS Hiring grant regarding Activities Allowed, Allowable Costs/Cost Principles, Cash Management, Period of Availability, Reporting, Special Provisions/Tests and other compliance requirements that may be applicable to the grant, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2010.

Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal and state programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance 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, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected, and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, or material weaknesses. We did identify deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above, identified as items 2010-2, 2010-4, 2010-6, 2010-7, 2010-8, 2010-9, 2010-10, 2010-12, 2010-13, 2010-13, 2010-15, 2010-17, 2010-18, 2010-19, 2010-20, 2010-21, 2010-22, 2010-23, 2010-24, 2010-25, 2010-26, 2010-27, 2010-29, 2010-31, 2010-32, 2010-34, 2010-35, 2010-38, 2010-39, 2010-40, 2040-41, 2010-42, 2010-43, 2010-44, 2010-45, 2010-46, 2010-50 and 2010-51. We also identified certain deficiencies in internal control over compliance as described in the accompanying schedule of findings and questioned costs as items 2010-1, 2010-3, 2010-11, 2010-14, 2010-16, 2010-28, 2010-30, 2010-33, 2010-36, 2010-37, 2010-47, 2010-48, 2010-49 and 2010-52.

This report is intended solely for the information of the City's management, New Jersey Department of Community Affairs, Division of Local Government Services, and the United States Department of Housing and Urban Development, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

McEnerney, Brady & Company, LLC
Certified Public Accountants

Francis M. McEnerney
Registered Municipal Accountant #539

Livingston, New Jersey
March 15, 2011

City of Orange Township
Notes to Schedule of Expenditures of Federal and State Awards
June 30, 2010

1. Basis of Presentation

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of the City of Orange and is presented on the accrual basis of accounting. 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* and State of New Jersey Department of Treasury Office of Management and Budget Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Section 1 – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	Yes
Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	Yes
Significant deficiencies identified that are not considered to be material weaknesses?	No
Type of auditors’ report issued on compliance for major programs:	Qualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	Yes

Identification of major federal and state program:

CFDA Number	Name of Federal and State Program
14.228	Community Development Block Grant
16.710	Public Safety Partnership and Community Policing Grant
n/a	Urban Enterprise Zone; Litter Collection Services-Phase VI
n/a	Urban Enterprise Zone; Policing Phase-XIII

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? No

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Section 2 - Financial Statement Findings

Finding No. 2010-1

General Ledger(s)

Criteria

Appropriate reconciliations should be performed relating to detail subsidiary ledgers and control accounts.

Condition and Effect

During the course of our engagement, it was noted that the following accounts and/or funds were not reconciled to the supporting documentation or supporting schedules that were examined:

- Federal and State Grant Fund
- Premium on Tax Sale
- Third Party Tax Redemptions
- Animal Control Trust Fund
- Payroll Fund
- Grant Trust Fund
- Recreation Department
- Construction Code Department
- Inspection and Licensing
- Zoning Board
- Police Department
- Tax Collector
- General Capital Fund
- Cash
- Municipal Court
- Annual Budget
- Capital Fixed Assets

In many instances, documentation was not available or schedules prepared for examination.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as maintaining sufficient records and documentation to support transactional activity and balances.

Recommendation

The City of Orange should implement month end closing procedures in order to ensure that activity is being properly recorded, classified and reconciled to subsidiary ledgers.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-2

Animal Control Trust Fund

Criteria

Cash collections for dog licenses are required to be remitted to the Tax Collector within 48 hours of receipt, as required by N.J.S.A. 40A:5-15.

Condition and Effect

During the course of our engagement, it was noted that cash collected for dog licenses were not remitted to the Tax Collector within 48 hours of receipt. The effect was to overstate the Animal Control Trust Fund's cash and to understate the Tax Collector's available funds. In addition, the requirement to remit funds within 48 hours is a statutory requirement, of which the City of Orange is non-compliant with N.J.S.A. 40A:5-15.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements, with respect to remittances to the Tax Collector.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all required funds are remitted on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including developing and implementing monitoring processes to ensure compliance with statutory requirements.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-3

Animal Control Trust Fund

Criteria

Cash receipt book maintained for the Animal Control Trust Fund is accurate and complete with regards to the amounts collected for licenses and fees.

