



TOWNSHIP OF WEST ORANGE

FINANCIAL STATEMENTS

WITH

INDEPENDENT AUDITORS' REPORT

AND

REPORTS ON INTERNAL CONTROL AND COMPLIANCE

YEAR ENDED DECEMBER 31, 2014

TOWNSHIP OF WEST ORANGE

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TOWNSHIP OF WEST ORANGE

PART I

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

YEAR ENDED DECEMBER 31, 2014

ROSTER OF OFFICIALS

The following officials were in office as of December 31, 2014

<u>Name</u>	<u>Title</u>
Robert D. Parisi	Mayor
Susan McCartney	Council President
Jerry Guarino	Councilman
Victor Cirilo	Councilman
Joseph Krakoviak	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

Report on the Financial Statements

We have audited the accompanying regulatory basis financial statements of the various funds and of the Township of West Orange, County of Essex, New Jersey (the "Township") as of and for the years ended December 31, 2014 and 2013, the statements of revenues, expenditures and changes in fund balances for the year ended June 15, 2015 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly in accordance with accounting principles generally accepted in the United States of America the financial position of each fund of the Township as of December 31, 2014 and 2013, or the changes in financial position or where applicable, cash flows thereof for the years then ended.

Unmodified Opinion

In our opinion, the regulatory basis financial statements referred to above present fairly, in all material respects, the respective financial position of the various funds of the Township of West Orange, Essex County, New Jersey, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles and practices prescribed by the Division, as described in Note 1 to the financial statements.

Other Matters

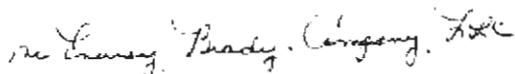
Other Information

Our audit was conducted for the purpose of forming opinions on the regulatory basis financial statements that collectively comprise Township's basic financial statements. The accompanying supplementary sections and schedules of expenditures of federal and state awards, as required by *Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey State Office of Management and Budget Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2015 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Livingston, New Jersey
June 15, 2015



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

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A
Sheet # 1

**COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
CASH		\$ 12,777,904.56	\$ 13,296,796.99
	A-4	<u>12,777,904.56</u>	<u>13,296,796.99</u>
Due from State of New Jersey - Ch. 20, P.L. 1971	A-16	29,982.43	29,040.62
		<u>29,982.43</u>	<u>29,040.62</u>
RECEIVABLES AND OTHER ASSETS WITH FULL RESERVES:			
Change Funds	A-6	450.00	450.00
Retiree Drug Subsidy Program Receivable Established	A-6A	209,474.63	456,538.85
Delinquent Property Taxes	A-7	2,267,368.68	2,183,867.51
Tax Title Liens	A-8	895,340.57	726,364.53
Property Acquired for Taxes - Assessed Valuation	A-9	392,465.00	392,465.00
Revenue Accounts Receivable	A-11	50,756.04	698,440.45
Sewer User Charges Receivable	A-12	376,818.24	381,443.78
Due From All Other Funds	A-13	0.02	89,779.46
		<u>4,192,673.18</u>	<u>4,929,349.58</u>
		17,000,560.17	18,255,187.19
DEFERRED CHARGES:			
Special Emergency Authorizations (40A:4-53)	A-27	<u>4,424,262.00</u>	<u>1,949,340.00</u>
		<u>21,424,822.17</u>	<u>20,204,527.19</u>
STATE AND FEDERAL GRANTS RECEIVABLE			
State and Federal Grants Receivable	A-23	1,856,220.15	1,807,320.05
Due from Current Fund	A-24	350,681.01	334,609.66
		<u>2,206,901.16</u>	<u>2,141,929.71</u>
		<u>\$ 23,631,723.33</u>	<u>22,346,456.90</u>

See Accompanying Notes to Financial Statements

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A
Sheet # 2

**COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
LIABILITIES:			
Appropriation Reserves	A-3, A-15	\$ 1,331,375.21	\$ 2,400,214.07
Reserve for Encumbrances	A-3, A-15	1,101,799.72	1,182,722.27
Accounts Payable	A-17	15,200.00	1,035.11
County Taxes Payable	A-20	54,162.25	24,708.63
School Taxes Payable	A-19	1.02	1.02
Fees Due to State of New Jersey	A-21	10,760.00	13,816.00
Prepaid Taxes	A-22	859,549.39	919,945.04
Emergency Note	A-14	4,424,262.00	1,949,340.00
Tax Appeals Payable	A-10	1,693,804.75	1,380,254.75
Tax Title Lienholders Payable	A-10A	169,203.89	149,426.61
Tax Title Lien Premiums Payable	A-10B	3,705,853.14	3,336,200.00
Due From All Other Funds	A-13		25,091.40
Due to Grant Fund	A-13	350,681.01	334,609.66
Tax Overpayments	A-18	1,580.80	15,960.11
Special Improvement District Assessment	A-14B		688.02
Due to West Orange Library	A-14C		1,680.61
Prepaid Health Licenses	A-14D	2,120.00	6,525.00
Reserve for Payment of Sandy	A-6B		480,000.00
Local Opens Space Tax due to Open Space Trust	A-14A		91.01
Sewer Rent Overpayments	A-17A	8,296.00	
		<u>13,728,649.18</u>	<u>12,222,309.31</u>
 Reserve for Receivables and Other Assets	 A	 <u>4,192,673.18</u>	 <u>4,929,349.58</u>
 FUND BALANCE	 A-1	 <u>3,503,499.81</u>	 <u>3,052,868.30</u>
		 <u>21,424,822.17</u>	 <u>20,204,527.19</u>
 STATE AND FEDERAL GRANT FUND			
Appropriated Reserves-Grants	A-25	2,026,869.85	1,942,455.04
Unappropriated Reserves-Grants	A-26	180,031.31	199,474.67
		<u>2,206,901.16</u>	<u>2,141,929.71</u>
		<u>\$ 23,631,723.33</u>	<u>\$ 22,346,456.90</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, 2014 AND 2013**

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
REVENUE AND OTHER INCOME:			
Fund Balance Utilized	A-2	\$ 2,898,302.12	\$ 2,898,302.12
Miscellaneous Anticipated Revenue	A-2	17,006,720.96	16,357,821.84
Receipts from Delinquent Taxes	A-2	2,172,350.80	2,669,264.98
Receipts from Current Taxes	A-2, A-7	207,172,935.47	203,114,729.28
Non-Budget Revenues	A-2	447,996.94	293,691.15
Other Credit to Income:			
Appropriation Reserves Lapsed	A-15	982,893.14	1,429,774.47
Retiree Drug Subsidy Receivable Liquidated	A-6A	247,064.22	
Interfund Decrease	A-13	89,779.44	268,209.29
Prepaid Adjustments			5,491.30
Accounts Payable Canceled	A-17	870.11	22,726.53
TOTAL REVENUE AND OTHER INCOME		231,018,913.20	227,060,010.96
EXPENDITURES:			
Budgeted and Emergency Appropriations	A-3	72,994,382.39	70,668,447.19
Prior Year Exemptions Disallowed	A-16	3,500.00	6,837.67
Due to Library	A-14C	3,474.25	1,680.61
Retiree Drug Subsidy Program Receivable Established			456,538.85
Local District School Tax	A-19	127,999,172.00	124,896,204.00
County Taxes	A-20	29,704,099.14	29,085,576.90
Special Improvement District Assessment	A-14B	104,412.42	105,244.56
Open Space Trust	A-14A	145,641.37	146,662.44
TOTAL EXPENDITURES		230,954,681.57	225,367,192.22
EXCESS OF REVENUE OVER EXPENDITURES		64,231.63	1,692,818.74
ADJUSTMENTS TO INCOME BEFORE FUND BALANCE:			
EXPENDITURES INCLUDED ABOVE WHICH ARE BY STATUTE DEFERRED CHARGES TO BUDGET OF SUCCEEDING YEAR	A-3	3,284,702.00	1,200,000.00
STATUTORY EXCESS TO FUND BALANCE		3,348,933.63	2,892,818.74
FUND BALANCE, BEGINNING OF YEAR	A	3,052,868.30	3,058,351.68
		6,401,801.93	5,951,170.42
UTILIZED AS ANTICIPATED REVENUE	A-2	2,898,302.12	2,898,302.12
FUND BALANCE, END OF YEAR	A	\$ 3,503,499.81	\$ 3,052,868.30

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, 2014**

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
FUND BALANCE ANTICIPATED	A-1	\$ 2,898,302.12	\$ 2,898,302.12	\$
MISCELLANEOUS REVENUES:				
Licenses:				
Alcoholic Beverages	A-11	\$ 70,397.12	\$ 70,139.12	\$ (258.00)
Other	A-11	55,084.00	50,279.00	(4,805.00)
Fees and Permits:				
Fines and Costs - Municipal Court	A-11	243,108.46	255,655.65	12,547.19
Interest and Costs on Taxes	A-11	428,121.29	605,593.86	177,472.57
Parking Meters	A-11	618,065.56	776,464.39	158,398.83
Interest on Investments	A-11	24,419.21	22,724.87	(1,694.34)
Interest on Investments	A-11	32,563.75	46,655.87	14,092.12
Payments in Lieu of Taxes:				
West Orange Senior Citizen Housing	A-11	99,360.00	117,900.00	18,540.00
Jewish Federation Plaza	A-11	86,474.64	106,021.96	19,547.32
Eagle Rock Senior Citizen Housing	A-11	60,407.00	60,407.00	
Woodland Valley	A-11	31,318.95	32,195.70	876.75
St. Barnabas	A-11	286,545.08	286,688.00	142.92
Other	A-11		500.00	500.00
Sewer User Charges	A-12	4,856,244.42	5,025,159.89	168,915.47
Energy Receipts Tax	A-11	4,651,070.84	4,674,454.00	23,383.16
Consolidated Municipal Property Tax Relief Aid	A-11	40,181.00	4,199.50	(35,981.50)
Watershed Moratorium Offset Aid	A-11	5,217.00	5,217.00	
Uniform Construction Code Fees	A-11	710,096.00	596,503.00	(113,593.00)
Interlocal Service Agreements	A-11	10,269.00	8,001.15	(2,267.85)
Uniform Fire Safety Act	A-11	68,633.18	68,975.42	342.24
General Capital Fund Surplus	A-11	138,957.04	138,957.04	
Supplemental Sewer Fees	A-11	51,466.00	29,616.00	(21,850.00)
Cable TV Franchise Fees	A-11	589,393.01	609,736.57	20,343.56
Ground Leases	A-11	142,532.45	142,417.14	(115.31)
Hotel Tax	A-11	487,437.22	488,864.20	1,426.98
Medical Transport Billing Service	A-11	736,860.64	649,006.59	(87,854.05)
Reserve to Pay Debt Service	A-11	134,739.15		(134,739.15)
Assessment Trust Fund Balance	A-11	13,888.05	13,888.05	
Rental-Environmental Center	A-11	102,072.00	93,500.00	(8,572.00)
Trust Fund Balance	A-11	113,290.47	113,290.47	
Extra Duty Fees	A-11	90,762.16	122,114.66	31,352.50
		<u>14,978,974.69</u>	<u>15,215,126.10</u>	<u>236,151.41</u>

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, 2014**

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
State Grants:				
Transportation Municipal Aid - CH 159	A-24	\$ 224,000.00	\$ 224,000.00	\$
Community Stewartship Incentive Grant-Forestry		20,000.00	20,000.00	
Clean Communities - CH 159	A-24	64,795.49	64,795.49	
Municipal Alliance for Alcoholism and Drug Abuse - CH 159	A-24	29,900.00	29,900.00	
Essex County DOA Senior Citizens	A-24	17,171.00	17,171.00	
Essex County Delinquency Prevention Grant	A-24	18,563.00	18,563.00	
Essex County Open Space Grant		150,000.00	150,000.00	
Body Armor Replacement Fund	A-27	11,003.19	11,003.19	
Hazard Mitigation Grant		375,000.00	375,000.00	
Bullet Proof Vest Fund	A-24	12,541.10	12,541.10	
CTTEC Grant - CH 159	A-24	69,153.08	69,153.08	
PSE&G Project	A-27	128,593.00	128,593.00	
Drive Sober or Get Pulled Over - CH 159	A-24	5,000.00	5,000.00	
EMMA Grant - CH 159	A-24	6,250.00	6,250.00	
SAFER Grant	A-24	659,625.00	659,625.00	
		<u>1,791,594.86</u>	<u>1,791,594.86</u>	
TOTAL MISCELLANEOUS ANTICIPATED REVENUES	A-1	<u>16,770,569.55</u>	<u>17,006,720.96</u>	<u>236,151.41</u>
RECEIPTS FROM DELINQUENT TAXES	A-1,A-2	<u>2,283,913.84</u>	<u>2,172,350.80</u>	<u>(111,563.04)</u>
AMOUNT TO BE RAISED BY TAXES FOR SUPPORT OF MUNICIPAL BUDGET	A-2	<u>51,828,179.49</u>	<u>52,106,668.09</u>	
BUDGET TOTALS	A-3	<u>73,780,965.00</u>	<u>74,184,041.97</u>	
NON-BUDGET REVENUES				
Miscellaneous Revenues Not Anticipated	A-11		\$ 447,996.34	
Add: Other Miscellaneous Items - Net			<u>0.60</u>	
NON-BUDGET REVENUES TOTALS	A-1		<u>447,996.94</u>	
			<u>\$ 74,632,038.91</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, 2014**

	<u>Ref.</u>	
ANALYSIS OF REALIZED REVENUES:		
Allocation of Current Tax Collection:		
Revenue from Collections	A-1, A-7	<u>\$ 207,172,935.47</u>
Allocated to - Municipal Open Space Tax	A-1, A-7	145,641.81
Allocated to - Special Improvement District	A-1, A-7	104,412.42
Allocated to - School Taxes	A-1, A-7	127,999,172.00
Allocated to - County Taxes	A-1, A-7	<u>29,704,099.14</u>
Total Allocated to Other Agencies		<u>157,953,325.37</u>
Balance for Support of Municipal Budget Appropriations		49,219,610.10
Add Appropriation Reserve for Uncollected Taxes	A-3	<u>2,887,057.99</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 52,106,668.09</u>
Delinquent Tax Collections		
Cash Received		
Total Delinquent Tax Collections	A-1	<u>\$ 2,172,350.80</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Budget	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Canceled
				Encumbered	Reserved	
\$	\$	\$	\$	\$	\$	\$
8. GENERAL APPROPRIATIONS						
(A) Operations - within "CAPS"						
EXECUTIVE AND LEGISLATIVE DEPARTMENT						
Office of the Mayor and Agencies						
Office of the Mayor						
Salaries and Wages	80,145.13	80,120.00	80,120.00			
Other Expenses	21,446.00	1,446.00	742.52	61.22	642.26	
Public Information Officer						
Other Expenses	595.00	595.00			595.00	
Governing Body						
Town Council						
Salaries and Wages	62,435.00	62,433.80	62,433.80			
Advertising Expenses						
Other Expenses	32,400.00	22,400.00	20,525.56	1,603.34	271.10	
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	275,000.00	155,000.00	123,025.99	17,975.67	13,998.34	
Office of the Township Clerk						
Township Clerk						
Salaries and Wages	229,030.00	225,609.56	225,609.56			
Other Expenses	2,000.00	2,000.00	323.56		1,676.44	
Elections						
Salaries and Wages	4,000.00	3,102.33	3,102.33			
Other Expenses	17,500.00	17,571.32	17,571.32			
Office of the Township Attorney						
Township Attorney						
Salaries and Wages	74,000.00	73,999.12	73,999.12			
Other Expenses	61,440.00	61,440.00	53,500.00	1,000.00	6,940.00	
Human Relations Commission						
Other Expenses	5,100.00	5,100.00	3,305.55		1,794.45	
Statutory Agencies						
Planning Board						
Salaries and Wages	5,250.00	5,249.40	5,249.40			
Other Expenses	10,400.00	10,400.00	5,085.40	1,120.88	4,193.72	
Board of Adjustment						
Salaries and Wages	5,250.00	5,249.40	5,249.40			
Other Expenses	4,550.00	3,008.15	2,736.81	271.34		

TOWNSHIP OF WEST ORANGE
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Budget	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Cancelled
				Encumbered	Reserved	
Waste Management	\$ 259,103.00	\$ 250,829.93	\$ 196,096.59	\$ 54,833.34	\$	\$
Other Expenses						
Municipal Court	360,076.20	358,166.63	358,166.63			
Salaries and Wages						
Other Expenses	31,300.00	31,300.00	18,214.44	2,850.66	10,434.90	
Public Defender (P.L. 1997, C.256)	18,200.00	15,750.00	15,750.00			
Salaries and Wages						
Other Expenses	6,000.00	6,000.00			6,000.00	
Open Space Recreation and Environmental Commission (N.J.S.A. 40:50A-1)	150.00	150.00			150.00	
Other Expenses						
Rent Leveling Board	75.00	75.00			75.00	
Other Expenses						
TOTAL EXECUTIVE AND LEGISLATIVE DEPT.	1,566,375.33	1,388,045.64	1,271,711.98	79,516.45	46,817.21	
DEPT. OF ADMINISTRATION AND FINANCE						
Office of the Business Administrator						
Director	243,755.66	247,712.99	247,712.99			
Salaries and Wages						
Other Expenses	173,200.00	173,200.00	143,897.56	1,510.64	27,791.80	
Administration of Township Owned Property	1,000.00	1,000.00			1,000.00	
Other Expenses						
Division of Administration						
Pending Retro	500,000.00	110,112.91	110,112.91			
Salaries and Wages						
Central Purchasing	132,627.80	152,627.80	152,627.80			
Salaries and Wages						
Other Expenses	38,400.00	38,400.00	38,994.17	106.72	1,299.11	
Central Printing and Supplies	27,700.00	17,700.00	14,875.49	847.68	1,876.83	
Other Expenses						
Central Telephone	235,000.00	217,475.07	206,069.01	11,284.56	121.50	
Other Expenses						
Central Insurance	2,400.00	2,400.00	2,400.00			
Insurance Fund S&W						
Employee Group Health	8,695,253.80	10,178,775.06	10,115,757.59	2,239.66	60,777.81	
Unemployment Compensation Insurance	100.00	100.00	97.50		2.50	
General Liability	850,000.00	801,955.79	801,955.79			
Workers Compensation	491,778.38	446,778.38	446,778.38			
Central Mailing Service						
Other Expenses	73,750.00	36,717.16	36,717.16			

TOWNSHIP OF WEST ORANGE
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Budget	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Canceled
				Encumbered	Reserved	
Township Physician						
Other Expenses	\$ 9,365.00	\$ 1,365.00	\$ 876.00	\$ 126.00	\$ 361.00	\$
Division of Treasury						
Collector's Office						
Salaries and Wages	193,312.00	193,312.00	193,312.00			
Other Expenses	20,900.00	20,900.00	13,319.62	2,803.73	4,776.65	
Township Treasurer						
Other Expenses	9,900.00	9,900.00	7,645.78	1,659.55	594.67	
Division of Accounts and Control						
Comptroller's Office						
Salaries and Wages	467,298.89	364,721.26	364,721.26			
Other Expenses	142,025.00	144,025.00	135,870.08	6,607.30	1,547.62	
TOTAL DEPARTMENT OF ADMINISTRATION AND FINANCE	12,327,767.75	13,159,218.50	13,031,781.17	27,287.84	100,149.49	
DEPARTMENT OF PLANNING AND DEVELOPMENT						
Director						
Planning Department						
Salaries and Wages	288,478.00	195,480.41	195,480.41			
Other Expenses	32,045.00	32,045.00	23,142.26	2,284.30	8,608.44	
Housing Code Enforcement						
Salaries and Wages	248,382.00	198,851.64	198,851.64			
Other Expenses	5,725.00	5,725.00	2,500.95		3,224.65	
Historic Preservation Commission (N.J.S.A. 40A:55D-107)						
Other Expenses	1,500.00	1,500.00	127.87	1,372.13		
Arts Council						
Other Expenses	1,500.00	1,500.00	45.50		1,454.50	
Downtown West Orange Alliance						
Salaries and Wages	42,509.00	42,509.00	41,120.22	1,388.78		
Other Expenses						
Energy Commission	1,000.00	1,000.00	355.00		645.00	
Other Expenses						
TOTAL DEPARTMENT OF PLANNING AND DEVELOPMENT	621,119.00	478,611.05	461,623.25	5,055.21	11,932.59	
DEPARTMENT OF ASSESSMENT						
Assessor's Office						
Salaries and Wages	214,652.60	216,008.52	216,008.52			
Other Expenses	10,600.00	1,600.00	873.83		726.17	
TOTAL DEPARTMENT OF ASSESSMENT	225,252.60	217,608.52	216,882.35		726.17	

