



TOWNSHIP OF WEST ORANGE

FINANCIAL STATEMENTS

WITH

INDEPENDENT AUDITORS' REPORT

AND

REPORTS ON INTERNAL CONTROL AND COMPLIANCE

YEAR ENDED DECEMBER 31, 2015

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, 2015

ROSTER OF OFFICIALS

The following officials were in office as of December 31, 2015

| <u>Name</u> | <u>Title</u> |
|--------------------|--|
| Robert D. Parisi | Mayor |
| Susan McCartney | Council President |
| Jerry Guarino | Councilman |
| Victor Cirilo | Councilman |
| Joseph Krakoviak | Councilman |
| Michelle Casalino | Councilwoman |
| John K. Sayers | Business Administrator |
| Karen J. Carnevale | Municipal Clerk |
| John O. Gross | Comptroller, Treasurer and Chief Financial Officer |
| Joanne Gagliardo | Tax Collector |
| Dennis O'Dowd | Chief Judge - Municipal Court |
| Margaret Padavano | Judge - Municipal Court |
| Edrie Daniels | Municipal Court Administrator |
| Kevin Dillon | Tax Assessor |



Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying 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, 2015, the statements of revenues, expenditures and changes in fund balances for the year ended December 31, 2015 and the related notes to the financial statements, which collectively comprise the 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States; and audit requirements as prescribed by the Division. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the regulatory basis financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 A, 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, 2015, or the changes in financial position for the year 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, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles and practices prescribed by the Division, as described in Note A to the financial statements.

Report on Summarized Comparative Information

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

Other Matters

Other Information

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

The schedules of expenditures of federal awards and the information included in the supplementary sections are 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 federal 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 July 29, 2016 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.

PKF O'Connor Davies, LLP

July 29, 2016
Livingston, New Jersey

Francis M. McEnerney

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, 2015 AND 2014**

| <u>ASSETS</u> | <u>Ref.</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|-------------------------|-------------------------|
| CASH | A-4 | \$ 13,622,451.33 | \$ 12,777,904.56 |
| Due from State of New Jersey - Ch. 20, P.L. 1971 | A-16 | 30,232.43 | 29,982.43 |
| RECEIVABLES AND OTHER ASSETS WITH FULL RESERVES: | | | |
| Change Funds | A-6 | 450.00 | 450.00 |
| Retiree Drug Subsidy Program Receivable Established | A-6A | 89,140.67 | 209,474.63 |
| Delinquent Property Taxes | A-7 | 2,474,569.33 | 2,267,368.68 |
| Tax Title Liens | A-8 | 1,088,852.87 | 895,340.57 |
| Property Acquired for Taxes - Assessed Valuation | A-9 | 392,465.00 | 392,465.00 |
| Revenue Accounts Receivable | A-11 | 170,138.88 | 50,756.04 |
| Sewer User Charges Receivable | A-12 | 348,594.50 | 376,818.24 |
| Due From All Other Funds | A-13 | | 0.02 |
| | | <u>4,564,211.25</u> | <u>4,192,673.18</u> |
| DEFERRED CHARGES: | | | |
| Special Emergency Authorizations (40A:4-53) | A-27 | <u>3,638,050.00</u> | <u>4,424,262.00</u> |
| | | <u>21,854,945.01</u> | <u>21,424,822.17</u> |
| STATE AND FEDERAL GRANTS RECEIVABLE | | | |
| State and Federal Grants Receivable | A-23 | 1,504,900.18 | 1,856,220.15 |
| Due from Current Fund | A-24 | 540,576.57 | 350,681.01 |
| | | <u>2,045,476.75</u> | <u>2,206,901.16</u> |
| | | <u>\$ 23,900,421.76</u> | <u>\$ 23,631,723.33</u> |

See Accompanying Notes to Financial Statements

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A
Sheet # 2

**COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | <u>Ref.</u> | <u>2014</u> | <u>2014</u> |
|---|-------------|--------------------------|--------------------------|
| LIABILITIES: | | | |
| Appropriation Reserves | A-3, A-15 | \$ 1,366,830.15 | \$ 1,331,375.21 |
| Reserve for Encumbrances | A-3, A-15 | 1,005,075.55 | 1,101,799.72 |
| Accounts Payable | A-17 | 21,150.00 | 15,200.00 |
| County Taxes Payable | A-20 | 49,446.51 | 54,162.25 |
| School Taxes Payable | A-19 | 1.02 | 1.02 |
| Fees Due to State of New Jersey | A-21 | 8,518.00 | 10,760.00 |
| Prepaid Taxes | A-22 | 1,315,722.23 | 859,549.39 |
| Emergency Note | A-14 | 3,631,550.00 | 4,424,262.00 |
| Tax Appeals Payable | A-10 | 831,120.73 | 1,693,804.75 |
| Tax Title Lienholders Payable | A-10A | 489,027.88 | 169,203.89 |
| Tax Title Lien Premiums Payable | A-10B | 4,565,853.14 | 3,705,853.14 |
| Due to Grant Fund | A-13 | 540,576.57 | 350,681.01 |
| Tax Overpayments | A-18 | 37,789.71 | 1,580.80 |
| Prepaid Health Licenses | A-14C | | 2,120.00 |
| Sewer Rent Overpayments | A-17A | 9,224.24 | 8,296.00 |
| | | <u>13,871,885.73</u> | <u>13,728,649.18</u> |
| Reserve for Receivables and Other Assets | A | <u>4,564,211.25</u> | <u>4,192,673.18</u> |
| FUND BALANCE | A-1 | <u>3,418,848.03</u> | <u>3,503,499.81</u> |
| | | <u>21,854,945.01</u> | <u>21,424,822.17</u> |
| STATE AND FEDERAL GRANT FUND | | | |
| Appropriated Reserves-Grants | A-25 | 1,825,078.90 | 2,026,869.85 |
| Unappropriated Reserves-Grants | A-26 | 220,397.85 | 180,031.31 |
| | | <u>2,045,476.75</u> | <u>2,206,901.16</u> |
| | | <u>\$ 23,900,421.76</u> | <u>\$ 23,631,723.33</u> |

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-1

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

| | <u>Ref.</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|-----------------|-----------------|
| REVENUE AND OTHER INCOME: | | | |
| Fund Balance Utilized | A-2 | \$ 2,898,302.12 | \$ 2,898,302.12 |
| Miscellaneous Anticipated Revenue | A-2 | 16,589,690.51 | 17,006,720.96 |
| Receipts from Delinquent Taxes | A-2 | 2,288,377.30 | 2,172,350.80 |
| Receipts from Current Taxes | A-2, A-7 | 211,161,577.43 | 207,172,935.47 |
| Non-Budget Revenues | A-2 | 456,673.55 | 447,996.94 |
| Other Credit to Income: | | | |
| Appropriation Reserves Lapsed | A-15 | 1,161,290.13 | 982,893.14 |
| Retiree Drug Subsidy Receivable Liquidated (Net) | A-6A | 120,333.96 | 247,064.22 |
| Interfund Decrease | | | 89,779.44 |
| Accounts Payable Canceled | | | 870.11 |
| | | 234,676,245.00 | 231,018,913.20 |
| TOTAL REVENUE AND OTHER INCOME | | | |
| EXPENDITURES: | | | |
| Budgeted and Emergency Appropriations | A-3 | 72,801,094.63 | 72,994,382.39 |
| Prior Year Exemptions Disallowed | A-16 | 2,750.00 | 3,500.00 |
| Due to Library | | | 3,474.25 |
| Interfund Receivable Canceled | A-13 | 0.02 | |
| Deferred Charge - Canceled | A-27 | 346,537.00 | |
| Local District School Tax | A-19 | 130,774,418.00 | 127,999,172.00 |
| County Taxes | A-20 | 29,994,060.40 | 29,704,099.14 |
| Special Improvement District Assessment | A-14B | 104,683.67 | 104,412.42 |
| Open Space Trust | A-14A | 145,550.94 | 145,641.37 |
| | | 234,169,094.66 | 230,954,681.57 |
| TOTAL EXPENDITURES | | | |
| EXCESS OF REVENUE OVER EXPENDITURES | | 507,150.34 | 64,231.63 |
| ADJUSTMENTS TO INCOME BEFORE FUND BALANCE: | | | |
| EXPENDITURES INCLUDED ABOVE WHICH ARE BY STATUTE | | | |
| DEFERRED CHARGES TO BUDGET OF SUCCEEDING YEAR | A-3 | 2,306,500.00 | 3,284,702.00 |
| STATUTORY EXCESS TO FUND BALANCE | | 2,813,650.34 | 3,348,933.63 |
| FUND BALANCE, BEGINNING OF YEAR | | 3,503,499.81 | 3,052,868.30 |
| | | 6,317,150.15 | 6,401,801.93 |
| UTILIZED AS ANTICIPATED REVENUE | | 2,898,302.12 | 2,898,302.12 |
| FUND BALANCE, END OF YEAR | | \$ 3,418,848.03 | \$ 3,503,499.81 |

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, 2015

| | <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 | \$ 70,139.00 | \$ 69,520.32 | \$ (618.68) |
| Other | A-11 | 43,754.00 | 53,689.00 | 9,935.00 |
| Fees and Permits | A-11 | 255,655.65 | 284,485.93 | 28,830.28 |
| Fines and Costs - Municipal Court | A-11 | 511,997.97 | 500,786.09 | (11,211.88) |
| Interest and Costs on Taxes | A-11 | 776,445.39 | 628,806.31 | (147,639.08) |
| Parking Meters | A-11 | 22,724.87 | 20,595.58 | (2,129.29) |
| Interest on Investments | A-11 | 46,655.87 | 34,886.76 | (11,769.11) |
| Payments in Lieu of Taxes: | | | | |
| West Orange Senior Citizen Housing | A-11 | 117,900.00 | 117,900.00 | |
| Jewish Federation Plaza | A-11 | 106,021.96 | 107,436.32 | 1,414.36 |
| Eagle Rock Senior Citizen Housing | A-11 | 60,407.00 | 60,407.00 | |
| Woodland Valley | A-11 | 32,195.70 | 32,332.50 | 136.80 |
| St. Barnabas | A-11 | 287,188.00 | 296,000.00 | 8,812.00 |
| Other | A-11 | | 500.00 | 500.00 |
| Sewer User Charges | A-12 | 5,024,249.78 | 5,056,608.79 | 32,359.01 |
| Energy Receipts Tax | A-11 | 4,691,252.00 | 4,691,252.00 | |
| Watershed Moratorium Offset Aid | A-11 | 5,217.00 | 5,217.00 | |
| Uniform Construction Code Fees | A-11 | 596,503.00 | 887,222.36 | 290,719.36 |
| Interlocal Service Agreements | A-11 | 10,474.00 | 13,548.57 | 3,074.57 |
| Uniform Fire Safety Act | A-11 | 66,779.58 | 63,229.63 | (3,549.95) |
| General Capital Fund Surplus | A-11 | 192,307.96 | 192,307.96 | |
| Supplemental Sewer Fees | A-11 | 29,616.00 | 202,400.00 | 172,784.00 |
| Cable TV Franchise Fees | A-11 | 609,736.57 | 638,895.41 | 29,158.84 |
| Ground Leases | A-11 | 142,417.14 | 177,672.48 | 35,255.34 |
| Hotel Tax | A-11 | 488,864.20 | 481,246.51 | (7,617.69) |
| Medical Transport Billing Service | A-11 | 649,006.59 | 786,939.32 | 137,932.73 |
| Assessment Trust Fund Balance | A-11 | 11,967.21 | 11,967.21 | |
| Rental-Environmental Center | A-11 | 93,500.00 | 102,000.00 | 8,500.00 |
| Extra Duty Fees | A-11 | 122,114.66 | 143,230.96 | 21,116.30 |
| | | <u>15,065,091.10</u> | <u>15,661,084.01</u> | <u>595,992.91</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, 2015

| | Ref. | Anticipated Budget | Realized | Excess or (Deficit) |
|--|---------|-----------------------|-------------------------|------------------------|
| State Grants: | | | | |
| Transportation Municipal Aid | A-13 | \$ 226,000.00 | \$ 226,000.00 | \$ |
| Hazardous Discharge Grant | A-13 | 19,011.20 | 19,011.20 | |
| Municipal Alliance for Alcoholism and Drug Abuse | A-13 | 59,800.00 | 59,800.00 | |
| Essex County DOA Senior Citizens | A-13 | 16,127.00 | 16,127.00 | |
| Essex County Delinquency Prevention Grant | A-13 | 18,563.00 | 18,563.00 | |
| Body Armor Replacement Fund | A-13 | 8,599.73 | 8,599.73 | |
| ABC Grants | A-13 | 11,629.88 | 11,629.88 | |
| Bullet Proof Vest Fund | A-13 | | | |
| Recycling Tonnage Grant | A-13 | 126,404.18 | 126,404.18 | |
| Drunk Driving Enforcement Fund | A-13 | 3,975.00 | 3,975.00 | |
| CLG Grant | A-13 | 12,548.00 | 12,548.00 | |
| SAFER Grant | A-13 | 425,948.51 | 425,948.51 | |
| | | <u>928,606.50</u> | <u>928,606.50</u> | |
| | | | | |
| TOTAL MISCELLANEOUS ANTICIPATED REVENUES | A-1 | <u>15,993,697.60</u> | <u>16,589,690.51</u> | <u>595,992.91</u> |
| RECEIPTS FROM DELINQUENT TAXES | A-1,A-2 | <u>2,347,622.49</u> | <u>2,288,377.30</u> | <u>(59,245.19)</u> |
| | | | | |
| AMOUNT TO BE RAISED BY TAXES FOR SUPPORT OF MUNICIPAL BUDGET | A-2 | <u>52,864,743.26</u> | <u>53,029,922.41</u> | <u>165,179.15</u> |
| BUDGET TOTALS | A-3 | <u>74,104,365.47</u> | <u>74,806,292.34</u> | <u>701,926.87</u> |
| | | | | |
| NON-BUDGET REVENUES | | | | |
| Miscellaneous Revenues Not Anticipated | A-11 | | \$ 456,673.03 | |
| Less: Other Miscellaneous Items - Net | | | <u>0.52</u> | |
| NON-BUDGET REVENUES TOTALS | A-1 | | <u>456,673.55</u> | |
| | | | <u>\$ 75,262,965.89</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, 2015**

| | <u>Ref.</u> | |
|---|-------------|--------------------------|
| ANALYSIS OF REALIZED REVENUES: | | |
| Allocation of Current Tax Collection: | | |
| Revenue from Collections | A-1, A-7 | <u>\$ 211,161,577.43</u> |
| Allocated to - Municipal Open Space Tax | A-1, A-7 | 145,550.94 |
| Allocated to - Special Improvement District | A-1, A-7 | 104,683.67 |
| Allocated to - School Taxes | A-1, A-7 | 130,774,418.00 |
| Allocated to - County Taxes | A-1, A-7 | <u>29,994,060.40</u> |
| Total Allocated to Other Agencies | | <u>161,018,713.01</u> |
| Balance for Support of Municipal Budget Appropriations | | 50,142,864.42 |
| Add Appropriation Reserve for Uncollected Taxes | A-3 | <u>2,887,057.99</u> |
| Amount for Support of Municipal Budget Appropriations | A-2 | <u>\$ 53,029,922.41</u> |
| Delinquent Tax Collections | | |
| Cash Received | | |
| Total Delinquent Tax Collections | A-1, A-7 | <u>\$ 2,288,377.30</u> |

See Accompanying Notes to Financial Statements

TOWNSHIP OF WEST ORANGE
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

| | Budget | Budget After Modification | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|--------------------------------------|--------------|---------------------------|-----------------|------------|----------|------------------------------|
| | | | | Encumbered | Reserved | |
| 3. GENERAL APPROPRIATIONS | | | | | | |
| (A) Operations - within "CAPS" | | | | | | |
| EXECUTIVE AND LEGISLATIVE DEPARTMENT | | | | | | |
| Office of the Mayor and Agencies | | | | | | |
| Office of the Mayor | | | | | | |
| Salaries and Wages | \$ 89,824.83 | \$ 80,797.72 | \$ 80,797.72 | \$ | \$ | \$ |
| Other Expenses | 21,446.00 | 820.07 | 857.08 | 162.99 | | |
| Public Information Officer | | | | | | |
| Other Expenses | 595.00 | | | | | |
| Governing Body | | | | | | |
| Town Council | | | | | | |
| Salaries and Wages | 62,435.00 | 62,145.66 | 62,145.66 | | | |
| Advertising Expenses | 32,400.00 | 22,607.51 | 20,622.50 | 1,985.01 | | |
| Other Expenses | | | | | | |
| Alcoholic Beverage Control | | | | | | |
| Salaries and Wages | 700.00 | 700.00 | 700.00 | | | |
| Other Expenses | 250.00 | 201.00 | 201.00 | | | |
| Litigation Expenses | | | | | | |
| Other Expenses | 275,000.00 | 245,000.00 | 235,438.72 | | 9,561.28 | |
| Office of the Township Clerk | | | | | | |
| Township Clerk | | | | | | |
| Salaries and Wages | 213,187.33 | 197,204.98 | 197,204.98 | | | |
| Other Expenses | 2,000.00 | 2,000.00 | 1,100.22 | | 899.78 | |
| Elections | | | | | | |
| Salaries and Wages | 4,000.00 | 2,812.97 | 2,812.97 | | | |
| Other Expenses | 17,500.00 | 17,500.00 | 16,117.09 | | 1,382.91 | |
| Office of the Township Attorney | | | | | | |
| Township Attorney | | | | | | |
| Salaries and Wages | 74,000.00 | 63,822.35 | 63,822.35 | | | |
| Other Expenses | 61,440.00 | 61,440.00 | 55,100.00 | 5,000.00 | 1,340.00 | |
| Human Relations Commission | | | | | | |
| Other Expenses | 5,100.00 | 5,100.00 | 2,424.96 | 88.55 | 2,586.49 | |
| Statutory Agencies | | | | | | |
| Planning Board | | | | | | |
| Salaries and Wages | 5,250.00 | 5,249.40 | 5,249.40 | | | |
| Other Expenses | 10,400.00 | 10,400.00 | 5,274.70 | 609.11 | 4,516.19 | |
| Board of Adjustment | | | | | | |
| Salaries and Wages | 5,250.00 | 5,249.40 | 5,249.40 | | | |
| Other Expenses | 4,530.00 | 4,530.00 | 3,306.70 | 203.80 | 1,016.50 | |

TOWNSHIP OF WEST ORANGE
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

| | Budget | Budget After Modification | Paid or Charged | Expended | | Unexpended Balance Canceled |
|--|---------------------|---------------------------|---------------------|------------------|-------------------|-----------------------------|
| | | | | Encumbered | Reserved | |
| Waste Management | | | | | | |
| Other Expenses | \$ 259,102.93 | \$ 259,102.93 | \$ 116,088.70 | \$ 54,833.04 | \$ 88,181.19 | \$ |
| Municipal Court | | | | | | |
| Salaries and Wages | 391,446.20 | 355,000.47 | 355,000.47 | | | |
| Other Expenses | 31,300.00 | 31,300.00 | 25,105.59 | 3,870.48 | 2,323.93 | |
| Public Defender (P.L. 1997, C.266) | | | | | | |
| Salaries and Wages | 19,200.00 | 15,400.00 | 15,400.00 | | | |
| Other Expenses | 6,000.00 | 6,000.00 | | | 8,000.00 | |
| Open Space Recreation and Environmental Commission (N.J.S.A. 40:56A-1) | | | | | | |
| Other Expenses | 150.00 | 150.00 | 125.00 | | 25.00 | |
| Rent Leveling Board | | | | | | |
| Other Expenses | 75.00 | 75.00 | | | 75.00 | |
| TOTAL EXECUTIVE AND LEGISLATIVE DEPT | 1,591,582.09 | 1,494,409.46 | 1,279,749.21 | 66,752.98 | 117,908.27 | |
| DEPT. OF ADMINISTRATION AND FINANCE | | | | | | |
| Office of the Business Administrator | | | | | | |
| Director | | | | | | |
| Salaries and Wages | 250,505.68 | 253,996.15 | 253,996.15 | | | |
| Other Expenses | 173,200.00 | 173,200.00 | 90,316.82 | 5,542.59 | 77,340.60 | |
| Other Expenses | 1,000.00 | 1,000.00 | | | 1,000.00 | |
| Administration of Township Owned Property | | | | | | |
| Division of Administration | | | | | | |
| Central Purchasing | | | | | | |
| Salaries and Wages | 159,792.80 | 161,174.52 | 161,174.52 | | | |
| Other Expenses | 38,400.00 | 38,400.00 | 28,749.12 | 1,355.68 | 8,295.32 | |
| Central Printing and Supplies | | | | | | |
| Other Expenses | 27,700.00 | 27,700.00 | 14,775.92 | 1,806.32 | 11,117.76 | |
| Central Telephone | | | | | | |
| Other Expenses | 235,000.00 | 245,133.14 | 232,098.66 | 12,353.71 | 889.77 | |
| Central Insurance | | | | | | |
| Insurance Fund SAW | 2,400.00 | 2,400.00 | 2,400.00 | | | |
| Employee Group Health (Emergency) | 10,065,539.12 | 11,850,213.83 | 11,816,991.56 | 30.28 | 33,151.99 | |
| Unemployment Compensation Insurance | 100.00 | 100.00 | (4,063.01) | | 4,163.01 | |
| General Liability | 899,652.00 | 899,652.00 | 899,652.00 | | | |
| Workers Compensation | 494,212.59 | 494,212.59 | 488,425.16 | | 5,787.41 | |
| Central Mailing Service | | | | | | |
| Other Expenses | 73,750.00 | 73,750.00 | 62,515.16 | 45.00 | 11,189.84 | |

TOWNSHIP OF WEST ORANGE
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

| | Budget | Budget After Modification | Paid or Charged | Expended | | Unexpended Balance Canceled |
|--|---------------|---------------------------|-----------------|------------|-------------|-----------------------------|
| | | | | Encumbered | Reserved | |
| Township Physician | | | | | | |
| Other Expenses | \$ 9,365.00 | \$ 9,365.00 | \$ 1,696.00 | \$ 900.00 | \$ 6,769.00 | \$ |
| Division of Treasury | | | | | | |
| Collector's Office | | | | | | |
| Salaries and Wages | 207,784.00 | 193,305.58 | 193,305.58 | | 2,583.30 | |
| Other Expenses | 20,900.00 | 20,900.00 | 15,294.99 | 3,021.51 | | |
| Township Treasurer | | | | | | |
| Other Expenses | 9,900.00 | 9,900.00 | 2,887.07 | 402.33 | 6,610.60 | |
| Division of Accounts and Control | | | | | | |
| Comptroller's Office | | | | | | |
| Salaries and Wages | 530,863.40 | 393,348.49 | 393,348.49 | | | |
| Other Expenses | 189,285.00 | 189,285.00 | 173,182.88 | 9,480.57 | 6,621.55 | |
| TOTAL DEPARTMENT OF ADMINISTRATION AND FINANCE | 13,389,349.79 | 15,037,037.30 | 14,826,739.09 | 34,937.86 | 175,390.35 | |
| DEPARTMENT OF PLANNING AND DEVELOPMENT | | | | | | |
| Director | | | | | | |
| Planning Department | | | | | | |
| Salaries and Wages | 252,672.00 | 172,707.83 | 172,707.83 | | | |
| Other Expenses | 32,045.00 | 32,045.00 | 24,031.12 | 5,318.25 | 2,695.63 | |
| Housing Code Enforcement | | | | | | |
| Salaries and Wages | 253,362.00 | 237,903.90 | 237,903.90 | | | |
| Other Expenses | 5,725.00 | 5,725.00 | 3,007.98 | 617.73 | 2,099.29 | |
| Historic Preservation Commission | | | | | | |
| (N.J.S.A. 40A:55D-107) | | | | | | |
| Other Expenses | 1,500.00 | 1,500.00 | 3.60 | | 1,496.40 | |
| Arts Council | | | | | | |
| Other Expenses | 1,500.00 | 1,500.00 | 544.88 | 955.02 | | |
| Downtown West Orange Alliance | | | | | | |
| Salaries and Wages | 42,509.00 | 42,509.00 | 41,701.60 | 88.85 | 718.55 | |
| Other Expenses | | | | | | |
| Energy Commission | | | | | | |
| Other Expenses | 1,000.00 | 1,000.00 | | | 1,000.00 | |
| TOTAL DEPARTMENT OF PLANNING AND DEVELOPMENT | 650,313.00 | 494,890.73 | 479,901.01 | 6,979.85 | 8,006.87 | |
| DEPARTMENT OF ASSESSMENT | | | | | | |
| Assessor's Office | | | | | | |
| Salaries and Wages | 223,196.53 | 227,977.56 | 227,977.56 | | | |
| Other Expenses | 10,800.00 | 10,600.00 | 5,953.20 | 3,148.35 | 1,898.45 | |
| TOTAL DEPARTMENT OF ASSESSMENT | 233,799.53 | 238,577.56 | 233,930.76 | 3,148.35 | 1,898.45 | |