Condition and Effect

During the course of our engagement, it was noted that cash collected for dog licenses did not reconcile to the Treasurer's account. The effect is inadequate control over the Animal Control Trust Fund's cash receipts.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, reconciling amounts recorded in the Animal Control Trust Fund's cash receipt book to the amounts reported in the Treasurer's account.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all required funds are remitted on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-4

Animal Control Trust Fund

Criteria

Amounts due to the State of New Jersey for dog licenses issued by the City of Orange are to be remitted to the State of New Jersey on a timely basis.

Condition and Effect

During the course of our engagement, it was noted that there was an amount due to the State of New Jersey for dog licenses issued. As of August 2009, this amount had not been remitted to the State of New Jersey and there is no documentation as to what period this liability relates to. The effect is to potentially subject the City of Orange to penalties and interest for late remittances and/or filings.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, documenting the required filing and remittance deadlines.

Recommendation

The City of Orange should review current policies and procedures with respect to filing and remittance deadlines, as well as implement procedures in order to ensure that all required funds are remitted on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-5

Dedication by Rider

Criteria

In accordance with N.J.S.A. 40A:4-39, prior approval by the State of New Jersey must be obtained prior to the municipality or local governmental unit dedicating revenues, as defined in the statute, and creating additional 'dedicated accounts' in the chart of accounts.

Condition and Effect

During the course of our engagement, it was noted that there were several accounts in the chart of accounts that may be subject to the provisions of N.J.S.A. 40A:4-39. The effect is that the City of Orange is not in compliance with statutory requirements with respect to creating dedicated accounts and the related funds accumulated in those accounts.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to creating dedicated accounts in the chart of accounts.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all statutorily required approvals are obtained prior to creating 'dedicated accounts'.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-6

Outside Employment of Off-Duty Police Officers

Criteria

In accordance with Ordinance #10-2002, adopted on July 2, 2002, the City of Orange is required to 1) maintain an escrow account for the purpose of receiving deposits from persons or entities requesting use of off-duty police personnel and 2) receive funds from requesting party in advance prior to approving request and/or rendering services.

Condition and Effect

During the course of our engagement, it was noted that there were several instances that services of off-duty police personnel were rendered without the required funds being paid prior to the services being rendered, as required by Ordinance #10-2002. The effect is that the City of Orange is not in compliance with statutory requirements with respect to the funding and use of off-duty police personnel.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to funding and use of off-duty police personnel.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all statutorily required deposits from requesting persons or entities are received prior to approval of requests and/or rendering services.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-7

Payroll Fund

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted the following with respect to the Payroll Fund:

- Copies of cancelled/cleared employee payroll checks were not made available for inspection
- Health benefit invoices, with detailed listing of employees covered, were not made available for inspection
- The pension report for the 3rd quarter 2010 was not made available for inspection
- 4 employees of the City of Orange that were eligible to participate in the pension plan were not included in the pension report
- The payroll checking account had not been reconciled during the period under audit
- The payroll checking account is not recorded in the City of Orange's general ledger
- Time sheets for the City of Orange's employees were not made available for inspection
- Salaries recorded in the general ledger did not reconcile to Federal and State payroll tax returns

The effects of these findings are the potential for:

- Improper amounts being paid to an employee or amounts being paid to an individual that is not an employee
- Employees electing to be covered under the health plan are not included in the health plan or employees not eligible for participation are not included in the health plan
- Employees eligible for participation or contributions to the pension plan are not included or employees not eligible for participation or contributions to the pension plan are included
- Discrepancies in the payroll checking account not being timely identified and investigated
- Activity in the payroll checking account not being recorded or activity that should not be recorded in the payroll checking account being improperly recorded
- The general ledger is not accurate or complete and financial statements line items could be over and/or under stated resulting in improper reporting results or non-compliance with agreements, contracts, laws and regulations

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures with respect to oversight of the payroll and benefit activity, as well as the oversight function for accuracy and completeness of the general ledger activity.

