



CITY OF ORANGE TOWNSHIP  
FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITORS' REPORT  
AND  
REPORT ON INTERNAL CONTROL AND COMPLIANCE  
DECEMBER 31, 2015

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CITY OF ORANGE TOWNSHIP

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PART I

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

YEAR ENDED DECEMBER 31, 2015

CITY OF ORANGE TOWNSHIP  
ROSTER OF OFFICIALS  
DECEMBER 31, 2015

MAYOR

Dwayne D. Warren

CITY COUNCIL

Donna K. Williams, President  
Kerry Coley, Vice President  
Tency A. Eason  
Elroy A. Corbitt  
April Gaunt-Butler  
Harold J. Johnson, Jr.  
Jamie Summers-Johnson

CITY ADMINISTRATOR

Willis Edwards III

DIRECTOR OF FINANCE

Adrian Mapp

CITY CLERK

Madeline F. Smith

CITY ATTORNEY

Dan Smith

## Independent Auditors' Report

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

### **Report on the Financial Statements**

We have audited the accompanying regulatory basis financial statements of the funds of the City of Orange Township, County of Essex, New Jersey (the "City") as of and for the year ended December 31, 2015, the statements of revenues, expenditures and changes in fund balances for the year ended December 31, 2015 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly in accordance with accounting principles generally accepted in the United States of America the financial position of each fund of the City as of December 31, 2015, or the changes in financial position or where applicable, cash flows thereof for the years then ended.

***Modified Opinion***

In our opinion, the regulatory basis financial statements referred to above present fairly, in all material respects, except for the omission of fixed assets which has no material effect on the financial statements the respective financial position of the various funds of the City of Orange Township, Essex County, New Jersey, as of December 31, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles and practices prescribed by the Division, as described in Note 1 to the financial statements.

***Report on Summarized Comparative Information***

We have previously audited the City's 2014 financial statements, and our report dated June 15, 2015, expressed an adverse opinion on a GAAP basis and an unmodified opinion on a regulatory basis on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year end ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it had been derived.

***Other Matters***

***Other Information***

Our audit was conducted for the purpose of forming opinions on the regulatory basis financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary sections and schedules of expenditures of federal and state awards, as required by Office of Management and Budget Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey State Office of Management and Budget Circular Letter 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid are presented for purposes of additional analysis and are not a required part of the financial statements.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The schedules of expenditures of federal and state awards and the information included in the supplementary sections are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental sections and schedules of expenditures of federal and state awards is fairly stated, in all material respects, in relation to the basic financial statements as whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report August 12, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

August 12, 2016  
Livingston, New Jersey



Francis M. McEnerney, CPA, RMA  
Licensed Registered Municipal Accountant #539

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A  
Sheet # 1

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2015 AND 2014

ASSETS AND DEFERRED CHARGES

	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
<u>CURRENT FUND</u>			
Cash - Checking Accounts	A-4, A-5	\$ 13,235,848.54	\$ 11,192,510.89
Cash - Change Funds	A-7	560.00	560.00
		<u>13,236,408.54</u>	<u>11,193,070.89</u>
Due from State of New Jersey	A-9	<u>94,423.45</u>	<u>58,423.45</u>
Receivables and Other Assets with Full Reserves			
Delinquent Property Taxes	A-10	3,557,381.10	3,425,696.82
Tax Title Liens	A-11	1,625,437.18	2,288,760.07
Property Acquired for Taxes - Assessed Valuation	A-12	856,500.00	856,500.00
Sales Contract Receivable - Property			
Acquired for Taxes	A-13	80,601.00	80,601.00
Other Liens Receivable	A-14	38,279.47	392,622.33
Revenue Accounts Receivable	A-15	83,787.70	82,233.00
Other Accounts Receivable	A-16		57,043.14
Deposits Receivable	A-17	1,465.05	1,465.05
Interfunds Receivable	A-18	22,244.75	1,511,548.64
Prepaid Marriage License	A-27	50.00	500.00
Prepaid School Taxes	A-33	51,237.38	
		<u>6,316,983.63</u>	<u>8,696,970.05</u>
Deferred Charges			
Overexpenditures/Emergency Appropriation	A-19	403,702.31	311,490.86
Special Emergency Appropriation	A-20	716,892.37	1,226,145.37
		<u>1,120,594.68</u>	<u>1,537,636.23</u>
		 <u>20,768,410.30</u>	 <u>21,486,100.62</u>
<u>STATE AND FEDERAL GRANT FUND</u>			
Grants Receivable	A-21	5,724,987.66	4,381,939.32
Interfund Receivables	A-36	793,083.81	
		<u>6,518,071.47</u>	<u>4,381,939.32</u>
		 <u>\$ 27,286,481.77</u>	 <u>\$ 25,868,039.94</u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A  
Sheet # 2

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2015 AND 2014

	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriation Reserves			
Encumbered	A-3, A-22	\$ 1,885,681.95	\$ 1,114,302.61
Unencumbered	A-3, A-22	1,626,353.36	1,860,169.56
Accounts Payable	A-23	223,897.45	48,395.78
Due to State of New Jersey	A-27	30.00	
Tax Overpayments	A-25	206,100.66	288,777.79
Special Emergency Note Payable	A-28	806,265.04	811,171.00
Reserve for Revaluations	A-29	44,475.09	44,475.09
Reserve for Orange Reservoir	A-26	450,000.00	525,000.00
Reserve for Salary Adjustments	A-30	418,266.90	418,266.90
Interfunds Payable	A-18	1,032,718.36	2,956,647.42
Prepaid Taxes	A-34	170,071.85	166,063.09
Deposits on Sale of Property	A-35	3,110.00	3,110.00
County Taxes Payable	A-32	15,597.65	10,052.60
School Taxes Payable	A-33		1,785,727.19
		<u>6,882,568.31</u>	<u>10,032,159.03</u>
Reserve for Receivables		6,316,983.63	8,696,970.05
Fund Balance	A-1	7,568,858.36	2,756,971.54
		<u>20,768,410.30</u>	<u>21,486,100.62</u>
<u>STATE AND FEDERAL GRANT FUND</u>			
Due to Current	A-36		379,983.22
Due to Grantors	A-24	766,689.26	817,914.26
Unappropriated Reserves	A-31	62,845.25	131,428.79
Reserve for Grant Expenditures - Encumbered	A-37	955,424.55	824,681.64
Reserve for Grant Expenditures	A-37	4,733,112.41	2,227,931.41
		<u>6,518,071.47</u>	<u>4,381,939.32</u>
		<u>\$ 27,286,481.77</u>	<u>\$ 25,868,039.94</u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-1

STATEMENTS OF OPERATIONS  
AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Ref.	<u>2015</u>	<u>2014</u>
<b>REVENUE AND OTHER INCOME:</b>			
Anticipated Fund Balance	A-2	\$ 1,500,000.00	\$ 1,500,000.00
Miscellaneous Anticipated Revenue	A-2	19,132,299.55	14,900,063.31
Receipts from Delinquent Taxes	A-2c	4,648,850.43	3,031,522.83
Receipts from Current Taxes	A-2c	55,883,998.49	54,349,268.61
Non-Budget Revenues	A-2d	388,561.01	506,470.45
Other Credit to Income:			
Prepaid School Taxes			322,705.00
Prior Year Revenue Adjustment	A-18	197,633.45	
Interfund Returned	A-18	1,489,303.89	
Other Liens Receivable	A-14	354,342.86	16,331.08
Other Accounts Receivable Realized	A-16	57,043.14	105,723.42
Lapsed Balances of Appropriation Reserves	A-22	765,817.03	1,127,125.86
		<u>84,417,849.85</u>	<u>75,859,210.56</u>
<b>TOTAL REVENUE AND OTHER INCOME</b>			
<b>EXPENDITURES:</b>			
Budget Appropriations:			
Operations Within "CAPS"		44,187,329.68	42,729,117.36
Deferred Charges and Statutory Expenditures - Municipal		6,224,979.83	5,616,591.50
Operations Excluded from "CAPS"		6,670,531.11	2,923,375.58
Municipal Debt Service		1,849,974.97	2,591,545.69
Deferred Charges		509,253.00	509,253.00
Type I School District Debt Service		336,250.00	724,394.00
	A-3a	<u>59,778,318.59</u>	<u>55,094,277.13</u>
Prior Year Senior Citizens Disallowed	A-9	250.00	16,500.00
Interfund Advance			1,315,597.93
Cancellations of Grant Receivables	A-18	46,771.13	929,992.07
Payment of Prior Year Costs			594.06
Prepaid School Taxes	A-33	51,237.38	
Prepaid Marriage License	A-27	50.00	500.00
Disbursement without Authorization			23,728.95
County & State Tax Appeals			393,423.16
County Taxes	A-32	7,349,491.24	7,266,927.60
Local District Taxes	A-33	11,283,547.00	10,768,184.00
		<u>78,509,665.34</u>	<u>75,809,724.90</u>
<b>EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES</b>		5,908,184.51	49,485.66
<b>ADJUSTMENTS TO INCOME BEFORE FUND BALANCE:</b>			
Expenditures Included Above Which By Statute Are			
Deferred Charges to Budget in Succeeding Year	A-20	403,702.31	311,490.86
<b>STATUTORY EXCESS</b>		6,311,886.82	360,976.52
<b>FUND BALANCE, BEGINNING OF YEAR</b>		A 2,756,971.54	3,895,995.02
Subtotal		9,068,858.36	4,256,971.54
<b>UTILIZED AS ANTICIPATED REVENUE</b>		1,500,000.00	1,500,000.00
<b>FUND BALANCE, END OF YEAR</b>		A <u>\$ 7,568,858.36</u>	<u>\$ 2,756,971.54</u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-2

STATEMENT OF REVENUE  
REGULATORY BASIS  
AS OF DECEMBER 31, 2015

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance	A-1	\$ 1,500,000.00	\$ 1,500,000.00	\$
Miscellaneous Revenues	A-1, A-2a	17,970,789.48	19,132,299.55	1,161,510.07
Receipts from Delinquent Taxes	A-1, A-2c	<u>3,000,000.00</u>	<u>4,648,850.43</u>	<u>1,648,850.43</u>
Sub - Total General Revenue		<u>22,470,789.48</u>	<u>25,281,149.98</u>	<u>2,810,360.50</u>
Amount to be Raised by Taxation:				
Local, Library and Additional School	A-2c	<u>41,353,943.83</u>	<u>41,298,960.25</u>	<u>(54,983.58)</u>
		<u>41,353,943.83</u>	<u>41,298,960.25</u>	<u>(54,983.58)</u>
Total General Revenue		63,824,733.31	66,580,110.23	2,755,376.92
Non-Budget Revenues	A-2d	<u>                    </u>	<u>388,561.01</u>	<u>388,561.01</u>
		<u>\$ 63,824,733.31</u>	<u>\$ 66,968,671.24</u>	<u>\$ 3,143,937.93</u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

STATEMENT OF REVENUES  
REGULATORY BASIS  
AS OF DECEMBER 31, 2015

A-2a

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<b>MISCELLANEOUS REVENUES:</b>				
Licenses:				
Alcoholic Beverages	A-15	\$ 61,300.00	\$ 61,530.00	\$ 230.00
Other	A-2b	42,400.00	68,319.33	25,919.33
Fees and Permits:				
Uniform Construction Code Fees	A-15	630,000.00	631,975.00	1,975.00
Other	A-2b	396,400.00	394,902.61	(1,497.39)
Fines and Costs - Municipal Court	A-15	931,000.00	991,767.76	60,767.76
Interest and Costs on Taxes	A-6	595,000.00	910,166.01	315,166.01
Parking Meters	A-15	60,500.00	89,790.91	29,290.91
Rent Leveling Fees	A-15	46,800.00	47,610.00	810.00
Building Aid Allowance for School - State Aid	A-15	185,899.00	185,899.00	
Payments in Lieu of Taxes:				
Transport of New Jersey	A-15	211,042.00	211,042.00	
Our Lady of Mt. Carmel Senior Citizens	A-15	64,150.00	195,800.50	131,650.50
Millennium Homes - RPM	A-15	24,436.00	25,683.03	1,247.03
South Essex Urban Renewal	A-15	75,747.00	83,128.25	7,381.25
Oakwood Towers	A-15	136,585.00	516,780.25	380,195.25
Salem Towers - High Street Associates	A-15	163,420.00	163,919.50	499.50
Orange Park Apartments Associates, Ltd.	A-15	154,003.00	162,973.00	8,970.00
The Berkeley	A-15	30,434.00	33,822.00	3,388.00
Lincoln Court	A-15	103,320.00	107,173.46	3,853.46
Project Live, Inc.	A-15	3,812.00	9,531.75	5,719.75
New Community Corporation	A-15	37,515.00	63,492.50	25,977.50
307 Washington Street	A-15	83,172.00	83,936.74	764.74
Central Village II	A-15	56,597.00	56,900.00	303.00
Grand Central Senior Housing	A-15	38,496.00	38,496.00	
Washington Dodd	A-15	485,114.00	466,633.74	(18,480.26)
Walter G Phase I and II	A-15	39,520.00	208,151.45	168,631.45
L&M Development Partners	A-15	14,223.00	58,701.23	44,478.23
Franchise Fee from Cable TV Gross Revenue	A-15	85,800.00	96,139.08	10,339.08
Energy Receipts Tax	A-15	5,940,735.00	5,901,034.97	(39,700.03)
Consolidated Municipal Property Tax Relief	A-15	2,432,062.00	2,432,062.00	
Cancelations of Tax Sale Premiums over 5 years	A-15	40,600.00	40,600.00	
Reserve for Orange Reservoir	A-26	75,000.00	75,000.00	
ILS Millburn Code Official	A-15	36,400.00	30,030.00	(6,370.00)
State and Federal Revenue Offsets with Appropriations:				
Essex County - Visit Nurse Sen. Cit. PHN	A-21	15,215.00	15,215.00	
Essex County Division on Aging Record in Prior Year	A-21	8,449.00	8,449.00	
Essex County Division on Aging 2010 Record in Prior Year	A-21	8,100.00	8,100.00	
State of NJ Health Service Record in Prior Year	A-21	39,258.00	39,258.00	
NJDOT Various Streets -2015	A-21	311,444.00	311,444.00	
NJDOT Highland Ave Train Station	A-21	614,000.00	614,000.00	
CDBG Central Playground Spray and Play Reallocation Funds	A-3a	125,000.00	125,000.00	
CDBG Central Playground Spray and Play	A-3a	281,354.00	281,354.00	
CDBG Alden Street Park Improvement	A-3a	245,000.00	245,000.00	
CDBG Metcalf Park Improvement Project-159	A-3a	20,550.00	20,550.00	
CDBG School Zone Pedestrian Safety	A-3a	18,692.00	18,692.00	
State NJ Clean Communities	A-21	49,093.60	49,093.60	
Body Armor replacement-159	A-21	9,003.61	9,003.61	
NJ Legislative Grant-In-Aid-159	A-21	2,500,000.00	2,500,000.00	
USDOE Montclair Circle 5 Years Program	A-21	150,000.00	150,000.00	
State of NJ Recycling Tonnage Grant	A-21	10,277.91	10,277.91	
Weed & Seed Records in Prior Year	A-21	10,776.54	10,776.54	
Summer Food Program	A-21	273,093.82	273,093.82	
	A-2	<u>\$ 17,970,789.48</u>	<u>\$ 19,132,299.55</u>	<u>\$ 1,161,510.07</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-2b

STATEMENT OF REVENUE  
REGULATORY BASIS  
AS OF DECEMBER 31, 2015

<u>Other Licenses</u>	<u>Ref.</u>		
City Clerk		\$	515.00
Inspection and Licensing			58,608.33
Health Department			<u>9,196.00</u>
	A-2a, A-15		<u>\$ 68,319.33</u>
 <u>Other Fees and Permits</u>			
City Clerk		\$	4,204.81
Health Department			146,895.50
Tax Assessor			562.00
Board of Adjustment			975.00
Planning Board			2,650.00
Police Department			11,378.50
Code Enforcement			133,385.00
Planning and Development			81,152.80
Superintendent Fee			1,800.00
Engineering			<u>11,899.00</u>
	A-2a, A-15		<u>\$ 394,902.61</u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-2c

STATEMENT OF REVENUE  
ANALYSIS OF REALIZED TAX REVENUE  
REGULATORY BASIS  
AS OF DECEMBER 31, 2015

	<u>Ref.</u>		
Receipts from Delinquent Taxes			
Delinquent Tax Collections:			
2015 Collections		\$ 3,011,942.65	
Tax Title Lien Collections		<u>1,636,907.78</u>	
			\$ 4,648,850.43
Allocation of Current Tax Collections:			
Revenue from Collections:			
2015 Collections		55,563,326.38	
2014 Collections		166,063.09	
Overpayments Applied		78,109.02	
Due from State of New Jersey	A-1	<u>76,500.00</u>	
			55,883,998.49
Less: Allocated to:			
Essex County		7,349,491.24	
Local School District		<u>11,283,547.00</u>	
			<u>18,633,038.24</u>
			37,250,960.25
Plus: Appropriation Reserve for Uncollected Taxes	A-2		<u>4,048,000.00</u>
Amount of Municipal Support			<u>\$ 41,298,960.25</u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-2d

STATEMENT OF REVENUE  
ANALYSIS OF NON-BUDGET REVENUE  
REGULATORY BASIS  
AS OF DECEMBER 31, 2015

	Ref.	
Miscellaneous Revenue Not Anticipated		
Administrative Fee for Cars		\$ 38,451.56
Phone Commission		40.50
Other Taxes		14,937.00
Miscellaneous		62,409.39
Cost on Sale of Property		123,650.00
NSF Check Fees		160.00
Prior Year Appropriation Refund		29,123.70
Tax Sale Abatement Application Fee	A-18	750.00
General Capital Fund Interest		1,289.67
Other Accounts Receivable		5,632.36
Administrative Fee - Senior and Veterans Deductions		1,075.00
Additional Other Accounts Receivables		59,304.66
Other		<u>51,737.17</u>
	A-1,A-6	<u><u>388,561.01</u></u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-3  
Sheet # 1

	Budget	Budget After Modification	Expended			Canceled	Over Expendure
			Paid or Charged	Encumbered	Reserved		
OPERATIONS - WITHIN "CAPS":							
DEPARTMENT OF ADMINISTRATION							
Mayor's Office							
Salaries and Wages	\$ 268,641.00	\$ 235,641.00	\$ 233,053.93	\$ 604.67	\$ 2,587.07	\$	
Other Expenses	7,000.00	7,000.00	6,220.30		175.03		
Office of the Business Administrator							
Salaries and Wages	188,938.00	188,938.00	188,926.73		11.27		
Other Expenses	3,800.00	3,800.00	3,507.05	49.00	243.95		
Office of Administrative Services							
Salaries and Wages	182,374.00	159,774.00	158,479.86		1,294.14		
Other Expenses	247,700.00	247,700.00	197,214.27	47,479.32	3,006.41		
Office of Public Defender							
Salaries and Wages	54,570.00	54,570.00	53,855.62		714.38		
Other Expenses	800.00	800.00			800.00		
Insurance							
Unemployment Compensation							
General Liability	504,000.00	589,000.00	587,758.60		1,241.40		
Workers Compensation	600,000.00	564,000.00	428,682.21	1,290.00	134,027.79		
Employee Group Health	9,548,491.00	9,548,491.00	9,415,718.98	56,538.91	76,233.11		
Municipal Insurance Fund	130,000.00	130,000.00	130,000.00				
Waived Health Benefits	56,000.00	56,000.00	51,477.74		4,522.26		
Municipal Alcohol Beverage Control Board							
Salaries and Wages	5,000.00	5,000.00	5,000.00				
Other Expenses	8,500.00	8,500.00	7,564.66	617.70	317.64		
	<u>11,805,814.00</u>	<u>11,799,214.00</u>	<u>11,467,459.95</u>	<u>106,579.60</u>	<u>225,174.45</u>		
DEPARTMENT OF LAW							
Office of the City Attorney							
Salaries and Wages	367,978.00	374,978.00	374,397.91		580.09		
Other Expenses	353,000.00	453,000.00	312,504.46	138,593.05	3,902.49		
	<u>720,978.00</u>	<u>827,978.00</u>	<u>686,902.37</u>	<u>138,593.05</u>	<u>4,482.58</u>		
CITY CLERK AND MUNICIPAL COUNCIL							
City Council							
Salaries and Wages	135,000.00	135,000.00	119,999.36		15,000.64		
Other Expenses	162,050.00	162,050.00	75,066.96	10,115.00	76,868.04		
City Clerk							
Salaries and Wages	225,200.00	205,200.00	202,362.12		2,837.88		
Other Expenses	71,740.00	71,740.00	51,245.62	10,194.68	10,299.70		
Election Expenses	10,000.00	10,000.00	7,646.19		2,353.81		
	<u>603,990.00</u>	<u>583,990.00</u>	<u>456,320.25</u>	<u>20,309.68</u>	<u>107,360.07</u>		