TOWNSHIP OF WEST ORANGE
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

| | Budget | Budget After Modification | Paid or Charged | Expended | | Unexpended Balance Canceled |
|---|----------------------|------------------------------|----------------------|------------------|------------------|-----------------------------------|
| | | | | Encumbered | Reserved | |
| DEPARTMENT OF POLICE | | | | | | |
| Division of Police | | | | | | |
| Salaries and Wages | \$ 12,119,852.07 | \$ 11,980,138.05 | \$ 11,932,525.40 | \$ | \$ 47,612.55 | \$ |
| Uniform Allowance | 97,600.00 | 97,900.00 | 97,900.00 | | | |
| Other Expenses | 420,824.00 | 439,703.23 | 378,643.22 | 51,055.95 | 10,004.06 | |
| TOTAL DEPARTMENT OF POLICE | 12,639,276.07 | 12,517,741.28 | 12,409,068.62 | 51,055.95 | 57,616.71 | |
| DEPARTMENT OF FIRE | | | | | | |
| Division of Fire | | | | | | |
| Salaries and Wages | 8,774,800.80 | 8,749,900.90 | 8,717,977.74 | | 31,923.06 | |
| Other Expenses | 122,200.00 | 122,200.00 | 94,947.06 | 26,409.25 | 843.69 | |
| Uniforms | 74,400.00 | 74,400.00 | 69,333.32 | | 5,066.68 | |
| Uniform Fire Safety Act (C. 393, P.L. 1983) | | | | | | |
| Salaries and Wages | 28,250.00 | 7,477.37 | 7,477.37 | | | |
| Other Expenses | 38,530.00 | 38,530.00 | 23,066.85 | 15,463.15 | | |
| Emergency Management Service | | | | | | |
| Salaries and Wages | 4,950.00 | | | | | |
| Other Expenses | 5,800.00 | 5,800.00 | 2,492.64 | 3,307.36 | | |
| TOTAL DEPARTMENT OF FIRE | 9,049,050.80 | 8,988,308.17 | 8,915,294.98 | 45,179.76 | 37,833.43 | |
| DEPARTMENT OF PUBLIC WORKS | | | | | | |
| Division of Engineering | | | | | | |
| Office of the Township Engineer | | | | | | |
| Salaries and Wages | 468,028.00 | 476,093.13 | 476,093.13 | | | |
| Other Expenses | 6,500.00 | 6,500.00 | 5,851.55 | 470.18 | 178.27 | |
| Division of Building and Property | | | | | | |
| Public Building Operations and Maintenance | | | | | | |
| Other Expenses | 395,100.00 | 413,276.33 | 374,086.27 | 37,757.10 | 1,432.96 | |
| Shade Tree Care and Pruning | | | | | | |
| Other Expenses | 70,250.00 | 70,250.00 | 83,174.42 | 3,645.91 | \$,428.67 | |
| Parking Facilities, Maintenance and Repairs | | | | | | |
| Salaries and Wages | 2,200.00 | 2,200.00 | 2,200.00 | | | |
| Other Expenses | 2,970.00 | 3,712.99 | 3,387.89 | 325.00 | | |
| Division of Public Works | | | | | | |
| Salaries and Wages | 2,769,148.99 | 2,708,740.46 | 2,708,740.46 | | | |
| Division of Street Services | | | | | | |
| Street Service, Cleaning and Drainage | | | | | | |
| Salt, Chloride and Plowing | 600,000.00 | 984,122.72 | 898,219.85 | 5,869.08 | 90,033.79 | |
| Other Expenses | 48,600.00 | 48,600.00 | 41,914.16 | | 6,685.84 | |
| Street Repairs | | | | | | |
| Other Expenses | 70,350.00 | 70,350.00 | 37,892.39 | 6,009.00 | 24,448.61 | |

TOWNSHIP OF WEST ORANGE
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

| | Budget | Budget After Modification | Paid or Charged | Expended | | Reserved | Unexpended Balance Cancelled |
|--|--------------|---------------------------|-----------------|------------|-------------|----------|------------------------------|
| | | | | Encumbered | Encumbered | | |
| Street Services and Traffic | | | | | | | |
| Other Expenses | \$ 13,100.00 | \$ 13,100.00 | \$ 10,089.75 | \$ 64.00 | \$ 2,936.25 | \$ | |
| Division of Sewers and Sanitation | | | | | | | |
| Sanitation and General Township Service Force | | | | | | | |
| Other Expenses | 6,100.00 | 6,100.00 | 2,577.80 | | 3,522.20 | | |
| Central Automotive | | | | | | | |
| Other Expenses | 641,200.00 | 723,007.01 | 604,815.33 | 62,875.22 | 55,316.46 | | |
| Sewage and Pumping Stations | | | | | | | |
| Other Expenses | 65,800.00 | 65,800.00 | 36,129.44 | 22,052.00 | 7,618.56 | | |
| TOTAL DEPARTMENT OF PUBLIC WORKS | 5,180,346.99 | 5,571,852.84 | 5,295,182.84 | 141,987.49 | 165,892.81 | | |
| DEPARTMENT OF HEALTH AND WELFARE | | | | | | | |
| Division of Health | | | | | | | |
| General Health Services | | | | | | | |
| Salaries and Wages | 560,793.00 | 547,323.78 | 547,323.78 | | | 2,533.84 | |
| Other Expenses | 22,372.00 | 22,372.00 | 18,878.94 | 861.22 | | | |
| Senior Citizen's Transportation Program | | | | | | | |
| Salaries and Wages | 203,464.00 | 185,998.63 | 185,998.93 | | | 357.10 | |
| Other Expenses | 950.00 | 950.00 | 582.90 | | | | |
| 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 | 131,350.00 | 132,304.84 | 132,304.84 | | | | |
| Other Expenses | 5,050.00 | 5,050.00 | 1,068.50 | | | 3,983.50 | |
| Animal Control | | | | | | | |
| Salaries and Wages | 116,208.00 | 133,820.38 | 133,820.38 | 568.18 | | 62.34 | |
| Other Expenses | 3,175.00 | 3,175.00 | 2,544.48 | | | | |
| Podiatry Clinic | | | | | | | |
| Other Expenses | 9,500.00 | 9,500.00 | 3,387.96 | 2,560.36 | | 3,551.68 | |
| Senior Citizen Health Center | | | | | | | |
| Salaries and Wages | 176,073.00 | 179,079.65 | 179,079.65 | | | | |
| Other Expenses | 4,775.00 | 4,775.00 | 2,674.62 | 755.01 | | 1,345.37 | |
| Child Health Clinic | | | | | | | |
| Salaries and Wages | 3,000.00 | | | | | | |
| Other Expenses | 4,150.00 | 4,150.00 | 3,413.07 | | | 736.93 | |
| Retired Citizens Program | | | | | | | |
| Right to Know Program (P.L. 1983, Ch. 315) | 20,850.00 | 20,850.00 | 10,444.82 | 3,636.41 | | 6,768.97 | |
| Salaries and Wages | | | | | | | |
| Other Expenses | 425.00 | 425.00 | 75.00 | 150.00 | | 200.00 | |
| Garbage and Trash Removal Contract | | | | | | | |
| Other Expenses | 3,041,365.00 | 3,160,202.30 | 2,984,425.56 | 485,776.74 | | | |
| TOTAL DEPARTMENT OF HEALTH AND WELFARE | 4,304,988.00 | 4,411,276.68 | 3,887,359.03 | 504,307.92 | 19,609.73 | | |

TOWNSHIP OF WEST ORANGE
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

| | Budget | Budget After Modification | Paid or Charged | Expended | | Reserved | Unexpended Balance Cancelled |
|---|---------------------|---------------------------|---------------------|---------------------|------------|-------------------|------------------------------|
| | | | | Encumbered | Encumbered | | |
| DEPARTMENT OF RECREATION | | | | | | | |
| Community Services, Recreational and Civic Contracts | | | | | | | |
| Other Expenses | \$ 101,250.00 | \$ 101,250.00 | \$ 96,500.00 | \$ | \$ | \$ 4,750.00 | \$ |
| Parks and Playgrounds | | | | | | | |
| Salaries and Wages | 620,577.00 | 635,097.60 | 635,097.60 | | | | |
| Other Expenses | 123,700.00 | 123,700.00 | 102,540.23 | 13,500.55 | | 7,659.22 | |
| Programs for Retired Citizens | | | | | | | |
| Salaries and Wages | | | | | | | |
| Other Expenses | | | | | | | |
| Celebration of Public Events, Anniversary or Holiday | | | | | | | |
| Other Expenses | 45,600.00 | 45,600.00 | 37,151.26 | 590.95 | | 7,887.79 | |
| TOTAL DEPARTMENT OF RECREATION | 891,127.00 | 905,647.60 | 871,289.09 | 14,091.50 | | 20,297.01 | |
| 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 | 482,879.00 | 482,227.62 | 482,227.62 | | | | |
| Other Expenses | 89,700.00 | 74,700.00 | 31,034.76 | 7,671.49 | | 35,793.75 | |
| TOTAL UNIFORM CONSTRUCTION CODE | 582,579.00 | 556,927.62 | 513,262.38 | 7,871.49 | | 35,793.75 | |
| UNCLASSIFIED | | | | | | | |
| Utilities | | | | | | | |
| Electricity | 565,000.00 | 565,000.00 | 313,488.98 | 145,792.60 | | 125,718.42 | |
| Street Lighting | 630,000.00 | 630,000.00 | 366,736.03 | 239,407.31 | | 20,858.66 | |
| Gasoline | 713,460.00 | 498,331.68 | 302,698.68 | 85,633.20 | | 100,000.00 | |
| Fuel Oil | | | | | | | |
| Water | 38,000.00 | 44,014.97 | 33,573.98 | 10,440.66 | | | |
| Fire Hydrant Service | 668,650.00 | 668,650.00 | 559,339.34 | | | 109,310.66 | |
| Challenge Grant Bus Shuttle | 175,000.00 | 175,000.00 | 180,092.20 | 14,175.40 | | 732.40 | |
| Compensated Absence Liability (Emergency) | 5,000.00 | 805,000.00 | 805,000.00 | | | | |
| Membership-NJ League of Municipalities | 3,424.00 | 3,656.00 | 3,656.00 | | | | |
| Medical Transport Billing Service | 150,000.00 | 183,614.38 | 167,596.88 | 16,017.50 | | | |
| TOTAL UNCLASSIFIED | 2,968,534.00 | 3,563,267.23 | 2,715,182.09 | 1,366,830.15 | | 996,548.32 | |
| Total Operations (Item 6(A)) within "CAPS" | 51,459,936.27 | 53,759,936.27 | 51,395,657.80 | 1,366,830.15 | | 1,000.00 | |
| B. Contingent | 1,000.00 | 1,000.00 | | | | | |
| Total Operations including Contingent | 51,460,936.27 | 53,760,936.27 | 51,395,657.80 | 1,366,830.15 | | 997,548.32 | |
| within "CAPS" | | | | | | | |

TOWNSHIP OF WEST ORANGE
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

| Detail: | Budget | Budget After Modification | Paid or Charged | Expended | | Unexpended Balance Canceled |
|---|------------------|---------------------------|------------------|--------------|--------------|-----------------------------|
| | | | | Encumbered | Reserved | |
| Salaries & Wages | \$ 29,271,544.63 | \$ 29,466,200.39 | \$ 29,386,664.68 | \$ | \$ 79,535.71 | \$ |
| Other Expenses (Including Contingent) | 22,189,391.64 | 24,294,735.88 | 22,009,893.12 | 1,386,830.15 | 918,012.61 | |
| (E) Deferred Charges and Statutory Expenditures - Municipal within "CAPS" | | | | | | |
| (2) STATUTORY EXPENDITURES: | | | | | | |
| Public Employees' Retirement System | 675,696.00 | 975,696.00 | 975,696.00 | | | |
| Social Security System (O.A.S.I.) | 1,023,797.76 | 1,023,797.76 | 1,017,270.53 | | 6,527.23 | |
| Police and Firemen's Retirement System | 3,903,539.95 | 3,903,539.95 | 3,903,539.95 | | | |
| Defined Contribution Retirement Program | 1,000.00 | 1,000.00 | | | 1,000.00 | |
| Total Deferred Charges and Statutory | 5,804,233.71 | 5,904,233.71 | 5,886,706.48 | | 7,527.23 | |
| (H-1) Total General Appropriations for Municipal Purposes within "CAPS" | 57,355,169.98 | 59,665,169.98 | 57,293,264.28 | 1,386,830.15 | 1,006,075.55 | |
| (A) Operations - Excluded from "CAPS" | | | | | | |
| Chapter 10, P.L. 1977-Joint Outlet Sewer Maintenance | 2,774,131.07 | 2,774,131.07 | 2,735,364.38 | | | 38,746.69 |
| Maintenance of Free Public Library (Ch. 54-1-82, P.L. 1985) | 1,920,683.14 | 1,920,683.14 | 1,920,683.14 | | | |
| Tax Appeal Refunds | 650,000.00 | 650,000.00 | | | | 650,000.00 |
| LOSAP-First Aid Pension Costs | | | | | | |
| Total Other Operations - Excluded from "CAPS" | 5,344,814.21 | 5,344,814.21 | 4,656,087.52 | | | 688,746.69 |
| Shared Service Agreements | | | | | | |
| Borough of Essex Falls Health Services-Interlocal Contract | | | | | | |
| Salaries and Wages | | | | | | |
| Essex County CUIS | 10,473.93 | 10,473.93 | 10,473.93 | | | |
| Total Shared Service Agreements | 15,492.46 | 15,492.46 | 10,473.93 | | | 5,018.53 |
| Public and Private Programs Offset by Revenues | | | | | | |
| SAFER Grant | 425,948.51 | 425,948.51 | 425,948.51 | | | |
| Drunk Driving Enforcement Fund | 3,875.00 | 3,875.00 | 3,875.00 | | | |
| CLG Grant | 12,546.00 | 12,546.00 | 12,546.00 | | | |
| NJ Dept of Solid Waste Administration | | | | | | |
| Recycling Tonnage Grant | 126,404.18 | 126,404.18 | 126,404.18 | | | |
| NJ Dept of Transportation | | | | | | |
| Transportation Municipal Aid | 226,000.00 | 226,000.00 | 226,000.00 | | | |
| Essex County Open Space | | | | | | |
| Essex County Office on Aging-Title III Older Americans Act | | | | | | |
| Match | 16,127.00 | 16,127.00 | 16,127.00 | | | |
| Essex County Office on Alcoholism, Drug Abuse and Addiction Services | 164.00 | 164.00 | 164.00 | | | |
| West Orange Municipal Alliance | 58,800.00 | 58,800.00 | 58,800.00 | | | |
| Match | 14,950.00 | 14,950.00 | 14,950.00 | | | |
| Hazardous Discharge Grants | 19,011.20 | 19,011.20 | 19,011.20 | | | |

TOWNSHIP OF WEST ORANGE
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

| | Budget | Budget After Modification | Paid or Charged | Expended | | Unexpended Balance Carried |
|--|---------------|---------------------------|-----------------|------------|----------|----------------------------|
| | | | | Encumbered | Reserved | |
| NJ Department of Law and Public Safety | \$ 8,599.73 | \$ 8,599.73 | \$ 8,599.73 | \$ | \$ | \$ |
| Body Armor Replacement Fund | | | | | | |
| NJ Transit-Commuter Shuttle | 18,563.00 | 18,563.00 | 18,563.00 | | | |
| County of Essex-Delinquency Prevention Grant | 10,000.00 | 10,000.00 | 10,000.00 | | | |
| Community Stewardship Incentive Program | 11,629.88 | 11,629.88 | 11,629.88 | | | |
| ABC Grant | | | | | | |
| Total Public and Private Programs Offset by Revenue | 953,720.50 | 953,720.50 | 953,720.50 | | | |
| Total Operations - Excluded from "CAPS" Detail: | 5,314,027.17 | 5,314,027.17 | 5,620,261.95 | | | 693,765.22 |
| Salaries & Wages | 30,739.93 | 30,739.93 | 26,784.83 | | | |
| Other Expenses | 6,283,287.24 | 6,283,287.24 | 5,593,487.02 | | | 693,765.22 |
| Capital Improvement Fund (Emergency) | 275,000.00 | 281,500.00 | 281,500.00 | | | |
| Total Capital Improvements - Excluded from "CAPS" | 275,000.00 | 281,500.00 | 281,500.00 | | | |
| (D) Municipal Debt Service - Excluded from "CAPS" | | | | | | |
| Payment of Bond Principal | 3,840,000.00 | 3,840,000.00 | 3,840,000.00 | | | |
| Payment of Bond Anticipation Notes and Capital Notes | 1,505,848.83 | 1,505,848.83 | 1,498,908.00 | | | 6,940.83 |
| Interest on Bonds | 859,522.50 | 859,522.50 | 859,522.50 | | | |
| Interest on Notes | 297,470.81 | 297,470.81 | 297,096.16 | | | 372.63 |
| NJ Environmental Infrastructure Trust and Fund Loans | | | | | | |
| Principal | 234,763.83 | 234,763.83 | | | | |
| Interest | 64,031.28 | 64,031.28 | 222,884.27 | | | 12,079.66 |
| Total Municipal Debt Service - Excluded from "CAPS" | 6,801,637.33 | 6,801,637.33 | 5,772,689.70 | | | 9,554.51 |
| (E) Deferred Charges - Municipal - Excluded from "CAPS" | | | | | | |
| Deferred Charges to Future Taxation-Unfunded | | | | | | |
| ORF#2322-11 Severance Liabilities | 89,780.00 | 89,780.00 | 89,780.00 | | | |
| 2013 Severance Liability | | | | | | |
| 2014 Severance Liability | 240,000.00 | 240,000.00 | 240,000.00 | | | |
| Total Deferred Charges - Municipal - Excluded from "CAPS" | 461,473.00 | 461,473.00 | 461,473.00 | | | |
| (H-2) Total General Appropriations for Municipal Purposes Excluded from "CAPS" | 13,852,137.50 | 13,856,637.50 | 13,135,924.65 | | | 722,712.85 |

TOWNSHIP OF WEST ORANGE
 CURRENT FUND
 STATEMENT OF EXPENDITURES
 REGULATORY BASIS
 YEAR ENDED DECEMBER 31, 2015

| | | | | Expended | Unexpended Balance Cancelled |
|---|------------------|------------------|------------------|-----------------|------------------------------------|
| (O) Total General Appropriations - Excluded from "CAPS" | \$ 13,852,137.50 | \$ 13,856,637.50 | \$ 13,135,924.65 | \$ | \$ 722,712.85 |
| (L) Subtotal General Appropriations | 71,217,307.48 | 73,523,807.48 | 70,429,188.93 | 1,005,075.55 | 722,712.85 |
| (M) Reserve for Uncollected Taxes | 2,887,057.99 | 2,887,057.99 | 2,887,057.99 | | |
| Total General Appropriations | \$ 74,104,365.47 | \$ 76,410,865.47 | \$ 73,316,246.92 | \$ 1,005,075.55 | \$ 722,712.85 |
| Ref. | A-2 | Below | Below | A | Below |
| Original Budget | Ref. | | | | |
| Added per N.J.S.A. 40A:4-54 | A-2 | \$ 74,104,365.47 | | | |
| Employee Group Health (Emergency) | A-27 | 1,500,000.00 | | | |
| Compensated Absence Liability (Emergency) | A-27 | 800,000.00 | | | |
| Capital Improvement Fund (Emergency) | A-27 | 6,500.00 | | | |
| | | \$ 76,410,865.47 | | | |
| Budget | Above | \$ 76,410,865.47 | \$ | | |
| Reserve for Uncollected Taxes | A-2 | (2,887,057.99) | 2,887,057.99 | | |
| Cash Disbursed | A-4 | | 69,013,985.43 | | |
| Deferred Charges | A-27 | | 481,473.00 | | |
| Match | A-13 | | 25,114.00 | | |
| Reserve for Grants | A-13 | | 928,605.50 | | |
| Cancelled | Above | (722,712.85) | | | |
| | A-1 | \$ 72,801,094.63 | \$ 73,316,246.92 | | |

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B
Sheet # 1

**COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

| <u>ASSETS</u> | <u>Ref.</u> | <u>2015</u> | <u>2014</u> |
|----------------------------------|-------------|------------------------|------------------------|
| ANIMAL CONTROL FUND: | | | |
| Cash | B-3 | \$ 58,876.93 | \$ 44,190.11 |
| | | <u>\$ 58,876.93</u> | <u>\$ 44,190.11</u> |
| GENERAL TRUST FUND: | | | |
| Cash | B-3 | \$ 4,841,592.64 | \$ 4,332,299.86 |
| | | <u>\$ 4,841,592.64</u> | <u>\$ 4,332,299.86</u> |
| INSURANCE TRUST FUND: | | | |
| Cash | B-4 | \$ 91,781.50 | \$ 70,891.58 |
| | | <u>\$ 91,781.50</u> | <u>\$ 70,891.58</u> |
| FEDERAL GRANT TRUST FUND: | | | |
| Cash | B-5 | \$ 23,547.31 | \$ 19,936.60 |
| Grant Receivable | B-6 | 440,000.00 | 346,000.00 |
| | | <u>\$ 463,547.31</u> | <u>\$ 365,936.60</u> |
| OPEN SPACE TRUST FUND | | | |
| Cash | B-2 | \$ 626,438.42 | \$ 507,472.95 |
| ASSESSMENT TRUST FUND | | | |
| Cash | B-3 | \$ 16,287.24 | \$ 11,967.21 |
| Assessments Receivable | B-7 | 15,470.20 | 31,757.44 |
| | | <u>\$ 31,757.44</u> | <u>\$ 43,724.65</u> |

See Accompanying Notes to Financial Statements

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B
Sheet # 2

**COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | <u>Ref.</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|------------------------|------------------------|
| ANIMAL CONTROL FUND: | | | |
| Prepaid License Fees | B-10 | \$ 3,705.00 | \$ 3,204.00 |
| Due To Current | B-8 | | 0.02 |
| Reserve For Dog Fund Expenditures | B-13 | 55,171.93 | 40,986.09 |
| | | <u>\$ 58,876.93</u> | <u>\$ 44,190.11</u> |
| GENERAL TRUST FUND: | | | |
| Special Deposits | B-11 | \$ 4,826,787.71 | \$ 4,332,274.85 |
| Due to Bank | B-3 | | 25.01 |
| Fund Balance | B-1A | 14,804.93 | |
| | | <u>\$ 4,841,592.64</u> | <u>\$ 4,332,299.86</u> |
| INSURANCE TRUST FUND: | | | |
| Reserve for Insurance Claims | B-16 | \$ 91,781.50 | \$ 70,891.58 |
| | | <u>\$ 91,781.50</u> | <u>\$ 70,891.58</u> |
| FEDERAL GRANT TRUST FUND: | | | |
| Reserve for Grant Expenditures: | | | |
| Community Development Block Grant | B-15 | \$ 440,000.00 | \$ 346,000.00 |
| CDBG Fund Balance | B-1A | 0.13 | 0.13 |
| Section 8 Housing | B-16 | 23,547.18 | 19,936.47 |
| | | <u>\$ 463,547.31</u> | <u>\$ 365,936.60</u> |
| OPEN SPACE TRUST FUND | | | |
| Reserve for Open Space Expenditures | B-17 | <u>\$ 626,438.42</u> | <u>\$ 507,472.95</u> |
| ASSESSMENT TRUST FUND | | | |
| Reserve for Assessment Receivable | B-12 | \$ 15,470.20 | \$ 31,757.44 |
| Fund Balance | B-1 | 16,287.24 | 11,967.21 |
| | | <u>\$ 31,757.44</u> | <u>\$ 43,724.65</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, 2015**

| | <u>Ref.</u> | | B-1 |
|--|-------------|----|-----------|
| Balance, December 31, 2014 | B | \$ | 11,967.21 |
| Increased by: | | | |
| Unpledged Assessments | B-12 | | 16,287.24 |
| | | | 28,254.45 |
| Decreased by: | | | |
| Payment to Current Fund as Anticipated Revenue | B-3 | | 11,967.21 |
| | | | 11,967.21 |
| Balance, December 31, 2015 | B | \$ | 16,287.24 |