TOWNSHIP OF WEST ORANGE
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Budget	Budget After Modification	Paid or Charged	Expended	Reserved	Unexpended Balance Cancelled
				Encumbered		
DEPARTMENT OF POLICE						
Division of Police						
Salaries and Wages	\$ 12,080,548.33	\$ 11,741,163.70	\$ 11,519,347.97	\$	\$ 221,815.73	\$
Uniform Allowance	97,600.00	98,225.00	98,225.00			
Other Expenses	399,100.00	398,100.00	314,759.03	68,745.59	14,595.38	
TOTAL DEPARTMENT OF POLICE	12,586,248.33	12,237,488.70	11,932,332.00	68,745.59	236,411.11	
DEPARTMENT OF FIRE						
Division of Fire						
Salaries and Wages	8,439,205.61	8,353,555.19	8,353,555.19		1,612.88	
Other Expenses	122,200.00	122,200.00	93,762.46	26,824.66	3,333.38	
Uniforms	74,400.00	74,400.00	71,066.62			
Uniform Fire Safety Act (C. 383, P.L. 1983)						
Salaries and Wages	28,250.00	28,250.00	28,250.00	6,913.93	2,985.21	
Other Expenses	33,772.00	33,772.00	23,862.96			
Emergency Management Service	4,950.00	4,950.00	4,950.00			
Salaries and Wages	5,800.00	5,800.00	5,056.28	799.08	34.64	
Other Expenses	8,709,577.61	8,622,927.19	8,590,503.41	34,447.67	7,976.11	
TOTAL DEPARTMENT OF FIRE	8,709,577.61	8,622,927.19	8,590,503.41	34,447.67	7,976.11	
DEPARTMENT OF PUBLIC WORKS						
Division of Engineering						
Office of the Township Engineer						
Salaries and Wages	478,916.00	427,690.79	427,690.79	568.23	571.94	
Other Expenses	5,000.00	5,100.00	3,959.83			
Division of Building and Property						
Public Building Operations and Maintenance						
Other Expenses	387,100.00	407,100.00	340,017.12	62,710.34	4,372.54	
Shade Tree Care and Pruning						
Other Expenses	70,250.00	70,250.00	38,464.27	2,468.49	29,327.24	
Parking Facilities, Maintenance and Repairs						
Salaries and Wages	2,200.00	2,200.00	2,200.00			
Other Expenses	2,970.00	2,970.00	2,618.56	289.78	61.66	
Division of Public Works						
Salaries and Wages	2,894,516.00	2,860,459.86	2,856,259.86	2,200.00		
Division of Street Services						
Street Service, Cleaning and Drainage						
Salt, Chloride and Plowing	520,000.00	766,021.53	766,021.53	15,000.00	5,000.00	
Other Expenses	48,600.00	48,600.00	48,565.38		34.62	
Street Repairs						
Other Expenses	70,350.00	74,531.48	50,331.90	18,306.97	5,892.61	

TOWNSHIP OF WEST ORANGE
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Budget	Budget After Modification	Paid or Charged	Expended	Unexpended Balance Canceled
	\$	\$	\$	\$	\$
Street Services and Traffic					
Other Expenses	13,100.00	13,100.00	13,063.53	36.47	
Division of Sewers and Sanitation					
Sanitation and General Township Service Force	6,100.00	6,100.00	4,626.54	1,473.46	
Other Expenses	546,700.00	671,700.00	505,660.87	17,698.23	
Central Automotive					
Other Expenses	65,800.00	65,800.00	42,430.10	16,891.15	
Sewage and Pumping Stations					
Other Expenses	5,111,602.00	5,441,623.66	5,103,910.28	85,759.92	
TOTAL DEPARTMENT OF PUBLIC WORKS					
DEPARTMENT OF HEALTH AND WELFARE					
Division of Health					
General Health Services					
Salaries and Wages	537,958.00	522,546.43	520,684.63	1,961.80	
Other Expenses	22,372.00	22,372.00	19,030.90	2,849.73	
Senior Citizen's Transportation Program					
Salaries and Wages	216,200.00	192,789.09	192,789.09		
Other Expenses	950.00	950.00	673.81	14.12	262.07
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	131,034.00	122,393.83	122,393.83		
Other Expenses	5,050.00	5,050.00	789.52	225.48	4,025.00
Animal Control					
Salaries and Wages	116,206.00	116,098.15	114,098.15	50.00	2,106.85
Other Expenses	3,175.00	3,175.00	2,907.43	217.57	
Podiatry Clinic					
Other Expenses	9,500.00	9,500.00	5,095.21	2,557.25	1,847.54
Senior Citizen Health Center					
Salaries and Wages	175,328.00	175,328.00	172,719.08	2,608.92	
Other Expenses	4,775.00	4,775.00	3,039.70	707.60	1,027.70
Child Health Clinic					
Salaries and Wages	3,000.00	3,000.00		3,000.00	
Other Expenses	4,150.00	4,150.00	3,380.47	724.00	45.53
Retired Citizens Program					
Right to Know Program (P.L. 1983, Ch. 315)	20,850.00	20,850.00	16,412.39	3,489.11	948.50
Salaries and Wages	4,850.00	4,850.00	4,850.00		
Other Expenses	425.00	425.00	327.01	87.99	
Garbage and Trash Removal Contract					
Other Expenses	3,199,765.00	3,125,609.74	2,743,614.50	381,995.24	
TOTAL DEPARTMENT OF HEALTH AND WELFARE	4,457,118.00	4,335,570.09	3,922,816.72	391,752.16	21,001.21

TOWNSHIP OF WEST ORANGE
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Budget	Budget After Modification	Paid or Charged	Expended	Reserved	Unexpended Balance Cancelled
				Encumbered		
DEPARTMENT OF RECREATION						
Community Services, Recreational and Civic Contracts	\$ 86,250.00	\$ 86,250.00	\$ 76,500.00	\$	\$ 9,750.00	\$
Other Expenses						
Parks and Playgrounds						
Salaries and Wages	622,110.00	585,607.81	585,607.81			
Other Expenses	118,700.00	103,700.00	97,581.64	5,798.67	308.69	
Programs for Retired Citizens						
Salaries and Wages						
Other Expenses						
Celebration of Public Events, Anniversary or Holiday						
Other Expenses	45,600.00	39,549.31	35,953.01	3,566.30		
TOTAL DEPARTMENT OF RECREATION	872,660.00	825,107.12	805,662.46	9,384.97	10,059.69	
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	425,702.00	391,669.75	391,669.75			
Other Expenses	99,700.00	48,700.00	21,062.15	26,345.05	2,292.80	
TOTAL UNIFORM CONSTRUCTION CODE	525,402.00	441,369.75	412,731.90	26,345.05	2,292.80	
UNCLASSIFIED						
Utilities						
Electricity	585,000.00	610,000.00	470,938.16	42,313.64	96,748.20	
Street Lighting	630,000.00	570,000.00	514,769.45	51,323.87	3,906.68	
Gasoline	713,400.00	563,850.94	519,085.13	39,992.56	4,873.25	
Fuel Oil						
Water	38,000.00	38,000.00	29,893.10	5,913.45	2,193.45	
Fire Hydrant Service	668,650.00	668,650.00	553,458.40	80,846.40	115,181.60	
Challenge Grant Bus Shuttle	153,200.00	169,961.80	80,846.40	28,815.40	60,000.00	
Compensated Absence Liability	5,000.00	1,005,000.00	658,463.07		346,538.93	
Membership-NJ League of Municipalities	3,305.00	3,605.00	3,605.00			
Medical Transport Billing Service	125,000.00	137,299.66	136,097.26	1,202.40		
TOTAL UNCLASSIFIED	2,921,615.00	3,766,167.40	2,967,155.97	169,581.32	629,450.11	
Total Operations (Item 8(A)) within "CAPS"	49,923,737.62	50,923,737.62	48,707,111.49	1,064,049.72	1,153,576.41	
B. Contingent	1,000.00	1,000.00			1,000.00	
Total Operations Including Contingent within "CAPS"	49,924,737.62	50,924,737.62	48,707,111.49	1,064,049.72	1,153,576.41	

TOWNSHIP OF WEST ORANGE
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

Detail	Budget	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Canceled
				Encumbered	Reserved	
\$	\$	\$	\$	\$	\$	\$
Salaries & Wages	29,325,978.44	29,059,368.30	28,479,139.07		#VALUE!	
Other Expenses (Including Contingent)	20,598,759.18	21,865,369.32	20,227,973.42	1,064,049.72	#VALUE!	
(E) Deferred Charges and Statutory Expenditures - Municipal within "CAPS"						
(1) DEFERRED CHARGES						
Emergency Authorizations						
Prior Year Bills	3,159.93	3,159.93	3,155.89			3.04
(2) STATUTORY EXPENDITURES						
Public Employees' Retirement System	876,383.37	876,383.37	856,867.00			19,516.37
Social Security System (O.A.S.I.)	1,069,085.26	1,069,085.26	993,928.07			75,157.19
Consolidated Police and Firemen's						
Police and Firemen's Retirement System	3,947,031.31	3,947,031.31	3,765,789.12			181,242.19
Defined Contribution Retirement Program	2,000.00	2,000.00			2,000.00	
Total Deferred Charges and Statutory	5,897,659.87	5,897,659.87	5,619,441.08		2,000.00	276,218.79
(H-1) Total General Appropriations for Municipal Purposes within "CAPS"	55,822,397.49	56,822,397.49	54,326,552.57	1,064,049.72	1,155,576.41	276,218.79
(A) Operations - Excluded from "CAPS"						
Chapter 10, P.L. 1977-Joint Outlet Sewer Maintenance	2,603,842.73	2,603,842.73	2,441,666.45	31,750.00	6,216.61	124,189.67
Maintenance of Free Public Library (Ch. 541-82, P.L. 1985)	1,932,696.59	1,932,696.59	1,832,696.59			
Tax Appeal Refunds	650,000.00	2,934,702.00	2,464,138.34	6,000.00	184,563.66	300,000.00
LOSAP-Fire Aid Pension Costs						
Total Other Operations - Excluded from "CAPS"	5,186,539.32	7,471,241.32	6,838,521.38	37,750.00	179,780.27	424,189.67
Shared Service Agreements						
Borough of Essex Fells Health Services-Interlocal Contract						
Salaries and Wages	10,269.00	10,269.00	10,269.00			
Essex County C/JIS	5,018.53	5,018.53			5,018.53	
Total Shared Service Agreements	15,287.53	15,287.53	10,269.00		5,018.53	
Public and Private Programs Offset by Revenues						
SAFER Grant	659,625.00	659,625.00	659,625.00			
Clean Communities Program - CH 159	64,795.49	64,795.49	64,795.49			
NJ Dept of Transportation						
Transportation Municipal Aid - CH 159	224,000.00	224,000.00	224,000.00			
Essex County Open Space	150,000.00	150,000.00	150,000.00			
Essex County Office on Aging-Title III Older Americans Act	17,171.00	17,171.00	17,171.00			
Match	164.00	164.00	164.00			
Essex County Office on Alcoholism, Drug Abuse and Addiction Services						
West Orange Municipal Alliance	14,950.00	14,950.00	14,950.00			
Match						
West Orange Municipal Alliance - CH 159	29,900.00	29,900.00	29,900.00			
Hazard Mitigation Grant	375,000.00	375,000.00	375,000.00			
CTTEC Grant - CH 159	69,153.08	69,153.08	69,153.08			

TOWNSHIP OF WEST ORANGE
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Budget	Budget After Modification	Expended		Unexpended Balance Cancelled
			Paid or Charged	Encumbered Reserved	
NJ Department of Law and Public Safety Body Armor Replacement Fund	\$ 11,003.19	\$ 11,003.19	\$ 11,003.19	\$	\$
NJ Transit-Commuter Shuttle County of Essex-Delinquency Prevention Grant	18,563.00	18,563.00	18,563.00		
Community Stewardship Incentive Program	20,000.00	20,000.00	20,000.00		
Drive Sober or Get Pulled Over - CH 159	5,000.00	5,000.00	5,000.00		
PSE&G Grant	128,593.00	128,593.00	128,593.00		
Office of Emergency Management EMMA Grant - CH 159	6,250.00	6,250.00	6,250.00		
Bullet Proof Vest Program Grant	12,541.10	12,541.10	12,541.10		
Total Public and Private Programs Offset by Revenue	1,806,708.86	1,806,708.86	1,806,708.86		
Total Operations - Excluded from "CAPS" Detail:	7,008,535.71	9,293,237.71	8,655,492.24	37,750.00	424,189.67
Salaries & Wages	27,604.00	27,604.00	27,604.00		
Other Expenses	6,980,831.71	9,265,633.71	8,627,888.24	175,798.80	424,189.67
Capital Improvement Fund	325,000.00	325,000.00	325,000.00		
Total Capital Improvements - Excluded from "CAPS"	325,000.00	325,000.00	325,000.00		
(D) Municipal Debt Service - Excluded from "CAPS" Payment of Bond Principal	3,530,000.00	3,530,000.00	3,530,000.00		89,780.18
Payment of Bond Anticipation Notes and Capital Notes	1,148,089.18	1,148,089.18	1,058,308.00		162,881.86
Interest on Bonds	1,163,752.50	1,163,752.50	1,000,860.84		79,853.39
Interest on Notes	280,844.26	280,844.26	200,890.87		
NJ Environmental Infrastructure Trust and Fund Loans Principal	258,664.11	258,664.11	235,430.30		23,233.81
Interest	89,343.76	89,343.76	61,284.84		8,058.92
Total Municipal Debt Service - Excluded from "CAPS"	6,450,693.81	6,450,693.81	6,086,875.65		363,818.16
(E) Deferred Charges - Municipal - Excluded from "CAPS" Deferred Charges to Future Taxation-Unfunded ORD#2322-11 Severance Liabilities	89,780.00	89,780.00	89,780.00		
2013 Tax Appeal	837,500.00	837,500.00	837,500.00		
2013 Severance Liability	240,000.00	240,000.00	240,000.00		
Hurricane Sandy Special Emergency	120,000.00	120,000.00			120,000.00
Total Deferred Charges - Municipal - Excluded from "CAPS"	1,287,280.00	1,287,280.00	1,167,280.00		120,000.00
(H-2) Total General Appropriations for Municipal Purposes Excluded from "CAPS"	15,071,509.52	17,356,211.52	16,234,654.89	37,750.00	908,007.83

TOWNSHIP OF WEST ORANGE
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014

	Budget	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Canceled
				Encumbered	Reserved	
(O) Total General Appropriations - Excluded from "CAPS"	\$ 15,071,508.62	\$ 17,356,211.52	\$ 16,234,654.89	\$ 37,750.00	\$ 175,798.80	\$ 908,007.83
(L) Subtotal General Appropriations	70,893,907.01	74,178,609.01	70,561,207.46	1,101,799.72	1,331,375.21	1,184,228.62
(M) Reserve for Uncollected Taxes	2,887,057.99	2,887,057.99	2,887,057.99			
Total General Appropriations	\$ 73,780,965.00	\$ 77,065,667.00	\$ 73,448,265.45	\$ 1,101,799.72	\$ 1,331,375.21	\$ 1,184,228.62
	Ref.	Below	Below	A	A	Below
Original Budget	A-2	\$ 73,381,856.43				
Added per N.J.S.A. 40A:4-54	A-28	3,284,702.00				
Added per N.J.S.A. 40A:4-87	A-2	399,098.57				
		\$ 77,065,667.00				
Budget	Above	\$ 77,065,667.00				
Reserve for Uncollected Taxes	A-2	(2,887,057.99)	2,887,057.99			
Cash Disbursed	A-4	68,074,718.60				
Deferred Charges	A-27	328,780.00				
Reserve for Tax Appeals	A-10	350,000.00				
Reserve for Grants	A-13	1,806,708.86				
Canceled	Above	(1,184,228.62)				
	A-1	\$ 72,894,382.39	\$ 73,448,265.45			

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B
Sheet # 1

**COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
ANIMAL CONTROL FUND:			
Cash	B-3	\$ 44,190.11	\$44,137.90
		<u>\$ 44,190.11</u>	<u>\$44,137.90</u>
GENERAL TRUST FUND:			
Cash	B-3	\$ 4,332,299.86	\$ 4,089,440.42
		<u>\$ 4,332,299.86</u>	<u>\$ 4,089,440.42</u>
INSURANCE TRUST FUND:			
Cash	B-4	\$ 70,891.58	\$ 366,200.84
		<u>\$ 70,891.58</u>	<u>\$ 366,200.84</u>
FEDERAL GRANT TRUST FUND:			
Cash	B-5	\$ 19,936.60	\$ 38,506.03
Grant Receivable	B-6	346,000.00	346,360.00
		<u>\$ 365,936.60</u>	<u>\$ 384,866.03</u>
OPEN SPACE TRUST FUND			
Cash	B-2	\$ 507,472.95	\$ 485,212.56
Due from Current Fund	B-9		318.13
		<u>\$ 507,472.95</u>	<u>\$ 485,530.69</u>
ASSESSMENT TRUST FUND			
Cash	B-3	\$ 11,967.21	\$ 13,888.05
Assessments Receivable	B-7	31,757.44	43,724.65
		<u>\$ 43,724.65</u>	<u>\$ 57,612.70</u>

See Accompanying Notes to Financial Statements

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B
Sheet # 2

**COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
ANIMAL CONTROL FUND:			
Prepaid License Fees	B-12	\$ 3,204.00	\$ 1,911.00
Due To Current	B-8	0.02	0.02
Reserve For Dog Fund Expenditures	B-15	40,986.09	42,226.88
		<u>\$ 44,190.11</u>	<u>\$ 44,137.90</u>
GENERAL TRUST FUND:			
Special Deposits	B-13	\$ 4,332,274.85	\$ 4,029,329.07
Due to Bank	B-3	25.01	25.00
Fund Balance	B-1A		60,086.35
		<u>\$ 4,332,299.86</u>	<u>\$ 4,089,440.42</u>
INSURANCE TRUST FUND:			
Reserve for Insurance Claims	B-16	\$ 70,891.58	\$ 366,200.84
		<u>\$ 70,891.58</u>	<u>\$ 366,200.84</u>
FEDERAL GRANT TRUST FUND:			
Reserve for Grant Expenditures:			
Community Development Block Grant	B-17	\$ 346,000.00	\$ 353,791.55
CDBG Fund Balance	B-1A	0.13	0.13
Section 8 Housing	B-18	19,936.47	31,074.35
		<u>\$ 365,936.60</u>	<u>\$ 384,866.03</u>
OPEN SPACE TRUST FUND			
Due to Capital Fund	B-11	\$	\$ 25,000.00
Reserve for Open Space Expenditures	B-19	507,472.95	460,530.69
		<u>\$ 507,472.95</u>	<u>\$ 485,530.69</u>
ASSESSMENT TRUST FUND			
Reserve for Assessment Receivable	B-14	\$ 31,757.44	\$ 43,724.65
Fund Balance	B-1	11,967.21	13,888.05
		<u>\$ 43,724.65</u>	<u>\$ 57,612.70</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, 2014**

	<u>Ref.</u>		B-1
Balance, December 31, 2013	B	\$	13,888.05
Increased by:			
Unpledged Assessments	B-14		11,967.21
			<u>25,855.26</u>
Decreased by:			
Payment to Current Fund as Anticipated Revenue	B-3		13,888.05
			<u>13,888.05</u>
Balance, December 31, 2014	B	\$	<u>11,967.21</u>

**STATEMENT OF FUND BALANCE
GENERAL, CDBG & INSURANCE TRUST FUND
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>				B-1A
		<u>GENERAL TRUST</u>	<u>CDBG</u>	<u>INSURANCE TRUST</u>	
Balance, December 31, 2013	B	\$ 60,086.35	\$ 0.13	\$	
Decreased by:					
Payment to Current Fund as Anticipated Revenue	B-3	<u>60,086.35</u>			
Balance, December 31, 2014	B	<u>\$</u>	<u>\$ 0.13</u>	<u>\$</u>	

**TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND**

C

**COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Cash	C-2	<u>\$ 4,997,976.92</u>	<u>\$ 3,183,700.55</u>
Due From/To Open Space Fund	C-5		25,000.00
NJEPA Trust and Fund Loan Receivable	C-15	426,134.00	426,134.00
State Grants Receivable	C-14	<u>1,913,647.62</u>	<u>1,913,647.62</u>
		<u>2,339,781.62</u>	<u>2,364,781.62</u>
Deferred Charges to Future Taxation:			
Funded	C-6	26,987,748.26	30,756,198.00
Unfunded	C-7	<u>36,268,464.00</u>	<u>30,907,617.00</u>
		<u>63,256,212.26</u>	<u>61,663,815.00</u>
		<u>\$ 70,593,970.80</u>	<u>\$ 67,212,297.17</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
Serial Bonds	C-9	\$ 24,075,000.00	\$ 27,605,000.00
NJEPA Trust and Fund Loan-ORD#1823-02	C-4	442,100.67	491,230.06
NJEPA Trust and Fund Loan-ORD#2017-05	C-4	1,515,611.42	1,639,268.72
NJEPA Trust and Fund Loan-ORD#2050-05	C-4	514,170.16	555,775.47
NJEPA Trust and Fund Loan-ORD#2214-09	C-4	440,866.01	464,923.75
Bond Anticipation Notes	C-10	27,273,195.00	22,462,348.00
Improvement Authorizations:			
Funded	C-11	225,249.73	97,716.56
Unfunded	C-11	14,038,217.91	8,747,662.20
Encumbered	C-11		3,014,401.99
Capital Improvement Fund	C-12	25,241.96	53,223.96
Due From/To Current Fund	C-5		89,779.44
Reserve-Parking Garage	C-8	36,073.26	36,073.26
Reserve for Green Acres Receivable	C-14	103,270.02	103,270.02
Reserve-Board of Education	C-14	1,712,666.70	1,712,666.70
Fund Balance	C-1	<u>192,307.96</u>	<u>138,957.04</u>
		<u>\$ 70,593,970.80</u>	<u>\$ 67,212,297.17</u>
 Bonds and Notes Authorized but Not Issued	 C-13	 <u>\$ 8,995,239.80</u>	 <u>\$ 8,445,269.00</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, 2014**