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-3  
Sheet # 2

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget	Budget After Modification	Paid or Charged	Expended		Reserved	Canceled	Over Expenditure
				Encumbered	Committed			
<b>OPERATIONS - WITHIN "CAPS" (Continued):</b>								
<b>DEPARTMENT OF PLANNING AND DEVELOPMENT</b>								
Inspection and Licensing								
Salaries and Wages	\$ 427,958.00	\$ 402,958.00	\$ 399,811.27	\$ 9,103.00	\$ 3,146.73	\$		
Other Expenses	21,150.00	21,150.00	5,275.73		6,781.27			
Planning Division								
Salaries and Wages	343,371.00	343,371.00	339,006.81	570.00	4,364.39			
Other Expenses	11,500.00	11,500.00	9,492.85		1,437.35			
Zoning Board								
Salaries and Wages	5,000.00	5,000.00	5,000.00					
Other Expenses	7,345.00	7,345.00	3,503.46	3,841.54				
Planning Board								
Salaries and Wages	5,000.00	5,000.00	5,000.00					
Other Expenses	6,600.00	6,700.00	0,235.00	465.00				
Historical Preservation Board								
Salaries and Wages	2,500.00	2,500.00			2,500.00			
Other Expenses	1,000.00	1,000.00			1,000.00			
Rent Leveling Board								
Salaries and Wages	15,000.00	15,000.00	15,000.00					
Other Expenses	3,500.00	3,500.00	2,824.00		876.00			
	<u>859,934.00</u>	<u>825,634.00</u>	<u>790,948.72</u>	<u>13,979.54</u>	<u>20,105.74</u>			
<b>DEPARTMENT OF FINANCE</b>								
Department of Finance								
Salaries and Wages	429,952.00	466,962.00	466,428.75		533.25			
Other Expenses	191,500.00	191,500.00	116,053.79	20,710.84	4,735.37			
Auditing Services	120,000.00	120,000.00	107,555.00		12,645.00			
Grant Compliance Department								
Salaries and Wages	101,777.00	117,177.00	115,444.55	8.00	1,732.45			
Other Expenses	50,000.00	50,000.00	49,992.00					
Office of Tax Collector								
Salaries and Wages	287,608.00	221,208.00	214,592.02	2,459.97	6,615.98			
Other Expenses	65,870.00	65,870.00	42,003.64		21,406.39			
Tax Assessor								
Salaries and Wages	189,551.00	189,551.00	169,309.27		241.73			
Other Expenses	44,100.00	44,100.00	16,027.11	3,065.45	7.44			
	<u>1,480,368.00</u>	<u>1,371,368.00</u>	<u>1,297,206.13</u>	<u>26,244.26</u>	<u>47,917.61</u>			
<b>DEPARTMENT OF COMMUNITY SERVICES</b>								
Administration Division								
Salaries and Wages	168,128.00	226,128.00	219,304.38	65.00	6,771.61			
Other Expenses	9,260.00	9,260.00	6,373.32		821.68			
Health Division								
Salaries and Wages	318,500.00	310,500.00	304,123.59	16,044.75	6,376.41			
Other Expenses	41,895.00	41,895.00	18,603.50	16,109.75	7,046.75			
	<u>537,583.00</u>	<u>567,583.00</u>	<u>550,456.80</u>	<u>16,109.75</u>	<u>21,016.45</u>			

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-3  
Sheet # 3

	Budget	Budget After Modification	Expended		Canceled	Over Expenditure
			Paid or Charged	Encumbered		
OPERATIONS - WITHIN 'CAPS' (Continued):						
DEPARTMENT OF COMMUNITY SERVICES (Continued)						
Animal Control						
Salaries and Wages	\$ 53,100.00	\$ 55,200.00	\$ 55,128.58	\$	\$ 71.42	\$
Other Expenses	74,840.00	74,840.00	47,969.69	24,633.01	2,237.30	
Older Adults Services						
Salaries and Wages	71,000.00	66,000.00	62,973.51		3,026.49	
Other Expenses	139,210.00	139,210.00	126,957.86	6,657.00	5,595.14	
Cultural Affairs						
Salaries and Wages	75,053.00	75,863.00	75,857.35		5.65	
Other Expenses	12,500.00	12,500.00	12,340.81	53.50	105.69	
Recreation						
Salaries and Wages	490,480.00	567,480.00	552,334.64		15,145.36	
Other Expenses	87,000.00	62,000.00	51,893.87	7,857.68	2,248.45	
	<u>1,540,776.00</u>	<u>1,640,676.00</u>	<u>1,535,913.11</u>	<u>55,310.94</u>	<u>49,451.95</u>	
DEPARTMENT OF POLICE						
Administration Division						
Salaries and Wages (Emergency)	11,820,481.00	12,220,481.00	12,182,963.58		37,517.42	
Other Expenses	308,300.00	318,300.00	262,794.94	55,505.06		
School Guards						
Salaries and Wages	353,600.00	323,600.00	326,897.68			3,297.68
	<u>12,482,381.00</u>	<u>12,862,381.00</u>	<u>12,772,656.20</u>	<u>55,505.06</u>	<u>37,517.42</u>	<u>3,297.68</u>
DEPARTMENT OF FIRE						
Administration Division						
Salaries and Wages	6,342,605.00	6,342,605.00	6,328,604.21		14,000.79	
Other Expenses	653,840.00	401,840.00	177,663.34	184,642.28	39,534.38	
	<u>6,996,445.00</u>	<u>6,744,445.00</u>	<u>6,506,267.55</u>	<u>184,642.28</u>	<u>53,535.17</u>	

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-3  
Sheet # 4

	Budget	Budget After Modification	Expended			Canceled	Over Expenditure
			Paid or Charged	Encumbered	Reserved		
OPERATIONS - WITHIN "CAPS" (Continued):							
DEPARTMENT OF PUBLIC WORKS							
Street Maintenance							
Salaries and Wages	\$ 860,045.00	\$ 867,045.00	\$ 857,277.58	\$	\$ 9,767.42	\$	
Other Expenses	145,900.00	160,900.00	99,230.05	38,844.42	22,825.53		
Maintenance of Parks							
Salaries and Wages	199,500.00	191,500.00	189,011.17		2,488.83		
Other Expenses	79,500.00	83,000.00	72,275.21	10,652.04	72.75		
Director's Office							
Salaries and Wages	316,918.00	320,418.00	320,005.12		412.88		
Other Expenses	99,800.00	99,800.00	79,401.62	18,504.50	1,893.88		
Equipment and Vehicle Management							
Salaries and Wages	27,500.00	12,500.00	9,589.18		2,910.85		
Other Expenses	908,760.00	938,760.00	712,922.47	201,133.65	24,703.88		
Building and Grounds							
Salaries and Wages	111,555.00	120,555.00	118,328.95		4,228.05		
Other Expenses	358,500.00	358,500.00	225,673.76	126,372.78	6,453.46		
Snow Removal							
Salaries and Wages	60,000.00	60,000.00	60,000.00				
Other Expenses	80,000.00	80,000.00	80,000.00				
	<u>3,247,978.00</u>	<u>3,292,978.00</u>	<u>2,821,713.08</u>	<u>396,507.39</u>	<u>75,757.53</u>		
MUNICIPAL COURT							
Salaries and Wages	801,743.00	781,743.00	769,665.49		12,057.51		
Other Expenses	96,125.00	86,125.00	36,459.42	17,305.51	32,360.07		
	<u>897,868.00</u>	<u>867,868.00</u>	<u>806,144.91</u>	<u>17,305.51</u>	<u>44,417.58</u>		
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS							
OF Planning and Economic Development/Uniform							
Construction Code							
Inspections and Licensing							
Salaries and Wages	57,500.00	57,500.00	55,354.35		2,145.65		
	<u>57,500.00</u>	<u>57,500.00</u>	<u>55,354.35</u>		<u>2,145.65</u>		

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CITY OF ORANGE TOWNSHIP  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-3  
Sheet # 5

	Budget	Budget After Modification	Expended			Cancelled	Over Expenditure
			Paid or Charged	Encumbered	Reserved		
OPERATIONS - WITHIN "CAPS" (Continued):							
UNCLASSIFIED							
Utilities							
Telephone	\$ 230,000.00	\$ 230,000.00	\$ 184,707.14	\$ 33,052.42	\$ 12,240.44	\$	
Street Lighting	540,000.00	540,000.00	382,922.86	141,827.49	15,249.65		
Gas and Electric	330,000.00	450,600.00	230,732.15	118,683.05	101,184.80		
Refuse Removal	2,000,000.00	2,030,000.00	1,627,929.50	308,771.91	33,298.59		
Extended School Day Program	50,000.00	50,000.00	27,277.74		22,722.26		
Contingent	10,000.00	10,000.00			10,000.00		
	<u>3,160,000.00</u>	<u>3,310,600.00</u>	<u>2,453,569.39</u>	<u>652,334.87</u>	<u>194,695.74</u>		
TOTAL UNCLASSIFIED							
TOTAL OPERATIONS WITHIN "CAP"	<u>43,854,032.00</u>	<u>44,184,032.00</u>	<u>41,650,456.01</u>	<u>1,674,312.18</u>	<u>862,561.49</u>		<u>3,297.68</u>
Detail							
Salaries and Wages	25,373,146.00	25,706,946.00	25,551,157.34		159,086.34		
Other Expenses	18,480,886.00	18,477,086.00	16,099,298.67	1,674,312.18	703,475.15		
	<u>43,854,032.00</u>	<u>44,184,032.00</u>	<u>41,650,456.01</u>	<u>1,674,312.18</u>	<u>862,561.49</u>		
DEFERRED CHARGES							
Unemployment Insurance - Prior Year	312,000.00	312,000.00	312,000.00				
Overexpenditure of Budget Appropriations	311,490.83	311,490.83	311,490.83				
Prior Years Bills							
	<u>623,490.83</u>	<u>623,490.83</u>	<u>623,490.83</u>				
STATUTORY EXPENDITURES							
Public Employee Retirement System	666,244.00	666,244.00	666,244.00				
Social Security System ( O. A. S. I.)	850,000.00	920,000.00	912,014.34		7,985.66		
Consolidated Police and Fire	37,591.00	37,591.00	16,264.09		21,326.91		
Police and Fire Retirement System	3,665,154.00	3,665,154.00	3,665,154.00				
Unemployment Insurance	212,500.00	212,500.00	212,500.00				
Judgments	100,000.00	100,000.00	100,000.00				
	<u>5,531,489.00</u>	<u>5,601,489.00</u>	<u>5,572,176.43</u>		<u>29,312.57</u>		
TOTAL GENERAL APPROPRIATIONS FOR							
MUNICIPAL PURPOSES WITHIN "CAPS"	<u>50,009,011.83</u>	<u>50,409,011.83</u>	<u>47,846,123.27</u>	<u>1,674,312.18</u>	<u>891,874.06</u>		<u>3,297.68</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-3  
Sheet # 6

OPERATIONS - EXCLUDED FROM "CAPS"	Budget	Budget After Modification	Expended			Canceled	Over Expendure
			Paid or Charged	Encumbered	Reserved		
OTHER OPERATIONS							
Municipal Library	\$ 503,000.00	\$ 503,000.00	\$ 503,000.00	\$	\$	\$	
Library Portion of Health Benefits	188,110.00	188,110.00			188,110.00		
Special Restricted Aid - Library	200,000.00	200,000.00	200,000.00				
Employee Group Health	318,309.00	318,309.00			318,309.00		
Employee Group Health-CAP Waiver	244,000.00	244,000.00				244,000.00	
Unemployment Insurance- CAP Waiver	120,000.00	120,000.00	120,000.00				
Fire Department- S&W - CAP Waiver	236,000.00	236,000.00			80,000.00	156,000.00	
Capital Improvement Fund	175,000.00	175,000.00	175,404.63				404.63
Fire Supression Sys Change to Dry	50,000.00	50,000.00			50,000.00		
Capital Improvement City Hall	150,000.00	150,000.00		138,017.77	11,982.23		
Capital Improvement Server	25,000.00	25,000.00			25,000.00		
Improvements to Properties/Demolition	135,000.00	135,000.00	2,640.00	73,352.00	59,008.00		
Interlocal Serice Agreement - Milburn	36,400.00	36,400.00	34,329.93		2,070.07		
	<u>2,380,819.00</u>	<u>2,380,819.00</u>	<u>1,035,374.56</u>	<u>211,369.77</u>	<u>734,479.30</u>	<u>400,000.00</u>	<u>404.63</u>
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES							
Body Armor Replacement ( Chap 159 )	9,003.61	9,003.61	9,003.61				
CDBG Aiden Street Park Improv (Chap 159)	245,000.00	245,000.00	245,000.00				
CDBG Metcalf Park Improvement Project (Chap 159)	20,550.00	20,550.00	20,550.00				
CDBG School Zone Ped Sfty Improv Oakwood (Chap 159)	18,692.00	18,692.00	18,692.00				
NJ Legislative Grant-In-Aid	2,500,000.00	2,500,000.00	2,500,000.00				
Essex County Visiting Nurse Sr. Citizens PHN	15,215.00	15,215.00	15,215.00				
Essex County Division of Aging Record Prior Year	8,449.00	8,449.00	8,449.00				
Essex County Division of Aging 2010 Record Prior Year	8,100.00	8,100.00	8,100.00				
State of New Jersey Health Service Record in Prior Year	39,258.00	39,258.00	39,258.00				
NJDOT Various Streets -2015	311,444.00	311,444.00	311,444.00				
NJDOT Highland Ave Station Rehab	614,000.00	614,000.00	614,000.00				
State NJ Clean Communities	49,093.60	49,093.60	49,093.60				
State of New Jersey Recycling Tonnage Grant	10,277.91	10,277.91	10,277.91				
Weed and Seed Record in Prior Year	10,776.54	10,776.54	10,776.54				
CDBG Central Playground Spray and Play Park	281,354.00	281,354.00	281,354.00				
CDBG Central Playground Spray and Play Park	125,000.00	125,000.00	125,000.00				
Summer Food Program	273,093.82	273,093.82	273,093.82				
USDOE Sub-Grantee of Montclair SU -Circle of 5 year Prog	150,000.00	150,000.00	150,000.00				
	<u>4,689,307.48</u>	<u>4,689,307.48</u>	<u>4,689,307.48</u>				
Total Operations	<u>7,070,126.48</u>	<u>7,070,126.48</u>	<u>5,724,682.04</u>	<u>211,369.77</u>	<u>734,479.30</u>	<u>400,000.00</u>	<u>404.63</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-3  
Sheet # 7

	Budget	Budget After Modification	Expended			Canceled	Over Expenditure
			Paid or Charged	Encumbered	Reserved		
<b>DEFERRED CHARGES</b>							
Special Emergency Authorization - 5 years - Pension	\$ 405,433.00	\$ 405,433.00	\$ 405,433.00	\$	\$	\$	
Special Emergency Authorization - 5 years - Revaluation	103,820.00	103,820.00	103,820.00				
	<u>509,253.00</u>	<u>509,253.00</u>	<u>509,253.00</u>				
<b>DEBT SERVICE</b>							
Payment of Bond Principal	1,450,911.00	1,450,911.00	1,450,911.00				
Payment of Bond Anticipated Notes	35,179.00	35,179.00	35,179.00				
Interest on Bonds	179,480.00	179,480.00	179,479.40				0.60
Interest on Notes	46,621.00	46,621.00	46,484.36				136.64
Green Trust Loan Program							
Loan Payment for Principal and Interest	44,650.00	44,650.00	44,644.26				5.74
New Jersey Environmental Infrastructure Loan	95,251.00	95,251.00	93,276.95				1,974.05
Demolition Loan- Department of Community Affairs							
	<u>1,852,092.00</u>	<u>1,852,092.00</u>	<u>1,849,974.97</u>			<u>2,117.03</u>	
<b>FOR LOCAL DISTRICT SCHOOL PURPOSES</b>							
Type I District School Debt Service							
Payment of Bond Principal	299,089.00	299,089.00	299,089.00				
Interest on Bonds	37,161.00	37,161.00	37,160.60				0.40
Green Acres Loan							
	<u>336,250.00</u>	<u>336,250.00</u>	<u>336,249.60</u>			<u>0.40</u>	
<b>Total General Appropriations excluded from "CAPS"</b>	<u>9,767,721.48</u>	<u>9,767,721.48</u>	<u>8,420,159.61</u>	<u>211,369.77</u>	<u>734,479.30</u>	<u>402,117.43</u>	<u>404.63</u>
<b>Sub Total</b>	<u>59,776,733.31</u>	<u>60,176,733.31</u>	<u>56,266,282.88</u>	<u>1,885,681.95</u>	<u>1,626,353.36</u>	<u>402,117.43</u>	<u>3,702.31</u>
Reserve for Uncollectible Taxes	4,048,000.00	4,048,000.00	4,048,000.00				
<b>Total Appropriations</b>	<u>\$ 63,824,733.31</u>	<u>\$ 64,224,733.31</u>	<u>\$ 60,314,282.88</u>	<u>\$ 1,885,681.95</u>	<u>\$ 1,626,353.36</u>	<u>\$ 402,117.43</u>	<u>\$ 3,702.31</u>
Ref.	A-2		A-3a	A	A	A-1	A-20

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-3a

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>
Adopted Budget	A-2	\$ 63,824,733.31	\$
Emergency Authorization	A-19	400,000.00	
Cash Disbursed	A-4		50,262,856.83
Deferred Charges - Overexpenditures	A-19		311,490.83
Deferred Charges - Special Emergency	A-20		509,253.00
Reserve for Grant Expenditures	A-37		3,998,711.48
Interfund General Capital	A-18		175,000.00
Interfund General Trust	A-18		218,374.74
Tax Overpayments	A-25		100,000.00
Interfund CDBG	A-2		690,596.00
Overexpenditures	A-19	3,702.31	
Reserve for Uncollected Taxes	A-3	(4,048,000.00)	4,048,000.00
Canceled	A-3	(402,117.43)	
	A-1, A-3	<u>\$ 59,778,318.19</u>	<u>\$ 60,314,282.88</u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
TRUST FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2015 AND 2014

B

	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>			
<b>ANIMAL CONTROL FUND:</b>			
Cash	B-1	\$ 11,030.98	\$ 7,885.98
		<u>11,030.98</u>	<u>7,885.98</u>
<b>GENERAL TRUST FUND:</b>			
Cash	B-1	\$ 4,630,056.59	\$ 2,223,385.68
Other Accounts Receivable	B-5	25,777.93	\$ 428,585.66
Interfunds Receivable	B-6	129,370.95	2,542,775.82
		<u>\$ 4,785,205.47</u>	<u>\$ 5,194,747.16</u>
<b>MUNICIPAL INSURANCE TRUST FUND</b>			
Cash	B-1	\$ 286,133.45	\$ 272,325.32
		<u>\$ 286,133.45</u>	<u>\$ 272,325.32</u>
<b>GRANT TRUST FUND</b>			
Cash	B-1	\$ 176,133.16	\$ 175,151.03
Essex County Community Development Block Grants Receivable	B-4	400,585.36	535,114.09
		<u>\$ 576,718.52</u>	<u>\$ 710,265.12</u>
<b>TOTAL ASSETS</b>		<u>\$ 5,659,088.42</u>	<u>\$ 6,185,223.58</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
<b>ANIMAL CONTROL FUND:</b>			
Reserve for Expenditures	B-14	\$ 10,816.18	\$ 7,746.18
Due to State of New Jersey	B-7	214.80	139.80
		<u>\$ 11,030.98</u>	<u>\$ 7,885.98</u>
<b>GENERAL TRUST FUND:</b>			
Interfunds Payable	B-12	\$	\$ 131,569.50
Reserve for:			
Other Expenditures	B-8	615,980.68	498,707.65
Other Deposits	B-9	1,884,159.79	1,755,891.04
New Jersey Unemployment Insurance	B-10	480,066.86	338,179.65
Salary Account	B-18	245,763.71	819,247.06
Premium on Tax Sale	B-11	1,559,234.43	1,651,152.26
		<u>\$ 4,785,205.47</u>	<u>\$ 5,194,747.16</u>
<b>MUNICIPAL INSURANCE TRUST FUND</b>			
Reserve for Municipal Insurance Trust			
Fund Expenditures	B-15	\$ 286,133.45	\$ 272,325.32
<b>GRANT TRUST FUND</b>			
Reserve for:			
Interfunds Payable	B-12	\$ 22,244.75	\$
Rehabilitation Grant Refunds	B-13	1,659.05	1,659.05
Essex County Community Development Block Grants Receivable	B-16	442,140.83	597,953.73
Other Grant Fund Expenditures	B-17	110,673.89	110,652.34
		<u>\$ 576,718.52</u>	<u>\$ 710,265.12</u>
<b>TOTAL LIABILITIES AND RESERVES</b>		<u>\$ 5,659,088.42</u>	<u>\$ 6,185,223.58</u>

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

C

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2015 AND 2014

ASSETS	Ref.	2015	2014
Cash	C-2	\$ 502,171.80	\$ 4,626,005.73
Grants Receivable	C-4	669,581.24	669,581.24
Loans Receivable	C-5	9,824.89	9,824.89
Interfund Receivable	C-14	173,769.14	
Deferred Charges to Future Taxation:			
Funded	C-6	5,109,958.09	6,952,942.13
Unfunded	C-7	11,487,446.00	11,522,646.00
		\$ 17,952,751.16	\$ 23,780,999.99
<b>LIABILITIES AND FUND BALANCE</b>			
General Refunding Bonds	C-18	3,230,074.00	4,680,985.00
School Refunding Bonds	C-17	629,926.00	929,015.00
Bond Anticipation Notes	C-19	6,140,480.00	3,645,000.00
Green Acres Trust Loan Payable:			
General	C-16	880,191.25	892,729.68
N.J. Environmental Infrastructure Trust			
Loan Payable	C-15	369,766.84	450,212.45
Interfunds Payable	C-14	76,855.00	999,995.92
Improvement Authorizations:			
Funded	C-8	180,066.26	290,530.65
Unfunded	C-8	4,855,085.88	9,005,733.93
Encumbrances Payable	C-21	1,084,992.38	2,254,321.49
Capital Improvement Fund	C-9	354,679.61	465,779.61
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		66,862.05
Loan Proceeds	C-13	61,176.74	61,176.74
Fund Balance	C-1	67,482.20	16,682.47
		\$ 17,952,751.16	\$ 23,780,999.99
Bonds and Notes Authorized But Not Issued	C-20	\$ 5,346,966.00	\$ 7,877,646.00

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

C-1

STATEMENT OF FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	
Beginning Balance, December 31, 2014	C	\$ 16,682.47
Increased by:		
Premium on Sale of Notes	C-2	<u>50,799.73</u>
Ending Balance, December 31, 2015	C	<u>\$ 67,482.20</u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2015 AND 2014

D  
Sheet # 1

<u>Assets</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Operating Fund:			
Cash - Checking	D-5	\$ 2,275,347.07	\$ 2,295,819.94
Petty Cash	D-8	150.00	150.00
		<u>2,275,497.07</u>	<u>2,295,969.94</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-11	1,920,120.83	2,043,441.00
Water Liens	D-12	82,455.91	82,455.91
		<u>2,002,576.74</u>	<u>2,125,896.91</u>
Interfund Receivable	D-10	13,349.46	505,153.66
		<u>13,349.46</u>	<u>505,153.66</u>
Total Operating Fund		<u>4,291,423.27</u>	<u>4,927,020.51</u>
Capital Fund:			
Cash - Checking	D-5,D-9	1,714,798.49	742,922.63
Loans Receivable	D-13	129,947.81	129,947.81
Interfund Receivable	D-10a		1,000,000.00
Fixed Capital	D-14	8,633,725.74	8,633,725.74
Fixed Capital Authorized and Uncompleted	D-15	39,288,583.60	39,288,583.60
Total Capital Fund		<u>49,767,055.64</u>	<u>49,795,179.78</u>
Total Assets		<u>\$ 54,058,478.91</u>	<u>\$ 54,722,200.29</u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2015 AND 2014