**STATEMENT OF FUND BALANCE
COMMUNITY DEVELOPMENT BLOCK GRANT
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | <u>General Trust</u> | <u>CDBG</u> | B-1A |
|----------------------------------|-------------|--------------------------|-------------|------|
| Balance, December 31, 2014 | B | \$ | \$ 0.13 | |
| Increased by: | | | | |
| Cancellation of Due to Bank | B | 25.01 | | |
| Cancellation of Special Deposits | B-11 | 14,779.92 | | |
| | | 14,804.93 | | |
| Balance, December 31, 2015 | B | \$ 14,804.93 | \$ 0.13 | |

**TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND**

C

**COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

| <u>ASSETS</u> | <u>Ref.</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|-----------------------------|----------------------------|
| Cash | C-2 | \$ 2,868,051.76 | \$ 4,997,976.92 |
| NJEPA Trust and Fund Loan Receivable | C-15 | 1,638,618.00 | 426,134.00 |
| State Grants Receivable | C-14 | <u>1,553,338.99</u> | <u>1,913,647.62</u> |
| | | <u>3,191,956.99</u> | <u>2,339,781.62</u> |
| Deferred Charges to Future Taxation: | | | |
| Funded | C-6 | 22,912,984.53 | 26,987,748.26 |
| Unfunded | C-7 | <u>43,176,038.00</u> | <u>36,268,464.00</u> |
| | | <u>66,089,022.53</u> | <u>63,256,212.26</u> |
| | | <u>\$ 72,149,031.28</u> | <u>\$ 70,593,970.80</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | | |
| Serial Bonds | C-9 | \$ 20,235,000.00 | \$ 24,075,000.00 |
| NJEPA Trust and Fund Loan-ORD#1823-02 | C-4 | 393,789.09 | 442,100.67 |
| NJEPA Trust and Fund Loan-ORD#2017-05 | C-4 | 1,393,892.56 | 1,515,611.42 |
| NJEPA Trust and Fund Loan-ORD#2050-05 | C-4 | 473,494.41 | 514,170.16 |
| NJEPA Trust and Fund Loan-ORD#2214-09 | C-4 | 416,808.47 | 440,866.01 |
| NJEPA Trust and Fund Loan-ORD# | C-4 | 1,212,484.00 | |
| Bond Anticipation Notes | C-10 | 30,754,248.00 | 27,273,195.00 |
| Improvement Authorizations: | | | |
| Funded | C-11 | 45,922.56 | 225,249.73 |
| Unfunded | C-11 | 15,074,865.07 | 14,038,217.91 |
| Capital Improvement Fund | C-12 | 321.96 | 25,241.96 |
| Reserve to Pay Debt service | C-5 | 335,865.24 | |
| Reserve for Grants Receivable | C-16 | 1,553,338.69 | 1,852,009.98 |
| Fund Balance | C-1 | <u>259,001.23</u> | <u>192,307.96</u> |
| | | <u>\$ 72,149,031.28</u> | <u>\$ 70,593,970.80</u> |
| Bonds and Notes Authorized but Not Issued | C-13 | <u>\$ 12,421,780.00</u> | <u>\$ 8,995,269.00</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, 2015**

| | <u>Ref.</u> | |
|--|-------------|----------------------|
| Balance, December 31, 2014 | C | \$ 192,307.96 |
| Increased by: | | |
| Premium on Sale of Bond Anticipation Notes | C-2 | 259,001.23 |
| | | <u>451,309.19</u> |
| Decreased by: | | |
| Payment to Current Fund as Anticipated Revenue | C-2 | 192,307.96 |
| | | <u>192,307.96</u> |
| Balance, December 31, 2015 | C | <u>\$ 259,001.23</u> |

See Accompanying Notes to Financial Statements

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

D

**BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

| <u>ASSETS</u> | <u>Ref.</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|----------------------|----------------------|
| OPERATING FUND: | | | |
| Cash | D-4 | \$ 53,122.13 | \$ 48,307.99 |
| | | | |
| CAPITAL FUND: | | | |
| Fixed Capital | D-5 | 523,433.15 | 523,433.15 |
| | | <u>\$ 576,555.28</u> | <u>\$ 571,741.14</u> |
| | | | |
| <u>LIABILITIES AND FUND BALANCES</u> | | | |
| | | | |
| OPERATING FUND: | | | |
| Fund Balance | D-1 | 53,122.13 | 48,307.99 |
| | | | |
| CAPITAL FUND: | | | |
| Reserve for Amortization | D-6 | 523,433.15 | 523,433.15 |
| | | <u>\$ 576,555.28</u> | <u>\$ 571,741.14</u> |

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, 2015 AND 2014**

| | <u>Ref.</u> | <u>2015</u> | <u>2014</u> |
|--|-------------|---------------------|---------------------|
| REVENUE AND OTHER INCOME: | | | |
| Fund Balance Utilized | D-2 | \$ 46,664.98 | \$ 28,536.58 |
| Membership Fees | D-2 | 179,420.00 | 170,645.00 |
| Miscellaneous Revenue Anticipated | D-2 | 68,884.27 | 50,432.02 |
| Other Credits to Income: | | | |
| Appropriation Reserves Lapsed | | | <u>33,369.13</u> |
| TOTAL REVENUE AND OTHER INCOME | | <u>294,969.25</u> | <u>282,982.73</u> |
| EXPENDITURES: | | | |
| Budgeted Appropriations: | | | |
| Salaries and Wages | D-3 | 157,911.26 | 144,925.00 |
| Other Expenses | D-3 | 85,578.87 | 89,749.74 |
| TOTAL EXPENDITURES | D-3 | <u>243,490.13</u> | <u>234,674.74</u> |
| EXCESS OF REVENUE OVER EXPENDITURES | | 51,479.12 | 48,307.99 |
| FUND BALANCE, BEGINNING OF YEAR | D | <u>48,307.99</u> | <u>28,536.58</u> |
| | | 99,787.11 | 76,844.57 |
| UTILIZED AS ANTICIPATED REVENUE IN POOL UTILITY | | <u>46,664.98</u> | <u>28,536.58</u> |
| FUND BALANCE, END OF YEAR | D | <u>\$ 53,122.13</u> | <u>\$ 48,307.99</u> |

See accompanying notes to financial statements

TOWNSHIP OF WEST ORANGE
 SWIMMING POOL UTILITY FUND

D-2

STATEMENT OF REVENUES
 YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | <u>Anticipated Budget</u> | <u>Realized</u> | <u>Excess or (Deficit)</u> |
|--------------------------|-------------|-------------------------------|----------------------|--------------------------------|
| Fund Balance Anticipated | D-1 | \$ 46,664.98 | \$ 46,664.98 | \$ |
| Membership Fees | D-1, D-4 | 170,645.00 | 179,420.00 | 8,775.00 |
| Miscellaneous | D-1, D-4 | <u>50,232.02</u> | <u>68,884.27</u> | <u>18,652.25</u> |
| | D-3 | <u>\$ 267,542.00</u> | <u>\$ 294,969.25</u> | <u>\$ 27,427.25</u> |

See accompanying notes to financial statements

TOWNSHIP OF WEST ORANGE
SWIMMING POOL UTILITY FUND

STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2015

| | <u>Budget</u> | <u>Budget After Modification</u> | <u>Expended</u> | | | |
|-------------------------|----------------------|--------------------------------------|----------------------------|-------------------|-----------------|---------------------|
| | | | <u>Paid or Charged</u> | <u>Encumbered</u> | <u>Reserved</u> | |
| | | | | | <u>Canceled</u> | |
| OPERATING: | | | | | | |
| Salaries and Wages | \$ 145,750.00 | \$ 157,911.26 | \$ 157,911.26 | \$ | \$ | \$ |
| Other Expenses | 110,505.00 | 98,343.74 | 85,578.87 | | | 12,764.87 |
| 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>\$ 243,490.13</u> | <u>\$</u> | <u>\$</u> | <u>\$ 24,051.87</u> |

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

**TOWNSHIP OF WEST ORANGE
PUBLIC ASSISTANCE FUND**

E

**COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2015 AND 2014**

| <u>ASSETS</u> | <u>Ref.</u> | <u>2015</u> | <u>2014</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> |

**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, 2015 AND 2014**

| | <u>Ref.</u> | <u>2015</u> | <u>2014</u> |
|--|-------------|--------------------|--------------------|
| REVENUE AND OTHER INCOME: | | | |
| Misc. Revenues | E-7 | \$ 19,595.00 | \$ 6,134.89 |
| TOTAL REVENUE AND OTHER INCOME | | <u>19,595.00</u> | <u>6,134.89</u> |
| EXPENDITURES: | | | |
| Due to Current Fund | E-7 | <u>19,595.00</u> | <u>6,134.89</u> |
| TOTAL EXPENDITURES | | <u>19,595.00</u> | <u>6,134.89</u> |
| EXCESS OF REVENUE OVER EXPENDITURES | | | |
| FUND BALANCE, BEGINNING OF YEAR | E | <u>1,553.59</u> | <u>1,553.59</u> |
| FUND BALANCE, END OF YEAR | E | <u>\$ 1,553.59</u> | <u>\$ 1,553.59</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, 2015 AND 2014**

| | <u>Ref.</u> | <u>2015</u> | <u>2014</u> |
|--|-------------|-------------------|-------------------|
| REVENUE AND OTHER INCOME: | | | |
| State Aid | E-3 | \$ 219,094.00 | \$ 326,237.70 |
| Supplemental Security Income Reimbursements | E-3 | 19,595.00 | 6,134.89 |
| | | <hr/> | <hr/> |
| TOTAL REVENUE AND OTHER INCOME | E-3 | <u>238,689.00</u> | <u>332,372.59</u> |
| EXPENDITURES: | | | |
| Public Assistance | E-4 | 238,689.00 | 332,372.59 |
| | | <hr/> | <hr/> |
| TOTAL EXPENDITURES | | <u>238,689.00</u> | <u>332,372.59</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 2015 AND 2014**

F

ASSETS

| | December 31, | |
|-------------------------------------|------------------|------------------|
| | 2015 | 2014 |
| Movable Fixed Assets | | |
| Office Equipment | \$ 2,766,986.46 | \$ 2,536,515.00 |
| Vehicles | 12,941,144.11 | 12,146,899.46 |
| Other Equipment | 5,532,951.71 | 5,270,406.35 |
| | 21,241,082.28 | 19,953,820.81 |
| Building | 17,471,253.00 | 17,471,253.00 |
| Land | 12,019,932.00 | 12,022,932.00 |
| | 29,491,185.00 | 29,494,185.00 |
| | \$ 50,732,267.28 | \$ 49,448,005.81 |
| FUND BALANCE | | |
| Investments in General Fixed Assets | \$ 50,732,267.28 | \$ 49,448,005.81 |

See Accompanying Notes to Financial Statements

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

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. GASB Statement No. 14 as amended by GASB Statement No. 61 establishes certain standards for defining and reporting on the financial entity. In accordance with these standards, the reporting entity should include the primary government and those component units which are fiscally accountable to the primary government. The municipalities in the State of New Jersey do not prepare financial statements in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and thus do not comply with all of the GASB pronouncements.

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, 2015**

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, 2015**

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, 2015**

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, 2015**

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, 2015**

The Township's cash and investments were as follows at December 31, 2015:

| <u>Type</u> | <u>Collateral</u> | <u>Bank Balance December 31, 2015</u> | <u>Carrying Amount December 31, 2015</u> | <u>Fund</u> |
|-----------------|--------------------------------|---|--|-------------------|
| Deposits: | | | | |
| Cash on Deposit | FDIC, State Collateral Pool | \$14,966,212.42 | \$13,622,451.33 | Current |
| | FDIC, State Collateral Pool | 100.00 | | Payroll |
| | FDIC, State Collateral Pool | 6,262,576.43 | 5,658,524.04 | Trust |
| | FDIC, State Collateral Pool | 3,764,638.00 | 2,868,051.76 | Capital |
| | FDIC, State Collateral Pool | 1,553.99 | 1,553.99 | Public Assistance |
| | FDIC, State Collateral Pool | <u>53,172.37</u> | <u>53,122.13</u> | Swimming Pool |
| Total Cash | | <u>\$25,048,253.21</u> | <u>\$22,203,703.25</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.

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

C. Outstanding Debt - Continued:

At December 31, 2015, there were \$30,754,4285.00 of bond anticipation notes outstanding consisting of bond anticipation notes in the amount of \$7,966,481.00 due on May 18, 2016 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, 2016 at 1.0% and bond anticipation notes in the amount of \$6,196,805.00 due on December 15, 2016 at 1.25%.

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, | |
|---|----------------------------|----------------------------|
| | 2015 | 2014 |
| General Obligation Bonds and Notes | | |
| Authorized But Not Issued | \$24,125,468.53 | \$8,995,239.80 |
| General Obligation Bonds and Notes – Issued | 43,176,038.00 | 54,260,943.26 |
| Total General Debt | <u>\$67,301,506.53</u> | <u>\$63,256,183.06</u> |

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

C. Outstanding Debt – Continued

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

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%.

| | 2002 NJEIT Issue | | 2003 Issue | | 2004 Issue | | 2005 Issue | | 2006 NJEIT Issue | | 2006 NJEIT Issue | | 2008 Issue | | 2010 NJEIT Issue | | 2011 Issue | | Total |
|------|------------------|-----------|------------|-----------|--------------|-----------|--------------|-----------|------------------|-----------|------------------|----------|--------------|------------|------------------|----------|------------|------------|--------------|
| | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | |
| 2016 | 55,648.19 | 11,162.50 | 130,000.00 | 65,257.51 | 1,100,000.00 | 81,000.00 | 1,550,000.00 | 28,287.50 | 128,388.84 | 33,118.76 | 38,746.19 | 6,000.00 | 500,000.00 | 237,812.50 | 24,057.74 | 9,100.00 | 800,000.00 | 293,375.00 | 5,092,954.73 |
| 2017 | 54,713.55 | 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 | 29,057.74 | 8,600.00 | 900,000.00 | 289,375.00 | 3,787,739.28 |
| 2018 | 53,778.91 | 8,162.50 | 170,000.00 | 48,968.76 | | | | | 133,268.60 | 27,918.76 | 38,072.95 | 5,100.00 | 900,000.00 | 188,812.50 | 29,057.74 | 7,850.00 | 800,000.00 | 245,375.00 | 2,666,386.72 |
| 2019 | 52,844.25 | 6,662.50 | 195,000.00 | 38,829.38 | | | | | 131,347.32 | 24,943.76 | 37,329.31 | 4,700.00 | 835,000.00 | 155,062.50 | 29,057.74 | 7,100.00 | 800,000.00 | 221,375.00 | 2,639,251.76 |
| 2020 | 50,025.09 | 5,162.50 | 220,000.00 | 27,075.00 | | | | | 137,655.77 | 21,988.76 | 36,585.65 | 4,300.00 | 1,000,000.00 | 120,000.00 | 29,057.74 | 6,500.00 | 800,000.00 | 197,375.00 | 2,665,705.51 |
| 2021 | 58,904.67 | 3,412.50 | 245,000.00 | 13,822.50 | | | | | 143,705.76 | 18,583.76 | 50,137.68 | 3,900.00 | 1,000,000.00 | 80,000.00 | 29,057.74 | 5,750.00 | 800,000.00 | 172,375.00 | 2,624,689.61 |
| 2022 | 57,844.43 | 1,662.50 | 55,000.00 | 5,272.50 | | | | | 141,444.25 | 15,053.76 | 48,987.34 | 3,281.25 | 1,000,000.00 | 40,000.00 | 29,057.74 | 5,300.00 | 850,000.00 | 145,562.50 | 2,396,506.27 |
| 2023 | | | 65,000.00 | 1,852.50 | | | | | 147,413.46 | 11,593.76 | 47,837.00 | 2,862.50 | | | 29,057.74 | 4,700.00 | 850,000.00 | 116,875.00 | 1,276,991.96 |
| 2024 | | | | | | | | | 153,241.34 | 7,875.00 | 46,661.80 | 2,025.00 | | | 29,057.74 | 4,100.00 | 850,000.00 | 85,000.00 | 1,177,950.88 |
| 2025 | | | | | | | | | 150,697.36 | 3,937.50 | 45,257.44 | 1,275.00 | | | 29,057.74 | 3,500.00 | 850,000.00 | 51,000.00 | 1,134,725.04 |
| 2026 | | | | | | | | | | | 44,072.44 | 537.50 | | | 34,057.74 | 2,900.00 | 850,000.00 | 17,000.00 | 948,667.68 |
| 2027 | | | | | | | | | | | | | | | 34,057.74 | 2,200.00 | | | 36,257.74 |
| 2028 | | | | | | | | | | | | | | | 34,057.74 | 1,400.00 | | | 35,457.74 |
| 2029 | | | | | | | | | | | | | | | 29,057.85 | 600.00 | | | 29,657.85 |

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

C. Outstanding Debt - Continued:

Debt Statement at December 31, 2015

| | | | |
|----------------------------|------------------|------------------|-----------------|
| Local School District Debt | \$ 34,232,000.00 | \$ 34,232,000.00 | |
| General Debt | 70,933,045.97 | 70,933,045.97 | 73,933,045.97 |
| | \$105,165,045.97 | \$34,232,000.00 | \$73,933,045.97 |

Net debt of \$70,933,045.97 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended \$5,831,262,099.67 equals 1.22%

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

The Township's remaining borrowing power under N.J.S.A. 40A:2-6, as amended, at December 31, 2015, was as follows:

| | |
|--------------------------------|-------------------|
| 3.5% Equalized Valuation Basis | \$ 204,094,173.49 |
| Net Debt | 70,933,045.97 |
| Remaining Borrowing Power | \$ 133,161,127.52 |

D. Pension Plans:

Public Employee Retirement System

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

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

| | |
|---|---------|
| Inactive plan members or beneficiaries currently receiving benefits | 166,637 |
| Inactive plan members entitled to but not yet receiving benefits | 703 |
| Active plan members | 259,161 |
| Total | 426,501 |

Contributing Employers – 1,710

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

D. Pension Plans – Continued:

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

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

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

For the year ended December 31, 2015 the Township's total payroll for all employees was \$29,386,664.68. Total PERS covered payroll was \$7,827,811. Due to payroll system limitations, covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

Specific Contribution Requirements and benefit provisions – The contribution policy is set by N.J.S.A 43:15 and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 6.78% in State fiscal year 2014 and increased to 6.92 for State fiscal year 2015, commencing July 1, 2015. The phase-in of the additional incremental member contribution rate will take place in July of each subsequent State fiscal year. Employers' contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The Township's cash basis contributions to the Plan for the years ended December 31, 2014 and 2015 were \$874,069 and \$975,896, respectively. Township contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contributions requirements were calculated.

Ch. 19, P.L. 2009 billings reflect the recoupment of the 50% deferral of normal and accrued liability costs due on April 1, 2009. The law set a fifteen year repayment schedule for the deferred amount, with additional annual adjustments to reflect the return on investment of actuarial net assets of the plan on deferred principal balances.

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

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

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

D. Pension Plans - Continued:

The following represents the membership tiers for PERS:

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

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

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

At June 30, 2015, the PERS reported a net pension liability of \$22,447,996,119 for its Non-State Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Employer Member Group that is attributable to the Township was \$25,548,279 or 0.11381096%. At June 30, 2014, the PERS reported a net pension liability of \$18,722,735,003 for its Non-State Employer Member Group. The proportionate share of the State of New Jersey's the net pension liability for the Non-State Employer Member Group that is attributable to the Township was \$22,163,709 or 0.11837859%.

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

D. Pension Plans - Continued:

For the year ended December 31, 2015, the Township recognized PERS expense of \$975,896. At December 31, 2015 the Township would have reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources, if GASB #68 was recognized:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences between expensed and actual experience | \$609,491 | \$ |
| Changes in assumptions | 2,743,677 | |
| Net difference between projected and actual earnings on pension plan investments | | 410,767 |
| Changes in proportion and differences between Township contributions and proportionate share of contributions | 312,843 | 725,541 |
| Township contributions subsequent to the measurement date | 978,469 | |

\$978,469 shown as deferred outflows of resources related to PERS resulting from Township contributions subsequent to the measurement date (December 31, 2015) should have been recognized as a reduction of net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS should have been recognized in pension expense as follows, if GASB #68 was recognized:

| <u>Year ended December 31, 2016</u> | <u>Amount</u> |
|---|--------------------|
| 2016 | \$1,127,439 |
| 2017 | 1,127,439 |
| 2018 | 1,127,439 |
| 2019 | 797,230 |
| 2020 | 622,772 |
| Thereafter | <hr/> |
| Total | <u>\$4,802,319</u> |

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

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

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

D. Pension Plans - Continued:

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

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

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

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

| | <u>At 1% Decrease</u> | <u>At current discount rate</u> | <u>At 1% increase</u> |
|-------------------------------------|-----------------------|-------------------------------------|---------------------------|
| PERS Township's Proportionate Share | \$31,753,385 | \$25,548,279 | \$20,345,963 |

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

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

D. Pension Plans – Continued:

Police and Firemen's Retirement System

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

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

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

Contributing Employers – 585

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

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

For the year ended December 31, 2015 the Township's total payroll for all employees was \$29,386,664. Total PFRS covered payroll was \$17,297,464. Due to payroll system limitations, covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

Specific Contribution Requirements and benefit provisions – The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contributions rate increased from 8.5% of annual compensation to 10.0% in October 2011. Employer contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The Township's cash basis contributions to the Plan for the years ended December 31, 2014 and 2015 were \$3,889,556 and \$3,980,469, respectively. Township contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contributions requirements were calculated.

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

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

D. Pension Plans – Continued:

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

The following represents the membership tiers for PFRS:

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

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

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

At June 30, 2015, the PFRS reported a net pension liability of \$18,117,234,618. The Township's proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$86,177,151, or 0.47566393%. At June 30, 2014, the PFRS reported a net pension liability of \$13,933,627,178 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$65,190,242, or 0.46786268%.

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

D. Pension Plans – Continued:

For the year ended December 31, 2015, the Township recognized PFRS expense of \$3,980,469. At December 31, 2015 the Township would have reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources, if GASB #68 was recognized:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences between expensed and actual experience | \$ | \$743,307 |
| Changes in assumptions | 15,910,440 | |
| Net difference between projected and actual earnings on pension plan investments | | 1,499,837 |
| Changes in proportion and differences between Township contributions and proportionate share of contributions | | 1,431,942 |
| Township contributions subsequent to the measurement date | | 4,205,512 |

\$4,205,512 shown as deferred outflows of resources related to PFRS resulting from Township contributions subsequent to the measurement date (December 31, 2015) should have been recognized as a reduction of net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PFRS should have been recognized in pension expense as follows, if GASB #68 was recognized:

| <u>Year ended December 31,</u> | <u>Amount</u> |
|------------------------------------|---------------------|
| 2016 | \$2,253,456 |
| 2017 | 2,253,456 |
| 2018 | 2,253,456 |
| 2019 | 3,916,567 |
| 2020 | 1,558,416 |
| Thereafter | <hr/> |
| Total | <u>\$12,235,357</u> |

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

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

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

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

D. Pension Plans – Continued:

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

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

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

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

| | <u>At 1% Decrease</u> | <u>At current discount rate</u> | <u>At 1% increase</u> |
|--|---------------------------|-------------------------------------|---------------------------|
| PFRS Township's Proportionate Share | \$113,608,844 | \$86,177,151 | \$63,809,056 |

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

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

D. Pension Plans – Continued:

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

Plan Membership and Contributing Employers- Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in PFRS or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PFRS or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000 annually; and employees otherwise eligible to enroll in PFRS or PERS after May 21, 2010, who do not work the minimum number of hours per week required for tier 4 or tier 5 enrollment, but who earn salary of at least \$5,000 annually. At June 30, 2015, the membership in the DCRP, based on the information within the Division's database, was 36,808.00.