Recommendation

The City of Orange should implement month end closing procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-8

Grant Trust Fund

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the City of Orange did not maintain a general ledger for the Grant Trust Fund. The effect is that activity related to the Grant Trust Fund might not be recorded and the financial statements would not be accurate and complete.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures relating to recording activity of the Grant Trust Fund.

Recommendation

The City of Orange should implement month end closing procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-9

Grant Trust Fund

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the schedules examined for cancellations of balances in grants receivable, reserve for grant expenditures and unallocated grant reserves did not agree with the balances found in the Grant Trust Fund. The effect is that activity related to the Grant Trust Fund might not be properly recorded and the financial statements would not be accurate and complete.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures relating to recording activity of the Grant Trust Fund.

Recommendation

The City of Orange should implement month end closing procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-10

Recreation Department

Criteria

Cash receipt book maintained for the Recreation Department is accurate and complete with regards to the amounts collected for fees and other cash receipts.

Condition and Effect

During the course of our engagement, it was noted that cash collected by the Recreation Department did not reconcile to the Treasurer's account. We are not able to determine the effect of this finding.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, reconciling amounts recorded in the Recreation Department's cash receipt book to the amounts reported in the Treasurer's account.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all required funds are remitted on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-11

Recreation Department

Criteria

List of individuals using the Recreation Department's facilities is to be maintained.

Condition and Effect

During the course of our engagement, it was noted that a list of individuals using the Recreation Department's facilities was not made available for inspection. The effect is that the Recreation Department is not able to determine if all applicable fees charged have been collected and a reconciliation of amounts that should be collected were actually collected.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, maintaining an accurate listing of individual that have used the Recreation Department's facilities, as well as reconciling amounts that should be collected were actually collected.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all required all fees applicable to the Recreation Department's activities are properly charged and collected.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including developing and implementing monitoring processes to ensure all fees are properly charged and collected with respect to the Recreation Department. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-12

Recreation Department

Criteria

Recreational fees for activities should be based on City Council approved Ordinance.

Condition and Effect

During the course of our engagement, it was noted that there were numerous recreational activities that included fees not approved by City Council Ordinance. The effect is that the City of Orange is not in compliance with statutory requirements with respect to fees charged and collected by the Recreation Department.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements, with respect to fees charged and collected by the Recreation Department.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all statutorily required approvals are obtained prior to charging and collection of fees.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including developing and implementing monitoring processes to ensure all fees are properly charged and collected with respect to the Recreation Department. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-13

Construction Code Department

Criteria

Cash receipt book maintained for the Construction Code Department is accurate and complete with regards to the amounts collected for fees and other cash receipts.

Condition and Effect

During the course of our engagement, it was noted that cash collected by the Construction Code Department did not reconcile to the Treasurer's account. In addition, it was noted that there were amounts collected by the Construction Code Department that were deposited into the incorrect checking accounts. The effect of this is to overstate or understate the balances in the Construction Code Department's checking accounts.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, reconciling amounts recorded in the Construction Code Department's cash receipt book to the amounts reported in the Treasurer's account.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all required funds are remitted on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including developing and implementing monitoring processes to ensure compliance with statutory requirements with respect to the Construction Code Department.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-14

Construction Code Department

Criteria

Listing of permits issued by the Construction Code Department is required to maintain a copy of all issued permits and supporting documentation.

Condition and Effect

During the course of our engagement, it was noted that copies of permits issued by the Construction Code Department were not available for inspection. The effect of this is that there is inadequate control over the permit issue and review function.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, maintaining appropriate documentation for permits issued by the Construction Code Department.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all permits issued by the Construction Code Department have adequate documentation, support and are appropriately maintained.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-15

Inspection and Licensing Department

Criteria

Cash receipt book maintained for the Inspection and Licensing Department is accurate and complete with regards to the amounts collected for fees and other cash receipts.

