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**TOWN OF WEST NEW YORK
HUDSON COUNTY, NEW JERSEY
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2014**

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TOWN OF WEST NEW YORK
HUDSON COUNTY, NEW JERSEY
PART I
REPORT ON AUDIT OF FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Board of Commissioners
Town of West New York
West New York, New Jersey

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Town of West New York, as of December 31, 2014 and 2013, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the Current Fund for the year ended December 31, 2014, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial accounting and reporting principles and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

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

As described in Note 1 of the financial statements, the financial statements are prepared and presented by the Town of West New York on the basis of the financial accounting and reporting principles and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey for municipal government entities.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and 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 requirement that the Town of West New York prepare and present its financial statements on the regulatory basis of accounting as discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph above, 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 Town of West New York as of December 31, 2014 and 2013, or changes in financial position for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and account group of the Town of West New York as of December 31, 2014 and 2013, and the results of operations and changes in fund balance – regulatory basis of such funds for the years then ended and the respective revenues – regulatory basis and expenditures – regulatory basis of the Current Fund for the year ended December 31, 2014 in accordance with the financial accounting and reporting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Town of West New York as a whole. The supplementary schedules listed in the table of contents, schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, schedule of expenditures of state financial assistance as required by NJ OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid and the supplementary data and letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the financial statements of the Town of West New York.

The supplementary schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 supplementary schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole on the basis of accounting described in Note 1.

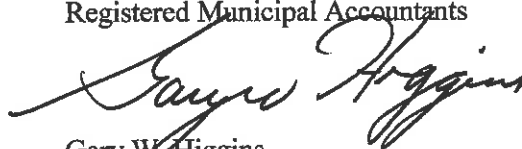
The supplementary data and letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated August 11, 2015 on our consideration of the Town of West New York'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 Town of West New York's internal control over financial reporting and compliance.



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Registered Municipal Accountants



Gary W. Higgins
Registered Municipal Accountant
RMA Number CR00405

Fair Lawn, New Jersey
August 11, 2015

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - CURRENT FUND
AS OF DECEMBER 31, 2014 AND 2013

ASSETS	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Regular Fund			
Cash	A-4	\$ 16,685,497	\$ 12,857,257
Cash - Change Funds	A-5	500	500
Prepaid Debt Service	A-7	1,717,078	2,322,703
Due from Board of Education	A-8	<u>-</u>	<u>24,366</u>
		<u>18,403,075</u>	<u>15,204,826</u>
Receivables and Other Assets With Full Reserves			
Delinquent Property Taxes Receivable	A-9	45,927	26,473
Tax Title Liens	A-10	335,456	297,075
Revenue Accounts Receivable	A-11	192,028	162,424
Due from Other Trust Fund	B-7	<u>217,133</u>	<u>167,632</u>
		<u>790,544</u>	<u>653,604</u>
Deferred Charges			
Emergency Authorizations	A-12		515,000
Special Emergency Authorizations	A-13	<u>193,000</u>	<u>294,000</u>
		<u>193,000</u>	<u>809,000</u>
Total Regular Fund		<u>19,386,619</u>	<u>16,667,430</u>
Federal and State Grant Fund			
Cash - Treasurer	A-26	1,876,958	1,924,361
Federal and State Grant Receivables	A-29	507,161	404,152
Due from Current Fund	A-28	95,662	166,040
Due from Community Development Block Grant Fund	A-27	100,000	100,000
Due from Other Trust Fund	A-33	<u>1,822</u>	<u>1,546</u>
Total Federal and State Grant Fund		<u>2,581,603</u>	<u>2,596,099</u>
Total Assets		<u>\$ 21,968,222</u>	<u>\$ 19,263,529</u>

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - CURRENT FUND
AS OF DECEMBER 31, 2014 AND 2013

