



***TOWNSHIP OF WEST ORANGE***

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**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY SCHEDULES**

**WITH**

**INDEPENDENT AUDITORS' REPORTS**

**YEAR ENDED DECEMBER 31, 2011**

**TOWNSHIP OF WEST ORANGE**

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**TOWNSHIP OF WEST ORANGE**

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**PART I**

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

**YEAR ENDED DECEMBER 31, 2011**

**ROSTER OF OFFICIALS**

The following officials were in office as of December 31, 2011:

<b><u>Name</u></b>	<b><u>Title</u></b>
Robert D. Parisi	Mayor
Sal M. Anderton	President
Victor Cirilo	Councilman
Joseph Krakoviak	Councilman
Susan McCartney	Councilman
Patty Spango	Councilwoman
John K. Sayers	Business Administrator
Karen J. Carnevale	Municipal Clerk
John O. Gross	Comptroller, Treasurer and Chief Financial Officer
Joanne Gagliardo	Tax Collector
Harry L. Starrett	Chief Judge - Municipal Court
Margaret Padavano	Judge - Municipal Court
Edrie Daniels	Municipal Court Administrator
Kevin Dillon	Tax Assessor

## Independent Auditors' Report

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

We have audited the accompanying balance sheets – regulatory basis of the individual funds (current, trust, general capital swimming pool utility, public assistance, general fixed asset group) of the Township of West Orange (the “Township”) as of December 31, 2011 and the related statements of operations and changes in fund balances – regulatory basis, and statements of revenues, expenditures – regulatory basis for the year then ended, as listed in the foregoing table of contents. These financial statements are the responsibility of the management of the Township. Our responsibility is to express an opinion on these financial statements based upon our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”) and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township’s internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A, these financial statements were prepared in conformity with the accounting principles prescribed by the Division, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the statutory basis of accounting and accounting principles generally accepted in the United States of America, although not presently determinable, are presumed to be material.

In our opinion, because the Township’s policy is to prepare its financial statements on the basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of West Orange as of December 31, 2011, and the results of its operations for the year then ended.

However, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the individual funds enclosed of the Township of West Orange as of December 31, 2011, and the results of its operations and changes in fund balances of such funds for the year then ended, and the revenues, expenditures and fund balances for the year ended December 31, 2011, on the basis of accounting described in Note A.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2012 on our consideration of the Township of West Orange's internal control over financial reporting and 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* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprise the Township of West Orange's basic financial statements. The accompanying financial information listed as Supplementary Data in the foregoing table of contents and the Schedule of Expenditures of Federal and State Awards are presented for purposes of additional analysis, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB Circular 04-04, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole, on the basis of accounting as described in Note A.

This report is intended for the information and use of the Township of West Orange's management, New Jersey Department of Community Affairs, Division of Local Government Services, and the United States Department of Housing and Urban Development and should not be used for any other purposes. However, this report is a matter of public record and its distribution is not limited.

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McEnerney, Brady & Company, LLC  
Certified Public Accountants

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Francis M. McEnerney  
Registered Municipal Accountant #539

Livingston, New Jersey  
November 27, 2012

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A  
Sheet # 1

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
CASH		\$ 7,750,983.63	\$ 5,582,112.94
INVESTMENTS			4,505,368.58
	A-4	<u>7,750,983.63</u>	<u>10,087,481.52</u>
RECEIVABLES AND OTHER ASSETS WITH FULL RESERVES:			
Change Funds	A-6	450.00	450.00
Delinquent Property Taxes	A-7	3,147,736.63	1,557,515.11
Tax Title Liens	A-8	169,198.38	156,756.86
Property Acquired for Taxes - Assessed Valuation	A-9	392,465.00	392,465.00
Revenue Accounts Receivable	A-11	685,616.10	638,209.76
Sewer User Charges Receivable	A-12	206,302.41	39,828.11
Due From Grant Fund	A-13	450,733.09	
		<u>5,052,501.61</u>	<u>2,785,224.84</u>
		<u>12,803,485.24</u>	<u>12,872,706.36</u>
DEFERRED CHARGES:			
Special Emergency Authorizations (40A:4-53)	A-28	448,900.00	
		<u>13,252,385.24</u>	<u>12,872,706.36</u>
STATE AND FEDERAL GRANTS RECEIVABLE			
State and Federal Grants Receivable	A-24	3,019,131.23	1,729,920.78
Due from Current Fund	A-25		120,083.05
		<u>3,019,131.23</u>	<u>1,850,003.83</u>
		<u>\$ 16,271,516.47</u>	<u>\$ 14,722,710.19</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A  
Sheet # 2

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<b>LIABILITIES:</b>			
Appropriation Reserves	A-3, A-15	\$ 1,984,808.33	\$ 1,504,570.72
Reserve for Encumbrances	A-3, A-15	390,307.24	1,558,598.79
Due to State of New Jersey - Ch. 20, P.L. 1971	A-16	5,883.74	6,383.74
Accounts Payable	A-17	45,320.27	303,585.04
County Taxes Payable	A-20	70,683.08	67,756.69
Fees Due to State of New Jersey	A-21	1,700.00	7,979.00
Prepaid Taxes	A-22	718,117.84	689,877.91
Deferred Revenue	A-23	462.85	110,179.85
Emergency Note	A-14	448,900.00	
Deposit on Sale of Property	A-17A	1,000.00	
Tax Appeals Payable	A-10	1,420,243.80	1,302,408.19
Tax Overpayments	A-18	33,026.40	
Local Opens Space Tax due to Open Space Trust	A-14A	1,059.99	
Due to Grant Fund	A-13		120,083.05
		<u>5,121,513.54</u>	<u>5,671,422.98</u>
 Reserve for Receivables and Other Assets	 A	 <u>5,052,501.61</u>	 <u>2,785,224.84</u>
 FUND BALANCE	 A-1	 <u>3,078,370.09</u>	 <u>4,416,058.54</u>
		 <u>13,252,385.24</u>	 <u>12,872,706.36</u>
 <b>STATE AND FEDERAL GRANT FUND</b>			
Appropriated Reserves-Grants	A-26	2,501,612.43	1,769,131.06
Unappropriated Reserves-Grants	A-27	66,785.71	80,872.77
Due to Current Fund	A-25	450,733.09	
		<u>3,019,131.23</u>	<u>1,850,003.83</u>
		<u>\$ 16,271,516.47</u>	<u>\$ 14,722,710.19</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A-1

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<b>REVENUE AND OTHER INCOME:</b>			
Fund Balance Utilized	A-2	\$ 3,400,000.00	\$ 4,550,000.00
Miscellaneous Anticipated Revenue	A-2	16,519,918.91	16,940,891.35
Receipts from Delinquent Taxes	A-2	1,543,761.33	1,496,978.47
Receipts from Current Taxes	A-2, A-7	196,135,553.75	192,446,833.53
Non-Budget Revenues	A-2	138,239.60	210,595.59
Other Credit to Income:			
Miscellaneous Income			31,601.71
Appropriation Reserves Lapsed	A-15	732,520.40	955,832.90
Accounts Payable Cancelled	A-17	84,999.90	96,701.70
		218,554,993.89	216,729,435.25
<b>TOTAL REVENUE AND OTHER INCOME</b>			
 <b>EXPENDITURES:</b>			
Budgeted and Emergency Appropriations	A-3	55,455,020.82	57,452,096.69
Capital Improvements	A-3	230,100.00	100.00
Municipal Debt Service	A-3	4,914,999.99	4,942,948.57
Statutory Expenditures and Deferred Charges	A-3	7,546,334.89	5,950,476.00
Prior Year Exemptions Disallowed	A-16	3,261.64	781.50
Prior Year Revenue Refund	A-4		32,809.97
Interfund Increase	A-13	450,733.09	
Local District School Tax	A-19	120,287,738.00	118,051,468.00
County Taxes	A-20	27,900,312.78	26,735,388.74
Grant Receivable Cancelled	A-24	1,572.73	31,601.71
Open Space Trust	A-2, A-4	151,508.40	151,308.22
		216,941,582.34	213,348,979.40
<b>TOTAL EXPENDITURES</b>			
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>		1,613,411.55	3,380,455.85
 <b>ADJUSTMENTS TO INCOME BEFORE FUND BALANCE:</b>			
EXPENDITURES INCLUDED ABOVE WHICH ARE BY STATUTE DEFERRED CHARGES TO BUDGET OF SUCCEEDING YEAR		448,900.00	
		448,900.00	
FUND BALANCE, BEGINNING OF YEAR	A	4,416,058.54	5,585,602.69
Subtotal		6,478,370.09	8,966,058.54
UTILIZED AS ANTICIPATED REVENUE	A-2	3,400,000.00	4,550,000.00
FUND BALANCE, END OF YEAR	A	\$ 3,078,370.09	\$ 4,416,058.54

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A-2  
Sheet # 1

STATEMENT OF REVENUES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
FUND BALANCE ANTICIPATED	A-1	\$ 3,400,000.00	\$ 3,400,000.00	\$
MISCELLANEOUS REVENUES:				
Licenses:				
Alcoholic Beverages	A-11	69,000.00	74,058.94	5,058.94
Other	A-2	59,000.00	50,403.72	(8,596.28)
Fees and Permits:				
Uniform Construction Code Fees	A-11	423,958.00	591,824.85	167,866.85
Fees and Permits:	A-2	106,000.00	87,524.75	(18,475.25)
Fines and Costs - Municipal Court	A-11	587,000.00	474,280.63	(112,719.37)
Parking Meters	A-11	60,000.00	31,886.63	(28,113.37)
Interest and Costs on Taxes	A-11	440,087.00	526,209.36	86,122.36
Energy Receipts Tax	A-11	4,398,434.00	4,398,434.00	
Consolidated Municipal Property				
Tax Relief Aid	A-11	292,818.00	292,818.00	
Watershed Moratorium Offset Aid	A-11, A-23	10,434.00	10,434.00	
Interest on Investments	A-11	50,000.00	48,350.97	(1,649.03)
Payments in Lieu of Taxes:				
Jewish Federation Plaza	A-11	64,000.00	62,289.00	(1,711.00)
Eagle Rock Senior Citizen Housing	A-11	75,000.00	76,036.00	1,036.00
West Orange Senior Citizen Housing	A-11	60,000.00	88,425.00	28,425.00
Woodland Valley	A-11	30,000.00	31,762.35	1,762.35
St. Barnabas	A-11	286,000.00	214,500.00	(71,500.00)
Sewer User Charges	A-12	3,607,500.00	3,536,552.40	(70,947.60)
General Capital Fund Surplus	A-11	124,000.00	124,000.00	
Cable TV Franchise Fees	A-11	548,000.00	548,342.23	342.23
Ground Leases	A-11	130,000.00	135,296.50	5,296.50
Uniform Fire Safety Act	A-11	53,297.00	75,416.90	22,119.90
Reimbursement Reserve-Joint Maintenance-				
Outlet Sewer	A-23	104,500.00	104,500.00	
Supplemental Sewer Fees	A-11	50,000.00	134,100.00	84,100.00
Reimbursement Board of Education	A-11	2,300.00	2,550.36	250.36
Property Lease Payment-Board of Ed	A-11	69,467.00	69,467.00	
Borough of Roseland-Tax Assessor	A-11	31,000.00	25,833.30	(5,166.70)
Hotel Tax	A-11	370,000.00	413,689.65	43,689.65
Medical Transport Billing Service	A-11	350,000.00	448,746.37	98,746.37
Reserve to Pay Debt Service	A-11	232,000.00	232,000.00	
Assessment Trust Fund Balance	A-11	18,500.00	18,500.00	
Rental-Environmental Center	A-11	90,000.00	90,000.00	
Trust Fund Balance	A-11	777,991.00	777,991.00	
Swimming Pool Fund Balance	A-11	175,000.00	175,000.00	

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A-2  
Sheet # 2

STATEMENT OF REVENUES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
MISCELLANEOUS REVENUES (Continued):				
State Grants:				
Transportation Municipal Aid	A-24	\$ 2,245,777.00	\$ 2,245,777.00	\$
Essex County Office on Aging:	A-24	17,171.00	17,171.00	
Drunk Driving Enforcement Fund	A-24, A-27			
Essex County Office on Alcoholism, Drug Abuse and Addiction Services:				
West Orange Municipal Alliance	A-24	59,800.00	59,800.00	
Clean Communities	A-24	59,800.00	59,800.00	
Community Shuttle Grant	A-24	10,000.00	10,000.00	
Delinquency Prevention Grant	A-24	18,563.00	18,563.00	
Body Armor Replacement Fund	A-24, A-27			
Cops in Shops	A-24	12,712.00	12,712.00	
NJDHSS-Influenza H1N1 Virus	A-24	25,000.00	25,000.00	
NJ Dept. of Health-H1N1 Program	A-24	10,000.00	10,000.00	
Recycling Tonnage Grant	A-24, A-27	80,872.00	80,872.00	
Pedestrian Safety Enforcement	A-24	9,000.00	9,000.00	
TOTAL MISCELLANEOUS ANTICIPATED REVENUES	A-1	<u>16,293,981.00</u>	<u>16,519,918.91</u>	<u>225,937.91</u>
RECEIPTS FROM DELINQUENT TAXES	A-1,A-7	<u>1,490,000.00</u>	<u>1,543,761.33</u>	<u>53,761.33</u>
AMOUNT TO BE RAISED BY TAXES FOR SUPPORT OF MUNICIPAL BUDGET	A-2	<u>51,075,300.00</u>	<u>51,853,669.57</u>	<u>778,369.57</u>
BUDGET TOTALS	A-3	<u>\$ 72,259,281.00</u>	<u>\$ 73,317,349.81</u>	<u>\$ 1,058,068.81</u>
NON-BUDGET REVENUES				
Miscellaneous Revenues Not Anticipated	A-11		138,239.60	
NON-BUDGET REVENUES TOTALS	A-1		<u>138,239.60</u>	
			<u>\$ 73,455,589.41</u>	

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A-2  
Sheet # 3

STATEMENT OF REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
ANALYSIS OF REALIZED REVENUES:		
Allocation of Current Tax Collection:		
Revenue from Collections	A-1, A-7	\$196,135,553.75
Allocated to - Municipal Open Space Tax	A-1, A-7	(151,508.40)
Allocated to - School and County Taxes	A-7	<u>(148,188,050.78)</u>
Balance for Support of Municipal Budget Appropriations		47,795,994.57
Add Appropriation Reserve for Uncollected Taxes	A-3	<u>4,057,675.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 51,853,669.57</u>
Licenses-Other:		
Clerk	A-2	<u>\$ 50,403.72</u>
Fees and Permits-Other:		
Health	A-11	\$ 22,485.00
Public Works	A-11	8,941.50
Planning Board	A-11	4,225.00
Zoning Board	A-11	23,277.00
Fire	A-11	1,447.00
Police	A-11	11,286.25
Tax Searches	A-11	1,338.00
Tree	A-11	200.00
Fence	A-11	2,900.00
Recycling Center	A-11	<u>11,425.00</u>
	A-2	<u>\$ 87,524.75</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	Budget	Budget After Modification	Expended			Unexpended Balance Cancelled
			Paid or Charged	Encumbered	Reserved	
8. GENERAL APPROPRIATIONS						
(A) Operations - within "CAPS"						
EXECUTIVE AND LEGISLATIVE DEPARTMENT						
Office of the Mayor and Agencies						
Office of the Mayor	\$ 73,206.00	\$ 73,206.00	\$ 73,205.60	\$ 2.09	\$ 1,162.07	\$ 0.40
Salaries and Wages	1,446.00	1,446.00	281.84			
Other Expenses						
Public Information Officer	595.00	595.00	312.38		282.62	
Other Expenses						
Governing Body						
Town Council						
Salaries and Wages	62,435.00	62,435.00	49,947.04	817.56	2,396.64	12,487.96
Advertising Expenses	6,750.00	6,750.00	3,535.80	429.36	14,500.19	
Other Expenses	32,350.00	32,350.00	17,420.45			
Alcoholic Beverage Control						
Salaries and Wages	700.00	700.00	700.00			
Other Expenses	250.00	250.00	204.00		46.00	
Litigation Expenses						
Other Expenses	300,000.00	300,000.00	272,221.91	14,374.88	13,403.21	
Office of the Township Clerk						
Township Clerk						
Salaries and Wages	234,569.00	234,569.00	231,800.92		2,768.08	
Other Expenses	2,200.00	2,200.00	1,566.18	83.70	550.12	
Elections						
Salaries and Wages	5,000.00	5,000.00	3,319.14			1,680.86
Other Expenses	22,500.00	22,500.00	15,375.77		7,124.23	
Office of the Township Attorney						
Township Attorney	114,400.00	114,400.00	110,452.99			3,947.01
Salaries and Wages						
Human Relations Commission						
Other Expenses	5,100.00	5,100.00	4,688.78	325.00	76.22	
Statutory Agencies						
Planning Board						
Salaries and Wages	5,250.00	5,250.00	5,249.40			0.60
Other Expenses	10,400.00	10,400.00	5,397.31	4,479.32	523.37	
Board of Adjustment						
Salaries and Wages	5,250.00	5,250.00	5,249.40			0.60
Other Expenses	3,730.00	3,730.00	3,579.04	10.00	140.96	
Board of Appeals						
Other Expenses	43.00	43.00			43.00	

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	Budget	Budget After Modification	Paid or Charged	Expended		Reserved	Unexpended Balance Cancelled
				Encumbered	Encumbered		
Waste Management							
Salaries and Wages	\$ 5,300.00	\$ 5,300.00	\$ 5,300.00	\$	\$	\$ 50,733.37	\$
Other Expenses	281,528.00	252,528.00	201,794.63				
Municipal Court							
Salaries and Wages	344,146.00	344,146.00	338,622.59			5,523.41	
Other Expenses	28,300.00	28,300.00	13,306.41	1,504.93		13,488.66	
Public Defender (P.L. 1997, C.256)							
Salaries and Wages	24,200.00	24,200.00	24,200.00				
Open Space Recreation and Environmental Commission (N.J.S.A. 40:56A-1)							
Other Expenses	150.00	150.00		150.00			
Rent Leveling Board							
Salaries and Wages	75.00	75.00		75.00			
Other Expenses	1,569,873.00	1,540,873.00	1,387,741.58	22,251.84		112,762.15	18,117.43
<b>TOTAL EXECUTIVE AND LEGISLATIVE DEPT.</b>							
DEPT. OF ADMINISTRATION AND FINANCE							
Office of the Business Administrator							
Director							
Salaries and Wages	347,777.00	347,777.00	347,265.70			44,277.45	511.30
Other Expenses	173,200.00	173,200.00	103,365.23	25,557.32			
Administration of Township Owned Property							
Other Expenses	1,000.00	1,000.00				1,000.00	
Division of Administration							
Central Purchasing							
Salaries and Wages	138,967.00	138,967.00	138,966.36			2,106.56	0.64
Other Expenses	38,500.00	38,500.00	35,795.91	597.53			
Central Printing and Supplies							
Salaries and Wages	11,927.00	11,927.00	11,832.74			11,763.50	94.26
Other Expenses	27,700.00	27,700.00	14,240.18	1,696.32			
Central Telephone							
Other Expenses	257,300.00	257,300.00	231,142.70	1,933.20		24,224.10	
Central Insurance							
Unemployment Compensation Insurance							
General Liability	100.00	100.00					
Workers Compensation	830,000.00	830,000.00	830,000.00				
Employee Group Health	500,000.00	150,000.00	150,000.00				
Central Mailing Service	8,497,840.00	8,421,340.00	8,199,264.24			172,075.76	50,000.00
Other Expenses	73,750.00	73,750.00	47,019.26			26,730.74	

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	Budget	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Cancelled
				Encumbered	Reserved	
Township Physician						
Salaries and Wages	\$ 7,000.00	\$ 7,000.00	\$ 1,000.00	\$	\$	\$ 6,000.00
Other Expenses	3,365.00	3,365.00	1,968.00	982.00	415.00	
Division of Treasury						
Collector's Office						
Salaries and Wages	184,632.00	169,632.00	158,291.49			11,340.51
Other Expenses	17,700.00	17,700.00	16,700.00	1,000.00		
Township Treasurer						
Other Expenses	9,900.00	9,900.00	7,974.27	759.31	1,166.42	
Division of Accounts and Control						
Comptroller's Office						
Salaries and Wages	357,285.00	375,785.00	372,285.00		3,500.00	
Other Expenses	77,025.00	123,025.00	71,300.32	51,573.38	151.30	
<b>TOTAL DEPARTMENT OF ADMINISTRATION AND FINANCE</b>	<b>11,554,968.00</b>	<b>11,177,968.00</b>	<b>10,738,511.40</b>	<b>84,099.06</b>	<b>287,410.83</b>	<b>67,946.71</b>
<b>DEPARTMENT OF PLANNING AND DEVELOPMENT</b>						
Director						
Planning Department						
Salaries and Wages	272,647.00	272,647.00	264,647.73		999.27	7,000.00
Other Expenses	8,095.00	8,095.00	5,472.18	1,662.86	959.96	
Housing Code Enforcement						
Salaries and Wages	204,742.00	204,742.00	199,238.75		1,864.89	5,503.25
Other Expenses	5,725.00	5,725.00	2,567.43	1,292.68		
Historic Preservation Commission (N.J.S.A. 40A:55D-107)						
Other Expenses	1,500.00	1,500.00	7.20	770.99	721.81	
Arts Council						
Other Expenses	1,500.00	1,500.00		1,498.86	1.14	
Downtown West Orange Alliance						
Salaries and Wages	40,809.00	40,809.00	40,809.00			
Other Expenses	1,700.00	1,700.00	923.26	520.51	256.23	
Energy Commission						
Other Expenses	1,000.00	1,000.00			1,000.00	
<b>TOTAL DEPARTMENT OF PLANNING AND DEVELOPMENT</b>	<b>537,718.00</b>	<b>537,718.00</b>	<b>513,665.55</b>	<b>5,745.90</b>	<b>5,803.30</b>	<b>12,503.25</b>
<b>DEPARTMENT OF ASSESSMENT</b>						
Assessor's Office						
Salaries and Wages	187,257.00	187,257.00	184,552.36			2,704.64
Other Expenses	50,600.00	50,600.00	21,581.21	8,800.00	20,218.79	
<b>TOTAL DEPARTMENT OF ASSESSMENT</b>	<b>237,857.00</b>	<b>237,857.00</b>	<b>206,133.57</b>	<b>8,800.00</b>	<b>20,218.79</b>	<b>2,704.64</b>

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	Budget	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Cancelled
				Encumbered	Reserved	
DEPARTMENT OF POLICE						
Division of Police						
Salaries and Wages	\$ 11,733,292.00	\$ 11,733,292.00	\$ 11,600,480.77	\$ 583.40	\$ 75,000.00	\$ 57,227.83
Uniform Allowance	110,200.00	110,200.00	109,122.00		1,078.00	
Other Expenses	403,151.00	432,151.00	257,060.40	28,099.68	146,990.92	
TOTAL DEPARTMENT OF POLICE	<u>12,246,643.00</u>	<u>12,275,643.00</u>	<u>11,966,663.17</u>	<u>28,683.08</u>	<u>223,068.92</u>	<u>57,227.83</u>
DEPARTMENT OF FIRE						
Division of Fire						
Salaries and Wages	8,157,661.00	8,507,661.00	8,288,187.35		40,000.00	179,473.65
Other Expenses	118,000.00	118,000.00	100,856.70	14,655.29	3,088.01	
Uniform Fire Safety Act (C. 383, P.L. 1983)						
Salaries and Wages	18,000.00	18,000.00	18,000.00			
Other Expenses	35,297.00	35,297.00	21,250.87	14,027.73	18.40	
Emergency Management Service						
Salaries and Wages	5,800.00	5,800.00	4,288.64	1,511.36		
Other Expenses	8,334,758.00	8,684,758.00	8,432,563.56	29,594.38	43,166.41	179,473.65
TOTAL DEPARTMENT OF FIRE						
DEPARTMENT OF PUBLIC WORKS						
Division of Engineering						
Office of the Township Engineer						
Salaries and Wages	537,910.00	537,910.00	537,067.01	925.89	1,913.93	842.99
Other Expenses	4,600.00	4,600.00	1,760.18			
Division of Building and Property						
Public Building Operations and Maintenance						
Other Expenses	246,375.00	246,375.00	213,721.03	31,870.75	763.22	
Shade Tree Care and Pruning						
Other Expenses	60,250.00	60,250.00	21,375.56		38,874.44	
Parking Facilities, Maintenance and Repairs						
Salaries and Wages	2,200.00	2,200.00	2,200.00			
Other Expenses	4,470.00	4,470.00	3,296.52		1,173.48	
Division of Public Works						
Salaries and Wages	2,769,855.00	2,796,855.00	2,786,333.08		10,521.92	
Division of Street Services						
Street Service, Cleaning and Drainage						
Salt, Chloride and Plowing	445,000.00	445,000.00	178,600.52		266,399.48	
Other Expenses	48,600.00	48,600.00	43,043.45	612.40	4,944.15	
Street Repairs						
Other Expenses	70,350.00	70,350.00	46,844.23		23,505.77	