	<u>Ref.</u>	
Balance, December 31, 2013	C	\$ 138,957.04
Increased by:		
Premium on Sale of Bond Anticipation Notes	C-2	<u>192,307.96</u> 331,265.00
Decreased by:		
Payment to Current Fund as Anticipated Revenue	C-2	<u>138,957.04</u>
Balance, December 31, 2014	C	<u><u>\$ 192,307.96</u></u>

See Accompanying Notes to Financial Statements

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

D

**BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
OPERATING FUND:			
Cash	D-4	\$ 48,307.99	\$ 37,500.61
DUE FROM CURRENT FUND	D-2A	_____	_____ 25,000.00
		48,307.99	62,500.61
CAPITAL FUND:			
Fixed Capital	D-5	_____ 523,433.15	_____ 523,433.15
		\$ 571,741.14	\$ 585,933.76
<u>LIABILITIES AND FUND BALANCES</u>			
OPERATING FUND:			
Appropriation Reserves	D-3, D-6	\$ _____	\$ 33,964.03
Fund Balance	D-1	_____ 48,307.99	_____ 28,536.58
		48,307.99	62,500.61
CAPITAL FUND:			
Reserve for Amortization	D-7	_____ 523,433.15	_____ 523,433.15
		\$ 571,741.14	\$ 585,933.76

See accompanying notes to financial statements

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

D-1

**STATEMENT OF OPERATIONS
AND CHANGES IN FUND BALANCE
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
REVENUE AND OTHER INCOME:			
Fund Balance Utilized	D-2	\$ 28,536.58	\$
Membership Fees	D-2	170,645.00	178,150.00
Miscellaneous Revenue Anticipated	D-2	50,432.02	47,206.52
Other Credits to Income:			
Appropriation Reserves Lapsed	D-6	<u>33,369.13</u>	<u>22,242.49</u>
TOTAL REVENUE AND OTHER INCOME		<u>282,982.73</u>	<u>247,599.01</u>
EXPENDITURES:			
Budgeted Appropriations:			
Salaries and Wages	D-3	144,925.00	160,990.00
Other Expenses	D-3	89,749.74	81,060.00
Statutory Expenditures		<u>11,287.00</u>	<u>11,287.00</u>
TOTAL EXPENDITURES	D-3	<u>234,674.74</u>	<u>253,337.00</u>
EXCESS OF REVENUE OVER EXPENDITURES		48,307.99	(5,737.99)
FUND BALANCE, BEGINNING OF YEAR	D	<u>28,536.58</u>	<u>34,274.57</u>
		76,844.57	28,536.58
UTILIZED AS ANTICIPATED REVENUE IN POOL UTILITY		<u>28,536.58</u>	<u>28,536.58</u>
FUND BALANCE, END OF YEAR	D	<u>\$ 48,307.99</u>	<u>\$ 28,536.58</u>

See accompanying notes to financial statements

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

D-2

**STATEMENT OF REVENUES
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	D-1	\$ 29,667.00	\$ 28,536.58	\$ (1,130.42)
Membership Fees	D-1, D-4	178,975.00	170,645.00	(8,330.00)
Miscellaneous	D-1, D-4	<u>58,900.00</u>	<u>50,432.02</u>	<u>(8,467.98)</u>
	D-3	<u>\$ 267,542.00</u>	<u>\$ 221,077.02</u>	<u>\$ (17,928.40)</u>

**STATEMENT OF INTERFUNDS
YEAR ENDED DECEMBER 31, 2014**

D-2A

	<u>Ref.</u>	<u>Current Fund</u>
Balance, December 31, 2013	D	\$ 25,000.00
Increased by:		
Cash Disbursements	D-4	<u>25,000.00</u> 50,000.00
Decreased by:		
Cash Receipts	D-4	<u>50,000.00</u>
Balance, December 31, 2014		<u>\$</u>

See accompanying notes to financial statements

TOWNSHIP OF WEST ORANGE
SWIMMING POOL UTILITY FUND

STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2014

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>		
				<u>Encumbered</u>	<u>Reserved</u>	<u>Canceled</u>
OPERATING:						
Salaries and Wages	\$ 160,990.00	\$ 160,990.00	\$ 144,925.00	\$	\$	\$ 16,065
Other Expenses	95,265.00	95,265.00	89,749.74			5,515.26
STATUTORY EXPENDITURES:						
Social Security	11,286.00	11,286.00				11,286.00
Unemployment Insurance	1.00	1.00				1.00
	<u>\$ 267,542.00</u>	<u>\$ 267,542.00</u>	<u>\$ 234,674.74</u>	<u>\$</u>	<u>\$</u>	<u>\$ 32,867.26</u>

Ref. D-1, D-2 D-1, D-2 D-4

**TOWNSHIP OF WEST ORANGE
PUBLIC ASSISTANCE FUND**

E

**COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

<u>ASSETS</u>	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
Cash	E-5	<u>\$ 1,553.59</u>	<u>\$ 1,553.59</u>
		<u>\$ 1,553.59</u>	<u>\$ 1,553.59</u>
 <u>LIABILITIES AND RESERVES</u>			
Fund Balance	E-1	<u>\$ 1,553.59</u>	<u>\$ 1,553.59</u>
		<u>\$ 1,553.59</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, 2014 AND 2013**

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
REVENUE AND OTHER INCOME:			
Misc. Revenues	E-7	\$ 6,134.89	\$ 6,013.75
TOTAL REVENUE AND OTHER INCOME		<u>6,134.89</u>	<u>6,013.75</u>
EXPENDITURES:			
Due to Current Fund	E-7	<u>6,134.89</u>	<u>6,013.75</u>
TOTAL EXPENDITURES		<u>6,134.89</u>	<u>6,013.75</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, 2014 AND 2013**

	<u>Ref.</u>	<u>2014</u>	<u>2013</u>
REVENUE AND OTHER INCOME:			
State Aid	E-3	\$ 326,237.70	\$ 258,367.88
Supplemental Security Income Reimbursements	E-3	6,134.89	6,013.75
		<hr/>	<hr/>
TOTAL REVENUE AND OTHER INCOME	E-3	<u>332,372.59</u>	<u>264,381.63</u>
EXPENDITURES:			
Public Assistance	E-4	332,372.59	264,381.63
		<hr/>	<hr/>
TOTAL EXPENDITURES		<u>332,372.59</u>	<u>264,381.63</u>
EXCESS OF REVENUE OVER EXPENDITURES			
FUND BALANCE, BEGINNING OF YEAR	E	<hr/>	<hr/>
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
REGULATORY BASIS
DECEMBER 2014 AND 2013**

F

ASSETS

	December 31,	
	2014	2013
Movable Fixed Assets		
Office Equipment	\$ 2,536,515.00	\$ 2,536,515.00
Vehicles	12,146,899.46	10,776,850.00
Other Equipment	5,270,406.35	5,183,792.81
	19,953,820.81	18,497,157.81
Building	17,471,253.00	17,471,253.00
Land	12,022,932.00	11,846,821.00
	29,494,185.00	29,318,074.00
	\$ 49,448,005.81	\$ 47,815,231.81
 FUND BALANCE		
Investments in General Fixed Assets	\$ 49,448,005.81	\$ 47,815,231.81

See Accompanying Notes to Financial Statements

**TOWNSHIP OF WEST ORANGE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

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, 2014**

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, 2014**

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, 2014**

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 10th of the fiscal year. The budget shall be adopted not later than March 20th 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, 2014**

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, 2014**

The Township's cash and investments were as follows at December 31, 2014:

<u>Type</u>	<u>Collateral</u>	<u>Bank Balance December 31, 2014</u>	<u>Carrying Amount December 31, 2014</u>	<u>Fund</u>
Deposits:				
Cash on Deposit	FDIC, State Collateral Pool	\$13,895,541.02	\$12,777,904.56	Current
	FDIC, State Collateral Pool	69,543.89		Payroll
	FDIC, State Collateral Pool	4,462,270.74	5,094,843.24	Trust
	FDIC, State Collateral Pool	4,747,220.09	4,997,976.92	Capital
	FDIC, State Collateral Pool	1,553.99	1,553.99	Public Assistance
	FDIC, State Collateral Pool	<u>28,232.99</u>	<u>48,307.99</u>	Swimming Pool
Total Cash		<u>\$ 22,684,209.04</u>	<u>\$ 21,542,406.06</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, 2014, there were \$27,273,195.00 of bond anticipation notes outstanding consisting of bond anticipation notes in the amount of \$7,966,481.00 due on May 20, 2015 at 1.0% interest rate, bond anticipation notes in the amount of \$6,403,253.00 due on October 20, 2015 at 1.0%, bond anticipation notes in the amount of \$6,706,656.00 due on July 31, 2015 at 1.0% and bond anticipation notes in the amount of \$6,196,805,000.00 due on December 15, 2014 at 1.25%.

**TOWNSHIP OF WEST ORANGE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

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:

	December 31,	
	2014	2013
General Obligation Bonds and Notes		
Authorized But Not Issued	\$ 8,995,239.80	\$ 8,445,269.00
General Obligation Bonds and Notes – Issued	<u>54,260,943.26</u>	<u>53,218,546.00</u>
 Total General Debt	 <u>\$ 63,256,183.06</u>	 <u>\$ 61,663,815.00</u>

**TOWNSHIP OF WEST ORANGE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

C. Outstanding Debt – Continued

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

	2002 N.J.EIT Issue		2003 Issue		2004 Issue		2005 N.J.EIT Issue		2006 N.J.EIT Issue		2008 Issue		2011 Issue		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2016	48,311.58	12,412.50	110,000.00	71,866.26	1,105,000.00	1,361,125.00	121,718.86	35,518.76	40,875.75	6,500.00	500,000.00	255,912.50	24,057.74	750,000.00	4,998,317.70
2016	35,846.19	11,162.50	130,000.00	85,267.51	1,100,000.00	81,000.00	126,388.64	33,118.76	39,746.19	6,000.00	900,000.00	237,812.50	24,057.74	900,000.00	5,092,064.73
2017	54,713.58	9,662.50	150,000.00	57,713.76	1,070,000.00	26,750.00	126,718.86	30,518.76	38,816.61	5,500.00	900,000.00	220,312.50	28,857.74	980,000.00	3,797,739.28
2018	53,776.81	8,162.50	170,000.00	48,868.76			132,268.60	27,818.76	38,972.95	5,100.00	900,000.00	188,812.50	29,857.74	900,000.00	2,859,306.72
2018	52,844.26	6,662.50	195,000.00	38,829.36			131,347.32	24,843.75	37,328.31	4,700.00	935,000.00	155,962.50	28,857.74	990,000.00	2,211,375.00
2019	60,025.09	5,162.50	220,000.00	27,075.00			137,655.77	21,868.76	39,565.65	4,300.00	1,000,000.00	170,000.00	29,857.74	900,000.00	2,895,705.51
2021	58,694.67	3,412.50	295,000.00	13,822.50			143,705.76	19,583.76	50,137.89	3,900.00	1,000,000.00	80,000.00	29,857.74	900,000.00	2,624,688.61
2022	57,644.43	1,852.50	55,000.00	5,272.50			141,444.25	15,093.76	43,987.34	3,281.25	1,000,000.00	40,000.00	29,857.74	850,000.00	1,451,562.50
2023			65,000.00	1,852.50			147,413.46	11,993.76	47,837.00	2,662.50			29,857.74	850,000.00	1,278,891.96
2024							153,241.34	7,875.00	46,661.90	2,025.00			29,857.74	850,000.00	1,177,852.88
2025							150,667.86	3,937.50	45,257.44	1,275.00			29,857.74	850,000.00	1,134,725.04
2026									44,072.44	837.50			34,057.74	850,000.00	948,667.68
2027													34,057.74	850,000.00	36,257.74
2028													34,057.74	850,000.00	35,457.74
2029													29,857.74	800.00	29,857.74

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 1.084% as compared to the statutory net debt limitation of 3.5%.

**TOWNSHIP OF WEST ORANGE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

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 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under 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 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to 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 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available to those under age 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 1/60th 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, 2014**

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 \$110,100.00. 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 6.64% for PERS, 10.0% 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, 2014**

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.

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 \$15,340,264.83. The 2015 Township budget and the 2014 appropriation reserves include an appropriation for accrued benefits expected to be paid in 2015.

H. Fund Balance Appropriated:

\$2,898,302.12 of the \$3,503,499.81 fund balance of the Current Fund at December 31, 2014 has been appropriated as an item of revenue in the 2015 Township budget.

\$46,664.98 of the \$48,307.99 fund balance of the Swimming Pool Utility Fund at December 31, 2014 has been appropriated as an item of revenue in the 2015 Swimming Pool Utility budget.

The 2015 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, 2014**

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, 2014 for possible catastrophic claims.

The Municipal Insurance Trust Fund for the year 2014 is detailed as follows:

Balance: December 31, 2013		\$ 27,279.06
Increases:		
Budget	810,000.00	
Miscellaneous	53,993.55	
Interest	<u>589.03</u>	<u>864,582.58</u>
		891,861.64
Decreases:		
Claims and Administrative Expenses		<u>(884,996.00)</u>
Balance: December 31, 2014		<u>\$ 6,865.64</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, 2013 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 2013 were administered by CCMSI.

There has been no provision included in the financial statements for claims incurred but not reported as of December 31, 2014.

The Workers' Compensation Trust Fund for the year 2014 is detailed as follows:

Balance: December 31, 2013		<u>\$ 59,879.55</u>
Increases:		
Budget	\$ 595,000.00	
Other Receipts	<u>12,457.49</u>	<u>607,457.49</u>
		667,337.04
Decreases:		
Claims		<u>(665,221.67)</u>
Balance: December 31, 2014		<u>\$ 2,115.37</u>

**TOWNSHIP OF WEST ORANGE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

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 2014 is detailed as follows:

Balance: December 31, 2013	<u>\$ 279,042.23</u>
Increases:	
Budget Appropriations	<u>200,000.00</u>
	479,042.23
Decreases:	
Fund Balance to Current Fund	<u>(417,131.66)</u>
Balance: December 31, 2014	<u>\$ 61,910.57</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, 2014 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 Horizon Blue Cross or under several alternative Health Plans.

Processing and payment of health benefit claims are administered by Horizon 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, 2014 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 made in 2011.

**TOWNSHIP OF WEST ORANGE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

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>
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	<u>22,844.43</u>	<u>35,000.00</u>	<u>1,662.50</u>	<u>59,506.93</u>
Total	<u>\$192,100.67</u>	<u>\$250,000.00</u>	<u>\$58,300.00</u>	<u>\$500,400.67</u>

**TOWNSHIP OF WEST ORANGE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

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>
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	<u>60,697.36</u>	<u>90,000.00</u>	<u>3,937.50</u>	<u>154,634.86</u>
Total	<u>\$685,611.42</u>	<u>\$830,000.00</u>	<u>\$231,081.34</u>	<u>\$1,746,692.76</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>
2015	\$ 30,675.75	\$ 0,000.00	\$ 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	<u>29,072.44</u>	<u>15,000.00</u>	<u>637.50</u>	<u>44,709.94</u>
Total	<u>\$364,170.16</u>	<u>\$150,000.00</u>	<u>\$45,881.25</u>	<u>\$560,051.41</u>

**TOWNSHIP OF WEST ORANGE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

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>
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>\$210,866.21</u>	<u>\$230,000.00</u>	<u>\$79,200.00</u>	<u>\$520,066.21</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, 2014**

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.

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 Health Benefits for the years ended December 31, 2010, 2011, 2012, 2013 and 2014 are as follows:

Year	Health Benefits	Medicare Reimbursements	Number of Participants
2010	2,790,105	297,587	271
2011	3,182,682	286,831	301
2012	3,495,874	291,507	296
2013	3,589,108	311,830	298
2014	4,919,463	321,099	319

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, 2014**

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.

N. Subsequent Events:

The Township has evaluated subsequent events occurring after December 31, 2014 through the date of June 15, 2015. The Township has determined that no subsequent events have occurred which require disclosure in the financial statements.

TOWNSHIP OF WEST ORANGE

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PART I

SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2014

**TOWNSHIP OF WEST ORANGE
SUPPLEMENTARY INFORMATION**

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Tax Rate	<u>\$3.742</u>	<u>\$3.648</u>	<u>\$3.544</u>
Apportionment of Tax Rate:			
Municipal	0.891	0.883	0.860
Minimum Library Tax	0.034	0.035	0.037
County School	0.514 2.285	0.499 2.212	0.489 2.139
Municipal – Open Space	0.002	0.003	0.003
County – Open Space	0.016	0.016	0.017
	<u>\$3.742</u>	<u>\$3.648</u>	<u>\$3.544</u>
Assessed Valuation	<u>\$5,602,146,397</u>	<u>\$5,646,476,575</u>	<u>\$5,697,136,003</u>

SCHEDULE OF TAX LEVIES AND COLLECTION CURRENTLY

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2014	\$210,119,103.25	\$207,172,935.47	98.59%
2013	206,263,673.54	203,130,689.39	98.48%
2012	202,455,564.33	198,813,009.77	98.20%
2011	199,950,523.48	196,135,553.75	98.10%
2010	196,442,732.54	192,446,833.53	97.95%

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>
2014	\$895,340.57	\$2,267,368.68	\$3,162,709.25	1.505%
2012	734,211.54	2,331,358.29	3,065,569.83	1.514%
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%

**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>
2014	\$392,465.00
2013	392,465.00
2012	392,465.00
2011	392,465.00
2010	392,465.00

SCHEDULE OF FUND BALANCES - CURRENT FUND

<u>Year</u> <u>Current Fund</u>	<u>Balance</u> <u>December 31,</u>	<u>Utilized in Budget</u> <u>of Succeeding Year</u>
2014	\$3,503,499.81	\$2,898,302.12
2013	3,052,868.30	2,898,302.12
2012	3,058,351.68	2,898,302.12
2011	3,078,370.00	2,537,253.00
2010	4,416,059.00	3,400,000.00

SCHEDULE OF FUND BALANCES - SWIMMING POOL UTILITY

<u>Year</u> <u>Current Fund</u>	<u>Balance</u> <u>December 31,</u>	<u>Utilized in Budget</u> <u>of Succeeding Year</u>
2014	\$48,307.99	\$48,307.99
2013	28,536.58	28,536.58
2012	34,274.57	26,037.00
2011	100,874.56	98,376.00
2010	275,772.00	

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-4

**CASH RECEIPTS AND DISBURSEMENTS - TREASURER
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	<u>Regular Fund</u>	<u>State and Federal Grant Fund</u>
Balance, December 31, 2013	A	\$ 13,296,796.99	\$
Increased by Receipts:			
Tax Collector	A-5	242,235,136.42	1,508,089.32
		255,531,933.41	1,508,089.32
Decreased by Disbursements:			
Budget Appropriations	A-3	68,074,718.60	
Retiree Drug Subsidy Program	A-6A	8,927.80	
Tax Appeals Paid	A-10	36,450.00	
Tax Title Lienholders Payable	A-10A	1,096,556.31	
Tax Title Lien Premium Payable	A-10B	1,154,446.86	
Interfund Settlements	A-13	9,856,888.81	
Appropriation Reserves	A-15	2,584,843.20	
Accounts Payable	A-17	165.00	
Special Emergency Notes	A-14	1,949,340.00	
Refund of Tax Overpayments	A-18	8,257.07	
Open Space Trust	A-14A	145,732.38	
Special Improvement District Assessment	A-14B	105,100.44	
Due Library	A-14C	5,154.86	
School Tax Payable	A-19	127,999,172.00	
County Tax Payable	A-20	29,674,645.52	
Fees Due to State of New Jersey	A-21	53,630.00	
Reserve for State Grants	A-25		1,508,089.32
		242,754,028.85	1,508,089.32
Balance, December 31, 2014	A	\$ 12,777,904.56	\$