	<u>Reference</u>	<u>2014</u>	<u>2013</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Regular Fund			
Appropriation Reserves	A-3,A-14	\$ 5,478,096	\$ 3,226,538
Due to North Hudson Sewerage Authority	A-15	906,943	1,077,565
Encumbrances Payable	A-16	561,673	462,945
Prepaid Taxes and PILOTS	A-17	909,411	319,032
Tax and PILOT Overpayments	A-18	347,273	508,724
County Taxes Payable	A-19	58,996	27,809
Due to Federal and State Grant Fund	A-28	95,662	166,040
Due to Animal Control Fund	B-2	5,641	5,641
Due to Community Development Block Grant Fund	B-21	157,947	16,470
Due to General Capital Fund	C-14	823,253	38,824
Miscellaneous Reserve	A-21		29,897
Reserve for PILOTS and Tax Appeals	A-23	125,000	
Reserve for Master Tax Plan	A-24	143,505	203,544
Reserve for Retro Pay	A-25	1,010,414	120,567
Due to State of New Jersey for Senior Citizens' and Veterans' Deductions	A-6	55,255	56,130
Special Emergency Notes Payable	A-22	<u>138,000</u>	<u>184,000</u>
		10,817,069	6,443,726
Reserve for Receivables and Other Assets	A	790,544	653,604
Fund Balance	A-1	<u>7,779,006</u>	<u>9,570,100</u>
Total Regular Fund		<u>19,386,619</u>	<u>16,667,430</u>
Federal and State Grant Fund			
Reserve for Federal and State Grants - Appropriated	A-30	1,842,020	1,861,846
Reserve for Federal and State Grants - Unappropriated	A-31	67,043	45,091
Due to Grantor	A-34	4,335	20,957
Due to General Capital Fund	A-32	<u>668,205</u>	<u>668,205</u>
Total Federal and State Grant Fund		<u>2,581,603</u>	<u>2,596,099</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 21,968,222</u>	<u>\$ 19,263,529</u>

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS - CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>Reference</u>	<u>2014</u>	<u>2013</u>
REVENUES AND OTHER INCOME			
Fund Balance Utilized	A-2	\$ 4,900,000	\$ 7,280,000
Miscellaneous Revenue Anticipated	A-2	36,240,160	32,762,156
Receipts from Delinquent Taxes	A-2	48,750	209,236
Receipts from Current Taxes	A-2	60,337,765	60,602,950
Non-Budget Revenue	A-2	509,104	1,562,014
Other Credits to Income			
Unexpended Balances of Appropriation Reserves	A-14	1,594,506	1,947,154
Interfunds Liquidated	A		20,820
Statutory Excess - Animal Control Fund	A-1		72
Cancellation of Miscellaneous Reserves	A-21	29,897	
Cancellation of Other Trust Reserves	B-12	34,341	-
		<u>103,694,523</u>	<u>104,384,402</u>
Total Revenues and Other Income			
EXPENDITURES			
Budget Appropriations			
Operations Within "CAPS"			
Salaries and Wages	A-3	23,166,630	21,923,053
Other Expenses	A-3	23,359,469	22,226,904
Operations Excluded from "CAPS"			
Salaries and Wages	A-3	87,149	87,149
Other Expenses	A-3	15,138,961	15,025,672
Capital Improvements	A-3	141,000	55,000
Municipal Debt Service	A-3	6,821,490	6,674,122
Local School District Purposes	A-3	219,500	112,250
Statutory Expenditures and Deferred Charges	A-3	4,929,694	6,189,066
		<u>73,863,893</u>	<u>72,293,216</u>
Total Budget Expenditures			

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS - CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>Reference</u>	<u>2014</u>	<u>2013</u>
EXPENDITURES (Continued)			
County Taxes	A-19	\$ 11,768,909	\$ 12,342,459
Open Space Preservation	A-19	108,792	46,127
Local District School Tax	A-20	14,714,906	14,469,214
Refund of Prior Year Revenue	A-4	24,187	83,318
Cancellation of Other Trust Balance Sheet Accounts - Net	B-7	21,563	
Cancellation of Due from Board of Education	A-8	24,366	
Prior Year Senior Citizen/Veterans Deductions Disallowed	A-6	9,500	
Interfunds Advanced	A	<u>49,501</u>	<u>167,632</u>
 Total Expenditures		 <u>100,585,617</u>	 <u>99,401,966</u>
 Excess in Revenue		 3,108,906	 4,982,436
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which Are by Statute			
Deferred Charges to Budget in Succeeding Fiscal Year	A-1	<u>-</u>	<u>515,000</u>
 Statutory Excess to Fund Balance		 3,108,906	 5,497,436
 Fund Balance, January 1	A	 <u>9,570,100</u>	 <u>11,352,664</u>
		12,679,006	16,850,100
Utilization as Anticipated Revenue	A-2	<u>4,900,000</u>	<u>7,280,000</u>
 Fund Balance, December 31	A	 <u>\$ 7,779,006</u>	 <u>\$ 9,570,100</u>