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	Budget	Budget After Modification	Paid or Charged	Expended		Reserved	Unexpended Balance Cancelled
				Encumbered	Encumbered		
Street Services and Traffic	\$ 13,100.00	\$ 13,100.00	\$ 9,490.55	\$ 507.00	\$ 3,102.45	\$	
Other Expenses							
Division of Sewers and Sanitation	6,100.00	6,100.00	2,105.00			3,995.00	
Sanitation and General Township Service Force							
Other Expenses							
Central Automotive							
Sewage and Pumping Stations							
Other Expenses	493,400.00	593,400.00	509,535.23	30,383.73	53,481.04		
TOTAL DEPARTMENT OF PUBLIC WORKS	57,800.00	57,800.00	52,450.31	269.05	5,080.64		
	4,760,010.00	4,887,010.00	4,407,822.67	64,568.82	413,775.52		842.99
<b>DEPARTMENT OF HEALTH AND WELFARE</b>							
Division of Health							
Dental Health Program and Child Health Clinic							
Salaries and Wages							
Other Expenses							
General Health Services	515,694.00	515,694.00	515,624.50				69.50
Salaries and Wages							
Other Expenses	21,862.00	21,862.00	18,329.18	1,008.09	2,524.73		
Senior Citizen's Transportation Program	208,657.00	208,657.00	194,636.55				7,000.00
Salaries and Wages							
Other Expenses	1,150.00	1,150.00	669.67	155.94	324.39		
Aid to Health Care Facilities (N.J.S.A. 44:5-2 as Amended)							
Other Expenses	1,500.00	1,500.00	1,500.00				
Division of Welfare							
Administration of Public Assistance							
Salaries and Wages	101,793.00	101,793.00	101,077.63				715.37
Other Expenses	4,900.00	4,900.00	4,594.15	30.85	275.00		
Animal Control							
Salaries and Wages	118,540.00	118,540.00	114,051.91	118.43	1,488.09		3,000.00
Other Expenses	3,175.00	3,175.00	2,898.40		158.17		
Podiatry Clinic							
Salaries and Wages	10,000.00	10,000.00	3,940.80				5,182.35
Other Expenses	4,500.00	4,500.00	4,405.57	949.31	(854.88)		
Senior Citizen Health Center							
Salaries and Wages	193,660.00	193,660.00	187,514.71				6,145.29
Other Expenses	5,075.00	5,075.00	3,571.21	201.53	1,302.26		

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	Budget	Budget After Modification	Paid or Charged	Expended		Reserved	Unexpended Balance Cancelled
				Encumbered			
Borough of Essex Fells Health Services-Interlocal Contract	\$ 9,678.00	\$ 9,678.00	\$ 9,678.00	\$	\$		
Salaries and Wages	5,800.00	5,800.00	3,770.40			100.00	2,029.60
Child Health Clinic	1,400.00	1,400.00	1,269.02	30.98			
Salaries and Wages	18,850.00	18,850.00	14,821.12	3,893.12		135.76	
Other Expenses	4,850.00	4,850.00	3,801.96				1,048.04
Retired Citizens Program	425.00	425.00	170.95	253.78		0.27	
Right to Know Program (P.L. 1983, Ch. 315)							
Salaries and Wages	3,400,000.00	3,400,000.00	3,036,260.72			363,739.28	
Other Expenses	4,631,509.00	4,631,509.00	4,222,586.45	6,642.03		377,090.37	25,190.15
Garbage and Trash Removal Contract							
Other Expenses							
TOTAL DEPARTMENT OF HEALTH AND WELFARE							
DEPARTMENT OF RECREATION							
Community Services, Recreational and Civic Contracts	75,250.00	75,250.00	75,000.00			250.00	
Other Expenses							
Parks and Playgrounds	656,592.00	656,592.00	574,533.63	7,058.37			75,000.00
Salaries and Wages	119,200.00	119,200.00	81,949.75			37,250.25	
Other Expenses							
Programs for Retired Citizens	11,330.00	11,330.00	11,279.17			50.83	
Salaries and Wages							
Other Expenses							
Celebration of Public Events, Anniversary or Holiday							
Other Expenses	43,650.00	43,650.00	37,356.02	722.00		5,571.98	
TOTAL DEPARTMENT OF RECREATION	906,022.00	906,022.00	780,118.57	7,780.37		43,123.06	75,000.00
Uniform Construction Code-							
Appropriations Offset by Dedicated							
Revenues (N.J.A.C. 5:23-4.17)							
State Uniform Construction Code							
Construction Official							
Salaries and Wages	384,858.00	384,858.00	364,057.44			1,800.56	19,000.00
Other Expenses	39,100.00	39,100.00	9,163.42	28,847.00		1,089.58	
TOTAL UNIFORM CONSTRUCTION CODE	423,958.00	423,958.00	373,220.86	28,847.00		2,890.14	19,000.00

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	Budget	Budget After Modification	Paid or Charged	Expended		Reserved	Unexpended Balance Cancelled
				Encumbered	Encumbered		
UNCLASSIFIED:							
UNCLASSIFIED							
Utilities							
Gasoline	\$ 644,905.00	\$ 544,905.00	\$ 442,024.85	\$ 102,231.86	\$ 648.29	\$	
Fuel Oil	2,500.00	2,500.00	880.62	1,062.90	556.48		
Electricity	533,000.00	533,000.00	527,908.16		5,091.84		
Street Lighting	630,000.00	630,000.00	376,911.32		253,088.68		
Fire Hydrant Service	626,944.00	626,944.00	542,560.56		84,383.44		
Water	31,800.00	31,800.00	27,584.20		4,215.80		
Membership-NJ League of Municipalities	3,250.00	3,250.00	2,925.00		325.00		
Challenge Grant Bus Shuttle	110,000.00	110,000.00	99,798.00		10,202.00		
Compensated Absence Liability	5,000.00	453,900.00	453,900.00				
Medical Transport Billing Service	100,000.00	100,000.00	48,659.64		51,340.36		
TOTAL UNCLASSIFIED	2,687,399.00	3,036,299.00	2,523,152.35	103,294.76	409,851.89		
Total Operations (Item 8(A)) within "CAPS"	47,890,715.00	48,339,615.00	45,552,199.73	390,307.24	1,939,101.38	458,006.65	
B. Contingent	100.00	100.00			100.00		
Total Operations Including Contingent within "CAPS"	47,890,815.00	48,339,715.00	45,552,199.73	390,307.24	1,939,201.38	458,006.65	
Detail:							
Salaries & Wages	28,072,869.00	28,902,269.00	28,337,071.12		157,191.23	408,006.65	
Other Expenses (Including Contingent)	19,817,946.00	19,437,446.00	17,215,128.61	390,307.24	1,782,010.15	50,000.00	
(E) Deferred Charges and Statutory Expenditures - Municipal within "CAPS"							
(1) DEFERRED CHARGES							
Emergency Authorizations							
(2) STATUTORY EXPENDITURES:							
Public Employees' Retirement System	978,146.00	978,146.00	978,146.00				
Social Security System (O.A.S.I.)	1,075,000.00	1,075,000.00	1,016,393.05		18,606.95	40,000.00	
Consolidated Police and Firemen's	89,900.00	89,900.00	89,876.89			23.11	
Police and Firemen's Retirement System	5,441,312.00	5,441,312.00	5,441,312.00				
Unemployment Insurance							
Defined Contribution Retirement Program	2,000.00	2,000.00	2,000.00				
Total Deferred Charges and Statutory	7,586,358.00	7,586,358.00	7,527,727.94		18,606.95	40,023.11	
(G) Cash Deficit of Preceding Year							
(H-1) Total General Appropriations for Municipal Purposes within "CAPS"	55,477,173.00	55,926,073.00	53,079,927.67	390,307.24	1,957,808.33	498,029.76	

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	Budget	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Cancelled
				Encumbered	Reserved	
(A) Operations - Excluded from "CAPS"						
Police and Firemen's Retirement System	\$ 481,160.00	\$ 481,160.00	\$ 481,160.00			
Public Employees Retirement System	1,880,958.00	1,880,958.00	1,874,937.47			
Insurance						
Employee Group Health	2,103,803.00	2,103,803.00	2,103,803.00			
Chapter 10, P.L. 1977-Joint Outlet Sewer Maintenance	650,000.00	650,000.00	650,000.00			
Maintenance of Free Public Library (Ch. 541-82, P.L. 1985)	27,000.00	27,000.00		27,000.00		
Tax Appeal Refunds						
LOSAP-First Aid Pension Costs						
Total Other Operations - Excluded from "CAPS"	5,142,921.00	5,142,921.00	5,109,900.47		27,000.00	6,020.53
Shared Service Agreements						
School Board Election	1,700.00	1,700.00	1,700.00			
Salaries and Wages	600.00	600.00	600.00			
Other Expenses						
Borough of Roseland	31,000.00	31,000.00	31,000.00			
Salaries and Wages	33,300.00	33,300.00	33,300.00			
Total Shared Service Agreements						
Public and Private Programs Offset by Revenues						
Public Health Priority Funding Act of 1977						
Drunk Driving Enforcement Fund						
NJ Dept of Environmental Protection	59,800.00	59,800.00	59,800.00			
Clean Communities Program						
NJ Dept of Solid Waste Administration	80,872.00	80,872.00	80,872.00			
Recycling Tonnage Grant						
Essex County Office on Aging - Title III Older Americans Act	17,171.00	17,171.00	17,171.00			
Essex County Office on Alcoholism, Drug Abuse and Addiction Services						
West Orange Municipal Alliance	74,750.00	74,750.00	74,750.00			
Safe and Secure Communities Program						
NJLHM Educational Foundation						
Sustainable Jersey Small Grant						

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	Budget	Budget After Modification	Paid or Charged	Expended		Reserved	Unexpended Balance Cancelled
				Encumbered	Cancelled		
NJ Department of Law and Public Safety							
Body Armor Replacement Fund							
NJ Transit-Commuter Shuttle	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$	\$	\$	\$
County of Essex-Delinquency Prevention Grant	18,563.00	18,563.00	18,563.00				
New Jersey Department of Environmental Protection							
No Net Loss Reforestation Act							
Cops In Shops	12,712.00	12,712.00	12,712.00				
Body Armor Replacement Fund							
Assistance to Firefighters Grant							
Federal Domestic Assistance							
West Orange Streetscape	2,015,777.00	2,015,777.00	2,015,777.00				
Property Acquisition-Parking Garage	69,467.00	69,467.00	69,467.00				
Edward Byrne Memorial Justice Assistance Grant							
NJHQA-H1N1 Corrective Action	10,000.00	10,000.00	10,000.00				
NJDHSS-Influenza H1N1 Virus	25,000.00	25,000.00	25,000.00				
NJ Dept. of Law and Public Safety							
Pedestrian Safety Enforcement	9,000.00	9,000.00	9,000.00				
County of Essex-ILEA Grant							
Bullet Proof Vest Program Grant							
Total Public and Private Programs Offset by Revenue	2,403,112.00	2,403,112.00	2,403,112.00				
Total Operations - Excluded from "CAPS"	7,579,333.00	7,579,333.00	7,546,312.47			27,000.00	6,020.53
Detail:							
Salaries & Wages	71,583.00	71,583.00	71,583.00				
Other Expenses	7,507,750.00	7,507,750.00	7,474,729.47			27,000.00	6,020.53
(C) Capital Improvements - Excluded from "CAPS"							
Down Payments on Improvements							
Capital Improvement Fund	100.00	100.00	100.00				
Public and Private Programs Offset by Revenues:							
New Jersey DOT Trust Fund Authority Act							
Belle Terre Road and Roosevelt Ave.	230,000.00	230,000.00	230,000.00				
Total Capital Improvements - Excluded from "CAPS"	230,100.00	230,100.00	230,100.00				
(D) Municipal Debt Service - Excluded from "CAPS"							
Payment of Bond Principal	2,540,000.00	2,540,000.00	2,540,000.00				
Payment of Bond Anticipation Notes and Capital Notes	700,000.00	700,000.00	700,000.00				
Interest on Bonds	1,174,500.00	1,174,500.00	1,174,499.99				0.01
Interest on Notes	191,500.00	191,500.00	191,500.00				

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	Budget	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Cancelled
				Encumbered	Reserved	
NJ Environmental Infrastructure Trust and Fund Loans						
Principal	\$ 225,000.00	\$ 225,000.00	\$ 225,000.00			
Interest	84,000.00	84,000.00	84,000.00			
Total Municipal Debt Service - Excluded from "CAPS"	4,915,000.00	4,915,000.00	4,914,999.99			0.01
(E) Deferred Charges - Municipal - Excluded from "CAPS"						
(1) DEFERRED CHARGES:						
Emergency Authorizations						
Special Emergency Authorizations-						
5 Years (N.J.S.A. 40A:4-55)						
Special Emergency Authorizations-						
3 Years (N.J.S.A. 40A:4-55.1 & 40A:4-55.13)						
Deferred Charges to Future Taxation-Unfunded						
ORD#2322-11 Severance Liabilities						
Total Deferred Charges - Municipal - Excluded from "CAPS"						
(F) Judgments (N.J.S.A. 40A:4-45.3cc)						
(N) Transferred to Board of Education for Use of Local Schools (N.J.S.A. 40:48-17.1 & 17.3)						
(G) With Prior Consent of Local Finance Board: Cash Deficit of Preceding Year						
(H-2) Total General Appropriations for Municipal Purposes Excluded from "CAPS"	12,724,433.00	12,724,433.00	12,691,412.46	27,000.00		6,020.54

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	Budget	Budget After Modification	Paid or Charged	Expended		Reserved	Unexpended Balance Cancelled
				Encumbered	Enacted		
For Local District School Purposes - Excluded from "CAPS"							
(I) Type 1 District School Debt Service Payment of Bond Principal	\$	\$	\$	\$	\$	\$	\$
Interest on Bonds							
Interest on Notes							
Total of Type 1 District School Debt Service - Excluded from "CAPS"							
(J) Deferred Charges and Statutory Expenditures - Local School - Excluded from "CAPS"							
Emergency Authorizations - Schools							
Capital Project for Land, Building or Equipment N.J.S.A. 18A:22-20							
Total of Deferred Charges and Statutory - Expenditures-Local School - Excluded from "CAPS"							
(K) Total Municipal Appropriations for Local District School Purposes (Item (I) and (J)) - Excluded from "CAPS"							
(O) Total General Appropriations - Excluded from "CAPS"	12,724,433.00	12,724,433.00	12,691,412.46	27,000.00	6,020.54		
(L) Subtotal General Appropriations	68,201,606.00	68,650,506.00	65,771,340.13	390,307.24	504,060.30		
(M) Reserve for Uncollected Taxes	4,057,675.00	4,057,675.00	4,057,675.00				
Total General Appropriations	\$ 72,259,281.00	\$ 72,708,181.00	\$ 69,829,015.13	\$ 390,307.24	\$ 504,060.30		

Below A A

Original Budget	\$ 72,221,569.00
Added per N.J.S.A. 40A:4-53	448,900.00
Added per N.J.S.A. 40A:4-87	37,712.00
	<u>\$ 72,708,181.00</u>

Cash Disbursed	\$ 62,557,695.13
Reserve for Tax Appeals	650,000.00
Reserve for Grants	2,563,645.00
Reserve for Uncollected Taxes	4,057,675.00
	<u>\$ 69,829,015.13</u>

See accompanying notes to financial statements.

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B  
Sheet # 1

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<b>ANIMAL CONTROL FUND:</b>			
Cash	B-3	\$ 59,454.69	\$ 58,379.10
		<u>\$ 59,454.69</u>	<u>\$ 58,379.10</u>
<b>GENERAL TRUST FUND:</b>			
Cash	B-3	\$ 5,931,037.86	\$ 7,297,010.96
		<u>\$ 5,931,037.86</u>	<u>\$ 7,297,010.96</u>
<b>INSURANCE TRUST FUND:</b>			
Cash	B-4	\$ 687,235.20	\$ 1,414,388.31
Due from Payroll Agency	B-11		12,980.43
		<u>\$ 687,235.20</u>	<u>\$ 1,427,368.74</u>
<b>FEDERAL GRANT TRUST FUND:</b>			
Cash	B-5	\$ 63,253.00	\$ 72,127.77
Grant Receivable	B-6	444,749.87	851,470.22
		<u>\$ 508,002.87</u>	<u>\$ 923,597.99</u>
<b>OPEN SPACE TRUST FUND</b>			
Cash	B-2	\$ 476,171.72	\$ 891,990.38
Due from Current Fund	B-19	1,059.99	
		<u>\$ 477,231.71</u>	<u>\$ 891,990.38</u>
<b>SPECIAL IMPROVEMENT DISTRICT FUND</b>			
SID Receivable	B-9	\$ 7,751.58	\$ 3,136.39
		<u>\$ 7,751.58</u>	<u>\$ 3,136.39</u>
<b>ASSESSMENT TRUST FUND</b>			
Cash	B-3	\$ 23,639.98	\$ 18,972.11
Assessments Receivable	B-7	80,704.68	99,683.10
		<u>\$ 104,344.66</u>	<u>\$ 118,655.21</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B  
Sheet # 2

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
<b>ANIMAL CONTROL FUND:</b>			
Prepaid License Fees	B-12	\$ 3,132.00	\$ 4,563.00
Accounts Payable	B-22	274.42	
Due to State of New Jersey	B-10	42.00	
Reserve For Dog Fund Expenditures	B-15	56,006.27	53,816.10
		<u>\$ 59,454.69</u>	<u>\$ 58,379.10</u>
<b>GENERAL TRUST FUND:</b>			
Special Deposits	B-13	\$ 5,712,959.12	\$ 6,507,300.97
Accounts Payable	B-21	1,240.03	
Fund Balance	B-1A	216,838.71	789,709.99
		<u>\$ 5,931,037.86</u>	<u>\$ 7,297,010.96</u>
<b>INSURANCE TRUST FUND:</b>			
Reserve for Insurance Claims	B-16	\$ 682,367.35	\$ 1,427,368.74
Due to State of New Jersey	B-11	4,867.85	
		<u>\$ 687,235.20</u>	<u>\$ 1,427,368.74</u>
<b>FEDERAL GRANT TRUST FUND:</b>			
Reserve for Grant Expenditures:			
Community Development Block Grant	B-17	\$ 444,750.00	\$ 851,470.35
Section 8 Housing	B-18	63,252.87	72,127.64
		<u>\$ 508,002.87</u>	<u>\$ 923,597.99</u>
<b>OPEN SPACE TRUST FUND</b>			
Reserve for Open Space Expenditures	B-19	\$ 477,231.71	\$ 891,990.38
		<u>\$ 477,231.71</u>	<u>\$ 891,990.38</u>
<b>SPECIAL IMPROVEMENT DISTRICT FUND</b>			
Reserve for SID Receivable	B-14	\$ 7,751.58	\$ 3,136.39
		<u>\$ 7,751.58</u>	<u>\$ 3,136.39</u>
<b>ASSESSMENT TRUST FUND</b>			
Reserve for Assessment Receivable	B-20	\$ 80,704.68	\$ 99,683.10
Fund Balance	B-1	23,639.98	18,972.11
		<u>\$ 104,344.66</u>	<u>\$ 118,655.21</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
TRUST FUNDS

STATEMENT OF FUND BALANCE  
ASSESSMENT TRUST  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	B	\$ 18,972.11
Increased by:		
Cash Receipts	B-3	23,167.87
		<u>42,139.98</u>
Decreased by:		
Payment to Current Fund as Anticipated Revenue	B-3	18,500.00
		<u>18,500.00</u>
Balance, December 31, 2011	B	<u>\$ 23,639.98</u>

B-1

STATEMENT OF FUND BALANCE  
GENERAL TRUST FUND  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	B	\$ 789,709.99
Increased by:		
Cash Receipts	B-13	205,119.72
		<u>994,829.69</u>
Decreased by:		
Payment to Current Fund as Anticipated Revenue	B-3A	777,991.00
		<u>777,991.00</u>
Balance, December 31, 2011	B	<u>\$ 216,838.71</u>

B-1A

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

C

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Cash	C-2	\$ 3,190,219.03	\$ 3,523,950.40
NJEPA Trust and Fund Loan Receivable	C-15	1,825,251.00	2,447,091.00
State Grants Receivable	C-14	1,913,647.62	2,596,603.38
		<u>3,738,898.62</u>	<u>5,043,694.38</u>
Deferred Charges to Future Taxation:			
Funded	C-6	37,957,170.14	29,216,220.60
Unfunded	C-7	18,517,342.68	30,495,703.81
		<u>56,474,512.82</u>	<u>59,711,924.41</u>
		<u>\$ 63,403,630.47</u>	<u>\$ 68,279,569.19</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
Serial Bonds	C-9	\$ 34,335,000.00	\$ 25,370,000.00
NJEPA Trust and Fund Loan-ORD#1823-02	C-4	591,903.35	635,137.04
NJEPA Trust and Fund Loan-ORD#2017-05	C-4	1,875,452.55	1,987,817.55
NJEPA Trust and Fund Loan-ORD#2050-05	C-4	641,774.81	686,168.84
NJEPA Trust and Fund Loan-ORD#2214-09	C-4	513,039.43	537,097.17
Bond Anticipation Notes	C-10	12,487,498.00	20,515,944.00
Improvement Authorizations:			
Funded	C-11	500,095.13	1,834,605.09
Unfunded	C-11	5,516,371.43	8,110,827.85
Encumbered	C-11	4,572,566.89	6,032,508.92
Capital Improvement Fund	C-12	3,123.96	15,273.96
Accounts Payable	C-8	1,879.72	
Due From/To Community Development	C-5	18,368.71	
Reserve-Parking Garage	C-17	36,073.26	105,720.03
Reserve for Green Acres Receivable	C-14	103,270.02	103,270.02
Reserve-Board of Education	C-14	1,712,666.70	1,988,333.36
Reserve to Pay Debt Service	C-16	294,572.68	232,231.01
Fund Balance	C-1	199,973.83	124,634.35
		<u>\$ 63,403,630.47</u>	<u>\$ 68,279,569.19</u>
 Bonds and Notes Authorized but Not Issued	 C-13	 <u>\$ 6,029,844.68</u>	 <u>\$ 10,081,938.00</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

C-1

STATEMENT OF FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 124,634.35
Increased by:		
Premium on Sale of Bond Anticipation Notes	C-2	<u>199,339.48</u>
		323,973.83
Decreased by:		
Payment to Current Fund as Anticipated Revenue	C-2	<u>124,000.00</u>
Balance, December 31, 2011	C	<u><u>\$ 199,973.83</u></u>

See Accompanying Notes to Financial Statements

**TOWNSHIP OF WEST ORANGE  
SWIMMING POOL UTILITY FUND  
BALANCE SHEETS  
REGULATORY BASIS**

**D**

ASSETS	Ref.	December 31,	
		2011	2010
OPERATING FUND:			
Cash	D-4	\$ 130,155.60	- \$ 279,175.45
ACCOUNTS RECIEVABLE	D-5	29.25	
		130,184.85	279,175.45
CAPITAL FUND:			
Fixed Capital	D-6	523,433.15	523,433.15
		\$ 653,618.00	\$ 802,608.60
 <b>LIABILITIES AND FUND BALANCES</b>			
OPERATING FUND:			
Appropriation Reserves	D-3, D-7	\$ 29,310.29	- \$ 3,403.26
Fund Balance	D-1	100,874.56	- 275,772.19
		130,184.85	279,175.45
CAPITAL FUND:			
Reserve for Amortization	D-8	523,433.15	523,433.15
		\$ 653,618.00	\$ 802,608.60

See Accompanying Notes to Financial Statements

**TOWNSHIP OF WEST ORANGE  
SWIMMING POOL UTILITY FUND  
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE**

**D-1**

	Ref.	Years Ended December 31,	
		2011	2010
<b>REVENUE AND OTHER INCOME:</b>			
Fund Balance Utilized	D-2	\$	\$ 46,983.00
Membership Fees	D-2	185,030.00	195,375.00
Miscellaneous Revenue Anticipated	D-2	51,791.51	52,518.51
Other Credits to Income:			
Appropriation Reserves Lapsed	D-7	3,156.86	19,625.10
<b>TOTAL REVENUE AND OTHER INCOME</b>		<b>239,978.37</b>	<b>314,501.61</b>
<b>EXPENDITURES:</b>			
Budgeted Appropriations:			
Salaries and Wages	D-3	147,529.00	163,579.00
Other Expenses	D-3	81,060.00	78,860.00
Emergency Appropriations	D-3		
Deficit in Operations	D-3		15,993.00
Statutory Expenditures	D-3	11,287.00	12,551.00
<b>TOTAL EXPENDITURES</b>	D-3	<b>239,876.00</b>	<b>270,983.00</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>		102.37	43,518.61
<b>FUND BALANCE, BEGINNING OF YEAR</b>	D	<b>275,772.19</b>	<b>279,236.58</b>
		275,874.56	322,755.19
UTILIZED AS ANTICIPATED REVENUE IN CURRENT FUND	D-4	175,000.00	
UTILIZED AS ANTICIPATED REVENUE IN POOL UTILITY	D-2		46,983.00
<b>FUND BALANCE, END OF YEAR</b>	D	<b>\$ 100,874.56</b>	<b>\$ 275,772.19</b>