D  
Sheet # 2

<u>Liabilities, Reserves and Fund Balance</u>	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Operating Fund:			
Appropriation Reserves:			
Encumbered	D-4,D-16	\$ 190,620.53	\$ 95,080.44
Unencumbered	D-4,D-16	80,589.88	457,135.09
Due to United Water Company	D-17	176,233.44	135,548.86
Accrued Interest on Bonds	D-18	148,682.17	155,750.29
Reserve for Future Improvements	D-26	13,349.46	
Water and Sewer Overpayments	D-19	98,300.25	98,452.50
Interfunds Payable	D-21		1,091,282.06
		<u>707,775.73</u>	<u>2,033,249.24</u>
Reserve for Receivables		2,002,576.74	2,125,896.91
Fund Balance	D-1	1,581,070.80	767,874.36
		<u>4,291,423.27</u>	<u>4,927,020.51</u>
Capital Fund:			
Serial Bonds Payable	D-25	20,380,000.00	21,615,000.00
N.J. Environmental Trust Fund	D-24	5,497,560.35	5,851,321.59
Improvement Authorizations:			
Funded	D-20	3,264,495.32	3,276,103.40
Unfunded	D-20	44,022.42	44,022.42
Encumbrances Payable	D-5		16,516.06
Reserve for Amortization	D-22	11,799,467.99	11,445,706.75
Deferred Reserve for Amortization	D-23	8,745,000.00	7,510,000.00
Fund Balance	D-2	36,509.56	36,509.56
		<u>49,767,055.64</u>	<u>49,795,179.78</u>
Total Liabilities, Reserves and Fund Balances		<u>\$ 54,058,478.91</u>	<u>\$ 54,722,200.29</u>
Bonds and Notes Authorized but Not Issued		<u>\$ 1,500,281.00</u>	<u>\$ 1,500,281.00</u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

D-1

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2015 AND 2014

	<u>Ref.</u>	<u>2015</u>	<u>2014</u>
Revenue and Other Income:			
Water and Sewer Rents	D-3	\$ 8,918,809.84	\$ 8,282,024.64
Non-budget Revenue	D-3	36,984.85	50,298.09
Other Credits to Income:			
Other Accounts Receivable			329,516.48
Unexpended Balance of Appropriation Reserves	D-16	118,061.12	9,591.79
		<u>9,073,855.81</u>	<u>8,671,431.00</u>
 Expenditures:			
Budget Appropriations			
Operations	D-4	5,696,505.00	5,450,000.00
Debt Service	D-4	2,564,154.37	2,495,858.30
		<u>8,260,659.37</u>	<u>7,945,858.30</u>
 Excess in Revenue		813,196.44	725,572.70
 Fund Balance, Beginning of Year	D	<u>767,874.36</u>	<u>42,301.66</u>
 Fund Balance, End of Year	D	<u>\$ 1,581,070.80</u>	<u>\$ 767,874.36</u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

D-2

STATEMENT OF FUND BALANCE - UTILITY CAPITAL FUND  
REGULATORY BASIS  
DECEMBER 31, 2015 AND 2014

	<u>Ref.</u>	
Balance, December 31, 2015 and 2014	D	<u>\$ 36,509.56</u>

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

D-3

STATEMENT OF REVENUE  
ANALYSIS OF NON-BUDGET REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2015

<u>Source</u>	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Water and Sewer Rents	D-1, D-11	\$ 8,275,253.00	\$ 8,918,809.84	\$ 643,556.84
Non-budget Revenue	D-1, D-7		36,984.85	36,984.85
	D-4	<u>\$ 8,275,253.00</u>	<u>\$ 8,955,794.69</u>	<u>\$ 680,541.69</u>
<u>Non-budget Revenue</u>				
Tapping Fee			\$ 36,649.66	
Interest on Investments			335.19	
	D-7		<u>\$ 36,984.85</u>	

See accompanying notes to financial statements.

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

D-4

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2015

Ref.	Appropriation Budget	Balance After Transfer	Paid or Charged	Reserved		Unexpended Balance Canceled
				Encumbered	Unencumbered	
<b>Operating:</b>						
	\$ 112,000.00	\$ 112,000.00	\$ 109,621.10	\$	\$ 2,378.90	\$
	11,505.00	11,505.00	11,505.00			
	63,000.00	63,000.00	63,000.00			
	5,510,000.00	5,510,000.00	5,241,168.49	190,620.53	78,210.98	
<b>Total Operating</b>	<b>5,696,505.00</b>	<b>5,696,505.00</b>	<b>5,425,294.59</b>	<b>190,620.53</b>	<b>80,589.88</b>	
<b>Debt Service:</b>						
	1,105,000.00	1,105,000.00	1,105,000.00			
	954,240.00	954,240.00	942,980.83			11,259.17
	519,508.00	519,508.00	516,173.54			3,334.46
<b>Total Debt Service</b>	<b>2,578,748.00</b>	<b>2,578,748.00</b>	<b>2,564,154.37</b>			<b>14,593.63</b>
	<b>\$ 8,275,253.00</b>	<b>\$ 8,275,253.00</b>	<b>\$ 7,989,448.96</b>	<b>\$ 190,620.53</b>	<b>\$ 80,589.88</b>	<b>\$ 14,593.63</b>
<u>Ref.</u>	D-3		Below	D	D	D-1
Cash Disbursements	D-5		\$ 6,530,294.59			
Accrued Interest	D-18		1,459,154.37			
			<u>\$ 7,989,448.96</u>			

## CITY OF ORANGE TOWNSHIP

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2015

#### 1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Reporting Entity

The City of Orange Township (the "City") was 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 as amended by GASB No. 61 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.

##### Basic Financial Statements

The financial statements of the City 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.

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

The accounting policies of the 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 a Special Purpose Framework 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.

##### 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.

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.

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- 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.

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 February 1, May 1, August 1 and November 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 of 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 Division, 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.

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 Division 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. The Director of the Division, 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.

Expenditures – Are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31<sup>st</sup> are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31<sup>st</sup> 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 unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances – Contractual orders outstanding at December 31<sup>st</sup> 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, which differs in certain respects from GAAP, the City has not developed a fixed asset accounting and reporting system.

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 not maintained proper records to account for either the purchase or disposition for fixed assets.

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 City 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 in accordance with accounting principles and practices prescribed by the Division requires management of the City to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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.

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.

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

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 (the "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, 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.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. At December 31, 2015, the book value of the City's deposits was \$22,922,080.08 and bank balances of the City's cash and deposits amounted to \$23,180,839.80. 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:

- Bonds or other obligations of the United States or obligations guaranteed by the United States.
- Government Money Market Mutual Funds.
- 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.

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

- 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.
- 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.
- Local Government investment pools.
- Agreements for the repurchase of fully collateralized securities, if transacted in accordance with N.J.S.A. 40A:5-15.1 (8a-8e).

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 (the "Board") by each taxing district. The tax rate is determined by the Board upon the filing of these budgets.

The tax bills are mailed by the Tax Collector annually in June and are payable in four quarterly installments due the first of August and November of the current year and a preliminary billing due the first of February and May of the subsequent year. The August and November billings represent the third and fourth quarter installments and are calculated by taking the total year tax levy less the preliminary first and second quarter installments due February and May. The preliminary levy is based on one-half of the current year's total tax.

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 11<sup>th</sup> 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 five years:

Comparative Schedule of Tax Rates:

	<u>Year 2015</u>	<u>Year 2014</u>	<u>Year 2013</u>	<u>Year 2012</u>	<u>Year 2011</u>
Tax Rate	<u>\$ 4.653</u>	<u>\$ 4.449</u>	<u>\$ 3.705</u>	<u>\$ 3.552</u>	<u>\$ 3.450</u>
Apportionment of Tax Rate:					
Municipal	\$ 3.197	\$ 3.047	\$ 2.539	\$ 2.385	\$ 2.266
County	0.552	0.538	0.451	0.431	0.465
County Open Space	0.017	0.016	0.015	0.015	0.017
School	<u>0.887</u>	<u>0.848</u>	<u>0.700</u>	<u>0.721</u>	<u>0.702</u>

CITY OF ORANGE TOWNSHIP  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2015

3. TAXES RECEIVABLE AND TAX TITLE LIENS (continued)

Assessed Valuations:

<u>Calendar Year</u>	<u>Amount</u>
2015	\$ 1,288,968,593.00
2014	1,309,103,923.00
2013	1,509,210,806.00
2012	1,544,566,529.00
2011	1,573,660,083.00

Comparison of Tax Levies and Collections:

<u>Calendar Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2015	\$ 60,094,488.94	\$ 55,883,998.49	92.99 %
2014	58,278,323.63	54,349,268.61	93.26
2013	55,972,264.60	51,847,601.69	92.63
2012	54,896,947.74	51,269,700.04	93.39
TY2011 **	27,124,351.13	23,350,830.77	86.09
2011	54,386,319.59	51,168,749.03	94.08

Delinquent Taxes and Tax Title Liens:

<u>Calendar Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2015	\$ 1,625,437.18	\$ 3,557,381.10	\$ 5,182,818.28	8.62 %
2014	2,288,760.07	3,425,696.82	5,714,456.89	9.81
2013	1,719,584.49	3,288,733.73	5,008,318.22	8.93
2012	1,652,394.80	2,717,802.99	4,370,197.79	7.96
TY2011**	1,211,609.66	3,127,482.18	4,339,091.84	(A)
2011	439,861.44	2,733,174.12	3,173,035.56	5.83

(A) Percentage not calculated due to a half year tax levy.

\*\* Transition Year Budget

CITY OF ORANGE TOWNSHIP  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2015

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>
2015	\$ 856,500.00
2014	856,500.00
2013	856,500.00
2012	856,500.00
TY2011**	856,500.00
2011	856,500.00

\*\* Effective January 1, 2012, the City has converted to a calendar year.

5. WATER/SEWER CONSUMER ACCOUNTS RECEIVABLE

The City 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>
2015	\$ 8,795,489.67	\$ 8,918,663.02
2014	8,807,430.84	8,380,477.14
2013	7,722,564.08	7,617,427.49
2012	8,019,263.79	7,810,787.22
TY2011**	4,155,941.85	4,536,183.38
2011	7,983,970.00	8,011,296.00

Collections include prior year billings.

CITY OF ORANGE TOWNSHIP  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2015

6. FUND BALANCES APPROPRIATED

Schedule of Fund Balances Appropriated:

	<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budgets Succeeding Year</u>
Current Year	2015	\$ 7,568,858.36	\$
	2014	2,756,971.54	1,500,000.00
	2013	3,909,550.43	1,500,000.00
	2012	2,191,482.22	1,400,000.00
	TY2011**	3,584,343.74	1,400,000.00
	2011	2,078,668.91	
	2010	207,378.14	
Water/Sewer Utility Operating Fund:	2015	\$ 1,581,070.80	\$
	2014	767,874.36	
	2013	42,301.66	
	2012	15,578.27	
	TY2011**	827,693.32	210,000.00
	2011	153,843.14	

\*\* Transition Year Budget

7. HEALTH BENEFITS

P.L. 2011 Ch. 78 Section 39 established guidelines for implementing employee contributions to the cost of their health insurance coverage.

The benefit cost of coverage is the premium. For State Health Benefit Plan ("SHBP") employers, the cost of coverage is the cost of medical and prescription coverage. For non-SHBP employers, the law requires that the cost of coverage includes all health care benefits; medical, prescription, dental, vision etc.

The base salary of the employees determines the percent of premium cost that is contributed.

The contribution is phased in at 25% per year:

- a) For employees hired on June 28, 2011 and not subject to Collective Negotiations Agreement ("CNA") that is in effect, contributions are effective on date of hire.
- b) When a CNA that is in effect on June 28, 2011 expires or is in almost any way modified

Full contribution (Year 4) takes effect immediately for employees hired after June 28, 2011 who are not covered by a CNA or would be covered by a CNA that has expired.

When contributions begin, if the 1.5% of base salary calculation under Ch. 2 is greater than the standard contribution, that amount is paid until the new contribution percentage is greater.

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

8. PENSION PLANS

**Public Employee Retirement System**

The Public Employee Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PERS Plan are as follows:

*Plan Membership and Contributing Employers-* Substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency are enrolled in PERS, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or other jurisdiction's pension fund. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2015:

Inactive plan members or beneficiaries currently receiving benefits	166,637
Inactive plan members entitled to but not yet receiving benefits	703
Active plan members	<u>259,161</u>
<b>Total</b>	<b><u>426,501</u></b>

Contributing Employers – 1,710

*Significant Legislation* – For State of New Jersey contributions to PERS, Chapter 1, P.L. 2010, effective May 21, 2010, required the State to resume making actuarially recommended contributions to the pension plan on a phased-in basis over a seven year period beginning in the fiscal year ended June 30, 2012. For State fiscal year 2015, the State was required to make a minimum contribution representing 4/7<sup>th</sup> of the actuarially determined contribution amount based on the July 1, 2013 actuarial valuation.

Chapter 19, P.L. 2009, effective March 17, 2009, provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State Fiscal Year 2009. Such an employer will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of PERS, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of PERS.

For the year ended December 31, 2015 the City's total payroll for all employees was \$25,178,435. Total PERS covered payroll was \$5,591,390. Due to payroll system limitations, covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

*Specific Contribution Requirements and benefit provisions* – The contribution policy is set by N.J.S.A 43:15 and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 6.78% in State fiscal year 2014 and increased to 6.92 for State fiscal year 2015, commencing July 1, 2015. The phase-in of the additional incremental member contribution rate will take place in July of each subsequent State fiscal year. Employers' contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. City contributions are due and payable on April 1<sup>st</sup> in the second fiscal period subsequent to plan year for which the contributions requirements were calculated. City payments to PERS for the years ending December 31, 2014 and 2015 consisted of the following:

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

8. PENSION PLANS (continued)

	<u>2015</u>	<u>2014</u>
Total Regular Billing	625,943	585,508

The City recognizes liabilities to PERS and records expenditures for same in the fiscal period that bills become due.

The vesting and benefit provisions are set by N.J.S.A. 43:15. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007.
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 8, 2008
3	Members who were eligible on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

A service retirement benefit of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, to tier 3 and 4 members before age 62 and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age of his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

*Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions* – The regulatory basis of accounting which is basis for the preparation of the Township's basic financial statements does not require or permit the inclusion of entity-wide, full accrual basis financial statements. Accordingly, the Township does not recognize pension liabilities for any current or prior period until the fiscal period in which such payments will become due and payable.

At June 30, 2015, the PERS reported a net pension liability of \$22,447,996,119 for its Non-State Employer Member Group. The City's proportionate share of the net pension liability for the Non-State Employer Member Group that is attributable to the City was \$17,333,301 or 0.07721536%. At June 30, 2014, the PERS reported a net pension liability of \$18,722,735,003 for its Non-State Employer Member Group. The proportionate share of the State of New Jersey's the net pension liability for the Non-State Employer Member Group that is attributable to the City was \$14,215,878 or 0.07592843%.

For the year ended December 31, 2015, the City recognized PERS expense of \$625,943. At December 31, 2015 the Township would have reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources, if GASB #68 was recognized:

CITY OF ORANGE TOWNSHIP  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2015

8. PENSION PLANS (continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expensed and actual experience	\$ 413,512	\$ -
Changes in assumptions	1,861,458	
Net difference between projected and actual earnings on pension plan investments	-	513,069
Changes in proportion and differences between City contributions and proportionate share of contributions	204,422	234,383
City contributions subsequent to the measurement date	663,845	

\$663,845 shown as deferred outflows of resources related to PERS resulting from City contributions subsequent to the measurement date (December 31, 2015) should have been recognized as a reduction of net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS should have been recognized in pension expense as follows, if GASB #68 was recognized:

<u>Year ended December 31,</u>	<u>Amount</u>
2016	\$ 336,811
2017	336,811
2018	336,811
2019	620,402
2020	<u>335,478</u>
<b>Total</b>	<b><u>\$1,966,313</u></b>

*Actuarial Assumptions-* The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.04%
Salary Increases (2012-2021)	2.15-4.40% Based on age
Thereafter	3.15-5.40% Based on age
Investment rate of return	7.90%

Mortality rates were based on the RP-2000 Combined Table for Males or Females, as appropriate with adjustments for mortality improvements based on Scale AA.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2015 are summarized in the following table:

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

8. PENSION PLANS (continued)

<u>Asset Class</u>	
Cash	1.04%
U.S. Treasuries	1.64%
Investment Grade Credit	1.79%
Mortgages	1.62%
High Yield Bonds	4.03%
Inflation-Indexed Bonds	3.25%
Broad US Equities	8.52%
Developed Foreign Equities	6.88%
Emerging Market Equities	10.00%
Private Equity	12.41%
Hedge Funds/Absolute Return	4.72%
Real Estate (Property)	6.83%
Commodities	5.32%
Global Debt Ex U.S.	-0.40%
REIT	5.12%

*Discount Rate* – The discount rate used to measure the pension liabilities of PERS was 4.90%

*Sensitivity of Net Pension Liability* – the following presents the net pension liability of PERS calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

		<u>At 1% Decrease</u>	<u>At current discount rate</u>	<u>At 1% increase</u>
City's share	Proportionate	\$21,543,172	\$17,333,301	\$13,803,775

*Plan Fiduciary Net Position* – The plan fiduciary net position for PERS, including the State of New Jersey, at June 30, 2015 was \$28,553,566,906. Information regarding the portion of the Plan Fiduciary Net Position that was allocable to the Local (Non-State) Group was not available.

**Police and Firemen's Retirement System**

The Police and Firemen's Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PFRS Plan are as follows:

*Plan Membership and Contributing Employers*- Substantially all full-time county and municipal police and firemen and state firemen or officer employees with police powers appointed after June 30, 1944 are enrolled in PFRS Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2015:

Inactive plan members or beneficiaries currently receiving benefits	\$44,252
Inactive plan members entitled to but not yet receiving benefits	51
Active plan members	<u>40,359</u>
Total	<u>\$84,662</u>

Contributing Employers – 585

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

8. PENSION PLANS (continued)

*Significant Legislation* – For State of New Jersey contributions to PFRS, Chapter 1, P.L. 2010, effective May 21, 2010, required the State to resume making actuarially recommended contributions to the pension plan on a phased-in basis over a seven year period beginning in the fiscal year ended June 30, 2012. For State fiscal year 2015, the State was required to make a minimum contribution representing 4/7<sup>th</sup> of the actuarially determined contribution amount based on the July 1, 2013 actuarial valuation.

Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of PFRS.

For the year ended December 31, 2015 the City's total payroll for all employees was \$25,178,435. Total PFRS covered payroll was \$14,156,611. Due to payroll system limitations, covered payroll refers to pensionable compensation, rather than total compensation, paid by the City to active employees covered by the Plan.

*Specific Contribution Requirements and benefit provisions* – The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contributions rate increased from 8.5% of annual compensation to 10.0% in October 2011. Employer contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. City contributions are due and payable on April 1<sup>st</sup> in the second fiscal period subsequent to plan year for which the contributions requirements were calculated. City payments to PFRS made in the years ending December 31, 2014 and 2015 consisted of the following:

Total PFRS Payment - Regular	<u>\$3,422,854</u>	<u>\$3,116,548</u>
------------------------------	--------------------	--------------------

The City recognizes liabilities to PFRS and records expenditures for same in the fiscal period that bills become due.

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after 4 years of service.

The following represents the membership tiers for PFRS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

*Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions* – The regulatory basis of accounting which is basis for the preparation of the City's basic financial statements does not require or permit the inclusion of entity-wide, full accrual basis financial statements. Accordingly, the City does not recognize pension liabilities for any current or prior period until the fiscal period in which such payments will become due and payable.

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

8. PENSION PLANS (continued)

At June 30, 2015, the PFRS reported a net pension liability of \$16,656,574,197 for its Non-State, Non-Special Funding Situation Employer Member Group. The City's proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$15,365,267,313, or 0.09224779%. At June 30, 2014, the PFRS reported a net pension liability of \$12,579,072,492 for its Non-State, Non-Special Funding Situation Employer Member Group. The City's proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$12,067,012, or 0.09592926%.

For the year ended December 31, 2015, the City recognized PFRS expense of \$3,422,854. At December 31, 2015 the Township would have reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources, if GASB #68 was recognized:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expensed and actual experience	\$	\$ 650,092
Changes in assumptions	13,915,202	
Net difference between projected and actual earnings on pension plan investments		1,311,751
Changes in proportion and differences between City contributions and proportionate share of contributions	2,411,382	
City contributions subsequent to the measurement date	3,678,122	

\$3,678,122 shown as deferred outflows of resources related to PFRS resulting from City contributions subsequent to the measurement date (December 31, 2015) should have been recognized as a reduction of net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PFRS should have been recognized in pension expense as follows, if GASB #68 was recognized:

<u>Year ended December 31,</u>	<u>Amount</u>
2016	\$ 2,839,105
2017	2,839,105
2018	2,839,105
2019	4,269,235
2020	<u>1,578,183</u>
Total	<u>\$14,364,741</u>

*Actuarial Assumptions-* The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.04%
Salary Increases (2012-2021)	2.60-9.48% based on age
Thereafter	3.60-10.48% based on age
Investment rate of return	7.90%

Mortality rates were based on the RP-2000 Combined Table for Males or Females, as appropriate with adjustments for mortality improvements based on Scale BB.

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

8. PENSION PLANS (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	
Cash	1.04%
U.S. Treasuries	1.64%
Investment Grade Credit	1.79%
Mortgages	1.62%
High Yield Bonds	4.03%
Inflation-Indexed Bonds	3.25%
Broad US Equities	8.52%
Developed Foreign Equities	6.88%
Emerging Market Equities	10.00%
Private Equity	12.41%
Hedge Funds/Absolute Return	4.72%
Real Estate (Property)	6.83%
Commodities	5.32%
Global Debt Ex U.S.	-0.40%
REIT	5.12%

*Discount Rate* – The discount rate used to measure the pension liabilities of PFRS was 5.79%

*Sensitivity of Net Pension Liability* – the following presents the net pension liability of PFRS calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

	<u>At 1% Decrease</u>	<u>At current discount rate</u>	<u>At 1% increase</u>
PFRS	\$99,361,788	\$75,370,152	\$55,807,116

*Plan Fiduciary Net Position* – The plan fiduciary net position for PFRS at June 30, 2015 was \$25,106,858,921.