The Accompanying Notes are an Integral Part of These Financial Statements

TOWN OF WEST NEW YORK
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Reference</u>	<u>Budget</u>	<u>Added by N.J.S.A. 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
SURPLUS ANTICIPATED					
Surplus Anticipated	A-1	\$ 4,900,000	-	\$ 4,900,000	-
MISCELLANEOUS REVENUES					
Licenses					
Alcoholic Beverages	A-11	112,500		104,400	\$ (8,100)
Other	A-2	146,500		151,143	4,643
Fees and Permits	A-2	64,600		65,664	1,064
Fines and Costs					
Municipal Court	A-11	2,270,000		2,331,318	61,318
Interest and Costs on Taxes	A-11	600,000		322,891	(277,109)
Interest on Investments and Deposits	A-11	4,000		5,415	1,415
Payment in Lieu of Taxes					
Overlook Terrace, Parkview and Housing Authority	A-11	2,300,000		122,128	(2,177,872)
Waterfront	A-11	19,538,977		21,512,520	1,973,543
Cable T.V. Franchise Tax	A-11	427,077		427,077	
Pool Membership Fees	A-11	96,800		130,094	33,294
EMT Service Fees	A-11	783,000		750,455	(32,545)
Consolidated Municipal Property Tax Relief Aid	A-11	2,774,727		2,774,727	
Energy Receipts Tax	A-11	4,035,652		4,035,652	
Uniform Construction Code Fees (N.J.S.A.40A:4-36)					
Uniform Construction Code Fees	A-11	900,000		832,712	(67,288)
Interlocal Agreements					
Reimbursement for Health Services					
Weehawken	A-11	15,000		15,000	
Guttenberg	A-11	15,000		8,290	(6,710)
Secaucus	A-11	20,000		20,000	
Bayonne	A-11	35,000		35,000	
North Bergen	A-11	35,000		35,000	
Harrison	A-11	35,000		35,000	
West New York Board of Education					
Reimbursement for Recreation Services	A-11	1,012,000		981,551	(30,449)
Reimbursement for Police Security	A-11	498,000		503,638	5,638
Reimbursement for Fuel	A-11	72,100		100,000	27,900

TOWN OF WEST NEW YORK
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Reference</u>	<u>Budget</u>	Added by N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or (<u>Deficit</u>)
Municipal Alliance on Alcoholism and Drug Abuse	A-29	\$ 66,540		\$ 66,540	
Summer Food Program	A-29	120,000		120,000	
Clean Communities Program	A-29		\$ 57,761	57,761	
2013 Drive Sober or Get Pulled Over	A-29	4,400		4,400	
Drive Sober or Get Pulled Over -Labor Day Crackdown	A-29		5,000	5,000	
Drive Sober or Get Pulled Over -Holiday Crackdown	A-29		7,500	7,500	
Safe and Secure Communities Grant	A-29		3,300	3,300	
2014 Click it or Ticket	A-29		4,000	4,000	
Body Armor Fund	A-29		9,104	9,104	
Edward Byrne Memorial Justice Assistance Grant (JAG)	A-29		19,626	19,626	
Safe and Secure	A-29	60,000		60,000	
2013 Click it or Ticket	A-29	4,000		4,000	
Recreational Opportunities (ROID) 2014	A-29	20,000		20,000	
Reserve for Alcohol Education and Rehabilitation	A-31	5,893		5,893	
Reserve for Body Armor Grant	A-31	14,500		14,500	
Reserve for Drunk Driving Enforcement Fund	A-31	8,228		8,228	
Reserve for Recycling Tonnage	A-31	16,470		16,470	
Formula One Race Contractual Revenue	A-11	250,000		250,000	
Towing Admin Fees	A-11	20,000		34,230	\$ 14,230
Reserve for Payment of Debt	C-20	109,127		109,127	
UEZ Reserve - Other Trust Fund	A-11	120,806	-	120,806	-
Total Miscellaneous Revenues	A-1	36,610,897	\$ 106,291	36,240,160	(477,028)
RECEIPTS FROM DELINQUENT TAXES	A-1,A-2	174,400	-	48,750	(125,650)
AMOUNT TO BE RAISED BY TAXES FOR SUPPORT OF MUNICIPAL BUDGET:					
Local Tax for Municipal Purposes	A-2	33,007,590		33,903,720	896,130
Addition to Local District School Tax	A-2	242,500		242,500	-
Minimum Library Tax	A-2	721,438	-	721,438	-
TOTAL AMOUNT TO BE RAISED BY TAXES BY FOR SUPPORT OF MUNICIPAL BUDGET		33,971,528	-	34,867,658	896,130
Total General Revenues	A-3	\$ 75,656,825	\$ 106,291	76,056,568	\$ 293,452
Non-Budget Revenue	A-1,A-2,A-4			509,104	
				\$ 76,565,672	