*See Notes to Financial Statements*

**TOWNSHIP OF WEST ORANGE  
SWIMMING POOL UTILITY FUND  
STATEMENT OF REVENUES  
YEAR ENDED DECEMBER 31, 2011**

D-2

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
FUND BALANCE ANTICIPATED	D-1	\$ -	\$ -	
MEMBERSHIP FEES	D-1, D-4	194,000.00	185,030.00	(8,970.00)
MISCELLANEOUS	D-1, D-4	45,876.00	51,791.51	5,915.51
	D-3	<u>\$ 239,876.00</u>	<u>\$ 236,821.51</u>	<u>\$ (3,054.49)</u>
 ANALYSIS OF MISCELLANEOUS REVENUES:				
Guest Fees			\$ 25,276.00	
Food Concession			8,751.51	
YMCA Agreement				
Swimming Pool Lessons and Courses			7,275.00	
Swim Team Fees			5,980.00	
Pool Parties			3,669.00	
Temporary Badge Fee				
Miscellaneous			840.00	
			<u>\$ 51,791.51</u>	

See Accompanying Notes to Financial Statements

**TOWNSHIP OF WEST ORANGE  
SWIMMING POOL UTILITY FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011**

	Budget	Budget After Modification	Paid or Charged	Expended		Reserved
				Encumbered	Reserved	
	\$ 147,529.00	\$ 147,529.00	\$ 147,529.00	\$ -	\$ -	
	81,060.00	81,060.00	52,403.74	1,305.06	27,351.20	
<b>OPERATING:</b>						
Salaries and Wages						
Other Expenses						
<b>STATUTORY EXPENDITURES:</b>						
Social Security	11,286.00	11,286.00	10,631.97		654.03	
Unemployment Insurance	1.00	1.00	1.00			
	<u>\$ 239,876.00</u>	<u>\$ 239,876.00</u>	<u>\$ 210,565.71</u>	<u>\$ 1,305.06</u>	<u>\$ 28,005.23</u>	

Reference      D-1, D-2      D-1, D-2      D-4      D      D

TOWNSHIP OF WEST ORANGE  
PUBLIC ASSISTANCE FUND

E

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
Cash	E-5	<u>\$ 1,553.99</u>	<u>\$ 1,553.59</u>
		<u>\$ 1,553.99</u>	<u>\$ 1,553.59</u>
 <u>LIABILITIES AND RESERVES</u>			
Fund Balance	E-1	<u>\$ 1,553.99</u>	<u>\$ 1,553.59</u>
		<u>\$ 1,553.99</u>	<u>\$ 1,553.59</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
PUBLIC ASSISTANCE FUND

E-1

STATEMENTS OF OPERATIONS  
AND CHANGES IN FUND BALANCE - TRUST I  
REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
REVENUE AND OTHER INCOME:			
Due from Current Fund	E-7	<u>\$ 1,000,000.00</u>	<u>\$ 500,000.00</u>
TOTAL REVENUE AND OTHER INCOME		<u>1,000,000.00</u>	<u>500,000.00</u>
EXPENDITURES:			
Due to Current Fund	E-7	<u>1,000,000.00</u>	<u>500,000.00</u>
TOTAL EXPENDITURES		<u>1,000,000.00</u>	<u>500,000.00</u>
EXCESS OF REVENUE OVER EXPENDITURES			
FUND BALANCE, BEGINNING OF YEAR	E	<u>1,553.99</u>	<u>1,553.99</u>
FUND BALANCE, END OF YEAR	E	<u>\$ 1,553.99</u>	<u>\$ 1,553.99</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE  
PUBLIC ASSISTANCE FUND

E-2

STATEMENTS OF OPERATIONS  
AND CHANGES IN FUND BALANCE - TRUST II  
REGULATORY BASIS  
YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>Ref.</u>	<u>2011</u>	<u>2010</u>
REVENUE AND OTHER INCOME:			
State Aid	E-3	\$ 361,025.28	\$ 307,424.43
Supplemental Security Income			
Reimbursements	E-3	45,946.15	41,322.74
Public Assistance Refunds			19,069.54
TOTAL REVENUE AND OTHER INCOME	E-3	<u>406,971.43</u>	<u>367,816.71</u>
EXPENDITURES:			
Public Assistance	E-4	406,971.43	367,816.61
TOTAL EXPENDITURES		<u>406,971.43</u>	<u>367,816.61</u>
EXCESS OF REVENUE OVER EXPENDITURES			
FUND BALANCE, BEGINNING OF YEAR	E	<u>                    </u>	<u>                    </u>
FUND BALANCE, END OF YEAR	E	<u>\$                    </u>	<u>\$                    </u>

See accompanying notes to financial statements.

**TOWNSHIP OF WEST ORANGE  
GENERAL FIXED ASSETS GROUP  
BALANCE SHEETS**

F

ASSETS

	December 31,	
	2011	2010
Movable Fixed Assets		
Office Equipment	\$ 2,536,515.00	\$ 2,536,515.00
Vehicles	10,776,850.00	10,776,850.00
Other Equipment	4,596,921.17	2,849,007.00
	17,910,286.17	16,162,372.00
Building	17,471,253.00	17,471,253.00
Land	11,893,150.00	11,861,900.00
	29,364,403.00	29,333,153.00
	\$ 47,274,689.17	\$ 45,495,525.00
 FUND BALANCE		
Investments in General Fixed Assets	\$ 47,274,689.17	\$ 45,495,525.00

See Accompanying Notes to Financial Statements

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**A. Reporting Entity and Summary of Significant Accounting Policies:**

**1. Reporting Entity**

The Township of West Orange (the "Township"), formed in 1863, operates under the Mayor-Council system of municipal government, created by N.J.S.A. 40:69A-149.1 et seq. (the "Faulkner Act"). Within this form of government, the Mayor and each member of the Township Council is elected to four year terms on a staggered basis, in nonpartisan elections and serves on an at-large basis, representing the Township.

The financial statements of the Township include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by the provisions of N.J.S.A. 40A:5-5.

GASB Statement 14 establishes criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division requires the financial statements of the Township to be reported separately. The financial statements of the Township do not include the operations of the Library and Board of Education.

**Description of Funds**

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

The accounting policies of the Township 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"). 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 Township accounts for its financial activities through the following separate funds which differ from the fund structure required by generally accepted accounting principles:

**Current Fund:**

Resources and expenditures for governmental operations of a general nature, including Federal and State grants for operations.

**Trust Fund:**

Receipts, custodianship, and disbursement of monies in accordance with the purpose for which each reserve was created.

**General Capital Fund:**

Receipt and disbursement of funds used for acquisition of general capital facilities, other than those acquired in the Current Fund. General bonds and notes payable are recorded in this fund offset by deferred charges to future taxation.

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

***Utilities Funds:***

Swimming Pool Utility is treated as a separate entity. The utility maintains its own Operating and Capital Funds which reflect revenue, expenditures, stewardship, acquisitions of utility infrastructure and other capital facilities, debt service, long-term debt and other related activity.

***General Fixed Assets Account Group:***

Estimated cost of general fixed assets acquired by the Township.

***Public Assistance Fund:***

Receipts and disbursements of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey Statutes.

**2. Basis of Accounting**

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

***Property Taxes and Other Revenues:***

Property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Township's Current Fund. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

***Grant Revenues and Expenditures:***

Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund, are recognized when anticipated in the Township 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.

***Expenditures:***

Unexpended or uncommitted appropriations at December 31, are reported as expenditures through the establishment of appropriation reserves, unless cancelled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, except for un-matured interest on general long-term debt, which should be recognized when due.

***Encumbrances:***

Contractual orders at December 31, are reported as expenditures through the establishment of a reserve for encumbrances. 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 and 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.

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

***Property Acquired for Taxes:***

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

***Fixed Assets:***

Purchases by the Current and General Capital Funds are recorded as expenditures. A General Fixed Assets Account Group, required by GAAP and the Division of Local Government Services to account for the Township's general property and equipment, excluding infrastructure items, has been established and, accordingly, is presented in the financial statements.

***Cash and Investments:***

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Investments are stated at cost and are limited by N.J.S.A.40A:5-15.1 et seq. GAAP requires that investments be reported at fair value.

***Inter-funds:***

Inter-fund 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. GAAP does not require the establishment of an offsetting reserve.

***Property Tax Revenues:***

Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. Taxes are payable in four quarterly installments on August 1, November 1, February 1, and May 1. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. 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 Township. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on November 1 in the year following the calendar year levy when the same became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing the property on a tax sale.

The Township institutes annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of the property. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

***Miscellaneous Revenues:***

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

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

***Grant Revenues:***

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

***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 Township and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

The Township is not required to adopt budgets for the following funds.

- General Capital Funds
- Trust Funds
- Public Assistance Funds

The governing body shall introduce and approve the annual budget not later than February 11<sup>th</sup> of the fiscal year. The budget shall be adopted not later than March 20<sup>th</sup> and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board, may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year.

The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line item level.

**3. Basic Financial Statements**

The GASB 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 Township presents the financial statements on the basis of accounting described in Note 1, as required by the Division, and differ from the financial statements required by GAAP. In addition, the Division requires the financial statements to be referenced to the supplementary schedules. This practice differs from GAAP.

**4. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**B. Deposits and Investments:**

**1. Deposits/Concentration of Credit Risk**

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.

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.

The Township's deposits are insured through either the FDIC (FDIC) or New Jersey's Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA requires all banks doing business in the State of New Jersey to maintain additional collateral in the amount of 5% of the average public deposits and deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

**2. Investments/Concentration of Credit Risk**

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

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Associates or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the Township or bonds or other obligations of school districts, which are a part of the Township or school districts located within the Township.
- d. Bonds or other obligations, having a maturity date of not more than twelve months from the date of purchase, that are approved by the New Jersey Department of Treasury, Division of Investments.
- e. Government Money Market Mutual Funds
- f. Local Government investment pools

The Township's investment activities are in accordance with New Jersey statutes. The investments are insured by SIPC up to \$500,000 of insurance.

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

The Township's cash and investments were as follows at December 31, 2011:

<u>Type</u>	<u>Collateral</u>	<u>Bank Balance December 31, 2011</u>	<u>Carrying Amount December 31, 2011</u>	<u>Fund</u>
Deposits:				
Cash on Deposit	FDIC, State Collateral Pool	\$ 13,774,029	\$ 7,750,984	Current
	FDIC, State Collateral Pool	39,536	-0-	Payroll
	FDIC, State Collateral Pool	4,358,816	7,240,792	Trust
	FDIC, State Collateral Pool	140,252	3,190,219	Capital
	FDIC, State Collateral Pool	1,001,553	1,554	Public Assistance
	FDIC, State Collateral Pool	<u>130,168</u>	<u>130,156</u>	Swimming Pool
Total Cash		<u>\$19,444,354</u>	<u>\$18,313,705</u>	

**C. Outstanding Debt:**

**1. General Serial Bonds**

The Local Bond Law governs the issuance of bonds and notes to finance capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness of the capital expenditures. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township.

**2. Bond and Tax Anticipation Notes**

Under the Local Bond Law, the Township may issue bond anticipation notes to temporarily finance capital projects. The notes are full faith and credit obligations of the Township. Bond anticipation notes must be paid off within ten years and five months or retired by the issuance of bonds.

Under N.J.S.A. 40A:4-64, the Township may issue tax anticipation notes to temporarily finance current fund operations. Tax collections are pledged to the payment of such debt. The notes must be redeemed within one year.

At December 31, 2011, there were \$12,487,498 of bond anticipation notes outstanding consisting of bond anticipation notes in the amount of \$9,161,996 due on May 24, 2012 at 1.50% interest rate and bond anticipation notes in the amount of \$3,325,500 due on October 24, 2012 at 1.5%; additionally, there were special emergency notes issued in the amount of \$448,900 also due on October 24, 2012 at 1.50%.

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**3. *Deferred Charges to Future Taxation Funded and Unfunded***

Upon the authorization of capital projects, the Township established deferred charges for the cost of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to the New Jersey Statutes Annotated 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for the particular year in the current budget. As funds are raised, the deferred charges are reduced.

Township debt is summarized as follows:

	<b>December 31,</b>	
	<b>2011</b>	<b>2010</b>
General Obligation Bonds and Notes		
Authorized But Not Issued	\$ 6,029,845	\$10,081,938
General Obligation Bonds and Notes – Issued	<u>50,444,668</u>	<u>49,732,165</u>
 Total General Debt	 <u>\$56,474,513</u>	 <u>\$59,814,103</u>

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**C. Outstanding Debt – Continued**

Principal and interest due on General Capital Bonds outstanding by issue is as follows:

	2003 NJEIT Issues		2004 and 2003 Issues		2004 Issue		2005 Issue		2006 NJEIT Issue		2008 Issue		2010 NJEIT Issue		2011 Issue	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2012	50,725.00	10,337.50	10,000.00	65,456.25	1,460,000.00	311,600.00	212,252.75	118,900.00	24,012.70	45,864.65	6,000.00	298,812.50	24,057.74	11,100.00	665,000.00	155,275.00
2013	49,947.21	15,037.56	83,000.00	61,501.26	1,115,000.00	247,126.00	179,631.50	117,254.47	41,280.76	42,254.80	7,500.00	295,672.50	24,057.74	10,000.00	500,000.00	245,125.00
2014	49,129.39	13,725.00	95,000.00	72,051.70	1,140,000.00	69,500.00	129,871.97	129,857.50	30,518.70	41,605.31	7,000.00	272,812.50	24,057.74	15,100.00	550,000.00	135,125.00
2015	48,311.56	12,412.50	110,000.00	71,608.20	1,165,000.00	135,126.00	81,659.75	121,718.80	26,518.70	40,078.76	6,500.00	255,312.50	24,057.74	8,000.00	750,000.00	124,125.00
2016	55,648.16	11,182.50	130,000.00	65,287.51	1,100,000.00	81,000.00	28,287.50	170,398.84	31,118.70	30,748.19	6,000.00	201,812.50	24,057.74	5,000.00	800,000.00	156,075.00
2017	54,718.65	9,462.00	150,000.00	57,713.70	1,075,000.00	26,750.00		128,718.66	30,518.70	38,916.01	5,500.00	225,312.50	24,057.74	6,000.00	850,000.00	201,975.00
2018	53,778.01	8,182.00	170,000.00	48,908.75	1,030,000.00	135,370.90	27,918.70	135,370.90	27,918.70	35,073.90	5,100.00	168,812.50	24,057.74	2,000.00	900,000.00	251,375.00
2019	62,844.25	6,892.00	195,000.00	38,820.35	1,010,000.00	29,982.70	29,982.70	131,340.20	29,982.70	37,398.10	4,700.00	155,625.00	24,057.74	7,100.00	950,000.00	238,375.00
2020	66,025.00	5,102.00	220,000.00	27,075.00	990,000.00	137,653.77	21,898.70	137,653.77	21,898.70	35,586.65	4,300.00	120,000.00	24,057.74	8,500.00	980,000.00	208,375.00
2021	68,614.07	3,412.00	245,000.00	13,822.50	965,000.00	143,105.70	18,388.70	143,105.70	18,388.70	50,137.60	3,800.00	80,000.00	24,057.74	8,920.00	980,000.00	165,375.00
2022	57,844.42	1,607.00	300,000.00	5,272.00	940,000.00	141,444.25	10,000.00	141,444.25	10,000.00	45,997.34	3,200.00	40,000.00	24,057.74	5,800.00	980,000.00	159,375.00
2023		1,482.00	400,000.00	1,482.00	920,000.00	147,413.40	11,620.00	147,413.40	11,620.00	47,837.00	2,650.00	40,000.00	24,057.74	4,700.00	950,000.00	131,750.00
2024			500,000.00		900,000.00	132,241.54	7,975.00	132,241.54	7,975.00	46,641.60	2,025.00	4,000.00	24,057.74	4,100.00	850,000.00	122,000.00
2025			600,000.00		880,000.00	130,607.36	3,037.00	130,607.36	3,037.00	45,237.44	1,275.00	3,500.00	24,057.74	3,500.00	850,000.00	88,000.00
2026													94,037.43	2,900.00	850,000.00	94,000.00
2027										44,072.44	697.5		54,037.74	2,300.00		
2028													84,637.74	1,400.00		
2029													28,037.85	600.00		
2030													510,000.00	111,000.00	11,500,000.00	3,320,910.00
<b>Total</b>	<b>\$ 591,023.35</b>	<b>\$ 103,240.00</b>	<b>\$ 1,656,000.00</b>	<b>\$ 574,590.65</b>	<b>\$ 5,400,000.00</b>	<b>\$ 501,000.00</b>	<b>\$ 277,750.18</b>	<b>\$ 1,915,452.65</b>	<b>\$ 554,897.62</b>	<b>\$ 641,774.81</b>	<b>\$ 68,381.25</b>	<b>\$ 1,016,000.00</b>	<b>\$ 12,155,700.00</b>	<b>\$ 1,110,000.00</b>	<b>\$ 11,500,000.00</b>	<b>\$ 3,320,910.00</b>

The summarized statement of debt condition which follows is prepared in accordance with the required method used in preparing the Annual Debt Statement and indicates a statutory net debt of 0.872% as compared to the statutory net debt limitation of 3.5%.

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**C. Outstanding Debt - Continued:**

**Debt Statement at December 31, 2011**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 40,526,000	\$ 40,526,000	\$ -
General Debt	<u>56,474,513</u>	<u>294,573</u>	<u>56,179,940</u>
	<u>\$ 97,000,513</u>	<u>\$ 40,820,573</u>	<u>\$ 56,179,940</u>

Net debt of \$56,179,940 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended \$6,440,916,788 equals 0.872%

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

The Township's remaining borrowing power under N.J.S.A. 40A:2-6, as amended, at December 31, 2011, was as follows:

3.5% Equalized Valuation Basis	\$225,432,088
Net Debt	<u>56,179,940</u>
Remaining Borrowing Power	<u>\$169,252,147</u>

**D. Pension Plans:**

**Description of Systems**

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

**Public Employees Retirement System**

PERS was established January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide coverage, including postretirement health care, to substantially all full-time employees of the State or any County, Municipality, School district or public agency, provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 10 years of service and 25 years for health care coverage.

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**D. Pension Plans – Continued:**

Tier 1 Members (members enrolled prior to July 1, 2007) are eligible for retirement at age 60 with an annual benefit generally determined to be  $1/55^{\text{th}}$  of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under 60 with 25 or more years of credited service. Members who retire early and are under age 55 receive retirement benefits as calculated in the above mentioned formula, but at a reduced rate (1/4 of 1% for each month the member lacks of attaining age 55). Tier 2 Members (members enrolled July 1, 2007 to November 2, 2008) are eligible for retirement at age 66 with an annual benefit generally determined to be  $1/55^{\text{th}}$  of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to these under age 60 with 25 or more years of credited service. Members who retire early and are under age 60 receive retirement benefits as calculated in the above mentioned formula, but at a reduced rate (1/12 of 1% each month the member lacks attaining age 60, but over age 55 and 1/4 of 1% for each month the member lacks of attaining age 55).

Chapter 89, P.L. 2008, established a minimum base salary of \$7,700 per year to be eligible for enrollment in Tier 3 of the PERS (members enrolled on or after November 2, 2008 and prior to May 21, 2011) are eligible for retirement at age 62 with an annual benefit generally determined to be  $1/55^{\text{th}}$  of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 62 with 25 or more years of credited service. Members who retire early and is under age 62 receive retirement benefits as calculated in the above mentioned formula, but at a reduced rate (1/12 of 1% for each month the member lacks of attaining age 62 but over age 55 and 1/4 of 1% for each month the member lacks of attaining age 55).

Chapter 1, P.L. 2011, requires a minimum of 32 hours per week to be eligible to enroll in Tier 4 of PERS (members enrolled after May 21, 2011) and are eligible for retirement at age 62 with an annual benefit generally determined to be  $1/60^{\text{th}}$  of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under 62 with 25 of more years of credited service. Members who retire early and are under age 62, receive retirement benefits as calculated in the above mentioned formula, but at a reduced rate (1/12 of 1% for each month the member lacks of attaining age 62 but over age 55 and 1/4 of 1% for each month the member lacks of attaining age 55). Chapter 1, P.L.2011 imposes a maximum compensation limits for PERS pension contributions for those who become members after May 21, 2011. For 2011, that amount is \$106,800.00. Any members hired after May 21, 2011 whose annual maximum compensation will be reached in any year become a participant of the Defined Contribution Retirement Program ("DCRP") with regard to the remaining compensation, unless the member irrevocably elects to waive participation in the DCRP. For the amount of compensation in excess of the maximum compensation, 5.5 % will be deducted as a contribution for the purposes of the DCRP. The Township will be responsible for the DCRP's matching 3% contribution.

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**D. Pension Plans - Continued:**

Police and Firemen's Retirement System

PFRS was established July 1, 1944 under the provisions of N.J.S.A. 43:16A, to provide coverage to substantially all full-time County and Municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees. Members may opt for Service Retirement if over age 55 or Special Retirement at any age if they have a minimum of 25 years of service or 20 years of service if enrolled in the PFRS as of January 18, 2000. Retirement benefits vary depending on age and years of service. Chapter 1, P.L. 2011 imposes a maximum compensation limit for officers who become members after May 21, 2011. For 2011, that amount is \$106,800.00. Any member hired after May 21, 2011, whose annual maximum compensation is reached in any year will become a participant of the DCRP with regard to the remaining compensation, unless the member irrevocably elects to waive participation in the DCRP. For the amount of compensation in excess of the maximum compensation, 5.5% will be deducted as a contribution for the purposes of the DCRP. The Township will be responsible for the DCRP's matching 3% contribution.

Defined Contribution Retirement Program

DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. Prudential is acting on behalf of the NJ Division of Pensions and Benefits as the record keeper and investment funds manager. Chapter 1, P.L. 2011 increased the minimum annual salary required for eligibility in the DCRP. An employee must earn an annual salary of at least \$5,000 to be eligible or to continue participation.

Covered employees are required by State statute to contribute a certain percentage of their salary to the Plan. In addition, the PERS and PFRS bill the Township annually, at an actuarially determinable rate for its required contribution. The current rate is 5.5% for PERS, 8.5% for PFRS and 5.5% for DCRP of annual covered payroll.

The contribution requirements of plan members and the Township are established and may be amended by the Board of Trustees of the respective plans.

**E. Deferred Compensation Plan:**

The Township offers its employees a deferred compensation plan (the "DC Plan") created in accordance with Internal Revenue Code Section 457. The DC Plan is administered by the Variable Annuity Life Insurance Company ("VALIC"). The DC Plan, available to all Township employees, permits them to defer a portion of their salary until future years. The Township adopted necessary changes to the DC Plan as required by the Economic Growth and Tax Reform Act of 2001 by resolution #9834-02.

As a result of legislative changes, all amounts of compensation deferred, all property and rights purchased, and all income, property, or rights are (until paid or made available to the employee or other beneficiary) held in trust for the exclusive benefit of the participants and their beneficiaries, whereas, prior to these legislative changes, these amounts were solely the property rights of the Township subject only to the claims of the Township's general creditors. As a result, the deferred compensation investments are no longer reported in the Township financial statements.

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**E. Deferred Compensation Plan - Continued:**

A separate report on the DC Plan is filed with the Division of Local Government Services and a copy with the Township Clerk's office.

**F. Length of Service Award Program:**

The Township established a Length of Service Award Program ("LOSAP") in accordance with Internal Revenue Code Section 457 and P.L. 1977, C.388 of the statutes of New Jersey. The Plan is administered by the VALIC. The LOSAP was established to reward members of the West Orange Volunteer First Aid Squad for their services to the residents of the Township. The LOSAP provides for fixed annual contributions from the Township to a deferred income account for each volunteer that meets specific criteria.

A separate report on the LOSAP is filed with the Division of Local Government Services and a copy with the Township Clerk's office.

**G. Accrued Sick and Vacation Benefits:**

The Township permits employees to accrue unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$11,529,055. The 2011 Township budget and the 2011 appropriation reserves include an appropriation for accrued benefits expected to be paid in 2011.

**H. Fund Balance Appropriated:**

\$2,537,253 of the \$4,416,059 fund balance of the Current Fund at December 31, 2011 has been appropriated as an item of revenue in the 2012 introduced Township budget.

\$95,000 of the fund balance of the Swimming Pool Utility Fund at December 31, 2011 has been appropriated as an item of revenue in the 2012 Current Fund budget.

\$3,376 of the fund balance of the Swimming Pool Utility Fund at December 31, 2011 has been appropriated as an item of revenue in the 2012 introduced Swimming Pool Utility budget.

The 2012 budget has been adopted as of the audit date.

**I. Insurance/Contingencies:**

The Township became a member of the Garden State Municipal Joint Insurance Fund ("JIF") in November 2003.