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-5

**CASH RECEIPTS AND DISBURSEMENTS - COLLECTOR
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	<u>Regular Fund</u>	<u>State and Federal Grant Fund</u>
Increased by Receipts:			
Taxes Receivable	A-7	\$ 208,213,766.91	\$
Drug Subsidy Program	A-6A	255,992.02	
Tax Title Lienholders Payable	A-10A	1,116,333.59	
Tax Title Lien Premium Payable	A-10B	1,524,100.00	
Revenue Accounts Receivable	A-11	10,631,437.55	
Sewer Rents	A-12	5,025,159.89	
Interfunds	A-13	9,922,534.20	
Special Emergency Notes	A-14	4,424,262.00	
Exemptions Due from State of New Jersey	A-16	201,010.27	
Prepaid Health Licenses	A-14D	2,120.00	
Fees Due to State of New Jersey	A-21	50,574.00	
Prepaid Taxes	A-22	859,549.39	
Sewer Rent Overpayments	A-17A	8,296.60	
Reimbursement - Prior Year Expenditure	A-25		45,734.82
State Grants Receivable	A-23		1,327,087.67
Grant Match	A-25		15,114.00
Reserve for State Grants	A-26		120,152.83
		<u>242,235,136.42</u>	<u>1,508,089.32</u>
Decreased by Disbursements:			
Township Treasurer	A-4	<u>242,235,136.42</u>	<u>1,508,089.32</u>
Balance, December 31, 2014		<u>\$</u>	<u>\$</u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-6

**SCHEDULE OF CASH - CHANGE FUNDS
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	
Balance, December 31, 2014 and 2013	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>
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**DUE FROM RETIREE DRUG SUBSIDY PROGRAM
DECEMBER 31, 2014**

	<u>Ref.</u>	
Balance, December 31, 2013	A	\$ 456,538.85
Increased by:		
Cash Disbursements	A-4, A-1	<u>8,927.80</u>
		465,466.65
Decreased by:		
Collections	A-1,A-5	<u>255,992.02</u>
Balance, December 31, 2014	A	\$ <u>209,474.63</u>

**RESERVE FOR SANDY
DECEMBER 31, 2014**

	<u>Ref.</u>	
Balance, December 31, 2013	A	\$ 480,000.00
Decreased by:		
Applied to Deferred Charges	A-27	<u>480,000.00</u>
Balance, December 31, 2014		<u>\$</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
CURRENT FUND

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
YEAR ENDED DECEMBER 31, 2014

Year	Balance, December 31, 2013	2014 Levy	Added Taxes	2013 Gross Collections	2014 Gross Collections	Canceled	Senior Citizens' and Veterans' Deductions (Net)	Tax Title Liens	Balance, December 31, 2014
2013	\$ 2,183,867.51	\$	\$	\$	\$ 2,172,350.80	\$ 11,516.71	\$	\$	\$
2014	\$ 2,183,867.51	210,119,103.25	185,194.74	919,945.04	206,047,538.35	700,787.80	205,452.08	183,226.04	2,267,368.68
	\$	\$ 210,119,103.25	\$ 185,194.74	\$ 919,945.04	\$ 208,219,889.15	\$ 712,284.51	\$ 205,452.08	\$ 183,226.04	\$ 2,267,368.68
	Ref. A	Below	Reserve	A-22	Below	Reserve	A-16	A-8	A
Local District School Tax Levy	A-19 \$ 127,998,172.00	A-2 \$ 127,999,172.00		Ref.					
County Tax	A-20 28,777,210.96								
County Open Space Tax	A-20 872,730.69								
Due County for Added Taxes	A-20 54,157.49								
Local Tax for Municipal Purposes	48,995,482.90								
Add Additional from City Tax Rate	9,586.04								
Add Additional Tax Levied	324,536.09								
Local Tax for Library Purposes	1,932,686.59								
Add Additional Tax Levied	3,474.26								
Open Space Tax	145,437.00								
Add Additional Open Space Tax	204.81								
SID Assessment	A-14A	A-2							
	A-14B	A-2							
		\$ 210,119,103.25							

Cash Receipts
Tax Overpayments Applied

\$ 208,213,766.91
6,122.24
\$ 208,219,889.15

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

**TAX TITLE LIENS RECEIVABLE
YEAR ENDED DECEMBER 31, 2014**

A-8

	<u>Ref.</u>		
Balance, December 31, 2013	A		\$ 726,364.53
Increased by:			
Transfer from Taxes Receivable	A-7	\$ 163,226.04	
Transfer from Sewer Rents Receivable	A-12	<u>5,750.00</u>	
			<u>168,976.04</u>
Balance, December 31, 2014	A		<u>\$ 895,340.57</u>

**PROPERTY ACQUIRED FOR TAXES
DECEMBER 31, 2014**

A-9

	<u>Ref.</u>		
Balance, December 31, 2013	A		<u>\$ 392,465.00</u>
Balance, December 31, 2014	A		<u>\$ 392,465.00</u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-10

**RESERVE FOR TAX APPEALS PENDING
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	
Balance, December 31, 2013	A	\$ 1,380,254.75
Increased by:		
Current Year Budget Appropriation	A-3	350,000.00
		1,730,254.75
Decreased by:		
Tax Appeals Paid	A-4	36,450.00
		36,450.00
Balance, December 31, 2014	A	\$ 1,693,804.75

**RESERVE FOR TAX TITLE LIENHOLDERS PAYABLE
YEAR ENDED DECEMBER 31, 2014**

A-10A

	<u>Ref.</u>	
Balance, December 31, 2013	A	\$ 149,426.61
Increased by:		
Tax Lien Sale	A-5	1,116,333.59
		1,265,760.20
Decreased by:		
Redemptions	A-4	1,096,556.31
		1,096,556.31
Balance, December 31, 2014	A	\$ 169,203.89

**RESERVE FOR TAX TITLE LIEN PREMIUMS PAYABLE
YEAR ENDED DECEMBER 31, 2014**

A-10B

	<u>Ref.</u>	
Balance, December 31, 2013	A	\$ 3,336,200.00
Increased by:		
Tax Lien Sale	A-5	1,524,100.00
		4,860,300.00
Decreased by:		
Redemptions	A-4	1,154,446.86
		1,154,446.86
Balance, December 31, 2014	A	\$ 3,705,853.14

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2014

Ref.	Balance, December 31, 2013	Accrued in 2014	Collected by Treasurer	Balance, December 31, 2014
	\$	\$	\$	\$
BUDGET REVENUE:				
In Lieu of Taxes:				
West Orange Senior Citizens Housing		117,900.00	117,900.00	
Jewish Federation Plaza		106,021.96	106,021.96	
Eagle Rock Housing		60,407.00	60,407.00	
Woodland Valley		32,195.70	32,195.70	
St. Barnabas		286,688.00	286,688.00	
Other		500.00	500.00	
Twp Clerk: Alcoholic Beverages Licenses		70,139.12	70,139.12	
Twp Clerk: Other Licenses		17,444.00	17,444.00	
Health - Other licenses		32,835.00	32,835.00	
Permits and Fees		255,655.65	255,655.65	
Municipal Court Fines and Costs	80,018.88	576,331.02	605,593.86	50,756.04
Parking Meters		22,724.87	22,724.87	
Interest on Delinquent Taxes		693,818.55	693,818.55	
Interest on Sewer		58,897.82	58,897.82	
Cost of Tax Sale		23,748.02	23,748.02	
Interest on Investments		46,655.87	46,655.87	
St of NJ: Energy Receipts Tax		196,437.00	196,437.00	
St of NJ: Supplemental Gross Fees		5,217.00	5,217.00	
St of NJ: Watershed Moratorium Offset Aid		4,199.50	4,199.50	
St of NJ: Consolidated Municipal Property Tax Relief Act		596,503.00	596,503.00	
Construction Code Official: Permits and Fees		8,001.15	8,001.15	
Interlocal Service Agreements		86,000.00	86,000.00	
Rental-Environmental Center	7,500.00	68,975.42	68,975.42	
Uniform Fire Safety Act		29,616.00	29,616.00	
Supplemental Sewer Fees		649,006.59	649,006.59	
Medical Transport Billing Service		609,736.57	609,736.57	
Comcast Cable/Verizon Franchise Fee		142,417.14	142,417.14	
Ground Leases		488,864.20	488,864.20	
Hotel Fee		113,290.47	113,290.47	
Trust Fund Balance		13,888.05	13,888.05	
Assessment Trust Fund Balance		138,957.04	138,957.04	
General Capital Fund Balance		122,114.66	122,114.66	
Extra Duty Fees				
Total Anticipated Revenues	697,255.45	9,543,466.80	10,189,966.21	50,756.04

TOWNSHIP OF WEST ORANGE
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2014

Ref.	Balance, December 31, 2013	Accrued in 2014	Collected by Treasurer	Balance, December 31, 2014
	\$	\$	\$	\$
MISCELLANEOUS REVENUE NOT ANTICIPATED:				
Duplicate Tax Bills		446.00	446.00	
Garage Sales, Signs and Sidewalk Café		1,694.50	1,694.50	
Ordinances, Maps, Flood Letters		12,873.00	12,873.00	
Voided Checks, Municipal Court		605.60	605.60	
Cost of Sale		700.00	700.00	
Copies-Tax & Sewer History		2,861.00	2,861.00	
Copies-Clerk (OPRA)		1,494.31	1,494.31	
Administrative Fee-Sr. Cit. & Vet Deduction		3,840.21	3,840.21	
DMV-Enhanced NV Inspections		1,900.00	1,900.00	
Firehouse as Polling Place		80.00	80.00	
Podiatry-Medicare		1,983.10	1,983.10	
Sale of Auto-Junk Titles		25.00	25.00	
Rent-Town Owned Property		1,650.00	1,650.00	
Criminal Restitution		889.47	889.47	
Sundry Receipts		1,328.81	1,328.81	
Senior Health		725.00	725.00	
Transportation		679.00	679.00	
Child Health		260.00	260.00	
Return Check Charge		2,085.00	2,085.00	
Franchise Fee-Bus Shelters		5,584.94	5,584.94	
Transport of NJ-In Lieu of Taxes		4,090.00	4,090.00	
Towing Contract	1,185.00	13,965.00	15,150.00	
Commission-Vending Machines		530.55	530.55	
Essex Fells Animal Control		3,867.84	3,867.84	
Animal Control-Roseland		8,654.18	8,654.18	
North Caldwell Animal Control		3,213.00	3,213.00	
Lien Redemption Statement		2.00	2.00	
Rental-Toby Katz Fieldhouse		25,860.00	25,860.00	
Bid Specifications		5,350.00	5,350.00	
FEMA Reimbursement		163,275.69	163,275.69	
Road Inspections		11,083.10	11,083.10	
DPW Misc. Receipts		325.00	325.00	
Settlement of Litigation		120,000.00	120,000.00	
Municipal Charges		20,260.44	20,260.44	
Misc.		24,629.60	24,629.60	
Total MRNA	<u>1,185.00</u>	<u>446,811.34</u>	<u>447,996.34</u>	
	\$	\$	\$	\$
	<u>698,440.45</u>	<u>9,990,278.14</u>	<u>10,637,962.55</u>	<u>50,756.04</u>

Reference A Below A

Cash Receipts
Applied from Prepaid

Ref.
A-5
A-14D

\$ 10,631,437.55
6,525.00
\$ 10,637,962.55

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-12

**SEWER CHARGES RECEIVABLE
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		
Balance, December 31, 2013	A		\$ 381,443.78
Increased by:			
Sewer Charges	Reserve		<u>5,026,284.35</u>
			5,407,728.13
Decreased by:			
Cash Receipts	A-2, A-5	5,025,159.89	
Transferred to Lien	A-8	<u>5,750.00</u>	<u>5,030,909.89</u>
Balance, December 31, 2014	A		<u><u>\$ 376,818.24</u></u>

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

**SPECIAL EMERGENCY NOTES
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	
		A-14
Balance, December 31, 2013	A	\$ 1,949,340.00
Increased by:		
Notes Issued	A-5	4,424,262.00
		<u>6,373,602.00</u>
Decreased by:		
Notes Paid	A-4	1,949,340.00
		<u>1,949,340.00</u>
Balance, December 31, 2014	A	<u>\$ 4,424,262.00</u>

**LOCAL OPEN SPACE TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	
		A-14A
Balance, December 31, 2013	A	\$ 91.01
Increased by:		
Local Open Space Taxes Received	A-1, A-7	145,641.37
		<u>145,732.38</u>
Decreased by:		
Local Open Space Taxes Paid to Trust	A-4	145,732.38
		<u>145,732.38</u>
Balance, December 31, 2014		<u>\$</u>

**SPECIAL IMPROVEMENT DISTRICT ASSESSMENT
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	
		A-14B
Balance, December 31, 2013	A	\$ 688.02
Increased by:		
SID Funds Received	A-1, A-7	104,412.42
		<u>105,100.44</u>
Decreased by:		
SID Funds Disbursed	A-4	105,100.44
		<u>105,100.44</u>
Balance, December 31, 2014		<u>\$</u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

**DUE TO WEST ORANGE LIBRARY FROM ADDED ASSESSMENTS
YEAR ENDED DECEMBER 31, 2014**

A-14C

	<u>Ref.</u>	
Balance, December 31, 2013	A	\$ 1,680.61
Increased by:		
Added Assessments Due Library	A-1	3,474.25
		5,154.86
Decreased by:		
Added Assessments Paid to Library	A-4	5,154.86
		5,154.86
Balance, December 31, 2014		\$

**PREPAID HEALTH LICENSES
YEAR ENDED DECEMBER 31, 2014**

A-14D

	<u>Ref.</u>	
Balance, December 31, 2013	A	\$ 6,525.00
Increased by:		
Funds Received	A-5	2,120.00
		8,645.00
Decreased by:		
Applied to Revenue	A-11	6,525.00
		6,525.00
Balance, December 31, 2014	A	\$ 2,120.00

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	Balance, December 31, 2013	Encumbrances December 31, 2013	Opening Balances January 1, 2014	Balance, After Transfer	Paid or Charged	Lapsed
	\$	\$	\$	\$	\$	\$
SALARIES AND WAGES:						
Mayor						
Township Clerk				1,491.00	1,491.00	
ABC	700.00		700.00	700.00		700.00
Municipal Court				1,320.00	1,320.00	
Comptroller				1,035.41	1,035.41	
Planning Director				315.78	315.78	
Police Department	146,210.16		146,210.16	112,067.04	112,067.04	4,143.12
Department of Fire	94,099.01		94,099.01	62,464.46	62,464.46	1,634.55
Uniform Fire Safety	16,186.69		16,186.69			16,186.69
Emergency Management	4,500.00		4,500.00			4,500.00
Engineering	71,812.20		71,812.20		1,873.08	4,939.12
Parking Facilities	2,200.00		2,200.00			2,200.00
Public Works				71,777.85	71,777.85	
General Health				236.51	236.51	
Essex Fells Health Services	10,068.00		10,068.00			10,068.00
Senior Citizen Transportation				1,088.00	1,088.00	
Animal Control				364.94	364.94	
Sen Citizen Health Care				164.20	164.20	
Child Health						
Parks and Playgrounds				10,178.77	10,178.77	
Construction Official	2,400.00		2,400.00	1,092.00	1,092.00	2,400.00
Insurance Fund	770,665.25		770,665.25			55,040.84
Pending Retro					715,624.41	
Total Salaries and Wages	1,118,841.31		1,118,841.31	1,082,905.77	981,093.45	101,812.32

TOWNSHIP OF WEST ORANGE
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	Balance, December 31, 2013	Encumbrances December 31, 2013	Opening Balances January 1, 2014	Balance, After Transfer	Paid or Charged	Lapsed
OTHER EXPENSES:						
Office of the Mayor	\$ 20,570.67	\$	20,570.67	20,570.67	\$	20,570.67
Public Information Officer	595.00		595.00	595.00		595.00
Township Council - Advertising	4,000.00		4,000.00	4,000.00		4,000.00
Township Council	9,700.50	1,726.10	11,426.60	11,426.60	1,487.58	9,939.02
Alcohol Beverage Control	46.00		46.00	46.00		46.00
Litigation - Arbitration	12,113.75	18,174.00	30,287.75	33,024.62	21,135.84	11,888.78
Township Clerk	2,209.82		2,209.82	2,209.82		2,209.82
Elections	1,774.32		1,774.32	1,774.32		1,774.32
Legal Services	3,236.02	1,750.00	1,750.00	1,750.00	700.00	1,050.00
Human Relations	5,963.39	103.18	6,066.57	6,066.57	85.38	3,236.02
Planning Board	162.79	135.00	297.79	297.79	42.48	5,981.19
Board of Adjustment		56,583.33	56,583.33	56,583.33	54,833.34	1,749.99
Waste Management	20,633.99	2,241.31	22,875.30	22,875.30	2,241.31	20,633.99
Municipal Court	6,000.00		6,000.00	6,000.00		6,000.00
Public Defender	108.80		108.80	108.80		108.80
Open Space Recreation	70.32		70.32	70.32		70.32
Rent Leveling Board	31,529.75	7,495.70	39,025.45	39,025.45	1,281.80	37,743.65
Business Administrator	237.00	1.00	238.00	238.00		238.00
Administration of Town-Owned Property	9,316.85	1,103.11	10,419.96	10,419.96	1,068.37	9,351.59
Central Purchasing	12,747.96	626.02	13,373.98	13,373.98	626.02	12,747.96
Central Printing and Supply	40,761.09	4,658.17	45,419.26	45,419.26	3,519.49	41,899.77
Central Telephone	48,646.22		48,646.22	54,129.62	54,129.62	
Employee Group Health	5,871.93		5,871.93	5,871.93	5,771.93	100.00
Unemployment Insurance	1,877.00		1,877.00	40,000.00	40,000.00	
Liability Insurance	8,221.62		8,221.62	8,221.62	8,221.62	
Worker's Compensation	8,801.54		8,801.54	8,801.54		8,801.54
Central Mailing	1,651.00	48.00	1,699.00	1,699.00	48.00	1,651.00
Township Physician	5,615.86	3,647.15	9,263.01	4,263.01	3,652.15	610.86
Tax Collector	4,045.14	446.77	4,491.91	4,491.91	330.87	4,160.94
Treasurer	2,140.95	53,097.63	55,238.58	55,238.58	35,877.62	19,360.96
Comptroller	3,953.52	4,470.00	8,423.52	8,423.52	4,000.00	4,423.52
Planning Director	96.61	17.70	114.31	114.31	17.70	96.61
Housing Code Enforcement	330.01	11.87	341.88	341.88	11.87	330.01
Downtown W.O. Alliance	1,000.00		1,000.00	1,000.00		1,000.00
Energy Commission		1,367.87	1,367.87	1,367.87	1,064.30	303.57
Historical Commission	24,292.09	7,000.00	31,292.09	11,292.09	8,218.36	3,073.73
Tax Assessor	10,675.00		10,675.00	10,675.00		10,675.00
Police Uniform Allowance	93,926.82	23,950.75	117,877.57	101,590.67	63,444.62	38,146.05
Police Department	5,509.16	10,206.68	15,715.84	15,715.84	15,698.83	17.01
Department of Fire	1,711.15		1,711.15	1,711.15		1,711.15
Fire Uniforms	2,642.27	15,229.27	17,871.54	17,871.54	17,817.25	254.29
Uniform Fire Safety		1,764.99	1,764.99	1,764.99	1,764.99	
Emergency Management Services	1,839.84	1,839.84	1,839.84	1,839.84	92.88	1,746.96
Engineering	7,081.96	34,633.46	41,695.42	41,695.42	25,360.17	16,335.25
Building and Grounds						