The Accompanying Notes are an Integral Part of These Financial Statements

TOWN OF WEST NEW YORK
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

ANALYSIS OF REALIZED REVENUES	<u>Reference</u>	
Allocation of Current Tax Collection		
Revenue from Collections	A-1,A-9	\$ 60,337,765
Less: Allocated to School and County Taxes	A-19,A-20	<u>26,592,607</u>
Balance for Support of Municipal Budget Appropriations		33,745,158
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>1,122,500</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 34,867,658</u>
Licenses- Other		
Borough Clerk		\$ 140
Police		59,930
Board of Health		<u>91,073</u>
	A-2,A-11	<u>\$ 151,143</u>
Fees and Permits - Other		
Zoning Board		\$ 47,905
Police		<u>17,759</u>
	A-2,A-11	<u>\$ 65,664</u>
Receipts from Delinquent Taxes		
Taxes Receivable	A-9	\$ 21,897
Tax Title Liens	A-10	<u>26,853</u>
	A-2	<u>\$ 48,750</u>

TOWN OF WEST NEW YORK
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

Reference

ANALYSIS OF NON-BUDGET REVENUES

Prior Year Reimbursements/Miscellaneous	\$ 454,856
Assessor's Office - Certified Property Lists	800
Town Clerk	6,793
Rent Control Board	26,989
Municipal Court - Filing fee/Unclaimed Bail	3,076
Tower Viewer - Donnelly Park	903
Public Health Priority Funding	14,822
Administrative Fee Senior and Veteran	865
	<hr/>

A-1,A-2,A-4 \$ 509,104

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

OPERATIONS - WITHIN "CAPS" GENERAL GOVERNMENT	<u>Appropriated</u>		<u>Expended</u>		Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>
Department of Public Affairs					
Director's Office					
Salaries and Wages	\$ 205,000	\$ 148,544	\$ 137,362	\$ 11,182	
Other Expenses	49,000	75,700	60,470	15,230	
Town Clerk					
Salaries and Wages	275,200	262,941	245,961	16,980	
Other Expenses					
Legal Advertising and Publications	15,000	15,000	6,553	8,447	
Miscellaneous Other Expenses	20,000	30,275	27,375	2,900	
Codifications of Ordinances	6,000	6,000		6,000	
Elections					
Salaries and Wages	25,000	1,098		1,098	
Other Expenses	54,000	34,096	27,006	7,090	
Community Development					
Salaries and Wages	110,900	99,105	94,619	4,486	
Other Expenses	100	100		100	
Board of Health					
Salaries and Wages	540,200	517,981	406,817	111,164	
Other Expenses	50,860	43,554		43,554	
Blood Borne Pathogens	5,000	5,000		5,000	
Prosecutor					
Salaries and Wages	50,000	6,165		6,165	
Other Expenses	8,195	8,195	2,507	5,688	
Public Relations					
Other Expenses	65,000	129,020	114,018	15,002	
Rent Control Board					
Salaries and Wages	119,400	114,740	108,948	5,792	
Other Expenses	7,100	7,100	4,997	2,103	
Town Funding Program					
Other Expenses	58,550	58,550	47,619	10,931	

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Balance</u>
OPERATIONS - WITHIN "CAPS"		<u>Modification</u>	<u>Charged</u>		<u>Cancelled</u>
GENERAL GOVERNMENT					
Housing Inspection					
Salaries and Wages	\$ 127,700	\$ 142,367	\$ 126,702	\$ 15,665	
Other Expenses	800	800		800	
Tenants Relations					
Other Expenses	33,920	33,920	23,280	10,640	
Law Department					
Salaries and Wages	125,000	125,000	123,350	1,650	
Other Expenses	600,000	732,507	657,507	75,000	
Supervised Play Activity					
Salaries and Wages	814,600	950,931	913,324	37,607	
Other Expenses	225,000	240,000	187,841	52,159	
Senior Citizens Coordinator of Events					
Salaries and Wages	156,200	149,080	141,855	7,225	
Other Expenses	47,000	53,021	49,522	3,499	
Administrative Offices					
Salaries and Wages	122,000	139,181	138,941	240	
Other Expenses	7,500	7,500	6,425	1,075	
Insurance/Personnel Department					
Salaries and Wages	35,600	36,341	34,726	1,615	
Other Expenses	5,510	5,510	5,010	500	
Zoning Board					
Other Expenses	8,000	8,000	5,524	2,476	
Planning Board					
Salaries and Wages	47,300	47,300	45,393	1,907	
Other Expenses	21,000	21,000	15,649	5,351	
North Hudson Regional Council of Mayors					
Town Share	39,100	39,100	39,100		