The Defined Contribution Retirement Plan (DCRP) is a multiple employer defined contribution plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the DCRP are as follows:

*Plan Membership and Contributing Employers*- Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in PFRS or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PFRS or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000 annually; and employees otherwise eligible to enroll in PFRS or PERS after May 21, 2010, who do not work the minimum number of hours per week required for tier 4 or tier 5 enrollment, but who earn salary of at least \$5,000 annually. At June 30, 2015, the membership in the DCRP, based on the information within the Division's database, was 36,808.

## CITY OF ORANGE TOWNSHIP

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2015

#### 8. PENSION PLANS (continued)

*Contribution Requirement and Benefit Provisions* - State and local government employers contribute 3% of the employees base salary. Active members contribute 5.5% of base salary.

Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

#### 9. POST RETIREMENT BENEFITS OTHER THAN PENSIONS

The City contributes to the State Health Benefits Program ("SHBP"), a cost-sharing, multiple-employer defined benefit post-employment health care plan administered by the Division of Pensions. The 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. The SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employees in 1964. Local employers are required to adopt a resolution to participate in the SHBP and in November 2005, the City authorized participation the SHBP's post-retirement benefits program through resolution number 148B, effective January 1, 2006. In 1989, the City agreed to provide medical insurance coverage for all police officers who retire from the City of Orange Police Department with 25 or more years of credited police service, or who are authorized a disability retirement. This medical coverage benefit shall be administered by the City at no cost to the retiree. Participation is mandatory for all officers and 2.10% of their annual base compensation is deducted for two years. Contributions to pay for the health premiums of participating retirees are billed to the City on a monthly basis.

Effective June 1, 1993, all other employees were offered a "window" to participate for 60 days. Participation was voluntary and 2.10% of their annual base compensation was deducted for two years. Employees hired after December 31, 2005, are not eligible for retiree's medical coverage. In 2007, another "window" was offered from May through August for any employee employed in 1993, and still active, to buy in at 2.10% for two years.

The State Health Benefits Commission is the executive body established by Statute to be responsible for the operation of the SHBP. The Division of Pension and Benefits issues a publicly available financial report that includes financial statements and required supplementary information of 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 08625-09295 or by visiting their website at [www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf](http://www.state.nj.us/treasury/pensions/gasb-43-sept2008.pdf).

**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 insurance premiums of participating retirees in the SHBP are billed to the City on a monthly basis. The City assumes cost through taxation.

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

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.

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

	<u>Calendar Year 2015</u>	<u>Calendar Year 2014</u>	<u>Calendar Year 2013</u>
<u>Bonds and Notes Issued</u>			
General Capital:			
Bonds and Notes	\$ 9,370,544.00	\$ 8,325,985.00	\$ 9,445,000.00
Loans	1,249,957.89	1,342,942.13	826,991.95
Water and Sewer Utility:			
Bonds	20,380,000.00	21,615,000.00	22,605,000.00
Loans	5,497,560.35	5,851,321.59	6,193,580.39
Total Issued	<u>36,498,062.24</u>	<u>37,135,248.72</u>	<u>39,070,572.34</u>
<u>Authorized but Not Issued</u>			
General:			
Bonds and Notes	5,346,966.00	7,877,646.00	2,144,246.00
Water and Sewer Utility:			
Bonds and Notes	1,500,281.00	1,500,281.00	1,500,281.00
	<u>6,847,247.00</u>	<u>9,377,927.00</u>	<u>3,644,527.00</u>
Total Debt	<u>\$ 43,345,309.24</u>	<u>\$ 46,513,175.72</u>	<u>\$ 42,715,099.34</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 1.128 % at December 31, 2015.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 629,926.00	\$ 629,926.00	\$
Water and Sewer Utility Debt	27,377,841.35	27,377,841.35	
Other Bonds and Notes	15,967,467.89	4,225.00	15,963,242.89
	<u>\$ 43,975,235.24</u>	<u>\$ 28,011,992.35</u>	<u>\$ 15,963,242.89</u>

Net Debt, \$15,963,242.89 divided by Equalized Valuation Basis per N.J.S.A. 40:A2-2 as amended, \$1,414,845,830.67 equals 1.128%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 49,519,604.07
Net Debt	<u>15,963,242.89</u>
Remaining Borrowing Capacity	<u>\$ 33,556,361.18</u>

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

10. MUNICIPAL DEBT (continued)

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		\$ 8,918,663.02
Deductions:		
Operating and Maintenance Cost	\$ 5,696,505.00	
Debt Service per Water/Sewer Utility	<u>2,564,154.37</u>	
		<u>8,260,659.37</u>
Excess in Revenue		<u>658,003.65</u>

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

As of December 31, 2015, the City's long-term debt is as follows:

General Obligation Bonds

\$4,865,000.00; 2003 Pension Refunding Bonds, due in annual installments of \$480,000.00 to \$535,000.00 through May 2016, interest at 4.52% *	\$ 535,000.00
\$3,655,000.00; 2007 Refunding Bonds, in annual installments of \$335,000.00 to \$365,000.00 through August 2019, interest at 3.90%	1,415,000.00
\$9,103,035.00; 2008 Refunding Bonds Series A, due in annual installments of \$605,911.00 to \$1,334,095.00 through December 2017, interest at 4.00%	<u>1,280,074.00</u>
	<u>\$ 3,230,074.00</u>

Water Utility Bonds

\$30,000,000.00; 2003 Bonds due in annual installments of \$1,020,000.00 to \$2,360,000.00 through June 2027, interest at 4.13% to 5.00% *	<u>\$ 20,380,000.00</u>
* Qualified Bond Act (P.L. 1976, c.38)	<u>\$ 20,380,000.00</u>

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

10. MUNICIPAL DEBT (continued)

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

Military Commons

\$91,579.00 loan, due in semi-annual installments of \$4,533.88 to \$5,263.68 through October 2021, interest at 2%	\$ 59,835.66
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Ropes Playground

\$90,000 Loan, due in semi-annual installments of \$2,903.23 through December 2028, no interest	\$ 75,483.85
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Multi-Parks Project

\$250,000.00 loan, due in annual installments of \$12,820.52 through February 2028, no interest	160,256.16
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\$600,000.00 Loan, due in annual installments of \$15,384.62 through May 2033, no interest	584,615.58
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	\$ 880,191.25
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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:

	Balance Dec. 31, 2015
<u>General Debt</u>	
Trust Fund	\$ 220,000.00
Fund Share	149,766.84
	369,766.84
 <u>Water and Sewer Utility Debt</u>	
Trust Fund	\$ 2,990,000.00
Fund Share	2,507,560.35
	\$ 5,497,560.35

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

10. MUNICIPAL DEBT (continued)

Bond Anticipated Notes

	Balance <u>Dec. 31, 2015</u>
General Capital Fund, Interest Rate 2%	
General Improvement	<u>\$ 6,140,480.00</u>

Bond and Notes Anticipated but Not Issued

	Balance <u>Dec. 31, 2015</u>
General Capital Fund:	
General Improvements	<u>\$ 5,346,966.00</u>
Water and Sewer Capital Fund:	
General Improvements	<u>\$ 1,500,281.00</u>

11. SCHOOL DEBT

The Board of Education of the City (the "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

\$1,306,965.00, 2009 Refunding Bonds, Series A, due in annual installments of \$89,089.00 to \$96,921.00 through December 2017, interest at 4.00%	\$ 189,926.00
\$3,015,000.00, 2009 Refunding Bonds, Series B, due in annual installments of \$210,000.00 to \$225,000.00 through December 2017, interest at 4.00%.	<u>440,000.00</u>
	<u>\$ 629,926.00</u>

CITY OF ORANGE TOWNSHIP  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2015

12. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2015, 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	\$ 22,244.75	\$ 1,032,718.36
Federal and State Grant Fund	793,083.81	
General Trust	129,370.95	
Grant Trust Fund		22,244.75
General Capital Fund	173,769.14	76,855.00
Water and Sewer Utility	13,349.46	
	<u>\$ 1,131,818.11</u>	<u>\$ 1,131,818.11</u>

13. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2015, the following deferred charges are shown on the balance sheet of the Current Fund.

	<u>Balance December 31, 2015</u>	<u>Amount* Raised in 2016 Budget</u>
<u>Current Fund:</u>		
Overexpenditure of Budget Appropriations	\$ 3,702.31	\$
Special Emergency Appropriations	400,000.00	400,000.00
Special Emergency – Revaluation	311,460.00	103,820.00
Special Emergency - Accrued Sick & Vacation	405,432.37	405,432.37
	<u>\$ 1,120,594.68</u>	<u>\$ 909,252.37</u>

\* 2016 Budget Not Yet Adopted

14. RISK MANAGEMENT

The City 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 is no reserve established at December 31, 2015 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:

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

14. RISK MANAGEMENT

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 December 31, 2015.

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

	Balance December 31, 2014	Increase	Decrease	Balance December 31, 2015
General Liability	\$ 272,325.32	\$ 103,448.05	\$ 89,639.92	\$ 286,133.45

15. CONTINGENT LIABILITIES

The City 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.

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 that the sum of \$6,592,448.20 is due and payable to employees and officials of the City as of December 31, 2015 upon their retirements or other separations. This amount was not verified by audit.

CITY OF ORANGE TOWNSHIP

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

15. CONTINGENT LIABILITIES

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.

Tax Appeals

As of December 31, 2015, 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 a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate granting agency. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the granting agency.

Litigation

The City is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the City.

16. SUBSEQUENT EVENTS

The City has evaluated subsequent events occurring after December 31, 2015 through August 12, 2016, which is the date the financial statements were available to be issued. Based on this evaluation, management has determined that the following significant subsequent event requires disclosure.

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-4

CASH RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	<u>Regular Fund</u>
Balance, December 31, 2014	A	<u>\$ 11,192,510.89</u>
Increased by Receipts:		
Transfers from Tax Collector	A-6	75,951,312.06
Due from State of New Jersey per Ch.129 P.L. 1976	A-9	53,750.00
Special Emergency Notes	A-28	805,944.04
Interfunds Receivable	A-18	9,021,014.04
		<u>85,832,020.14</u>
		<u>97,024,531.03</u>
Decreased by Disbursements:		
Budget Appropriations	A-3a	50,262,856.83
Interfunds Receivable	A-18	9,696,861.96
Appropriation Reserves	A-22	1,969,845.18
Tax Overpayments	A-25	554,052.43
Due to State of New Jersey	A-27	5,260.00
Accounts Payable	A-23	24,498.33
Special Emergency Notes	A-28	810,850.00
County Taxes	A-32	7,343,946.19
Local School District Tax	A-33	13,120,511.57
		<u>83,788,682.49</u>
Balance, December 31, 2015	A, A-5	<u>\$ 13,235,848.54</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-5

BANK RECONCILIATION  
FOR THE YEAR ENDED DECEMBER 31, 2015

Bank Reconciliation, December 31, 2015  
Balance per Bank Statements:

	\$ 12,858,958.19
Add: Deposits in Transit	<u>1,510,058.35</u>
	14,369,016.54
Less: Outstanding Checks	<u>1,133,168.00</u>
	<u>\$ 13,235,848.54</u>

Ref.

A, A-4

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-6

CASH RECEIPTS AND DISBURSEMENTS - COLLECTOR  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>		
Increased by:			
Interest and Costs on Taxes	A-2a	\$ 910,166.01	
Miscellaneous Revenue Not Anticipated	A-2d	388,561.01	
Overpayments	A-25	449,484.32	
Taxes Receivable	A-10	58,561,769.03	
Tax Title Liens	A-11	1,636,907.78	
Other Accounts Receivable	A-16	57,043.14	
Other Liens Receivable	A-14	354,342.86	
Revenue Accounts Receivable	A-15	13,417,226.06	
Due to State of N.J	A-27	5,740.00	
Prepaid Taxes	A-34	<u>170,071.85</u>	
			\$ 75,951,312.06
Decreased by:			
Turnovers to Treasurer	A-4		<u>\$ 75,951,312.06</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

CHANGE FUNDS  
DECEMBER 31, 2015

A-7

Tax Office	\$	150.00
Municipal Court		400.00
Police Department		10.00
		10.00
	\$	560.00

Ref.

A

PETTY CASH FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-8

	<u>Funds Established</u>	<u>Funds Returned</u>
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
	\$ 1,200.00	\$ 1,200.00

Ref.

Contra

Contra

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-9

DUE FROM STATE OF NEW JERSEY  
PER CHAPTER 129 P.L. 1976  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>		
Balance, December 31, 2014	A		\$ 58,423.45
Increased by:			
Deductions per Tax Billings			
Senior Citizens		\$ 37,000.00	
Veterans		39,500.00	
		76,500.00	
Allowed by Tax Collector:			
Senior Citizens		13,500.00	
Veterans		13,500.00	
		13,500.00	
			90,000.00
			148,423.45
Decreased by:			
Collections	A-4	53,750.00	
Taxation Audit by State	A-1	250.00	
		54,000.00	
Balance, December 31, 2015	A		\$ 94,423.45

ANALYSIS OF 2015 REVENUE

Senior Citizens and Veterans Deductions Per Abstract		\$ 76,500.00	
Senior Citizens and Veterans Deductions Allowed by Tax Collector		13,500.00	
	A-10	\$ 90,000.00	

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-10

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
FOR THE YEAR ENDED DECEMBER 31, 2015

Year	Balance,	Levy	Collected		Seniors Veterans	Overpayments Applied	Tax Title Liens	Canceled	Balance,
	December 31, 2014		2014	2015					December 31, 2015
2008	\$ 394.63	\$	\$	\$	\$	\$	\$	\$	\$ 394.63
2009	5,691.68						4,859.26		832.42
2010	43,209.40			28,595.22			10,740.80		3,873.38
2011	89,016.89			39,709.50			13,869.00		15,438.19
2012	52,484.50			18,948.59			28,892.62		5,645.29
2013	188,622.16			123,325.79			9,395.88		55,900.49
2014	3,066,277.76			2,789,865.55	13,500.00		144,268.97		118,643.24
	3,425,696.82			2,998,442.65	13,500.00		213,026.53		200,727.64
2015		60,094,488.94	166,063.09	55,563,326.38	76,500.00	78,109.02	687,409.75	166,427.24	3,356,653.46
	<u>\$ 3,425,696.82</u>	<u>\$ 60,094,488.94</u>	<u>\$ 166,063.09</u>	<u>\$ 58,561,769.03</u>	<u>\$ 90,000.00</u>	<u>\$ 78,109.02</u>	<u>\$ 900,436.28</u>	<u>\$ 166,427.24</u>	<u>\$ 3,557,381.10</u>
Ref.	A	Below	A-2c, A-34	A-2c, A-6	A-2c, A-9	A-25	A-11	Reserve	A

ANALYSIS OF 2015 PROPERTY TAX LEVY:

Tax Yield:			
General Property Tax		\$ 59,972,003.76	
Added Taxes		122,485.15	
Above			<u>\$ 60,094,488.94</u>
Tax Levy:			
Local District School Tax Levy	A-33	\$ 11,283,547.00	
Local School Tax in Municipal Budget	A-2	150,351.00	
County Tax	A-32	7,334,512.93	
County for Added Taxes	A-32	14,978.31	
			18,783,389.24
Local Tax for Municipal Purposes	A-2	41,203,592.83	
Added Taxes		107,506.87	
Above			<u>\$ 60,094,488.94</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND  
TAX TITLE LIENS  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-11

	<u>Ref.</u>		
Balance, December 31, 2014	A		\$ 2,288,760.07
Increased by:			
Transfer from Taxes Receivable	A-10	\$ 900,436.28	
Interest and Costs on Taxes	Reserve	<u>73,148.61</u>	
			<u>973,584.89</u>
			3,262,344.96
Decreased by:			
Collections	A-6, A-2c	<u>1,636,907.78</u>	
			<u>1,636,907.78</u>
Balance, December 31, 2015	A		<u>\$ 1,625,437.18</u>

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
DECEMBER 31, 2015

A-12

	<u>Ref.</u>		
Balance, December 31, 2015 and 2014	A		<u>\$ 856,500.00</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-13

SALES CONTRACT RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	
Balance, December 31, 2015 and 2014	A	<u>\$ 80,601.00</u>
 <u>Analysis of Balance</u>		
	<u>Block</u>	<u>Lot</u>
	29	A
	51	A
	101	A
	101	A
	111	A
	112	A
	114	26
		\$ 4,001.00
		1,000.00
		10,600.00
		3,000.00
		1,000.00
		1,000.00
		60,000.00
		<u>\$ 80,601.00</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-14

OTHER LIENS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	<u>Other Liens Receivable</u>
Balance, December 31, 2014	A	\$ 392,622.33
Decreased by: Collections	A-1, A-6	354,342.86
Balance, December 31, 2015	A	<u>\$ 38,279.47</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-15

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	<u>Balance,</u> <u>December 31, 2014</u>	<u>Accrued</u> <u>2015</u>	<u>Collected</u> <u>by</u> <u>Treasurer</u>	<u>Balance,</u> <u>December 31, 2015</u>
Licenses:					
Alcoholic Beverages	A-2a	\$	\$ 61,530.00	\$ 61,530.00	\$
Other	A-2b		68,319.33	68,319.33	
Fees and Permits:					
Uniform Construction Code Fees	A-2a		631,975.00	631,975.00	
Other	A-2b		394,902.61	394,902.61	
Fines and Costs - Municipal Court	A-2a	82,233.00	993,322.46	991,767.76	83,787.70
Parking Meters	A-2a		89,790.91	89,790.91	
Rent Leveling Fees	A-2a		47,610.00	47,610.00	
Building Aid Allowance for School - State Aid	A-2a		185,899.00	185,899.00	
Payments in Lieu of Taxes:					
Transport of New Jersey	A-2a		211,042.00	211,042.00	
Our Lady of Mt. Carmel Senior Citizens	A-2a		195,800.50	195,800.50	
Millennium Homes - RPM	A-2a		25,683.03	25,683.03	
South Essex Urban Renewal	A-2a		83,128.25	83,128.25	
Oakwood Towers	A-2a		516,780.25	516,780.25	
Salem Towers - High Street Associates	A-2a		163,919.50	163,919.50	
Orange Park Apartments Associates, Ltd.	A-2a		162,973.00	162,973.00	
The Berkeley	A-2a		33,822.00	33,822.00	
Lincoln Court	A-2a		107,173.46	107,173.46	
Project Live, Inc.	A-2a		9,531.75	9,531.75	
New Community Corporation	A-2a		63,492.50	63,492.50	
Washington Street	A-2a		83,936.74	83,936.74	
Central Village II	A-2a		56,900.00	56,900.00	
Grand Central Senior Housing	A-2a		38,496.00	38,496.00	
Washington Dodd	A-2a		466,633.74	466,633.74	
Walter G Phase I and II	A-2a		208,151.45	208,151.45	
L&M Development Partners	A-2a		58,701.23	58,701.23	
Franchise Fee from Cable TV Gross Revenue	A-2a		96,139.08	96,139.08	
ILS Millburn Code Official	A-2a		30,030.00	30,030.00	
Consolidated Municipal Property Tax Relief	A-2a		2,432,062.00	2,432,062.00	
Energy Receipts Tax	A-2a		5,901,034.97	5,901,034.97	
		<u>\$ 82,233.00</u>	<u>\$ 13,418,780.76</u>	<u>\$ 13,417,226.06</u>	<u>\$ 83,787.70</u>
		A		A-6	A

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-16

OTHER ACCOUNTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	
Balance, December 31, 2014	A	\$ 57,043.14
Decreased by:		
Cash Received	A-1, A-6	57,043.14
		<hr/>
Balance, December 31, 2015		<u>\$</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

DEPOSITS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-17

	<u>Ref.</u>	<u>Total</u>	<u>County Register Mortgages</u>	<u>Superior Court of New Jersey</u>
Balance, December 31, 2015 and 2014	A	<u>\$ 1,465.05</u>	<u>\$ 1,218.55</u>	<u>\$ 246.50</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-18

INTERFUNDS RECEIVABLE (PAYABLE)  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	<u>Total</u>	<u>Federal and State Grant Fund</u>	<u>General Trust Fund</u>	<u>Grant Trust Fund</u>	<u>General Capital Fund</u>	<u>Water Operating Fund</u>	<u>Payroll Fund</u>
Balance, December 31, 2014								
	From	A	\$ 1,511,548.64	\$ 379,983.22		\$ 999,995.92		\$ 131,569.50
	(To)	A	\$ (2,956,647.42)		\$ (2,451,493.76)		\$ (505,153.66)	
Increased by:								
Cash Disbursement - Checking	A-4		9,696,861.96	712,473.53	4,110,607.70	259,898.75	1,480,193.92	583,688.06
Interest Income	A-2d		1,289.67			1,289.67		
Prior Year Revenue Adjustment	A-1		315,653.20				315,653.20	
			<u>10,013,804.83</u>	<u>712,473.53</u>	<u>4,110,607.70</u>	<u>2,551,289.67</u>	<u>1,795,847.12</u>	<u>583,688.06</u>
			<u>10,013,804.83</u>	<u>1,092,456.75</u>	<u>1,659,113.94</u>	<u>3,551,285.59</u>	<u>1,290,693.46</u>	<u>715,257.56</u>
Decreased by:								
Cash Receipts - Checking	A-4		9,021,014.04	1,720,749.68	1,441,088.88	3,550,054.73	1,304,042.92	767,423.83
Cancelations	A-1		46,771.13	46,771.13				
Prior Year Revenue Adjustment	A-1		118,019.75	118,019.75				
Appropriations	A-3		393,374.74		218,374.74	175,000.00		
			<u>9,579,179.66</u>	<u>1,885,540.56</u>	<u>1,659,463.62</u>	<u>3,725,054.73</u>	<u>1,304,042.92</u>	<u>767,423.83</u>
Balance, December 31, 2015								
	From	A	<u>\$ 22,244.75</u>		<u>\$ 22,244.75</u>			
	(To)	A	<u>\$ (1,032,718.36)</u>	<u>\$ (793,083.81)</u>	<u>\$ (349.68)</u>	<u>\$ (173,769.14)</u>	<u>\$ (13,349.46)</u>	<u>\$ (52,166.27)</u>
<u>Net Credit to Operations</u>	<u>Ref.</u>							
Balance, December 31, 2014	Above		\$ 1,511,548.64					
Balance, December 31, 2015	Above		<u>22,244.75</u>					
Net Credit	A-1		<u>\$ 1,489,303.89</u>					