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

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

For the year ended December 31, 2015 the Township had thirteen employees enrolled in the DCRP.

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.

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.

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

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 \$18,238,076.64. The 2016 Township budget and the 2015 appropriation reserves include an appropriation for accrued benefits expected to be paid in 2016.

H. Fund Balance Appropriated:

\$2,898,302.12 of the \$3,418,848.03 fund balance of the Current Fund at December 31, 2015 has been appropriated as an item of revenue in the 2016 Township budget.

\$43,152.73 of the \$53,112.53 fund balance of the Swimming Pool Utility Fund at December 31, 2015 has been appropriated as an item of revenue in the 2016 Swimming Pool Utility budget.

The 2016 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.

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, 2015 for possible catastrophic claims.

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

I. Insurance/Contingencies - Continued:

The Municipal Insurance Trust Fund for the year 2015 is detailed as follows:

| | | |
|------------------------------------|--------------|--------------|
| Balance: December 31, 2014 | | \$6,865.64 |
| Increases: | | |
| Budget | \$899,652.00 | |
| Interest | 266.74 | |
| | | 906,784.38 |
| Decreases: | | |
| Claims and Administrative Expenses | | (892,668.29) |
| Balance: December 31, 2015 | | \$14,116.09 |

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, 2015 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 2015 were administered by CCMSI.

There has been no provision included in the financial statements for claims incurred but not reported as of December 31, 2015.

The Workers' Compensation Trust Fund for the year 2015 is detailed as follows:

| | | |
|----------------------------|---------------|--------------|
| Balance: December 31, 2014 | | \$2,115.37 |
| Increases: | | |
| Budget | \$ 280,000.00 | |
| Other Receipts | 504,698.35 | |
| | | 786,813.72 |
| Decreases: | | |
| Claims | | (712,418.04) |
| Balance: December 31, 2015 | | \$ 74,395.68 |

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

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 2015 is detailed as follows:

| | | |
|----------------------------|----|--------------|
| Balance: December 31, 2014 | \$ | 61,910.57 |
| Increases: | | |
| Budget Appropriations | | 200,000.00 |
| | | 261,910.57 |
| Decreases: | | |
| Net Payments | | (258,640.24) |
| | | (258,640.24) |
| Balance: December 31, 2015 | \$ | 3,270.33 |

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, 2015 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, 2015 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.

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.

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

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

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> |
|-------------|--------------------------------|---------------------------------|--------------------------------|---------------------|
| 2016 | \$ 25,648.19 | \$ 30,000.00 | \$ 11,162.50 | \$ 66,810.69 |
| 2017 | 24,713.55 | 30,000.00 | 9,662.50 | 64,376.05 |
| 2018 | 23,778.91 | 30,000.00 | 8,162.50 | 61,941.41 |
| 2019 | 22,844.25 | 30,000.00 | 6,662.50 | 59,506.75 |
| 2020 | 25,025.09 | 35,000.00 | 5,162.50 | 65,187.59 |
| 2021 | 23,934.67 | 35,000.00 | 3,412.50 | 62,347.17 |
| 2022 | 22,844.43 | 35,000.00 | 1,662.50 | 59,506.93 |
| Total | <u>\$168,789.09</u> | <u>\$225,000.00</u> | <u>\$45,887.50</u> | <u>\$439,676.59</u> |

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.

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

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

| <u>Year</u> | <u>Fund Loan Principal</u> | <u>Trust Loan Principal</u> | <u>Trust Loan Interest</u> | <u>Total</u> |
|-------------|--------------------------------|---------------------------------|--------------------------------|-----------------------|
| 2016 | \$ 63,398.84 | \$ 65,000.00 | \$ 33,118.76 | \$ 161,517.60 |
| 2017 | 61,718.86 | 65,000.00 | 30,518.76 | 157,237.62 |
| 2018 | 63,269.60 | 70,000.00 | 27,918.76 | 161,188.36 |
| 2019 | 61,347.32 | 70,000.00 | 24,943.76 | 156,291.08 |
| 2020 | 62,655.77 | 75,000.00 | 21,968.76 | 159,624.53 |
| 2021 | 63,705.76 | 80,000.00 | 18,593.76 | 162,299.52 |
| 2022 | 61,444.25 | 80,000.00 | 15,093.76 | 156,538.01 |
| 2023 | 62,413.46 | 85,000.00 | 11,593.76 | 159,007.22 |
| 2024 | 63,241.34 | 90,000.00 | 7,875.00 | 161,116.34 |
| 2025 | 60,697.36 | 90,000.00 | 3,937.50 | 154,634.86 |
| Total | <u>\$623,892.56</u> | <u>\$770,000.00</u> | <u>\$195,562.58</u> | <u>\$1,589,455.14</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> |
|-------------|--------------------------------|---------------------------------|--------------------------------|---------------------|
| 2016 | \$ 29,746.19 | \$ 10,000.00 | \$ 6,000.00 | \$ 45,746.19 |
| 2017 | 28,816.61 | 10,000.00 | 5,500.00 | 44,316.61 |
| 2018 | 28,072.95 | 10,000.00 | 5,100.00 | 43,172.95 |
| 2019 | 27,329.31 | 10,000.00 | 4,700.00 | 42,029.31 |
| 2020 | 26,585.65 | 10,000.00 | 4,300.00 | 40,885.65 |
| 2021 | 35,137.68 | 15,000.00 | 3,900.00 | 54,037.68 |
| 2022 | 33,987.34 | 15,000.00 | 3,281.25 | 52,268.59 |
| 2023 | 32,837.00 | 15,000.00 | 2,662.50 | 50,499.50 |
| 2024 | 31,651.80 | 15,000.00 | 2,025.00 | 48,676.80 |
| 2025 | 30,257.44 | 15,000.00 | 1,275.00 | 46,532.44 |
| 2026 | 29,072.44 | 15,000.00 | 637.50 | 44,709.94 |
| Total | <u>\$333,494.41</u> | <u>\$140,000.00</u> | <u>\$39,381.25</u> | <u>\$512,875.66</u> |

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

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 through 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> |
|-------------|--------------------------------|---------------------------------|--------------------------------|---------------------|
| 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>\$196,808.47</u> | <u>\$220,000.00</u> | <u>\$69,600.00</u> | <u>\$486,408.47</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.

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

K. Post Retirement Benefits - Continued:

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.

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, 2011, 2012, 2013, 2014 and 2015 are as follows:

| Year | Health Benefits | Medicare Reimbursements | Number of Participants |
|------|-----------------|-------------------------|------------------------|
| 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 |
| 2015 | 6,222,675 | 325,190 | 323 |

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.

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

L. Health Benefits - Continued:

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.

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. Interfund:

As of December 31, 2015, Interfund Receivable and Payables that resulted from various Interfund transactions are as follows:

| | Due From Other Funds | Due To Other Funds |
|--------------|-------------------------|-----------------------|
| Current Fund | \$540,576.57 | |
| Grant Fund | | \$ 540,576.57 |

The above balances are the result of expenditures being paid by one fund on behalf of another. The Township expects all interfunds to be liquidated within one year.

N. 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.

O. Subsequent Events:

The Township has evaluated subsequent events occurring after December 31, 2015 through the date of July 29, 2016. The Township has determined that no subsequent events have occurred which require disclosure in the financial statements.

**TOWNSHIP OF WEST ORANGE
SUPPLEMENTARY INFORMATION**

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

| | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|-------------------------------|------------------------|------------------------|------------------------|
| Tax Rate | <u>\$3.82</u> | <u>\$3.74</u> | <u>\$3.65</u> |
| Apportionment of Tax Rate: | | | |
| Municipal | 0.91 | 0.891 | 0.883 |
| Minimum Library Tax | 0.034 | 0.034 | 0.035 |
| County | 0.52 | 0.514 | 0.499 |
| School | 2.335 | 2.285 | 2.212 |
| Municipal – Open Space | 0.002 | 0.002 | 0.003 |
| County – Open Space | 0.015 | 0.016 | 0.016 |
| | <u>\$3.82</u> | <u>\$3.74</u> | <u>\$3.65</u> |
| Assessed Valuation | <u>\$5,601,313,855</u> | <u>\$5,602,146,397</u> | <u>\$5,646,476,575</u> |

SCHEDULE OF TAX LEVIES AND COLLECTION CURRENTLY

| <u>Year</u> | <u>Tax Levy</u> | <u>Collections</u> | <u>Percentage of Collections</u> |
|-------------|------------------|--------------------|--------------------------------------|
| 2015 | \$214,069,446.45 | \$211,159,561.28 | 98.64% |
| 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% |

**TOWNSHIP OF WEST ORANGE
SUPPLEMENTARY INFORMATION**

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:

| December 31, Year | Amount of Tax Title Liens | Amount of Delinquent Taxes | Total Delinquent | Percentage of Tax Levy |
|----------------------------------|--|---|-----------------------------|---------------------------------------|
| 2015 | \$1,088,852.87 | \$2,474,569.33 | \$3,563,422.20 | 1.66% |
| 2014 | 895,340.57 | 2,267,368.68 | 3,162,709.25 | 1.51% |
| 2013 | 734,211.54 | 2,331,358.29 | 3,065,569.83 | 1.51% |
| 2012 | 169,198.38 | 3,147,736.63 | 3,316,935.01 | 1.66% |
| 2011 | 156,756.86 | 1,557,515.11 | 1,714,271.97 | 0.87% |

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.

| Year | Amount |
|-------------|---------------|
| 2015 | \$392,465.00 |
| 2014 | 392,465.00 |
| 2013 | 392,465.00 |
| 2012 | 392,465.00 |
| 2011 | 392,465.00 |

**TOWNSHIP OF WEST ORANGE
SUPPLEMENTARY INFORMATION**

SCHEDULE OF FUND BALANCES - CURRENT FUND

| <i>Year</i> | <i>Balance</i> | <i>Utilized in Budget</i> |
|-------------------------|------------------------|-------------------------------|
| <i>Current Fund</i> | <i>December 31,</i> | <i>of Succeeding Year</i> |
| <u>2015</u> | <u>\$ 3,418,848.03</u> | <u>\$ 2,898,302.12</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 |

SCHEDULE OF FUND BALANCES – SWIMMING POOL

| <i>Year</i> | <i>Balance</i> | <i>Utilized in Budget</i> |
|---------------------|---------------------|-------------------------------|
| <i>Current Fund</i> | <i>December 31,</i> | <i>of Succeeding Year</i> |
| <u>2015</u> | <u>\$ 53,122.13</u> | <u>\$ 46,664.98</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 |

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-4

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

| | <u>Ref.</u> | <u>Regular Fund</u> |
|---|-------------|-------------------------|
| Balance, December 31, 2014 | A | \$ 12,777,904.56 |
| Increased by Receipts: | | |
| Tax Collector | A-5 | <u>242,574,034.45</u> |
| | | <u>255,351,939.01</u> |
| Decreased by Disbursements: | | |
| Budget Appropriations | A-3 | 69,013,995.43 |
| Retiree Drug Subsidy Program | A-6A | 215,000.00 |
| Tax Appeals Paid | A-10 | 862,684.02 |
| Tax Title Lienholders Payable | A-10A | 2,366,334.23 |
| Tax Title Lien Premium Payable | A-10B | 1,328,000.00 |
| Interfund Advances | A-13 | 1,155,511.45 |
| Appropriation Reserves | A-15 | 1,265,934.80 |
| Special Emergency Notes | A-14 | 4,424,262.00 |
| Open Space Trust | A-14A | 145,550.94 |
| Special Improvement District Assessment | A-14B | 104,683.67 |
| School Tax Payable | A-19 | 130,774,418.00 |
| County Tax Payable | A-20 | 29,998,776.14 |
| Fees Due to State of New Jersey | A-21 | <u>74,337.00</u> |
| | | <u>241,729,487.68</u> |
| Balance, December 31, 2015 | A | <u>\$ 13,622,451.33</u> |

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-5

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

| | <u>Ref.</u> | <u>Regular Fund</u> |
|--|-------------|-------------------------|
| Increased by Receipts: | | |
| Taxes Receivable | A-7 | \$ 212,394,905.34 |
| Drug Subsidy Program | A-6A | 335,333.96 |
| Tax Title Lienholders Payable | A-10A | 2,686,158.22 |
| Tax Title Lien Premium Payable | A-10B | 2,188,000.00 |
| Revenue Accounts Receivable | A-11 | 11,059,028.75 |
| Sewer Rents | A-12 | 5,056,608.79 |
| Interfund | A-13 | 1,320,293.01 |
| Special Emergency Notes | A-14 | 5,916,252.00 |
| Exemptions Due from State of New Jersey | A-16 | 192,500.00 |
| Tax Overpayments | A-18 | 36,208.91 |
| Fees Due to State of New Jersey | A-21 | 72,095.00 |
| Prepaid Taxes | A-22 | 1,315,722.23 |
| Sewer Rent Overpayments | A-17A | 928.24 |
| | | <hr/> 242,574,034.45 |
| Decreased by Disbursements: | | |
| Township Treasurer | A-4 | 242,574,034.45 |
| | | <hr/> |
| Balance, December 31, 2015 | | <u>\$</u> |

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-6

**SCHEDULE OF CASH - CHANGE FUNDS
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | |
|-------------------------------------|-------------|------------------|
| Balance, December 31, 2015 and 2014 | 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> |

**DUE FROM RETIREE DRUG SUBSIDY PROGRAM
DECEMBER 31, 2015**

A-6A

| | <u>Ref.</u> | |
|----------------------------|-------------|---------------------|
| Balance, December 31, 2014 | A | \$ 209,474.63 |
| Increased by: | | |
| Cash Disbursements | A-1, A-4 | <u>215,000.00</u> |
| | | 424,474.63 |
| Decreased by: | | |
| Collections | A-1, A-5 | <u>335,333.96</u> |
| Balance, December 31, 2015 | A | \$ <u>89,140.67</u> |

TOWNSHIP OF WEST ORANGE
CURRENT FUND

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

| Year | Balance, December 31, 2014 | 2015 Levy | Added Taxes | 2014 Gross Collections | 2015 Gross Collections | Cancelled | Senior Citizens' and Veterans' Deductions (Net) | Tax Title Liens | Balance, December 31, 2015 |
|-----------------------------------|----------------------------------|-----------------------|----------------|---------------------------|---------------------------|---------------|---|--------------------|----------------------------------|
| 2014 | \$ 2,267,368.68 | \$ 214,031,544.33 | \$ 26,638.04 | \$ 859,548.39 | \$ 2,288,377.30 | \$ | \$ 195,500.00 | \$ 187,513.41 | \$ 5,629.42 |
| 2015 | \$ 2,267,368.68 | \$ 214,031,544.33 | \$ 35,424.31 | \$ 859,549.39 | \$ 212,394,905.34 | \$ 223,299.85 | \$ 195,500.00 | \$ 187,513.41 | \$ 2,468,939.91 |
| | Ref. A | Below | Reserve | A-22 | A-5 | Reserve | A-16 | A-8 | A |
| Local District School Tax Levy | A-19 \$ 130,774,418.00 | A-2 \$ 130,774,418.00 | | | | | | | |
| County Tax | A-20 29,095,345.84 | | | | | | | | |
| County Open Space Tax | A-20 874,492.87 | | | | | | | | |
| Due County for Added Taxes | A-20 24,220.89 | A-2 29,994,060.40 | | | | | | | |
| Local Tax for Municipal Purposes | 50,944,060.12 | | | | | | | | |
| Add Additional from City Tax Rate | 146,550.69 | | | | | | | | |
| Add Additional Tax Levied | 1,920,883.14 | A-2 51,080,610.81 | | | | | | | |
| Local Tax for Library Purposes | 1,537.37 | | | | | | | | |
| Add Additional Tax Levied | 145,460.49 | 1,922,220.51 | | | | | | | |
| Open Space Tax | 90.45 | 145,550.94 | | | | | | | |
| Add Additional Open Space Tax | A-14A | A-2 104,683.67 | | | | | | | |
| SID Assessment | A-14B | \$ 214,031,544.33 | | | | | | | |

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

**TAX TITLE LIENS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015**

A-8

| | <u>Ref.</u> | | |
|--------------------------------------|-------------|-----------------|------------------------|
| Balance, December 31, 2014 | A | | \$ 895,340.57 |
| Increased by: | | | |
| Transfer from Taxes Receivable | A-7 | \$ 187,513.41 | |
| Transfer from Sewer Rents Receivable | A-12 | <u>5,998.89</u> | |
| | | | <u>193,512.30</u> |
| Balance, December 31, 2015 | A | | <u>\$ 1,088,852.87</u> |

**PROPERTY ACQUIRED FOR TAXES
DECEMBER 31, 2015**

A-9

| | <u>Ref.</u> | | |
|----------------------------|-------------|--|----------------------|
| Balance, December 31, 2014 | A | | <u>\$ 392,465.00</u> |
| Balance, December 31, 2015 | A | | <u>\$ 392,465.00</u> |

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-10

**RESERVE FOR TAX APPEALS PENDING
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | |
|----------------------------|-------------|-----------------|
| Balance, December 31, 2014 | A | \$ 1,693,804.75 |
| Decreased by: | | |
| Tax Appeals Paid | A-4 | 862,684.02 |
| Balance, December 31, 2015 | A | \$ 831,120.73 |

**RESERVE FOR TAX TITLE LIENHOLDERS PAYABLE
YEAR ENDED DECEMBER 31, 2015**

A-10A

| | <u>Ref.</u> | |
|----------------------------|-------------|---------------|
| Balance, December 31, 2014 | A | \$ 169,203.89 |
| Increased by: | | |
| Tax Lien Sale | A-5 | 2,686,158.22 |
| | | 2,855,362.11 |
| Decreased by: | | |
| Redemptions | A-4 | 2,366,334.23 |
| Balance, December 31, 2015 | A | \$ 489,027.88 |

**RESERVE FOR TAX TITLE LIEN PREMIUMS PAYABLE
YEAR ENDED DECEMBER 31, 2015**

A-10B

| | <u>Ref.</u> | |
|----------------------------|-------------|-----------------|
| Balance, December 31, 2014 | A | \$ 3,705,853.14 |
| Increased by: | | |
| Tax Lien Sale | A-5 | 2,188,000.00 |
| | | 5,893,853.14 |
| Decreased by: | | |
| Redemptions | A-4 | 1,328,000.00 |
| Balance, December 31, 2015 | A | \$ 4,565,853.14 |

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015

| | Ref. | Balance, December 31, 2014 | Accrued in 2015 | Collected by Treasurer | Balance, December 31, 2015 |
|--|----------------------|----------------------------------|----------------------|------------------------------|----------------------------------|
| BUDGET REVENUE: | | | | | |
| In Lieu of Taxes: | | | | | |
| West Orange Senior Citizens Housing | A-2 | \$ | 117,900.00 | 117,900.00 | \$ |
| Jewish Federation Plaza | A-2 | | 107,436.32 | 107,436.32 | |
| Eagle Rock Housing | A-2 | | 60,407.50 | 60,407.50 | |
| Woodland Valley | A-2 | | 32,332.50 | 32,332.50 | |
| St. Barnabas | A-2 | | 296,000.00 | 296,000.00 | |
| Other | A-2 | | 500.00 | 500.00 | |
| Twp Clerk: Alcoholic Beverages Licenses | A-2 | | 69,520.32 | 69,520.32 | |
| Twp Clerk: Other Licenses | A-2 | | 53,689.00 | 53,689.00 | |
| Permits and Fees | A-2 | | 284,485.93 | 284,485.93 | |
| Municipal Court Fines and Costs | A-2 | 50,756.04 | 620,168.93 | 500,786.09 | 170,138.88 |
| Parking Meters | A-2 | | 20,595.58 | 20,595.58 | |
| Interest on Delinquent Taxes | A-2 | | 628,806.31 | 628,806.31 | |
| Interest on Investments | A-2 | | 34,886.76 | 34,886.76 | |
| St of NJ: Energy Receipts Tax | A-2 | | 4,691,252.00 | 4,691,252.00 | |
| Watershed Moratorium Offset Aid | A-2 | | 5,217.00 | 5,217.00 | |
| Construction Code Official: Permits and Fees | A-2 | | 887,222.36 | 887,222.36 | |
| Interlocal Service Agreements | A-2 | | 13,548.57 | 13,548.57 | |
| Rental-Environmental Center | A-2 | | 102,000.00 | 102,000.00 | |
| Uniform Fire Safety Act | A-2 | | 63,229.63 | 63,229.63 | |
| Supplemental Sewer Fees | A-2 | | 202,400.00 | 202,400.00 | |
| Medical Transport Billing Service | A-2 | | 786,939.32 | 786,939.32 | |
| Comcast Cable/Verizon Franchise Fee | A-2 | | 638,895.41 | 638,895.41 | |
| Ground Leases | A-2 | | 177,672.48 | 177,672.48 | |
| Hotel Fee | A-2 | | 481,246.51 | 481,246.51 | |
| Trust Fund Balance | A-2 | | 11,967.21 | 11,967.21 | |
| General Capital Fund Balance | A-2 | | 192,307.96 | 192,307.96 | |
| Extra Duty Fees | A-2 | | 143,230.96 | 143,230.96 | |
| Total Anticipated Revenues | | 50,756.04 | 10,723,858.56 | 10,604,475.72 | 170,138.88 |
| Miscellaneous Revenue Not Anticipated | A-2 | \$ | 456,673.03 | 456,673.03 | \$ |
| | | 50,756.04 | 11,180,531.59 | 11,061,148.75 | 170,138.88 |
| | Ref. | A | Reserve | Below | A |
| | Cash Receipts | | | | |
| | Applied from Prepaid | | | | |
| | Ref. | | | | |
| | A-5 | | | 11,059,028.75 | |
| | A-14C | | | 2,120.00 | |
| | | | | 11,061,148.75 | |

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-12

**SEWER CHARGES RECEIVABLE
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | |
|----------------------------|-------------|-----------------|-----------------------------|
| Balance, December 31, 2014 | A | | \$ 376,818.24 |
| Increased by: | | | |
| Sewer Charges | Reserve | | <u>5,034,383.94</u> |
| | | | 5,411,202.18 |
| Decreased by: | | | |
| Cash Receipts | A-2, A-5 | \$ 5,056,608.79 | |
| Transferred to Lien | A-8 | <u>5,998.89</u> | <u>5,062,607.68</u> |
| Balance, December 31, 2015 | A | | <u><u>\$ 348,594.50</u></u> |

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-13

**INTERFUNDS
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | <u>Total</u> | <u>State & Federal Grant Fund</u> | <u>Animal Control Fund</u> |
|----------------------------|-------------|------------------------|---|------------------------------------|
| Balance, December 31, 2014 | | | | |
| To (From) | A | <u>\$ 350,680.99</u> | <u>\$ 350,681.01</u> | <u>\$ (0.02)</u> |
| Increased by: | | | | |
| Budget Appropriations | A-3 | \$ 953,720.50 | 953,720.50 | |
| Cancelled | A-1 | 0.02 | | 0.02 |
| Cash Receipts | A-5 | 1,099,895.25 | 1,099,895.25 | |
| Unappropriated Grants | A-5 | <u>220,397.76</u> | <u>220,397.76</u> | |
| | | <u>2,274,013.53</u> | <u>2,274,013.51</u> | <u>0.02</u> |
| Subtotal | | <u>2,624,694.52</u> | <u>2,624,694.52</u> | <u>0.02</u> |
| Decreased by: | | | | |
| Revenue Anticipated | A-2 | 928,606.50 | 928,606.50 | |
| Cash Disbursements | A-4 | <u>1,155,511.45</u> | <u>1,155,511.45</u> | |
| | | <u>\$ 2,084,117.95</u> | <u>2,084,117.95</u> | |
| Balance, December 31, 2015 | A | <u>\$ 540,576.57</u> | <u>\$ 540,576.57</u> | <u>\$</u> |