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

OPERATIONS - WITHIN "CAPS"	<u>Appropriated</u>		<u>Expended</u>		Unexpended Balance
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
GENERAL GOVERNMENT					
North Hudson Regional Council of Mayors Aid Task Force					
Town Share	\$ 11,193	\$ 11,193	\$ 11,193		
Urban Enterprise Zone					
Other Expenses	8,000	8,000		\$ 8,000	
Department of Revenue and Finance					
Director's Office					
Salaries and Wages	46,000	47,052	44,500	2,552	
Other Expenses	33,000	33,000	27,212	5,788	
Treasurer's Office					
Salaries and Wages	506,500	550,200	517,751	32,449	
Other Expenses					
Annual Audit	120,000	120,000	97,930	22,070	
Miscellaneous Other Expenses	354,630	354,630	168,634	185,996	
Payroll Service Fee	42,000	42,000		42,000	
Assessment of Taxes					
Salaries and Wages	290,000	298,151	290,067	8,084	
Other Expenses	24,000	24,000	2,245	21,755	
Collection of Taxes					
Salaries and Wages	250,300	254,835	242,842	11,993	
Other Expenses	29,000	29,000	24,691	4,309	
Insurance					
General Liability Insurance	880,000	1,171,500	852,000	319,500	
Workers Compensation Insurance	730,000	730,000	650,000	80,000	
Employee Group Health	11,913,199	11,788,699	10,245,921	892,778	\$ 650,000
Unemployment Insurance	215,000	215,000		215,000	
Health Waiver	25,000	25,000		25,000	
Purchasing Agent					
Salaries and Wages	165,850	166,574	158,497	8,077	
Other Expenses	12,000	12,000	8,463	3,537	
DEPARTMENT OF PUBLIC SAFETY					
Director's Office					
Salaries and Wages	379,500	395,314	378,300	17,014	
Other Expenses	135,000	135,000	45,340	89,660	
Police					
Salaries and Wages	13,598,291	13,598,291	12,993,415	604,876	
Other Expenses	525,000	525,000	348,460	176,540	
Public Safety Mechanics					
Salaries and Wages	193,600	193,600	165,964	27,636	
Juvenile Aid					
Other Expenses	4,000	4,000		4,000	

The Accompanying Notes are an Integral Part of These Financial Statements

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Reserved</u>	<u>Balance</u> <u>Cancelled</u>
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT (Continued)					
DEPARTMENT OF PUBLIC SAFETY (Continued)					
Uniform Fire Safety					
Salaries and Wages	\$ 121,100	\$ 136,667	\$ 130,902	\$ 5,765	
Ambulance Squad					
Salaries and Wages	800,000	768,591	732,283	36,308	
Other Expenses	155,000	155,000	151,562	3,438	
Office of Emergency Management					
Other Expenses	9,000	9,000	6,134	2,866	
Department of Public Works					
Director's Office					
Salaries and Wages	201,700	162,662	149,314	13,348	
Other Expenses	17,500	33,895	32,395	1,500	
Streets and Sewers					
Salaries and Wages	1,692,294	1,749,177	1,690,111	59,066	
Other Expenses	280,000	328,476	317,042	11,434	
Snow Removal	40,000	40,000	10,720	29,280	
Street Lighting					
Other Expenses	655,000	652,974	594,282	58,692	
Fire Hydrant Rental					
Other Expenses	225,500	225,500	206,676	18,824	
Recycling					
Other Expenses	375,000	291,865	194,865	97,000	
Garbage and Trash					
Salaries and Wages	93,300	64,649	60,114	4,535	
Other Expenses					
Contractual	3,456,000	2,754,237	2,291,003	463,234	
Miscellaneous Other Expenses	214,000	359,544	345,544	14,000	
Engineering Services and Costs					
Other Expenses	325,000	325,000	325,000	0	