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-19

DEFERRED CHARGES  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Balance,</u> <u>December 31, 2014</u>	<u>Raised In</u> <u>Budget</u>	<u>2015</u>	<u>Balance,</u> <u>December 31, 2015</u>
Emergency Authorization	\$	\$	\$ 400,000.00	\$ 400,000.00
Overexpenditure of Budget Appropriations	311,490.86	311,490.86	3,702.31	3,702.31
	<u>311,490.86</u>	<u>311,490.86</u>	<u>403,702.31</u>	<u>403,702.31</u>
	<u>\$ 311,490.86</u>	<u>\$ 311,490.86</u>	<u>\$ 403,702.31</u>	<u>\$ 403,702.31</u>
<u>Ref.</u>	A	A-3a	A-3	A

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-20

DEFERRED CHARGES  
N.J.S.A.40A:4-55 SPECIAL EMERGENCY  
FOR  
THE YEAR ENDED DECEMBER 31, 2015

<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 Net Amount Authorized</u>	<u>Balance December 31, 2014</u>	<u>Reduced in 2015</u>	<u>Balance December 31, 2015</u>
Revaluation	\$ 519,100.00	\$ 103,820.00	\$ 415,280.00	\$ 103,820.00	\$ 311,460.00
Accrued Vacation and Sick Time	2,027,165.00	405,433.00	810,865.37	405,433.00	405,432.37
	<u>\$ 2,027,165.00</u>	<u>\$ 509,253.00</u>	<u>\$ 1,226,145.37</u>	<u>\$ 509,253.00</u>	<u>\$ 716,892.37</u>
			A	A-3a	A

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2015

	Balance December 31, 2014	Grants	Chapter 159	Collections	Cancellations	Balance December 31, 2015
	\$	\$	\$	\$	\$	\$
State Grants:						
New Jersey Transportation Trust Fund						
Year 2007	14,155.62					14,155.62
Year 2008 - Sterling Ave	72,360.63					72,360.63
Year 2010	231,497.75					231,497.75
TY 2011 Phase II Way Finding Signage	100,000.00					100,000.00
Way Finding Signage PH II Calendar 2012	20,524.75					20,524.75
FY 2011 Various Streets	22,535.07					22,535.07
NJDOT Various Streets 2012	151,329.45			61,871.46		151,329.45
NJDOT Various Streets 2013	125,329.31					125,329.31
NJDOT Various Streets 2014	319,300.00					319,300.00
NJDOT - Highland Ave Station Rehab		614,000.00				614,000.00
NJDOT Various Streets 2015		311,444.00		7,450.00		311,444.00
NJDOT Dive Sober or Get Pulled Over	7,500.00					7,500.00
Summer Food Program for Children					72,500.19	
Calendar Year 2013	72,500.19					72,500.19
Calendar Year 2014						
Calendar Year 2015	188,694.83				188,694.83	188,694.83
Clean Communities Act		273,053.62		202,045.03		
Calendar year 2015		49,053.60		49,053.60		
Safe and Secure Community Program:						
Fiscal Year 2008						
US Department of Education Sub Grantee of Montclair State		150,000.00			150,000.00	
Transportation Enhancement - Train Station						
Phase II - Fiscal Year 2002	200,000.00					200,000.00
Fiscal Year 2010	194,375.75					194,375.75
N.J. Department of Community Affairs						
N.J. Department of Community Affairs- ROID						
Fiscal Year 2014	20,000.00		2,500,000.00	20,000.00		2,500,000.00
N.J. Legislative Grant-in-Aid						
State Health Services Grant - H1N1						
State Health Services Grant from						
State Health Services Grant		39,258.00		39,258.00		
	1,741,103.35	1,436,899.42	2,500,000.00	379,718.09	412,195.02	4,886,079.66

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2015

	Balance December 31, 2014	Grants	Chapter 159	Collections	Cancellations	Balance December 31, 2014
State Grants:						
Weed and Seed Community Collaborative Grant: Fiscal Year 2005	\$	\$	\$	\$	\$	\$
Weed and Seed from prior years		10,776.54		10,776.54		
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	1,818.50					1,818.50
540 Mitchell Street - Fiscal Year 2009	1,869.25					1,869.25
507 Mitchell Street - Fiscal Year 2010	26,412.00					26,412.00
546 Mitchell Street - Fiscal Year 2010	26,412.00					26,412.00
481 New England Terrace - Fiscal Year 2010	39,460.20					39,460.20
321 Scotland Road - Fiscal Year 2010	19,412.00					19,412.00
490 Central Avenue - Fiscal Year 2010	42,230.00					42,230.00
N.J. Historic Trust - City Hall Preservation Plan						
Fiscal Year 2008	7,878.85					7,878.85
Fiscal Year 2010	140,500.00					140,500.00
Green Acres						
Multi-Parks #2	200,028.51					200,028.51
Bell Stadium Rehabilitation Fiscal Year 2009						
Green Acres Multi Parks #0717-10-018	892,619.52			726,718.79		165,900.73
Green Acres Multi Parks #0717-10-018	600,000.00			600,000.00		
NJ State Recycling Tonnage Grant 2015 Recycling Tonnage		10,277.91		10,277.91		
Body Armor			9,003.61	9,003.61		
	<u>1,999,440.83</u>	<u>21,054.45</u>	<u>9,003.61</u>	<u>1,356,776.85</u>		<u>672,722.04</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2015

	Balance December 31, 2014	Grants	Chapter 159	Collections	Cancellations	Balance December 31, 2015
County of Essex:						
Essex County Municipal Alliance Program:						
Calendar Year 2013	\$ 46,436.15	\$	\$	\$	\$ 46,436.15	\$
Calendar Year 2014	42,500.00			17,736.00	24,764.00	
Essex County Recreation & Open Space	150,000.00					150,000.00
Essex County CDBG Match - Multi Parks	13,969.96					13,969.96
Essex County CDBG - Spray & Play Parks	266,915.00				266,915.00	
Division on Aging:						
Senior Citizen's Public Health Nurse						
Calendar Year 2015 (Visiting Nurses)		15,215.00		12,999.00		2,216.00
Essex County Division of Aging from prior years		16,549.00		16,549.00		
Essex County - Hurricane Sandy	<u>121,574.03</u>			<u>121,574.03</u>		
	<u>641,395.14</u>	<u>31,764.00</u>		<u>168,858.03</u>	<u>338,115.15</u>	<u>166,185.96</u>
	<u>\$ 4,381,939.32</u>	<u>\$ 1,489,707.87</u>	<u>\$ 2,509,003.61</u>	<u>\$ 1,905,352.97</u>	<u>\$ 750,310.17</u>	<u>\$ 5,724,987.66</u>

REF:           A                   A-2a                   A-2a                   Below                   Below                   A

Unappropriated	A-31	\$ 86,583.54
Interfund	A-36	<u>1,838,769.43</u>
		<u>\$ 1,905,352.97</u>

Cancellations against appropriations	A-37	\$ 221,200.15
General Trust Reclass	A-37	266,915.00
Canceled to Operations	A-36	<u>262,195.02</u>
		<u>\$ 750,310.17</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-22  
Sheet # 1

APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2015

	Balance, December 31, 2014	After Transfer	Paid or Charged	Lapsed
<b>DEPARTMENT OF ADMINISTRATION</b>				
Mayor's Office				
Other Expenses	\$ 5,472.79	\$ 5,472.79	\$ 784.96	\$ 4,687.83
Office of Business Administrator				
Other Expenses	2,483.90	2,483.90	500.84	1,983.06
Office of Administrative Services				
Salaries and Wages	3,807.34	3,807.34		3,807.34
Other Expenses	132,273.57	87,223.57	86,060.78	1,162.79
Office of Public Defender				
Salaries and Wages	2,374.80	2,374.80		2,374.80
Other Expenses	750.00	750.00		750.00
Insurances				
General Liability	6,635.50	6,635.50		6,635.50
Workers Compensation	78,826.20	83,826.20	82,905.74	920.46
Employee Group Health	438,794.10	426,244.10	340,015.37	86,228.73
Waived Health Benefits	22,500.04	22,500.04		22,500.04
Municipal Alcohol Beverage Control				
Other Expenses	2,418.08	2,418.08	1,523.00	895.08
	<u>696,336.32</u>	<u>643,736.32</u>	<u>511,790.69</u>	<u>131,945.63</u>
<b>DEPARTMENT OF LAW</b>				
Salaries and Wages	8,253.72	8,253.72		8,253.72
Other Expenses	173,828.99	186,328.99	186,328.99	
	<u>182,082.71</u>	<u>194,582.71</u>	<u>186,328.99</u>	<u>8,253.72</u>
<b>CITY CLERK AND MUNICIPAL COUNCIL</b>				
City Council				
Salaries and Wages	0.64	0.64		0.64
Other Expenses	38,094.56	38,094.56	22,696.51	15,398.05
City Clerk				
Salaries and Wages	44,487.00	44,487.00		44,487.00
Other Expenses	4,325.75	4,325.75		4,325.75
Election Expenses	52,074.70	39,574.70	25,714.24	13,860.46
	<u>138,982.65</u>	<u>126,482.65</u>	<u>48,410.75</u>	<u>78,071.90</u>
<b>DEPARTMENT OF PLANNING AND DEVELOPMENT</b>				
Inspection and Licensing/UCC				
Salaries and Wages	25,665.53	25,665.53		25,665.53
Other Expenses	20,685.23	20,685.23	20,506.11	179.12
Planning Division				
Other Expenses	39,794.44	40,144.44	27,083.75	13,060.69
Zoning Board				
Other Expenses	3,082.04	3,082.04	2,499.96	582.08
Planning Board				
Salaries and Wages	192.25	192.25		192.25
Other Expenses	1,188.59	1,188.59	515.49	673.10
Rent Leveling Board				
Other Expenses	4,074.88	4,074.88		4,074.88
	<u>94,682.96</u>	<u>95,032.96</u>	<u>50,605.31</u>	<u>44,427.65</u>
<b>DEPARTMENT OF FINANCE</b>				
Department of Finance				
Salaries and Wages	654.64	654.64		654.64
Other Expenses	14,788.96	17,788.96	17,704.14	84.82
Auditing/Acting Services	1,428.50	1,428.50		1,428.50
Professional Services - Grant Writing	21,838.00	21,838.00	16,664.00	5,174.00
Office of Tax Collector				
Other Expenses	26,556.39	26,556.39	859.00	25,697.39
Office of Tax Assessor				
Salaries and Wages	521.34	521.34		521.34
Other Expenses	1,856.00	6,276.00	5,837.67	438.33
	<u>67,643.83</u>	<u>75,063.83</u>	<u>41,064.81</u>	<u>33,999.02</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-22  
Sheet # 2

APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2015

	Balance, December 31, 2014	After Transfer	Paid or Charged	Lapsed
<b>DEPARTMENT OF COMMUNITY SERVICES</b>				
Administration Division				
Salaries and Wages	\$	\$		
Other Expenses	900.20	900.20	166.72	733.48
Health Division				
Other Expenses	31,035.46	31,035.46	20,694.88	10,340.58
Animal Control				
Salaries and Wages	2,136.51	2,136.51		2,136.51
Other Expenses	13,052.12	13,052.12	12,638.98	413.14
Older Adult Services				
Other Expenses	39,545.76	39,545.76	26,586.25	12,959.51
Cultural Affairs				
Other Expenses	1,730.52	1,730.52	560.33	1,170.19
Recreation				
Salaries and Wages				
Other Expenses	4,856.72	4,856.72	2,816.65	2,040.07
	<u>93,257.29</u>	<u>93,257.29</u>	<u>63,463.81</u>	<u>29,793.48</u>
<b>DEPARTMENT OF POLICE</b>				
Administrative Division				
Salaries and Wages	243,718.32	84,718.32	43,965.39	40,752.93
Other Expenses	164,866.09	164,866.09	119,058.66	45,807.43
School Guards				
Salaries and Wages	4,845.57	4,845.57		4,845.57
	<u>413,429.98</u>	<u>254,429.98</u>	<u>163,024.05</u>	<u>91,405.93</u>
<b>DEPARTMENT OF FIRE</b>				
Administrative Division				
Salaries and Wages	48,038.36	48,038.36		48,038.36
Other Expenses	290,164.61	290,164.61	150,349.09	139,815.52
	<u>338,202.97</u>	<u>338,202.97</u>	<u>150,349.09</u>	<u>187,853.88</u>
<b>DEPARTMENT OF PUBLIC WORKS</b>				
Street Maintenance				
Salaries and Wages				
Other Expenses	68,043.37	68,043.37	56,801.55	11,241.82
Maintenance of Parks				
Other Expenses	4,011.80	4,011.80	2,936.33	1,075.47
Director's Office				
Salaries and Wages	2,243.80	2,243.80		2,243.80
Other Expenses	4,294.08	46,724.08	46,039.65	684.43
Equipment and Vehicle Maintenance				
Other Expenses		83,000.00	79,478.43	3,521.57
Buildings and Grounds				
Other Expenses	110,330.61	69,865.61	48,868.96	21,196.65
Snow Removal				
Other Expenses	44,573.40	44,573.40	44,573.40	
	<u>233,497.06</u>	<u>318,462.06</u>	<u>278,498.32</u>	<u>39,963.74</u>
<b>MUNICIPAL COURT</b>				
Salaries and Wages	4,907.12	4,907.12		4,907.12
Other Expenses	26,918.24	26,918.24	7,632.27	19,285.97
	<u>31,825.36</u>	<u>31,825.36</u>	<u>7,632.27</u>	<u>24,193.09</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-22  
Sheet # 3

APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Balance,</u> <u>December 31, 2014</u>	<u>After</u> <u>Transfer</u>	<u>Paid or</u> <u>Charged</u>	<u>Lapsed</u>
Planning and Economic Development /Uniform Construction Code Inspections and Licensing Other Expenses	\$ 2.07	2.07		\$ 2.07
	<u>2.07</u>	<u>2.07</u>		<u>2.07</u>
<b>UNCLASSIFIED</b>				
Utilities				
Telephone	36,225.87	38,625.87	25,887.04	12,738.83
Street Lighting	123,141.03	110,141.03	91,194.90	18,946.13
Extended school Program			(1,350.00)	1,350.00
Gas and Electric	85,702.79	72,702.79	44,871.87	27,830.92
Refuse Removal	199,638.67	342,103.67	335,792.18	6,311.49
	<u>444,708.36</u>	<u>563,573.36</u>	<u>496,395.99</u>	<u>67,177.37</u>
<b>CONTINGENT</b>	<u>10,000.00</u>	<u>10,000.00</u>		<u>10,000.00</u>
<b>OPERATIONS - EXCLUDED FROM "CAPS"</b>				
<b>OTHER OPERATIONS</b>				
Improvements to Properties/Demolition	15,900.00	15,900.00	15,900.00	
Interlocal Service Agreement - Millburn	4,900.00	4,900.00		4,900.00
	<u>20,800.00</u>	<u>20,800.00</u>	<u>15,900.00</u>	<u>4,900.00</u>
Contributions to :				
Social Security System	8,247.43	8,247.43	(4,808.94)	13,056.37
Consolidated Police & Fire Judgements	773.18 200,000.00	773.18 200,000.00		773.18
	<u>209,020.61</u>	<u>209,020.61</u>	<u>195,191.06</u>	<u>13,829.55</u>
	<u>2,974,472.17</u>	<u>\$ 2,974,472.17</u>	<u>\$ 2,208,655.14</u>	<u>\$ 765,817.03</u>
Ref. A			Below	A-1
Accounts Payable		Ref. A-23	\$ 200,000.00	
Cash Disbursements		A-4	1,969,845.18	
Prior Year Adjustment			<u>38,809.96</u>	
			<u>\$ 2,208,655.14</u>	

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-23

ACCOUNTS PAYABLE  
YEAR ENDED DECEMBER 31, 2015

	Ref.	
Balance, December 31, 2014	A	\$ 48,395.78
Increased by:		
Transfer from Appropriation reserves	A-22	<u>200,000.00</u>
		248,395.78
Decreased by:		
Disbursements	A-4	<u>24,498.33</u>
Balance, December 31, 2015	A	<u>\$ 223,897.45</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-24

FEDERAL AND STATE GRANT FUND  
DUE TO GRANTORS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	
Balance, December 31, 2014	A	\$ 817,914.26
Increased by:		
Transfer from Unappropriated	A-31	<u>2,000.00</u>
		819,914.26
Decreased by:		
Applied to Grant Reserve	A-37	<u>53,225.00</u>
Balance, December 31, 2015	A	<u>\$ 766,689.26</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

TAX OVERPAYMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-25

	<u>Ref.</u>		
Balance, December 31, 2014	A		\$ 288,777.79
Increased by:			
Cash Receipts	A-6	\$ 449,484.32	
Appropriations	A-3a	<u>100,000.00</u>	<u>549,484.32</u>
			838,262.11
Decreased by:			
Cash Disbursements	A-4	554,052.43	
Applied to Taxes Receivable	A-10	<u>78,109.02</u>	
			<u>632,161.45</u>
Balance, December 31, 2015	A		<u>\$ 206,100.66</u>

RESERVE ORANGE RESERVOIR  
YEAR ENDED DECEMBER 31, 2015

A-26

	<u>Ref.</u>		
Balance, December 31, 2014	A		\$ 525,000.00
Decreased by:			
Recognition as Revenue	A-2a		<u>75,000.00</u>
Balance, December 31, 2015	A		<u>\$ 450,000.00</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

PREPAID LICENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-27

	<u>Ref.</u>	<u>Total</u>	<u>Marriage License Fees</u>	<u>Burial Permits</u>
Balance, December 31, 2014	A	\$ (500.00)	\$ (500.00)	\$
Increased by:				
Collections	A-6	5,740.00	5,550.00	190.00
		<u>5,740.00</u>	<u>5,050.00</u>	<u>190.00</u>
Decreased By:				
Cash Disbursements	A-4	5,260.00	5,100.00	160.00
Balance, December 31, 2015	A	<u>\$ (20.00)</u>	<u>\$ (50.00)</u>	<u>30.00</u>

SPECIAL EMERGENCY NOTES  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-28

	<u>Ref.</u>	
Balance, December 31, 2014	A	\$ 811,171.00
Increased by:		
Borrowings	A-4	<u>805,944.04</u>
		1,617,115.04
Increased by:		
Disbursements	A-4	<u>810,850.00</u>
Balance, December 31, 2015	A	<u>\$ 806,265.04</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-29

RESERVE FOR REVALUATION  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	
Balance, December 31, 2014	A	<u>\$ 44,475.09</u>
Balance, December 31, 2015	A	<u>\$ 44,475.09</u>

RESERVE FOR SALARY ADJUSTMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-30

	<u>Ref.</u>	
Balance, December 31, 2014	A	<u>\$ 418,266.90</u>
Balance, December 31, 2015	A	<u>\$ 418,266.90</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-31

FEDERAL AND STATE GRANT FUND  
SCHEDULE OF UNAPPROPRIATED RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2015

<u>Program</u>	<u>Balance</u> <u>December 31, 2014</u>	<u>Applied to Approp.</u>	<u>Cancelations</u>	<u>Balance</u> <u>December 31, 2015</u>
<u>State and Federal Grant Fund:</u>				
Sustainable Jersey Small Grant	\$ 2,000.00	\$	\$ (2,000.00)	\$
Weed and Seed Grant	10,776.54	10,776.54		
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 Enterprise Zone - Parking Lot	139.65			139.65
UEZ Meter Money	10,754.17			10,754.17
UEZ Admin Expenses	44,110.15			44,110.15
Division on Aging	8,449.00	8,449.00		
Division on Aging 2010	8,100.00	8,100.00		
State Health Services Grant	39,258.00	39,258.00		
Hurricane Sandy				
	<u>\$ 131,428.79</u>	<u>\$ 66,583.54</u>	<u>\$ (2,000.00)</u>	<u>\$ 62,845.25</u>
<u>Ref.</u>	A	A-21	A-24	A

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-32

COUNTY TAXES PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	
Balance, December 31, 2014	A	\$ 10,052.60
Increased by:		
2015 Tax Levy	A-1, A-2c, A-10	7,334,512.93
Added and Omitted	A-1, A-2c, A-10	<u>14,978.31</u>
		<u>7,359,543.84</u>
Decreased by:		
Disbursements	A-4	<u>7,343,946.19</u>
Balance, December 31, 2015	A	<u><u>\$ 15,597.65</u></u>

SCHOOL TAXES PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2015

A-33

	<u>Ref.</u>	
Balance, December 31, 2014 (Payable)	A	\$ 1,785,727.19
Increased by:		
School Tax Levy	A-1, A-2c, A-10	<u>11,283,547.00</u>
		13,069,274.19
Decreased by:		
Disbursements	A-4	<u>13,120,511.57</u>
		<u>13,120,511.57</u>
Balance, December 31, 2015 (Prepaid)	A	<u><u>\$ (51,237.38)</u></u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-34

PREPAID TAXES  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	
Balance, December 31, 2014	A	\$ 166,063.09
Increased by:		
Collections	A-6	170,071.85
		<u>336,134.94</u>
Decreased by:		
Applied to 2015 Taxes Receivable	A-2c, A-10	166,063.09
		<u>166,063.09</u>
Balance, December 31, 2015	A	<u>\$ 170,071.85</u>

DEPOSITS ON SALE OF PROPERTY  
YEAR ENDED DECEMBER 31, 2015

A-35

	<u>Ref.</u>	
Balance, December 31, 2015 and 2014	A	<u>\$ 3,110.00</u>

CITY OF ORANGE TOWNSHIP  
CURRENT FUND

A-36

FEDERAL AND STATE GRANT FUND  
DUE TO/FROM CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>		
Balance, December 31, 2014 (due to)	A		\$ 379,983.22
Increased by:			
Cancelations of Grant Appropriations	A-37	\$ 215,423.89	
Advances	A-37	<u>712,473.53</u>	<u>927,897.42</u>
			1,307,880.64
Decreased by:			
Settlements	A-21	1,838,769.43	
Cancelations of Grant Receivables	A-21	<u>262,195.02</u>	
			<u>2,100,964.45</u>
Balance, December 31, 2015 (due from)	A		<u>\$ (793,083.81)</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
CURRENT FUND  
FEDERAL AND STATE GRANT FUND  
RESERVE FOR GRANT EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2015