TOWNSHIP OF WEST ORANGE
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	Balance, December 31, 2013	Encumbrances December 31, 2013	Opening Balances January 1, 2014	Balance, After Transfer	Paid or Charged	Lapsed
	\$	\$	\$	\$	\$	\$
Shade Trees	2,382.78	2,974.36	5,357.14	5,357.14	2,945.53	2,411.61
Parking Facilities-Maint & Repair	2,220.53		2,220.53	2,220.53		2,220.53
Snow Plowing and Salt	160,025.32	94,812.44	254,837.76	254,837.76	253,412.38	1,425.38
Street Services-Cleaning & Drainage	7,275.70	2,934.90	10,210.60	10,210.60	2,530.18	7,680.42
Street Repairs	11,184.19	6,982.99	18,147.18	18,147.18	15,748.16	2,399.02
Street Services & Traffic	2,905.36	179.00	3,084.36	3,084.36		3,084.36
Sanitation	2,860.00	680.00	3,740.00	3,740.00	880.00	2,860.00
Automotive	1,247.16		1,247.16	91,247.16	66,562.11	4,685.05
Sewage and Pumping Stations	176.56	7,640.00	7,816.56	7,816.56	1,691.50	6,125.06
General Health	2,114.32	1,323.23	3,437.55	3,437.55	985.38	2,452.17
Senior Citizen Transportation	281.00	370.95	651.95	651.95	70.95	581.00
Public Assistance	4,081.00		4,081.00	4,081.00		4,081.00
Animal Control	78.00		78.00	78.00	9.00	69.00
Podiatry	1,611.28	7,042.88	8,654.16	8,654.16	477.30	8,176.86
Senior Citizen Health Center	1,373.48	580.32	1,953.80	1,953.80	498.78	1,455.02
Child Health Clinic	90.25	75.96	166.21	166.21	75.96	90.25
Retired Citizens Program	4,060.15	51.28	4,111.43	4,111.43	51.28	4,060.15
Right to Know Program		37.00	37.00	37.00		
Garbage and Trash Removal	9,983.80	512,803.63	522,787.43	517,787.43	508,719.23	9,068.20
Community Services	6,250.00		6,250.00	6,250.00		6,250.00
Parks and Playgrounds	16,619.92	7,816.74	24,436.66	14,436.66	8,531.45	5,905.21
Public Celebrations	4,764.33	416.80	5,181.13	5,181.13	1,517.80	3,663.33
Construction Official	31,502.41	26,370.30	57,872.71	32,872.71	1,255.30	31,617.41
Electricity	154,901.73	28,237.13	183,138.86	183,138.86	56,998.11	126,140.75
Street Lighting	133,057.45		133,057.45	133,057.45	128,237.25	4,820.20
Gasoline	29,147.44	210,413.67	239,561.11	239,561.11	87,425.10	152,136.01
Fuel Oil	2,500.00		2,500.00	2,500.00		2,500.00
Water		323.71	323.71	323.71	323.71	
Fire Hydrant Service	64,877.14		64,877.14	64,877.14	50,314.80	14,562.34
Challenge Grant Bus Shuttle	1,370.74		1,370.74	1,370.74	259.68	1,111.06
NJ League of Municipalities	203.00		203.00	203.00		203.00
Medical Transport Billing Service		19,885.92	19,885.92	36,238.11	36,238.11	
Contingent	1,000.00		1,000.00	1,000.00		1,000.00
Joint Meeting	5,973.48		5,973.48	5,973.48		5,973.48
Essex County CJIS	5,018.53		5,018.53	5,018.53		5,018.53
Total Other Expenses	1,092,824.76	1,182,622.27	2,275,447.03	2,346,855.59	1,618,140.54	728,715.05

TOWNSHIP OF WEST ORANGE
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014

	Balance, December 31, 2013	Encumbrances December 31, 2013	Opening Balances January 1, 2014	Balance, After Transfer	Paid or Charged	Lapsed
DEFERRED CHARGES						
Prior Year Bills	\$ 5,191.97	\$	\$ 5,191.97	\$ 5,191.97	\$ 709.21	\$ 4,482.76
Total Deferred Charges	5,191.97		5,191.97	5,191.97	709.21	4,482.76

STATUTORY EXPENDITURES:

Public Employees' Retirement System	9,750.13		9,750.13	9,750.13		9,750.13
Police & Firemen's Retirement System	109,285.69		109,285.69	109,285.69		109,285.69
DCRP	2,000.00		2,000.00	2,000.00		2,000.00
Social Security System	62,320.21	100.00	62,420.21	26,947.19	100.00	26,847.19
Total Statutory Expenditures	183,356.03	100.00	183,456.03	147,983.01	100.00	147,883.01
	\$ 2,400,214.07	\$ 1,182,722.27	\$ 3,582,936.34	\$ 3,582,936.34	\$ 2,600,043.20	\$ 982,893.14

Ref. A A A Below A-1

Cash Disbursed	\$ 2,584,843.20
Accounts Payable	15,200.00
	<u>\$ 2,600,043.20</u>

Ref.

A-4
A-17

Ref.

Appropriation Reserves	\$ 2,400,214.07
Reserve for Encumbrances	1,182,722.27
	<u>\$ 3,582,936.34</u>

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

**DUE FROM STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		A-16
Balance, December 31, 2013	A		\$ (29,040.62)
Increased by:			
Exemptions Disallowed by Tax Collector 2013 Taxes	A-1	\$ 3,500.00	
Cash Receipts	A-5	<u>201,010.27</u>	<u>204,510.27</u>
			175,469.65
Decreased by:			
Exemptions Granted per Billing		203,250.00	
Exemptions Granted by Tax Collector		<u>2,202.08</u>	
	A-7		<u>205,452.08</u>
Balance, December 31, 2014	A		<u><u>\$ (29,982.43)</u></u>

**SCHEDULE OF ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		A-17
Balance, December 31, 2013	A		\$ 1,035.11
Increased by:			
Transfer from Appropriation Reserves	A-15		<u>15,200.00</u>
			16,235.11
Decreased by:			
Cash Disbursed	A-4	\$ 165.00	
Canceled	A-1	<u>870.11</u>	
			<u>1,035.11</u>
Balance, December 31, 2014	A		<u><u>\$ 15,200.00</u></u>

**SCHEDULE OF SEWER OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		A-17A
Increased by:			
Cash Receipts	A-5		<u>\$ 8,296.00</u>
Balance, December 31, 2014	A		<u><u>\$ 8,296.00</u></u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

**TAX OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		A-18
Balance, December 31, 2013	A		\$ 15,960.11
Decreased by:			
Overpayments Applied	A-7	\$ 6,122.24	
Cash Disbursements	A-4	<u>8,257.07</u>	<u>14,379.31</u>
Balance, December 31, 2014	A		<u>\$ 1,580.80</u>

**LOCAL DISTRICT SCHOOL TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		A-19
Balance, December 31, 2013	A		\$ 1.02
Increased by:			
Calendar Year Levy	A-1, A-7		127,999,172.00
Decreased by:			
Cash Payments	A-4		<u>127,999,172.00</u>
Balance, December 31, 2014	A		<u>\$ 1.02</u>

**COUNTY TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		A-20
Balance December 31, 2013	A		\$ 24,708.63
Increased by:			
General Levy		\$ 28,777,210.96	
Open Space Levy		872,730.69	
General Levy Added/Omitted Taxes	A-1, A-7	<u>54,157.49</u>	<u>29,704,099.14</u>
			29,728,807.77
Decreased by:			
Cash Payments	A-4		<u>29,674,645.52</u>
Balance December 31, 2014	A		<u>\$ 54,162.25</u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

**DUE TO STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2014**

A-21

	<u>Ref.</u>	<u>Total</u>	<u>Marriage License</u>	<u>Building Surcharge</u>
Balance, December 31, 2013	A	\$ 13,816.00	\$ 1,959.00	\$ 11,857.00
Increased by:				
Cash Receipts	A-5	<u>50,574.00</u>	<u>7,777.00</u>	<u>42,797.00</u>
		64,390.00	9,736.00	54,654.00
Decreased by:				
Cash Disbursements	A-4	<u>53,630.00</u>	<u>8,625.00</u>	<u>45,005.00</u>
Balance, December 31, 2014	A	<u>\$ 10,760.00</u>	<u>\$ 1,111.00</u>	<u>\$ 9,649.00</u>

**PREPAID TAXES
YEAR ENDED DECEMBER 31, 2014**

A-22

	<u>Ref.</u>	
Balance, December 31, 2013	A	\$ 919,945.04
Increased by:		
Cash Receipts	A-5	<u>859,549.39</u>
		1,779,494.43
Decreased by:		
Prepaid Applied	A-7	<u>919,945.04</u>
Balance, December 31, 2014	A	<u>\$ 859,549.39</u>

TOWNSHIP OF WEST ORANGE
CURRENT FUND

FEDERAL AND STATE GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2014

	Balance Dec. 31, 2013	Grant Award	Collections	Cancelled	Balance Dec. 31, 2014
Transportation Municipal Aid:					
Bell Terrace	\$ 110,000.00				\$ 110,000.00
Streetscape	454,329.13				454,329.13
Byrne Road	60,210.90			60,210.90	
Various	200,715.00				200,715.00
Various - 2014		224,000.00			224,000.00
Clean Communities		64,795.49	64,795.49		
Municipal Alliance for Alcoholism and					
Drug Abuse	60,880.00	29,900.00	72,348.50		18,431.50
Pedestrian Safety Enforcement	8,000.00				8,000.00
Safe and Secure Communities Program	60,000.00			60,000.00	
Municipal Stormwater Regulation Program	5,155.00				5,155.00
Byrne Memorial Equipment Grant	299.00		183.61		115.39
Commuter Shuttle Grant	12,354.11		12,354.11		
Delinquency Prevention Grant - Summer Expansion	21,084.26				21,084.26
Wastewater Treatment Fund	123,899.00				123,899.00
Hazardous Discharge Site Remediation					
Block Grant	21,898.71		21,898.71		
Energy Efficiency and Conservation Grant	155,800.00			155,800.00	
Body Armor Replacement Fund		11,003.19			
Essex County Open Space Grant	4,417.00	150,000.00			150,000.00
Essex County DOA Senior Citizens	37,126.00	17,171.00	16,389.00		5,199.00
Essex County Delinquency Prevention Grant	27,840.00	18,563.00			55,689.00
ILEA Grant	17,747.75				27,840.00
Bullet Proof Vest Fund	10,959.40	12,541.10			30,288.85
COPS in Shops		5,000.00			10,959.40
Drive Sober or Get Pulled Over		69,153.08	68,638.46		5,000.00
CTTEC Grant		128,593.00	128,593.00		514.62
PSE&G Grant		375,000.00			375,000.00
Hazardous Mitigation Grant		20,000.00			20,000.00
Community Stewardship Program		5,000.00			10,000.00
EMMA Grant	5,000.00		24,500.00		
St. Cloud Historic Survey Grant	24,500.00	659,625.00	1,044,729.79		
SAFER Grant	385,104.79	1,250.00	1,250.00		
CERT Trailer Grant					
	\$ 1,807,320.05	\$ 1,791,594.86	\$ 1,466,663.86	\$ 276,010.90	\$ 1,856,220.15

Ref. A A-25 Below A-25 A

Unappropriated Revenue	A-26	139,596.19
Cash Receipts	A-5	1,327,087.67
		\$ 1,466,683.86

TOWNSHIP OF WEST ORANGE
CURRENT FUND

A-24

DUE FROM/TO CURRENT FUND
YEAR ENDED DECEMBER 31, 2014

	<u>Ref.</u>	<u>State and Federal Grant Fund</u>
Balance, December 31, 2013	A	\$ 334,609.66
Decreased by:		
Payments made through Current Fund	A-25	<u>(16,071.35)</u>
Balance, December 31, 2014	A	<u>\$ 350,681.01</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
CURRENT FUND

A-25

RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED
YEAR ENDED DECEMBER 31, 2014

	Balance Dec. 31, 2013	Budget Appropriation	Cash Disbursed	Reimbursement	Canceled	Balance Dec. 31, 2014
Drunk Driving Enforcement Fund	\$ 7,364.72	\$	\$ 4,743.90	\$	\$	\$ 2,620.82
Neighborhood Preservation-Valley	73.24		73.24			
Transportation Municipal Aid	287,049.02		228,838.12		60,210.90	
Transportation Municipal Aid - 2014		224,000.00				224,000.00
Public Health Priority Funding	17.38		17.38			
Clean Communities	156,658.82	64,795.49	7,819.88			213,834.42
Municipal Alliance for Alcoholism and Drug Abuse	34,225.59	44,850.00	61,291.31			17,784.28
Safe and Secure Communities Program	60,000.00				60,000.00	
Body Armor Replacement Fund	3,435.32	11,003.19	14,438.51			
Municipal Stormwater Regulation Program	20,619.00					20,619.00
Bullet Proof Vest Partnership	18,872.75	12,541.10	21,965.49			9,448.36
Pedestrian Safety Enforcement	8,000.00					8,000.00
Delinquency Prevention Grant	599.18					599.18
Cops in Shops	1,468.53		1,103.85			364.58
Enhanced E-911 Assistance	11,287.53		11,287.53			
Commuter Shuttle Grant	60,000.00		60,000.00			
Byrne Memorial Justice Assistance	183.61		68.22			115.39
Wastewater Treatment Fund	279,358.00					279,358.00
Hazardous Discharge Site Remediation	147,379.74		40,910.00			106,469.74
Essex County Open Space Grant		150,000.00	150,000.00			
Energy Efficiency and Conservation	155,800.00				155,800.00	
Sustainable Jersey Small Grant	183.00		183.00			
St. Cloud Historic Survey Grant	24,500.00		24,500.00			
Assistance to Firefighters Grant	459.11		459.11			
Essex County DOA Senior Citizens	157.50	17,335.00	17,492.50			
Essex County Delinquency Prevention Grant	4,524.53	18,563.00	18,435.41			4,652.12
Recycling Tonnage Grant	106,828.77		30,432.00			76,394.77
Essex County ILEA Grant	27,840.00					27,840.00
CTTEC Grant	17,209.73	69,153.08	84,503.82			1,858.99
ABC Grant	14,652.03		14,652.03			
SAFER Grant	34,364.79	659,625.00	693,989.79			
EMMA Grant	5,000.00	5,000.00				10,000.00
PSE&G Grant	128,593.00	128,593.00				257,186.00
Drive Sober or Get Pulled Over		5,000.00	1,910.27			3,089.73
CERT Trailer Grant		1,250.00	1,250.00			
Hazardous Mitigation Grant		375,000.00				375,000.00
Community Stewardship Program		20,000.00				20,000.00
West Orange Streetscape	325,552.15		3,652.50	45,734.82		367,634.47
	<u>\$ 1,942,455.04</u>	<u>\$ 1,806,708.86</u>	<u>\$ 1,492,017.97</u>	<u>\$ 45,734.82</u>	<u>\$ 276,010.90</u>	<u>\$ 2,026,869.85</u>
Ref.	A	Below	Below	A-5	A-23	A
Budget Appropriation	A-23	\$ 1,791,594.86	\$			
Cash Disbursed	A-4		1,508,089.32			
Interfund	A-24		(16,071.35)			
Matching Funds	A-5	15,114.00				
	Above, A-3	<u>\$ 1,806,708.86</u>	<u>\$ 1,492,017.97</u>			

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

**RESERVE FOR FEDERAL AND STATE GRANTS - UNAPPROPRIATED
YEAR ENDED DECEMBER 31, 2014**

A-26

	<u>Balance</u> Dec. 31, 2013	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> Dec. 31, 2014
Body Armor Replacement Fund	\$ 11,005.19	\$ 8,597.73	\$ 11,003.19	\$ 8,599.73
ABC Grants	8,619.88	3,010.00		11,629.88
PSE&G Project	128,593.00		128,593.00	
Recycling Tonnage Grant	51,256.60	75,147.58		126,404.18
Drunk Driving Enforcement Fund		3,975.00		3,975.00
SAFER Grant		10,411.23		10,411.23
Hazardous Discharge Site Remediation		19,011.29		19,011.29
	<u>\$ 199,474.67</u>	<u>\$ 120,152.83</u>	<u>\$ 139,596.19</u>	<u>\$ 180,031.31</u>

Ref. A

A-5

A-2, A-23

A

**DEFERRED CHARGES
N.J.S.A. 40A:4-55 SPECIAL EMERGENCY
YEAR ENDED DECEMBER 31, 2014**

A-27

<u>Purpose</u>	<u>Net Amount</u> <u>Authorized</u>	<u>1/5 of Net Amount</u> <u>Authorized</u>	<u>Balance</u> Dec. 31, 2013	<u>Budget</u> <u>Appropriation</u>	<u>Balance</u> Dec. 31, 2014
2014 Tax Appeals	\$ 2,284,702.00	\$ 456,940.40	\$	\$ 2,284,702.00	\$ 2,284,702.00
2014 Severance Liability	1,000,000.00	200,000.00	1,200,000.00	1,000,000.00	1,000,000.00
Severance Liability	1,200,000.00	240,000.00	480,000.00	(240,000.00)	960,000.00
Hurricane Sandy	600,000.00	120,000.00	89,780.00	(480,000.00)	179,560.00
Severance Liability	448,900.00	89,780.00	269,340.00	(89,780.00)	179,560.00
	<u>\$ 3,248,900.00</u>	<u>\$ 1,106,720.40</u>	<u>\$ 1,949,340.00</u>	<u>\$ 2,474,922.00</u>	<u>\$ 4,424,262.00</u>

Ref.

A

Below

A

Budget Appropriation 2014
Budget Appropriation Expenditure
Applied from Reserve for Sandy

A-3 \$ 3,284,702.00
A-3 (329,780.00)
A-6B (480,000.00)
\$ 2,474,922.00

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-2

**OPEN SPACE FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		
Balance, December 31, 2013	B		\$ 485,212.56
Increased by:			
2014 Open Space Tax	B-19	\$ 145,641.40	
Due from Current	B-9	91.40	
Interest on Investments	B-19	621.59	
		146,354.39	
Decreased by:			
Due to Capital Fund	B-11	25,000.00	
Open Space Expenditures	B-19	99,094.00	
		124,094.00	
Balance, December 31, 2014	B		\$ 507,472.95

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-3

**CASH - TREASURER
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>General Trust Fund</u>	<u>Assessment Trust Fund</u>
Balance, December 31, 2013	B	<u>\$ 44,137.90</u>	<u>\$ 4,089,440.42</u>	<u>\$ 13,888.05</u>
Increased by:				
Animal Control Fees	B-15	21,392.00		
Miscellaneous Revenue	B-15	9,803.74		
Due To Bank	B		0.01	
Due to State of NJ	B-10	2,919.00		
Accounts Receivable	B-7			11,967.21
Prepaid License Fees	B-12	3,204.00		
Special Deposits	B-13		<u>6,716,357.50</u>	
		<u>37,318.74</u>	<u>6,716,357.51</u>	<u>11,967.21</u>
		<u>81,456.64</u>	<u>10,805,797.93</u>	<u>25,855.26</u>
Decreased by:				
Expenditures	B-13, B-15	34,132.13	6,413,411.72	
Due to State of NJ	B-10	3,134.40		
Current Fund Anticipated Revenue	B-1, B1A		60,086.35	13,888.05
		<u>37,266.53</u>	<u>6,473,498.07</u>	<u>13,888.05</u>
Balance, December 31, 2014	B	<u><u>\$ 44,190.11</u></u>	<u><u>\$ 4,332,299.86</u></u>	<u><u>\$ 11,967.21</u></u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

**CASH - INSURANCE TRUST FUND - TREASURER
YEAR ENDED DECEMBER 31, 2014**

Balance, December 31, 2013	<u>Ref.</u>	<u>Total</u>	<u>Workers' Compensation</u>	<u>Unemployment Compensation</u>	<u>Municipal Insurance</u>
	B	\$ 366,200.84	\$ 59,879.55	\$ 279,042.23	\$ 27,279.06
Increased by:					
Budget Appropriation	B-16	1,605,000.00	595,000.00	200,000.00	810,000.00
Refunds and Subrogation	B-16	66,426.78	12,433.23		53,993.55
Due from Current Fund	B-16	1,125,000.00	625,000.00	50,000.00	450,000.00
Interest on Deposits	B-16	1,112.84	24.26	499.55	589.03
		<u>2,797,539.62</u>	<u>1,232,457.49</u>	<u>250,499.55</u>	<u>1,314,582.58</u>
		<u>3,163,740.46</u>	<u>1,292,337.04</u>	<u>529,541.78</u>	<u>1,341,861.64</u>
Decreased by:					
Workers' Compensation Claims and Administrative Fees	B-16	665,197.41	665,197.41		
Due to Current	B-16	1,126,112.84	625,024.26	50,499.55	450,589.03
Due to State of New Jersey: Claims Paid	B-16	417,131.66		417,131.66	
Insurance Settlements	B-16	884,406.97			884,406.97
		<u>3,092,848.88</u>	<u>1,290,221.67</u>	<u>467,631.21</u>	<u>1,334,996.00</u>
Balance, December 31, 2014	B	<u>\$ 70,891.58</u>	<u>\$ 2,115.37</u>	<u>\$ 61,910.57</u>	<u>\$ 6,865.64</u>

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-5

**CASH - FEDERAL GRANT TRUST FUND - TREASURER
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	<u>Total</u>	<u>Community Development Block Grant</u>	<u>Section 8 Housing</u>
Balance, December 31, 2013	B	<u>\$ 38,506.03</u>	<u>\$ 7,431.68</u>	<u>\$ 31,074.35</u>
Increased by:				
Collection of Grants Receivable	B-6	1,571,606.65	276,300.00	1,295,306.65
Interest on Investments	B-18	42.11		42.11
		<u>1,571,648.76</u>	<u>276,300.00</u>	<u>1,295,348.76</u>
		<u>1,610,154.79</u>	<u>283,731.68</u>	<u>1,326,423.11</u>
Decreased by:				
Grant Expenditures	B-17, B-18	<u>1,590,218.19</u>	<u>283,731.55</u>	<u>1,306,486.64</u>
		<u>1,590,218.19</u>	<u>283,731.55</u>	<u>1,306,486.64</u>
Balance, December 31, 2014	B	<u><u>\$ 19,936.60</u></u>	<u><u>\$ 0.13</u></u>	<u><u>\$ 19,936.47</u></u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-6