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Appropriated</u>	<u>Budget After</u>	<u>Expended</u>	<u>Unexpended</u>
	<u>Budget</u>	<u>Modification</u>	<u>Paid or</u>	<u>Balance</u>
			<u>Charged</u>	<u>Cancelled</u>
			<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS"				
GENERAL GOVERNMENT (Continued)				
DEPARTMENT OF PUBLIC SAFETY (Continued)				
Department of Parks and Public Property				
Director's Office				
Salaries and Wages	\$ 87,900	\$ 87,900	\$ 84,398	\$ 3,502
Other Expenses	9,000	16,354	15,854	500
Divisions of Parks				
Salaries and Wages	571,706	571,706	254,427	317,279
Other Expenses	85,000	97,097	91,072	6,025
Celebration of Public Events Anniversary or Holiday				
Other Expenses	46,500	46,500	14,143	32,357
Public Buildings and Ground Maintenance				
Salaries and Wages	138,650	175,327	171,624	3,703
Other Expenses	140,000	144,284	136,584	7,700
Light and Power				
Other Expenses	475,000	475,000	277,017	197,983
Centralized Postage				
Other Expenses	57,750	62,299	57,299	5,000
Fuel				
Other Expenses	350,000	388,179	349,754	38,425
Telephone				
Other Expenses	210,000	210,000	148,641	61,359
Water				
Other Expenses	141,593	141,593	57,568	84,025
Sewerage				
Other Expenses	152,103	152,103	99,919	52,184
Signal Bureau				
Other Expenses	19,700	30,994	28,994	2,000

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>
UNIFORM CONSTRUCTION CODE					
CODE ENFORCEMENT AND ADMINISTRATION					
Uniform Construction Code Enforcement Functions					
Construction Code Official					
Salaries and Wages	\$ 352,300	\$ 361,060	\$ 357,952	\$ 3,108	
Other Expenses	50,000	50,000	37,788	12,212	
UNCLASSIFIED					
Municipal Court					
Salaries and Wages	844,100	844,100	772,328	71,772	
Other Expenses	80,000	80,000	57,603	22,397	
Reserve for Tax Appeals	125,000	125,000	125,000		
Public Defender					
Other Expenses	<u>27,605</u>	<u>27,605</u>	<u>-</u>	<u>27,605</u>	<u>-</u>
Total Operations Within "CAPS"	<u>47,196,099</u>	<u>47,171,099</u>	<u>41,447,738</u>	<u>5,073,361</u>	<u>\$ 650,000</u>
Contingent	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Total Operations Including Contingent Within "CAPS"	<u>47,201,099</u>	<u>47,176,099</u>	<u>41,447,738</u>	<u>5,078,361</u>	<u>650,000</u>
Detail:					
Salaries and Wages	23,087,191	23,166,630	21,712,787	1,453,843	-
Other Expenses (Including Contingent)	<u>24,113,908</u>	<u>24,009,469</u>	<u>19,734,951</u>	<u>3,624,518</u>	<u>650,000</u>
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
DEFERRED CHARGES:					
Emergency Authorizations	415,000	415,000	415,000		
Prior Year Bills	23,901	23,901	21,849		2,052
STATUTORY CHARGES					
Contribution to:					
Public Employees Retirement System	775,262	775,262	775,262		
Police and Fireman's Pension Fund	2,401,424	2,401,424	2,400,660	764	
Social Security System (O.A.S.I.)	<u>975,000</u>	<u>975,000</u>	<u>945,261</u>	<u>29,739</u>	<u>-</u>
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	<u>4,590,587</u>	<u>4,590,587</u>	<u>4,558,032</u>	<u>30,503</u>	<u>2,052</u>
Total General Appropriations for Municipal Purposes Within "CAPS"	<u>51,791,686</u>	<u>51,766,686</u>	<u>46,005,770</u>	<u>5,108,864</u>	<u>652,052</u>

The Accompanying Notes are an Integral Part of These Financial Statements

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>		<u>Cancelled</u>
OPERATIONS - EXCLUDED FROM "CAPS"					
Maintenance of Free Public Library	\$ 721,438	\$ 721,438	\$ 509,196	\$ 212,242	
Employee Group Insurance	208,019	208,019	208,019		
Declared State of Emergency costs for Snow Removal	185,000	185,000	150,000	35,000	
Interlocal Municipal Service Agreements					
Reimbursements for Health Services					
Board of Health - Weehawken					
Salaries and Wages	15,000	15,000	15,000		
Board of Health - Guttenberg					
Salaries and Wages	15,000	15,000	15,000		
Board of Health - Secaucus					
Salaries and Wages	20,000	20,000	20,000		
Board of Health- North Bergen					
Salaries and Wages	8,333	8,333	8,333		
Other Expenses	26,667	26,667	26,667		
Board of Health- Bayonne					
Salaries and Wages	8,333	8,333	8,333		
Other Expenses	26,667	26,667	26,667		
Board of Health- Harrison					
Salaries and Wages	8,333	8,333	8,333		
Other Expenses	26,667	26,667	26,667		
Board of Health - Chapter 226 Nursing Services					
Salaries and Wages	12,150	12,150	12,150		
Contribution to North Hudson Regional Fire	13,490,000	13,490,000	13,368,010	121,990	
Public and Private Programs Offset by Revenues					
Summer Food Program	120,000	120,000	120,000		
Clean Communities Program		57,761	57,761		
Municipal Alliance	66,540	66,540	66,540		
Municipal Alliance-Local Match	22,181	22,181	22,181		
Drive Sober Get Pulled Over - 2013	4,400	4,400	4,400		
Safe and Secure	60,000	60,000	60,000		
Recreational Opportunities Individual Disabilities (ROID)	20,000	20,000	20,000		
ROID - Local Match	4,000	4,000	4,000		
Click or Ticket 2013	4,000	4,000	4,000		