State Grants:	Balance	Prior Year	2015 Grants					Cancellations	Balance
	December 31, 2014		Encumbrances	Budgeted	Chapter 159	Expenditures	Encumbrances		Adjustments
	Reserved							Reserved	
New Jersey Transportation Trust Fund Authority Act:									
Fiscal Year 2007	\$ 7,528.12	\$	\$	\$	\$	\$	\$	\$ 7,528.12	
Fiscal Year 2008 - Sterling Avenue	70,930.63							70,930.63	
Fiscal Year 2010 - Various Streets	113,310.87							113,310.87	
Fiscal Year 2011 - Way Signage	16,466.86							16,466.86	
Calendar Year 2011 Phase II - Way Signage	163,740.43							163,740.43	
Fiscal Year 2011 - Various Streets	27,768.22							27,768.22	
NJDOT Various Streets 2012	46,079.99							46,079.99	
NJDOT Various Streets 2013	67,710.18	1,741.00			5,991.09			63,460.09	
NJDOT Various Streets 2014	83,681.17	157,868.51			141,230.92	24,227.19		76,291.57	
NJDOT Highland Ave Station Rehab			614,000.00					614,000.00	
NJDOT Various Streets 2015			311,444.00		16,650.00	18,050.00		276,744.00	
NJDOT Drive Sober or Get Pulled Over	7,500.00				7,450.00			50.00	
Summer Food Program for Children									
Calendar Year 2013	93,310.00						63,310.00		
Calendar Year 2014	136,516.30	2,004.06			14,485.73	1,919.76	122,113.89		
Calendar Year 2015			273,083.62		223,513.66			49,580.26	
Clean Communities Act:									
Calendar Year 2008	3,432.33							3,432.33	
Calendar Year 2009	3,305.49							3,305.49	
Fiscal Year 2010	856.71							856.71	
Fiscal Year 2011	23,330.96							23,330.96	
Fiscal Year 2010	218.10							218.10	
Calendar Year 2013	286.61							286.61	
Calendar Year 2014	9,089.29				6,198.81			890.48	
Calendar Year 2014	19,367.48							19,367.48	
Calendar Year 2015			49,093.60		20,869.41			28,224.19	
Urban Enterprise Zone Program:									
UEZ - Taste of Orange	(100.00)						100.00		
UEZ FINAL PROJECTS	100,267.74				100,000.00			267.74	
Transportation Enhancement - Train Station Phase II - Fiscal Year 2002	200,000.00							200,000.00	
Fiscal Year 2010	10,567.00	518,775.00			7,129.13	522,212.62		0.25	
N.J. Department of Community Affairs- ROID Fiscal Year 2014	2,622.91							2,622.91	
	1,207,997.39	680,388.59	1,247,631.42		545,518.65	596,409.57	100.00	215,423.89	1,808,754.29

CITY OF ORANGE TOWNSHIP  
CURRENT FUND  
FEDERAL AND STATE GRANT FUND  
RESERVE FOR GRANT EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2015

	Balance		2015 Grants					Balance	
	December 31, 2014	December 31, 2015	Budgeted	Charities_100	Expenditures	Encumbrances	Adjustments	Cancellations	December 31, 2015
	Researched	Researched	\$	\$	\$	\$	\$	\$	Researched
Wend and Sneed Community Collaborative Grant									
From Prior Years									
Shen Health Services Grant									
Hazardous Discharge Site Remediation Fund:									
534 Mitchell Street - Fiscal Year 2009	2,215.17								39,259.00
540 Mitchell Street - Fiscal Year 2009	4,476.35								2,215.17
535 Mitchell Street - Fiscal Year 2009	3,350.99								4,476.35
507 Mitchell Street - Fiscal Year 2010	25,911.50								3,350.99
546 Mitchell Street - Fiscal Year 2010	26,412.00			3,000.00					22,911.50
481 New England Terrace - Fiscal Year 2010	39,539.96			3,000.00					26,412.00
321 Soiland Road - Fiscal Year 2010	25,911.50								39,539.96
450 Central Avenue - Fiscal Year 2010	38,931.78								22,911.50
N.J. Historic Trust - City Hall Preservation Plan					16,861.87	251,214.95			38,931.78
Fiscal Year 2010	206,076.82								
Green Acres									
Bell Sodium Rehabilitation									
Recycling Tonnage Grant									
Fiscal Year 2010	83.60				95.00				20,030.07
Fiscal Year 2011	125.95								83.60
Smart Growth									
Fiscal Year 2012	25.00								30.56
Fiscal Year 2012	6,503.52				5,516.78				25.00
Fiscal Year 2013	81,028.36				64,813.50				640.74
Fiscal Year 2015			10,277.91						16,414.86
Body Armor Fund:									
Fiscal Year 2006	0.08								10,277.91
Fiscal Year 2011					185.41				0.08
Transition Year 2012					0,275.33				
Body Armor and Blueli Proulx Vests	4,951.69				4,959.28				766.89
Body Armor 2015				9,003.61			4,185.00		9,003.61
	547,575.95		60,312.45	9,003.61	117,222.71	255,399.95			257,827.97



CITY OF ORANGE TOWNSHIP  
TRUST FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER  
YEAR ENDED DECEMBER 31, 2015

B-1

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>General Trust Fund</u>	<u>Municipal Insurance Trust Fund</u>	<u>Grant Trust Fund</u>
Balance, December 31, 2014	B	\$ 7,885.98	\$ 2,223,385.68	\$ 272,325.32	\$ 175,151.03
Increased by:					
Essex County Community Development Development Block Grant Receivable	B-4				613,770.73
Interfunds Receivable	B-6		3,718,976.14		
Due to State of New Jersey	B-7	993.00			
Off-Duty Police	B-5		1,048,869.73		
Reserve for Other Expenditures	B-8		223,371.96		
Reserve for Other Deposits	B-9		4,363,977.30		
Reserve for NJ Unemployment	B-10		722,619.70		
Premium on Tax Sale	B-11		586,800.00		
Interfunds Payable	B-12		1,997,610.03		259,898.75
Reserve for Other Grant Fund Expenditures	B-17				21.55
Reserve for Animal Control Trust Fund Expenditures:					
License Fees	B-14	4,085.00			
Reserve for Payroll Deductions Payable	B-18		32,499,390.36		
Reserve for Municipal Insurance Trust Fund Expenditures	B-15			103,448.05	
		<u>5,078.00</u>	<u>45,161,615.22</u>	<u>103,448.05</u>	<u>873,691.03</u>
		<u>12,963.98</u>	<u>47,385,000.90</u>	<u>375,773.37</u>	<u>1,048,842.06</u>
Decreased by:					
Disbursements	B-2	1,933.00	42,754,944.31	89,639.92	872,708.90
Balance, December 31, 2015	B	<u>\$ 11,030.98</u>	<u>\$ 4,630,056.59</u>	<u>\$ 286,133.45</u>	<u>\$ 176,133.16</u>

CITY OF ORANGE TOWNSHIP  
TRUST FUND

B-2

CASH - TREASURER  
SCHEDULE OF DISBURSEMENTS  
YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>General Trust Fund</u>	<u>Municipal Insurance Trust Fund</u>	<u>Grant Trust Fund</u>
Interfund Receivable	B-6	\$	\$ 1,175,805.44	\$	\$
Due to State of New Jersey	B-7	918.00			
Reserve for Other Expenditures	B-8		182,953.93		
Reserve for Other Deposits	B-9		4,243,784.83		
Reserve for Unemployment	B-10		580,732.49		
Reserve for Expenditures	B-14	1,015.00			
Premium on Tax Sale	B-11		678,717.83		
Interfunds Payable	B-12		2,174,014.08		237,654.00
Off-Duty Police Payments	B-5		646,062.00		
Reserve for Municipal Insurance Trust Fund Expenditures	B-15			89,639.92	
Reserve for Essex County Community Development Block Grant	B-16				635,054.90
Reserve for Payroll Fund	B-18		33,072,873.71		
	B-1	<u>\$ 1,933.00</u>	<u>\$ 42,754,944.31</u>	<u>\$ 89,639.92</u>	<u>\$ 872,708.90</u>

CITY OF ORANGE TOWNSHIP  
TRUST FUND

B-3

BANK RECONCILIATIONS  
YEAR ENDED DECEMBER 31, 2015

<u>Bank Reconciliation December 31, 2015</u>	<u>Animal</u> <u>Control Fund</u>	<u>General</u> <u>Trust Fund</u>	<u>Municipal Insurance</u> <u>Trust Fund</u>	<u>Grant</u> <u>Trust Fund</u>
Balance per Bank Statements				
Bank of America, Orange, N.J.				
Animal Control Trust Fund Account	\$ 7,885.98	\$	\$	\$
Local Law Enforcement Trust Fund Account		128,380.30		
Other Trust Fund Account		3,816,903.83		
Other Trust Fund Account		310,042.59		
Salary Account		1,123,546.76		
PNC Bank, Orange, N.J.				
Municipal Insurance Fund Account			286,133.45	
Essex County Community Development Block Grant Fund Account				152,464.95
Supplemental Balanced Housing Account				58,680.57
Urban Development Action Grant Account				2,715.48
Prior Year Adjustment	3,145.00			
	<hr/> 11,030.98	<hr/> 5,378,873.48	<hr/> 286,133.45	<hr/> 213,861.00
Plus: Deposits In Transit		628,680.22		
	<hr/> 11,030.98	<hr/> 6,007,553.70	<hr/> 286,133.45	<hr/> 213,861.00
Less: Outstanding Checks		1,377,497.11		37,727.84
	<hr/> \$ 11,030.98	<hr/> \$ 4,630,056.59	<hr/> \$ 286,133.45	<hr/> \$ 176,133.16
<u>Ref.</u>	B-1	B-1	B-1	B-1

CITY OF ORANGE TOWNSHIP  
TRUST FUND

ESSEX COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLES  
YEAR ENDED DECEMBER 31, 2015

B-4

<u>Program</u> <u>Year</u>	<u>Program</u>	<u>Balance,</u> <u>December 31, 2014</u>	<u>Grants</u>	<u>Collections</u>	<u>Canceled</u>	<u>Balance,</u> <u>December 31, 2015</u>
2010-2011	Public Library Boiler Conversion	\$ 19,100.00	\$	\$	\$	\$ 19,100.00
		<u>19,100.00</u>				<u>19,100.00</u>
TY 2011	High /Alden park Multi-Field Improvement-159		245,000.00			245,000.00
	MedCalf Park Improvement Project		20,550.00			20,550.00
	School Zone Pedestrian safety		18,692.00			18,692.00
	Valley Arts Inc. - Youth Artist Program					
	Interfaith Hospitality Network - Home for Good					
	Multi Parks Improvements	249,099.09		221,855.73		27,243.36
	Central Park Spray and Play	266,915.00	406,354.00	391,915.00	281,354.00	
	Circle of Excellence		45,000.00			45,000.00
	Health & Wellness YWCA		25,000.00			25,000.00
		<u>516,014.09</u>	<u>760,596.00</u>	<u>613,770.73</u>	<u>281,354.00</u>	<u>381,485.36</u>
		<u>\$ 535,114.09</u>	<u>\$ 760,596.00</u>	<u>\$ 613,770.73</u>	<u>\$ 281,354.00</u>	<u>\$ 400,585.36</u>
	<u>Ref</u>	B	B-16	B-1	B-16	B

CITY OF ORANGE TOWNSHIP  
TRUST FUND

B-5

ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	
Balance, December 31, 2014	B	\$ 428,585.66
Increased by:		
Receivables from Outside Employment of Off - Duty Police Officers	B-2	<u>646,062.00</u>
		1,074,647.66
Decreased by:		
Collections	B-1	<u>1,048,869.73</u>
Balance, December 31, 2015	B	<u>\$ 25,777.93</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
TRUST FUND

B-6

INTERFUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2015

	Ref.	Total General Trust Fund	General Trust Fund			
			Current Fund	General Capital	Water Operating Fund	Payroll Account
Balance, December 31, 2014	B	\$ 2,542,775.82	\$ 2,451,493.76	\$	\$ 91,282.06	\$
Increased by:						
Interfund Advances Transferred from	B-2	1,175,805.44	1,104,435.31		71,370.13	
Interrfunds Payable	B-12	44,834.55				44,834.55
Reclassification	B-8, B-9	84,931.28	744.56	76,855.00		7,331.72
		<u>1,305,571.27</u>	<u>1,105,179.87</u>	<u>76,855.00</u>	<u>71,370.13</u>	<u>52,166.27</u>
Decreased by :						
Interest Earned	B-1	434.22	434.22			
Interfund Returns	B-1	3,718,541.92	3,555,889.73		162,652.19	
		<u>3,718,976.14</u>	<u>3,556,323.95</u>		<u>162,652.19</u>	
Balance, December 31, 2015	B	<u>\$ 129,370.95</u>	<u>\$ 349.68</u>	<u>\$ 76,855.00</u>	<u>\$</u>	<u>\$ 52,166.27</u>

CITY OF ORANGE TOWNSHIP  
ANIMAL CONTROL FUND

DUE TO STATE OF NEW JERSEY  
YEAR ENDED DECEMBER 31, 2015

B-7

	<u>Ref.</u>	
Balance, December 31, 2014	B	\$ 139.80
Increased by:		
State Registration Fees	B-1	<u>993.00</u>
		1,132.80
Decreased by:		
Payment to the State	B-2	<u>918.00</u>
Balance, December 31, 2015	B	<u><u>\$ 214.80</u></u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
TRUST FUND

RESERVE FOR OTHER EXPENDITURES  
YEAR ENDED DECEMBER 31, 2015

B-8

	<u>Balance,</u> <u>December 31, 2014</u>	<u>Prior Year Adjustment</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance,</u> <u>December 31, 2015</u>
Municipal Court Parking Offenses					
Adjudication Act	\$ 226,723.54	\$ 6,126.04	\$ 13,942.50	\$ 6,673.68	\$ 240,118.40
Court State DWI Fund		1,338.68	412.53		1,751.21
Public Defender Fees	32,023.50		5,377.00		37,400.50
Fire Code Dedicated Penalties	177,492.98	(88,963.67)	75,923.78	53,494.73	110,958.36
Recreation Programs			65,992.00	30,958.74	35,033.26
Recreation Civic Events		(1,638.14)	10,673.14	9,035.00	
Recreation Trips	52,519.44	24,173.93	5,505.24	72,246.97	9,951.64
Atlantic City	2,173.50		1,680.00	1,850.00	2,003.50
High Class Theatre	251.86	(251.86)			
Little League	42.10				42.10
Recreation Youth Games	6,033.31		495.00	6,528.31	
Older Adults Donations	1,447.42		2,505.00	2,166.50	1,785.92
Snow Removal		59,215.02	40,865.77		100,080.79
Demolition Trust			76,855.00		76,855.00
	<u>\$ 498,707.65</u>	<u>\$</u>	<u>\$ 300,226.96</u>	<u>\$ 182,953.93</u>	<u>\$ 615,980.68</u>

Ref.            B

Ref.

B-6

B-1

\$ 76,855.00

223,371.96

\$ 300,226.96

Below

B-2

B

CITY OF ORANGE TOWNSHIP  
TRUST FUND

B-9

RESERVE FOR OTHER DEPOSITS  
YEAR ENDED DECEMBER 31, 2015

	<u>Balance,</u> <u>December 31, 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance,</u> <u>December 31, 2015</u>
Street Opening Deposits	\$ 51,345.00	\$ 8,400.00	\$ 4,103.00	\$ 55,642.00
Planning Board Escrow Deposits	69,573.27	265,349.23	40,389.68	294,532.82
Zoning Board Escrow Deposits	50,698.22	15,400.00	(1,667.26)	67,765.48
Planning Division Escrow Deposits	62,854.60	6,746.83	22,744.92	46,856.51
Fire LEA Rebates	44,804.95	15,475.78	22,672.49	37,608.24
Third Party Building Fees	11,779.52		2,736.00	9,043.52
Elevator Inspection Fees	15,562.92	54,475.00	41,505.00	28,532.92
Plumbing Inspection Fees	29,420.60	36,940.00	8,758.06	57,602.54
Electrical Inspection Fees	50,734.50	8,076.28		58,810.78
Special Law Enforcement Fund	21,859.00	128,120.00	21,598.70	128,380.30
Federal Forfeited Property	6,175.90	13,946.69	1,100.00	19,022.59
Third Party Tax Redemptions	1,247,839.56	3,095,710.77	3,415,627.24	927,923.09
Rent on City Owned Property	76,368.00			76,368.00
Fishing Permits	1,090.00			1,090.00
City Construction Code Fees	84.00	690,793.00	638,859.00	52,018.00
DCA Fees	15,701.00	32,620.00	25,358.00	22,963.00
	<u>\$ 1,755,891.04</u>	<u>\$ 4,372,053.58</u>	<u>\$ 4,243,784.83</u>	<u>\$ 1,884,159.79</u>

<u>Ref.</u>	B	<u>Ref.</u>	Below	B-2	B
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Cash Receipts	B-1	\$ 4,363,977.30
Interfund	B-6	8,076.28
		<u>\$ 4,372,053.58</u>

CITY OF ORANGE TOWNSHIP  
TRUST FUND

RESERVE FOR NEW JERSEY UNEMPLOYMENT  
YEAR ENDED DECEMBER 31, 2015

B-10

	<u>Ref.</u>	
Balance, December 31, 2014	B	\$ 338,179.65
Increased by:		
Cash Receipts	B-1	722,619.70
		<u>1,060,799.35</u>
Decreased by:		
Cash Disbursements	B-2	580,732.49
		<u>580,732.49</u>
Balance, December 31, 2015	B	<u>\$ 480,066.86</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
TRUST FUND

B-11

PREMIUM ON TAX SALE  
YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	
Balance, December 31, 2014	B	\$ 1,651,152.26
Increased by:		
Collections	B-1	586,800.00
		<u>2,237,952.26</u>
Decreased by:		
Redemptions	B-2	678,717.83
		<u>678,717.83</u>
Balance, December 31, 2015	B	<u>\$ 1,559,234.43</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
TRUST FUND

INTERFUNDS PAYABLE  
YEAR ENDED DECEMBER 31, 2015

				B-12
	<u>Ref.</u>	<u>Salary Account</u>		<u>Grant Trust Fund Current Fund</u>
Balance, December 31, 2014	B	\$ 131,569.50		\$
Increased by:				
Interfunds	B-1	1,997,610.03		
Investment Interest	B-1			
Transferred to Interfunds				
Receivable	B-6	44,834.55		
Advances	B-1			259,898.75
		<u>2,174,014.08</u>		<u>259,898.75</u>
Decreased by:				
Settlements	B-2	<u>2,174,014.08</u>		<u>237,654.00</u>
Balance, December 31, 2015	B	<u>\$</u>		<u>\$ 22,244.75</u>

CITY OF ORANGE TOWNSHIP  
TRUST FUND

RESERVE FOR REHABILITATION REFUNDS  
GRANT TRUST FUND  
YEAR ENDED DECEMBER 31, 2015

B-13

	<u>Ref.</u>	
Balance, December 31, 2015 and 2014	B	<u>\$ 1,659.05</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
TRUST FUND

RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES  
YEAR ENDED DECEMBER 31, 2015

B-14

	<u>Ref.</u>		
Balance, December 31, 2014	B		\$ 7,746.18
Increased by:			
Collections:			
Dog and Cat License Fees	B-1	<u>\$ 4,085.00</u>	<u>4,085.00</u>
			<u>11,831.18</u>
Decreased by:			
Payments to Vendors	B-2		<u>1,015.00</u>
Balance, December 31, 2015	B		<u><u>\$ 10,816.18</u></u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
TRUST FUND

RESERVE FOR MUNICIPAL INSURANCE  
TRUST FUND EXPENDITURES  
YEAR ENDED DECEMBER 31, 2015

B-15

	<u>Ref.</u>	
Balance, December 31, 2014	B	\$ 272,325.32
Increased by:		
Appropriated from Current Fund		
Cash Receipts	B-1	<u>103,448.05</u>
		375,773.37
Decreased by:		
Administrative Expenses	B-2	<u>89,639.92</u>
Balance, December 31, 2015	B	<u>\$ 286,133.45</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
TRUST FUND

RESERVE FOR ESSEX COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT  
YEAR ENDED DECEMBER 31, 2015

B-16

<u>Program Year</u>	<u>Program</u>	<u>Balance,</u> <u>December 31, 2014</u>	<u>Grants</u>	<u>Expended</u>	<u>Cancelled</u>	<u>Balance,</u> <u>December 31, 2015</u>
2010-2011	Public Library Boiler Conversion	\$ 35,000.00	\$	\$	\$	\$ 35,000.00
		<u>35,000.00</u>				<u>35,000.00</u>
TY 2011	Central Park Spray and Play	266,915.00	406,354.00	391,915.00	281,354.00	
	High/Alden Street Park Multi-Field Improvemens-159		245,000.00			245,000.00
	Metcalf Park Improvement Project		20,550.00			20,550.00
	School Zone Pedestrian Safety-Oakwood		16,692.00			18,692.00
	Central Park Baseball Field	47,900.00				47,900.00
	ADA Accessible Crosswalk	3,349.56				3,349.56
	Colgate Park Reconstruction	183,989.51		172,602.13		11,387.38
	Alden Street Park Irigation System	60,799.66		48,293.02		12,506.64
	Circle of Excellence		45,000.00	10,802.50		34,197.50
	Health & Wellness YWCA		25,000.00	11,442.25		13,557.75
		<u>562,953.73</u>	<u>760,596.00</u>	<u>635,054.90</u>	<u>281,354.00</u>	<u>359,385.58</u>
		<u>\$ 597,953.73</u>	<u>\$ 760,596.00</u>	<u>\$ 635,054.90</u>	<u>\$ 281,354.00</u>	<u>\$ 442,140.83</u>
	<u>Ref.</u>	<u>B</u>	<u>B-4</u>	<u>B-2</u>	<u>B-4</u>	<u>B</u>

CITY OF ORANGE TOWNSHIP  
TRUST FUND

RESERVE FOR OTHER GRANT FUND EXPENDITURES  
YEAR ENDED DECEMBER 31, 2015

B-17

<u>Program</u> <u>Year</u>	<u>Program</u>	<u>Balance,</u> <u>December 31, 2014</u>	<u>Increase</u> <u>Interest</u> <u>Income</u>	<u>Balance,</u> <u>December 31, 2015</u>
	Urban Development Action Grant: Program Income	\$ 53,651.83	\$ 0.54	\$ 53,652.37
	Balanced Housing Project:			
1990	Supplemental Balanced Housing	36,557.51	21.01	36,578.52
1998	Garcia Homes	19,500.00		19,500.00
2000	East Ward Operation Neighborhood	943.00		943.00
		<u>57,000.51</u>	<u>21.01</u>	<u>57,021.52</u>
		<u>\$ 110,652.34</u>	<u>\$ 21.55</u>	<u>\$ 110,673.89</u>
		<u>Ref.</u> B	B-1	B