Condition and Effect

During the course of our engagement, it was noted that cash collected by the Inspection and Licensing Department did not reconcile to the Treasurer's account. In addition, it was noted that there were amounts collected by the Inspection and Licensing Department that were deposited into the incorrect checking accounts. It was also noted that there were no receipts on file for all business license activity for the months of July 2009 and August 2009. The effect of this is to overstate or understate the balances in the Inspection and Licensing Department's checking accounts.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, reconciling amounts recorded in the Inspection and Licensing Department's cash receipt book to the amounts reported in the Treasurer's account.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all required funds are remitted on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-16

Inspection and Licensing Department

Criteria

Licenses issued by the Inspection and Licensing Department is required to maintain a copy of all issued permits and supporting documentation.

Condition and Effect

During the course of our engagement, it was noted that copies of permits issued by the Inspection and Licensing Department were not available for inspection. The effect of this is that there is inadequate control over the licenses issued and review function.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, maintaining appropriate documentation for licenses issued by the Inspection and Licensing Department.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all licenses issued by the Inspection and Licensing Department have adequate documentation, support and are appropriately maintained.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-17

Zoning Board

Criteria

Cash receipt book maintained for the Zoning Board is accurate and complete with regards to the amounts collected for fees and other cash receipts.

Condition and Effect

During the course of our engagement, it was noted that cash collected by the Zoning Board did not reconcile to the Treasurer's account. In addition, it was noted that there were amounts collected by a Zoning Board official was not recorded in the cash receipts book. The effect of this is to not have effective controls over the Zoning Board's cash collections.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, reconciling amounts recorded in the Zoning Board's cash receipt book to the amounts reported in the Treasurer's account.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all required funds are remitted on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-18

Zoning Board

Criteria

Cash collections for zoning fees are required to be remitted to the Treasurer within 48 hours of receipt, as required by N.J.S.A. 40A:5-15.

Condition and Effect

During the course of our engagement, it was noted that cash collected for zoning fees were not remitted to the Tax Collector within 48 hours of receipt. The effect was to overstate the Zoning Board's cash and to understate the Treasurer's available funds. In addition, the requirement to remit funds within 48 hours is a statutory requirement, of which the City of Orange is non-compliant with N.J.S.A. 40A:5-15.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements, with respect to remittances to the Treasurer.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all required funds are remitted on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-19

Police Department

Criteria

Cash receipt book maintained for the Police Department is accurate and complete with regards to the amounts collected for fees and other cash receipts.

Condition and Effect

During the course of our engagement, it was noted that cash collected by the Policing Board did not reconcile to the Treasurer's account. The effect of this is to not have effective controls over the Police Department's cash collections.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, reconciling amounts recorded in the Police Department's cash receipt book to the amounts reported in the Treasurer's account.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all required funds are remitted on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-20

Police Department

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the Police Hall of Records could not locate any records, receipts or turnover slips for the period July 1, 2009 to December 31, 2009. The effect is that activity related to the Police Department might not be properly recorded and the financial statements would not be accurate and complete.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures relating to recording activity of the Police Department.

Recommendation

The City of Orange should implement month end closing procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-21

Tax Collector

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the Tax Collector's control records for current year's taxes were not in agreement to the subsidiary ledger. The effect is that tax assessments might not be properly recorded and the financial statements would not be accurate and complete.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures relating to reconciling the control account to detail subsidiary ledger of tax assessments.

Recommendation

The City of Orange should implement month end closing procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-22

Tax Collector

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the Tax Collector's control records for tax title liens were not in agreement to the subsidiary ledger. The effect is that tax liens might not be properly recorded and the financial statements would not be accurate and complete.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures relating to reconciling the control account to detail subsidiary ledger of tax liens.

Recommendation

The City of Orange should implement month end closing procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-23

Tax Collector

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the Tax Collector's tax overpayments were not in agreement to other reports and/or subsidiary ledgers. The effect is that tax overpayments might not be properly recorded and the financial statements would not be accurate and complete.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures relating to reconciling the control account to detail subsidiary ledger of tax overpayments.