Automobile

The Township is liable for the first \$1,000. Any claims in excess of \$1,000 on property per occurrence, per vehicle are covered by the Garden State Joint Insurance Fund to the sum of \$15,000,000. The vehicles are insured for replacement cost cash value. Claims are funded on a cash basis through budget appropriations. A separate fund is not maintained and there was no reserve established at December 31, 2011 for possible catastrophic claims.

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**I. Insurance/Contingencies - Continued:**

General Liability

The Township claims are funded on a cash basis through budget appropriations. A separate fund is not maintained and there was no reserve established at December 31, 2011 for possible catastrophic claims.

The Municipal Insurance Trust Fund for the year 2011 is detailed as follows:

Balance: December 31, 2010		\$ 249,091.20
Increases:		
Budget	830,000.00	
Miscellaneous	1,970.02	
Interest	<u>2,260.00</u>	<u>834,230.02</u>
		1,083,321.22
Decreases:		
Claims and Administrative Expenses		<u>(933,230.02)</u>
Balance: December 31, 2011		<u>\$ 150,090.34</u>

The insurance coverage through the Garden State Joint Insurance Fund is up to a limit of \$15,000,000 for primary coverage on automobile, general liability, public officials liability (includes directors and officers), law enforcement liability, employment practices liability (sexual harassment, wrongful termination, failure to promote). Buildings are covered at replacement cost (per property schedule given by management).

Workers' Compensation

The Township self-insures for Worker's Compensation. Claims for Workers' Compensation are funded on a cash basis through budget appropriation. There was no reserve established at December 31, 2011 for possible catastrophic claims.

The Township is liable for the first \$500,000. Any claims in excess of \$500,000 are covered for a specific limit to the sum of \$5,000,000 under the Township Excess Liability Policy.

Processing and payment of Workers' Compensation claims for 2011 were administered by CCMSI.

There has been no provision included in the financial statements for claims incurred but not reported as of December 31, 2011.

The Workers' Compensation Trust Fund for the year 2011 is detailed as follows:

Balance: December 31, 2010		\$ 526,966.47
Increases:		
Budget	\$ 150,000.00	
Other Receipts	<u>451.24</u>	<u>150,451.24</u>
		677,417.71
Decreases:		
Claims		<u>(645,045.88)</u>
Balance: December 31, 2011		<u>\$ 32,371.83</u>

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**I. Insurance/Contingencies - Continued:**

Unemployment Insurance

The Township is on a direct reimbursement plan with the State of New Jersey for Unemployment Claims.

The Unemployment Insurance Trust Fund for the year 2011 is detailed as follows:

Balance: December 31, 2010		\$638,330.64
Increases:		
Budget	\$ 101.00	
Interest	1,528.45	
Payroll Deductions	<u>45,066.65</u>	<u>46,696.10</u>
		685,026.74
Decreases:		
Claims		<u>(180,253.71)</u>
Balance: December 31, 2011		<u>\$504,773.03</u>

The Township is self-insured for Workers' Compensation, Unemployment Insurance, and is involved in various pending claims. The Township does not believe these pending claims, individually or in the aggregate, would have a material adverse effect on its financial position or changes in net assets. However, the ultimate outcome of these uncertainties may not be determined at December 31, 2011 and, accordingly, no amounts have been accrued to provide any possible contingencies related to these claims.

Health Benefits

Township employees have the option of enrolling in the NJ State Health Benefits Plan or under several Health Maintenance Organizations.

Processing and payment of health benefit claims are administered by Blue Cross and Blue Shield of New Jersey.

Premiums for health benefits are funded on a cash basis through budget appropriations. There was no reserve established at December 31, 2011 for possible catastrophic claims.

**J. Note Payable, Lease Receivable, and Related Party Transaction:**

On May 2, 2001, the Township entered into an Installment Purchase Agreement, Series 2001, for the acquisition of certain real property in the Township. The acquisition price of \$1,100,000 is being amortized over eleven years at 5.85% per annum, payable quarterly. Unsecured title to the property has been passed to the Township. This agreement represents a general obligation of the Township, which the Township has pledged its full faith and credit for the payment of the principal of and the interest on the agreement.

The required final annual debt service was as follows:

Year	Principal	Interest	Total
2011	<u>\$ 67,977</u>	<u>\$ 1,489</u>	<u>\$ 69,466</u>

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**J. Note Payable, Lease Receivable, and Related Party Transaction - Continued:**

Subsequent to the execution of the Installment Purchase Agreement, the Township entered into an agreement with the West Orange Board of Education for the lease of said real property. The agreement guaranteed minimum quarterly lease payments to the Township of \$73,070 for the period June 1, 2001 through March 1, 2006.

The Board of Education has the option to purchase the property. This option shall be deemed to have been exercised on the last day of the term if the Board had made all rent payments due and owing and fulfilled all other obligations in full and in a timely manner.

On November 7, 2002, the Township of West Orange entered into a program, New Jersey Environmental Trust 2002A, for Capital Acquisitions of the Joint Meeting of Essex and Union Counties, of which it is a member. The Trust Loan of \$385,000.00 is being amortized over 20 years at 4.00-5.25% per annum, payable semiannually. The Fund Loan of \$338,473.72 is being amortized over 20 years, and is an interest free loan. This agreement represents a general obligation of the Township, which the Township has pledged its full faith and credit for the payment of the principal of and interest on the agreement.

The required future annual debt service is as follows:

<u>Year</u>	<u>Fund Loan Principal</u>	<u>Trust Loan Principal</u>	<u>Trust Loan Interest</u>	<u>Total</u>
2012	25,726.08	25,000.00	16,287.50	67,013.58
2013	24,947.21	25,000.00	15,037.50	64,984.71
2014	24,129.39	25,000.00	13,725.00	62,854.39
2015	23,311.58	25,000.00	12,412.50	60,724.08
2016	25,648.19	30,000.00	11,162.50	66,810.69
2017	24,713.55	30,000.00	9,662.50	64,376.05
2018	23,778.91	30,000.00	8,162.50	61,941.41
2019	22,844.25	30,000.00	6,662.50	59,506.75
2020	25,025.09	35,000.00	5,162.50	65,187.59
2021	23,934.67	35,000.00	3,412.50	62,347.17
2022	22,844.43	35,000.00	1,662.50	59,506.93
Total	<u>\$266,903.35</u>	<u>\$325,000.00</u>	<u>\$103,350.00</u>	<u>\$695,253.35</u>

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**J. Note Payable, Lease Receivable & Related Party Transaction - Continued:**

On October 25, 2005, the Township entered into a program, New Jersey Environmental Trust 2005, for Storm Drainage Improvements. The Trust Loan Series 2005A of \$1,145,000.00 is being amortized over 20 years at 4.00-5.00% per annum, payable semiannually. The Fund Loan of \$1,064,001.37 is being amortized over 20 years, interest free. This agreement represents a general obligation of the Township, which the Township has pledged its full faith and credit for the payment of the principal and interest.

<u>Year</u>	<u>Fund Loan Principal</u>	<u>Trust Loan Principal</u>	<u>Trust Loan Interest</u>	<u>Total</u>
2012	63,980.36	55,000.00	44,018.76	162,999.12
2013	62,203.47	55,000.00	41,268.76	158,472.23
2014	63,657.30	60,000.00	38,518.76	162,176.06
2015	61,718.86	60,000.00	35,518.76	157,237.62
2016	63,398.84	65,000.00	33,118.76	161,517.60
2017	61,718.86	65,000.00	30,518.76	157,237.62
2018	63,269.60	70,000.00	27,918.76	161,188.36
2019	61,347.32	70,000.00	24,943.76	156,291.08
2020	62,655.77	75,000.00	21,968.76	159,624.53
2021	63,705.76	80,000.00	18,593.76	162,299.52
2022	61,444.25	80,000.00	15,093.76	156,538.01
2023	62,413.46	85,000.00	11,593.76	159,007.22
2024	63,241.34	90,000.00	7,875.00	161,116.34
2025	60,697.36	90,000.00	3,937.50	154,634.86
Total	<u>\$875,452.55</u>	<u>\$1,000,000.00</u>	<u>\$354,887.62</u>	<u>\$2,230,340.17</u>

On October 24, 2006, the Township entered into a program, New Jersey Environmental Trust, 2006 for Capital Acquisitions of the Joint Meeting of Essex and Union Counties, of which it is a member. The Trust Loan of \$210,000.00 is being amortized over twenty (20) years at 4.00-5.00% per annum, payable semi-annually. The Fund Loan of \$567,187.84 is being amortized over twenty (20) years, interest free. This agreement represents a general obligation of the Township, which the Township has pledged its full faith and credit for the payment of the principal and interest.

<u>Year</u>	<u>Fund Loan Principal</u>	<u>Trust Loan Principal</u>	<u>Trust Loan Interest</u>	<u>Total</u>
2012	33,464.45	10,000.00	8,000.00	51,464.45
2013	32,534.89	10,000.00	7,500.00	50,034.89
2014	31,605.31	10,000.00	7,000.00	48,605.31
2015	30,675.75	10,000.00	6,500.00	47,175.75
2016	29,746.19	10,000.00	6,000.00	45,746.19
2017	28,816.61	10,000.00	5,500.00	44,316.61
2018	28,072.95	10,000.00	5,100.00	43,172.95
2019	27,329.31	10,000.00	4,700.00	42,029.31
2020	26,585.65	10,000.00	4,300.00	40,885.65
2021	35,137.68	15,000.00	3,900.00	54,037.68
2022	33,987.34	15,000.00	3,281.25	52,268.59
2023	32,837.00	15,000.00	2,662.50	50,499.50
2024	31,651.80	15,000.00	2,025.00	48,676.80
2025	30,257.44	15,000.00	1,275.00	46,532.44
2026	29,072.44	15,000.00	637.50	44,709.94
Total	<u>\$461,774.81</u>	<u>\$180,000.00</u>	<u>\$68,381.25</u>	<u>\$710,156.06</u>

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**J. Note Payable, Lease Receivable & Related Party Transaction - Continued:**

On October 25, 2010, the Township entered into a program, New Jersey Environmental Trust, 2010 for Capital Improvements of the Joint Meeting of Essex and Union Counties, of which it is a member. The Trust Loan of \$270,000.00 is being amortized over twenty (20) years at 3.00-5.00% per annum, payable semi-annually. The Fund Loan of \$276,469.00 is being amortized over twenty (20) years, interest free. This agreement represents a general obligation of the Township, which the Township has pledged its full faith and credit for the payment of the principal and interest.

It is noted that the Trust Loan was reduced by \$552,937.00 due to funding thru the American Resource Recovery Act.

<u>Year</u>	<u>Fund Loan Principal</u>	<u>Trust Loan Principal</u>	<u>Trust Loan Interest</u>	<u>Total</u>
2012	14,057.74	10,000.00	11,100.00	35,157.74
2013	14,057.74	10,000.00	10,600.00	34,657.74
2014	14,057.74	10,000.00	10,100.00	34,157.74
2015	14,057.74	10,000.00	9,600.00	33,657.74
2016	14,057.74	10,000.00	9,100.00	33,157.74
2017	14,057.74	15,000.00	8,600.00	37,657.74
2018	14,057.74	15,000.00	7,850.00	36,907.74
2019	14,057.74	15,000.00	7,100.00	36,157.74
2020	14,057.74	15,000.00	6,500.00	35,557.74
2021	14,057.74	15,000.00	5,750.00	34,807.74
2022	14,057.74	15,000.00	5,300.00	34,357.74
2023	14,057.74	15,000.00	4,700.00	33,757.74
2024	14,057.74	15,000.00	4,100.00	33,157.74
2025	14,057.74	15,000.00	3,500.00	32,557.74
2026	14,057.74	20,000.00	2,900.00	36,957.74
2027	14,057.74	20,000.00	2,200.00	36,257.74
2028	14,057.74	20,000.00	1,400.00	35,457.74
2029	14,057.85	15,000.00	600.00	29,657.85
Total	<u>\$253,069.43</u>	<u>\$260,000.00</u>	<u>\$111,000.00</u>	<u>\$624,039.43</u>

**K. Post Retirement Benefits:**

The Township contributes to the New Jersey Health Benefits Program (the "SHBP"), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the New Jersey Division of Pensions and Benefits. 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 must adopt a resolution to participate in the SHBP. In 1998, the Township authorized participation in the SHBP's post-retirement benefits program through resolution number 5964-88 effective January 1, 1989.

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**K. Post Retirement Benefits – Continued:**

Chapter 384 of Public Laws of 1987 and Chapter 6 of Public Laws 1990 require funding of post-retirement medical benefits for those participants after accumulating 25 years of credited service or who are on a disability retirement.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pension and Benefits issues a publicly available financial report that includes financial statements and required supplementary information of 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 1989.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township of West Orange on a monthly basis. The Township assumes cost through taxation.

The Township of West Orange contributions to SHBP for the years ended December 31, 2009, 2010 and 2011 are as follows:

<b>Year</b>	<b>SHBP</b>	<b>Medicare Reimbursements</b>	<b>Number of Participants</b>
2009	2,742,151	297,812	271
2010	2,790,105	297,587	271
2011	3,182,682	286,831	301

**L. 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) Immediately, for employees hired on June 28, 2011 and not subject to Collective Negotiations Agreement (“CNA”) that is in effect.

b) When a CNA that is in effect on June 28, 2011 expires or is in almost any way modified.

**TOWNSHIP OF WEST ORANGE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2011**

**L. Health Benefits – Continued:**

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.

**M. Litigation:**

The Township is not currently involved in any matters which if determined adversely would have a negative impact on the financial condition of the Township.

**TOWNSHIP OF WEST ORANGE**

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**PART I**

**SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2011**

**TOWNSHIP OF WEST ORANGE  
SUPPLEMENTARY INFORMATION**

**COMPARATIVE SCHEDULE OF TAX RATE INFORMATION**

	<u>2011*</u>	<u>2010</u>	<u>2009</u>
Tax Rate	<u>\$3.481</u>	<u>\$12.983</u>	<u>\$12.547</u>
Apportionment of Tax Rate:			
Municipal	0.855	3.384	3.384
Minimum Library Tax	0.037		
County	0.469	1.701	1.722
School	2.100	7.822	7.363
Municipal – Open Space	0.003	0.10	0.10
County – Open Space	0.017	0.66	0.68
	<u>\$12.983</u>	<u>\$12.983</u>	<u>\$12.547</u>
Assessed Valuation	<u>\$5,727,444,799</u>	<u>\$1,509,248,964</u>	<u>\$1,547,180,594</u>

\*In 2011 the Township performed a revaluation.

**SCHEDULE OF TAX LEVIES AND COLLECTION CURRENTLY**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2011	\$199,950,523.48	\$196,135,553.75	98.10%
2010	196,442,732.54	192,446,833.53	97.95%
2008	194,862,048.93	192,923,538.64	99.00%
2007	188,262,592.49	186,298,309.69	98.95%
2006	176,064,525.22	174,614,716.73	99.17%

**SCHEDULE OF DELINQUENT TAXES AND TAX TITLE LIENS**

This schedule includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens in relation to the tax levies of the last five years:

<u>December 31, 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>
2011	\$169,198.38	\$3,147,736.63	\$3,316,935.01	1.659%
2010	156,756.86	1,557,515.11	1,714,271.97	.873%
2009	14,047.89	1,563,235.23	1,577,283.12	.809%
2008	12,643.00	1,317,444.00	1,330,087.00	.714%
2007	11,285.00	1,238,175.00	1,249,460.00	.710%

**TOWNSHIP OF WEST ORANGE  
SUPPLEMENTARY INFORMATION**

**SCHEDULE OF PROPERTY ACQUIRED BY TAX TITLE LIQUIDATION**

The value of all property acquired by liquidation of tax title liens based upon the December 31, valuation of such properties.

<u>Year</u>	<u>Amount</u>
2011	\$392,465.00
2010	392,465.00
2009	392,465.00
2008	392,465.00
2007	392,465.00

**SCHEDULE OF FUND BALANCES - CURRENT FUND**

<u>Year Current Fund</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>
2011	\$3,078,370.00	\$2,537,253.00 *
2010	4,416,059.00	3,400,000.00
2009	5,585,603.00	4,450,000.00
2008	4,223,907.00	3,100,000.00
2007	4,181,681.00	3,100,000.00

**SCHEDULE OF FUND BALANCES - SWIMMING POOL UTILITY**

<u>Year Current Fund</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>
2011	\$100,874.56	\$ 98,376.00 *
2010	275,772.00	
2008	279,237.00	46,983.00
2007	297,227.00	17,990.00
2006	269,265.00	

\* As Adopted

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A-4

CASH AND DISBURSEMENTS - TREASURER  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	<u>Regular Fund</u>	<u>State and Federal Grant Fund</u>
Balance, December 31, 2010	A	\$ 10,087,481.52	\$
Increased by Receipts:			
Tax Collector	A-5	<u>226,162,271.65</u>	<u>1,963,494.73</u>
		<u>236,249,753.17</u>	<u>1,963,494.73</u>
Decreased by Disbursements:			
Budget Appropriations	A-3	62,557,695.13	
Tax Appeals Paid	A-10	532,164.39	
Interfund Settlements	A-13	14,337,338.87	
Appropriation Reserves	A-15	2,285,328.84	
Accounts Payable	A-17	218,585.14	
Refund of Tax Overpayments	A-18	196,977.37	
Open Space Trust	A-14A	150,448.41	
School Tax Payable	A-19	120,287,738.00	
County Tax Payable	A-20	27,897,386.39	
Fees Due to State of New Jersey	A-21	35,107.00	
Refunded to Grantor	A-24		51,459.10
Reserve for State Grants	A-26		1,831,163.63
State Grants Appropriated	A-27		<u>80,872.00</u>
		<u>228,498,769.54</u>	<u>1,963,494.73</u>
Balance, December 31, 2011	A	<u>\$ 7,750,983.63</u>	<u>\$</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A-5

CASH RECEIPTS AND DISBURSEMENTS - COLLECTOR  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	<u>Regular Fund</u>	<u>State and Federal Grant Fund</u>
Increased by Receipts:			
Taxes Receivable	A-7	\$ 196,757,437.17	\$
Revenue Accounts Receivable	A-11	10,463,194.11	
Deposit on Sale of Property	A-17A	1,000.00	
Sewer Rents	A-12	3,536,552.40	
Interfunds	A-13	13,750,000.00	
Exemptions Due from State of New Jersey	A-16	228,238.36	
Tax Overpayments	A-18	230,003.77	
Fees Due to State of New Jersey	A-21	28,828.00	
Prepaid Taxes	A-22	718,117.84	
Special Emergency Note	A-14	448,900.00	
Due From Current	A-25		587,338.87
State Grants Receivable	A-24		1,309,370.92
Reserve for State Grants	A-27		66,784.94
		226,162,271.65	1,963,494.73
Decreased by Disbursements:			
Township Treasurer	A-4	226,162,271.65	1,963,494.73
		\$	\$

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A-6

SCHEDULE OF CASH - CHANGE FUNDS  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2011 and 2010	A	<u>\$ 450.00</u>
Analysis of Balance:		
Tax Collector		\$ 100.00
Health Department		25.00
Police Department		25.00
Municipal Court		<u>300.00</u>
	Above	<u>\$ 450.00</u>

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
YEAR ENDED DECEMBER 31, 2011

Year	Balance, December 31, 2010	2011 Levy	Added Taxes	2010	Collected 2011	Senior Citizens and Veterans' Deductions (Net)	Tax Title Liens	Cancelled	Balance, December 31, 2011
2009	\$ 3,843.16	\$	\$	\$	710.51	\$	\$	\$	\$ 3,132.65
2010	1,553,671.95		1,011.64		1,543,050.82				11,632.77
2011		199,443,711.23	506,812.25	689,877.91	195,213,675.84	232,000.00	12,398.52	669,600.00	3,132,971.21
	\$ 1,557,515.11	\$ 199,443,711.23	\$ 507,823.89	\$ 689,877.91	\$ 196,757,437.17	\$ 232,000.00	\$ 12,398.52	\$ 669,600.00	\$ 3,147,736.63

Reference A Below Reserve A-22 A-5 A-16 A-8 A

ANALYSIS OF PROPERTY  
TAX LEVY:

General Purpose Tax:									
General Property Tax		\$ 199,443,711.23							
Added Taxes		506,812.25							
		<u>506,812.25</u>							
			\$ 199,950,524.48						

Tax Levy:

Local District School Tax Levy	\$ 120,287,738.00	A-19
County Tax	26,872,391.72	A-20
County Open Space Tax	957,237.98	A-20
Due County for Added Taxes	70,683.08	A-20
	<u>148,188,050.78</u>	

Local Tax for Municipal Purposes

Open Space Tax	51,075,300.00	A-2
Add Additional Tax Levied	150,448.41	A-2
Add Additional Open Space Tax	535,665.30	A-2
	<u>1,059.99</u>	
	<u>51,762,473.70</u>	
	<u>\$ 199,950,524.48</u>	

**TOWNSHIP OF WEST ORANGE  
CURRENT FUND**

**TAX TITLE LIENS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011**

A-8

	<u>Ref.</u>		
Balance, December 31, 2010	A		\$ 156,756.86
Increased by:			
Transfer from Taxes Receivable	A-7	\$ 12,398.52	
Interest and Costs	Reserve	<u>43.00</u>	<u>12,441.52</u>
Balance, December 31, 2011	A		<u>\$ 169,198.38</u>

A-9

**PROPERTY ACQUIRED FOR TAXES  
DECEMBER 31, 2011**

	<u>Ref.</u>		
Balance, December 31, 2010	A		<u>\$ 392,465.00</u>
Balance, December 31, 2011	A		<u>\$ 392,465.00</u>

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A-10

RESERVE FOR TAX APPEALS PENDING  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 1,302,408.19
Increased by:		
Current Year Budget Appropriation	A-3	<u>650,000.00</u>
		1,952,408.19
Decreased by		
Tax Appeals Paid	A-4	<u>532,164.39</u>
Balance, December 31, 2011	A	<u>\$ 1,420,243.80</u>

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

Ref.	Balance, December 31, 2010	Accrued in 2011	Collected by Treasurer	Balance, December 31, 2011
	\$			\$
Township Clerk:				
Alcoholic Beverages Licenses		74,058.94	74,058.94	
Other Licenses		50,403.72	50,403.72	
Department of Health:				
Permits and Fees		22,485.00	22,485.00	
Construction Code Official:				
Permits and Fees		591,824.85	591,824.85	
Department of Public Works:				
Other Permits		8,941.50	8,941.50	
Tree Permits		200.00	200.00	
Fence Permits		2,900.00	2,900.00	
Recycling Center Permits		11,425.00	11,425.00	
Department of Planning/Development:				
Planning Board Fees		4,225.00	4,225.00	
Zoning Board Fees		23,277.00	23,277.00	
Public Safety:				
Fire Permits and Inspection Fees		1,447.00	1,447.00	
Police Reports and Fees		11,286.25	11,286.25	
Uniform Fire Safety Act		75,416.90	75,416.90	
Municipal Court Fines and Costs	41,251.14	497,194.33	474,280.63	64,164.84
Parking:				
Permits		13,900.00	13,900.00	
Meters		17,986.63	17,986.63	
Tax Collector:				
Tax Searches		1,338.00	1,338.00	
In Lieu of Taxes:				
West Orange Senior Citizens Housing		88,425.00	88,425.00	
Jewish Federation Plaza		62,289.00	62,289.00	
Eagle Rock Housing		76,036.00	76,036.00	
Woodland Valley		31,762.35	31,762.35	
St. Barnabas		214,500.00	214,500.00	
Interest on Investments		48,350.97	48,350.97	

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

	Ref.	Balance, December 31, 2010	\$	Accrued in 2011	Collected by Treasurer	Balance, December 31, 2011
Interest on Delinquent Taxes	A-2	\$	\$	526,209.36	526,209.36	\$
State of New Jersey:						
Energy Receipts Tax	A-2			4,398,434.00	4,398,434.00	
Consolidated Municipal Property Tax Relief Act	A-2			292,818.00	292,818.00	
State of New Jersey:						
Watershed Moratorium Offset Aid	A-2			5,217.00	5,217.00	
Supplemental Sewer Fees	A-2			134,100.00	134,100.00	
General Capital Fund Balance	A-2			124,000.00	124,000.00	
Assessment Trust Fund Balance	A-2			18,500.00	18,500.00	
Reserve to Pay Debt Service	A-2			232,000.00	232,000.00	
Reimbursement Board of Education	A-2			2,550.36	2,550.36	
Property Lease Payment-Board of Education	A-2		7,500.00	69,467.00	69,467.00	7,500.00
Rental-Environmental Center	A-2		548,342.23	90,000.00	90,000.00	
Comcast Cable/Verizon Franchise Fee	A-2			573,708.85	548,342.23	573,708.85
Ground Leases	A-2			135,296.50	135,296.50	
Hotel Fee	A-2		30,439.56	417,262.29	413,689.65	34,012.20
Interlocal Agreement-Roseland Tax Assessor	A-2			25,833.30	25,833.30	
Trust Fund Balance	A-2			777,991.00	777,991.00	
Swim Pool Fund Balance	A-2			175,000.00	175,000.00	
Medical Transport Billing Service	A-2			448,746.37	448,746.37	
<b>MISCELLANEOUS REVENUE NOT ANTICIPATED:</b>						
Duplicate Tax Bills				169.00	169.00	
Garage Sales, Signs and Sidewalk Café				963.50	963.50	
Ordinances, Maps, Flood Letters				2,519.72	2,519.72	
UCC & Mun Court Pension				1,436.00	1,436.00	
Section 8 Pension				8,286.48	8,286.48	
Cost of Tax Sale				4,429.36	4,429.36	
Copies-Tax & Sewer History				133.00	133.00	
Copies-Clerk (OPRA)				551.87	551.87	
Administrative Fee-Sr. Cit. & Vet Deduction				4,564.77	4,564.77	
DMV-Enhanced NV Inspections				4,016.00	4,016.00	

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

Ref.	Balance, December 31, 2010	Accrued in 2011	Collected by Treasurer	Balance, December 31, 2011
	\$	\$	\$	\$
Copies-Fire Reports		120.00	120.00	
Firehouse as Polling Place		3,911.07	3,911.07	
Podiatry-Medicare		15,492.00	15,492.00	
Montclair-Verona-Livingston Sewer		6.00	6.00	
Sale of Auto-Junk Titles		1,800.00	1,800.00	
Rent-Town Owned Property		283.00	283.00	
Criminal Restitution				
Senior Dental-Other Towns		1,158.15	1,158.15	
Sundry Receipts				
Senior Dental-West Orange		645.00	645.00	
Senior Health		1,167.00	1,167.00	
Transportation		625.00	625.00	
Child Health				
Interest on Assessments		2,240.00	2,240.00	
Return Check Charge	5,682.08	3,673.31	8,151.23	1,204.16
Franchise Fee-Bus Shelters				
Right of Way-Sunesys		14,039.52	14,039.52	
Interest-Sewer Rents		4,090.00	4,090.00	
Transport of NJ-In Lieu of Taxes				
NJ Assoc of Retarded Citizens In Lieu of Taxes				
Film Receipts		10,003.75	10,003.75	2,464.00
Essex Fells Health Services	2,464.00	12,135.00	12,135.00	2,385.00
Towing Contract	2,385.00			
Commission-Vending Machines	145.75	816.70	785.40	177.05
Special Assessment Interest				
Essex Fells Animal Control	3,398.66	7,744.12	3,398.66	
Animal Control-Roseland		750.00	750.00	
Lien Redemption Statement		21,625.00	21,625.00	
Rental-Toby Katz Fieldhouse		1,000.00	1,000.00	
Right of Way-Verizon				
	\$ 638,209.76	\$ 10,510,600.45	\$ 10,463,194.11	\$ 685,616.10

Ref.