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

**SPECIAL EMERGENCY NOTES
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | A-14 |
|--------------------------------------|-------------|---------------------|------------------------|
| Balance, December 31, 2014 | A | | \$ 4,424,262.00 |
| Increased by: | | | |
| Notes Issued | A-5 | | <u>5,916,252.00</u> |
| | | | 10,340,514.00 |
| Decreased by: | | | |
| Notes Transferred to General Capital | A-27 | \$ 2,284,702.00 | |
| Notes Paid | A-4 | <u>4,424,262.00</u> | <u>6,708,964.00</u> |
| Balance, December 31, 2015 | A | | <u>\$ 3,631,550.00</u> |

**LOCAL OPEN SPACE TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | A-14A |
|--------------------------------------|-------------|--|-------------------|
| Balance, December 31, 2014 | | | |
| Increased by: | | | |
| Local Open Space Taxes Received | A-1, A-7 | | <u>145,550.94</u> |
| | | | 145,550.94 |
| Decreased by: | | | |
| Local Open Space Taxes Paid to Trust | A-4 | | <u>145,550.94</u> |
| Balance, December 31, 2015 | | | <u>\$</u> |

**SPECIAL IMPROVEMENT DISTRICT ASSESSMENT
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | A-14B |
|----------------------------|-------------|--|-------------------|
| Balance, December 31, 2014 | | | |
| Increased by: | | | |
| SID Funds Received | A-1, A-7 | | <u>104,683.67</u> |
| | | | 104,683.67 |
| Decreased by: | | | |
| SID Funds Disbursed | A-4 | | <u>104,683.67</u> |
| Balance, December 31, 2015 | | | <u>\$</u> |

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
CURRENT FUND

PREPAID HEALTH LICENSES
YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | A-14C |
|----------------------------|-------------|-----------------|
| Balance, December 31, 2014 | A | \$ 2,120.00 |
| Decreased by: | | |
| Applied to Revenue | A-11 | <u>2,120.00</u> |
| Balance, December 31, 2015 | | <u>\$</u> |

TOWNSHIP OF WEST ORANGE
 CURRENT FUND
 APPROPRIATION RESERVES
 YEAR ENDED DECEMBER 31, 2015

| | Balance, December 31, 2014 | Encumbrances December 31, 2014 | Opening Balances January 1, 2015 | Balance, After Transfer | Paid or Charged | Lapsed |
|---------------------------------|----------------------------------|--------------------------------------|--|-------------------------------|--------------------|-------------------|
| SALARIES AND WAGES: | | | | | | |
| Police Department | \$ 221,815.93 | \$ | \$ 221,815.93 | \$ 221,815.93 | \$ 86,272.31 | \$ 135,543.62 |
| Public Works | 2,200.00 | | 2,200.00 | 2,200.00 | | 2,200.00 |
| General Health | 1,961.80 | | 1,961.80 | 1,961.80 | 1,905.18 | 56.62 |
| Animal Control | 2,106.85 | | 2,106.85 | 2,106.85 | 1,040.25 | 1,066.60 |
| Sen Citizen Health Care | 2,608.92 | | 2,608.92 | 2,608.92 | 164.20 | 2,444.72 |
| Child Health | 3,000.00 | | 3,000.00 | 3,000.00 | | 3,000.00 |
| Total Salaries and Wages | <u>233,693.50</u> | | <u>233,693.50</u> | <u>233,693.50</u> | <u>86,381.94</u> | <u>144,311.56</u> |

TOWNSHIP OF WEST ORANGE
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2015

| | Balance, December 31, 2014 | Encumbrances December 31, 2014 | Opening Balances January 1, 2015 | Balance, After Transfer | Paid or Charged | Lapsed |
|---------------------------------------|----------------------------------|--------------------------------------|--|-------------------------------|--------------------|-----------|
| OTHER EXPENSES: | | | | | | |
| Office of the Mayor | \$ 642.26 | \$ 61.22 | \$ 703.48 | \$ 703.48 | \$ 61.22 | \$ 642.26 |
| Public Information Officer | 595.00 | | 595.00 | 595.00 | | 595.00 |
| Township Council | 271.10 | 1,603.34 | 1,874.44 | 1,874.44 | 987.34 | 887.10 |
| Alcohol Beverage Control | 46.00 | | 46.00 | 46.00 | | 46.00 |
| Litigation - Arbitration | 13,898.34 | 17,975.67 | 31,874.01 | 31,974.01 | 23,967.07 | 8,006.94 |
| Township Clerk | 1,876.44 | | 1,876.44 | 1,876.44 | | 1,876.44 |
| Legal Services | 6,940.00 | 1,000.00 | 7,940.00 | 7,940.00 | | 7,940.00 |
| Human Relations | 1,794.45 | | 1,794.45 | 1,794.45 | | 1,794.45 |
| Planning Board | 4,193.72 | 1,120.88 | 5,314.60 | 5,314.60 | 668.64 | 4,645.96 |
| Board of Adjustment | | 271.34 | 271.34 | 271.34 | 122.82 | 148.52 |
| Waste Management | 10,434.90 | 54,833.34 | 54,833.34 | 54,833.34 | 54,833.34 | |
| Municipal Court | 6,000.00 | 2,650.66 | 13,085.56 | 13,085.56 | 2,430.66 | |
| Public Defender | 150.00 | | 6,000.00 | 6,000.00 | | 6,000.00 |
| Open Space Recreation | 75.00 | | 150.00 | 150.00 | | 150.00 |
| Rent Leveling Board | 27,791.80 | 1,510.64 | 75.00 | 75.00 | | 75.00 |
| Business Administrator | 1,000.00 | | 29,302.44 | 29,302.44 | 1,440.64 | 27,861.80 |
| Administration of Town-Owned Property | 1,299.11 | | 1,000.00 | 1,000.00 | | 1,000.00 |
| Central Purchasing | 1,876.83 | 106.72 | 1,405.83 | 1,405.83 | 106.72 | 1,299.11 |
| Central Printing and Supply | 121.50 | 947.68 | 2,824.31 | 2,824.31 | 723.28 | 2,101.03 |
| Central Telephone | 60,777.81 | 11,294.56 | 11,406.06 | 11,406.06 | 1,750.52 | 9,675.54 |
| Employee Group Health | 2.50 | 2,239.66 | 63,017.47 | 63,017.47 | 44,359.08 | 18,658.39 |
| Unemployment Insurance | | | 2.50 | 2.50 | | 2.50 |
| Township Physician | 361.00 | 128.00 | 489.00 | 489.00 | 128.00 | 361.00 |
| Tax Collector | 4,776.65 | 2,803.73 | 7,580.38 | 7,580.38 | 6,988.73 | 591.65 |
| Treasurer | 594.67 | 1,659.55 | 2,254.22 | 2,254.22 | 184.80 | 2,069.42 |
| Comptroller | 1,547.62 | 6,607.30 | 8,154.92 | 8,154.92 | 6,345.00 | 1,809.92 |
| Planning Director | 6,608.44 | 2,294.30 | 8,902.74 | 8,902.74 | 2,263.02 | 6,639.72 |
| Housing Code Enforcement | 3,224.65 | | 3,224.65 | 3,224.65 | 45.50 | 3,179.15 |
| Downtown W.O. Alliance | 645.00 | 1,388.78 | 1,388.78 | 1,388.78 | 1,388.78 | |
| Energy Commission | | | 645.00 | 645.00 | | 645.00 |
| Historical Commission | | 1,372.13 | 1,372.13 | 1,372.13 | 1,372.13 | |
| Tax Assessor | 726.17 | | 726.17 | 726.17 | 400.00 | 326.17 |
| Police Department | 14,595.38 | 68,745.59 | 83,340.97 | 83,340.97 | 55,263.40 | 28,077.57 |
| Department of Fire | 1,612.88 | 26,824.66 | 28,437.54 | 28,437.54 | 23,432.99 | 5,004.55 |
| Fire Uniforms | 3,333.38 | | 3,333.38 | 3,333.38 | | 3,333.38 |
| Uniform Fire Safety | 2,995.21 | 6,913.93 | 9,909.14 | 9,909.14 | 9,066.19 | 842.95 |
| Emergency Management Services | 34.64 | 709.08 | 743.72 | 743.72 | 681.29 | 62.43 |
| Engineering | 571.94 | 568.23 | 1,140.17 | 1,140.17 | 300.15 | 840.02 |
| Building and Grounds | 4,372.54 | 62,710.34 | 67,082.88 | 67,082.88 | 33,742.95 | 33,339.93 |
| PYB- South Jersey | | | | | (709.21) | 709.21 |

TOWNSHIP OF WEST ORANGE
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2015

| | Balance, December 31, 2014 \$ | Encumbrances December 31, 2014 \$ | Opening Balances January 1, 2015 \$ | Balance, After Transfer \$ | Paid or Charged \$ | Lapsed \$ |
|---|--|--|--|-------------------------------------|--------------------------|--------------|
| Arts Council | 1,454.50 | | 1,454.50 | 1,454.50 | | 1,454.50 |
| Shade Trees | 29,327.24 | 2,458.49 | 31,785.73 | 31,785.73 | 5,146.45 | 26,639.28 |
| Parking Facilities-Maint & Repair | 61.66 | 289.78 | 351.44 | 351.44 | 289.78 | 61.66 |
| Snow Plowing and Salt | 5,000.00 | 15,000.00 | 20,000.00 | 20,000.00 | 19,610.42 | 389.58 |
| Street Services-Cleaning & Drainage | 34.62 | | 34.62 | 34.62 | | 34.62 |
| Street Repairs | 5,892.61 | 18,306.97 | 24,199.58 | 24,199.58 | 5,327.75 | 18,871.83 |
| Street Services & Traffic | 36.47 | | 36.47 | 36.47 | | 36.47 |
| Sanitation | 1,473.46 | | 1,473.46 | 1,473.46 | | 1,473.46 |
| Automotive | 17,898.23 | 146,140.90 | 165,039.13 | 166,039.13 | 109,847.98 | 56,091.15 |
| Sewage and Pumping Stations | 18,891.15 | 4,478.75 | 23,369.90 | 23,369.90 | 4,428.75 | 18,941.15 |
| General Health | 2,949.73 | 391.37 | 3,341.10 | 3,341.10 | 323.75 | 3,017.35 |
| Senior Citizen Transportation | 262.07 | 14.12 | 276.19 | 276.19 | | 276.19 |
| Public Assistance | 4,025.00 | 225.48 | 4,250.48 | 4,250.48 | 224.00 | 4,026.48 |
| Animal Control | 217.57 | 50.00 | 267.57 | 267.57 | 50.00 | 217.57 |
| Podiatry | 1,847.54 | 2,557.25 | 4,404.79 | 4,404.79 | 870.30 | 3,534.49 |
| Senior Citizen Health Center Aid to Health Care Facility | 1,027.70 | 707.60 | 1,735.30 | 1,735.30 | 616.70 | 1,118.60 |
| Child Health Clinic | 45.53 | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 | |
| Retired Citizens Program | 948.50 | 724.00 | 769.53 | 769.53 | 724.00 | 45.53 |
| Right to Know Program | | 3,489.11 | 4,437.61 | 4,437.61 | 3,580.35 | 857.26 |
| Garbage and Trash Removal | | 97.99 | 97.99 | 97.99 | 75.00 | 22.99 |
| Community Services | 9,750.00 | 381,995.24 | 381,995.24 | 381,995.24 | 376,762.14 | 5,233.10 |
| Parks and Playgrounds | 309.69 | 5,798.67 | 9,750.00 | 9,750.00 | 2,500.00 | 7,250.00 |
| Public Celebrations | | 3,596.30 | 6,108.36 | 6,108.36 | 5,962.64 | 145.72 |
| Construction Official | 2,292.80 | 26,345.05 | 28,637.85 | 3,586.30 | 2,026.30 | 1,558.00 |
| Electricity | 96,748.20 | 42,313.64 | 139,061.84 | 28,637.85 | 26,074.87 | 2,562.98 |
| Street Lighting | 3,906.68 | 51,323.87 | 55,230.55 | 139,061.84 | 138,904.20 | 157.64 |
| Gasoline | 4,873.25 | 39,992.56 | 44,865.81 | 55,230.55 | 50,378.74 | 4,851.81 |
| Water | 2,193.45 | 5,913.45 | 8,106.90 | 44,865.81 | 35,205.14 | 9,660.67 |
| Fire Hydrant Service | 115,191.60 | | 115,191.60 | 8,106.90 | 6,537.55 | 1,569.35 |
| Challenge Grant Bus Shuttle | 60,000.00 | 28,815.40 | 88,815.40 | 115,191.60 | 50,314.40 | 64,877.20 |
| Medical Transport Billing Service | | 1,202.40 | 1,202.40 | 88,815.40 | 29,044.60 | 59,770.80 |
| Compensated Absence Liability | | | | 1,202.40 | | 1,202.40 |
| Total Other Expenses | 346,536.93 | 1,064,049.72 | 346,536.93 | 346,536.93 | 1,148,752.86 | 346,536.93 |
| | 918,882.91 | | 1,982,932.63 | 1,982,932.63 | | 854,179.77 |

TOWNSHIP OF WEST ORANGE
CURRENT FUND
APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2015

| | Balance, December 31, 2014 | Encumbrances December 31, 2014 | Opening Balances January 1, 2015 | Balance, After Transfer | Paid or Charged | Lapsed |
|--|------------------------------------|--------------------------------------|--|-------------------------------------|------------------------|------------------------------------|
| DEFERRED CHARGES | | | | | | |
| Prior Year Bills | \$ | \$ | \$ | \$ | \$ | \$ |
| Total Deferred Charges | | | | | | |
| Contingent | 1,000.00 | | 1,000.00 | 1,000.00 | | 1,000.00 |
| STATUTORY EXPENDITURES: | | | | | | |
| DCRP | 2,000.00 | | 2,000.00 | 2,000.00 | | |
| Total Statutory Expenditures | 2,000.00 | | 2,000.00 | 2,000.00 | 2,000.00 | |
| Essex County C/JIS Chapter 10, P.L. 1977-Joint Outlet Sewer Maintenance Tax Appeal Refunds | 5,018.53 6,216.61 164,563.66 | | 5,018.53 37,966.61 170,563.66 | 5,018.53 37,966.61 170,563.66 | 31,750.00 | 5,018.53 6,216.61 170,563.66 |
| Total Other Operations - Excluded from "CAPS" | 175,798.80 | | 213,548.80 | 213,548.80 | 31,750.00 | 181,798.80 |
| | <u>1,331,375.21</u> | <u>1,101,799.72</u> | <u>2,433,174.93</u> | <u>2,433,174.93</u> | <u>1,271,864.80</u> | <u>1,161,290.13</u> |
| Ref. | A | A | | | Below | A-1 |
| | | Cash Disbursed | Ref. | | \$ 1,265,934.80 | |
| | | Accounts Payable | | | 5,950.00 | |
| | | | | | <u>\$ 1,271,884.80</u> | |
| | Appropriation Reserves | Ref. | | \$ 1,331,375.21 | | |
| | Reserve for Encumbrances | A | | 1,101,799.72 | | |
| | | A | | <u>\$ 2,433,174.93</u> | | |

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

**DUE FROM STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | A-16 |
|--|-------------|-------------|---------------|
| Balance, December 31, 2014 | A | | \$ 29,982.43 |
| Increased by: | | | |
| Exemptions Granted per Billing | | 194,500.00 | |
| Exemptions Granted by Tax Collector | A-7 | 1,000.00 | 195,500.00 |
| | | | 225,482.43 |
| Decreased by: | | | |
| Exemptions Disallowed by Tax Collector 2014 Taxes | A-1 | \$ 2,750.00 | |
| Cash Receipts | A-5 | 192,500.00 | \$ 195,250.00 |
| Balance, December 31, 2015 | A | | \$ 30,232.43 |

**SCHEDULE OF ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | A-17 |
|--------------------------------------|-------------|--|--------------|
| Balance, December 31, 2014 | A | | \$ 15,200.00 |
| Increased by: | | | |
| Transfer from Appropriation Reserves | A-15 | | 5,950.00 |
| Balance, December 31, 2015 | A | | \$ 21,150.00 |

**SCHEDULE OF SEWER OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | A-17A |
|----------------------------|-------------|--|-------------|
| Balance, December 31, 2014 | A | | \$ 8,296.00 |
| Increased by: | | | |
| Cash Receipts | A-5 | | 928.24 |
| Balance, December 31, 2015 | A | | \$ 9,224.24 |

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

**TAX OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | A-18 |
|----------------------------|-------------|---------------------|
| Balance, December 31, 2014 | A | \$ 1,580.80 |
| Increased by: | | |
| Cash Receipts | A-5 | <u>36,208.91</u> |
| Balance, December 31, 2015 | A | <u>\$ 37,789.71</u> |

**LOCAL DISTRICT SCHOOL TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | A-19 |
|----------------------------|-------------|-----------------------|
| Balance, December 31, 2014 | A | \$ 1.02 |
| Increased by: | | |
| Calendar Year Levy | A-1, A-7 | <u>130,774,418.00</u> |
| | | 130,774,419.02 |
| Decreased by: | | |
| Cash Payments | A-4 | <u>130,774,418.00</u> |
| Balance, December 31, 2015 | A | <u>\$ 1.02</u> |

**COUNTY TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | A-20 |
|----------------------------------|-------------|----------------------|
| Balance December 31, 2014 | A | \$ 54,162.25 |
| Increased by: | | |
| General Levy | | \$ 29,095,346.84 |
| Open Space Levy | | 874,492.67 |
| General Levy Added/Omitted Taxes | A-1, A-7 | <u>24,220.89</u> |
| | | <u>29,994,060.40</u> |
| | | 30,048,222.65 |
| Decreased by: | | |
| Cash Payments | A-4 | <u>29,998,776.14</u> |
| Balance December 31, 2015 | A | <u>\$ 49,446.51</u> |

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

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

A-21

| | <u>Ref.</u> | <u>Total</u> | <u>Marriage License</u> | <u>Building Surcharge</u> |
|----------------------------|-------------|--------------------|-----------------------------|-------------------------------|
| Balance, December 31, 2014 | A | \$ 10,760.00 | \$ 1,111.00 | \$ 9,649.00 |
| Increased by: | | | | |
| Cash Receipts | A-5 | <u>72,095.00</u> | <u>8,150.00</u> | <u>63,945.00</u> |
| | | 82,855.00 | 9,261.00 | 73,594.00 |
| Decreased by: | | | | |
| Cash Disbursements | A-4 | <u>74,337.00</u> | <u>7,900.00</u> | <u>66,437.00</u> |
| Balance, December 31, 2015 | A | <u>\$ 8,518.00</u> | <u>\$ 1,361.00</u> | <u>\$ 7,157.00</u> |

**PREPAID TAXES
YEAR ENDED DECEMBER 31, 2015**

A-22

| | <u>Ref.</u> | |
|----------------------------|-------------|------------------------|
| Balance, December 31, 2014 | A | \$ 859,549.39 |
| Increased by: | | |
| Cash Receipts | A-5 | <u>1,315,722.23</u> |
| | | 2,175,271.62 |
| Decreased by: | | |
| Prepaid Applied | A-7 | <u>859,549.39</u> |
| Balance, December 31, 2015 | A | <u>\$ 1,315,722.23</u> |

TOWNSHIP OF WEST ORANGE
CURRENT FUND

A-23

FEDERAL AND STATE GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015

| | <u>Balance</u> <u>Dec. 31, 2014</u> | <u>Grant</u> <u>Award</u> | <u>Collections</u> | <u>Balance</u> <u>Dec. 31, 2015</u> |
|---|--|------------------------------|------------------------|--|
| Transportation Municipal Aid: | | | | |
| Bell Terrace | \$ 110,000.00 | \$ | \$ | \$ 110,000.00 |
| Streetscape | 454,329.13 | | 63,281.68 | 391,047.45 |
| Various | 200,715.00 | | 200,715.00 | |
| Various - 2014 | 224,000.00 | | 168,000.00 | 56,000.00 |
| Various - 2015 | | 226,000.00 | | 226,000.00 |
| Municipal Alliance for Alcoholism and Drug Abuse | 18,431.50 | 59,800.00 | 64,484.28 | 13,747.22 |
| Pedestrian Safety Enforcement | 8,000.00 | | | 8,000.00 |
| Municipal Stormwater Regulation Program | 5,155.00 | | | 5,155.00 |
| Byrne Memorial Equipment Grant | 115.39 | | 115.39 | |
| Delinquency Prevention Grant - Summer Expansion | 21,084.26 | | | 21,084.26 |
| Wastewater Treatment Fund | 123,899.00 | | | 123,899.00 |
| Essex County Open Space Grant | 150,000.00 | | 150,000.00 | |
| Essex County DOA Senior Citizens Grant | 5,199.00 | 16,127.00 | 16,127.00 | 5,199.00 |
| Essex County Delinquency Prevention Grant | 55,689.00 | 18,563.00 | | 74,252.00 |
| ILEA Grant | 27,840.00 | | | 27,840.00 |
| Bullet Proof Vest Fund | 30,288.85 | | 21,120.00 | 9,168.85 |
| Body Armour Replacement | | 8,599.73 | 8,599.73 | |
| COPS in Shops | 10,959.40 | | | 10,959.40 |
| Drive Sober or Get Pulled Over | 5,000.00 | | | 5,000.00 |
| Drunk Driving Enforcement Fund | | 3,975.00 | 3,975.00 | |
| CTTEC Grant | 514.62 | | 514.62 | |
| Hazardous Mitigation Grant | 375,000.00 | | | 375,000.00 |
| Hazardous Discharge Site Remediation | | 19,011.20 | 19,011.20 | |
| Recycling Tonnage Grant | | 126,404.18 | 126,404.18 | |
| Community Stewardship Program | 20,000.00 | | | 20,000.00 |
| EMMA Grant | 10,000.00 | | | 10,000.00 |
| ABC Grants | | 11,629.88 | 11,629.88 | |
| St. Cloud Historic Survey Grant | | 12,548.00 | | 12,548.00 |
| SAFER Grant | | 425,948.51 | 425,948.51 | |
| | <u>\$ 1,856,220.15</u> | <u>\$ 928,606.50</u> | <u>\$ 1,279,926.47</u> | <u>\$ 1,504,900.18</u> |
| <u>Ref.</u> | A | A-25 | Below | A |
| Unappropriated Revenue | | A-26 | \$ 180,031.22 | |
| Interfund | | A-24 | 1,099,895.25 | |
| | | | <u>\$ 1,279,926.47</u> | |

TOWNSHIP OF WEST ORANGE
CURRENT FUND

A-24

DUE TO GRANT FUND
YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | | <u>State and Federal Grant Fund</u> |
|--------------------------------|-------------|------------------|---|
| Balance, December 31, 2014 | A | | \$ 350,681.01 |
| Increased by: | | | |
| Collection of Grant Receivable | A-23 | \$ 1,099,895.25 | |
| Unappropriated Grants | A-26 | 220,397.76 | |
| Municipal Match | A-25 | <u>25,114.00</u> | <u>1,345,407.01</u> |
| | | | 1,696,088.02 |
| Decreased by: | | | |
| Cash Disbursed | A-25 | | <u>1,155,511.45</u> |
| Balance, December 31, 2015 | A | | <u>\$ 540,576.57</u> |