Recommendation

The City of Orange should implement month end closing procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-24

Tax Collector

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the Tax Collector's tax levy was not proven out. The effect is that overbill accounts were never posted to the general ledger, resulting in overpayments which were not reflected and accounts being classified as delinquent, when they were not. The effect is that tax overpayments might be improperly recorded and the delinquent accounts are not accurate, and the financial statements not being accurate and complete.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures relating to proving the tax levy, verifying tax overpayments and the status of delinquent accounts.

Recommendation

The City of Orange should implement month end closing procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-25

Tax Collector

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the detail listing of the Tax Collector's Special Account (third-party lien redemptions) in the General Trust Fund was not being maintained on a current basis. The effect is that additional interest was required to be paid by the City of Orange due to refunds not made in a timely manner to lien holders.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures relating to the Tax Collector's Special Account.

Recommendation

The City of Orange should implement reconciliation procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-26

General Capital Fund

Criteria

Tax map costs are required by N.J.S.A. to be charged as a current fund expenditure.

Condition and Effect

During the course of our engagement, it was noted that expenditures made from the General Capital Fund for tax maps were charged against an existing reserve account. The effect was improperly charge a reserve account, which should only be used for the specific purpose intended.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to current fund expenditures.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all required funds are charged against proper funds in accordance with statutes.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-27

Current Fund

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that there were no authorizations or documentation indicating the source and/or destination for wire transfers and online transfers from the Current Fund checking accounts. In addition, the transfer activity was not recorded in the general ledger on a timely basis. The effect was lack of control over the cash function, which could result in misappropriation of assets, the financial statements not being accurate and complete and the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over cash.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all cash activity is recorded and reconciled on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-28

Current Fund

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that three checking accounts had overdraft balances (Municipal Insurance Fund, Grant Trust Fund and Water Operating Fund). The effect was lack of control over the cash function, which could result in misappropriation of assets, the financial statements not being accurate and complete and the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over cash.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all cash activity is recorded and reconciled on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-29

Current Fund

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that inter-fund balances were not closed out by year end. The effect was lack of control over the cash function, which could result in misappropriation of assets, the financial statements not being accurate and complete and the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over cash.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all cash activity is recorded and reconciled on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-30

Current Fund

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that bank charges and fees were netted against the investment income (revenue) account. The effect was understating investment income and bank charges and fees and the financial statements not being accurate and complete and the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over financial reporting.

Recommendation

The City of Orange should implement reconciliation procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-31

Current Fund

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the payroll checking account had not been reconciled for the year (July 1, 2009 through June 30, 2010). The effect was to potentially have an incorrect cash balance and other accounts being incorrect, resulting in the financial statements not being accurate and complete and the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements. In addition, the lack of internal controls over the cash function could result in misappropriation of assets.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over cash.

Recommendation

The City of Orange should implement reconciliation procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-32

Current Fund

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the trial balance did not agree to the bank reconciliation for the current fund operating checking account. The effect was to potentially have an incorrect cash balance and other accounts being incorrect, resulting in the financial statements not being accurate and complete and the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements. In addition, the lack of internal controls over the cash function could result in misappropriation of assets.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over cash.

Recommendation

The City of Orange should implement reconciliation procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-33

Municipal Court

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the ATS general cash account, the ATS Bail cash account and the MVP Bail account had outstanding checks exceeding 6 months. The effect was to potentially have an incorrect cash balance and other accounts being incorrect, resulting in the financial statements not being accurate and complete and the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements. In addition, the lack of internal controls over the cash function could result in misappropriation of assets.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over cash.

Recommendation

The City of Orange should implement reconciliation procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-34

Municipal Court

Criteria

Cash collections for are required to be deposited within 48 hours of receipt, as required by N.J.S.A. 40A5-15.