A

A-5

A

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A-12

SEWER CHARGES RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>		
Balance, December 31, 2010	A		\$ 39,828.11
Increased by:			
Sewer Charges	Reserve		<u>3,709,443.01</u>
			3,749,271.12
Decreased by:			
Cash Receipts	A-2, A-5	\$ 3,536,552.40	
Cancelled	Reserve	<u>6,416.31</u>	<u>3,542,968.71</u>
Balance, December 31, 2011	A		<u><u>\$ 206,302.41</u></u>

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

INTERFUNDS  
YEAR ENDED DECEMBER 31, 2011

Ref.	Total	State & Federal Grant Fund	General Trust Fund	Public Assistance Fund	Workers Compensation Fund	NJ Unemployment Insurance Fund	General Capital Fund
A	\$ (120,083.05)	\$ (120,083.05)	\$	\$	\$	\$	\$
A-4	14,337,338.87	587,338.87	5,300,000.00	1,000,000.00	150,000.00	100,000.00	7,200,000.00
	<u>14,337,338.87</u>	<u>587,338.87</u>	<u>5,300,000.00</u>	<u>1,000,000.00</u>	<u>150,000.00</u>	<u>100,000.00</u>	<u>7,200,000.00</u>
A-25	14,950.00	14,950.00					
A-24	1,572.73	1,572.73					
A-5	13,750,000.00		5,300,000.00	1,000,000.00	150,000.00	100,000.00	7,200,000.00
	<u>13,766,522.73</u>	<u>16,522.73</u>	<u>5,300,000.00</u>	<u>1,000,000.00</u>	<u>150,000.00</u>	<u>100,000.00</u>	<u>7,200,000.00</u>
A	\$ 450,733.09	\$ 450,733.09	\$	\$	\$	\$	\$

Balance, December 31, 2010  
From  
(To)

Increased by:  
Cash Settlements  
Subtotal

Decreased by:  
Budget  
Grants Receivable Cancelled  
Cash Receipts - Collector

Balance, December 31, 2011:  
From  
(To)

**TOWNSHIP OF WEST ORANGE  
CURRENT FUND**

**SPECIAL EMERGENCY NOTES  
YEAR ENDED DECEMBER 31, 2011**

A-14

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$
Increased by:		
Notes Received	A-5	<u>448,900.00</u>
Balance, December 31, 2011	A	<u>\$ 448,900.00</u>

**LOCAL OPEN SPACE TAXES RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011**

A-14A

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$
Increased by:		
Local Open Space Taxes Received	A-7	<u>151,508.40</u>
		151,508.40
Decreased by:		
Local Open Space Taxes Paid to Trust	A-4	<u>150,448.41</u>
Balance, December 31, 2011	A	<u>\$ 1,059.99</u>

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance, December 31, 2010	Balance, After Transfer	Paid or Charged	Lapsed
SALARIES AND WAGES:				
Mayor	\$ 0.68	\$ 0.68	\$	\$ 0.68
Township Council	2,563.28	2,563.28		2,563.28
Alcoholic Beverage Control				
Township Clerk	6,540.29	6,540.29	1,418.00	5,122.29
Elections	226.42	226.42		226.42
Township Attorney	6,953.29	6,953.29	3,400.00	3,553.29
Planning Board	0.60	0.60	0.60	
Zoning Board	0.60	0.60		0.60
Municipal Court	15,059.23	15,059.23	7,399.52	7,659.71
Rent Leveling Board	500.00	500.00		500.00
Business Administrator	1,753.66	1,753.66		1,753.66
Central Purchasing	0.64	0.64		0.64
Central Printing	0.20	0.20		0.20
Township Physician	4,750.00	4,750.00		4,750.00
Comptroller	3,363.46	3,363.46		3,363.46
Tax Collector	1,164.56	1,164.56	235.44	929.12
Planning Director	2,149.40	2,149.40	867.00	1,282.40
Code Enforcement	501.84	501.84		501.84
Tax Assessor	1.44	1.44		1.44
Department of Fire	91,958.02	91,958.02	75,292.17	16,665.85
Police Department	115,927.02	115,927.02	67,706.29	48,220.73
Engineering	8,348.34	8,348.34		8,348.34
Public Works	105,717.08	105,717.08	71,926.76	33,790.32
Dental Health and Child Health Clinic	516.38	516.38	431.03	85.35
General Health Services	7,542.63	7,542.63		7,542.63
Senior Citizen Transportation	2,058.71	2,058.71	1,256.00	802.71
Public Assistance	1,000.36	1,000.36		1,000.36
Animal Control	3,548.50	3,548.50	675.52	2,872.98
Podiatry	5,320.30	5,320.30	369.45	4,950.85
Senior Citizen Health Center	5,076.60	5,076.60	1,775.00	3,301.60
Child Health	2,847.55	2,847.55	123.15	2,724.40
Right to Know				
Parks and Playgrounds	11,472.62	11,472.62	11,307.11	165.51
Program for Retired Citizens	0.44	0.44		0.44
Construction Official	10,571.56	10,571.56	2,618.00	7,953.56
School Board Election	38.21	38.21		38.21
Total Salaries and Wages	417,473.91	417,473.91	246,801.04	170,672.87

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance, December 31, 2010	Balance, After Transfer	Paid or Charged	Lapsed
	\$ 474.25	\$ 474.25	\$	\$
OTHER EXPENSES:				
Office of the Mayor	5,645.31	5,645.31	2,112.09	3,533.22
Public Information Officer	594.72	594.72	594.72	
Township Council	72,583.09	72,583.09	60,482.05	12,101.04
Township Council - Advertising	52.00	52.00		52.00
Litigation - Arbitration	1,387.72	1,387.72	228.94	1,158.78
Alcohol Beverage Control	4,542.66	4,542.66	2,026.69	2,515.97
Township Clerk	1,169.88	1,169.88		1,169.88
Human Relations	3,923.36	3,923.36	2,028.74	1,894.62
Elections	609.33	609.33	61.68	547.65
Planning Board	50.00	50.00		50.00
Zoning Board	1,000.00	1,000.00		1,000.00
Board of Appeals	29,233.37	29,233.37	28,333.33	900.04
Environmental Commission	14,961.75	14,961.75	4,009.61	10,952.14
Waste Management	150.00	150.00		150.00
Municipal Court	31,423.78	31,423.78	30,659.69	764.09
Rent Leveling Board	1,000.00	1,000.00		1,000.00
Business Administrator	1,015.64	1,015.64	177.21	838.43
Administration of Town-Owned Property	2,964.02	2,964.02	1,563.16	1,400.86
Central Printing and Supply	13,151.71	13,151.71	5,733.51	7,418.20
Central Purchasing	414.37	414.37	123.06	291.31
Central Telephone	137,745.03	137,745.03	122,735.17	15,009.86
Central Mailing	2,130.00	2,130.00	94.00	2,036.00
Employee Group Health	795.62	795.62	113.98	681.64
Township Physician	6,603.40	6,603.40	3,275.58	3,327.82
Tax Collector	1,864.85	1,864.85	549.75	1,315.10
Comptroller	1,379.99	1,379.99	392.72	987.27
Treasurer	2,346.39	2,346.39	856.92	1,489.47
Planning Director	828.00	828.00		828.00
Code Enforcement	4,225.00	4,225.00		4,225.00
Downtown W.O. Alliance	4,600.00	4,600.00	4,600.00	
Arts Council	2,480.00	2,480.00	2,210.00	270.00
Historical Commission	2,480.00	2,480.00	4,144.69	25,196.73
Energy Commission	29,341.42	29,341.42	21,793.53	3,951.49
Tax Assessor	25,745.02	25,745.02	2,874.16	181.19
Department of Fire	3,055.35	3,055.35	24,170.50	277.61
Uniform Fire Safety	24,448.11	24,448.11	55,796.00	49,813.04
Emergency Management Services	105,609.04	105,609.04	116.67	878.71
Police Department	995.38	995.38	415.57	2,919.10
Police Uniform Allowance	3,334.67	3,334.67		51,012.40
Engineering	92,594.91	92,594.91	41,582.51	
Building and Grounds				

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance, December 31, 2010	Balance, After Transfer	Paid or Charged	Lapsed
	\$	\$	\$	\$
Parking Facilities-Maint & Repair	1,202.73	1,202.73	349.95	852.78
Shade Trees	158,080.51	158,080.51	145,819.45	12,261.06
Snow Plowing and Salt	329,877.96	329,877.96	329,877.96	
Street Services-Cleaning & Drainage	13,348.62	13,348.62	2,585.31	10,763.31
Street Repairs	48,384.08	48,384.08	12,458.82	35,925.26
Street Services & Traffic	2,963.59	2,963.59	786.00	2,177.59
Sanitation	5,200.35	5,200.35		5,200.35
Automotive	141,374.21	141,374.21	106,780.27	34,593.94
Sewage and Pumping Stations	23,572.24	23,572.24	10,670.30	12,901.94
Dental Health	372.97	372.97	55.00	317.97
General Health	4,081.96	4,081.96	3,127.38	954.58
Senior Citizen Transportation	116.62	116.62	(139.14)	255.76
Aid to Health Care Facilities	163.53	163.53	163.53	
Public Assistance	429.75	429.75	353.26	
Animal Control	649.88	649.88	610.90	76.49
Garbage and Trash Removal	451,494.65	451,494.65	429,005.09	22,489.56
Meats on Wheels	3,860.00	3,860.00		3,860.00
Podiatry	202.25	202.25	202.25	
Senior Citizen Health Center	1,187.05	1,187.05	22.56	1,164.49
Health Day	500.00	500.00	195.00	305.00
Child Health Clinic	393.94	393.94	(50.00)	443.94
Right to Know	725.00	725.00	22.75	702.25
Community Services	2,750.00	2,750.00	(2,500.00)	5,250.00
Parks and Playgrounds	20,563.96	20,563.96	8,869.27	11,694.69
Program for Retired Citizens	7,653.45	7,653.45	3,501.92	4,151.53
Public Celebrations	3,289.93	3,289.93	640.95	2,648.98
NJ League of Municipalities	325.00	325.00		325.00
Challenge Grant Bus Shuttle	10,464.65	10,464.65	10,000.00	464.65
Gasoline	110,989.00	110,989.00	88,899.96	22,089.04
Fuel Oil	2,500.00	2,500.00		2,500.00
Electricity	113,730.03	113,730.03	113,366.49	363.54
Fire Hydrant Service	203,182.00	203,182.00	141,253.98	61,928.02
Water	8,391.56	8,391.56	3,941.05	4,450.51
Medical Transport Billing Service	39,888.00	39,888.00	32,398.22	7,489.78
Street Lighting	197,284.49	197,284.49	188,974.14	8,310.35
Contingent	7,500.00	7,500.00		7,500.00
Construction Official	57,740.41	57,740.41	223.72	57,516.69
Joint Outlet Sewer Maintenance	1,391.61	1,391.61		1,391.61
School Board Election	44.42	44.42		44.42
LOSAP-First Aid Pension Costs	31,000.00	31,000.00	27,525.50	3,474.50
Total Other Expenses	2,645,349.54	2,643,339.54	2,083,848.07	559,491.47

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011

	Balance, December 31, 2010	Balance, After Transfer	Paid or Charged	Lapsed
STATUTORY EXPENDITURES:				
Social Security System	\$ 890.95	\$ 890.95	\$	890.95
Consolidated Police and Firemen's Pension	1,465.11	1,465.11		1,465.11
Total Statutory Expenditures	2,356.06	2,356.06		2,356.06
	\$ 3,065,179.51	\$ 3,063,169.51	\$ 2,330,649.11	\$ 732,520.40
Ref. A				A-1

	Ref.
Cash Disbursed	\$ 2,285,328.84
Accounts Payable	45,320.27
	\$ 2,330,649.11

	Ref.
Appropriation Reserves	\$ 1,504,570.72
Reserve for Encumbrances	1,558,598.79
	\$ 3,063,169.51

**TOWNSHIP OF WEST ORANGE  
CURRENT FUND**

**DUE TO/FROM STATE OF NEW JERSEY  
YEAR ENDED DECEMBER 31, 2011**

A-16

	<u>Ref.</u>		
Balance, December 31, 2010 (Due to)	A		\$ 6,383.74
Increased by:			
Exemptions Disallowed by Tax Collector			
2010 Taxes	A-1	\$ 3,261.64	
Cash Receipts	A-5	<u>228,238.36</u>	
			<u>231,500.00</u>
			237,883.74
Decreased by:			
Exemptions Granted per Billing		230,750.00	
2011 Exemptions Granted by Tax Collector		<u>1,250.00</u>	
	A-7		<u>232,000.00</u>
Balance, December 31, 2011 (Due to)	A		<u>\$ 5,883.74</u>

**SCHEDULE OF ACCOUNTS PAYABLE  
YEAR ENDED DECEMBER 31, 2011**

A-17

	<u>Ref.</u>		
Balance, December 31, 2010	A		\$ 303,585.04
Increased by:			
Transfer from Appropriation Reserves	A-15	<u>\$ 45,320.27</u>	<u>\$ 45,320.27</u>
			394,225.58
Decreased by:			
Cash Disbursed	A-4	218,585.14	
Cancelled	A-1	<u>84,999.90</u>	
			<u>303,585.04</u>
Balance, December 31, 2011	A		<u>\$ 90,640.54</u>

**DEPOSIT ON SALE OF PROPERTY  
YEAR ENDED DECEMBER 31, 2011**

A-17A

	<u>Ref.</u>		
Balance, December 31, 2010	A		\$
Increased by:			
Receipts	A-5	<u>1,000.00</u>	
			<u>1,000.00</u>
Balance, December 31, 2011	A		<u>\$ 1,000.00</u>

**TOWNSHIP OF WEST ORANGE  
CURRENT FUND**

**TAX OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2011**

A-18

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$
Increased by:		
Collections	A-5	230,003.77
Decreased by:		
Cash Disbursements	A-4	<u>196,977.37</u>
Balance, December 31, 2011	A	<u>\$ 33,026.40</u>

**LOCAL DISTRICT SCHOOL TAXES PAYABLE  
YEAR ENDED DECEMBER 31, 2011**

A-19

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$
Increased by:		
Calendar Year Levy	A-1, A-7	120,287,738.00
Decreased by:		
Cash Payments	A-4	<u>120,287,738.00</u>
Balance, December 31, 2011	A	<u>\$</u>

**COUNTY TAXES PAYABLE  
YEAR ENDED DECEMBER 31, 2011**

A-20

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 67,756.69
Increased by:		
General Levy	A-7	\$ 27,829,629.70
Added Taxes	A-7	<u>70,683.08</u>
	A-1	<u>27,900,312.78</u>
		27,968,069.47
Decreased by:		
Cash Payments	A-4	<u>27,897,386.39</u>
Balance December 31, 2011	A	<u>\$ 70,683.08</u>

**TOWNSHIP OF WEST ORANGE  
CURRENT FUND**

**DUE TO STATE OF NEW JERSEY  
YEAR ENDED DECEMBER 31, 2011**

A-21

	<u>Ref.</u>	<u>Total</u>	<u>Marriage License</u>	<u>Building Surcharge</u>
Balance, December 31, 2010	A	\$ 7,979.00	\$ 1,400.00	\$ 6,579.00
Increased by:				
Cash Receipts	A-5	<u>28,828.00</u>	<u>8,225.00</u>	<u>20,603.00</u>
		36,807.00	9,625.00	27,182.00
Decreased by:				
Cash Disbursements	A-4	<u>35,107.00</u>	<u>7,925.00</u>	<u>27,182.00</u>
Balance, December 31, 2011	A	<u>\$ 1,700.00</u>	<u>\$ 1,700.00</u>	<u>\$</u>

**PREPAID TAXES  
YEAR ENDED DECEMBER 31, 2011**

A-22

	<u>Ref.</u>	
Balance, December 31, 2010	A	\$ 689,877.91
Increased by:		
Cash Receipts	A-5	<u>718,117.84</u>
		1,407,995.75
Decreased by:		
Applied to Taxes Receivable	A-7	<u>689,877.91</u>
Balance, December 31, 2011	A	<u>\$ 718,117.84</u>

**DEFERRED REVENUE  
YEAR ENDED DECEMBER 31, 2011**

A-23

	<u>Ref.</u>	<u>Total</u>	<u>Watershed Moratorium</u>	<u>Joint Sewer Outlet</u>
Balance, December 31, 2010	A	110,179.85	\$ 5,217.00	\$ 104,962.85
Decreased by:				
Applied as Budget Revenue	A-2	<u>109,717.00</u>	<u>5,217.00</u>	<u>104,500.00</u>
Balance, December 31, 2011	A	<u>462.85</u>	<u>\$</u>	<u>\$ 462.85</u>

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

FEDERAL AND STATE GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

	<u>Balance</u> <u>Dec. 31, 2010</u>	<u>Grant</u> <u>Award</u>	<u>Collections</u>	<u>Refunded</u> <u>to Grantor</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2011</u>
Transportation Municipal Aid	\$ 829,500.00	\$ 2,245,777.00	\$ 747,576.85	\$	\$	\$ 2,327,700.15
Senior Dental Care	4,798.00		4,798.00			
Senior Citizen Nurse	4,417.00		4,417.00			
Public Health Priority Funding		59,800.00				
Clean Communities						
Municipal Alliance for Alcoholism and Drug Abuse	47,452.09	59,800.00	62,663.19			44,588.90
Pedestrian Safety Enforcement		9,000.00	1,000.00			8,000.00
Safe and Secure Communities Program						
Neighborhood Preservation-Valley						
COPS in Shops	5,674.16	12,712.00	7,400.16		1,572.73	9,413.27
Tree Planting Grant						
Drunk Driving Enforcement Fund	5,155.00					5,155.00
Municipal Stormwater Regulation Program	67,616.00					67,616.00
Byrne Memorial Equipment Grant						
Essex County Open Space and Recreation Commuter Shuttle Grant	50,000.00	10,000.00				60,000.00
Delinquency Prevention Grant	18,563.00		15,660.74			2,902.26
NJ Department of Health-H1N1 Program	46,543.00	35,000.00	81,543.00			
Wastewater Treatment Fund	279,358.00		155,459.00			123,899.00
Hazardous Discharge Site Remediation Over the Limit Under Arrest	44,461.53		2,944.98	51,459.10		92,975.65
Energy Efficiency and Conservation Block Grant	175,800.00		20,000.00			155,800.00
Sustainable Jersey Small Grant	5,000.00		5,000.00			
Body Armor Replacement Fund						
No Net Loss Tree Planting Project	98,100.00	17,171.00	12,753.00			98,100.00
Essex County DOA Senior Citizens		18,563.00				4,418.00
Essex County Delinquency Prevention Grant		80,872.00	80,872.00			18,563.00
Recycling Tonnage Grant			47,483.00			
Assistance to Firefighters Grant	47,483.00					
	<u>\$ 1,729,920.78</u>	<u>\$ 2,548,695.00</u>	<u>\$ 1,309,370.92</u>	<u>\$ 51,459.10</u>	<u>\$ 1,572.73</u>	<u>\$ 3,019,131.23</u>

Ref. A A-2, A-26 A-5, A-25 A-1, A-25 A-1, A-25 A

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A-25

DUE FROM / (TO) CURRENT FUND  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>		<u>State and Federal Grant Fund</u>
Balance, December 31, 2010	A		\$ 120,083.05
Increase by:			
Advance from Current Fund	Below, A-5		<u>587,338.87</u> (467,255.82)
Decreased by:			
Grants Receivable Cancelled	A-1, A-24	\$ 1,572.73	
Local Matching Funds	A-26	<u>14,950.00</u>	
			<u>16,522.73</u>
Balance, December 31, 2011	A		<u>\$ (450,733.09)</u>
Collections of Grants Receivables	A-24	\$(1,309,370.92)	
Unappropriated Reserve Increase	A-27	(66,784.94)	
Unappropriated Reserve Decrease	A-27	80,872.00	
Refunded to Grantor	A-24	51,459.10	
Grant Reserves Paid	A-26	<u>1,831,163.63</u>	
Advance from Current Fund	Above	<u>\$ 587,338.87</u>	

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

A-26

RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED  
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010	Budget Appropriation	Cash Disbursed	Cancelled	Balance Dec. 31, 2011
Drunk Driving Enforcement Fund	\$ 5,939.72	\$	\$ 455.25	\$	\$ 5,484.47
Neighborhood Preservation-Valley	73.24				73.24
Transportation Municipal Aid	730,350.00	230,000.00	584,239.82		376,110.18
Senior Dental Care					
Senior Citizen Nurse					
Public Health Priority Funding	17.38				17.38
Clean Communities	41,232.45	59,800.00	11,369.06		89,663.39
Municipal Alliance for Alcoholism and Drug Abuse	51,563.99	74,750.00	85,262.43		41,051.56
Safe and Secure Communities Program					
Body Armor Replacement Fund	11,105.00		1,065.00		10,040.00
Municipal Stormwater Regulation Program	20,619.00				20,619.00
Bullet Proof Vest Partnership	6,690.00		495.00		6,195.00
Junior League-DVRT Grant					
Pedestrian Safety Enforcement		9,000.00	1,000.00		8,000.00
Delinquency Prevention Grant	2,902.26		1,503.09		1,399.17
Tree Planting					
Cops in Shops	3,976.65	12,712.00	7,571.19		9,117.46
Over the Limit-Under Arrest					
Enhanced E-911 Assistance	11,287.53				11,287.53
Commuter Shuttle Grant	50,000.00	10,000.00			60,000.00
Essex County Recreation and Open Space					
NJ Dept. of Health-H1N1 Services	25,000.00	35,000.00	60,000.00		
Byrne Memorial Justice Assistance	58,228.10		50,912.00		7,316.10
Wastewater Treatment Fund	279,358.00				279,358.00
Hazardous Discharge Site Remediation	147,379.74				147,379.74
Energy Efficiency and Conservation Block Grant	165,800.00		10,000.00		155,800.00
Sustainable Jersey Small Grant	9,650.00		9,467.00		183.00
No Net Loss Reforestation Grant	100,475.00		76,190.13		24,284.87
Assistance to Firefighters Grant	47,483.00		47,023.89		459.11
Essex County DOA Senior Citizens		17,171.00	17,171.00		
Essex County Delinquency Prevention Grant		18,563.00	15,660.74		2,902.26
Recycling Tonnage Grant		80,872.00	80,872.00		
West Orange Streetscape		2,015,777.00	770,906.03		1,244,870.97
	<u>\$ 1,769,131.06</u>	<u>\$ 2,563,645.00</u>	<u>\$ 1,831,163.63</u>	<u>\$</u>	<u>\$ 2,501,612.43</u>

Ref.