CITY OF ORANGE TOWNSHIP  
TRUST FUND

RESERVE FOR SALARY ACCOUNT  
YEAR ENDED DECEMBER 31, 2015

B-18

	<u>Ref.</u>	
Balance, December 31, 2014	B	\$ 819,247.06
Increased by:		
Cash Receipts	B-1	<u>32,499,390.36</u>
		33,318,637.42
Decreased by:		
Administrative Expenses	B-2	<u>33,072,873.71</u>
Balance, December 31, 2015	B	<u><u>\$ 245,763.71</u></u>

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER  
FOR THE YEAR ENDED DECEMBER 31, 2015

C-2

	<u>Ref.</u>		
Balance, December 31, 2014	C		\$ 4,626,005.73
Increased by Receipts:			
Premium on Sale of Notes	C-1	\$ 50,799.73	
Interest	C-14	1,289.67	
Bond Anticipation Notes	C-19	2,530,680.00	
Interfunds	C-14	<u>3,611,050.00</u>	
			<u>6,193,819.40</u>
			10,819,825.13
Decreased by Disbursements:			
Improvement Authorizations	C-8	3,325,197.63	
Capital Lease Reserves	C-12	50,151.73	
Interfunds	C-14	4,718,349.73	
Encumbrances	C-21	<u>2,223,954.24</u>	
			<u>10,317,653.33</u>
Balance, December 31, 2015	C		<u>\$ 502,171.80</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

ANAYSIS OF CASH  
FOR THE YEAR ENDED DECEMBER 31, 2015

C-3

	Balance December 31, 2014	Receipts	Disbursements	To	From	Balance December 31, 2015
Fund Balance	\$ 16,682.47	\$ 50,799.73	\$	\$	\$	\$ 67,482.20
Capital Improvement Fund	465,779.61	1,061,050.00	1,168,295.00	282,245.00	286,100.00	354,679.61
Ordinance 8-02	4,259.33		2,690.00			1,569.33
Ordinance 5-05	(24,087.34)		316,900.00			(340,987.34)
Ordinance 28-05	219,006.07					219,006.07
Ordinance 41-05	596.46					596.46
Various Capital Improvement 09-14	258,732.09	2,530,680.00	3,830,788.05			(1,041,375.96)
Central Park Basketball Courts			102,000.00	102,000.00		
Improvement Authorizations - Funded	290,530.73		110,464.39			180,066.34
Interfunds Receivable	999,995.92	2,551,289.67	3,550,054.73		175,000.00	(173,769.14)
Interfund Payable				184,100.00	107,245.00	76,855.00
Loan Receivable	(9,824.89)					(9,824.89)
Encumbrances Payable	2,254,321.49		1,186,309.43	16,710.32		1,084,722.38
Debt Service Reserve	4,225.00					4,225.00
Grants Receivable	17,750.00					17,750.00
Capital Lease Reserve	66,862.05		50,151.73		16,710.32	
Loan Proceeds	61,176.74					61,176.74
	<u>\$ 4,626,005.73</u>	<u>\$ 6,193,819.40</u>	<u>\$ 10,317,653.33</u>	<u>\$ 585,055.32</u>	<u>\$ 585,055.32</u>	<u>\$ 502,171.80</u>
Ref.	C					C

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

C-4

GRANTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2015

<u>Program</u>	<u>Ordinance</u>	<u>Balance</u> <u>December 31, 2014</u>	<u>Balance</u> <u>December 31, 2015</u>
Green Trust Loan	#28-05	\$ 669,581.24	\$ 669,581.24
		<u>\$ 669,581.24</u>	<u>\$ 669,581.24</u>
	<u>Ref.</u>	C	C

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

C-5

LOANS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>		
Balance, December 31, 2014	C	\$	<u>9,824.89</u>
Balance, December 31, 2015	C	\$	<u>9,824.89</u>
<u>Analysis of Balance</u> Ordinance # 13-02		\$	<u>9,824.89</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

C-6

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION FUNDED  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	
Balance, December 31, 2014	C	\$ 6,952,942.13
Increased by:		
Adjustment	C-16	<u>30,769.44</u>
		6,983,711.57
Decreased by:		
<u>2015 Budget Appropriations to Pay Debt:</u>		
N.J. Environmental Infrastructure Trust		
Loan Payable	C-15	\$ 80,445.61
Green Acres Loan:		
General	C-16	43,307.87
School Refunding Bonds	C-19	299,089.00
General Refunding Bonds	C-18	<u>1,450,911.00</u>
		<u>1,873,753.48</u>
Balance, December 31, 2015	C	<u>\$ 5,109,958.09</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION UNFUNDED  
FOR THE YEAR ENDED DECEMBER 31, 2015

C-7

Ordinance Number	Improvement Description	Balance		Analysis of Balance			
		December 31, 2014	Decreased	December 31, 2015	Financed by Bond Anticipation Notes	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	26,320.00	473,680.00	473,680.00		
05-05	Redevelopment within the City of Orange	1,425,000.00	1,270.00	1,423,730.00	223,730.00	222,720.19	977,279.81
28-05	Acquisition of Property	355,000.00	4,500.00	350,500.00	350,500.00		
41-05	Multi - Parks Projects	90,000.00	3,110.00	86,890.00	86,890.00		
914a	Various Capital Improvements	6,333,400.00		6,333,400.00	5,005,680.00	2,975,963.25	351,756.75
		<u>\$ 11,522,646.00</u>	<u>\$ 35,200.00</u>	<u>\$ 11,487,446.00</u>	<u>\$ 6,140,480.00</u>	<u>\$ 3,198,683.44</u>	<u>\$ 2,148,282.56</u>
	<u>Ref.</u>	C	C-19	C	C-19	C-19	C-8

-III-

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

C-8

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2015

Improvement Description	Date	Ordinance Number	Amount	Balance December 31, 2014		2015 Authorizations	Paid or Charged	Balance December 31, 2015	
				Funded	Unfunded			Funded	Unfunded
Renovations of City Hall	9-01-87	39-87	\$ 300,000.00	\$ 169.76	\$	\$	\$	\$ 169.76	\$
Construction of Police Headquarters and Municipal Headquarters	9-04-97	26-97	5,500,000.00	18,233.74			9,243.00	8,990.74	
Improvements to Water, Waste Water and Storm Water Systems	8-05-98	10-98	4,915,000.00	119,712.86	819,246.00			119,712.86	819,246.00
Removal and Replacement of Underground Petroleum Storage Tanks	2-01-00	2-00	669,950.00	142,589.40			96,271.39	46,318.01	
Renovation of 593 Lincoln Avenue	6-18-02	8-02	500,000.00		4,259.33		2,690.00		1,569.33
Demolition of Unsafe Buildings and Structures	9-03-02	13-02	300,000.00	9,824.89			4,950.00	4,874.89	
Redevelopment Within the City of Orange Orange Township	4-05-05	5-05	1,425,000.00		1,175,912.63		316,900.00		859,012.63
Acquisition of Property	10-04-05	28-05	1,600,000.00		888,587.31				888,587.31
Multi-Park Projects	4-05-05	41-05	180,000.00		596.57				596.57
Various Capital Improvements	05-17-14	09-14	8,772,000.00		6,117,132.09		3,831,058.05		2,286,074.04
Central Park Basketball Courts		04-15	102,000.00			102,000.00	102,000.00		
				<u>\$ 290,530.65</u>	<u>\$9,005,733.93</u>	<u>\$ 102,000.00</u>	<u>\$ 4,363,112.44</u>	<u>\$ 180,066.26</u>	<u>\$ 4,855,085.88</u>
		<u>Ref.</u>		C	C	C-9		C	C
				Encumbered			C-21 \$ 1,037,914.81		
				Cash Disbursements			C-2 3,325,197.63		
							<u>4,363,112.44</u>		

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CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

C-9

SCHEDULE OF CAPITAL IMPROVEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>		
Balance, December 31, 2014	C		\$ 465,779.61
Increased:			
Budget Appropriation	C-14		<u>175,000.00</u>
			640,779.61
Decreased:			
Improvement Authorizations	C-8	\$ 102,000.00	
Transfer to General Trust	C-14	<u>184,100.00</u>	
			<u>286,100.00</u>
Balance, December 31, 2015	C		<u><u>\$ 354,679.61</u></u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

RESERVE FOR DEBT SERVICE  
FOR THE YEAR ENDED DECEMBER 31, 2015

C-10

	<u>Ref.</u>	
Balance, December 31, 2015 and 2014	C	<u>\$ 4,225.00</u>

RESERVE FOR GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2015

C-11

	<u>Ref.</u>	
Balance, December 31, 2015 and 2014		<u>\$ 17,750.00</u>

Program

New Jersey Department of Environment  
Protection:

Green Acres Program:  
Ordinance #28-05

C

\$ 17,750.00

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

C-12

RESERVE FOR CAPITAL LEASE PROGRAM  
ESSEX COUNTY IMPROVEMENT AUTHORITY  
YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	<u>Total</u>	<u>1993 Series</u>	<u>1994 Series</u>
Balance, December 31, 2014	C	\$ 66,862.05	\$ 2,591.30	\$ 64,270.75
Decreased by:				
Encumbered	C-21	16,710.32	\$ 2,591.30	\$ 14,119.02
Disbursements	C-2	<u>50,151.73</u>		<u>50,151.73</u>
Balance, December 31, 2015		<u>\$</u>	<u>\$</u>	<u>\$</u>

RESERVE FOR LOAN PROCEEDS  
YEAR ENDED DECEMBER 31, 2015

C-13

	<u>Ref.</u>	
Balance, December 31, 2014	C	<u>\$ 61,176.74</u>
Balance, December 31, 2015	C	<u>\$ 61,176.74</u>

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

INTERFUNDS RECEIVABLE (PAYABLE)  
YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	<u>Total</u>	<u>Current Fund</u>	<u>General Trust Fund</u>
Balance, December 31, 2014				
From C	C			
(To) C	C	\$ (999,995.92)	\$ (999,995.92)	\$
Increased by:				
Cash Disbursement	C-2	4,718,349.73	3,550,054.73	1,168,295.00
Capital Improvement Fund	C-9	175,000.00	175,000.00	
		<u>4,893,349.73</u>	<u>3,725,054.73</u>	<u>1,168,295.00</u>
		<u>3,893,353.81</u>	<u>2,725,058.81</u>	<u>1,168,295.00</u>
Decreased by:				
Cash Receipts	C-2	3,611,050.00	2,550,000.00	1,061,050.00
Interest on Investments	C-2	1,289.67	1,289.67	
Reclassify to General Trust	C-9	184,100.00		184,100.00
		<u>3,796,439.67</u>	<u>2,551,289.67</u>	<u>1,245,150.00</u>
Balance, December 31, 2015				
From C		<u>\$ 173,769.14</u>	<u>\$ 173,769.14</u>	<u>\$</u>
(To) C		<u>\$ (76,855.00)</u>	<u>\$</u>	<u>\$ (76,855.00)</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

C-15

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE  
YEAR ENDED DECEMBER 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding, December 31, 2015		Interest Rate	Balance December 31, 2014	Decreased	Balance December 31, 2015
			Date	Amount				
Trust Share	11/4/1999	\$ 725,000.00	8/1/2016	\$ 50,000.00	5.50%	\$ 265,000.00	\$ 45,000.00	\$ 220,000.00
			8/1/2017	55,000.00	5.50%			
			8/1/2018	55,000.00	5.50%			
			8/1/2019	60,000.00	5.70%			
Fund Share	11/4/1999	\$ 722,686.00	2/1/2016	2,758.03		185,212.45	35,445.61	149,766.84
			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	35,560.67				
			8/1/2019	37,775.14				
						<u>185,212.45</u>	<u>35,445.61</u>	<u>149,766.84</u>
						<u>\$ 450,212.45</u>	<u>\$ 80,445.61</u>	<u>\$ 369,766.84</u>
<u>Ref.</u>						C	C-6	C

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

GREEN ACRES TRUST LOAN PAYABLE - GENERAL  
YEAR ENDED DECEMBER 31, 2015

C-16  
Sheet # 1

Purpose	Ordinance Number	Amount of Original Issue	Maturities of Bonds Outstanding, December 31, 2015		Interest Rate	Balance December 31, 2014	Increased by Prior Period Adjustment	Decreased	Balance December 31, 2015	
			Date	Amount						
Military Commons		\$ 91,579.10	4/25/2016	\$ 4,717.97	2.00%					
			10/25/2015	4,795.15	2.00%					
			4/25/2017	4,812.80	2.00%					
			10/25/2017	4,860.93	2.00%					
			4/25/2018	4,909.54	2.00%					
			10/25/2018	4,958.63	2.00%					
			4/25/2019	5,008.22	2.00%					
			10/25/2019	5,058.30	2.00%					
			4/25/2020	5,108.89	2.00%					
			10/25/2020	5,159.00	2.00%					
			4/25/2021	5,211.57	2.00%					
			10/25/2021	5,263.66	2.00%	\$ 69,131.93		\$ 9,296.27	\$ 59,835.66	
	Multi- Parks Project	30-03	250,000.00	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	*								
2/19/2028	6,409.92	*			173,076.68		12,820.52	160,256.16		

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

GREEN ACRES TRUST LOAN PAYABLE - GENERAL  
YEAR ENDED DECEMBER 31, 2015

C-15  
Sheet # 2

Purpose	Ordinance Number	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2014	Increased by Prior Period Adjustment	Decreased	Balance December 31, 2015
			Date	Amount					
Ropes Playground	30-03	90,000.00	6/27/2016	2,903.23	*	81,290.31	5,806.46	75,483.85	
			12/27/2016	2,903.23					
			6/27/2017	2,903.23	*				
			12/27/2017	2,903.23	*				
			6/27/2018	2,903.23	*				
			12/27/2018	2,903.23	*				
			6/27/2019	2,903.23	*				
			12/27/2019	2,903.23	*				
			6/27/2020	2,903.23	*				
			12/27/2020	2,903.23	*				
			6/27/2021	2,903.23	*				
			12/27/2021	2,903.23	*				
			6/27/2022	2,903.23	*				
			12/27/2022	2,903.23	*				
			6/27/2023	2,903.23	*				
			12/27/2023	2,903.23	*				
			6/27/2024	2,903.23	*				
			12/27/2024	2,903.23	*				
			6/27/2025	2,903.23	*				
			12/27/2025	2,903.23	*				
Multi-Parks Project	30-03	600,000.00	5/6/16-5/6/33	15,364.62	*	81,290.31	5,806.46	75,483.85	
						589,210.76	15,164.62	584,046.14	
						<u>\$ 892,710.68</u>	<u>\$ 30,769.44</u>	<u>\$ 43,107.87</u>	<u>\$ 880,191.25</u>
						C	C-6	C-5	C

\* - Interest free

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

C-17

SCHOOL REFUNDING BONDS  
YEAR ENDED DECEMBER 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding, December 31, 2015		Interest Rate	Balance December 31, 2014	Decreased	Balance December 31, 2015
			Date	Amount				
School Refunding Bonds Series 2008A:	8/27/2008	\$ 1,309,965.00	12/1/2016	\$ 93,005.00	4.00%	\$ 279,015.00	\$ 89,089.00	\$ 189,926.00
			12/1/2017	96,921.00	4.00%			
School Refunding Bonds Series 2008B:	8/27/2008	3,015,000.00	12/1/2016	215,000.00	4.00%	650,000.00	210,000.00	440,000.00
			12/1/2017	225,000.00	4.00%			
						<u>\$ 929,015.00</u>	<u>\$ 299,089.00</u>	<u>\$ 629,926.00</u>
<u>Ref.</u>						C	C-6	C

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CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

GENERAL REFUNDING BONDS  
YEAR ENDED DECEMBER 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding, December 31, 2015		Interest Rate	Balance December 31, 2014	Decreased	Balance December 31, 2015
			Date	Amount				
Pension Refunding Bonds Qualified Bond Act (P.L. 1976,C.38)	5/1/2003	\$ 4,865,000.00	5/1/2016	\$ 535,000.00	4.52%	\$ 1,040,000.00	\$ 505,000.00	\$ 535,000.00
General Refunding Bonds Qualified Bond Act (P.L. 1976,C.38)	4/25/2007	3,655,000.00	8/1/2016	335,000.00	3.90%	1,755,000.00	340,000.00	1,415,000.00
			8/1/2017	365,000.00				
			8/1/2018	360,000.00				
			8/1/2019	355,000.00				
General Refunding Bonds Series 2008A Qualified Bond Act (P.L. 1976,C.38)	8/27/2008	9,103,035.00	12/1/2016	626,995.00	4.00%	1,885,985.00	605,911.00	1,280,074.00
			12/1/2017	653,079.00	4.00%			
						<u>\$ 4,680,985.00</u>	<u>\$ 1,450,911.00</u>	<u>\$ 3,230,074.00</u>
<u>Ref.</u>						C	C-6	C

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CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

C-19

SCHEDULE OF BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2015

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2014</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2015</u>
08-02	Renovation of 593 Lincoln Ave.	12/21/12	12/15/15	12/14/16	2.00%	\$ 500,000.00	\$	\$ 26,320.00	\$ 473,680.00
05-05	Redevelopment within the City of Orange	12/21/12	12/15/15	12/14/16	2.00%	100,000.00		1,270.00	98,730.00
28-05	Acquisition of Property	12/21/12	12/15/15	12/14/16	2.00%	355,000.00		4,500.00	350,500.00
41-05	Multi-Parks Projects	12/21/12	12/15/15	12/14/16	2.00%	90,000.00		3,110.00	86,890.00
5-05	Redevelopment within the City of Orange	12/18/14	12/15/15	12/14/16	2.00%	125,000.00			125,000.00
9-14C	Police Equipment	12/18/14	12/15/15	12/14/16	2.00%	850,000.00			850,000.00
9-14H	DPW Heavy Equipment	12/18/14	12/15/15	12/14/16	2.00%	725,000.00			725,000.00
9-14I	Road Improvements	12/18/14	12/15/15	12/14/16	2.00%	900,000.00			900,000.00
9-14A,D,F,H	Equipment and Improvements	12/15/15	12/15/15	12/14/16	2.00%		2,530,680.00		2,530,680.00
						<u>\$ 3,645,000.00</u>	<u>\$ 2,530,680.00</u>	<u>\$ 35,200.00</u>	<u>\$ 6,140,480.00</u>
					<u>Ref.</u>	<u>C</u>	<u>C-2</u>	<u>C-7</u>	<u>C</u>

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CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

C-20

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2015

Ordinance Number	Improvement Description	Balance, December 31, 2014	Decrease	Balance, December 31, 2015
10-98	Improvements to Water, Waste Water and Storm Water Systems	\$ 819,246.00	\$	\$ 819,246.00
05-05	Redevelopment within the City of Orange	1,200,000.00		1,200,000.00
9-14	Various Capital Improvements	5,858,400.00	2,530,680.00	3,327,720.00
		<u>\$ 7,877,646.00</u>	<u>\$ 2,530,680.00</u>	<u>\$ 5,346,966.00</u>
		C		C

CITY OF ORANGE TOWNSHIP  
GENERAL CAPITAL FUND

ENCUMBRANCES PAYABLE  
YEAR ENDED DECEMBER 31, 2015

C-21

	<u>Ref.</u>		
Balance, December 31, 2014	C		\$ 2,254,321.49
Increased by:			
Lease Program	C-12	\$ 16,710.32	
Improvement Authorizations	C-8	<u>1,037,914.81</u>	
			<u>1,054,625.13</u>
			3,308,946.62
Decreased by:			
Expenditures	C-2		<u>2,223,954.24</u>
Balance, December 31, 2015	C		<u>\$ 1,084,992.38</u>
Analysis:			
Improvement Authorizations			\$ 1,068,282.06
Lease Program			<u>16,710.32</u>
			<u>\$ 1,084,992.38</u>

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

D-5

CASH RECEIPTS AND DISBURSEMENTS - TREASURER  
YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2014	D	\$ 2,295,819.94	\$ 742,922.63
Increased By:			
Collector	D-7	9,020,740.99	
Interfunds Receivable	D-10, D-10a	1,674,614.22	1,000,000.00
Interfunds Payable	D-21	71,370.13	
		<u>10,766,725.34</u>	<u>1,000,000.00</u>
		<u>13,062,545.28</u>	<u>1,742,922.63</u>
Decreased By:			
Budget Appropriation	D-4	6,530,294.59	
Interfunds Receivable	D-10	1,169,460.56	
Due to United Water	D-17	24,261.72	
Appropriation Reserves	D-16	434,154.41	
Accrued Interest on Bonds	D-18	1,466,222.49	
Improvement Authorizations	D-20		11,608.08
Encumbrances Payable	D		16,516.06
Overpayments Refunded	D-19	152.25	
Interfunds Payable	D-21	1,162,652.19	
		<u>10,787,198.21</u>	<u>28,124.14</u>
Balance, December 31, 2015	D	<u>\$ 2,275,347.07</u>	<u>\$ 1,714,798.49</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

D-6

BANK RECONCILIATIONS  
DECEMBER 31, 2015

	<u>Operating</u>	<u>Capital</u>
<u>Bank Reconciliation</u>		
Balance per Bank Statements		
Bank of America, Orange, N.J.		
Account #3615	\$ 1,438,384.84	\$
Account #0233		1,714,798.49
PNC Bank, Orange, N.J.		
Account #9408	58,021.00	
Account #9512	718,606.57	
	<u>2,215,012.41</u>	<u>1,714,798.49</u>
Add: Deposit in Transit	143,527.72	
Less: Outstanding Checks	<u>83,193.06</u>	
	<u>\$ 2,275,347.07</u>	<u>\$ 1,714,798.49</u>

Ref.