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Appropriated</u>	<u>Expended</u>	<u>Unexpended</u>		
	<u>Budget</u>	<u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Reserved</u>	<u>Balance</u> <u>Cancelled</u>
OPERATIONS - EXCLUDED FROM "CAPS" (Continued)					
Public and Private Programs Offset by Revenues					
(Continued)					
Drive Sober Or Get Pulled Over - Holiday Crackdown		\$ 7,500	\$ 7,500		
Edward Byrne Memorial Justice Assistance Grant (JAG)		19,626	19,626		
Body Armor Fund		9,104	9,104		
Safe & Secure Communities Grant		3,300	3,300		
Click It or Ticket 2014		4,000	4,000		
Drive Sober Or Get Pulled Over		5,000	5,000		
Click or Ticket - Local Match	\$ 2,000	2,000	2,000		
Alcohol Education and Rehab - Reserve	5,893	5,893	5,893		
Body Armor Grant - Reserve	14,500	14,500	14,500		
Drunk Driving Enforcement - Reserve	8,228	8,228	8,228		
Recycling Tonnage - Reserve	16,470	16,470	16,470	-	-
Total Operations - Excluded from "CAPS"	\$15,119,819	15,226,110	14,856,878	\$ 369,232	-
Detail:					
Salaries and Wages	87,149	87,149	87,149	-	-
Other Expenses	15,032,670	15,138,961	14,769,729	369,232	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	116,000	141,000	141,000	-	-
Total Capital Improvement Excluded from "CAPS"	116,000	141,000	141,000	-	-
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Principal	4,240,000	4,240,000	4,240,000		
Payment of Note Principal	70,000	70,000	70,000		
Interest on Bonds	1,172,261	1,172,261	1,172,261		
Interest on Notes	93,275	93,275	48,110		\$ 45,165
Green Trust Loan Program					
Loan Repayments for Principal and Interest	154,254	154,254	154,254		
Casino Reinvestment Development Authority	29,366	29,366	29,366		
North Hudson Regional Fire Debt Service	1,035,198	1,035,198	1,035,198		
HCIA Loan Payment	120,806	120,806	72,301	-	48,505
Total Municipal Debt Service Excluded from "CAPS"	6,915,160	6,915,160	6,821,490	-	93,670

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Appropriated</u>	<u>Expended</u>	<u>Unexpended</u>		
	<u>Budget</u>	<u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Reserved</u>	<u>Balance</u> <u>Cancelled</u>
OPERATIONS - EXCLUDED FROM "CAPS" (Continued)					
Deferred Charges - Municipal - Excluded from "CAPS"					
Deferred Charges					
Emergency Authorizations	\$ 100,000	\$ 100,000	\$ 100,000		
Special Emergency Authorizations	101,000	101,000	101,000		-
Total Deferred Charges - Municipal - Excluded from "CAPS"	201,000	201,000	201,000		
Judgements	148,160	148,160	140,159		\$ 8,001
Total Operations - Excluded from "CAPS"	22,500,139	22,631,430	22,160,527	\$ 369,232	101,671
For Local School District Purposes - Excluded from "CAPS"					
Type I School District Debt Service					
Payment of Bond Principal	110,000	110,000	110,000		
Interest on School Bonds	132,500	132,500	109,500	-	23,000
Total Type I School District Debt Service	242,500	242,500	219,500	-	23,000
Total General Appropriations	74,534,325	74,640,616	68,385,797	5,478,096	776,723
Reserve for Uncollected Taxes	1,122,500	1,122,500	1,122,500	-	-
Total General Appropriations	\$75,656,825	\$75,763,116	\$69,508,297	\$ 5,478,096	\$ 776,723
Reference	A-2			A	A-1