A

Below

A-4

A

Ref.

Budget Appropriations  
Matching Funds

A-24

\$ 2,548,695.00

A-13, A-25

14,950.00

Above, A-3

\$ 2,563,645.00

TOWNSHIP OF WEST ORANGE  
CURRENT FUND

RESERVE FOR FEDERAL AND STATE GRANTS - UNAPPROPRIATED  
YEAR ENDED DECEMBER 31, 2011

A-27

	Balance Dec. 31, 2010	Increased	Decreased	Balance Dec. 31, 2011
	\$	\$ 3,372.53	\$	\$ 3,372.53
		8,594.71		8,594.71
	<u>80,872.77</u>	<u>54,817.70</u>	<u>80,872.00</u>	<u>54,818.47</u>
	\$ <u>80,872.77</u>	\$ <u>66,784.94</u>	\$ <u>80,872.00</u>	\$ <u>66,785.71</u>
	Ref. A	A-5	A-4	A

Drunk Driving Enforcement Fund  
Body Armor Replacement Fund  
Recycling Tonnage Grant

DEFERRED CHARGES  
N.J.S.A. 40A:4-55 SPECIAL EMERGENCY  
YEAR ENDED DECEMBER 31, 2011

A-28

	Net Amount Authorized	1/5 of Net Amount Authorized	Balance Dec. 31, 2010	Budget Appropriation	Balance Dec. 31, 2011
Purpose					
Severance Liability	\$ 448,900.00	\$ 89,780.00	\$	\$ 448,900.00	\$ 448,900.00
Date Authorized					
June 14, 2011					
	Ref.	A	A-5	A-3	A

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-2

OPEN SPACE FUND  
SCHEDULE OF CASH  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>		
Balance, December 31, 2010	B		\$ 891,990.38
Increased by:			
2011 Open Space Tax	B-19	\$ 150,448.41	
Green Acres Grant	B-19	591,900.54	
Interest on Investments	B-19	<u>1,495.29</u>	<u>743,844.24</u>
			1,635,834.62
Decreased by:			
Open Space Expenditures	B-19	<u>1,159,662.90</u>	<u>1,159,662.90</u>
Balance, December 31, 2011	B		<u><u>\$ 476,171.72</u></u>

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-3

CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>General Trust Fund</u>	<u>Assessment Trust Fund</u>
Balance, December 31, 2010	B	<u>\$ 58,379.10</u>	<u>\$ 7,297,010.96</u>	<u>\$ 18,972.11</u>
Increased by:				
Animal Control Fees	B-15	21,059.00		
Miscellaneous Revenue	B-15	9,651.21		
Due from Current Fund	B-8		5,300,000.00	
Accounts Receivable	B-7, B-20			18,978.42
Prepaid License Fees	B-12	3,174.00		
Animal Control A/P	B-22	274.42		
Special Deposits	B-3A		7,301,796.05	
Interest on Assessments	B-1		6,048.45	4,189.45
		<u>34,158.63</u>	<u>12,607,844.50</u>	<u>23,167.87</u>
		<u>92,537.73</u>	<u>19,904,855.46</u>	<u>42,139.98</u>
Decreased by:				
Expenditures	B-13, B-15	33,083.04	7,895,826.60	
Due to Current Fund	B-8		5,300,000.00	
Current Fund Anticipated Revenue	B-1		777,991.00	18,500.00
		<u>33,083.04</u>	<u>13,973,817.60</u>	<u>18,500.00</u>
Balance, December 31, 2011	B	<u>\$ 59,454.69</u>	<u>\$ 5,931,037.86</u>	<u>\$ 23,639.98</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-3A

CASH BY ACCOUNT - TREASURER  
YEAR ENDED DECEMBER 31, 2011

Ref.	Total	PNC General Trust	PNC Escrow	GSCG COAH	GSCG Growth Share
Balance, December 31, 2010	\$ 7,297,010.96	\$ 5,065,164.57	\$ 139,504.13	\$ 1,852,375.94	\$ 239,966.32
Increased by:					
Special Deposits	7,301,796.05	6,634,878.07	61,352.52	606,323.46	(758.00)
SID Deposits	137,267.99	137,267.99			
Due From Current	5,300,000.00	5,300,000.00		2,260.00	2,260.00
Interest on Deposits	6,048.45		1,528.45		
	<u>12,745,112.49</u>	<u>12,072,146.06</u>	<u>62,880.97</u>	<u>608,583.46</u>	<u>1,502.00</u>
	20,042,123.45	17,137,310.63	202,385.10	2,460,959.40	241,468.32
Decreased by:					
Return of Deposits	7,890,958.75	7,631,457.07	13,348.38	246,153.30	
SID Payments	137,267.99	137,267.99			
Due To Current	5,300,000.00	5,300,000.00			
Current Fund Anticipated Revenue	777,991.00	777,991.00			
Payroll Deductions	4,867.85		4,867.85		
	<u>14,111,085.59</u>	<u>13,846,716.06</u>	<u>18,216.23</u>	<u>246,153.30</u>	
Balance, December 31, 2011	\$ 5,931,037.86	\$ 3,290,594.57	\$ 184,168.87	\$ 2,214,806.10	\$ 241,468.32

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-4

CASH - INSURANCE TRUST FUND - TREASURER  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	<u>Total</u>	<u>Workers' Compensation</u>	<u>Unemployment Compensation</u>	<u>Municipal Insurance</u>
Balance, December 31, 2010	B	\$ 1,414,388.31	\$ 526,966.47	\$ 638,330.64	\$ 249,091.20
Increased by:					
Budget Appropriation	B-16	980,101.00	150,000.00	101.00	830,000.00
Refunds and Subrogation	B-16	2,421.26	451.24		1,970.02
Account Receivable	B-11	12,980.43		12,980.43	
Payroll Deductions	B-16	32,086.22		32,086.22	
Interest on Deposits	B-16	3,788.45		1,528.45	2,260.00
		<u>1,031,377.36</u>	<u>150,451.24</u>	<u>46,696.10</u>	<u>834,230.02</u>
		2,445,765.67	677,417.71	685,026.74	1,083,321.22
Decreased by:					
Workers' Compensation Claims and Administrative Fees	B-16	645,045.88	645,045.88		
Due to State of New Jersey: Claims Paid	B-16	180,253.71		180,253.71	
Insurance Settlements	B-16	933,230.88			933,230.88
		<u>1,758,530.47</u>	<u>645,045.88</u>	<u>180,253.71</u>	<u>933,230.88</u>
Balance, December 31, 2011	B	\$ 687,235.20	\$ 32,371.83	\$ 504,773.03	\$ 150,090.34

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE  
TRUST FUND**

B-5

**CASH - FEDERAL GRANT TRUST FUND - TREASURER  
YEAR ENDED DECEMBER 31, 2011**

	<u>Ref.</u>	<u>Total</u>	<u>Community Development Block Grant</u>	<u>Section 8 Housing</u>
Balance, December 31, 2010	B	<u>\$ 72,127.77</u>	<u>\$ 0.13</u>	<u>\$ 72,127.64</u>
Increased by:				
Grants Receivable	B-6	1,843,239.99	698,486.99	1,144,753.00
Portability-In	B-18	250,094.24		250,094.24
Recoveries	B-18	2,824.96		2,824.96
Interest on Investments	B-18	125.03		125.03
		<u>2,096,284.22</u>	<u>698,486.99</u>	<u>1,397,797.23</u>
		<u>2,168,411.99</u>	<u>698,487.12</u>	<u>1,469,924.87</u>
Decreased by:				
Grant Expenditures	B-17, B-18	2,105,158.99	698,486.99	1,406,672.00
		<u>2,105,158.99</u>	<u>698,486.99</u>	<u>1,406,672.00</u>
Balance, December 31, 2011	B	<u><u>\$ 63,253.00</u></u>	<u><u>\$ 0.13</u></u>	<u><u>\$ 63,252.87</u></u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-6

FEDERAL GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	<u>Total</u>	<u>Community Development Block Grant</u>	<u>Section 8 Housing</u>
Balance, December 31, 2010	B	\$ 851,470.22	\$ 851,470.22	\$
Increased by:				
Community Development	B-17	595,300.00	595,300.00	
Section 8 Housing	B-18	1,144,753.00		1,144,753.00
		<u>1,740,053.00</u>	<u>595,300.00</u>	<u>1,144,753.00</u>
		2,591,523.22	1,446,770.22	1,144,753.00
Decreased by:				
Cash Receipts	B-5	1,843,239.99	698,486.99	1,144,753.00
Paid Directly by Third Party	B-17	78,533.36	78,533.36	
Cancellations	B-17	225,000.00	225,000.00	
		<u>2,146,773.35</u>	<u>1,002,020.35</u>	<u>1,144,753.00</u>
Balance, December 31, 2011	B	<u>\$ 444,749.87</u>	<u>\$ 444,749.87</u>	<u>\$</u>

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-7

ASSESSMENTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	Assessment <u>Fund</u>
Balance, December 31, 2010	B	\$ 99,683.10
Decreased by:		
Collections-Unpledged	B-3	<u>18,978.42</u>
Balance, December 31, 2011	B	<u>\$ 80,704.68</u>
Analysis of Balance		
Assessments-Unpledged		<u>\$ 80,704.68</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-8

DUE FROM CURRENT FUND  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	General Trust <u>Fund</u>
Balance, December 31, 2010	B	\$
Increased by:		
Cash Disbursements	B-3	5,300,000.00
Decreased by:		
Cash Receipts	B-3	<u>5,300,000.00</u>
Balance, December 31, 2011	B	<u><u>\$</u></u>

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-9

SPECIAL IMPROVEMENT DISTRICT RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	B	\$ 3,136.39
Increased by:		
2011 Assessments	B-14	<u>105,249.68</u>
		108,386.07
Decreased by:		
Receipts	B-14	<u>100,634.49</u>
Balance, December 31, 2011	B	<u>\$ 7,751.58</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-10

ANIMAL CONTROL FUND  
DUE TO (FROM) STATE OF NEW JERSEY  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>		
Balance, December 31, 2010	B		\$
Increased by:			
Cash Receipts	B-3	\$ 3,144.00	
Prepaid Applied	B-12	<u>42.00</u>	
			<u>3,186.00</u>
			3,186.00
Decreased by:			
Paid to State	B-3		<u>3,144.00</u>
Balance, December 31, 2011	B		<u><u>\$ 42.00</u></u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-11

ACCOUNTS PAYABLE/ (RECEIVABLE)  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	<u>Insurance Trust Fund</u>
Balance, December 31, 2010	B	\$ 12,980.43
Increased by:		
Payroll Deductions Received	B-4	4,867.85
		<u>17,848.28</u>
Decreased by:		
Cash Disbursed	B-16	12,980.43
		<u>12,980.43</u>
Balance, December 31, 2011	Below	<u>\$ 4,867.85</u>
Analysis of Balance:		
New Jersey Unemployment Security Agency	B	<u>\$ 4,867.85</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-12

ANIMAL CONTROL FUND  
PREPAID LICENSES  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>		
Balance, December 31, 2010	B		\$ 4,563.00
Increased by:			
Cash Receipts	B-3		3,174.00
			<u>7,737.00</u>
Decreased by:			
Applied to Current Year Revenue	B-15	\$ 4,563.00	
Due to State of New Jersey	B-10	42.00	4,605.00
			<u>4,605.00</u>
Balance December 31, 2011	B		<u><u>\$ 3,132.00</u></u>
Analysis of Balance:			
Dog Licenses		\$ 2,796.00	
Cat Licenses		336.00	3,132.00
			<u>3,132.00</u>
			<u><u>\$ 3,132.00</u></u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-13

SCHEDULE OF SPECIAL DEPOSITS  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>		
Balance, December 31, 2010	B		\$ 6,507,300.97
Increased by:			
Special Deposits	B-3	\$ 6,659,183.41	
Special Deposits Cancelled	B-3		
Interest Earned	B-3		6,659,183.41
			13,166,484.38
Decreased by:			
Deposits Returned	B-3	7,248,405.54	
Applied to Current Year Revenue	B-1	205,119.72	7,453,525.26
			7,453,525.26
Balance December 31, 2011	B		\$ 5,712,959.12
Analysis of Balance:			
Developer's Fee - COAH			\$ 2,214,806.10
Accumulated Absence			235,174.45
Cash Bonds/Other Deposits			1,105,117.46
Premium - Tax Sale			685,400.00
Recycling - Local Program			363,410.98
Planning and Zoning Escrow			263,546.47
Payroll Deposits			220,026.36
Growth Share-COAH			241,468.32
Recreation Trip Account			77,603.67
Confiscated Funds			116,246.37
Uniform Fire Safety Act - Penalties			150,890.46
Parking Offenses Adjudication Act			17,706.49
Extra Duty Security			12,585.28
Public Defender Application Fee			8,976.71
			\$ 5,712,959.12

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-14

RESERVE FOR SPECIAL IMPROVEMENT DISTRICT RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	B	\$ 3,136.39
Increased by:		
2011 Assessments	B-9	<u>105,249.68</u>
		108,386.07
Decreased by:		
Payments Made to Downtown West Orange Alliance	B-9	<u>100,634.49</u>
Balance, December 31, 2011	B	<u>\$ 7,751.58</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-15

RESERVE FOR DOG FUND EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
REVENUE AND OTHER INCOME:		
Animal Control Fees:		
Current Year Collections	B-3	\$ 21,059.00
Prepayments Applied	B-12	<u>4,563.00</u>
		<u>25,622.00</u>
Miscellaneous Revenue:		
Roseland Animal Control Contract		2,581.37
Essex Fells Animal Contract		1,132.84
Cat Licenses		2,363.00
Kennel Fees		<u>3,574.00</u>
	B-3	<u>9,651.21</u>
TOTAL REVENUE AND OTHER INCOME		<u>35,273.21</u>
EXPENDITURES:		
Animal Control Expenditures	B-3	<u>33,083.04</u>
TOTAL EXPENDITURES		<u>33,083.04</u>
EXCESS OF REVENUE OVER EXPENDITURES		2,190.17
BALANCE, BEGINNING OF YEAR	B	<u>53,816.10</u>
BALANCE, END OF YEAR	B	<u>\$ 56,006.27</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-16

RESERVE FOR INSURANCE TRUST FUND  
YEAR ENDED DECEMBER 31, 2011

	Ref.	Total	Workers' Compensation	Unemployment Compensation	Municipal Insurance
Balance, December 31, 2010	B	\$ 1,414,388.31	\$ 526,966.47	\$ 638,330.64	\$ 249,091.20
Increased by:					
Current Fund Budget Appropriation	B-4	980,101.00	150,000.00	101.00	830,000.00
Refunds and Subrogation	B-4	2,421.26	451.24		1,970.02
Payroll Deductions Receivable	B-11			12,980.43	
Payroll Deductions	B-4	32,086.22		32,086.22	
Interest on Deposits	B-4	3,788.45		1,528.45	2,260.00
		<u>1,018,396.93</u>	<u>150,451.24</u>	<u>46,696.10</u>	<u>834,230.02</u>
		<u>2,432,785.24</u>	<u>677,417.71</u>	<u>685,026.74</u>	<u>1,083,321.22</u>
Decreased by:					
Workers' Compensation Claims and Administrative Fees	B-4	645,045.88	645,045.88		
Insurance Settlements and Premiums Due To State of New Jersey:	B-4	933,230.88			933,230.88
Accounts Payable	B-11			4,867.85	
Cash Disbursements	B-4	180,253.71		180,253.71	
		<u>1,758,530.47</u>	<u>645,045.88</u>	<u>185,121.56</u>	<u>933,230.88</u>
Balance, December 31, 2011	B	\$ 682,367.35	\$ 32,371.83	\$ 499,905.18	\$ 150,090.34

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT  
YEAR ENDED DECEMBER 31, 2011

	Balance Dec. 31, 2010	Increase 2011 Grant Award	Reprogrammed Funds	Expended By Township	Expended By Third Party	Cancelled	Balance Dec. 31, 2011
Community Development Block Grant:							
Direct Funding:							
Project Year 2008							
Downtown Boys and Girls Club	\$ 150,000.00	\$ 75,000.00	\$	\$	\$	\$ 150,000.00	\$
Downtown Boys and Girls Club						75,000.00	
Project Year 2009							
SID Parking Lot Improvements	175,000.00	17,500.00		192,500.00			
Riggs Place and Rose Terrace Street Improvements	10,936.99			10,936.99			
Project Year 2010							
Reconstruction of Franklin Avenue	387,000.00	58,050.00		445,050.00			
Reconstruction of Cary Street and Glebe Street	50,000.00			50,000.00			
Main Street Counseling Bethany Center	13,533.36			13,533.36			
Bethany Center	65,000.00			65,000.00			
Project Year 2011							
Valley Settlement House - Roof Replacement		12,000.00					12,000.00
Downtown Streetscape Planters (SID District)		20,000.00					20,000.00
Seward Street Reconstruction		69,000.00					69,000.00
Edisonia Terrace Reconstruction		98,000.00					98,000.00
Sheperd Terrace Reconstruction		100,000.00					100,000.00
William Street Reconstruction		70,000.00					70,000.00
Cherry Street Reconstruction		32,000.00					32,000.00
Bethany Center for Champions Outreach for At-Risk Youth		33,750.00					33,750.00
Main Street Counseling - Accessible		10,000.00					10,000.00
	<u>\$ 851,470.35</u>	<u>\$ 595,300.00</u>	<u>\$</u>	<u>\$ 698,486.99</u>	<u>\$ 78,533.36</u>	<u>\$ 225,000.00</u>	<u>\$ 444,750.00</u>
Ref. B	B-6			Below	Below	Below	B
Cash							
Cancelled						\$ 225,000.00	
Paid Directly by Third Party					78,533.36		
					<u>\$ 78,533.36</u>	<u>\$ 225,000.00</u>	

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-18

RESERVE FOR SECTION 8 HOUSING  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>		
Balance, December 31, 2010	B		\$ 72,127.64
Increased by:			
Grant Awards	B-6	\$1,144,753.00	
Interest on Investments	B-5	125.03	
Recoveries	B-5	2,824.96	
Portability-In	B-5	<u>250,094.24</u>	<u>1,397,797.23</u>
			1,469,924.87
Decreased by:			
Housing Choice Voucher Payments	B-5	1,049,890.43	
Administrative Costs	B-5	126,317.57	
Portability-In	B-5	<u>230,464.00</u>	<u>1,406,672.00</u>
Balance December 31, 2011	B		<u><u>\$ 63,252.87</u></u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-19

RESERVE FOR OPEN SPACE EXPENDITURES  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>		
Balance, December 31, 2010	B		\$ 891,990.38
Increased by:			
2011 Open Space Tax	B-2	\$ 150,448.41	
2011 Open Space Tax Due from Current	B	1,059.99	
Green Acres Grant	B-2	591,900.54	
Interest on Investments	B-2	<u>1,495.29</u>	<u>744,904.23</u>
Decreased by:			
Open Space Expenditures	B-2	<u>1,159,662.90</u>	<u>1,159,662.90</u>
Balance, December 31, 2011	B		<u><u>\$ 477,231.71</u></u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-20

RESERVE FOR ASSESSMENT TRUST FUND  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	B	\$ 99,683.10
Decreased by:		
Cash Receipts	B-3	<u>18,978.42</u>
Balance, December 31, 2011	B	<u>\$ 80,704.68</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-21

GENERAL TRUST ACCOUNTS PAYABLE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	<u>General Trust Fund</u>
Balance, December 31, 2010		\$
Increased by:		
General Trust A/P		1,202,441.70
		<u>1,202,441.70</u>
Decreased by:		
General Trust A/P		1,201,201.67
		<u>1,201,201.67</u>
Balance, December 31, 2011	B, Below	\$ <u>1,240.03</u>
Analysis of Balance:		
Miscellaneous Accounts Payable	B	\$ <u>1,240.03</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
TRUST FUND

B-22

ANIMAL CONTROL ACCOUNTS PAYABLE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	<u>Animal Control Fund</u>
Balance, December 31, 2010		\$
Increased by:		
Animal Control A/P		<u>28,553.71</u>
		28,553.71
Decreased by:		
Animal Control A/P		<u>28,279.29</u>
Balance, December 31, 2011	B-3, Below	<u>\$ 274.42</u>
Analysis of Balance:		
Miscellaneous Accounts Payable	B	<u>\$ 274.42</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

C-2

CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>		
Balance, December 31, 2010	C		\$ 3,523,950.40
Increased by Receipts:			
Parking Garage	C-17	\$ 24.30	
NJFIT Trust and Fund Loan	C-4	621,840.00	
State Aid and Other Receivable	C-14	407,289.10	
Serial Bonds	C-10	11,505,000.00	
Bond Anticipation Notes	C-10	12,537,498.00	
Interfunds Receivable	C-5	7,218,368.71	
Accounts Payable	C-8	1,879.72	
Capital Improvement Fund	C-12	100.00	
Reserve to Pay Debt Service	C-16	304,745.77	
Premium on BANS Issued	C-1	199,339.48	
			32,796,085.08
			36,320,035.48
Decreased by Disbursements:			
Parking Garage	C-17	69,671.07	
Current Fund Anticipated Revenue	C-1	124,000.00	
Bond Anticipation Notes	C-10	19,866,499.53	
Interfunds Payable	C-5	7,200,000.00	
Reserve to Pay Debt Service	C-16	242,404.10	
Improvement Authorizations	C-11	5,627,241.75	
			33,129,816.45
Balance, December 31, 2011	C		\$ 3,190,219.03

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TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

ANALYSIS OF CASH  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Balance		Receipts	Disbursements	Transfers		Balance
	Dec. 31, 2010				To	From	
2067-06	15,666.95			5,593.60			10,073.35
2069-06	23,128.61			18,320.16			4,808.45
2070-06	22,969.69						22,969.69
2078-06	14,040.18			25,071.15	150,000.00		138,969.03
2104-06	3,677.82			3,677.82			
2106-06	(5,613.16)						
2125-07	245,701.53			32,383.61	50,000.00		12,003.23
2127-07	(165,126.19)			21,955.16			223,746.37
2133-07	4,790.00			190,385.11	400,000.00		44,488.70
2160-07	65,213.65			29.99			4,760.01
2166-08	55,253.89			5,241.74			59,971.91
2172-08	37,591.99			546,831.39	650,000.00		158,422.50
2176-08	678.40			969.38			37,591.99
2194-09	(38,571.79)			527,964.16	707,289.10		(290.98)
2209-09	55,280.12			41,456.47	25,000.00		140,753.15
2211-09	10,233.12			3,574.76			38,823.65
2214-09	20,083.21			2,923.00			6,658.36
2216-09	1,223,490.00			1,363,463.33	296,510.00		17,160.21
2222-09	11,451.16			19,607.33	10,000.00		156,536.67
2232-09	822,008.56			738,101.16	100,000.00		1,843.83
2237-09	52,986.96			473,819.68	750,000.00		183,907.40
2272-10	(964.68)			220.00	10,000.00		329,167.28
2278-10	(72,955.64)			803,796.52	1,500,000.00		8,815.32
2290-10				118,421.83	12,250.00		623,247.84
2299-10							(106,171.83)
	<u>\$ 3,523,950.40</u>		<u>\$ 32,796,085.08</u>	<u>\$ 33,129,816.45</u>	<u>\$ 12,641,890.63</u>	<u>\$ 12,641,890.63</u>	<u>\$ 3,190,219.03</u>
Ref.	C	C-2	C-2	C-2	Contra	Contra	C

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

C-4

NJEPa TRUST  
AND FUND LOAN PAYABLE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 3,846,220.60
Decreased by:		
2011 Budget Appropriation for Payment of NJ Trust Fund Loan Bonds	C-6	<u>224,050.46</u>
Balance, December 31, 2011	C	<u><u>\$ 3,622,170.14</u></u>
 Analysis		
	<u>ORD#</u>	
New Jersey Trust 2002 A	1823-02	\$ 591,903.35
New Jersey Trust 2005 A	2017-05	1,875,452.55
New Jersey Trust 2006 A	2050-05	641,774.81
New Jersey Trust 2010 A	2214-09	<u>513,039.43</u>
Balance, December 31, 2011		<u><u>\$ 3,622,170.14</u></u>

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**TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND**

C-5

**INTERFUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011**

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$
Increased by:		
Cash Receipts	C-2	7,218,368.71
		<u>7,218,368.71</u>
Decreased by:		
Cash Disbursements	C-2	7,200,000.00
Balance, December 31, 2011	C	<u>\$ 18,368.71</u>
Analysis	Community Development	<u>\$ 18,368.71</u>