D-5

D-5

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

CASH RECEIPTS AND DISBURSEMENTS  
WATER AND SEWER COLLECTIONS  
YEAR ENDED DECEMBER 31, 2015

D-7

	<u>Ref.</u>	
Increased by:		
Non-budget Revenue	D-3	\$ 36,984.85
Consumer Accounts Receivable	D-11	8,918,809.84
Due to United Water Company	D-17	<u>64,946.30</u>
		9,020,740.99
Decreased by:		
Remittances to Treasurer	D-5	<u>9,020,740.99</u>
		<u>\$</u>

CASH - CHANGE FUND  
DECEMBER 31, 2015

D-8

Balance, December 31, 2015 and 2014	D	<u>\$ 150.00</u>
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CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

D-9

ANALYSIS OF CAPITAL CASH AND INVESTMENTS  
YEAR ENDED DECEMBER 31, 2015

<u>Ordinance Number</u>		<u>Balance December 31, 2014</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Disbursements Other</u>	<u>Balance December 31, 2015</u>
22-02	Reacquisition of Water and Sewer Franchises and Improvement to Water and Sewer System	\$ 1,632,076.93	\$	\$ 28,124.44	\$	\$ 1,603,952.49
8-08	Construction of and Improvements to the City's Mountain Wells, the Chestnut Street Treatment Facilities and High Pump Station.	204,283.95				204,283.95
	<u>Other Accounts</u>					
	Loans Receivable	(129,947.81)				(129,947.81)
	Due from Water Operating Fund	(1,000,000.00)	1,000,000.00			
	Fund Balance	36,509.56				36,509.56
		<u>\$ 742,922.93</u>	<u>\$ 1,000,000.00</u>	<u>\$ 28,124.44</u>	<u>\$</u>	<u>\$ 1,714,798.49</u>
	<u>Ref.</u>	D				D

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

D-10

INTERFUNDS RECEIVABLE - WATER OPERATING FUND  
YEAR ENDED DECEMBER 31, 2015

	Ref.	Total	Water Operating Fund	
			Due from Water Capital Fund	Due from Current Fund
Balance, December 31, 2014	D	\$ 505,153.66	\$	\$ 505,153.66
Increases:				
Reserve for Future Improvements	D-26	13,349.46		13,349.46
Disbursements	D-5	1,169,460.56		1,169,460.56
		<u>1,687,963.68</u>		<u>1,687,963.68</u>
Decreases:				
Receipts	D-5	1,674,614.22		1,674,614.22
Balance, December 31, 2015	D	<u>\$ 13,349.46</u>	<u>\$</u>	<u>\$ 13,349.46</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

D-10a

INTERFUNDS RECEIVABLE - WATER CAPITAL FUND  
YEAR ENDED DECEMBER 31, 2015

	Ref.	Total	Water Capital Fund	
			Due from General Capital Fund	Due from Water Operating Fund
Balance, December 31, 2014	D	\$ 1,000,000.00	\$	\$ 1,000,000.00
Decreases: Receipts	D-5	1,000,000.00		1,000,000.00
Balance, December 31, 2015		\$	\$	\$

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

CONSUMER ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2015

D-11

	<u>Ref.</u>	
Balance, December 31, 2014	D	\$ 2,043,441.00
Increased by:		
Water and Sewer Billings	Reserve	8,795,489.67
		<u>10,838,930.67</u>
Decreased by:		
Collections	D-3, D-7	<u>\$ 8,918,809.84</u>
		<u>8,918,809.84</u>
Balance, December 31, 2015	D	<u>\$ 1,920,120.83</u>

WATER AND SEWER LIEN RECEIVABLE  
YEAR ENDED DECEMBER 31, 2015

D-12

	<u>Ref.</u>	
Balance, December 31, 2015 and 2014	D	<u>\$ 82,455.91</u>

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

LOANS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2015

D-13

	<u>Ref.</u>	
Balance, December 31, 2015 and 2014	D	<u>\$ 129,947.81</u>
<u>Analysis of Balance</u>		
N.J. Environmental Infrastructure Trust Loan		<u>\$ 129,947.81</u>

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

FIXED CAPITAL  
DECEMBER 31, 2015 AND 2014

D-14

	2015	2014
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
	\$ 8,633,725.74	\$ 8,633,725.74
<u>Ref.</u>	D	D

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
DECEMBER 31, 2015 AND 2014

D-15

<u>Ordinance Number</u>		<u>Ordinance</u>		<u>2015</u>	<u>2014</u>
		<u>Date</u>	<u>Amount</u>		
19-83	Improvement to Walls	7/5/1983	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00
22-85	Renovations of Water Filter Plant and Pumping Station	6/18/1985	75,000.00	75,000.00	75,000.00
8-01	Reprocurement of the Operation of the City Water, Storm Water and Waste Water System	5/1/2001	138,583.60	138,583.60	138,583.60
22-02	Reacquisition of Water and Sewer Franchises and Improvement to Water and Sewer System	6/1/2003	30,000,000.00	30,000,000.00	30,000,000.00
8-08	Construction of and Improvements to the City's Mountain Wells, the Chestnut Street Treatment Facilities and High Pump Station.	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>
			<u>Ref.</u>	D	D

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

APPROPRIATION RESERVES  
DECEMBER 31, 2015

D-16

	Balance December 31, 2014		Paid or Charged	Unexpended Balance
	<u>Encumbered</u>	<u>Unencumbered</u>		
<u>Operating</u>				
Salaries and Wages	\$	\$	\$	\$
Other Expenses	95,080.44	4,033.37	1,153.85	2,879.52
	<u>95,080.44</u>	<u>453,101.72</u>	<u>433,000.56</u>	<u>115,181.60</u>
	<u>\$ 95,080.44</u>	<u>\$ 457,135.09</u>	<u>\$ 434,154.41</u>	<u>\$ 118,061.12</u>
<u>Ref.</u>	D	D	D-5	D-1

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

DUE TO UNITED WATER COMPANY  
YEAR ENDED DECEMBER 31, 2015

D-17

	<u>Ref.</u>	
Balance, December 31, 2014	D	\$ 135,548.86
Increased by:		
Collections	D-7	<u>64,946.30</u>
		200,495.16
Decreased by:		
Payments	D-5	<u>24,261.72</u>
Balance, December 31, 2015	D	<u>\$ 176,233.44</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

D-18

ACCRUED INTEREST ON BONDS  
YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>	
Balance, December 31, 2014	D	\$ 155,750.29
Increased by:		
Budget Appropriations	D-4	<u>1,459,154.37</u>
		1,614,904.66
Decreased by:		
Payments	D-5	<u>1,466,222.49</u>
Balance, December 31, 2015	D	<u>\$ 148,682.17</u>

Analysis of Balance

			<u>Accrued</u>			
<u>Bonds</u>	<u>Interest</u>	<u>Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Outstanding						
December 31, 2015						
\$ 3,720,000.00	4.55%		12/1/2015	12/31/2015	1 month	\$ 14,105.00
8,925,000.00	5.00%		12/1/2015	12/31/2015	1 month	38,890.00
<u>7,865,000.00</u>	4.20%		12/1/2015	12/31/2015	1 month	<u>27,527.50</u>
<u>\$ 20,510,000.00</u>						<u>\$ 80,522.50</u>
NJ Environmental						
Infrastructure Loan Payable						
Outstanding						
December 31, 2015						
\$ 525,000.00	5.00%		8/1/2015	12/31/2015	5 months	\$ 10,937.50
195,000.00	5.25%		8/1/2015	12/31/2015	5 months	4,265.63
<u>2,270,000.00</u>	5.50%		8/1/2015	12/31/2015	5 months	<u>52,956.54</u>
<u>\$ 2,990,000.00</u>						<u>\$ 68,159.67</u>
						<u>\$ 148,682.17</u>

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

WATER AND SEWER OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2015

D-19

	<u>Ref.</u>	
Balance, December 31, 2014	D	\$ 98,452.50
Decreased by:		
Disbursements	D-5	<u>152.25</u>
Balance, December 31, 2015	D	<u>\$ 98,300.25</u>

See Independent Auditors' Report

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2015

D-20

	<u>Ordinance</u>		<u>December 31, 2014</u>		<u>Paid or Charged</u>	<u>December 31, 2015</u>		
	<u>Number</u>	<u>Date</u>	<u>Amount</u>	<u>Funded</u>		<u>Unfunded</u>	<u>Funded</u>	<u>Unfunded</u>
Reacquisition of Water and Sewer Franchises and Improvement to Water and Sewer System	22-02	6/1/2003	\$ 30,000,000.00	\$ 3,276,103.40	\$	\$ 11,608.08	\$ 3,264,495.32	\$
Construction of and Improvements to the City's Mountain Wells, the Chestnut Street Treatment Facilities and High Pump Station.	8-08	6/4/2008	9,000,000.00			44,022.42		44,022.42
				<u>\$ 3,276,103.40</u>	<u>\$ 44,022.42</u>	<u>\$ 11,608.08</u>	<u>\$ 3,264,495.32</u>	<u>\$ 44,022.42</u>
		<u>Ref.</u>		<u>D</u>	<u>D</u>	<u>D-5</u>	<u>D</u>	<u>D</u>

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

INTERFUNDS PAYABLE - WATER OPERATING FUND  
YEAR ENDED DECEMBER 31, 2015

D-21

	Ref.	Totals	Water Operating Fund	
			Due to General Trust Fund	Due to Water Capital Fund
Balance, December 31, 2014	D	\$ 1,091,282.06	\$ 91,282.06	\$ 1,000,000.00
Increased by:				
Receipts	D-5	71,370.13	71,370.13	
		<u>1,162,652.19</u>	<u>162,652.19</u>	<u>1,000,000.00</u>
Decreased by:				
Settlements	D-5	1,162,652.19	162,652.19	1,000,000.00
		<u>1,162,652.19</u>	<u>162,652.19</u>	<u>1,000,000.00</u>
Balance, December 31, 2015		<u>\$</u>	<u>\$</u>	<u>\$</u>

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2015

D-22

	<u>Ref.</u>	
Balance, December 31, 2014	D	\$ 11,445,706.75
Increased by:		
New Jersey Environmental Infrastructure Trust Loan Payable	D-24	<u>353,761.24</u>
Balance, December 31, 2015	D	<u>\$ 11,799,467.99</u>

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

D-23

DEFERRED RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2015

<u>Ordinance Number</u>		<u>Date</u>	<u>Balance December 31, 2014</u>	<u>Bonds Paid from Operating Budget</u>	<u>Balance December 31, 2015</u>
22-02	Reacquisition of Water and Sewer Franchises and Improvement to Water and Sewer System	6/1/2003	<u>\$ 7,510,000.00</u>	<u>\$ 1,235,000.00</u>	<u>\$ 8,745,000.00</u>
		<u>Ref.</u>	D	D-25	D

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE  
YEAR ENDED DECEMBER 31, 2015

Purpose	Date of Issue	Amount Of Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance December 31, 2014	Decrease	Balance December 31, 2015
			Date	Amount				
Trust Share	11/6/2008	\$ 3,835,000.00	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	5.25%			
			8/1/2020	205,000.00	5.50%			
			8/1/2021	215,000.00	5.50%			
			8/1/2022	225,000.00	5.50%			
			8/1/2023	240,000.00	5.50%			
			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%			
Fund Share	11/6/2008	\$ 3,664,719.00	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	*						
						2,701,321.59	193,761.24	2,507,560.35
						\$ 5,851,321.59	\$ 353,761.24	\$ 5,497,560.35
					Ref.	D	D-22	D

CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

D-25

SERIAL BONDS  
YEAR ENDED DECEMBER 31, 2015

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2015		Interest Rate	Balance December 31, 2014	Decrease	Balance December 31, 2015
			Date	Amount				
Requisition of Water and Sewer Franchise and Improvement to Water System and Sewer System	6/1/2003	\$ 30,000,000.00	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	1,100,000.00	5.00%			
			6/1/2024	975,000.00	4.00%			
			6/1/2025	2,150,000.00	4.00%			
			6/1/2026	2,250,000.00	4.00%			
			6/1/2027	2,360,000.00	4.00%			
						<u>\$ 21,615,000.00</u>	<u>\$ 1,235,000.00</u>	<u>\$ 20,380,000.00</u>
					<u>Ref.</u>	D	D-23	D

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CITY OF ORANGE TOWNSHIP  
WATER AND SEWER UTILITY

RESERVE FOR FUTURE IMPROVEMENTS  
YEAR ENDED DECEMBER 31, 2015

D-26

Ref.

Increased by:

Interfund - Current	D-10	<u>\$ 329,002.06</u>
Balance, December 31, 2015	D	<u><u>\$ 329,002.06</u></u>

**CITY OF ORANGE TOWNSHIP  
ESSEX COUNTY, NEW JERSEY**

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**PART II**

**REPORT ON INTERNAL CONTROL AND  
LETTER OF COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2015**

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

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

We have audited, in accordance with the 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, the regulatory basis financial statements of the various funds of the City of Orange Township, Essex County, New Jersey (the "City"), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated August 12, 2016.

**Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's regulatory basis financial statements are free from 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 Township incorporated herein the schedule of findings and questions costs.

### Purpose of this Report

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

*PKF O'Connor Davies, LLP*

August 12, 2016  
Livingston, New Jersey



Francis M. McEnerney, CPA, RMA  
Licensed Registered Municipal Accountant # 539

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

N.J.S.A.40A: 11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$36,000, except by contract or agreement."

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$36,000 within the fiscal year.

The minutes indicate that resolutions were adopted and advertised, authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5.

Our examination of expenditures did not reveal any payments for contracts or agreements in excess of \$36,000 "for the performance of any work, or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A: 11-6.

### **Pension Eligibility**

The State of New Jersey enacted legislation under Ch. 92 P.L. 2007 and codified under N.J.S.A. 43:15A-7.2 and 43:15c-2b(4). The law establishes that individuals performing professional services 1) under a contract awarded pursuant to N.J.S.A 40A:11.5 and 1 or 2 under an independent contract as determined in accordance with rules and policy of the IRS are eligible for membership in the State's Pension System - PERS. There were no "grandfathering" provisions under N.J.S.A. 43:15A-7.2. The municipalities were required to remove them from the pension roles.

It appears there are no individuals who are enrolled in PERS who do not meet the requirements under the statutes.

### **Collection of Interest of Delinquent Taxes, Assessments and Sewer Charges**

The statute provides the method for authorizing interest and the maximum rate to be charged for the non-payment of taxes or water sewer fees on or before the date when they would become delinquent.

The Governing Body on January 6, 2015 adopted the following resolution authorizing interest to be charged on delinquent taxes and sewer accounts:

BE IT FURTHER RESOLVED, that the interest charged on 2015 delinquencies on Tax and/or Sewer by the Tax Collector shall be 8% per annum on the first \$1,500 and 18% on any amount in excess of \$1,500 per N.J.S.A. 54:5-6.

BE IT FURTHER RESOLVED, that no interest shall be charged if payment of any installment is made within TEN (10) calendar days of the due date. If the tenth day falls on a Saturday, Sunday or legal holiday, then the grace period shall be extended to the next business day; and

BE IT FURTHER RESOLVED, that the Collector is authorized to transfer amounts of \$5.00 or less to surplus per N.J.S.A.-C40A:5-17.1.

BE IT FURTHER RESOLVED, that the fee charged for checks returned due to insufficient funds or any other reasons shall be \$25.00, and shall be charged when collecting return check amounts.

BE IT FURTHER RESOLVED, that the fee charged for providing a duplicate bill shall be \$5.00

It appears from an examination of the Collector's record that interest was collected in accordance with the foregoing resolution except as previously noted,

#### **Delinquent Taxes and Tax Title Liens**

The last tax sale was held in December of 2015. Amounts not included in this sale were for amounts in litigation.

**City of Orange Township  
Schedule of Findings  
December 31, 2015**

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**Finding No. 2015-1**

**Tax Collector**

***Comment***

During the course of our engagement, it was noted that the Tax Collector's tax overpayments were not in agreement with other reports and/or subsidiary ledgers.

***Recommendation***

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

***Management's Response***

The City will implement procedures to ensure that subsidiary ledgers and other reports relating to tax overpayments and reserves for tax appeals are properly reconciled to control accounts.

**Finding No. 2015-2**

**Tax Collector**

***Comment***

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 could be required to be paid by the City due to refunds not made in a timely manner to lien holders.

***Recommendation***

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

***Management's Response***

The City will implement procedures to ensure that the detail listing of Third Party Lien Redemptions is current.

**Finding No. 2015-3**

**Tax Collector**

***Comment***

During the course of our engagement, it was noted that the detail listing of the Premium on Tax Sale Account did not agree to the balance in General Trust Fund.

***Recommendation***

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

***Management's Response***

The City will implement procedures to ensure that the detail listing of the Premium on Tax Sale is current.

**City of Orange Township  
Schedule of Findings  
December 31, 2015**

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**Finding No. 2015-4**

**Recreation Department**

***Comment***

It was noted that during 2015, all receipts were not posted to the Recreation Department's RECPRO system prior to being turned over to the Finance Cashier for deposit. The amount of receipts recorded by the department does not agree to the amount of receipts received and posted by the Finance Department. 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, which could result in understating cash, revenue and fund balances.

***Recommendation***

The City should review the reports generated by the RECPRO system and make sure that they are in agreement with the amounts recorded by the Finance Department.

***Management's Response***

The City will ensure that the Recreation Department records are reconciled to reports generated from RECPRO and amounts turned over to the Finance Department.

**Finding No. 2015-5**

**Municipal Court**

***Comment***

During the course of our engagement, proof of surety bond coverage for applicable Municipal Court employees was requested, but not provided. The effect of this is that there potentially could be 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.

***Recommendation***

The City 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. It is also recommended that the City review their record retention policies to ensure that crucial documents are available for review.

***Management's Response***

The City will review existing surety bonds and implement revisions as deemed necessary to comply with statutory requirements.

**Finding No. 2015-6**

**Recreation Department, Tax Collector and Municipal Court Department**

***Comment***

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

***Recommendation***

The City 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.

**City of Orange Township  
Schedule of Findings  
December 31, 2015**

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***Management's Response***

The City will 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.

**Finding No. 2015-7**

**Construction Code Department**

***Comment***

During the course of our engagement it was noted that the reports generated by Spatial Data Logic do not reconcile to the revenue posted to the General Ledger. A separate monthly Excel report is maintained by the Construction Code Department, however, a difference of \$6,872.00 between the Excel reports and the GL was noted.

***Recommendation***

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

***Management's Response***

The Construction Code Department implemented procedures in 2016 to properly record revenue collected.

**Finding No. 2015-8**

**Construction Code Department**

***Comment***

During the course of our engagement it was noted that the 1<sup>st</sup> and 4<sup>th</sup> quarter DCA payments to the State of New Jersey were under paid by \$2,171.00.

***Recommendation***

The City should reconcile quarterly disbursements prior to payment

***Management's Response***

The City remitted the difference in 2016.

**Finding No. 2015-9**

**Voucher Testing – Various Funds**

***Comment***

During the course of our engagement, the following items were noted during the compliance testing of purchase orders from various funds:

- 1) A number of vouchers were prepared after the goods or services were already rendered resulting in confirming purchase orders.
- 2) Certain vouchers selected for audit were not available for review.
- 3) Certain vouchers did not have claimant's certification.
- 4) Certain vouchers selected did not contain supporting documentation sufficient enough to support the amount charged.
- 5) Certain vouchers selected were found to have been paid prior to the approval of the bill list.
- 6) Certain vouchers selected were not signed by the CFO.

**City of Orange Township  
Schedule of Findings  
December 31, 2015**

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The effect is that:

- 1) The City is not in compliance with the State of New Jersey Division of Local Government regulations.
- 2) The encumbrance system is not being properly utilized.

***Recommendation***

The City should review its process of awarding contracts and maintain compliance with the purchasing laws of the State of New Jersey.

***Management's Response***

The City will implement month end closing procedures in order to ensure that activity is being properly recorded, classified and reconciled, as well as ensure compliance with the encumbrance system and prevent noncompliance with contract bid laws.

**Finding No. 2015-10**

**Payroll Fund**

***Comment***

During the course of our engagement, various issues were noted in the Payroll Department:

- 1) A salary ordinance covering CY 2015 for non-union employees was not provided.
- 2) Union contracts provided for audit are outdated.
- 3) It was noted that an employee was covered under the City's Health Benefits Program for over four months before making required Chapter 78 health benefit contributions.
- 4) W-4's were not available for certain employees tested.
- 5) Based on information provided to us by the City, one employee tested appears to have exceeded the salary maximum as per Superior Officer's Association union contract.
- 6) I-9 forms were not available for all new employees tested.
- 7) Chapter 78 Health Benefit Contribution deductions were incorrect for one employee tested.
- 8) An overpayment of \$478.18 for a health benefit waiver was noted.

***Recommendation***

The City should implement procedures so that required documentation is properly reviewed, approved and retained. The City should also ensure that all salaries are covered by either ordinance or collective bargaining agreement.

***Management's Response***

The City will implement procedures in order to ensure that all salaries are properly approved and that documentation is properly retained.

**Finding No. 2015-11**

**Fixed Assets**

***Comment***

During the course of our engagement, it was noted that the City does not maintain a proper fixed assets ledger in accordance with N.J.A.C. 5:30-6, Technical Advisory Directive No. 2. The effect is that the City is not properly recording and maintaining a record of tangible property.

***Recommendation***

The City should implement procedures to record and periodically review all fixed assets.

***Management's Response***

The City will review their policies and procedures pertaining to this comment.

## RECOMMENDATIONS

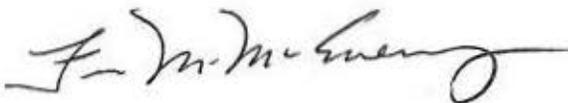
1. \*The tax collector should implement month end closing procedures for tax overpayments and tax levy amounts.
2. \*The City should implement reconciliation procedures for third party lien redemption, premium on tax sale and tax refunds.
3. \*The City should review their record retention procedures to ensure that critical documents are available for review.
4. \*The City should review current policies and procedures with respect to statutory requirements as well as implement procedures in order to ensure that all funds are deposited within 48 hours.
5. \*All Recreation Department revenues should be recorded and reconciled with the records of the Finance Department.
6. \*The City should ensure that all applicable Municipal Court personnel are properly bonded.
7. \*The City should use and maintain approved salary guides to ensure proper salary rates are used for all municipal employee payroll calculations.
8. The City should ensure that statutory payments are properly reconciled.
9. \*The Construction Code Department should reconcile their cash receipts to the Finance Department
10. The City should implement a fixed asset reporting system.

A review was performed on all prior year recommendations and corrective action was taken on all, except those recommendations denoted with an asterisk (\*).

The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

*PKF O'Connor Davies, LLP*

Livingston, New Jersey  
August 12, 2016



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Registered Municipal Accountant #539