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
CURRENT FUND**

A-25

**RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED
YEAR ENDED DECEMBER 31, 2015**

| | <u>Balance</u> <u>Dec. 31, 2014</u> | <u>Budget</u> <u>Appropriation</u> | <u>Cash</u> <u>Disbursed</u> | <u>Balance</u> <u>Dec. 31, 2015</u> |
|--|--|---------------------------------------|---------------------------------|--|
| Drunk Driving Enforcement Fund | \$ 2,620.82 | \$ 3,975.00 | \$ 1,431.00 | \$ 5,164.82 |
| Transportation Municipal Aid - 2014 | 224,000.00 | 226,000.00 | 224,000.00 | 226,000.00 |
| Clean Communities | 213,834.42 | | 9,580.42 | 204,254.00 |
| Municipal Alliance for Alcoholism and Drug Abuse: | | | | |
| 2014 | 17,784.28 | | | 17,784.28 |
| 2015 | | 59,800.00 | 41,262.43 | 18,537.57 |
| Municipal Match | | 14,950.00 | 14,950.00 | |
| Body Armor Replacement Fund | | 8,599.73 | 6,600.00 | 1,999.73 |
| Municipal Stormwater Regulation Program | 20,619.00 | | | 20,619.00 |
| Bullet Proof Vest Partnership | 9,448.36 | | 6,600.00 | 2,848.36 |
| Pedestrian Safety Enforcement | 8,000.00 | | | 8,000.00 |
| Delinquency Prevention Grant | 599.18 | | | 599.18 |
| Cops in Shops | 364.58 | | | 364.58 |
| Byrne Memorial Justice Assistance | 115.39 | | | 115.39 |
| Wastewater Treatment Fund | 279,358.00 | | | 279,358.00 |
| Hazardous Discharge Site Remediation | 106,469.74 | 19,011.20 | | 125,480.94 |
| Essex County DOA Senior Citizens Grant | | 16,291.00 | 16,291.00 | |
| Essex County Delinquency Prevention Grant | 4,652.12 | 18,563.00 | 17,699.36 | 5,515.76 |
| Recycling Tonnage Grant | 76,394.77 | 126,404.18 | 200,750.00 | 2,048.95 |
| Essex County ILEA Grant | 27,840.00 | | | 27,840.00 |
| CTTEC Grant | 1,858.99 | | 1,270.19 | 588.80 |
| ABC Grant | | 11,629.88 | | 11,629.88 |
| SAFER Grant | | 425,948.51 | 425,948.51 | |
| EMMA Grant | 10,000.00 | | 8,759.43 | 1,240.57 |
| PSE&G Grant | 257,186.00 | | 5,216.25 | 251,969.75 |
| Drive Sober or Get Pulled Over | 3,089.73 | | | 3,089.73 |
| St. Cloud Historic Preservation | | 12,548.00 | | 12,548.00 |
| Hazardous Mitigation Grant | 375,000.00 | | | 375,000.00 |
| Community Stewardship Program | 20,000.00 | 10,000.00 | 26,909.00 | 3,091.00 |
| West Orange Streetscape | 367,634.47 | | 148,243.86 | 219,390.61 |
| | <u>\$ 2,026,869.85</u> | <u>\$ 953,720.50</u> | <u>\$ 1,155,511.45</u> | <u>\$ 1,825,078.90</u> |
| <u>Ref.</u> | A | Below | A-24 | A |
| Budget Appropriation | A-23 | \$ 928,606.50 | | |
| Match | A-24 | <u>25,114.00</u> | | |
| | Above, A-3 | <u>\$ 953,720.50</u> | | |

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-2

**OPEN SPACE FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | |
|----------------------------|-------------|------------------|-----------------------------|
| Balance, December 31, 2014 | B | | \$ 507,472.95 |
| Increased by: | | | |
| 2015 Open Space Tax | B-17 | \$ 145,545.71 | |
| Interest on Investments | B-17 | <u>627.70</u> | |
| | | | <u>146,173.41</u> |
| Decreased by: | | | <u>653,646.36</u> |
| Open Space Expenditures | B-17 | <u>27,207.94</u> | |
| | | | <u>27,207.94</u> |
| Balance, December 31, 2015 | B | | <u><u>\$ 626,438.42</u></u> |

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-3

**CASH - TREASURER
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | <u>Animal Control Fund</u> | <u>General Trust Fund</u> | <u>Assessment Trust Fund</u> |
|----------------------------------|-------------|------------------------------------|-----------------------------------|--------------------------------------|
| Balance, December 31, 2014 | B | <u>\$ 44,190.11</u> | <u>\$ 4,332,299.86</u> | <u>\$ 11,967.21</u> |
| Increased by: | | | | |
| Animal Control Fees | B-13 | 22,218.95 | | |
| Miscellaneous Revenue | B-13 | 8,122.07 | | |
| Due to State of NJ | B-9 | 3,141.00 | | |
| Accounts Receivable | B-7 | | | 16,287.24 |
| Prepaid License Fees | B-10 | 3,705.00 | | |
| Special Deposits | B-11 | | 6,897,520.89 | |
| | | <u>37,187.02</u> | <u>6,897,520.89</u> | <u>16,287.24</u> |
| | | <u>81,377.13</u> | <u>11,229,820.75</u> | <u>28,254.45</u> |
| Decreased by: | | | | |
| Expenditures | B-11, B-13 | 19,232.23 | 6,388,228.11 | |
| Interfund | B-8 | 0.02 | | |
| Due to State of NJ | B-9 | 3,267.95 | | |
| Current Fund Anticipated Revenue | B-1, B1A | | | 11,967.21 |
| | | <u>22,500.20</u> | <u>6,388,228.11</u> | <u>11,967.21</u> |
| Balance, December 31, 2015 | B | <u>\$ 58,876.93</u> | <u>\$ 4,841,592.64</u> | <u>\$ 16,287.24</u> |

TOWNSHIP OF WEST ORANGE
TRUST FUND

CASH - INSURANCE TRUST FUND - TREASURER
YEAR ENDED DECEMBER 31, 2015

| | Ref. | Total | Workers' Compensation | Unemployment Compensation | Municipal Insurance |
|--|------|---------------------|-----------------------|---------------------------|---------------------|
| Balance, December 31, 2014 | B | \$ 70,891.58 | \$ 2,115.37 | \$ 61,910.57 | \$ 6,865.64 |
| Increased by: | | | | | |
| Budget Appropriation | B-14 | 1,199,652.00 | 280,000.00 | 20,000.00 | 899,652.00 |
| Refunds and Subrogation | B-14 | 551,510.90 | 504,684.24 | 46,826.66 | |
| Due from Current Fund | B-14 | | | | |
| Interest on Deposits | B-14 | 485.15 | 14.11 | 204.30 | 266.74 |
| | | <u>1,751,648.05</u> | <u>784,698.35</u> | <u>67,030.96</u> | <u>899,918.74</u> |
| | | <u>1,822,539.63</u> | <u>786,813.72</u> | <u>128,941.53</u> | <u>906,784.38</u> |
| Decreased by: | | | | | |
| Workers' Compensation Claims and Administrative Fees | B-14 | 400,350.53 | 400,350.53 | | |
| Due to Current | B-14 | 312,539.15 | 312,068.11 | 204.30 | 266.74 |
| Due to State of New Jersey: | | | | | |
| Claims Paid | B-14 | 125,466.90 | | 125,466.90 | |
| Insurance Settlements | B-14 | 892,401.55 | | | 892,401.55 |
| | | <u>1,730,758.13</u> | <u>712,418.64</u> | <u>125,671.20</u> | <u>892,668.29</u> |
| Balance, December 31, 2015 | B | \$ 91,781.50 | \$ 74,395.08 | \$ 3,270.33 | \$ 14,116.09 |

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-5

**CASH - FEDERAL GRANT TRUST FUND - TREASURER
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | <u>Total</u> | <u>Community Development Block Grant</u> | <u>Section 8 Housing</u> |
|---------------------------------|-------------|---------------------|--|------------------------------|
| Balance, December 31, 2014 | B | \$ 19,936.60 | \$ 0.13 | \$ 19,936.47 |
| Increased by: | | | | |
| Collection of Grants Receivable | B-6, B-15 | 1,543,857.48 | 276,000.00 | 1,267,857.48 |
| Interest on Investments | B-16 | 12.11 | | 12.11 |
| | | <u>1,543,869.59</u> | <u>276,000.00</u> | <u>1,267,869.59</u> |
| | | <u>1,563,806.19</u> | <u>276,000.13</u> | <u>1,287,806.06</u> |
| Decreased by: | | | | |
| Grant Expenditures | B-15, B-16 | <u>1,540,258.88</u> | <u>276,000.00</u> | <u>1,264,258.88</u> |
| | | <u>1,540,258.88</u> | <u>276,000.00</u> | <u>1,264,258.88</u> |
| Balance, December 31, 2015 | B | <u>\$ 23,547.31</u> | <u>\$ 0.13</u> | <u>\$ 23,547.18</u> |

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-6

**FEDERAL GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | <u>Total</u> | <u>Community Development Block Grant</u> | <u>Section 8 Housing</u> |
|------------------------------|-------------|----------------------|--|------------------------------|
| Balance, December 31, 2014 | B | \$ 346,000.00 | \$ 346,000.00 | \$ _____ |
| Increased by: | | | | |
| Community Development | B-15 | 440,000.00 | 440,000.00 | |
| Section 8 Housing | B-16 | <u>1,267,857.46</u> | | <u>1,267,857.46</u> |
| | | <u>1,707,857.46</u> | <u>440,000.00</u> | <u>1,267,857.46</u> |
| | | <u>2,053,857.46</u> | <u>786,000.00</u> | <u>1,267,857.46</u> |
| Decreased by: | | | | |
| Cash Receipts | B-5 | 1,543,857.46 | 276,000.00 | 1,267,857.46 |
| Paid Directly by Third Party | B-15 | <u>70,000.00</u> | <u>70,000.00</u> | |
| | | <u>1,613,857.46</u> | <u>346,000.00</u> | <u>1,267,857.46</u> |
| Balance, December 31, 2015 | B | <u>\$ 440,000.00</u> | <u>\$ 440,000.00</u> | <u>\$ _____</u> |

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-7

**ASSESSMENTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | <u>Assessment Fund</u> |
|----------------------------|-------------|----------------------------|
| Balance, December 31, 2014 | B | \$ 31,757.44 |
| Decreased by: | | |
| Collections-Unpledged | B-3 | <u>16,287.24</u> |
| Balance, December 31, 2015 | B | <u>\$ 15,470.20</u> |
| Analysis of Balance | | |
| Assessments-Unpledged | | <u>\$ 15,470.20</u> |

**TOWNSHIP OF WEST ORANGE
GENERAL TRUST FUND**

B-8

**INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | <u>Animal Control Fund</u> |
|----------------------------|-------------|----|------------------------------------|
| Balance, December 31, 2014 | B | \$ | 0.02 |
| Decreased by: | | | |
| Cash Disbursed | B-3 | | 0.02 |
| Balance, December 31, 2015 | B | \$ | 0.00 |

TOWNSHIP OF WEST ORANGE
TRUST FUND

B-9

ANIMAL CONTROL FUND
DUE TO (FROM) STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | | |
|----------------------------|-------------|-------------|----------------|
| Increased by: | | | |
| Cash Receipts | B-3 | \$ 3,141.00 | |
| Applied from Prepaid | B-10 | 126.95 | |
| | | <hr/> | \$ 3,267.95 |
| Decreased by: | | | |
| Paid to State | B-3 | | |
| | | | <hr/> |
| Balance, December 31, 2015 | | | \$ <hr/> <hr/> |

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-10

**ANIMAL CONTROL FUND
PREPAID LICENSES
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | |
|---------------------------------|-------------|---------------|---------------------------|
| Balance December 31, 2014 | B | | \$ 3,204.00 |
| Increased by: | | | |
| Cash Receipts | B-3 | | 3,705.00 |
| | | | <u>6,909.00</u> |
| Decreased by: | | | |
| Applied to Current Year Revenue | B-13 | \$ 3,077.05 | |
| Due to State of New Jersey | B-10 | <u>126.95</u> | |
| | | | <u>3,204.00</u> |
| Balance December 31, 2015 | B | | <u><u>\$ 3,705.00</u></u> |
| Analysis of Balance: | | | |
| Dog Licenses | | \$ 3,585.00 | |
| Cat Licenses | | <u>120.00</u> | |
| | | | <u><u>\$ 3,705.00</u></u> |

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
TRUST FUND

B-11

SCHEDULE OF SPECIAL DEPOSITS
YEAR ENDED DECEMBER 31, 2015

| Purpose | Balance at Dec. 31, 2014 | Receipts | Disbursements | Balance at Dec. 31, 2015 |
|--------------------------------|--------------------------------|------------------------|------------------------|--------------------------------|
| Accumulated Absence Trust | \$ 7,448.84 | \$ 805,000.00 | \$ 671,726.14 | \$ 140,722.70 |
| Confiscated Funds | 16,351.40 | | | 16,351.40 |
| Digitizing Trust | 175,150.10 | 15,805.00 | 750.00 | 190,205.10 |
| Donation Trust | 11,118.34 | 3,605.00 | 5,148.31 | 9,575.03 |
| Uniform Fire Safety-Penalties | 35,042.18 | 16,200.00 | 9,045.37 | 42,196.81 |
| Human Relations Trust | 1,996.81 | | | 1,996.81 |
| Lake Management Trust | 153,710.72 | | | 153,710.72 |
| Parking Offenses Adjudication | 31,486.49 | 4,254.00 | | 35,740.49 |
| Health Trust | 3,022.36 | 189.20 | | 3,211.56 |
| Payroll Deposits | 333,295.78 | 3,121,562.66 | 3,213,172.84 | 241,685.60 |
| Public Defender Application | 2,656.35 | 5,150.00 | 6,050.00 | 1,756.35 |
| Public Safety Trust | 9,184.59 | | | 9,184.59 |
| Recycling-Local Program | 16,434.49 | 1,971.03 | 2,722.61 | 15,682.91 |
| Environmental Commission Trust | 250.00 | | | 250.00 |
| Health Trust #2 | 188,145.32 | 55,643.15 | 124,038.49 | 119,749.98 |
| Planning Trust | 84,119.75 | 62,139.56 | 38,220.12 | 108,039.19 |
| Public Relations Trust | 7,796.18 | | | 7,796.18 |
| Energy Commission Trust | 1,162.45 | | | 1,162.45 |
| Cash Bonds/Other Deposits #1 | 73,306.37 | 3,900.00 | 2,100.00 | 75,106.37 |
| Cash Bonds/Other Deposits #2 | 77,486.00 | 85,500.00 | | 162,986.00 |
| Cash Bonds/Other Deposits#3 | 142,877.43 | 103,541.47 | 119,059.72 | 127,359.18 |
| Planning and Zoning Escrow | 68,894.63 | 61,258.81 | 126,190.38 | 3,963.06 |
| Recreation Trip Account | 151,739.58 | 169,617.00 | 167,196.78 | 154,159.80 |
| Extra Duty Security | 23,749.77 | 1,329,228.98 | 1,352,978.75 | 0.00 |
| Growth Share-COAH | 245,124.34 | 1,228.68 | | 246,353.02 |
| Developers Fees-COAH | 2,135,253.80 | 538,586.62 | 64,153.75 | 2,609,686.67 |
| Planning and Zoning Escrow II | 97,399.39 | 100,727.16 | 100,341.84 | 97,784.71 |
| Law Enforcement Trust | 238,071.39 | 412,412.57 | 400,112.93 | 250,371.03 |
| Subtotals this Sheet Only | <u>\$ 4,332,274.85</u> | <u>\$ 6,897,520.89</u> | <u>\$ 6,403,008.03</u> | <u>\$ 4,826,787.71</u> |

| | | | | |
|------|---|-----|-------|---|
| Ref. | B | B-3 | Below | B |
|------|---|-----|-------|---|

| | | | |
|----------------|-------------|------------------------|--|
| | <u>Ref.</u> | | |
| Cash Disbursed | B-3 | \$ 6,388,228.11 | |
| Cancellation | B-1 | 14,779.92 | |
| | | <u>\$ 6,403,008.03</u> | |

TOWNSHIP OF WEST ORANGE
TRUST FUND

B-12

RESERVE FOR SPECIAL IMPROVEMENT DISTRICT RECEIVABLE
YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | |
|----------------------------|-------------|---------------------|
| Balance, December 31, 2014 | B | \$ 31,757.44 |
| Decreased by: | | |
| Applied to Fund Balance | B-1 | <u>16,287.24</u> |
| Balance, December 31, 2015 | B | <u>\$ 15,470.20</u> |

See Independent Auditors' Report

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-13

**RESERVE FOR DOG FUND EXPENDITURES
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | |
|--|-------------|---------------------|
| REVENUE AND OTHER INCOME: | | |
| Animal Control Fees: | | |
| Current Year Collections | B-3 | \$ 22,218.95 |
| Prepayments Applied - Dog License Fees | B-10 | 2,840.05 |
| Prepayments Applied - Cat License Fees | B-10 | 237.00 |
| | | <u>25,296.00</u> |
| Miscellaneous Revenue: | | |
| Animal Control Interlocals and Donations | | 6,217.07 |
| Cat Licenses | | 1,905.00 |
| Unidentified | | |
| | B-3 | <u>8,122.07</u> |
| TOTAL REVENUE AND OTHER INCOME | | <u>33,418.07</u> |
| EXPENDITURES: | | |
| Animal Control Expenditures | B-3 | 19,232.23 |
| Transfer to Due State of New Jersey | | |
| | | <u>19,232.23</u> |
| TOTAL EXPENDITURES | | <u>19,232.23</u> |
| DEFICIT OF REVENUE UNDER EXPENDITURES | | <u>14,185.84</u> |
| BALANCE, BEGINNING OF YEAR | | <u>40,986.09</u> |
| BALANCE, END OF YEAR | B | <u>\$ 55,171.93</u> |

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
TRUST FUND

RESERVE FOR INSURANCE TRUST FUND
YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | <u>Total</u> | <u>Workers' Compensation</u> | <u>Unemployment Compensation</u> | <u>Municipal Insurance</u> |
|--|-------------|---------------------|------------------------------|----------------------------------|----------------------------|
| Balance, December 31, 2014 | B | \$ 70,891.58 | \$ 2,115.37 | \$ 61,910.57 | \$ 6,865.64 |
| Increased by: | | | | | |
| Current Fund Budget Appropriation | B-4 | 1,199,652.00 | 280,000.00 | 20,000.00 | 899,652.00 |
| Refunds and Subrogation | B-4 | 551,510.90 | 504,684.24 | 46,826.66 | |
| Interest on Deposits | B-4 | 485.15 | 14.11 | 204.30 | 266.74 |
| | | <u>1,751,648.05</u> | <u>784,698.35</u> | <u>67,030.96</u> | <u>899,918.74</u> |
| | | <u>1,822,539.63</u> | <u>786,813.72</u> | <u>128,941.53</u> | <u>906,784.38</u> |
| Decreased by: | | | | | |
| Workers' Compensation Claims and Administrative Fees | B-4 | 400,350.53 | 400,350.53 | | |
| Insurance Settlements and Premiums | B-4 | 892,401.55 | | | 892,401.55 |
| Due to Current Fund | B-4 | 312,539.15 | 312,068.11 | 204.30 | 266.74 |
| Due To State of New Jersey: Unemployment | B-4 | 125,466.90 | | 125,466.90 | |
| | | <u>1,730,758.13</u> | <u>712,418.64</u> | <u>125,671.20</u> | <u>892,668.29</u> |
| Balance, December 31, 2015 | B | \$ 91,781.50 | \$ 74,395.08 | \$ 3,270.33 | \$ 14,116.09 |

TOWNSHIP OF WEST ORANGE
TRUST FUND

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

| | Balance Dec. 31, 2014 | Increase 2015 Grant Award | Expended By Township | Expended By Third Party | Balance Dec. 31, 2015 |
|------------------------------------|--------------------------|------------------------------------|-------------------------|----------------------------|--------------------------|
| Community Development Block Grant: | | | | | |
| Direct Funding: | | | | | |
| Project Year 2014 | | | | | |
| Cherry Street Reconstruction | \$ 276,000.00 | \$ | \$ 276,000.00 | \$ | |
| Main Street Counseling | 5,000.00 | | | 5,000.00 | |
| Bethany Center | 65,000.00 | | | 65,000.00 | |
| Project Year 2015 | | | | | |
| Main Street Counseling | | 10,000.00 | | | 10,000.00 |
| West Orange Community House | | 200,000.00 | | | 200,000.00 |
| Watson Avenue Reconstruction | | 230,000.00 | | | 230,000.00 |
| | <u>\$ 346,000.00</u> | <u>\$ 440,000.00</u> | <u>\$ 276,000.00</u> | <u>\$ 70,000.00</u> | <u>\$ 440,000.00</u> |
| <u>Ref.</u> | <u>B</u> | <u>B-6</u> | <u>B-5</u> | <u>B-6</u> | <u>B</u> |

**TOWNSHIP OF WEST ORANGE
TRUST FUND**

B-16

**RESERVE FOR SECTION 8 HOUSING
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | |
|---------------------------------|-------------|---------------------|----------------------------|
| Balance, December 31, 2014 | B | | \$ 19,936.47 |
| Increased by: | | | |
| Grant Awards | B-6 | \$1,267,857.48 | |
| Interest on Investments | B-5 | <u>12.11</u> | |
| | | | <u>1,267,869.59</u> |
| | | | <u>1,287,806.06</u> |
| Decreased by: | | | |
| Due to Current | B-5 | 12.11 | |
| Housing Choice Voucher Payments | B-5 | <u>1,264,246.77</u> | |
| | | | <u>1,264,258.88</u> |
| Balance, December 31, 2015 | B | | <u><u>\$ 23,547.18</u></u> |

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
TRUST FUND

B-17

RESERVE FOR OPEN SPACE EXPENDITURES
YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | | |
|----------------------------|-------------|---------------|-----------------------------|
| Balance, December 31, 2014 | B | | \$ 507,472.95 |
| Increased by: | | | |
| 2015 Open Space Tax | B-2 | \$ 145,545.71 | |
| Interest Earned | B-2 | <u>627.70</u> | |
| | | | <u>146,173.41</u> |
| | | | 653,646.36 |
| Decreased by: | | | |
| Open Space Expenditures | B-2 | | 27,207.94 |
| Balance, December 31, 2015 | B | | <u><u>\$ 626,438.42</u></u> |

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
TRUST FUND

B-18

RESERVE FOR ASSESSMENT TRUST FUND
YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | |
|----------------------------|-------------|---------------------|
| Balance, December 31, 2014 | B | \$ 31,757.44 |
| Decreased by: | | |
| Applied to Fund Balance | B-1 | <u>16,287.24</u> |
| Balance, December 31, 2015 | B | <u>\$ 15,470.20</u> |

**TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND**

C-2

**CASH - TREASURER
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | |
|---|-------------|---------------------|------------------------|
| Balance, December 31, 2014 | C | | \$ 4,997,976.92 |
| Increased by Receipts: | | | |
| BAN Paydown From Current Fund Appropriation | C-7 | \$ 487,781.00 | |
| Bond Anticipation Notes | C-10 | 1,196,351.00 | |
| Interfund Current | C-16 | 1,011,127.00 | |
| Reserves | C-14 | 233,539.08 | |
| Reserve to Pay Debt Service | C-5 | 163,963.50 | |
| Capital Improvement Fund | C-12 | 281,500.00 | |
| Premium on BANS Issued | C-1 | <u>259,001.23</u> | |
| | | | <u>3,633,262.81</u> |
| | | | 8,631,239.73 |
| Decreased by Disbursements: | | | |
| Current Fund Anticipated Revenue | C-1 | 192,307.96 | |
| Improvement Authorizations | C-11 | <u>5,570,880.01</u> | |
| | | | <u>5,763,187.97</u> |
| Balance, December 31, 2015 | C | | <u>\$ 2,868,051.76</u> |