**FEDERAL GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	<u>Total</u>	<u>Community Development Block Grant</u>	<u>Section 8 Housing</u>
Balance, December 31, 2013	B	\$ 346,360.00	\$ 346,360.00	\$
Increased by:				
Community Development	B-17	351,000.00	351,000.00	
Section 8 Housing	B-18	1,295,306.65		1,295,306.65
		<u>1,646,306.65</u>	<u>351,000.00</u>	<u>1,295,306.65</u>
		1,992,666.65	697,360.00	1,295,306.65
Decreased by:				
Cash Receipts	B-5	1,571,606.65	276,300.00	1,295,306.65
Paid Directly by Third Party	B-17	75,060.00	75,060.00	
		<u>1,646,666.65</u>	<u>351,360.00</u>	<u>1,295,306.65</u>
Balance, December 31, 2014	B	<u>\$ 346,000.00</u>	<u>\$ 346,000.00</u>	<u>\$</u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-7

**ASSESSMENTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	<u>Assessment Fund</u>
Balance, December 31, 2013	B	\$ 43,724.65
Decreased by:		
Collections-Unpledged	B-3	<u>11,967.21</u>
Balance, December 31, 2014	B	<u>\$ 31,757.44</u>
Analysis of Balance		
Assessments-Unpledged		<u>\$ 31,757.44</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
GENERAL TRUST FUND

B-8

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2014

	<u>Ref.</u>	<u>Animal Control Fund</u>
Balance, December 31, 2013	B	\$ <u>0.02</u>
Balance, December 31, 2014	B	\$ <u>0.02</u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-9

**OPEN SPACE FUND
DUE FROM (TO) CURRENT FUND
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		<u>Open Space Fund</u>
Balance, December 31, 2013	B		\$ 318.13
Decreased by:			
Cash Receipts	B-2	\$ 91.40	
Adjustment	B-19	<u>226.73</u>	
			<u>318.13</u>
Balance, December 31, 2014			<u>\$</u>

**ANIMAL CONTROL FUND
DUE TO (FROM) STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2014**

B-10

	<u>Ref.</u>		
Increased by:			
Cash Receipts	B-3	\$ 2,919.00	
Applied from Prepaid	B-12	204.60	
Transferred from Reserve for Expenditures	B-15	<u>10.80</u>	
			<u>\$ 3,134.40</u>
Decreased by:			
Paid to State	B-3		<u>3,134.40</u>
Balance, December 31, 2014			<u>\$</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
TRUST FUND

B-11

OPEN SPACE FUND
DUE FROM (TO) CAPITAL FUND
YEAR ENDED DECEMBER 31, 2014

	<u>Ref.</u>	Open Space <u>Fund</u>
Balance, December 31, 2013	B	\$ 25,000.00
Decreased by: Settlement	B-2	<u>25,000.00</u>
Balance, December 31, 2014		<u>\$</u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-12

**ANIMAL CONTROL FUND
PREPAID LICENSES
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		
Balance December 31, 2013	B		\$ 1,911.00
Increased by:			
Cash Receipts	B-3		<u>3,204.00</u>
			5,115.00
Decreased by:			
Applied to Current Year Revenue	B-15	\$ 1,706.40	
Due to State of New Jersey	B-10	<u>204.60</u>	
			<u>1,911.00</u>
Balance December 31, 2014	B		<u><u>\$ 3,204.00</u></u>
Analysis of Balance:			
Dog Licenses		\$ 2,967.00	
Cat Licenses		<u>237.00</u>	
			<u><u>\$ 3,204.00</u></u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-13

**SCHEDULE OF SPECIAL DEPOSITS
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		
Balance December 31, 2013	B		\$ 4,029,329.07
Increased by:			
Special Deposits	B-3	\$ 6,714,625.00	
Interest Earned	B-3	<u>1,732.50</u>	<u>6,716,357.50</u>
			10,745,686.57
Decreased by:			
Deposits Returned	B-3	6,136,052.08	
Cash Disbursements	B-3	<u>277,359.64</u>	<u>6,413,411.72</u>
Balance December 31, 2014	B		<u><u>\$ 4,332,274.85</u></u>

Analysis of Balance:

Cash Bonds/Other Deposits	\$ 632,962.82
Accumulated Absence	7,448.84
Confiscated Funds	16,351.40
Digitizing Escrow	175,150.10
Uniform Fire Safety Act - Penalties	35,042.18
Lake Management Fund	153,710.72
Parking Offenses Adjudication Act	31,486.49
Payroll Deposits	333,295.68
Public Defender	2,656.35
Recycling - Local Program	16,434.49
Planning and Zoning Board Escrow	68,894.63
Recreation Trip Account	119,242.46
Extra Duty Security	23,749.77
Developer's Fee - COAH	2,135,253.80
Growth Share-COAH	245,124.34
Law Enforcement Trust Fund	335,470.78
	<u><u>\$ 4,332,274.85</u></u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
TRUST FUND

B-14

RESERVE FOR SPECIAL IMPROVEMENT DISTRICT RECEIVABLE
YEAR ENDED DECEMBER 31, 2014

	<u>Ref.</u>	
Balance, December 31, 2013	B	\$ 43,724.65
Decreased by:		
Applied to Fund Balance	B-1	<u>11,967.21</u>
Balance, December 31, 2014	B	<u>\$ 31,757.44</u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-15

**RESERVE FOR DOG FUND EXPENDITURES
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	
REVENUE AND OTHER INCOME:		
Animal Control Fees:		
Current Year Collections	B-3	\$ 21,392.00
Prepayments Applied - Cat License Fees	B-12	216.00
Prepayments Applied - Dog License Fees	B-12	1,490.40
		<u>23,098.40</u>
Miscellaneous Revenue:		
Animal Control Interlocals and Donations		7,057.74
Cat Licenses		2,734.00
Unidentified		12.00
	B-3	<u>9,803.74</u>
TOTAL REVENUE AND OTHER INCOME		<u>32,902.14</u>
EXPENDITURES:		
Animal Control Expenditures	B-3	34,132.13
Transfer to Due State of New Jersey	B-10	10.80
		<u>34,142.93</u>
TOTAL EXPENDITURES		<u>34,142.93</u>
DEFICIT OF REVENUE UNDER EXPENDITURES		<u>(1,240.79)</u>
BALANCE, BEGINNING OF YEAR	B	<u>42,226.88</u>
BALANCE, END OF YEAR	B	<u>\$ 40,986.09</u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-16

**RESERVE FOR INSURANCE TRUST FUND
YEAR ENDED DECEMBER 31, 2014**

	Ref.	Total	Workers' Compensation	Unemployment Compensation	Municipal Insurance
Balance, December 31, 2013	B	\$ 366,200.84	\$ 59,879.55	\$ 279,042.23	\$ 27,279.06
Increased by:					
Current Fund Budget Appropriation	B-4	1,605,000.00	595,000.00	200,000.00	810,000.00
Refunds and Subrogation	B-4	66,426.78	12,433.23		53,993.55
Due From Current Fund	B-4	1,125,000.00	625,000.00	50,000.00	450,000.00
Interest on Deposits	B-4	1,112.84	24.26	499.55	589.03
		<u>2,797,539.62</u>	<u>1,232,457.49</u>	<u>250,499.55</u>	<u>1,314,582.58</u>
		<u>3,163,740.46</u>	<u>1,292,337.04</u>	<u>529,541.78</u>	<u>1,341,861.64</u>
Decreased by:					
Workers' Compensation Claims and Administrative Fees	B-4	665,197.41	665,197.41		
Insurance Settlements and Premiums	B-4	884,406.97			884,406.97
Due From Current Fund	B-4	1,126,112.84	625,024.26	50,499.55	450,589.03
Due To State of New Jersey: Unemployment	B-4	417,131.66		417,131.66	
		<u>3,092,848.88</u>	<u>1,290,221.67</u>	<u>467,631.21</u>	<u>1,334,996.00</u>
Balance, December 31, 2014	B	\$ 70,891.58	\$ 2,115.37	\$ 61,910.57	\$ 6,865.64

TOWNSHIP OF WEST ORANGE
TRUST FUND

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT
YEAR ENDED DECEMBER 31, 2014

	Balance Dec. 31, 2013	Increase 2014 Grant Award	Expended By Township	Expended By Third Party	Balance Dec. 31, 2014
Community Development Block Grant:					
Direct Funding:					
Project Year 2012					
Cherry Street Reconstruction	\$ 7,491.55	\$	\$ 7,431.55	\$ 60.00	\$
Project Year 2013					
Improvements:Whittlesey	276,300.00		276,300.00		
Bethany Center	65,000.00			65,000.00	
Main Street Counseling	5,000.00			5,000.00	
Project Year 2014					
Cherry Street Reconstruction		276,000.00			276,000.00
Main Street Counseling		10,000.00		5,000.00	5,000.00
Bethany Center		65,000.00			65,000.00
	<u>\$ 353,791.55</u>	<u>\$ 351,000.00</u>	<u>\$ 283,731.55</u>	<u>\$ 75,060.00</u>	<u>\$ 346,000.00</u>
Ref. B		B-6	B-5	B-6	B

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-18

**RESERVE FOR SECTION 8 HOUSING
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		
Balance, December 31, 2013	B		\$ 31,074.35
Increased by:			
Grant Awards	B-6	\$1,295,306.65	
Interest on Investments	B-5	42.11	
Portability-In			1,295,348.76
			1,326,423.11
Decreased by:			
Due to Current	B-5	42.11	
Housing Choice Voucher Payments	B-5	1,306,444.53	
Administrative Costs			
Portability-In			1,306,486.64
Balance, December 31, 2014	B		\$ 19,936.47

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-19

**RESERVE FOR OPEN SPACE EXPENDITURES
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		
Balance, December 31, 2013	B		\$ 460,530.69
Increased by:			
2014 Open Space Tax	B-2	\$ 145,641.40	
Interest Earned	B-2	<u>621.59</u>	
			<u>146,262.99</u>
			606,793.68
Decreased by:			
Open Space Expenditures	B-2	99,094.00	
Adjustment	B-9	<u>226.73</u>	
			<u>99,320.73</u>
Balance, December 31, 2014	B		<u><u>\$ 507,472.95</u></u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND**

C-2

**CASH - TREASURER
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		
Balance, December 31, 2013	C		\$ 3,183,700.55
Increased by Receipts:			
BAN Paydown From Current Fund Appropriation	C-7	\$ 1,895,809.00	
Bond Anticipation Notes	C-10	27,273,195.00	
Interfunds Receivable	C-5	5,915,783.37	
Down Payment	C-11	50,000.00	
Capital Improvement Fund	C-12	325,000.00	
Premium on BANS Issued	C-1	<u>192,307.96</u>	
			<u>35,652,095.33</u>
			38,835,795.88
Decreased by Disbursements:			
Current Fund Anticipated Revenue	C-1	138,957.04	
Bond Anticipation Notes	C-10	22,462,348.00	
Interfunds Receivable	C-5	5,980,562.81	
Improvement Authorizations	C-11	<u>5,255,951.11</u>	
			<u>33,837,818.96</u>
Balance, December 31, 2014	C		<u><u>\$ 4,997,976.92</u></u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Balance Dec. 31, 2013	Receipts	Disbursements	Transfers		Balance Dec. 31, 2014
				To	From	
Fund Balance	\$ 138,957.04	\$ 192,307.96	\$ 138,957.04	\$	\$	\$ 192,307.96
Due From/To Interfunds	64,779.44	5,915,783.37	5,980,562.81			
Open Space Fund					352,982.00	25,241.96
Capital Improvement Fund	53,223.96	325,000.00			1,895,809.00	
Deferred Charges-Unfunded		1,895,809.00				
NJPA Trust and Fund Loan Receivable						
Bond Anticipation Notes		27,273,195.00	22,462,348.00		4,810,847.00	
Reserve to Pay Debt Service Parking Garage	36,073.26					36,073.26
Improvement Authorizations:						
1122-92 Various Capital Improvements	109,315.61					109,315.61
1374-96 Regional Contribution Agreement	852,623.66		598,154.61			254,469.05
1760-01 Various Capital Improvements	158,265.00		149,326.84			9,938.16
1761-01 Various Capital Improvements	2,777.18		2,777.18			
1823-02 Capital Assessment-Joint Meeting	12,585.72		8,992.38			3,593.34
1840-02 Various Capital Improvements	196,960.18		129,703.10			67,257.08
1886-03 Various Capital Improvements	5,676.51		4,591.51			1,085.00
1905-03 Various Capital Improvements	32,690.34		236.39			32,453.95
2017-05 Storm Drainage Improvements	91,731.35		188,694.18			(96,962.83)
2018-05 Various Capital Improvements	7,605.16					7,605.16
2019-05 Various Road Improvements	18,805.26					18,805.26
2050-05 Joint Meeting Capital Assessment	36,097.44		645.00			35,452.44
2055-06 Improvements at Stagg Field	3,343.38					3,343.38

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND
ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Balance Dec. 31, 2013	Receipts	Disbursements	Transfers		Balance Dec. 31, 2014
				To	From	
2067-06	\$ 337,573.35	\$	\$			\$ 337,573.35
2069-06	51,898.59		43,645.57			8,253.02
2070-06	435.00					435.00
2078-06	245,313.97					245,313.97
2125-07	14,585.06					14,585.06
2127-07	65,171.65					65,171.65
2133-07	150,227.01		7,787.50			142,439.51
2160-07	4,570.01					4,570.01
2166-08	51,697.80					51,697.80
2172-08	706,487.41		184,943.30			521,544.11
2176-08	2,417.82					2,417.82
2194-09	(95,000.00)					(95,000.00)
2209-09	(99,583.47)		60,565.42			(160,148.89)
2211-09	1,071.15					1,071.15
2214-09	(491.16)		45,102.84			(45,594.00)
2216-09	17,160.21		10,928.52			6,231.69
2222-09	6,536.67					6,536.67
2232-09	(34,600.00)					(34,600.00)
2237-09	(590,973.75)					(590,973.75)
2272-10	12,351.22		70,000.00			(57,648.78)
2278-10	7,045.00					7,045.00
2290-10	(381,725.03)		3,168.01			(384,893.04)
2299-10	(209,862.49)					(209,862.49)
2358-12,						
2409-14	532,484.96	50,000.00	821,862.76			(239,377.80)
2366-12	443,910.16		273,531.64			170,378.52
2375-13	122,488.92		58,174.24			64,314.68
2393-13						
2407-14			2,588,167.12	6,999,638.00		4,411,470.88
2408-14			4,953.00	60,000.00		55,047.00
2409-14						
	<u>\$ 3,183,700.55</u>	<u>\$ 35,652,095.33</u>	<u>\$ 33,837,818.96</u>	<u>\$ 7,059,638.00</u>	<u>\$ 7,059,638.00</u>	<u>\$ 4,997,976.92</u>

Ref. C 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, 2014**

	<u>Ref.</u>	
Balance, December 31, 2013	C	\$ 3,151,198.00
Decreased by:		
2014 Budget Appropriation for Payment of NJ Trust Fund Loan Bonds	C-6	<u>238,449.74</u>
Balance, December 31, 2014	C	<u>\$ 2,912,748.26</u>
 Analysis		
	<u>ORD#</u>	
New Jersey Trust 2002 A	1823-02	\$ 442,100.67
New Jersey Trust 2005 A	2017-05	1,515,611.42
New Jersey Trust 2006 A	2050-05	514,170.16
New Jersey Trust 2010 A	2214-09	<u>440,866.01</u>
Balance, December 31, 2014		<u>\$ 2,912,748.26</u>

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND**

C-5

**INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	Total	Current Fund	Open Space
Balance, December 31, 2013	C	\$ 64,779.44	89,779.44	\$ (25,000.00)
Increased by:				
Cash Receipts	C-2	<u>5,915,783.37</u>	<u>5,890,783.37</u>	<u>25,000.00</u>
		5,980,562.81	5,980,562.81	
Decreased by:				
Cash Disbursements	C-2	<u>5,980,562.81</u>	<u>5,980,562.81</u>	<u> </u>
Balance, December 31, 2014		<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>

**TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND**

C-6

**DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		
Balance, December 31, 2013	C		\$30,756,198.00
Decreased by:			
2014 Current Fund Budget Appropriation for Payment of Serial Bonds	C-9	\$ 3,530,000.00	
2014 Current Fund Budget Appropriation for Payment of NJEPA Trust and Loans	C-4	<u>238,449.74</u>	<u>3,768,449.74</u>
Balance, December 31, 2014	C		<u><u>\$26,987,748.26</u></u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Improvement Description	Analysis of Balance				
		Balance, December 31, 2013	2014 Authorizations	Decrease	Adjustment	Balance, December 31, 2014
		\$ 90,000.00	\$	\$	\$	\$
1122-92	Various Capital Improvements	1,325,250.00				90,000.00
1374-96	Regional Contribution Agreement	44,888.42	2,631.59			1,325,250.00
1435-97	Various Capital Improvements	150,000.00				42,236.84
1760-01	Various Capital Improvements	250,000.00				150,000.00
1840-02	Various Capital Improvements	104,172.24	597.49			250,000.00
1905-03	Various Capital Improvements	152,909.00				103,574.75
2017-05	Storm Drainage Improvements	145,093.04	4,901.96			152,909.00
2018-05	Various Capital Improvements	327,500.00				140,196.08
2067-06	Redevelopment Study	157,597.22				327,500.00
2069-06	Various Capital Improvements	537,069.43	3,945.78			153,561.44
2078-06	Various Capital Improvements	136,669.68	13,476.21			523,591.22
2125-07	Various Capital Improvements	682,250.00	3,612.91		(13,333.32)	146,187.09
2133-07	Various Capital Improvements	386,471.52	11,715.09		13,333.32	657,201.59
2168-08	Various Capital Improvements	1,500,000.00	17,528.36			348,943.16
2172-08	Various Capital Improvements	86,000.00	28,881.86			1,471,118.34
2194-09	Acquisition of Computer System Managing Equipment	786,547.80	51,213.96			95,000.00
2209-09	Various Capital Improvements	409,431.58	21,284.21			82,437.99
2211-09	Various Road Improvements	70,277.54	318.48			363,147.37
2214-09	Joint Meeting Capital Assessments	1,587,500.00	91,250.00			45,594.00
2216-09	Various Road Improvements	1,513,577.69	124,200.69			1,476,250.00
2222-09	Upgrade of the Communications System	82,066.16	1,058.84			1,389,347.00
2232-09	Various Capital Improvements	2,739,473.68	115,789.48			31,007.32
2237-09	Various Capital Improvements	485,000.00	465,000.00			1,973,684.20
2238-09	Tax Appeal-Refunding	1,070,850.00	22,202.48			34,600.00
2272-10	Various Capital Improvements	111,435.00	344.83			59,973.75
2278-10	Various Capital Improvements	1,982,840.00	78,125.00			57,848.78
2290-10	Various Capital Improvements	232,750.00				101,435.00
2299-10	Telecommunications Improvements	6,300,000.00				384,853.04
2354-12	Edison Redevelopment	3,684,305.00				208,862.49
2375-13	Llewellyn Park Sanitation Project	475,000.00				239,377.80
2375-13	Ridgeway Ave Park	3,350,000.00				6,300,000.00
2393-13	Tax Appeal-Refunding		837,500.00			475,000.00
2407-14	Various Capital Improvements		6,649,656.00			2,512,500.00
2408-14	Beacher Replacement		57,000.00			6,649,656.00
		\$ 30,907,617.00	\$ 7,256,656.00	\$ 1,865,609.00	\$	\$ 27,273,165.00
						\$ 1,720,387.85
						\$ 7,274,881.15

Ref.