Condition and Effect

During the course of our engagement, it was noted that cash collected by the Municipal Court were not deposited within 48 hours of receipt. The effect was to understate the Municipal Court's cash and to understate revenue. In addition, the requirement to remit funds within 48 hours is a statutory requirement, of which the City of Orange is non-compliant with N.J.S.A. 40A:5-15.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements, with respect to internal controls over the cash function.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all required funds are deposited on a timely basis.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-35

Municipal Court

Criteria

Time payments documenting timely payments are required to be maintained to document compliance with statutes regarding timing of remittances and deposits.

Condition and Effect

During the course of our engagement, it was noted that time payments selected for testing were not available for inspection. The effect of this is that there is inadequate control over the receipts from the Municipal Court and the review function over safeguarding of assets and compliance.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, maintaining appropriate documentation for receipts and deposits of the Municipal Court.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all receipts and deposits have adequate documentation, support and are appropriately maintained.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-36

Municipal Court

Criteria

All tickets that have been assigned by the Municipal Court must be issued within 6 months.

Condition and Effect

During the course of our engagement, it was noted that 645 tickets were not issued with the 6 month requirement. The effect of this is that there is inadequate control over the tickets from the Municipal Court and the review function over compliance.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, review of and appropriately issue, all tickets within the 6 month period.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all tickets within the 6 month period in order to ensure compliance with the Municipal Court requirements.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including developing and implementing monitoring processes to ensure compliance with statutory requirements.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-37

Municipal Court

Criteria

All tickets that have been issued must be properly assigned.

Condition and Effect

During the course of our engagement, it was noted that 27 tickets were issued, but were not assigned. The effect of this is that there is inadequate control over the tickets from the Municipal Court and the review function over compliance.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, review of and appropriately assign, all tickets.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all tickets issued are properly assigned in order to ensure compliance with the Municipal Court requirements.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-38

Municipal Court

Criteria

Surety bonds are required to be maintained on Municipal Court judges and administrators.

Condition and Effect

During the course of our engagement, it was noted that surety bonds for the Judges, Municipal Court Administrator and the Deputy Municipal Court Administrator were not available for inspection. The effect of this is that there is inadequate control over the bonding function from the Municipal Court and the review function over compliance. This could also give rise to potential liability to the City of Orange.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, including, but not limited to, review of proper and adequate bonding of all Municipal Court personnel.

Recommendation

The City of Orange should review current policies and procedures with respect to statutory requirements, as well as implement procedures in order to ensure that all Municipal Court personnel are adequately and appropriately bonded.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating bonding coverage are adequate and to ensure compliance with statutory requirements.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-39

Municipal Court

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the trial balance did not agree to the bank reconciliation for the checking account. The effect was to potentially have an incorrect cash balance and other accounts being incorrect, resulting in the financial statements not being accurate and complete and the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements. In addition, the lack of internal controls over the cash function could result in misappropriation of assets.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over cash.

Recommendation

The City of Orange should implement reconciliation procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-40

Annual Budget

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that there were over expenditures of budget appropriations as a result of the failure to approve transfer resolutions prior to year end. The effect was to have unauthorized expenditure and the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over annual budget.

Recommendation

The City of Orange should implement procedures in order to ensure that over expenditures of budget appropriations are properly authorized through resolution.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating policies and procedures over the budget process and to ensure compliance with statutory requirements, including proper authorization through resolution.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-41

Annual Budget

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that there were various revenue items were incorrectly classified. The effect was to have incorrect account balances and the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements. In addition, the lack of internal controls over the revenue function could result in misappropriation of assets.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over revenue classification and review.

Recommendation

The City of Orange should implement reconciliation procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-42

Annual Budget

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that there were debt service expenditures for the Water and Sewer Capital Fund that were expended and charged to the Current Fund operations. The effect was to have incorrect account balances and activity, as well as the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements. In addition, the lack of internal controls over this function could result in misappropriation of assets.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over financial activity and reporting.