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2015

| Ordinance Number | | Balance Dec. 31, 2014 | Balance Dec. 31, 2015 |
|---------------------|---|--------------------------|--------------------------|
| | Fund Balance | \$ 192,307.96 | \$ 259,001.23 |
| | Capital Improvement Fund | 25,241.96 | 321.96 |
| | Reserve for Parking Garage | 36,073.26 | |
| | Reserve to Pay Debt Service | | 335,865.24 |
| | <u>Improvement Authorizations:</u> | | |
| 1122-92 | Various Capital Improvements | 109,315.61 | 109,315.61 |
| 1374-96 | Regional Contribution Agreement | 254,469.05 | 181,012.66 |
| 1760-01 | Various Capital Improvements | 9,938.16 | 8,115.16 |
| 1823-02 | Capital Assessment-Joint Meeting | 3,593.34 | 243.00 |
| 1840-02 | Various Capital Improvements | 67,257.08 | 29,222.90 |
| 1886-03 | Various Capital Improvements | 1,085.00 | 1,085.00 |
| 1905-03 | Various Capital Improvements | 32,453.95 | 6,129.61 |
| 2017-05 | Storm Drainage Improvements | (96,962.83) | (289,512.71) |
| 2018-05 | Various Capital Improvements | 7,605.16 | 292.58 |
| 2019-05 | Various Road Improvements | 18,805.26 | 273.67 |
| 2050-05 | Joint Meeting Capital Assessment | 35,452.44 | 32,387.44 |
| 2055-06 | Improvements at Stagg Field | 3,343.38 | 3,343.38 |
| 2067-06 | Redevelopment Study | 337,573.35 | 337,573.35 |
| 2069-06 | Various Capital Improvements | 8,253.02 | 2,242.42 |
| 2070-06 | Various Road Improvements | 435.00 | 435.00 |
| 2078-06 | Various Capital Improvements | 245,313.97 | 164,545.97 |
| 2125-07 | Various Capital Improvements | 14,585.06 | 14,585.06 |
| 2127-07 | Various Capital Improvements | 65,171.65 | 65,171.65 |
| 2133-07 | Various Capital Improvements | 142,439.51 | 136,645.22 |
| 2160-07 | Acquisition of Mobile Communication System | 4,570.01 | 4,570.01 |
| 2166-08 | Various Capital Improvements | 51,697.80 | 51,697.80 |
| 2172-08 | Various Capital Improvements | 521,544.11 | 348,510.39 |
| 2176-08 | Consulting Study-New Communications Study | 2,417.82 | 2,417.82 |
| 2194-09 | Acquisition of Computer System Managing Equipment | (95,000.00) | 95,000.00 |
| 2209-09 | Various Capital Improvements | (160,148.89) | (56,898.11) |
| 2211-09 | Various Road Improvements | 1,071.15 | 21,421.06 |
| 2214-09 | Joint Meeting Capital Assessment | (45,594.00) | |
| 2216-09 | Various Road Improvements | 6,231.69 | 565.55 |
| 2222-09 | Communications System Upgrade | 6,536.67 | 6,536.67 |
| 2232-09 | Various Capital Improvements | (34,600.00) | 18,400.00 |
| 2237-09 | Various Capital Improvements | (590,973.75) | 59,026.25 |
| 2272-10 | Various Capital Improvements | (57,648.78) | 263,001.22 |
| 2278-10 | Various Capital Improvements | 7,045.00 | 108,480.00 |
| 2290-10 | Various Capital Improvements | (384,893.04) | 97,946.96 |
| 2299-10 | Telecommunications Systems | (209,862.49) | 22,887.51 |
| 2409-14 | Llewellyn Park Sanitary Project | (239,377.80) | 135,771.79 |
| 2366-12 | Various Capital Improvements | 170,378.52 | 63,605.36 |
| 2375-13 | Ridgeway Ave Park | 64,314.68 | 53,994.04 |
| 2407-14 | Various Capital Improvements | 4,411,470.88 | 1,617,824.68 |
| 2408-14 | Replacement of Bleachers | 55,047.00 | 9,226.51 |
| 2450-15 | Various Capital Improvements | | (1,330,729.15) |
| 2463-15 | Renovations to Library | | (123,500.00) |
| | | <u>\$ 4,997,976.92</u> | <u>\$ 2,868,051.76</u> |

Ref.

C

C

**TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND**

C-4

**NJEPa TRUST
AND FUND LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | |
|---|-------------|-------------------------------|
| Balance, December 31, 2014 | C | \$ 2,912,748.26 |
| Increased by: | | |
| Additional Loan | C-6 | 1,212,484.00 |
| | | <u>\$ 4,125,232.26</u> |
| Decreased by: | | |
| 2015 Budget Appropriation for Payment of NJ Trust Fund Loan Bonds | C-6 | 234,763.73 |
| Balance, December 31, 2015 | C | <u><u>\$ 3,890,468.53</u></u> |
| Analysis | | |
| | <u>ORD#</u> | |
| New Jersey Trust 2002 A | 1823-02 | \$ 393,789.09 |
| New Jersey Trust 2005 A | 2017-05 | 1,393,892.56 |
| New Jersey Trust 2006 A | 2050-05 | 473,494.41 |
| New Jersey Trust 2010 A | 2214-09 | 416,808.47 |
| New Jersey Trust 2014 A | C | 1,212,484.00 |
| Balance, December 31, 2015 | | <u><u>\$ 3,890,468.53</u></u> |

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

C-5

RESERVE TO PAY DEBT SERVICE
YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | | |
|----------------------------|-------------|-------------------|-----------------------------|
| Balance, December 31, 2014 | | | \$ |
| Increased by: | | | |
| Grants Receivable | C-16 | \$ 171,901.74 | |
| Cash Receipts | C-2 | <u>163,963.50</u> | <u>335,865.24</u> |
| Balance, December 31, 2015 | C | | <u><u>\$ 335,865.24</u></u> |

**TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND**

C-6

**DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | |
|---|-------------|-------------------|------------------------|
| Balance, December 31, 2014 | C | | \$26,987,748.26 |
| Decreased by: | | | |
| 2015 Current Fund Budget Appropriation for Payment of Serial Bonds | C-9 | \$ 3,840,000.00 | |
| 2015 Current Fund Budget Appropriation for Payment of NJEPA Trust and Loans | C-4 | <u>234,763.73</u> | <u>4,074,763.73</u> |
| Balance, December 31, 2015 | C | | <u>\$22,912,984.53</u> |

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2015

| Ordinance Number | Improvement Description | Analysis of Balance | | | | | | |
|------------------|---|----------------------------|---------------------|-----------------|------------|----------------------------|-------------------------|------------------|
| | | Balance, December 31, 2014 | 2015 Authorizations | Decrease | Adjustment | Balance, December 31, 2015 | Bond Anticipation Notes | Expenditures |
| 1122-92 | Various Capital Improvements | \$ 90,000.00 | \$ | \$ | \$ | \$ 90,000.00 | \$ 90,000.00 | \$ |
| 1374-96 | Regional Contribution Agreement | 1,325,250.00 | | | | 1,325,250.00 | 1,325,250.00 | |
| 1435-97 | Various Capital Improvements | 42,236.84 | | 2,631.55 | | 39,605.29 | 39,605.28 | |
| 1760-01 | Various Capital Improvements | 150,000.00 | | | | 150,000.00 | 150,000.00 | |
| 1840-02 | Various Capital Improvements | 250,000.00 | | | | 250,000.00 | 250,000.00 | |
| 1905-03 | Various Capital Improvements | 103,574.75 | | 12,735.41 | | 90,841.34 | 90,841.34 | |
| 2017-05 | Storm Drainage Improvements | 152,909.00 | | | | 152,909.00 | 152,909.00 | |
| 2018-05 | Various Capital Improvements | 140,196.08 | | 4,901.08 | | 135,295.00 | 135,295.00 | |
| 2067-06 | Redevelopment Study | 327,500.00 | | | | 327,500.00 | 327,500.00 | |
| 2069-06 | Various Capital Improvements | 153,561.44 | | 3,945.78 | | 149,615.66 | 149,615.66 | |
| 2078-06 | Various Capital Improvements | 523,591.22 | | 6,546.22 | | 517,045.00 | 517,045.00 | |
| 2125-07 | Various Capital Improvements | 146,187.09 | | 3,812.91 | | 142,374.18 | 142,374.18 | |
| 2133-07 | Various Capital Improvements | 657,201.59 | | 11,715.09 | | 645,486.50 | 645,486.50 | |
| 2166-08 | Various Capital Improvements | 348,943.16 | | 17,528.48 | | 331,414.68 | 331,414.68 | |
| 2172-08 | Various Capital Improvements | 1,471,118.34 | | 26,881.66 | | 1,444,236.68 | 1,442,236.68 | |
| 2194-09 | Acquisition of Computer System Managing Equipment | 95,000.00 | | | | 95,000.00 | 95,000.00 | |
| 2209-09 | Various Capital Improvements | 737,333.84 | | 51,213.96 | | 686,119.88 | 686,119.88 | |
| 2211-09 | Various Road Improvements | 388,147.37 | | 21,284.21 | | 366,863.16 | 366,863.16 | |
| 2214-09 | Joint Meeting Capital Assessments | 69,961.08 | | 316.46 | | 69,644.62 | 69,644.62 | |
| 2216-09 | Various Road Improvements | 1,476,250.00 | | 91,239.89 | | 1,385,010.11 | 1,385,000.11 | |
| 2222-09 | Upgrade of the Communications System | 1,389,347.00 | | 124,230.77 | | 1,265,116.23 | 1,265,116.23 | |
| 2232-09 | Various Capital Improvements | 81,007.32 | | | | 81,007.32 | 79,490.60 | 10.00 |
| 2237-09 | Various Capital Improvements | 2,623,684.20 | | 115,789.48 | | 2,507,894.72 | 2,507,894.72 | |
| 2272-10 | Various Capital Improvements | 1,048,447.51 | | 22,202.49 | | 1,026,245.02 | 1,026,245.02 | |
| 2278-10 | Various Capital Improvements | 111,090.17 | | 344.83 | | 110,745.34 | 110,745.34 | |
| 2290-10 | Various Capital Improvements | 1,904,715.00 | | 78,125.00 | | 1,826,590.00 | 1,826,596.00 | 6,300,000.00 |
| 2299-10 | Telecommunications Improvements | 232,750.00 | | | | 232,750.00 | 232,750.00 | |
| 2354-12 | Edison Redevelopment | 6,300,000.00 | | 62,446.00 | | 4,171,859.00 | 4,171,859.00 | |
| 2358-12/2409-14 | Llewellyn Park Sanitation Project | 4,234,305.00 | | | | 4,171,859.00 | 4,171,859.00 | |
| 2375-13 | Ridgeway Ave Park | 475,000.00 | | | | 475,000.00 | 475,000.00 | |
| 2393-13 | Tax Appeal-Refunding | 2,512,500.00 | | 837,500.00 | | 1,675,000.00 | 1,675,000.00 | |
| 2407-14 | Various Capital Improvements | 6,649,656.00 | | | | 6,649,656.00 | 6,649,656.00 | |
| 2408-14 | Bleacher Replacement | 57,000.00 | | | | 57,000.00 | 57,000.00 | |
| | Refunding Tax Appeals | 2,284,702.00 | | | | 2,284,702.00 | 2,284,702.00 | |
| | Various Capital Improvements | 5,998,280.00 | | | | 5,998,280.00 | 5,998,280.00 | |
| | Renovation to Library | 123,500.00 | | | | 123,500.00 | 123,500.00 | |
| | | \$ 36,266,464.00 | \$ 8,406,482.00 | \$ 1,498,908.00 | \$ | \$ 43,176,038.00 | \$ 30,754,248.00 | \$ 10,667,550.85 |

Ref.

C

C

C-10

C-11

Improvement Authorizations
Transferred from Current Fund

| |
|------------------------|
| \$ 6,121,780.00 |
| 2,284,702.00 |
| <u>\$ 8,406,482.00</u> |

Budget Appropriation
Cash Receipts

| |
|------------------------|
| \$ 1,011,127.00 |
| 487,761.00 |
| <u>\$ 1,498,908.00</u> |

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

C-8

INTERFUND CURRENT FUND
YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | |
|--|-------------|---------------------|
| Balance, December 31, 2014 | | \$ |
| Increased by: | | |
| Cash Receipts | C-2 | <u>1,011,127.00</u> |
| Decreased by: | | |
| Budget Appropriation for Bond Anticipation Notes | C-7 | <u>1,011,127.00</u> |
| Balance, December 31, 2015 | | <u><u>\$</u></u> |

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2015

| Ordinance Number | Improvement Description | Original | | Date of Issue | Date of Maturity | Interest Rate | December 31, | | December 31, | |
|------------------|--------------------------------------|--------------|-----------|---------------|------------------|---------------|--------------|--------------|--------------|--------------|
| | | Amount | Date | | | | 2014 | 2015 | Increased | Decreased |
| 1122-92 | Various Capital Improvements | \$ 90,000.00 | 10/22/13 | 10/19/2015 | 5/18/2016 | 1.25% | \$ 90,000.00 | \$ 90,000.00 | \$ 90,000.00 | \$ 90,000.00 |
| 1374-96 | Regional Contribution Agreements | 1,325,000.00 | 10/22/13 | 10/19/2015 | 5/18/2016 | 1.25% | 1,325,250.00 | 1,325,250.00 | 1,325,250.00 | 1,325,250.00 |
| 1435-97 | Various Capital Improvements | 50,000.00 | 12/30/09 | 10/19/2015 | 5/18/2016 | 1.25% | 42,236.84 | 42,236.84 | 39,605.26 | 39,605.26 |
| 1760-01 | Various Capital Improvements | 150,000.00 | 10/22/13 | 10/19/2015 | 5/18/2016 | 1.25% | 150,000.00 | 150,000.00 | 150,000.00 | 150,000.00 |
| 1840-02 | Various Capital Improvements | 250,000.00 | 10/22/13 | 10/19/2015 | 5/18/2016 | 1.25% | 250,000.00 | 250,000.00 | 250,000.00 | 250,000.00 |
| 1905-03 | Various Capital Improvements | 30,000.00 | 12/01/08 | 5/19/2015 | 5/18/2016 | 2.00% | 30,000.00 | 17,266.59 | 30,000.00 | 17,266.59 |
| | | 14,770.00 | 12/15/10 | 5/19/2015 | 5/18/2016 | 2.00% | 13,574.75 | 13,574.75 | 13,574.75 | 13,574.75 |
| | | 60,000.00 | 10/22/13 | 10/19/2015 | 5/18/2016 | 1.25% | 60,000.00 | 60,000.00 | 60,000.00 | 60,000.00 |
| 2017-05 | Storm Drainage Improvements | 152,909.00 | 10/22/13 | 10/19/2015 | 5/18/2016 | 1.25% | 152,909.00 | 152,909.00 | 152,909.00 | 152,909.00 |
| 2018-05 | Various Capital Improvements | 150,000.00 | 12/15/10 | 5/19/2015 | 5/18/2016 | 2.00% | 140,196.08 | 140,196.08 | 135,295.00 | 135,295.00 |
| 2067-06 | Redevelopment Study | 327,500.00 | 10/22/13 | 10/19/2015 | 5/18/2016 | 1.25% | 327,500.00 | 327,500.00 | 327,500.00 | 327,500.00 |
| 2069-06 | Various Capital Improvements | 51,453.00 | 12/15/10 | 5/19/2015 | 5/18/2016 | 2.00% | 43,561.44 | 43,561.44 | 39,615.66 | 39,615.66 |
| | | 110,000.00 | 10/22/13 | 10/19/2015 | 5/18/2016 | 1.25% | 110,000.00 | 110,000.00 | 110,000.00 | 110,000.00 |
| 2078-06 | Various Capital Improvements | 188,981.00 | 04/09/09 | 5/19/2015 | 5/18/2016 | 2.00% | 143,451.80 | 143,451.80 | 136,903.60 | 136,903.60 |
| | | 200,000.00 | 12/30/09 | 10/19/2015 | 5/18/2016 | 1.25% | 180,139.42 | 180,139.42 | 180,139.42 | 180,139.42 |
| | | 200,000.00 | 10/22/13 | 10/19/2015 | 5/18/2016 | 1.25% | 200,000.00 | 200,000.00 | 200,000.00 | 200,000.00 |
| 2125-07 | Various Capital Improvements | 50,000.00 | 04/09/09 | 5/19/2015 | 5/18/2016 | 2.00% | 46,187.09 | 46,187.09 | 46,187.09 | 46,187.09 |
| 2133-07 | Various Capital Improvements | 100,000.00 | 10/22/13 | 10/19/2015 | 5/18/2016 | 1.25% | 100,000.00 | 100,000.00 | 100,000.00 | 100,000.00 |
| | | 400,000.00 | 04/09/09 | 5/19/2015 | 5/18/2016 | 2.00% | 388,284.91 | 388,284.91 | 376,569.82 | 376,569.82 |
| 2166-08 | Various Capital Improvements | 268,916.68 | 10/22/13 | 10/19/2015 | 5/18/2016 | 1.25% | 268,916.68 | 268,916.68 | 268,916.68 | 268,916.68 |
| 2172-08 | Various Capital Improvements | 400,000.00 | 12/30/09 | 10/19/2015 | 5/18/2016 | 1.25% | 348,943.16 | 348,943.16 | 331,414.68 | 331,414.68 |
| | | 6,500,000.00 | 04/09/09 | 5/19/2015 | 5/18/2016 | 2.00% | 621,118.34 | 621,118.34 | 592,236.68 | 592,236.68 |
| | | 850,000.00 | 10/22/13 | 10/19/2015 | 5/18/2016 | 1.25% | 850,000.00 | 850,000.00 | 850,000.00 | 850,000.00 |
| 2194-09 | Consulting Study-New Communications | 95,000.00 | 7/29/2015 | 7/29/2015 | 4/15/2016 | 2.00% | 95,000.00 | 95,000.00 | 95,000.00 | 95,000.00 |
| | Managing Equipment | 376,000.00 | 12/15/10 | 5/19/2015 | 5/18/2016 | 2.00% | 318,095.60 | 318,095.60 | 266,881.64 | 266,881.64 |
| 2209-09 | Various Capital Improvements | 300,000.00 | 05/24/11 | 5/19/2015 | 5/18/2016 | 2.00% | 277,238.24 | 277,238.24 | 277,238.24 | 277,238.24 |
| | | 142,000.00 | 7/29/2015 | 7/29/2015 | 4/15/2016 | 2.00% | 142,000.00 | 142,000.00 | 142,000.00 | 142,000.00 |
| 2211-09 | Various Road Improvements | 229,400.00 | 12/30/09 | 10/19/2015 | 5/18/2016 | 1.25% | 205,252.64 | 193,178.96 | 205,252.64 | 193,178.96 |
| | | 150,000.00 | 12/15/10 | 5/19/2015 | 5/18/2016 | 2.00% | 134,210.52 | 124,999.99 | 134,210.52 | 124,999.99 |
| | | 25,000.00 | 05/24/11 | 5/19/2015 | 5/18/2016 | 2.00% | 23,684.21 | 23,684.21 | 23,684.21 | 23,684.21 |
| 2214-09 | Joint Meeting Capital Assessment | 25,000.00 | 07/20/15 | 7/29/2015 | 4/15/2016 | 2.00% | 25,000.00 | 25,000.00 | 25,000.00 | 25,000.00 |
| | | 45,594.00 | 07/20/15 | 7/29/2015 | 4/15/2016 | 2.00% | 24,367.08 | 24,367.08 | 24,367.08 | 24,367.08 |
| 2216-09 | Various Road Improvements | 1,500,000.00 | 12/30/09 | 10/19/2015 | 5/18/2016 | 1.25% | 1,186,158.00 | 1,186,158.00 | 1,186,158.00 | 1,186,158.00 |
| | | 233,750.00 | 12/15/10 | 5/19/2015 | 5/18/2016 | 2.00% | 209,144.74 | 196,842.11 | 209,144.74 | 196,842.11 |
| 2222-09 | Upgrade of the Communications System | 1,318,490.00 | 12/15/10 | 5/19/2015 | 5/18/2016 | 2.00% | 991,414.61 | 1,115,645.38 | 991,414.61 | 1,115,645.38 |
| | | 296,510.00 | 05/23/12 | 5/19/2015 | 5/18/2016 | 2.00% | 273,701.62 | 273,701.62 | 273,701.62 | 273,701.62 |
| 2232-09 | Various Capital Improvements | 23,125.00 | 12/15/10 | 5/19/2015 | 5/18/2016 | 2.00% | 21,007.32 | 19,480.60 | 21,007.32 | 19,480.60 |
| | | 10,000.00 | 05/24/11 | 5/19/2015 | 5/18/2016 | 2.00% | 10,000.00 | 10,000.00 | 10,000.00 | 10,000.00 |
| 2237-09 | Various Capital Improvements | 2,100,000.00 | 07/20/15 | 7/29/2015 | 4/15/2016 | 2.00% | 1,763,157.88 | 1,763,157.88 | 1,763,157.88 | 1,763,157.88 |
| | | 100,000.00 | 05/24/11 | 5/19/2015 | 5/18/2016 | 2.00% | 94,736.84 | 94,736.84 | 94,736.84 | 94,736.84 |
| | | 650,000.00 | 07/20/15 | 7/29/2015 | 4/15/2016 | 2.00% | 650,000.00 | 650,000.00 | 650,000.00 | 650,000.00 |
| 2272-10 | Various Capital Improvements | 750,000.00 | 07/07/11 | 5/19/2015 | 5/18/2016 | 2.00% | 727,797.51 | 727,797.51 | 705,595.02 | 705,595.02 |
| | | 320,650.00 | 07/20/15 | 7/29/2015 | 4/15/2016 | 2.00% | 320,650.00 | 320,650.00 | 320,650.00 | 320,650.00 |
| 2278-10 | Various Capital Improvements | 10,000.00 | 07/07/11 | 5/19/2015 | 5/18/2016 | 2.00% | 9,310.34 | 9,310.34 | 9,310.34 | 9,310.34 |
| | | 101,435.00 | 07/20/15 | 7/29/2015 | 4/15/2016 | 2.00% | 101,435.00 | 101,435.00 | 101,435.00 | 101,435.00 |

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2015

| Ordinance Number | Improvement Description | Original | | Date of Issue | Date of Maturity* | Interest Rate | December 31, | | December 31, 2015 |
|------------------|---------------------------------|--------------|----------|---------------|-------------------|---------------|-------------------------|-------------------------|-------------------------|
| | | Amount | Date | | | | 2014 | 2015 | |
| 2290-10 | Various Capital Improvements | 1,500,000.00 | 07/07/11 | 5/19/2015 | 5/18/2016 | 2.00% | 1,421,875.00 | 1,343,750.00 | 1,343,750.00 |
| | | 482,840.00 | 07/20/15 | 7/29/2015 | 4/15/2016 | 2.00% | | 482,840.00 | 482,840.00 |
| 2299-10 | Telecommunications Equipment | 232,750.00 | 07/20/15 | 7/29/2015 | 4/15/2016 | 2.00% | | 232,750.00 | 232,750.00 |
| 2358-12 | Llewellyn Park Sanitary Project | 3,684,305.00 | 12/20/12 | 12/14/2015 | 6/16/2016 | 1.50% | 3,684,305.00 | 3,621,859.00 | 3,621,859.00 |
| | | 550,000.00 | 07/20/15 | 7/29/2015 | 4/15/2016 | 2.00% | | 550,000.00 | 550,000.00 |
| 2375-19 | Ridgeway Ave Park | 475,000.00 | 10/20/12 | 10/19/2015 | 5/18/2016 | 1.25% | 475,000.00 | 475,000.00 | 475,000.00 |
| 2393-13 | Tax Appeal Refunding | 3,350,000.00 | 12/31/13 | 12/14/2015 | 6/16/2016 | 1.50% | 2,512,500.00 | 1,675,000.00 | 1,675,000.00 |
| 2407-14 | Various Capital Improvements | 6,649,656.00 | 11/13/14 | 7/29/2015 | 4/15/2016 | 2.00% | 6,649,656.00 | 6,649,656.00 | 6,649,656.00 |
| 2406-14 | Replacement of Bleachers | 57,000.00 | 11/13/14 | 7/29/2015 | 4/15/2016 | 2.00% | 57,000.00 | 57,000.00 | 57,000.00 |
| 2400-15 | Refunding Tax Appeals | 2,284,702.00 | 12/14/15 | 12/14/15 | 6/18/2016 | 1.50% | 2,284,702.00 | 2,284,702.00 | 2,284,702.00 |
| | | | | | | | <u>\$ 27,273,195.00</u> | <u>\$ 30,754,248.00</u> | <u>\$ 30,754,248.00</u> |

Ref.