C-11

C-2

C

C-10

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

C-8

LEASE PAYABLE - PARKING GARAGE
YEAR ENDED DECEMBER 31, 2014

	<u>Ref.</u>	
Balance, December 31, 2014 and 2013	C	<u>\$ 36,073.26</u>
<u>Analysis of Balance</u>		
Reserve-Parking Garage	C	<u>\$ 36,073.26</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND
SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2014

Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding, December 31, 2014		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
		Date	Amount					
4/1/2003	\$	4/1/2015	110,000.00	5.30%	\$ 1,435,000.00	\$	\$ 95,000.00	\$ 1,340,000.00
		4/1/2016	130,000.00	5.38%				
		4/1/2017	150,000.00	5.40%				
		4/1/2018	170,000.00	5.50%				
		4/1/2019	195,000.00	5.625%				
		4/1/2020	220,000.00	5.70%				
		4/1/2021	245,000.00	5.70%				
		4/1/2022	55,000.00	5.70%				
		4/1/2023	65,000.00	5.70%				
			<u>1,340,000.00</u>					
2/15/2004		2/15/2015	1,105,000.00	5.00%	4,385,000.00		1,110,000.00	3,275,000.00
		2/15/2016	1,100,000.00	5.00%				
		2/15/2017	1,070,000.00	5.00%				
			<u>3,275,000.00</u>					
3/1/2005		3/1/2015	1,375,000.00	3.65%	4,200,000.00		1,275,000.00	2,925,000.00
		3/1/2016	1,550,000.00	3.65%				
			<u>2,925,000.00</u>					
8/1/2008		8/1/2015	500,000.00	3.50%	7,235,000.00		500,000.00	6,735,000.00
		8/1/2016	500,000.00	3.50%				
		8/1/2017	900,000.00	3.50%				
		8/1/2018	900,000.00	3.75%				
		8/1/2019	935,000.00	3.75%				
		8/1/2020	1,000,000.00	4.00%				
		8/1/2021	1,000,000.00	4.00%				
8/1/2022	1,000,000.00	4.00%						
			<u>6,735,000.00</u>					

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2014

Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding, December 31, 2014		Interest Rate	Balance December 31, 2013	Increased	Decreased	Balance December 31, 2014
		Date	Amount					
8/1/2008	\$		\$		\$ 10,350,000.00	\$	\$ 550,000.00	\$ 9,800,000.00
		5/1/2015	750,000.00	2.50%				
		5/1/2016	800,000.00	3.00%				
		5/1/2017	800,000.00	3.00%				
		5/1/2018	800,000.00	3.00%				
		5/1/2019	800,000.00	3.00%				
		5/1/2020	800,000.00	3.00%				
		5/1/2021	800,000.00	3.25%				
		5/1/2022	850,000.00	3.25%				
		5/1/2022	850,000.00	3.50%				
		5/2/2023	850,000.00	4.00%				
		5/1/2024	850,000.00	4.00%				
		5/1/2025	850,000.00	4.00%				
			<u>9,800,000.00</u>					
			\$ 24,075,000.00		\$ 27,605,000.00	\$	\$ 3,530,000.00	\$ 24,075,000.00

Ref. C C-6 C

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Improvement Description	Original Amount	Date	Date of Issue	Date of Maturity*	Interest Rate	December 31,		Ref.
							2013	2014	
							Increased	Decreased	
		\$				\$	\$	\$	
1122-92	Various Capital Improvements	90,000.00	10/22/13	10/21/2014	10/20/2015	1.00%	90,000.00	90,000.00	90,000.00
1374-96	Regional Contribution Agreements	1,325,250.00	10/22/13	10/21/2014	10/20/2015	1.00%	1,325,250.00	1,325,250.00	1,325,250.00
1435-97	Various Capital Improvements	50,000.00	12/30/09	10/21/2014	10/20/2015	1.00%	44,868.42	44,868.42	42,236.84
1760-01	Various Capital Improvements	150,000.00	10/22/13	10/21/2014	10/20/2015	1.00%	150,000.00	150,000.00	150,000.00
1840-02	Various Capital Improvements	250,000.00	10/22/13	10/21/2014	10/20/2015	1.00%	250,000.00	250,000.00	250,000.00
1905-03	Various Capital Improvements	30,000.00	12/01/08	5/20/2014	5/19/2015	1.00%	30,000.00	30,000.00	30,000.00
		14,770.00	12/15/10	5/20/2014	5/19/2015	1.00%	14,172.24	14,172.24	13,574.75
		60,000.00	10/22/13	10/21/2014	10/20/2015	1.00%	60,000.00	60,000.00	60,000.00
2017-05	Storm Drainage Improvements	152,909.00	10/22/13	10/21/2014	10/20/2015	1.00%	152,909.00	152,909.00	152,909.00
2018-05	Various Capital Improvements	150,000.00	12/15/10	5/20/2014	5/19/2015	1.00%	145,098.04	145,098.04	140,196.08
2067-06	Redevelopment Study	327,500.00	10/22/13	10/21/2014	10/20/2015	1.00%	327,500.00	327,500.00	327,500.00
2069-08	Various Capital Improvements	51,453.00	12/15/10	5/20/2014	5/19/2015	1.00%	47,507.22	47,507.22	43,561.44
		110,000.00	10/22/13	10/21/2014	10/20/2015	1.00%	110,000.00	110,000.00	110,000.00
2078-06	Various Capital Improvements	188,981.00	04/09/09	5/20/2014	5/19/2015	1.00%	143,451.80	150,000.00	143,451.80
		200,000.00	12/30/09	10/21/2014	10/20/2015	1.00%	187,069.43	187,069.43	180,139.42
		200,000.00	10/22/13	10/21/2014	10/20/2015	1.00%	200,000.00	200,000.00	200,000.00
2125-07	Various Capital Improvements	50,000.00	04/09/09	5/20/2014	5/19/2015	1.00%	50,000.00	50,000.00	46,187.09
		100,000.00	10/22/13	10/21/2014	10/20/2015	1.00%	100,000.00	100,000.00	100,000.00
2133-07	Various Capital Improvements	400,000.00	04/09/09	5/20/2014	5/19/2015	1.00%	400,000.00	400,000.00	388,284.91
		268,916.88	10/22/13	10/21/2014	10/20/2015	1.00%	268,916.88	268,916.88	268,916.88
2166-08	Various Capital Improvements	400,000.00	12/30/09	10/21/2014	10/20/2015	1.00%	366,471.52	366,471.52	348,943.16
2172-08	Various Capital Improvements	8,500,000.00	04/09/09	5/20/2014	5/19/2015	1.00%	8,211,183.34	8,211,183.34	8,211,183.34
		850,000.00	10/22/13	10/21/2014	10/20/2015	1.00%	850,000.00	850,000.00	850,000.00
2209-09	Various Capital Improvements	376,000.00	12/15/10	5/20/2014	5/19/2015	1.00%	346,547.80	346,547.80	318,095.60
		300,000.00	05/24/11	5/20/2014	5/19/2015	1.00%	300,000.00	300,000.00	277,238.24
2211-09	Various Road Improvements	150,000.00	12/15/10	5/20/2014	5/19/2015	1.00%	142,105.26	142,105.26	134,210.52
		25,000.00	05/24/11	5/20/2014	5/19/2015	1.00%	25,000.00	25,000.00	23,684.21
2214-09	Joint Meeting Capital Assessments	25,000.00	12/15/10	5/20/2014	5/19/2015	1.00%	24,683.54	24,683.54	24,367.08
2216-09	Various Road Improvements	1,500,000.00	12/30/09	10/21/2014	10/20/2015	1.00%	1,346,052.63	1,346,052.63	1,267,105.26
		233,750.00	12/15/10	5/20/2014	5/19/2015	1.00%	221,447.37	221,447.37	209,144.74
2222-09	Upgrade of the Communications System	1,318,490.00	12/15/10	5/20/2014	5/19/2015	1.00%	1,115,645.38	1,217,067.69	1,115,645.38
		296,510.00	05/23/12	5/20/2014	5/19/2015	1.00%	273,701.62	296,510.00	273,701.62
2232-09	Various Capital Improvements	23,125.00	12/15/10	5/20/2014	5/19/2015	1.00%	22,066.16	22,066.16	21,007.32
2237-09	Various Capital Improvements	10,000,000.00	05/24/11	5/20/2014	5/19/2015	1.00%	10,000,000.00	10,000,000.00	10,000,000.00
		100,000.00	12/15/10	5/20/2014	5/19/2015	1.00%	1,989,473.68	1,989,473.68	1,878,947.36
		2,325,000.00	05/24/11	5/20/2014	5/19/2015	1.00%	94,736.84	100,000.00	94,736.84
2238-09	Refunding-Tax Appeals	750,000.00	07/07/11	10/21/2014	10/20/2015	1.00%	465,000.00	465,000.00	465,000.00
2272-10	Various Capital Improvements	10,000.00	07/07/11	5/20/2014	5/19/2015	1.00%	750,000.00	750,000.00	727,797.51
2278-10	Various Capital Improvements	1,500,000.00	07/07/11	5/20/2014	5/19/2015	1.00%	1,500,000.00	1,500,000.00	1,421,875.00
2290-10	Various Capital Improvements	3,684,305.00	10/20/12	12/16/2014	12/15/2015	1.25%	3,684,305.00	3,684,305.00	3,684,305.00
2358-12	Llewellyn Park Sanitary Project	475,000.00	10/20/12	10/21/2014	10/20/2015	1.00%	475,000.00	475,000.00	475,000.00
2375-13	Ridgeway Ave Park	3,350,000.00	12/31/13	12/16/2014	12/15/2015	1.25%	2,512,500.00	3,350,000.00	2,512,500.00
2407-14	Various Capital Improvements	6,649,656.00	11/3/14	11/13/14	7/30/2015	1.00%	6,649,656.00	6,649,656.00	6,649,656.00
2408-14	Replacement of Bleachers	57,000.00	11/13/14	11/13/14	7/30/2015	1.00%	57,000.00	57,000.00	57,000.00
							\$ 27,273,195.00	\$ 22,462,348.00	\$ 27,273,195.00

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

C-12

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2014

	<u>Ref.</u>	
Balance, December 31, 2013	C	\$ 53,223.96
Increased by Receipts:		
Budget Appropriation	C-2	<u>325,000.00</u>
		378,223.96
Decreased by Funding of Ordinances:		
Improvement Authorizations	C-11	<u>352,982.00</u>
Balance, December 31, 2014	C	<u>\$ 25,241.96</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2014

Ordinance Number	Improvement Description	Balance December 31, 2013	2014 Authorizations/Transfers	Debt Issued	Decrease	Balance December 31, 2014
		\$	\$	\$	\$	\$
2194-09	Consulting Study-New Communications					
	Managing Equipment	95,000.00				95,000.00
2209-09	Various Capital Improvements	142,000.00				142,000.00
2211-09	Various Road Improvements	25,000.00				25,000.00
2214-09	Joint Meeting-Capital Assessments	45,594.00				45,594.00
2232-09	Various Capital Improvements	50,000.00				50,000.00
2237-09	Various Capital Improvements	650,000.00				650,000.00
2272-10	Various Capital Improvements	320,650.00				320,650.00
2278-10	Various Capital Improvements	101,435.00				101,435.00
2290-10	Various Capital Improvements	482,840.00				482,840.00
2299-10	Telecommunications equipment	232,750.00				232,750.00
2354-12	Edison Redevelopment	6,300,000.00				6,300,000.00
2407-14	Various Capital Improvements		6,649,656.00	6,649,656.00		
2408-14	Bleacher Replacement		57,000.00	57,000.00		
2409-14	Llewellyn Park Sanitation Project		550,000.00			
		<u>\$ 8,445,269.00</u>	<u>\$ 7,256,656.00</u>	<u>\$ 6,706,656.00</u>	<u>\$</u>	<u>\$ 8,995,269.00</u>

Ref.

C

C-7

C-10

C

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

C-14

STATE GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2014

	<u>Ref.</u>	
Balance, December 31, 2014 and 2013	C	<u>\$ 1,913,647.62</u>
 <u>Analysis of Balance:</u>		
	<u>ORD#</u>	<u>Ref.</u>
Green Acres Matching Grant	1992-04	C
West Orange Board of Education	1896-03	C
West Orange Board of Education	2125-07	C
NJ Transportation Trust Fund-Byrne Road	2209-09	
NJ Transportation Trust Fund-Undercliff Terrace	2209-09	
West Orange Board of Education	2237-09	C
		<u>1,426,000.00</u>
Balance, December 31, 2014 and 2013	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, 2014

	<u>Ref.</u>	
Balance, December 31, 2013	C	<u>\$ 426,134.00</u>
Balance, December 31, 2014	C	<u>\$ 426,134.00</u>

See Independent Auditors' Report

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

D-4

**SCHEDULE OF CASH - TREASURER
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>		
Balance, December 31, 2013	D		\$ 37,500.61
Increased by Receipts:			
Membership Fees	D-2	\$ 170,645.00	
Advanced to Current Fund	D-2A	50,000.00	
Miscellaneous Revenue Anticipated	D-2	<u>50,432.02</u>	
			<u>271,077.02</u>
			308,577.63
Decreased by Disbursements:			
Appropriations	D-3	234,674.74	
Appropriation Reserves	D-6	594.90	
Advanced to Current Fund	D-2A	<u>25,000.00</u>	
			<u>260,269.64</u>
Balance, December 31, 2014	D		<u><u>\$ 48,307.99</u></u>

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

**SCHEDULE OF FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2014**

D-5

	<u>Ref.</u>	
Balance, December 31, 2014 and 2013	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 2013
APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2014**

D-6

	<u>Balance,</u> December 31, <u>2013</u>	<u>Balance</u> After <u>Transfer</u>	<u>Paid or</u> <u>Charged</u>	<u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 8,423.24	\$ 8,423.24	\$	\$ 8,423.24
Other Expenses	14,253.79	14,253.79	594.90	13,658.89
Social Security	11,286.00	11,286.00		11,286.00
Unemployment Insurance	<u>1.00</u>	<u>1.00</u>		<u>1.00</u>
	<u>\$ 33,964.03</u>	<u>\$ 33,964.03</u>	<u>\$ 594.90</u>	<u>\$ 33,369.13</u>
<u>Ref.</u>	D		D-4	D-1

**SCHEDULE OF RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2014**

D-7

	<u>Ref.</u>	
Balance, December 31, 2014 and 2013	D	<u>\$ 523,433.15</u>

**TOWNSHIP OF WEST ORANGE
PUBLIC ASSISTANCE FUND

STATEMENT OF REVENUES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014**

E-3

	<u>Ref</u>	
State Aid Payments	E-2	\$ 326,237.70
Supplemental Security Income:		
State Refund	E-2	<u>6,134.89</u>
		<u>\$ 332,372.59</u>

**STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2014**

E-4

	<u>Ref</u>	
Maintenance Payments		\$ 199,169.00
Other:		
Temporary Rental Assistance		103,794.00
Emergency Services		<u>23,274.70</u>
	E-6	326,237.70
Supplemental Security Income	E-6	<u>6,134.89</u>
	E-2	<u>\$ 332,372.59</u>

**TOWNSHIP OF WEST ORANGE
PUBLIC ASSISTANCE FUND**

E-5

**RECEIPTS AND DISBURSEMENTS
YEAR ENDED DECEMBER 31, 2014**

	Ref.	Trust Fund Account #1		Trust Fund Account #2	
Balance, December 31, 2013	E	\$	\$ 1,553.99	\$	\$
Increase by:					
Due from State of New Jersey	E-6			332,372.59	
Due from Current Fund	E-7		6,134.89		
			6,134.89		332,372.59
			7,688.88		332,372.59
Decreased by:					
Public Assistance	E-6				
Supplemental Security Income					
Reimbursements	E-6			332,372.59	
Due to Current Fund	E-7		6,134.89		332,372.59
			6,134.89		332,372.59
Balance, December 31, 2014	E		\$ 1,553.99		\$

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
PUBLIC ASSISTANCE FUND**

E-6

**DUE FROM (TO) STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2014**

	<u>Ref.</u>	<u>Trust Fund Account #2</u>	
Balance December 31, 2013	E		\$
Increased by:			
2014 State Aid Allotments	E-5	\$ 326,237.70	
Supplemental Security Income Reimbursements	E-5	<u>6,134.89</u>	<u>332,372.59</u>
			332,372.59
Decreased by:			
Collections:			
State Aid Allotments	E-5	326,237.70	
Supplemental Security Income Reimbursements	E-5	<u>6,134.89</u>	<u>332,372.59</u>
			332,372.59
Balance December 31, 2014	E		<u>\$</u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
PUBLIC ASSISTANCE FUND

E-7

DUE TO CURRENT FUND
YEAR ENDED DECEMBER 31, 2014

	<u>Ref.</u>	
Balance, December 31, 2013	E	\$
Increased by:		
Misc. Revenues	E-1, E-5	6,134.89
Decreased by:		
Disbursements	E-1, E-5	<u>6,134.89</u>
Balance, December 31, 2014	E	<u><u>\$</u></u>

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE

PART II

SINGLE AUDIT SECTION

YEAR ENDED DECEMBER 31, 2014



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory basis financial statements of the various funds of the Township of West Orange, Essex County, New Jersey (the "Township"), as of and for the year ended December 31, 2014, the related statement of revenues, expenditures and changes in fund balances for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 15, 2015.

Internal Control Over Financial Reporting

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

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

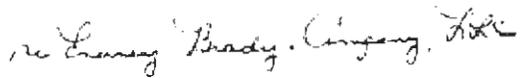
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

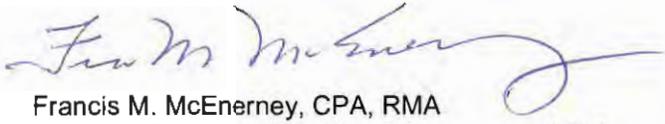
As part of obtaining reasonable assurance about whether the Township's regulatory basis financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

Purpose of this Report

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



Livingston, New Jersey
June 15, 2015



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



**Report on Compliance For Each Major Federal
Program; Report on Internal Control Over Compliance; and Report on the Schedule of
Expenditures of Federal Awards Required by OMB Circular A-133**

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

Report on Compliance for Each Major Federal Program

We have audited the Township of West Orange, County of Essex, New Jersey's (the "Township") compliance with the types of compliance requirements described in the *OMB Circular A-133* that could have a direct and material effect on each of the Township's major programs for the year ended December 31, 2014. The Township's major programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Township's major programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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. Those standards 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 program occurred. An audit includes examining, on a test basis, evidence about the Township'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 on compliance for each major program. However, our audit does not provide a legal determination of the Township's compliance.

Opinion on Each Major Program

In our opinion, the Township complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major programs for the year ended December 31, 2014.

Report on Internal Control Over Compliance

Management of the Township is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements

that could have a direct and material effect on each major program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over compliance.

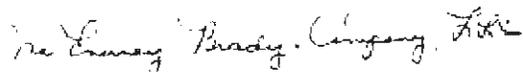
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

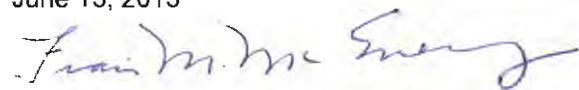
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the regulatory basis financial statements of the Township as of and for the year ended December 31, 2014, and have issued our report thereon dated June 15, 2015, which contained an unmodified opinion on those financial statements on the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our audit was conducted for the purpose of forming an opinion on the regulatory basis financial statements as a whole. The accompanying schedules of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the regulatory basis financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the regulatory basis financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.