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

C-6

DEFERRED CHARGES TO FUTURE TAXATION - FUNDED  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>		
Balance, December 31, 2010	C		\$29,216,220.60
Increased by:			
2011 New Bond Issue	C-4		<u>11,505,000.00</u>
			40,721,220.60
Decreased by:			
2011 Current Fund Budget Appropriation for Payment of Serial Bonds	C-9	\$ 2,540,000.00	
2011 Current Fund Budget Appropriation for Payment of NJEPA Trust and Loans	C-4	<u>224,050.46</u>	
			<u>2,764,050.46</u>
Balance, December 31, 2011	C		<u><u>\$37,957,170.14</u></u>

TOWNSHIP OF WEST ORANGE  
 GENERAL CAPITAL FUND  
 DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
 YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Improvement Description	Analysis of Balance							
		Balance, December 31, 2010	2011 Authorizations	Decrease	Cancelled	Balance, December 31, 2011	Bond Anticipation Notes	Unfinanced Expenditures	Unfunded Improvement Authorizations
1122-92	Various Capital Improvements	\$ 90,000.00	\$	\$ 37,000.00	\$	\$ 90,000.00	\$	\$	\$ 90,000.00
1126-92	Acquisition of Parking Garage	37,000.00		13,000.00		1,325,250.00			1,325,250.00
1181-93	Various Capital Acquisitions	13,000.00							
1374-96	Regional Contribution Agreement	1,325,250.00							
1403-96	Various Capital Acquisitions	23,000.00		23,000.00					
1435-97	Various Capital Improvements	56,233.72		6,233.72					
1448-97	Various Capital Improvements	49,588.73		49,588.73					
1504-98	Various Recreational Projects	18,470.11							
1560-98	Various Capital Improvements	124,210.95		124,210.95					
1608-99	Various Capital Improvements	4,470.73		4,470.73					
1619-99	Washington School Playground	52,162.30		52,162.30					
1697-00	Various Capital Improvements	87,575.00		87,575.00					
1720-00	Various Capital Improvements	31,972.93		31,972.93					
1760-01	Various Capital Improvements	689,950.00				150,000.00			150,000.00
1791-01	Various Capital Improvements	44,000.00		44,000.00					
1819-02	Various Capital Improvements	74,270.00		74,270.00					
1823-02	Capital Assessment-Joint Meeting	31,862.00		31,862.00					
1839-02	Various Capital Improvements	12,000.00		12,000.00					
1840-02	Various Capital Improvements	355,275.00		105,275.00		250,000.00			250,000.00
1885-03	Various Capital Improvements	30,000.00		30,000.00					
1892-03	Various Capital Improvements	92,100.00		92,100.00					
1905-03	Various Capital Improvements	404,770.00				104,770.00			60,000.00
2017-05	Storm Drainage Improvements	152,909.00				152,909.00			152,909.00
2018-05	Various Capital Improvements	396,000.00				150,000.00			
2019-05	Various Road Improvements	83,000.00							
2055-06	Improvements at Slag Field	46,475.00		46,475.00					
2067-06	Redevelopment Study	423,500.00				327,500.00			327,500.00
2069-06	Various Capital Improvements	395,453.00				161,453.00			110,000.00
2070-06	Various Road Improvements	563,375.00							
2078-06	Various Capital Improvements	886,981.00				550,000.00			200,000.00
2104-06	Refunding-Tax Appeals	480,000.00							
2106-06	Various Capital Improvements	1,630,000.00		1,630,000.00					
2125-07	Various Capital Improvements	587,333.34		444,000.00	6,666.66	136,666.68			86,666.68
2127-07	Various Capital Improvements	1,914,000.00							
2133-07	Various Capital Improvements	1,382,250.00				682,250.00			282,250.00
2160-07	Acquisition of a Mobile Communication System	308,750.00				400,000.00			
2166-08	Various Capital Improvements	2,380,225.00				1,500,000.00			850,000.00
2172-08	Various Capital Improvements	2,452,517.00		95,000.00					
2176-08	Consulting Study-New Communications System	95,000.00							
2194-09	Acquisition of Computer System Managing Equipment	817,000.00							
2209-09	Various Capital Improvements	429,400.00							
2211-09	Various Road Improvements	70,594.00							
2214-09	Joint Meeting Capital Assessments	1,733,750.00				1,733,750.00			
2216-09	Various Road Improvements	1,615,000.00				1,615,000.00			
2222-09	Upgrade of the Communications System	83,125.00							
2225-09	Various Capital Improvements	2,850,000.00				2,850,000.00			
2237-09	Various Capital Improvements	1,960,000.00				1,395,000.00			50,000.00
2238-09	Tax Appeal-Retarding	1,070,650.00		465,000.00		1,070,650.00			320,650.00
2272-10	Various Capital Improvements	111,435.00				111,435.00			101,435.00
2278-10	Various Capital Improvements	1,982,840.00				1,982,840.00			482,840.00
2290-10	Various Capital Improvements	1,982,840.00				232,750.00			232,750.00
2295-10	Telecommunications Improvements		232,750.00						
		\$ 30,495,703.81	\$ 232,750.00	\$ 12,204,444.47	\$ 6,666.66	\$ 18,517,542.68	\$ 12,487,498.00	\$	\$ 6,029,644.68

Ref. C C-11 Below C-11 C-11 Ref. C-2, C-9 C-2

Paid by Budget Appropriation:  
 Bond Anticipation Notes \$ 699,444.47  
 Serial Bond Issue - New \$ 11,505,000.00  
 \$ 12,204,444.47

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

C-8

ACCOUNTS PAYABLE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$
Increased by:		
Cash Receipts	C-2	<u>1,879.72</u>
Balance, December 31, 2011	C	<u>\$ 1,879.72</u>

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED DECEMBER 31, 2011

Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding, December 31, 2010	Interest Rate	Balance December 31, 2010	Increased	Decreased	Balance December 31, 2011
4/1/2003	\$ 1,770,000.00	\$ 70,000.00	5.10%	\$ 1,640,000.00	\$	\$ 55,000.00	\$ 1,585,000.00
		80,000.00	5.20%				
		95,000.00	5.20%				
		110,000.00	5.30%				
		130,000.00	5.38%				
		150,000.00	5.40%				
		170,000.00	5.50%				
		195,000.00	5.625%				
		220,000.00	5.70%				
		245,000.00	5.70%				
		55,000.00	5.70%				
		65,000.00	5.70%				
		1,585,000.00					
2/15/2004	11,015,000.00	1,460,000.00	5.00%	8,445,000.00		1,485,000.00	6,960,000.00
		1,115,000.00	5.00%				
		1,110,000.00	5.00%				
		1,105,000.00	5.00%				
		1,100,000.00	5.00%				
		1,070,000.00	5.00%				
		6,960,000.00					
3/1/2005	9,100,000.00	800,000.00	3.50%	6,950,000.00		700,000.00	6,250,000.00
		1,250,000.00	3.625%				
		1,275,000.00	3.625%				
		1,375,000.00	3.65%				
		1,550,000.00	3.65%				
		6,250,000.00					
8/1/2008	8,735,000.00	400,000.00	3.00%	8,335,000.00		300,000.00	8,035,000.00
		400,000.00	3.50%				
		500,000.00	3.50%				
		500,000.00	3.50%				
		500,000.00	3.50%				
		900,000.00	3.50%				
		900,000.00	3.75%				
		935,000.00	3.75%				
		1,000,000.00	4.00%				
		1,000,000.00	4.00%				
		1,000,000.00	4.00%				
		8,035,000.00					

See Independent Auditors' Report



TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Improvement Description	Original Amount	Date	Date of Issue	Date of Maturity	Interest Rate	December 31,		December 31, 2011
							2010	2011	
							Increased	Decreased	
		\$					\$	\$	\$
1126-92	Acquisition of Parking Garage	40,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	37,000.00	37,000.00	37,000.00
1181-93	Various Capital Improvements	14,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	13,000.00	13,000.00	13,000.00
1403-96	Various Capital Improvements	25,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	23,000.00	23,000.00	23,000.00
1435-97	Various Capital Improvements	25,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	23,000.00	23,000.00	23,000.00
		50,000.00	10/26/2010	10/26/2010	10/26/2012	1.50%	50,000.00	50,000.00	50,000.00
1448-97	Various Capital Improvements	60,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	55,000.00	55,000.00	55,000.00
1504-98	Various Recreational Projects	25,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	23,000.00	23,000.00	23,000.00
1580-98	Various Capital Improvements	179,674.00	04/11/07	9/30/2010	5/24/2012	1.50%	166,674.00	166,674.00	166,674.00
1608-99	Various Capital Improvements	24,197.00	04/09/09	9/30/2010	5/24/2012	1.50%	24,197.00	24,197.00	24,197.00
1619-99	Various Capital Improvements	58,755.00	12/01/08	9/30/2010	5/24/2012	1.50%	56,755.00	56,755.00	56,755.00
1697-00	Various Capital Improvements	87,575.00	04/09/09	9/30/2010	5/24/2012	1.50%	87,575.00	87,575.00	87,575.00
1720-00	Various Capital Improvements	31,975.00	12/01/08	9/30/2010	5/24/2012	1.50%	31,975.00	31,975.00	31,975.00
1760-01	Various Capital Improvements	350,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	334,000.00	334,000.00	334,000.00
		175,950.00	04/09/09	9/30/2010	5/24/2012	1.50%	175,950.00	175,950.00	175,950.00
1791-01	Various Capital Improvements	50,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	44,000.00	44,000.00	44,000.00
1819-02	Various Capital Improvements	74,270.00	12/01/08	9/30/2010	5/24/2012	1.50%	74,270.00	74,270.00	74,270.00
1823-02	Capital Assessment-Joint Meeting	31,862.00	04/09/09	9/30/2010	5/24/2012	1.50%	31,862.00	31,862.00	31,862.00
1839-02	Various Capital Improvements	14,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	12,000.00	12,000.00	12,000.00
1840-02	Various Capital Improvements	50,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	46,000.00	46,000.00	46,000.00
		57,275.00	04/09/09	9/30/2010	5/24/2012	1.50%	57,275.00	57,275.00	57,275.00
1886-03	Various Capital Improvements	32,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	30,000.00	30,000.00	30,000.00
1892-03	Various Capital Improvements	25,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	23,000.00	23,000.00	23,000.00
		69,100.00	12/01/08	9/30/2010	5/24/2012	1.50%	69,100.00	69,100.00	69,100.00
1905-03	Various Capital Improvements	300,000.00	12/01/08	9/30/2010	5/24/2012	1.50%	300,000.00	300,000.00	300,000.00
		14,770.00	12/15/10	12/15/2010	5/24/2012	0.70%	14,770.00	14,770.00	14,770.00
2018-05	Various Capital Improvements	100,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	96,000.00	96,000.00	96,000.00
		50,000.00	12/01/08	9/30/2010	5/24/2012	1.50%	50,000.00	50,000.00	50,000.00
		100,000.00	04/09/09	9/30/2010	5/24/2012	1.50%	100,000.00	100,000.00	100,000.00
		150,000.00	12/15/10	12/15/2010	5/24/2012	0.70%	150,000.00	150,000.00	150,000.00
2019-05	Various Road Improvements	88,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	83,000.00	83,000.00	83,000.00
2055-06	Improvements at Stagg Field	46,475.00	04/09/09	9/30/2010	5/24/2012	1.50%	46,475.00	46,475.00	46,475.00
2067-06	Redevelopment Study	100,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	96,000.00	96,000.00	96,000.00
2069-06	Various Capital Improvements	200,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	184,000.00	184,000.00	184,000.00
		50,000.00	12/01/08	9/30/2010	5/24/2012	1.50%	50,000.00	50,000.00	50,000.00
2070-06	Various Road Improvements	51,453.00	12/15/10	12/15/2010	5/24/2012	0.70%	51,453.00	51,453.00	51,453.00
		400,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	378,000.00	378,000.00	378,000.00
2078-06	Various Capital Improvements	185,375.00	12/01/08	9/30/2010	5/24/2012	1.50%	185,375.00	185,375.00	185,375.00
		150,000.00	04/09/09	9/30/2010	5/24/2012	1.50%	150,000.00	150,000.00	150,000.00
		188,981.00	12/30/09	9/30/2010	5/24/2012	1.50%	188,981.00	188,981.00	188,981.00
2104-06	Refunding-Tax Appeals	200,000.00	04/11/07	10/26/2010	10/26/2012	1.50%	200,000.00	200,000.00	200,000.00
2106-06	Various Capital Improvements	1,662,000.00	04/11/07	9/30/2010	5/24/2012	1.50%	1,630,000.00	1,630,000.00	1,630,000.00
2125-07	Various Capital Improvements	200,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	194,000.00	194,000.00	194,000.00
		100,000.00	04/09/09	9/30/2010	5/24/2012	1.50%	100,000.00	100,000.00	100,000.00
		150,000.00	12/18/07	9/30/2010	5/24/2012	1.50%	150,000.00	150,000.00	150,000.00
2127-07	Various Capital Improvements	1,200,000.00	12/01/08	9/30/2010	5/24/2012	1.50%	1,200,000.00	1,200,000.00	1,200,000.00
		619,000.00	04/09/09	9/30/2010	5/24/2012	1.50%	619,000.00	619,000.00	619,000.00

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Improvement Description	Original		Date of Issue	Date of Maturity	Interest Rate	December 31,		Decreased	December 31, 2011
		Amount	Date				2010	2011		
2133-07	Various Capital Improvements	\$ 200,000.00	12/01/08	9/30/2010	5/24/2012	1.50%	\$ 200,000.00	\$ 200,000.00	\$ 400,000.00	400,000.00
2160-07	Acq. Of Mobile Communication System	500,000.00	04/09/09	9/30/2010	5/24/2012	1.50%	500,000.00	500,000.00	308,750.00	308,750.00
2166-08	Various Capital Improvements	308,750.00	12/01/08	9/30/2010	5/24/2012	1.50%	308,750.00	600,000.00	1,380,225.00	600,000.00
		600,000.00	12/01/08	9/30/2010	5/24/2012	1.50%	600,000.00	400,000.00	952,517.00	400,000.00
		1,380,225.00	04/09/09	10/26/2010	5/24/2012	1.50%	400,000.00	650,000.00	95,000.00	650,000.00
2172-08	Various Capital Improvements	400,000.00	12/30/09	9/30/2010	5/24/2012	1.50%	952,517.00	95,000.00	375,000.00	375,000.00
2176-08	Consulting Study-New Communications System	95,000.00	04/09/09	9/30/2010	5/24/2012	1.50%	375,000.00	300,000.00	229,400.00	300,000.00
2209-09	Various Capital Improvements	375,000.00	12/15/10	12/15/2010	5/24/2012	1.50%	229,400.00	150,000.00	25,000.00	229,400.00
2211-09	Various Road Improvements	300,000.00	05/24/12	5/24/2012	10/25/2011	1.50%	150,000.00	25,000.00	1,500,000.00	150,000.00
		229,400.00	12/30/09	10/26/2010	5/24/2012	1.50%	25,000.00	1,500,000.00	233,750.00	25,000.00
2214-09	Joint Meeting Capital Assessments	25,000.00	05/24/12	5/24/2012	5/24/2012	1.50%	1,318,490.00	296,510.00	23,125.00	1,318,490.00
2216-09	Various Road Improvements	1,500,000.00	12/30/09	10/26/2010	5/24/2012	1.50%	23,125.00	10,000.00	2,100,000.00	10,000.00
2222-09	Upgrade of the Communications System	233,750.00	12/15/10	12/15/2010	5/24/2012	1.50%	1,860,000.00	1,395,000.00	750,000.00	1,395,000.00
2232-09	Various Capital Improvements	1,318,490.00	05/24/12	5/24/2012	5/24/2012	1.50%	10,000.00	2,100,000.00	1,860,000.00	10,000.00
2237-09	Various Capital Improvements	23,125.00	12/15/10	12/15/2010	5/24/2012	1.50%	2,100,000.00	1,395,000.00	750,000.00	2,100,000.00
2238-09	Refunding-Tax Appeals	10,000.00	05/24/12	5/24/2012	5/24/2012	1.50%	1,860,000.00	750,000.00	10,000.00	750,000.00
2272-10	Various Capital Improvements	2,325,000.00	12/30/09	10/26/2010	5/24/2012	1.50%	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
2278-10	Various Capital Improvements	750,000.00	07/07/11	7/7/2011	5/24/2012	1.50%	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
2290-10	Various Capital Improvements	10,000.00	07/07/11	7/7/2011	5/24/2012	1.50%	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
		1,500,000.00	07/07/11	7/7/2011	5/24/2012	1.50%	\$ 20,515,944.00	\$ 12,537,498.00	\$ 20,565,944.00	\$ 12,487,498.00

C, C-7

Below

Below

C

Ref

Ref	C	Below	Below	\$
Bond Anticipation Notes Issued	C-3, C-13	\$ 4,271,510.00		
Bond Anticipation Notes Reissued	Contra	8,265,988.00		
New Bond Issue	C-2, C-7	11,505,000.00		
Payment of Excess Financing	C-7	95,511.53		
Payment of BAN Principal	C-2, C-7	689,444.47		
	Above	\$ 12,537,498.00		
		\$ 20,565,944.00		



TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

C-12

CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 15,273.96
Increased by Receipts:		
Budget Appropriation	C-2	<u>100.00</u>
		15,373.96
Decreased by Funding of Ordinances:		
Ordinance# 2299-10	C-11	<u>12,250.00</u>
Balance, December 31, 2011	C	<u>\$ 3,123.96</u>

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2011

Ordinance Number	Improvement Description	Balance December 31, 2010	2011 Authorizations	Debt Issued	Decrease	Balance December 31, 2011
		\$ 90,000.00	\$	\$	\$	\$ 90,000.00
		1,325,250.00				1,325,250.00
1122-92	Various Capital Improvements	150,000.00				150,000.00
1374-96	Regional Contribution Agreement	250,000.00				250,000.00
1435-97	Various Capital Improvements	90,000.00		30,000.00		60,000.00
1448-97	Various Capital Improvements	152,909.00				152,909.00
1760-01	Various Capital Improvements	327,500.00				327,500.00
1840-02	Various Capital Improvements	110,000.00				110,000.00
1905-03	Various Capital Improvements	350,000.00		150,000.00		200,000.00
2017-05	Storm Drainage Improvements	150,000.00		50,000.00		100,000.00
2018-05	Various Capital Improvements	682,250.00		400,000.00	13,333.32	268,916.68
2067-06	Redevelopment Study	1,500,000.00		650,000.00		850,000.00
2069-06	Various Capital Improvements	95,000.00				95,000.00
2078-06	Various Capital Improvements	442,000.00		300,000.00		142,000.00
2125-07	Various Capital Improvements	50,000.00		25,000.00		25,000.00
2133-07	Various Capital Improvements	45,594.00				45,594.00
2172-08	Various Capital Improvements	296,510.00		296,510.00		50,000.00
2194-09	Consulting Study-New Communications Managing Equipment	60,000.00		10,000.00		650,000.00
2209-09	Various Capital Improvements	750,000.00		100,000.00		320,650.00
2211-09	Various Road Improvements	1,070,650.00		750,000.00		101,435.00
2214-09	Joint Meeting-Capital Assessment	111,435.00		10,000.00		482,840.00
2216-09	Various Road Improvements	1,982,840.00		1,500,000.00		232,750.00
2222-09	Communications System Upgrade		232,750.00			
2232-09	Various Capital Improvements					
2237-09	Various Capital Improvements					
2272-10	Various Capital Improvements					
2278-10	Various Capital Improvements					
2290-10	Various Capital Improvements					
2299-10	Telecommunications equipment					
		\$ 10,081,938.00	\$ 232,750.00	\$ 4,271,510.00	\$ 13,333.32	\$ 6,029,844.68

Ref. C C-7 C-10 C-7 C

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

C-14

STATE GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>		
Balance, December 31, 2010	C		\$2,596,603.38
Decreased by:			
Cash Receipts:			
NJ Transportation Trust Fund-Undercliff Terrace	2209-09	\$ 187,500.00	
NJ Transportation Trust Fund-Byrne Road	2209-09	139,789.10	
CDBG-Park Drive	2209-09	<u>80,000.00</u>	
	C-2		407,289.10
Adjustments:			
WO Board of Education	2237-09	Reserve 74,000.00	
WO Board of Education	1896-03	Reserve 35,000.00	
WO Board of Education	2071-06	Reserve 160,000.00	
WO Board of Education	2125-07	C-11 <u>6,666.66</u>	
	Reserve		<u>275,666.66</u>
			<u>682,955.76</u>
Balance, December 31, 2011	C		<u>\$ 1,913,647.62</u>
<u>Analysis of Balance:</u>			
	<u>ORD#</u>		
Green Acres Matching Grant	1992-04		\$ 103,270.02
West Orange Board of Education	1896-03		220,000.00
West Orange Board of Education	2125-07		66,666.70
NJ Transportation Trust Fund-Byrne Road	2209-09		35,210.90
NJ Transportation Trust Fund-Undercliff Terrace	2209-09		62,500.00
West Orange Board of Education	2237-09		<u>1,426,000.00</u>
Balance, December 31, 2010	C		<u>\$ 1,913,647.62</u>

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

C-15

NJEPA TRUST AND FUND LOAN RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 2,447,091.00
Decreased by:		
Cash Receipts	C-2	<u>621,840.00</u>
Balance, December 31, 2011	C	<u><u>\$ 1,825,251.00</u></u>

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

C-16

RESERVE TO PAY DEBT SERVICE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 232,231.01
Increased by:		
Cash Receipts	C-2	<u>304,745.77</u>
		536,976.78
Decreased by:		
Budget Appropriation	C-2	<u>242,404.10</u>
Balance, December 31, 2011	C	<u><u>\$ 294,572.68</u></u>

TOWNSHIP OF WEST ORANGE  
GENERAL CAPITAL FUND

C-17

LEASE PAYABLE -PARKING GARAGE  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	C	\$ 105,720.03
Increased by:		
Cash Receipts	C-2	24.30
		<u>105,744.33</u>
Decreased By Disbursements:		
Lease Payments	C-2	69,671.07
		<u>69,671.07</u>
Balance, December 31, 2011	Below	<u>\$ 36,073.26</u>
 <u>Analysis of Balance</u>		
Reserve-Parking Garage	C	<u>\$ 36,073.26</u>

**TOWNSHIP OF WEST ORANGE  
SWIMMING POOL UTILITY FUND**

D-4

**SCHEDULE OF CASH - TREASURER  
YEAR ENDED DECEMBER 31, 2011**

	<u>Ref.</u>	
Balance, December 31, 2010	D	<u>\$ 279,175.45</u>
Increased by Receipts:		
Membership Fees	D-2	185,030.00
Miscellaneous Revenue Anticipated	D-2	51,791.51
Contra Items:		
Change Fund Returned	Contra	100.00
Membership Fee Refunds	Contra	660.00
Swim Team Fees	Contra	50.00
Swimming Lesson Refunds	Contra	305.00
		<u>237,936.51</u>
		<u>517,111.96</u>
Decreased by Disbursements:		
Appropriations	D-3	210,565.71
Appropriation Reserves	D-7	246.40
Fund Balance to Current Fund Budget	D-1	175,000.00
Account Receivable	D-5	29.25
Contra Items:		
Change Fund Established	Contra	100.00
Membership Fee Refunds	Contra	660.00
Swim Team Fees	Contra	50.00
Swimming Lesson Refunds	Contra	305.00
		<u>386,956.36</u>
Balance, December 31, 2011	D	<u><u>\$ 130,155.60</u></u>

**TOWNSHIP OF WEST ORANGE  
SWIMMING POOL UTILITY FUND**

**SCHEDULE OF ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2011**

D-5

	<u>Ref.</u>	
Balance, December 31, 2010	D	\$
Increased by:		
Cash Disbursements	D-4	<u>29.25</u>
Balance, December 31, 2011	D	<u>\$ 29.25</u>

**SCHEDULE OF FIXED CAPITAL  
YEAR ENDED DECEMBER 31, 2011**

D-6

	<u>Ref.</u>	
Balance, December 31, 2011 and 2010	D	<u>\$ 523,433.15</u>
Analysis of Balance:		
Swimming Pool and Bathhouse		\$ 378,557.15
Architect, Planning and Promotion		52,165.00
Pool Equipment		5,745.00
Tennis Courts		22,366.00
Landscaping and Paving		<u>64,600.00</u>
		<u>\$ 523,433.15</u>

**TOWNSHIP OF WEST ORANGE  
SWIMMING POOL UTILITY FUND**

**SCHEDULE OF 2010  
APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2011**

D-7

	<u>Balance, December 31, 2010</u>	<u>Balance After Transfer</u>	<u>Paid or Charged</u>	<u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 3.06	\$ 3.06	\$	\$ 3.06
Other Expenses	3,363.76	3,363.76	246.40	3,117.36
Social Security	36.44	36.44		36.44
	<u>\$ 3,403.26</u>	<u>\$ 3,403.26</u>	<u>\$ 246.40</u>	<u>\$ 3,156.86</u>
<u>Ref.</u>	D		D-4	D-1

**SCHEDULE OF RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2011**

D-8

	<u>Ref.</u>	
Balance, December 31, 2011 and 2010	D	<u>\$ 523,433.15</u>

**TOWNSHIP OF WEST ORANGE  
PUBLIC ASSISTANCE FUND**

**STATEMENT OF REVENUES  
YEAR ENDED DECEMBER 31, 2011**

E-3

	<u>Ref</u>	
State Aid Payments	E-2	\$ 361,025.28
Supplemental Security Income:		
State Refund	E-2	<u>45,946.15</u>
		<u><u>\$ 406,971.43</u></u>

**STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2011**

E-4

	<u>Ref</u>	
Maintenance Payments		\$ 167,048.00
Other:		
Temporary Rental Assistance		144,184.72
Emergency Services		<u>49,792.56</u>
	E-6	361,025.28
Supplemental Security Income:	E-6	<u>45,946.15</u>
	E-2	<u><u>\$ 406,971.43</u></u>

TOWNSHIP OF WEST ORANGE  
PUBLIC ASSISTANCE FUND

E-5

RECEIPTS AND DISBURSEMENTS  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	<u>Trust Fund Account #1</u>	<u>Trust Fund Account #2</u>
Balance, December 31, 2010	E	\$ 1,553.99	\$
Increase by:			
Due from State of New Jersey	E-6	\$	\$ 406,971.43
Due from Current Fund	E-7	1,000,000.00	
		<u>1,000,000.00</u>	<u>406,971.43</u>
		1,001,553.99	406,971.43
Decreased by:			
Public Assistance	E-6		
Supplemental Security Income	E-6		406,971.43
Reimbursements	E-6		
Due to Current Fund	E-7	<u>1,000,000.00</u>	<u>406,971.43</u>
Balance, December 31, 2011	E	<u>\$ 1,553.99</u>	<u>\$</u>

TOWNSHIP OF WEST ORANGE  
PUBLIC ASSISTANCE FUND

E-6

DUE FROM / (TO) STATE OF NEW JERSEY  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	<u>Trust Fund Account #2</u>	
Balance December 31, 2010	E		\$
Increased by:			
2011 State Aid Allotments	E-5	\$ 361,025.28	
Supplemental Security Income			
Reimbursements	E-5	<u>45,946.15</u>	<u>406,971.43</u>
			406,971.43
Decreased by:			
Collections:			
State Aid Allotments	E-5	361,025.28	
Supplemental Security Income			
Reimbursements	E-5	<u>45,946.15</u>	<u>406,971.43</u>
			406,971.43
Balance December 31, 2011	E		<u><u>\$</u></u>

TOWNSHIP OF WEST ORANGE  
PUBLIC ASSISTANCE FUND

E-7

DUE TO CURRENT FUND  
YEAR ENDED DECEMBER 31, 2011

	<u>Ref.</u>	
Balance, December 31, 2010	E	\$
Increased by:		
Expenditures Made in Current Fund	E-1, E-5	1,000,000.00
Decreased by:		
Disbursements	E-1, E-5	<u>1,000,000.00</u>
Balance, December 31, 2011	E	<u><u>\$</u></u>

**TOWNSHIP OF WEST ORANGE**

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**PART II**

**SINGLE AUDIT SECTION**

**YEAR ENDED DECEMBER 31, 2011**



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF STATUTORY BASIS FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited the financial statements - regulatory basis of the various funds of the Township of West Orange (the "Township"), as of and for the year ended December 31, 2011, and have issued our report thereon dated November 27, 2012, which was qualified as a result of the Township's policy to prepare its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Internal Control Over Financial Reporting**

Management of the Township is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of West Orange's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this report and would not necessarily identify all deficiencies in internal control that might be deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township of West Orange's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. However, we noted certain immaterial instances of noncompliance or other matters that we have reported to the management of the Township of West Orange in the "Auditor's Comments and Recommendations" section of this report.