Bond Anticipation Notes Issued
Bond Anticipation Notes Reissued
Deferred Charges
Payment of BAN Principal

C-2, C-13
Contra
C-7
C-7
Above

\$ 2,995,269.00
\$ 25,774,287.00
2,284,702.00
\$ 30,754,258.00
\$ 27,273,195.00
1,498,908.00
\$ 27,273,195.00

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2015

| Ordinance Number | Improvement Description | Original Date | Balance December 31, 2014 | | 2015 Authorizations | Paid or Charged | Balance December 31, 2015 | |
|------------------|--|---------------|---------------------------|-----------------|---------------------|-----------------|---------------------------|-----------------|
| | | | Funded | Unfunded | | | Funded | Unfunded |
| 1122-92 | Various Capital Improvements | 06/18/92 | \$ 13,535.12 | \$ 95,780.49 | \$ | \$ | \$ 13,535.12 | \$ 95,780.49 |
| 1374-86 | Regional Contribution Agreement | 02/06/95 | | 254,469.05 | | 73,456.39 | | 181,012.66 |
| 1760-01 | Various Capital Improvements | 04/10/01 | | 9,936.16 | | 1,823.00 | | 8,115.16 |
| 1761-01 | Various Capital Improvements | 04/10/01 | | | | | | |
| 1823-02 | Joint Meeting-Capital Assessment | 06/25/02 | | 3,593.34 | | 3,350.34 | | 243.00 |
| 1840-02 | Various Capital Improvements | 09/03/02 | | 67,257.08 | | 38,034.18 | | 29,222.90 |
| 1886-03 | Various Capital Improvements | 04/22/03 | | 1,085.00 | | | | 1,085.00 |
| 1905-03 | Various Capital Improvements | 09/23/03 | | 32,453.95 | | 26,324.34 | | 6,129.61 |
| 2017-05 | Storm Drainage Improvements | 07/19/05 | 176,262.17 | 152,909.00 | | 192,549.88 | | 136,621.29 |
| 2018-05 | Various Capital Improvements | 06/14/05 | | 7,605.16 | | 7,312.58 | | 292.58 |
| 2019-05 | Various Road Improvements | 06/14/05 | | 18,605.26 | | 18,531.59 | | 273.67 |
| 2050-05 | Joint Meeting-Capital Assessments | 12/20/05 | | | | | | |
| 2055-06 | Improvements at Stagg Field | 03/21/06 | 35,452.44 | | | 3,065.00 | 32,387.44 | |
| 2067-06 | Redevelopment Study | 03/21/06 | | 3,343.38 | | | | 3,343.38 |
| 2089-06 | Various Capital Improvements | 04/11/06 | | 337,573.35 | | | | 337,573.35 |
| 2070-06 | Various Road Improvements | 04/11/06 | | 8,253.02 | | 6,010.60 | | 2,242.42 |
| 2078-06 | Various Capital Improvements | 06/27/06 | | 435.00 | | | | 435.00 |
| 2125-07 | Various Capital Improvements | 06/27/06 | | 245,313.97 | | 80,768.00 | | 164,545.97 |
| 2127-07 | Various Capital Improvements | 03/20/07 | | 14,895.06 | | | | 14,895.06 |
| 2133-07 | Various Capital Improvements | 04/10/07 | | 65,171.65 | | | | 65,171.65 |
| 2160-07 | Acquisition of a Mobile Communications System | 05/22/07 | | 142,439.51 | | 5,794.29 | | 136,645.22 |
| | | 01/08/08 | | 4,570.01 | | | | 4,570.01 |
| 2166-08 | Various Capital Improvements | 04/29/08 | | 51,697.80 | | | | 51,697.80 |
| 2172-08 | Various Capital Improvements | 06/10/08 | | \$21,544.11 | | 173,033.72 | | 348,510.39 |
| 2176-08 | Consulting Study-New Communications System | 06/24/08 | | 2,417.82 | | | | 2,417.82 |
| 2209-09 | Various Capital Improvements | 05/12/09 | | 79,682.01 | | 38,748.22 | | 40,812.79 |
| 2211-09 | Various Road Improvements | 05/26/09 | | 26,071.15 | | 4,650.09 | | 21,421.06 |
| 2216-09 | Various Road Improvements | 06/30/09 | | 6,231.69 | | 5,666.14 | | 585.55 |
| 2222-09 | Upgrade to the Communications Systems | 08/11/09 | | 6,536.67 | | | | 6,536.67 |
| 2232-09 | Various Capital Improvements | 09/15/09 | | 15,400.00 | | | | 15,400.00 |
| 2237-09 | Various Capital Improvements | 10/13/09 | | 59,026.25 | | | | 59,026.25 |
| 2272-10 | Various Capital Improvements | 06/29/10 | | 263,001.22 | | | | 263,001.22 |
| 2278-10 | Various Capital Improvements | 09/14/10 | | 108,480.00 | | | | 108,480.00 |
| 2290-10 | Various Capital Improvements | 10/12/10 | | 97,946.96 | | | | 97,946.96 |
| 2299-10 | Telecommunications System | 01/15/11 | | 22,887.51 | | | | 22,887.51 |
| 2354-12 | Edison Redevelopment | 03/20/12 | | 6,300,000.00 | | | | 6,300,000.00 |
| 3358-12/2409-14 | Llewellyn Park Sanitation Project | 06/12/12 | | 310,622.20 | | 174,850.41 | | 135,771.79 |
| 2366-12 | Various Capital Improvements | 12/18/12 | | 170,378.52 | | 108,773.16 | | 63,605.36 |
| 2375-13 | Ridgeway Avenue Park | 05/21/13 | | 64,314.88 | | 10,320.64 | | 53,994.04 |
| 2407-14 | Various Capital Improvements | 05/06/14 | | 4,411,470.88 | | 2,793,346.80 | | 1,618,124.08 |
| 2408-14 | Replacement of Bleachers | 05/06/14 | | 55,047.00 | | 45,820.49 | | 9,226.51 |
| | Various Capital Improvements | 02/24/15 | | 6,298,200.00 | | 1,630,649.15 | | 4,667,550.85 |
| | Renovation to Library | 09/29/15 | | 130,000.00 | | 130,000.00 | | |
| | | | \$225,249.73 | \$14,038,217.91 | \$ 6,428,200.00 | \$ 5,570,860.01 | \$ 45,922.56 | \$15,074,865.07 |
| | | | C | C | Below | C-2 | C | C |
| | Deferred Charges Unfunded Capital Improvement Fund | | | Ref. C-7 | \$ 6,121,780.00 | | | |
| | | | | C-12 | 305,420.00 | | | |
| | | | | | \$ 6,428,200.00 | | | |

**TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND**

C-12

**CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | | |
|-------------------------------------|-------------|-------------------|-------------------------|
| Balance, December 31, 2014 | C | | \$ 25,241.96 |
| Increased by Receipts: | | | |
| Emergency Budget Appropriation | C-2 | \$ 6,500.00 | |
| Budget Appropriation | C-2 | <u>275,000.00</u> | <u>281,500.00</u> |
| | | | 306,741.96 |
| Decreased by Funding of Ordinances: | | | |
| Improvement Authorizations | C-11 | | <u>306,420.00</u> |
| Balance, December 31, 2015 | C | | <u><u>\$ 321.96</u></u> |

See Independent Auditors' Report

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

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

| Ordinance Number | Improvement Description | Balance December 31, 2014 | 2015 Authorizations/Transfers | Debt Issued | Decrease | Balance December 31, 2015 |
|------------------|-------------------------------------|---------------------------|-------------------------------|------------------------|-----------|---------------------------|
| 2194-09 | Consulting Study-New Communications | \$ 95,000.00 | \$ | \$ 95,000.00 | \$ | \$ |
| 2209-09 | Managing Equipment | 142,000.00 | | 142,000.00 | | |
| 2211-09 | Various Capital Improvements | 25,000.00 | | 25,000.00 | | |
| 2214-09 | Various Road Improvements | 45,594.00 | | 45,594.00 | | |
| 2232-09 | Joint Meeting-Capital Assessments | 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 |
| 2409-14 | Llewellyn Park Sanitation Project | 550,000.00 | 5,998,280.00 | 550,000.00 | | 5,998,280.00 |
| 2450-15 | Various Capital Improvements | | 123,500.00 | | | 123,500.00 |
| 2463-15 | Renovations to Library | | | | | |
| | | <u>\$ 8,995,269.00</u> | <u>\$ 6,121,780.00</u> | <u>\$ 2,695,269.00</u> | <u>\$</u> | <u>\$ 12,421,780.00</u> |

Ref. C

C-7

C-10

C

TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND

C-14

STATE GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2016

| | <u>Ref.</u> | | |
|---|-------------|-------------------|------------------------|
| Balance, December 31, 2014 | C | | \$ 1,913,647.62 |
| Decreased by: | | | |
| Cash Receipts | C-2 | \$ 233,539.08 | |
| Canceled | C-16 | <u>126,769.55</u> | <u>\$ 360,308.63</u> |
| Balance, December 31, 2015 | C | | <u>\$ 1,553,338.99</u> |
| | | | |
| <u>Analysis of Balance:</u> | <u>ORD#</u> | | |
| Green Acres Matching Grant | 1992-04 | | \$ 103,270.02 |
| West Orange Board of Education | 1896-03 | | 105,000.00 |
| West Orange Board of Education | 2125-07 | | 46,666.70 |
| NJ Transportation Trust Fund-Byrne Road | 2209-09 | | 35,210.90 |
| NJ Transportation Trust Fund-Undercliff Terrace | 2209-09 | | 62,500.00 |
| West Orange Board of Education | 2237-09 | | <u>1,200,691.37</u> |
| Balance, December 31, 2015 | C | | <u>\$ 1,553,338.99</u> |

**TOWNSHIP OF WEST ORANGE
GENERAL CAPITAL FUND**

C-15

**NJEPA TRUST AND FUND LOAN RECEIVABLE
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | |
|----------------------------|-------------|-------------------------------|
| Balance, December 31, 2014 | C | \$ 426,134.00 |
| Increased by: | | |
| NJEPA Loan | C-4 | <u>1,212,484.00</u> |
| Balance, December 31, 2015 | C | <u><u>\$ 1,638,618.00</u></u> |

**RESERVE FOR GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015**

C-16

| | <u>Ref.</u> | | |
|-------------------------------------|-------------|-------------------|-------------------------------|
| Balance, December 31, 2014 | C | | \$ 1,852,009.98 |
| Decreased by: | | | |
| Applied to Reserve for Debt Service | C-5 | \$ 171,901.74 | |
| Canceled | C-14 | <u>126,769.55</u> | <u>\$ 298,671.29</u> |
| Balance, December 31, 2015 | C | | <u><u>\$ 1,553,338.69</u></u> |

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

D-4

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

| | <u>Ref.</u> | | |
|-----------------------------------|-------------|----|-------------------------|
| Balance, December 31, 2014 | D | \$ | 48,307.99 |
| Increased by Receipts: | | | |
| Membership Fees | D-2 | \$ | 179,420.00 |
| Miscellaneous Revenue Anticipated | D-2 | | <u>68,884.27</u> |
| | | | <u>248,304.27</u> |
| | | | 296,612.26 |
| Decreased by Disbursements: | | | |
| Appropriations | D-3 | | <u>243,490.13</u> |
| Balance, December 31, 2015 | D | \$ | <u><u>53,122.13</u></u> |

TOWNSHIP OF WEST ORANGE
SWIMMING POOL UTILITY FUND

D-5

SCHEDULE OF FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | |
|-------------------------------------|-------------|----------------------|
| Balance, December 31, 2015 and 2014 | 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

D-6

SCHEDULE OF RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | |
|-------------------------------------|-------------|----------------------|
| Balance, December 31, 2015 and 2014 | D | <u>\$ 523,433.15</u> |

**TOWNSHIP OF WEST ORANGE
PUBLIC ASSISTANCE FUND**

**STATEMENT OF REVENUES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref</u> | E-3 |
|-------------------------------|------------|----------------------|
| State Aid Payments | E-2 | \$ 219,094.00 |
| Supplemental Security Income: | | |
| State Refund | E-2 | <u>19,595.00</u> |
| | | <u>\$ 238,689.00</u> |

**STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref</u> | E-4 |
|------------------------------|------------|----------------------|
| Maintenance Payments | | \$ 164,737.00 |
| Other: | | |
| Temporary Rental Assistance | | 42,387.00 |
| Emergency Services | | <u>11,970.00</u> |
| | E-6 | 219,094.00 |
| Supplemental Security Income | E-6 | <u>19,595.00</u> |
| | E-2 | <u>\$ 238,689.00</u> |

**TOWNSHIP OF WEST ORANGE
PUBLIC ASSISTANCE FUND**

E-5

**RECEIPTS AND DISBURSEMENTS
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | <u>Trust Fund Account #1</u> | | <u>Trust Fund Account #2</u> | |
|------------------------------|-------------|------------------------------|--------------------|------------------------------|-------------------|
| Balance, December 31, 2014 | E | \$ | \$ 1,553.99 | \$ | \$ |
| Increase by: | | | | | |
| Due from State of New Jersey | E-6 | | | 238,689.00 | |
| Due from Current Fund | E-7 | 19,595.00 | | | |
| | | | <u>19,595.00</u> | | <u>238,689.00</u> |
| | | | 21,148.99 | | 238,689.00 |
| Decreased by: | | | | | |
| Public Assistance | E-6 | | | | |
| Supplemental Security Income | E-6 | | | 238,689.00 | |
| Reimbursements | E-6 | | | | |
| Due to Current Fund | E-7 | <u>19,595.00</u> | <u>19,595.00</u> | | <u>238,689.00</u> |
| Balance, December 31, 2015 | E | | <u>\$ 1,553.99</u> | | <u>\$</u> |

**TOWNSHIP OF WEST ORANGE
PUBLIC ASSISTANCE FUND**

E-6

**DUE FROM (TO) STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2015**

| | <u>Ref.</u> | <u>Trust Fund Account #2</u> | |
|--|-------------|------------------------------|-------------------|
| Balance December 31, 2014 | E | | \$ |
| Increased by: | | | |
| 2014 State Aid Allotments | E-5 | \$ 219,094.00 | |
| Supplemental Security Income Reimbursements | E-5 | <u>19,595.00</u> | <u>238,689.00</u> |
| | | | 238,689.00 |
| Decreased by: | | | |
| Collections: | | | |
| State Aid Allotments | E-5 | 219,094.00 | |
| Supplemental Security Income Reimbursements | E-5 | <u>19,595.00</u> | <u>238,689.00</u> |
| | | | 238,689.00 |
| Balance December 31, 2015 | E | | <u><u>\$</u></u> |

TOWNSHIP OF WEST ORANGE
PUBLIC ASSISTANCE FUND

E-7

DUE TO CURRENT FUND
YEAR ENDED DECEMBER 31, 2015

| | <u>Ref.</u> | |
|----------------------------|-------------|------------------|
| Balance, December 31, 2014 | E | \$ |
| Increased by: | | |
| Misc. Revenues | E-1, E-5 | 19,595.00 |
| Decreased by: | | |
| Disbursements | E-1, E-5 | <u>19,595.00</u> |
| Balance, December 31, 2015 | E | <u><u>\$</u></u> |

TOWNSHIP OF WEST ORANGE

PART II

**SINGLE AUDIT SECTION
YEAR ENDED DECEMBER 31, 2015**



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

**The Honorable and Members of
the Township Council
Township of West Orange**
County of Essex
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, 2015, and the related notes to the financial statements, which collectively comprise Town's basic financial statements, and have issued our report thereon dated July 29, 2016.

Internal Control Over Financial Reporting

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

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

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

The Honorable and Members of
the Township Council
Township of West Orange
Page 2

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 Town incorporated herein the schedule of findings and questioned costs.

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

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

July 29, 2016
Livingston, New Jersey

Francis M. McEnerney

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 Required by OMB Uniform Guidance

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

Report on Compliance for Each Major Federal Program

We have audited the Township of West Orange, Essex County, New Jersey's (the "Township") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Township's major programs for the year ended December 31, 2015. 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 federal and 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and OMB Uniform Guidance 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, 2015.

Other Matters

The Township's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Township's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 Uniform Guidance, 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 or state 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 or state 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Uniform Guidance

We have audited the regulatory basis financial statements of the Township as of and for the year ended December 31, 2015, and have issued our report thereon dated July 29, 2016, 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 the Uniform Guidance 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 is fairly stated in all material respects in relation to the financial statements as a whole

PKF O'Connor Davies, LLP

July 29, 2016
Livingston, New Jersey

Francis M. McEnerney

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

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
THROUGH DECEMBER 31, 2015**

| Federal Funding Department and Description | Ref. | Grant Number | Catalog Number | Grant Period From | To | Pass Through Entity Identifying Number | Pass Through to Sub-recipients | Total Awards | Balance Dec 31, 2014 | 2015 Grant | 2015 Adjustments | Paid or Charged | Balance Dec 31, 2015 | Cumulative Program Expenditures |
|---|------|-------------------|----------------|-------------------|----------|--|--------------------------------|-----------------|----------------------|-----------------|------------------|-----------------|----------------------|---------------------------------|
| U.S. Department of Housing and Urban Development | | | | | | | | | | | | | | |
| Lower Income Housing | B | NJ39V-108 | 14-182 | 1-1-15 | 12-31-15 | | | \$ 1,250,000.00 | | \$ 1,250,000.00 | | \$ 1,233,130.31 | \$ 16,869.69 | \$ 1,233,130.31 |
| Housing Choice Voucher Program | B | NJ39V-108 | 14-182 | 1-1-14 | 12-31-14 | | | 1,306,486.64 | 31,116.46 | | | 31,116.46 | | 1,306,486.64 |
| Housing Choice Voucher Program | B | | | | | | | 2,556,486.64 | 31,116.46 | 1,250,000.00 | | 1,264,246.77 | 16,869.69 | 2,539,016.95 |
| Passed Through the State of New Jersey | | | | | | | | | | | | | | |
| U.S. Department of Justice | | | | | | | | | | | | | | |
| Offices of Juvenile Justice and Delinquency Prevention: | | | | | | | | | | | | | | |
| Cops in Shops | A | | 16-727 | 6-1-12 | 5-31-13 | | | 14,857.03 | 364.55 | | | | | 14,267.48 |
| Office of Justice Programs | A | | 16-807 | 1-1-14 | 12-31-14 | | | 11,692.37 | 9,448.46 | | | 6,600.00 | 2,648.46 | 9,692.64 |
| Bullet Proof Vest Partnership | A | | | | | | | 26,344.40 | 9,813.01 | | | 6,600.00 | 3,213.01 | 23,960.12 |
| U.S. Homeland Security | | | | | | | | | | | | | | |
| SAFER Grant | A | | 97-093 | 1-1-15 | 12-31-15 | | | 425,948.51 | | 425,948.51 | | 425,948.51 | | 425,948.51 |
| Assistance to Firefighters Grant | A | EMW-2008-FQ-11636 | 97-044 | 3-5-10 | 3-4-11 | | | | | | | | | |
| Passed through the University of Rhode Island: | | | | | | | | | | | | | | |
| Passed through Northeastern University: | | | | | | | | | | | | | | |
| CTTEC Grant - Active Shooter Scenario | A | 505036-78052 | 97-051 | 6-1-14 | 6-30-15 | | | 66,153.00 | 1,270.19 | | | 1,270.19 | 375,000.00 | 67,294.09 |
| 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 Sobor or Get Pulled Over | A | | 20-600 | 1-1-18 | 12-31-14 | | | 3,089.73 | 3,089.73 | | | | | 1,810.27 |
| Pedestrian Safety Enforcement | A | PS084660118 | 20-208 | 1-1-14 | 12-31-14 | | | 8,000.00 | 8,000.00 | | | | | 8,000.00 |
| StreetScape | A | | 20-600 | 9-21-10 | 9-21-13 | | | 367,534.47 | 367,534.47 | | | 148,243.86 | 219,390.61 | 148,243.86 |
| Passed Through County of Essex: | | | | | | | | | | | | | | |
| Housing and Urban Development: | | | | | | | | | | | | | | |
| Community Development Block Grants: | | | | | | | | | | | | | | |
| Program Year 2013 | B | B-12-JUC-34-0101 | 14-218 | 7-27-12 | 7-27-13 | | | | | | | | | |
| | | | | | | | | 346,000.00 | 346,000.00 | | | | 346,000.00 | |
| | | | | | | | | 346,000.00 | 346,000.00 | | | | 346,000.00 | |
| | | | | | | | | \$ 4,165,587.02 | \$ 1,130,834.13 | \$ 1,875,948.51 | \$ | \$ 1,646,309.33 | \$ 971,593.04 | \$ 3,206,693.90 |

Legend (References)

A - Current Fund

B - Trust Fund

See Notes to Schedule of Expenditures of Federal Awards

**TOWNSHIP OF WEST ORANGE
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2015**

1. General

The accompanying Schedules of Expenditures of Federal Awards present the activity of all federal and 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 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 Awards is presented in accordance with OMB Uniform Guidance.

3. Relationship to Federal 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, 2015

General Capital Fund:

| | |
|------------------------------|-----------------------|
| Environmental Infrastructure | <u>\$3,890,468.53</u> |
|------------------------------|-----------------------|

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2015**

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 OMB Uniform Guidance? | No |

Identification of major federal and state program:

| CFDA/Grant Number | Name of Federal Program |
|-------------------|-----------------------------------|
| 14.182 | Section 8 Housing Choice Vouchers |

| | |
|--|-----------|
| Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| Auditee qualified as low-risk auditee? | Yes |

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2015**

Section 2 – Financial Statement Findings

Finding 2015-1 - NONE

Filing Required Reports

Criteria

Condition and Effect

Cause

Recommendation

Questioned Costs

Management's Response

**TOWNSHIP OF WEST ORANGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2015**

Section 3 – Major Federal Award Findings and Questioned Costs

None Noted

Section 4 – Prior Year Audit Findings and Questioned Costs

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

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 or 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, 2015 through policies issued by Western Surety Company:

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

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

Collection of Interest on Delinquent Taxes and Assessments

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

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

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

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

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

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

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

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, 2015 consist of unpaid taxes for the year 2015. It is quite evident, that a determined effort has been made to enforce the payment of delinquent taxes.

The last tax sale was held in November, 2015, 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 2015 audit.

TOWNSHIP OF WEST ORANGE

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COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2015

CONSTRUCTION CODE

FINDING: It was noted that there was an overpayment to the State of New Jersey for DCA fees in the amount of \$2,413 in addition to the prior year overpayment of \$736. This is due primarily to the accounting software previously in use prior to November 2015.

RECOMMENDATION: Greater care should be taken when remitting DCA fees to the State. It is our understanding the Township has introduced a new software system in November 2015 that will alleviate this and other problems in all outside revenue offices.

RECREATION

FINDING: Receipts were issued only for cash transactions and not for transactions executed with checks prior to November 2015.

RECOMMENDATION: Receipts should be issued to the payor for all amounts paid to the department. It is our understanding the Township has introduced a new software system in November 2015 that will alleviate this and other problems in all outside revenue offices.

FINDING: The 48 hour deposit test could be performed due the manner in which receipts are referenced on the deposit slips.

RECOMMENDATION: The department should deposit all funds within 48 hours. It is our understanding the Township has introduced a new software system in November 2015 that will alleviate this and other problems in all outside revenue offices.

MUNICIPAL COURT

FINDING: Bank reconciliations were not proper completed on a timely basis. Outstanding checks and reconciling items are not properly identified.

FINDING: There was no proper control regarding the recording of restitution checks.

FINDING: The Public Defender should be paid by a separate check issued by the Court.

FINDING: Turnover of funds is not being completed by the fifteenth of the following month as required.

FINDING: 229 tickets were assigned but not issued over 180 days as of December 31, 2015.

RECOMMENDATION: Reconciliations and turnover of funds should be performed on an accurate and timely basis. Overall, the Court operations should conform to prescribed guidelines.

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,

PKF O'Connor Davies, LLP
Livingston, New Jersey
July 29, 2016

Francis M. McEnerney

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