Livingston, New Jersey
June 15, 2015



Francis M. McEnerney, CPA, RMA
Licensed Registered Municipal Accountant # 593

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
THROUGH DECEMBER 31, 2014**

Federal Funding Department and Description	Ref.	Grant Number	Catalog Number	From	To	Grant Period	Total Awards	Balance Dec. 31, 2013	2014 Grant	2014 Adjustments	Paid or Charged	Balance Dec. 31, 2014	Cumulative Program Expenditures
U.S. Department of Housing and Urban Development Lower Income Housing Housing Choice Voucher Program	B	NJ39V-108 NJ39V-108	14.182 14.182	1-1-13 1-1-14	12-31-13 12-31-14		\$ 1,322,215.86 1,306,486.64	\$ 31,074.35	\$ 1,306,486.64	\$	\$ 31,074.35 1,275,370.18	\$ 31,116.46	\$ 1,322,215.86 1,275,370.18
Passed Through the State of New Jersey:													
U.S. Department of Justice Office of Juvenile Justice and Delinquency Prevention: ABC Grant	A		16.727 16.727	6-1-12 1-1-12	5-31-13 12-31-12		14,652.03 16,652.03	1,468.53 14,652.03			1,103.98 14,652.03	364.55	14,287.48 14,652.03
Office of Justice Programs Bullet Proof Vest Partnership Bullet Proof Vest Partnership Bullet Proof Vest Partnership	A A A A		16.607 16.607 16.607	1-1-13 1-1-11 1-1-14	12-31-13 12-31-11 12-31-14		14,875.00 3,997.75 46,179.06	14,875.00 3,997.75 34,953.31	12,541.10		14,875.00 3,997.75 37,721.40	9,448.46	14,875.00 16,249.50 3,092.64
U.S. Department of Energy Energy Efficiency and Conservation Block Grant	A	10EE001345	81.128	12-31-09	5-30-12		155,800.00	155,800.00	155,800.00				
U.S. Homeland Security SAFER Grant Assistance to Firefighters Grant Safer Grant	A A A A		97.063 97.044 97.063	1-1-13 3-5-10 1-1-14	12-31-13 3-4-11 12-31-14		659,625.00 47,483.00 659,625.00	34,364.78 459.11	659,625.00		34,364.78 459.11 659,625.00		659,625.00 47,483.00 659,625.00
Passed through the University of Rhode Island: CITTEC Grant - Center for Excellence in Explosives Passed through Northeastern University: CITTEC Grant - Active Shooter Scenario	A A A	2008-617-061-ED0002-05	97.061 97.061	7-1-13 5-1-14	6-30-14 6-30-15		46,842.00 66,153.00		66,153.00		17,209.73 67,294.09	858.91	46,842.00 67,294.09
CERT Trailer Grant	A		97.067	1-1-14	12-31-14		1,250.00		1,250.00		1,250.00		1,250.00
Hazardous Mitigation Grant	A		97.039	1-1-14	12-31-14		375,000.00					375,000.00	
U.S. Department of Transportation Highway Planning and Construction Driver Sober or Get Pulled Over Pedestrian Safety Enforcement StreetScope	A A A A		20.600 20.205 20.600	1-1-14 1-1-14 9-21-10	12-31-14 12-31-14 9-21-13		5,000.00 8,000.00 2,015,777.00	8,000.00 325,552.15	5,000.00	45,734.82	1,910.27 3,652.50 5,562.77	3,089.73 8,000.00 367,554.47	1,910.27 1,648,142.53
Passed Through County of Essex: Housing and Urban Development Community Development Block Grants: Program Year 2013 Program Year 2013 - Whittlesley Program Year 2011	B	B-12-UC-34-0101 B-11-UC-34-0101	14.218 14.218	7-27-12 1-1-14 7-27-10	7-27-13 12-31-14 7-27-11		276,000.00 580,050.00 856,050.00	346,000.00 353,491.55	276,000.00		7,491.55 7,491.55	346,000.00	276,000.00 580,050.00
							\$ 7,404,886.56	\$ 935,735.26	\$ 2,324,055.74	\$ 201,534.82	\$ 2,049,768.88	\$ 1,130,422.85	

Legend (References)
A - Current Fund
B - Trust Fund

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF EXPENDITURES OF STATE AWARDS
THROUGH DECEMBER 31, 2014**

State Funding Department and Description	Ref.	Grant Number	Grant Period From	Grant Period To	Grant Award	Balance Dec. 31, 2013	2014 Grant	Local Match	Adjusted/ (Cancelled)	Paid or Charged	Balance Dec. 31, 2014	Cumulative Program Expenditures
Motor Vehicles												
Drunk Driving Enforcement Fund	A	6400-100-078-6400	1-1-11	12-31-11	\$ 3,372.53	\$ 3,372.53	\$	\$	\$	3,372.53	\$	3,372.53
Drunk Driving Enforcement Fund	A	6400-100-078-6400	1-1-10	12-31-10	3,265.00	2,269.72				1,371.37	898.35	2,366.65
Drunk Driving Enforcement Fund	A	6400-100-078-6400	1-1-09	12-31-09	9,489.00	7,964.72				4,743.90	1,722.47	7,778.53
County Offices on Alcoholism, Drug Abuse and Addiction Services:												
West Orange Municipal Alliance	A	2000-475-9915120-90	1-1-14	12-31-14	44,850.00		44,850.00			27,065.72	17,784.28	27,065.72
West Orange Municipal Alliance	A	2000-475-9915120-90	1-1-13	12-31-13	59,800.00	26,488.45				26,488.45		59,800.00
West Orange Municipal Alliance	A	2000-475-9915120-90	1-1-12	12-31-12	3,779.71	3,779.71				3,779.71		71,149.71
West Orange Municipal Alliance	A	2000-475-9915120-90	1-1-11	12-31-11	59,800.00	3,957.43				3,957.43		59,800.00
						34,223.59	44,850.00			61,291.31	17,784.28	
Department of Law and Public Safety												
Safe and Secure	A		6-1-11	5-31-12	60,000.00	60,000.00			(60,000.00)			
						60,000.00			(60,000.00)			
Transportation												
1984 New Jersey Transportation Trust												
Municipal Aid by Formula	A		1-1-08	12-31-08	186,000.00	850.00				850.00		186,000.00
Bradley Terrace	A		1-1-09	12-31-09	250,000.00	3,023.20				3,023.20		250,000.00
Municipal Aid by Formula	A		1-1-10	12-31-10	60,210.80	60,210.80			(60,210.80)			
Undercliff Terrace	A		1-1-12	12-31-12	82,026.08	22,249.92				22,249.92		82,026.08
Byrne Road	A		1-1-13	12-31-13	200,715.00	200,715.00				200,715.00		200,715.00
Municipal Aid by Formula	A		1-1-14	12-31-14	224,000.00		224,000.00				224,000.00	
Old Salem Road and Salem Place	A											
Vicious Streets	A											
Municipal Aid by Formula	A											
Various Streets	A											
						287,049.02	224,000.00		(60,210.80)	226,838.12	224,000.00	
Environmental Protection												
Clean Communities-2014	A	4900-765-042-4900	1-1-14	12-31-14	64,795.49		64,795.49				64,795.49	
Clean Communities-2013	A	4900-765-042-4900	1-1-13	12-31-13	69,098.00	69,098.00						69,098.00
Clean Communities-2012	A	4900-765-042-4900	1-1-12	12-31-12	58,818.87	58,818.87						58,818.87
Clean Communities-2011	A	4900-765-042-4900	1-1-11	12-31-11	58,600.00	18,941.99					18,941.99	
Clean Communities-2010	A	4900-765-042-4900	1-1-10	12-31-10	59,800.00	12,002.86				7,619.89		55,817.03
Municipal Stormwater Requisition Program	A	WQ05-229 (66,605)	1-1-05	12-31-05	20,619.00	20,619.00					20,619.00	
Community Stewardship Program	A		1-1-14	12-31-14	25,000.00		25,000.00				25,000.00	
No Net Loss Restoration Act	A	PF-09-746	10-1-08	3-31-12	279,356.00	279,356.00					279,356.00	
						486,835.82	89,795.49			7,619.89	538,811.42	
Health and Senior Services												
Public Health Priority Funding	A	4230-100-046-4E11	1-1-09	12-31-09	21,140.00	17.38				17.38		21,140.00
Division of Criminal Justice												
Body Armor Replacement Fund	A	1020CJ24515(2011)	1-1-12	12-31-12	8,643.61	3,435.32				3,435.32		8,643.61
Body Armor Replacement Fund	A		1-1-14	12-31-14	11,003.19		11,003.19			11,003.19		11,003.19
Neighborhood Preservation Program-Valley	A	2005-02351-3882-07	1-1-07	12-31-07	200,000.00	73.24				73.24		200,000.00
						3,608.50	11,003.19			14,311.75		
Juvenile Justice System												
Delinquency Prevention	A		6-1-14	12-31-14	18,563.00		18,563.00			13,311.70	5,251.30	18,563.00
Delinquency Prevention	A		6-1-13	12-31-13	19,363.00	914.35				914.35		18,563.00
Delinquency Prevention	A		6-1-12	12-31-12	18,383.00	1,307.10				1,307.10		18,563.00
Delinquency Prevention	A		6-1-11	12-31-11	18,583.00	2,892.26				2,892.26		18,563.00
						5,123.71	18,563.00			18,435.41	5,251.30	

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF EXPENDITURES OF STATE AWARDS
THROUGH DECEMBER 31, 2014**

State Funding Department and Description	Ref.	Grant Number	Grant Period From	To	Grant Award	Balance Dec. 31, 2013	2014 Grant	Local Match	Adjusted/ (Cancelled)	Paid or Charged	Balance Dec. 31, 2014	Cumulative Program Expenditures
New Jersey Transit	A	L-40083	1-15-11		10,000.00	\$ 10,000.00	\$	\$	\$	\$ 10,000.00	\$	10,000.00
Commuter Shuttle Grant	A	L-40083	1-15-10		20,000.00	20,000.00				20,000.00		20,000.00
Commuter Shuttle Grant	A	L-40083	1-15-09		30,000.00	30,000.00				30,000.00		30,000.00
County of Essex						60,000.00				60,000.00		
Essex County Office on Aging	A		1-1-13	12-31-13	17,335.00	157.50	17,335.00			157.50		17,335.00
Title III Older Americans Act	A		1-1-14	12-31-14	17,335.00		17,335.00			17,335.00		17,335.00
DOA Senior Citizens	A		1-1-12	12-31-12	27,640.00	27,640.00				27,640.00		
Essex County ILEA Grant	A					27,997.50	17,335.00			17,482.50	27,840.00	
											27,840.00	
Edward Byrne Memorial Justice Assistance Grant Program	A		1-1-2007	12-31-2007	11,512.00	183.61				88.22	115.39	11,396.61
						183.61				88.22	115.39	
Office of Information Technology												
Enhanced E-911 General Assistance	A	07-G-07-330	7-1-07	6-30-08	11,287.53	11,287.53				11,287.53		11,287.53
						11,287.53				11,287.53		
New Jersey Economic Development Authority												
Hazardous Discharge Site Remediation	A	P18695	1-1-2007		425,000.00	147,379.74				40,910.00	106,469.74	318,530.26
NJ Emergency Management Grant												
EMWA Grant	A		1-1-14	12-31-14	5,000.00	5,000.00	5,000.00				5,000.00	5,000.00
EMWA Grant	A		1-1-13	12-31-13	5,000.00	5,000.00	5,000.00				10,000.00	10,000.00
NJ Historic Preservation												
St. Cloud Historic Survey	A				24,500.00	24,500.00				24,500.00		24,500.00
NJ Energy Incentives												
Sustainable Jersey Small Grant	A		1-1-12	12-31-12	183.00	183.00				183.00		1,930.00
						183.00				183.00		
Solid Waste Administration												
Recycling Tonnage Grant	A	4800RC0853	1-1-12	12-31-12	52,009.07	52,009.07				30,432.00	52,009.07	30,432.00
Recycling Tonnage Grant	A	4800RC0853	1-1-11	12-31-11	54,817.70	54,817.70				30,432.00	24,385.70	24,385.70
						106,826.77				30,432.00	76,394.77	30,432.00
Legend (References)												
						\$ 1,237,482.95	\$ 410,546.88	\$	\$ (120,210.90)	\$ 516,531.01	\$ 1,009,287.72	\$ 1,613,474.37
A-Current Fund												

**TOWNSHIP OF WEST ORANGE
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2014**

1. General

The accompanying Schedules of Expenditures of Federal and State Awards present 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, 2014

General Capital Fund:

Environmental Infrastructure	<u>\$2,912,748.26</u>
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5. Department of Homeland Security

The Township received \$163,275.69 in 2014 for cost incurred in 2013 related to Super Storm Sandy.

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014**

Section 1 – Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified that are not considered to be material weaknesses? No

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weaknesses identified? No

Significant deficiencies identified that are not considered to be material weaknesses? No

Type of auditors' report issued on compliance for major programs: Unmodified

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

Identification of major federal and state program:

CFDA/Grant Number	Name of Federal Program
14.182 14-480-078-6320-AK3-6010	Section 8 Housing Choice Vouchers NJ Department of Transportation

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

Auditee qualified as low-risk auditee? Yes

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014**

Section I – Summary of Auditor’s Results

State Awards Section

Dollar threshold used to distinguish between Type A and Type B Programs

\$300,000

Auditee qualified as low-risk auditee?

 X Yes No

Internal Control over major programs:

1) Material weakness(es) identified

 Yes X No

2) Significant deficiency(ies) that are not considered to be material weakness(es)?

 Yes X No

Type of auditor’s report used on compliance for major programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section .510 (a) of Circular A-133?

 Yes X No

Identification of major programs:

State Grant/Project Number

Name of State Program

14-480-078-6320-AK3-6010
Commuter Shuttle Grants

NJ Department of Transportation
NJ Transit

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014**

Section 2 – Financial Statement Findings

Finding 2014-1

Payroll & Human Resources

Criteria

The Township is required by Federal law to properly complete Form I-9 in order to document verification of the identity and employment authorization of each new employee (both citizen and noncitizen) hired after November 6, 1986.

Condition and Effect

During the course of our engagement, it was noted that Form I-9's that were completed during CY 2014 were not properly signed by an authorized representative of the Township. As per USCIS Form I-9 "Instructions for Employment Eligibility Verification," an employer may be fined if the form is not completed properly.

Cause

The condition is a result of the Township not designing, implementing and adhering to proper internal control policies.

Recommendation

The Township should implement internal control policies to ensure that key documents are reviewed for completeness and proper compliance. Additionally, all staff should receive on-going education and training relevant to their roles in the Township.

Questioned Costs

There are no known questioned costs.

Management's Response

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014**

Finding 2014-2

Recreation Department

Criteria

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

Condition and Effect

During the course of our engagement, it was noted that the department is only issuing receipts for residents that pay cash.

Cause

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

Recommendation

The department should issue and maintain receipts for all transactions, regardless of whether they are cash, check or credit.

Questioned Costs

There are no known questioned costs.

Management's Response

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014**

Finding 2014-3

Recreation Department

Criteria

The Township is required by the State of New Jersey's Local Fiscal Affairs Law, N.J.S.A. 40A:5-15, to turn over all monies collected to the officer charged with the custody of the general funds of the local unit, within 48 hours.

Condition and Effect

During the course of our engagement, it was noted that department was not turning over monies collected within 48 hours. Twelve individual receipts from CY 2014 were tested. Six out of the twelve receipts tested were not turned over within 48 hours. Additionally, it was confirmed by staff that monies are sometimes withheld until the start of a recreation program. If the program is cancelled, the monies can then be refunded quickly to the participants.

Cause

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

Recommendation

The department should implement procedures so that revenue collected is regularly turned over to the Finance department to ensure compliance with N.J.S.A. 40A:5-15. The practice of refunding money for cancelled programs should cease. The Township should authorize and expend refunds through the purchase order system.

Questioned Costs

There are no known questioned costs.

Management's Response

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014**

Finding 2014-5

Construction Code

Criteria

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

Condition and Effect

During the course of our engagement, it was noted that the department over-paid DCA fees to the State of New Jersey. The calculated year-end liability for CY 2014 is \$11,961, however, the department paid \$12,697 in the 1st quarter of 2015. The overpayment amount is \$736.

Cause

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

Recommendation

The department should review quarterly DCA payments in order to ensure that proper amounts are remitted to the State of New Jersey.

Questioned Costs

There are no known questioned costs.

Management's Response

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014**

Finding 2014-6

Construction Code

Criteria

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

Condition and Effect

During the course of our engagement, it was noted that the fees charged for "Backflow Preventor" installations are not in accordance with Township code. As West Orange Municipal Code 13-4.1 b.1 (h), the fee amount is \$50.00. As determined through testing, the department is charging \$20.00.

Cause

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

Recommendation

The department should review that all fees are charged in accordance with municipal and State code.

Questioned Costs

There are no known questioned costs.

Management's Response

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014**

Finding 2014-7

Section 8 Housing

Criteria

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

Condition and Effect

During the course of our engagement, it was noted that required documentation necessary for compliance with Federal Grant guidelines is missing or incomplete. Six out of twenty items tested did not have the necessary income verification documentation. Original Section 8 housing applications were not available for testing. Signed leases were also unavailable for nine out of twenty applications tested.

Cause

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

Recommendation

The department should review applicable Federal guidelines in order to ensure compliance with respect to documentation and record retention.

Questioned Costs

There are no known questioned costs.

Management's Response

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014**

Finding 2014-8

Service Organization Controls – Third Party Administrator

Criteria

As per the *Statements on Standards for Attestation Engagements No. 16* and *Local Finance Notice 2003-15*, the township is required to receive a Service Organization Controls report for a third party that have an effect on the Township's financial statements.

Condition and Effect

During the course of our engagement, it was noted that Township engaged a third party administrator for the purposes of medical claims processing. As per SSAE No. 16, a SOC 1 report was requested but was not provided.

Cause

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

Recommendation

The department should ensure that SOC 1 reports are obtained for all applicable third party administrators.

Questioned Costs

There are no known questioned costs.

Management's Response

The service organization for which the SOC 1 report was to be issued was in the process of merging; because of this merger a SOC 1 report was not issued for December 31, 2014. It is the intention of the company to comply with the requirement for the next period.

Section 3 – Major Federal Award Findings and Questioned Costs

None Noted

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014**

Section 4 – Prior Year Audit Findings and Questioned Costs

Finding No. 2013-1

Voucher Testing

Criteria

The Township is required by the State of New Jersey Division of Local Government regulations to implement policies and procedures to ensure that all activity is accurate and complete, as well as the safeguarding of assets and adherence to Local Public Contracts Laws and N.J.S.A. 40A:11-4 regarding bids and quotes.

Condition and Effect

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

- 1) Several vouchers did not contain sufficient support; additionally, certain quotes were not on file.
- 2) Several vouchers were prepared after the goods or services were already rendered resulting in confirming purchase orders.

The effect is that:

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

Cause

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

Recommendation

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

Questioned Costs

There are no known questioned costs.

Management's Response

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2014**

Finding No. 2013-2

Outside Employment of Off-Duty Police Officers

Criteria

The Township is required to 1) maintain an escrow account for the purpose of receiving deposits from persons or entities requesting use of off-duty police personnel and 2) receive funds from requesting party in advance prior to approving request and/or rendering services.

Condition and Effect

During the course of our engagement, it was noted through correspondence with Township staff that services of off-duty police personnel were rendered without the required funds being paid prior to the services being rendered. The effect is that the Township is not in compliance with statutory requirements with respect to the funding and use of off-duty police personnel.

Cause

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

Recommendation

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

Questioned Costs

There are no known questioned costs.

Management's Response

Section 5 – Corrective Action Plan

Not Applicable

**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 "Except 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 \$2,625.00 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.

Collection of Interest on Delinquent Taxes and other Municipal Charges.

N.J.S.A. 54:4-47, as amended, 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, on January 4, 1999, adopted the following resolution authorizing interest to be charged on delinquent taxes, assessments and utility bills:

"WHEREAS, R.S. 54:4-66 regulates the due dates for the payment of taxes and assessment, and

WHEREAS, Chapter 105, P.L. 1965, amended R.S. 54:4-67 authorizes the municipalities to provide a grace period not exceeding ten (10) days.

Bonded Officials

The following officials were bonded during the year ended December 31, 2014 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 are available for audit.

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, as amended states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to (N.J.S.A. 40A:11-3c), except by contract or agreement."

It is pointed out that the Township Council has the responsibility of determining whether the expenditures in any category will exceed the threshold set for the fiscal year and, where question arises as to whether any contract or agreement might result in violation of the statute, the opinion of the Township Attorney should be sought before a commitment is made.

The bidding threshold for the period under audit was \$17,500.00 in accordance with the provisions of N.J.S.A. 40A:11-3c since the Township does not have a qualified purchasing agent.

Notwithstanding N.J.S.A. 40A:11-3a, P.L. 2005, Chapter 51 and N.J.S.A. 19:44A-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 or 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.

The minutes indicate that bids were requested by public advertising for all required purchases.

The minutes indicate that proposals are solicited for "Professional Services" in accordance with N.J.S.A.19:44A:20-5.

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.

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2014 consist of unpaid taxes for the year 2014. 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 November 13, 2014, and was complete except for one property which was in bankruptcy.

Pension Eligibility

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

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

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 2013 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

The voucher testing indicated the use of confirming orders and other supporting documentation not be available for review.

It was observed the police officers were being paid for outside work before vendors were being billed and funds were being collected.

TOWNSHIP OF WEST ORANGE

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COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2014

CONSTRUCTION CODE

FINDING: It was noted that there was an overpayment to the State of New Jersey for DCA fees.

RECOMMENDATION: Greater care should be taken when remitting DCA fees to the State.

FINDING: Fees charged for "Backflow Preventor" were charged \$20.00 while the Municipal Code establishes the fee amount at \$50.00.

RECOMMENDATION: All fees should be charged in accordance with the municipal code.

RECREATION

FINDING: Receipts were issued only for cash transactions and not for transactions executed with checks.

RECOMMENDATION: Receipts should be issued to the payor for all amounts paid to the department.

FINDING: There are funds held by the department for more than 48 hours. Funds for recreation programs are held until it is determined that the program will commence. If the program does not commence, the original funds are returned to the payor.

RECOMMENDATION: The department should deposit all funds within 48 hours.

FINDING: The cash book for recreation is not totaled on a monthly basis and does not consistently record receipts by program.

OUTSIDE POLICE SERVICES:

FINDING: Expenditures for Outside Police services are being made by the Township prior to the collection of the funds from the vendor.

RECOMMENDATION: The Township should take greater care in securing payments from vendors prior to the incursion of any associated costs.

VOUCHER TESTING

FINDING: During voucher testing various exceptions were noted including the use of confirming orders, and lack of supporting documentation.

RECOMMENDATION: All applicable purchasing guidelines and Local Public Contracts Law should be adhered to.

PAYROLL AND HUMAN RESOURCES

FINDING: Form I-9's were not properly signed by an authorized representative of the Township.

RECOMMENDATION: All Form I-9's should be properly signed by an authorized representative of the Township.

SECTION 8

FINDING: It was noted that required documentation necessary for compliance with Federal Grant guidelines was missing or incomplete.

RECOMMENDATION: The department should review applicable Federal guidelines in order to ensure compliance with documentation and record retention.

SERVICE ORGANIZATION CONTROLS – THIRD PARTY ADMINISTRATOR

FINDING: As per Local Finance Bulletin 2003-15, an SSAE No. 16 –SOC 1 report was not acquired from the medical claims processing vendor in 2014.

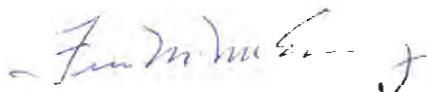
RECOMMENDATION: Local Finance Bulletin 2003-15 should be adhered to and a SOC-1 report received on an annual basis.

The forgoing comments and resultant recommendations 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.

Respectfully submitted,

Livingston, New Jersey
June 15, 2015



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