Recommendation

The City of Orange should implement reconciliation procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-43

Annual Budget

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the calculation to determine accumulated vacation, sick, compensatory time and personal days was not completed. The effect was to understate liabilities related to accrued vacation, sick, etc., and salary expense, as well as the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements. In addition, the lack of internal controls over this function could result in expenditures not anticipated by the City of Orange..

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over financial activity and reporting.

Recommendation

The City of Orange should implement reconciliation procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-44

Annual Budget

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the pension contribution for 2010 had not been made by the required due date. The effect is the potential of the City of Orange not being in compliance with statutory and/or regulatory requirements. In addition, the lack of internal controls over this function could result in expenditures not anticipated by the City of Orange.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures, as well as statutory requirements with respect to internal controls over financial activity and reporting.

Recommendation

The City of Orange should implement reconciliation procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-45

Vouchers-General

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that during our test of transactions, source documents selected for testing were not available. The effect is that the City of Orange's activity might not be properly recorded and the financial statements would not be accurate and complete, as well as the potential for misappropriation of assets.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures relating to maintaining appropriate documentation for the City of Orange.

Recommendation

The City of Orange should review procurement and document retention procedures in order to ensure that activity is being properly recorded, classified and reconciled.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-46

Corrective Action Plan

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the City of Orange did not adopt a corrective action plan for the audit period ended June 30, 2010. The effect is that the City of Orange's internal control over activity and financial statement reporting might cause the financial statements to be accurate and complete, as well as the identification and timely resolution of potential risk and/or misappropriation of assets.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures relating to internal controls over financial statement reporting and safeguarding of assets of the City of Orange.

Recommendation

The City of Orange should review procedures related to adopting a corrective action plan and enhance, where appropriate, in order to ensure that activity is being properly recorded, classified and safeguarded and compliance with statutory and regulatory guidelines.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures relating to the Corrective Action Plan process and the follow up procedures to ensure that the recommendations are implemented and a process to track status and enhance the internal control structure.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-47

Capital Fixed Assets

Criteria

The City of Orange is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets.

Condition and Effect

During the course of our engagement, it was noted that the City of Orange did not maintain a schedule of Fixed Capital Assets for the audit period ended June 30, 2010. The effect is that the City of Orange's internal control over activity and financial statement reporting might cause the financial statements to be accurate and complete, as well as the identification and timely resolution of potential risk and/or misappropriation of assets.

Cause

The condition is a result of the City of Orange not designing, implementing and adhering to relevant accounting policies and procedures relating to internal controls over financial statement reporting and safeguarding of assets of the City of Orange.

Recommendation

The City of Orange should review procedures related to account analysis and enhance, where appropriate, in order to ensure that activity is being properly recorded, classified and safeguarded and compliance with statutory and regulatory guidelines.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance with statutory requirements. In addition, policies and procedures are being developed to ensure all required approvals are obtained.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Section 3 – Major Federal and State Awards Findings and Questioned Costs

Finding No. 2010-48

Program

All Federal and State of New Jersey Programs

Condition and Effect

The City of Orange Township did not provide evidence of having a formalized federal and state grant monitoring process in place. OMB Circular A-133 and State of New Jersey Department of Treasury Office of Management and Budget Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid" (collectively, "OMB") require entities that receive federal and state monies to design and implement official written policies and procedures establishing a process and procedure for monitoring grants. The effect is that there is inadequate oversight of grants received, which could result in grants not being properly charged for expenditures and non-compliance with laws, regulations and grant provisions.

Cause

The condition is a result of the City of Orange Township not designing and implementing procedures with respect to oversight and monitoring grants awarded and received, as required by OMB.

Recommendation

The City of Orange Township should design and implement procedures related to grants awarded and received to ensure that expenditures are properly being charged against grants and the City of Orange Township is in compliance with laws, regulations and grant provisions.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances with respect to grant expenditures. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance requirements in accordance with OMB Circular A-133.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-49

Program

All Federal and State of New Jersey Programs

Condition and Effect

The City of Orange Township did not provide evidence of formalized policies and procedures related to its grants financial reporting process. The effect is that the City of Orange Township complied with the requirements of OMB Circular A-133 and State of New Jersey Department of Treasury Office of Management and Budget Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid" (collectively, "OMB). OMB requires entities to formally design and implement a system of internal control policies and procedures to properly account for grants and the grant reporting process and could result in non-compliance with laws, regulations and grant provisions.