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

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McEnerney, Brady & Company, LLC  
Certified Public Accountants

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Francis M. McEnerney  
Registered Municipal Accountant #539

Livingston, New Jersey  
November 27, 2012



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

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

**Compliance**

We have audited the Township of West Orange's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement and New Jersey OMB Circular 04-04* that could have a direct and material effect on each of the Township of West Orange's major federal programs and major state programs for the year ended December 31, 2011. The Township of West Orange's major federal programs and major state programs are identified in the summary of the auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and state programs is the responsibility of the Township of West Orange's management. Our responsibility is to express an opinion on the Township of West Orange's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, OMB Circular A-133, State of New Jersey, Department of Treasury, OMB Circular 04-04 NJ OMB Circular 04-04") and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards and OMB Circular A-133 and NJ OMB Circular 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state program occurred. An audit includes examining, on a test basis, evidence about the Township of West Orange's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Township of West Orange's compliance with those requirements.

293 Eisenhower Parkway, Livingston, NJ 07039  
(973) 535-2880

832 McLean Avenue, Yonkers, NY 10704  
(914) 237-3676

In our opinion, the Township of West Orange complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2011.

### **Internal Control Over Compliance**

Management of the Township of West Orange is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Township of West Orange's internal control over compliance with the requirements that could have a direct and material effect on a major federal program and state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and N.J. OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of West Orange's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state program on a timely basis. A *material weakness* in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration in internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of the audit committee, management, the Township of West Orange, the New Jersey State Department of Community Affairs, and other federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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McEnerney, Brady & Company, LLC  
Certified Public Accountants

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Francis M. McEnerney  
Registered Municipal Accountant #539

Livingston, New Jersey  
November 27, 2012

**TOWNSHIP OF WEST ORANGE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
THROUGH DECEMBER 31, 2011**

Federal Funding Department and Description	Ref.	CFOA	Grant Number	Grant Period From	Grant Period To	Funds Received	Total Awards	Balance Dec. 31, 2010	2010 Grant	Adjustments	Paid or Charged	Balance Dec. 31, 2011
Passed Through County of Essex: Housing and Urban Development: Community Development Block Grants:	B					\$ 500,530	\$ 1,908,000	\$ 830,000	\$ 692,000	\$ -	\$ 670,530	\$ 851,470
14.218 B-08-UC-34-0101				7/27/08	7/27/09		788,000.00	150,000.00	75,000.00	(225,000.00)	203,436.99	
14.218 B-09-UC-34-0101				7/27/09	7/27/10	203,436.99	690,500.00	185,936.99	17,500.00		495,050.00	
14.218 B-10-UC-34-0101				7/27/10	7/27/11	495,056.00	580,050.00	515,533.36	58,050.00	(78,533.36)	0.00	444,750.00
14.218 B-11-UC-34-0101				7/27/11	7/27/12	688,486.99	2,503,300.00	851,470.35	595,300.00	(303,533.36)	698,486.99	444,750.00
Direct Program: Lower Income Housing Housing Choice Voucher Program	B											
14.182 NJ39V-108				1-1-10	12-31-10	1,144,753.00	1,104,069.00	72,127.64	1,144,753.00	253,044.23	72,127.64	0.00
14.182 NJ39V-108				1-1-11	12-31-11	1,144,753.00	1,144,753.00	0.00	1,144,753.00	253,044.23	1,334,544.36	63,252.87
Department of Justice Office of Justice Programs Bullet Proof Vest Partnership	A	16.607		1-1-06	12-31-06		6,690.00	6,690.00			495.00	6,195.00
Department of Energy Energy Efficiency and Conservation Block Grant	A	81.128	10EE001345	12-31-09	6-30-12	20,000.00	175,800.00	165,800.00			10,000.00	155,800.00
Homeland Security Assistance to Firefighters Grant	A	97.044	EMW-2009-FO-11636	3-5-10	3-4-11	47,483.00	47,483.00	47,483.00			47,023.89	458.11
							47,483.00	47,483.00			47,023.89	459.11
						\$ 1,843,239.99	\$ 4,982,095.00	\$ 1,143,570.99	\$ 1,740,053.00	\$ (50,489.13)	\$ 2,162,677.88	\$ 669,997.87

Legend (References)

A - Current Fund

B - Trust Fund

TOWNSHIP OF WEST ORANGE  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
THROUGH DECEMBER 31, 2011

State Funding Department and Description	Ref.	Grant Number	Grant Period		Balance Dec. 31, 2010	2011 Grant	Local Match	Cancelled	Paid or Charged	Balance Dec. 31, 2011	
			From	To						Appropriated	Unappropriated
Community Affairs Senior Citizen Nurse-2010	A	07-455	1-1-11	12-31-11	\$	\$ 17,171	\$	\$ 17,171	\$	\$	
County Offices on Alcoholism, Drug Abuse and Addiction Services:											
West Orange Municipal Alliance	A		1-1-11	12-31-11		59,800.00	14,950.00	33,698.44	41,051.56		
West Orange Municipal Alliance	A	221,295	1-1-10	12-31-10	51,563.99			51,563.99			
Department of Law and Public Safety											
Cops in Shops	A	ABC-36-10	6-1-11	5-31-12		12,712.00		3,594.54	9,117.46		
Cops in Shops	A	ABC-38-09	6-1-10	5-31-11	3,976.65			3,976.65			
Transportation											
1984 New Jersey Transportation Trust											
Municipal Aid by Formula	A				850.00				850.00		
Bradley Terrace	A										
Municipal Aid by Formula	A				250,000.00			245,976.80	3,023.20		
Undercliff Terrace	A										
Municipal Aid by Formula	A				200,000.00			139,789.10	60,210.90		
Byrne Road	A										
Municipal Aid by Formula	A				279,500.00			197,473.92	82,026.08		
Old Salem Road and Salem Place	A										
Municipal Aid by Formula	A					2,015,777.00		770,906.03	1,244,870.97		
WO Streetscape	A										
Municipal Aid by Formula	A					230,000.00			230,000.00		
Belle Terrace	A										

See Notes to Schedules of Expenditures of Federal and State Awards

TOWNSHIP OF WEST ORANGE  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
THROUGH DECEMBER 31, 2011

State Funding Department and Description	Ref.	Grant Number	Grant Period		Balance Dec. 31, 2010	2011 Grant	Local Match	Cancelled	Paid or Charged	Balance Dec. 31, 2011	
			From	To						Appropriated	Unappropriated
<u>Environmental Protection</u>											
Clean Communities 2010	A	4900-765-042-4900				59,800.00				59,800.00	
Clean Communities 2010	A	4900-765-042-4900			41,232.45			11,369.06		29,863.39	
Municipal Stormwater Regulation Program	A	WQ05-229 (66,605)	1-1-05	12-31-05	20,619.00					20,619.00	
<u>Health and Senior Services</u>											
Public Health Priority Funding	A	4230-100-046-4E11			17.38					17.38	
LPH Emergency Response to H1N1	A	10-99-BT-L-1			750.00	35,000.00		35,000.00			
LPH Emergency Response to H1N1	A	10-99-BT-L-1			750.00			750.00			
LPH Emergency Response to H1N1	A	10-99-BT-L-1	10-1-09	7-30-12	24,250.00			24,250.00			
<u>Motor Vehicles</u>											
Drunk Driving Enforcement Fund	A	6400-100-078-6400	1-1-11	12-31-11	0.00	3,372.53				3,372.53	
Drunk Driving Enforcement Fund	A	6400-100-078-6400	1-1-10	12-31-10	3,265.00					3,265.00	
Drunk Driving Enforcement Fund	A	6400-100-078-6400	1-1-09	12-31-09	2,674.72			455.25		2,219.47	
<u>Division of Criminal Justice</u>											
Body Armor Replacement Fund	A	1020CJ24515(2011)	1-1-11	12-31-11	0.00	8,594.71				8,594.71	
Body Armor Replacement Fund	A	1020CJ24515(2009)	1-1-09	12-31-09	11,105.00			1,065.00		10,040.00	
Neighborhood Preservation Program-Valley	A	2005-02351-3882-07	1-1-07	12-31-07	73.24					73.24	
<u>Juvenile Justice System</u>											
Delinquency Prevention	A				2,902.26	18,563.00			15,660.74	2,902.26	
Delinquency Prevention	A				2,902.26			1,503.09		1,399.17	
<u>Department of Environmental Protection</u>											
No Net Loss Reorestation Act	A	PF 09-748	10-1-08	3-31-12	100,475.00				76,190.13	24,284.87	
Wastewater Treatment Fund	A				279,358.00					279,358.00	
<u>New Jersey Transit</u>											
Commuter Shuttle Grant	A				20,000.00	10,000.00				10,000.00	
Commuter Shuttle Grant	A				30,000.00					20,000.00	
Commuter Shuttle Grant	A	L-40083	1-15-09		30,000.00					30,000.00	

See Notes to Schedules of Expenditures of Federal and State Awards

TOWNSHIP OF WEST ORANGE  
 SCHEDULE OF EXPENDITURES OF STATE AWARDS  
 THROUGH DECEMBER 31, 2011

State Funding Department and Description	Ref.	Grant Number	Grant Period From To	Balance Dec. 31, 2010	2011 Grant	Local Match	Cancelled	Paid or Charged	Balance Dec. 31, 2011	
									Appropriated	Unappropriated
<u>Edward Byrne Memorial Justice Assistance Grant Program</u>	A			3,809.10				50,912.00	3,809.10	
Grant Program				54,419.00					3,507.00	
<u>Office of Information Technology Enhanced E-911 General Assistance</u>	A	07-G-07-330	7-1-07 6-30-08	11,287.53					11,287.53	
<u>New Jersey Economic Development Authority Hazardous Discharge Site Remediation</u>	A	P18695		147,379.74					147,379.74	
<u>Pedestrian Safety Enforcement</u>	A	PS09460117		0.00	9,000.00			1,000.00	8,000.00	
<u>NJ League of Municipalities Sustainable Jersey Small Grant</u>	A			9,650.00				9,467.00	183.00	
<u>Solid Waste Administration Recycling Tonnage Grant</u>	A	4900RC09553		80,872.77	54,818.47			80,872.77		54,818.47
<u>Recycling Tonnage Grant</u>	A	4900RC09553								
				<u>\$1,630,030.83</u>	<u>\$2,534,608.71</u>	<u>\$14,950.00</u>	<u>\$-</u>	<u>\$1,773,645.51</u>	<u>\$2,339,158.32</u>	<u>\$66,785.71</u>

Legend (References)

A-Current Fund

C-Capital Fund

E-Public Assistance

**TOWNSHIP OF WEST ORANGE**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED DECEMBER 31, 2011**

1. **General**

The accompanying Schedules of Expenditures of Federal and State Awards presents the activity of all federal and state financial assistance programs of the Township of West Orange. The Township of West Orange is defined in Note A to the Township's financial statements. All federal financial assistance received directly from federal agencies, as well as federal expenditures of financial assistance passed through other government agencies is included on the Schedule of Federal Financial Awards.

2. **Basis of Accounting**

The accompanying Schedules of Expenditures of Federal and State Awards are presented using the basis of accounting followed by the Township of West Orange, which is described in Note A, Summary of Significant Accounting Policies, to the Township's financial statements. The information in the Schedule of Expenditures of Federal and State Awards is presented in accordance with OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and NJ OMB Circular 04-04 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid".

3. **Relationship to Federal and State Financial Reports**

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

4. **State Loan Outstanding**

The Township had the following outstanding loans at December 31, 2011

General Capital Fund:

Environmental Infrastructure	<u>\$3,622,170.14</u>
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**TOWNSHIP OF WEST ORANGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2011**

**Section I - Summary of Auditors' Results**

- |  |   |
|--|---|
| 1. Type of auditors' report issued:  | Unqualified (Except for Qualification<br>As Due to Statutory Basis of Accounting) |
| 2. Internal control over financial reporting:<br>Material weakness(es) identified?   | _____ Yes <input checked="" type="checkbox"/> No                                  |
| Significant Deficiencies identified that are<br>not considered to be material weakness(es)?  | _____ Yes <input checked="" type="checkbox"/> No                                  |
| 3. Noncompliance material to financial statements noted?   | _____ Yes <input checked="" type="checkbox"/> No                                  |
| 4. Internal control over major programs:<br>Material weakness(es) identified?  | _____ Yes <input checked="" type="checkbox"/> No                                  |
| Significant Deficiencies identified that are<br>not considered to be material weakness(es)?  | _____ Yes <input checked="" type="checkbox"/> No                                  |
| 5. Type of auditors' report issued on compliance<br>for major programs:  | Unqualified   |
| 6. Any audit findings disclosed that are required to<br>to be reported in accordance with Section 510(a) of<br>OMB Circular A-133 and New Jersey OMB Circular 04-04? | _____ Yes <input checked="" type="checkbox"/> No                                  |
| 7. <u>Identification of Major Programs:</u>  |   |
| <u>Name of Federal Program</u>   | <u>CFDA #</u>   |
| • Lower Income Housing Assistance Program (Section 8)  | 14.871  |
| • Clear Water Program  | 66.458 (ARRA)   |
| <u>Name of State Program</u>   | <u>GMIS Numbers</u>   |
| • Public Assistance  | 7500-150-158010-60  |
| 8. Dollar threshold for determining Types A and B programs:  | <u>\$300,000</u>  |
| 9. Auditee qualified as low-risk auditee?  | _____ Yes <input checked="" type="checkbox"/> No                                  |

**Section II - Financial Statement Findings:**

None Noted

**Section III - Major Federal and State Award Findings  
and Questioned Costs:**

None Noted

**Section IV - Prior Year Audit Findings and Questioned Costs:**

None Noted

**Section V - Corrective Action Plan**

Not Applicable

**TOWNSHIP OF WEST ORANGE  
GENERAL COMMENTS**

**Scope of Audit**

The audit of the financial statements of the Township of West Orange, County of Essex, New Jersey, as required by the Division of Local Government Services, covered the financial transactions of the Treasurer, Tax Collector, and the activities of the Township and the records of the various outside departments.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. These details were necessarily covered by the internal review and control before approval of such claims by the governing body.

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

The governing body of the Township has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. The bid threshold is \$21,000 or up to \$29,000 if the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c.198 (c.40A: 11-9). As of July 1, 2011, the bid thresholds increased to \$26,000 and \$36,000, respectively. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising.

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.

The system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

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

Notwithstanding, N.J.S.A. 40A:11-3a, P.L. 2005, Chapter 51 and N.J.S.A. 19:44-20.5, known as the "Pay to Play Law", provides that a municipality is prohibited from executing any contract in excess of \$17,500.00 on or after January 1, 2006, to a business entity that made certain reportable contributions to any municipal committee of a political party if a member of that party is in office as a member of the governing body of the municipality when the contract is awarded unless proposals or qualifications are solicited through a fair and open process.

It is further noted that contracts between \$17,500.00 and the municipal bidding threshold, known as "window contracts", can be issued by resolution of the governing body without competitive bidding if a non-fair and open process is implemented which prohibits reportable contributions by the business entity.

**TOWNSHIP OF WEST ORANGE  
GENERAL COMMENTS**

**Purchases, Contracts or Agreements Not Required to be Advertised (N.J.S.A. 40A:11-6.1)**

N.J.S.A. 40A:11-6.1 states "Expect contracts which require the performance of professional services, all contracts or agreements which do not require public advertising for bids and the estimated cost or price exceeds \$4,350.00 thru June 30, 2011 and \$5,400.00 effective July 1, 2011 at least two quotations as to the cost of price are required. Quotations, whenever practicable, shall be solicited by the contracting agent, and the contract or agreement shall be made with and awarded to the lowest responsible bidder.

Our review disclosed that four purchases exceeded the quote threshold and there was no documentation presented to show quotes were obtained.

**Bonded Officials**

The following officials were bonded during the year ended December 31, 2011 through policies issued by Western Surety Company:

<u>Name</u>	<u>Title</u>	<u>Amount</u>
Edrie A. Daniels	Municipal Court Adm.	\$ 75,000
Joanne Gagliardo	Tax Collector	550,000
John O. Gross	Chief Financial Officer	50,000
Harry L. Starrett	Municipal Judge	75,000
Margaret E. Padovano	Municipal Judge	75,000
Karen Carnevale	Township Clerk	5,000

The Public Employees' Blanket Bond is carried to cover all other officials not specifically covered by a separate bond.

**Collection of Interest on Delinquent Taxes and Assessments**

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

The governing body adopted the following resolution authorizing interest to be charged on delinquent taxes:

"Not to exceed 8% per annum on the first \$1,500 of the delinquency and 18% on any amount in excess of \$1,500."

"The Township Council by resolution instructed the Tax Collector to permit a ten (10) day grace period in the collection of taxes before a charge of interest is made."

"Be it further resolved that an additional 6% penalty be charged for delinquencies in excess of \$10,000 remaining unpaid at the end of the calendar year in accordance with the amended provisions of N.J.S.A. 54:4-67."

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

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

**TOWNSHIP OF WEST ORANGE  
GENERAL COMMENTS**

**Delinquent Taxes and Tax Title Liens**

The delinquent taxes at December 31, 2011 consist of unpaid taxes for the year 2011. It is quite evident, that a determined effort has been made to enforce the payment of delinquent taxes.

The last tax sale was held on March 31, 2011 and was complete except for one property which was in bankruptcy.

**Capital Fixed Assets**

The Division of Local Government Services in the Department of Community Affairs in the State of New Jersey requires all municipalities in the State to establish and maintain sets of accounts and inventories reflecting costs of other valuations of all of its fixed assets, including land, buildings, improvement, machinery, furniture and equipment. Such accounts, to be included under "Capital Fixed Assets", would insure complete fiscal reliability of records, establish a basis for claims of losses and other insurance purposes, augment protective measures against the misuse or theft of property and furnish data on aging, anticipated life and other information on assets. Failure to maintain fixed asset records could jeopardize the Township's eligibility for future Federal and State Grants.

**Corrective Action Plan**

In accordance with regulations promulgated by the Single Audit Act and the Division of Local Government Services, all municipalities are required to prepare and submit to the Division of Local Government Services a Corrective Action Plan with regard to audit deficiencies. This plan must be approved by formal resolution of the Governing Body and submitted within 60 days from the date the audit is received. A Corrective Action Plan was prepared for the 2011 audit.

**Status of Prior Years' Audit Recommendations**

A review was performed on all prior years' recommendations and correction action was taken on all with the exception of the following, which is included in this year's recommendations:

**General**

That old outstanding grant receivables in the General Capital Fund be reviewed to determine its collectability.

**Miscellaneous**

A separate report summarizing collections of Dog License Fees and remittances of State Registration Fees was also prepared and filed with the New Jersey Department of Health and the Division of Local Government Services.

A statutory report on the operations of the Municipal Court was prepared as part of our examination and copies were filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court, and the Township Clerk.

Revenue and receipts were established and verified as to source and amount only insofar as the local records permitted.

**TOWNSHIP OF WEST ORANGE**  
**GENERAL COMMENTS**

**Miscellaneous (Continued)**

In verifying expenditures, computations were tested on claims approved and paid. No attempt was made in this connection to establish proof of rendition, character or extent of services, nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

Registers of fixed assets by title or account grouping are not maintained in the Swimming Pool Utility Capital Funds. The fixed capital reported on Exhibits D-8 is as taken from municipal records and does not necessarily reflect the true condition of such fixed capital.

The propriety of deductions for pensions, withholding tax, social security and other purposes from individual employee salaries was not verified as part of this examination.

Activity of the State Unemployment Compensation Insurance Trust Fund, established for the accumulation of pertinent payroll deductions, municipal contributions and interest on deposits, appears in Section "B" of the report.

A copy of this report was filed with the New Jersey Division of Local Government Services.

A summary or synopsis of this report was prepared for publication and filed with the Township Clerk.

**TOWNSHIP OF WEST ORANGE**

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**COMMENTS AND RECOMMENDATIONS**

**YEAR ENDED DECEMBER 31, 2011**

**TOWNSHIP OF WEST ORANGE  
COMMENTS AND RECOMMENDATIONS  
DECEMBER 31, 2011**

**CAPITAL FUND**

**Finding:** Green Acres matching grant receivable on Ordinance #1992-04 of \$103,270.02 has been carried for a number of years.

**Recommendation:** This receivable should be reviewed in order to determine its collectability.

**CONSTRUCTION CODE**

**Finding:** There were differences noted during testing of the cash receipts. One difference of \$4,260.80 was noted between the department cash receipt and the computer generated reporting system. The second difference in the amount of \$832 was between the computer and the Treasurer's revenue report. Staff could not explain these differences.

**Recommendation:** Greater care should be taken when inputting cash receipts into the computer system. All revenue reports should be reconciled and agreed on a monthly basis.

**RECREATION**

**Finding:** Receipts were given for cash transactions only.

**Recommendation:** Receipts should be given for all transactions.

**Finding:** The cash receipts computer program does not agree to the Finance Department's revenue reports.

**Recommendation:** Greater care should be taken when inputting cash receipts into the computer system. All revenue reports should be reconciled and agreed on a monthly basis.

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The forgoing comments and resultant recommendation are not of sufficient materiality whereby they would affect our ability to express an opinion on the financial statements taken as a whole.

We shall be pleased to confer on any questions that might arise with respect to any matters in this report and to assist in the implementation of recommendations.

We desire to express our appreciation for the assistance and courtesies rendered by the Township officials and employees during the course of the examination.

Respectfully submitted,

McEnerney, Brady & Company, L.L.C.  
Certified Public Accountants

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Francis McEnerney, RMA

Livingston, New Jersey