Cause

The condition is a result of the City of Orange Township not having formalized policies and procedures relating to financial reporting that comply with the OMB regulations.

Recommendation

The City of Orange Township should review its policies and procedures regarding financial reporting of grants awarded and received to ensure compliance with OMB regulations.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances with respect to grant expenditures. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance requirements in accordance with OMB Circular A-133.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-50

Program

All Federal and State of New Jersey Programs

Condition and Effect

The City of Orange Township did not provide documentation requested for testing on a timely basis. The effect is that the programs selected to be tested as major programs were not completed on a timely basis and it was determined that an error or irregularity within the grant monitoring and reporting process would not be identified on a timely basis. In accordance with OMB Circular A-133 and State of New Jersey Department of Treasury Office of Management and Budget Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid" (collectively, "OMB"). OMB requires entities to formally design and implement a system of internal control policies and procedures to properly account for and monitor grants and could result in non-compliance with laws, regulations and grant provisions.

Cause

The condition is a result of the City of Orange Township not having formalized policies and procedures relating to grant monitoring, financial reporting and maintenance and retention of grant documentation that comply with the OMB regulations.

Recommendation

The City of Orange Township should review its policies and procedures regarding grant monitoring, financial reporting of grants awarded and received, and documentation to ensure compliance with OMB regulations.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances with respect to grant expenditures. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance requirements in accordance with OMB Circular A-133.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-51

Program

All Federal and State of New Jersey Programs

Condition and Effect

The City of Orange Township did not provide a complete Schedule of Expenditures of Federal and State Awards ("SEFA"). The effect is that the City of Orange Township's grant monitoring and reporting process is not in accordance with OMB Circular A-133 and State of New Jersey Department of Treasury Office of Management and Budget Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid" (collectively, "OMB). OMB requires entities to formally design and implement a system of internal control policies and procedures to properly account for and monitor grants and could result in non-compliance with laws, regulations and grant provisions, including the Schedule of Expenditure of Federal and State Awards.

Cause

The condition is a result of the City of Orange Township not having formalized policies and procedures relating to grant monitoring, financial reporting in compliance with the OMB regulations.

Recommendation

The City of Orange Township should review its policies and procedures regarding grant monitoring, financial reporting of grants awarded and received, and documentation to ensure compliance with OMB regulations.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances with respect to grant expenditures. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance requirements in accordance with OMB Circular A-133.

City of Orange Township
Schedule of Findings and Questioned Costs
June 30, 2010

Finding No. 2010-52

Program

All Federal and State of New Jersey Programs

Condition and Effect

The City of Orange Township did not provide reconciliations and evidence of review of grant expenditures. The effect is that the City of Orange Township's grant monitoring and reporting process is not in accordance with OMB Circular A-133 and State of New Jersey Department of Treasury Office of Management and Budget Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid" (collectively, "OMB). OMB requires entities to formally design and implement a system of internal control policies and procedures to properly account for and monitor grants and could result in non-compliance with laws, regulations and grant provisions, including the Schedule of Expenditure of Federal and State Awards.

Cause

The condition is a result of the City of Orange Township not having formalized policies and procedures relating to grant monitoring, financial reporting in compliance with the OMB regulations.

Recommendation

The City of Orange Township should review its policies and procedures regarding grant monitoring, financial reporting of grants awarded and received, and documentation to ensure compliance with OMB regulations.

Questioned Costs

There are no known questioned costs.

Management's Response

Management is in the process of evaluating accounting policies and procedures, including record and documentation retention to support transaction activity and balances with respect to grant expenditures. This includes developing and implementing month end closing procedures, reconciliations, account analysis and monitoring processes, as well as compliance requirements in accordance with OMB Circular A-133.