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Reference</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>
Budget as Adopted	A-2,A-3	\$75,656,825	
Added Per N.J.S.A. 40A:4-87	A-2	<u>106,291</u>	
		<u>\$75,763,116</u>	
Cash Disbursed	A-4		\$ 63,664,481
Due to Federal and State Grant Fund	A-30		454,503
Deferred Charges			
Emergency Authorizations	A-12		515,000
Special Emergency Authorizations	A-13		101,000
Reserve for Uncollected Taxes	A-3		1,122,500
Encumbrances Payable	A-16		561,673
Prepaid Expense	A-7		2,322,703
Reserve for PILOT and Tax Appeals	A-23		125,000
Current Fund Expenditures Paid by General Capital Fund	C-14		430,437
General Capital Fund - Capital Improvement Fund	C-14		141,000
General Capital Fund - Paydown of BAN Principal	C-14		<u>70,000</u>
			<u>\$ 69,508,297</u>

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUND
AS OF DECEMBER 31, 2014 AND 2013

	<u>Reference</u>	<u>2014</u>	<u>2013</u>
ASSETS			
ANIMAL CONTROL FUND			
Cash	B-1	\$ 30	\$ 271
Due from Other Trust Fund	B-6	1,684	702
Due from State of New Jersey	B-5	71	
Due from Dog Official	B-3		11
Due from Current Fund	B-2	<u>5,641</u>	<u>5,641</u>
		<u>7,426</u>	<u>6,625</u>
OTHER TRUST FUND			
Cash	B-1	8,005,429	7,241,757
Due from General Capital Fund	B-8	151,779	151,779
Due from State of New Jersey	B-11	<u>-</u>	<u>50,840</u>
		<u>8,157,208</u>	<u>7,444,376</u>
COMMUNITY DEVELOPMENT BLOCK GRANT FUND			
Cash	B-1	15,124	5,661
Due from Current Fund	B-21	157,947	16,470
Due from General Capital Fund	B-23		58,678
Due from County of Hudson Community Development Block Grant	B-19	<u>482,515</u>	<u>488,031</u>
		<u>655,586</u>	<u>568,840</u>
Total Assets		<u>\$ 8,820,220</u>	<u>\$ 8,019,841</u>

The Accompanying Notes are an Integral Part of These Financial Statements

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUND
AS OF DECEMBER 31, 2014 AND 2013

	<u>Reference</u>	<u>2014</u>	<u>2013</u>
LIABILITIES AND RESERVES			
ANIMAL CONTROL FUND			
Reserve for Animal Control Expenditures	B-4	\$ 7,426	\$ 6,599
Due to State of New Jersey	B-5	<u>-</u>	<u>26</u>
		<u>7,426</u>	<u>6,625</u>
OTHER TRUST FUND			
Various Trust Reserves	B-12	3,427,766	3,337,742
Due to Current Fund	B-7	217,133	167,632
Due to Federal and State Grant Fund	B-10	1,822	1,546
Due to Animal Control Fund	B-9	1,684	702
Due to Third Party Lienholders	B-15	4,373,462	3,751,687
Due to State of New Jersey - Unemployment	B-16	135,341	155,790
Due to County of Hudson	B-17		2,037
Due to West New York Parking Authority	B-18	<u>-</u>	<u>27,240</u>
		<u>8,157,208</u>	<u>7,444,376</u>
COMMUNITY DEVELOPMENT BLOCK GRANT FUND			
Reserve for Community Development Block Grant	B-20	202,738	468,840
Due to State and Federal Grant Fund	B-22	100,000	100,000
Due to General Capital Fund	B-23	<u>352,848</u>	<u>-</u>
		<u>655,586</u>	<u>568,840</u>
Total Liabilities and Reserves		<u>\$ 8,820,220</u>	<u>\$ 8,019,841</u>

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - GENERAL CAPITAL FUND
AS OF DECEMBER 31, 2014 AND 2013

	<u>Reference</u>	<u>2014</u>	<u>2013</u>
ASSETS			
Cash	C-2,C-3	\$ 430,621	\$ 4,460,791
Deferred Charges to Future Taxation - Funded	C-4	30,387,737	34,897,066
Deferred Charges to Future Taxation - Unfunded	C-5	9,461,873	8,814,800
Grants Receivable	C-12	3,035,825	2,894,860
Due from Community Development Block Grant Fund	C-15	352,848	
Due from Current Fund	C-14	823,253	38,824
Due from Federal and State Grant Fund	C-16	668,205	668,205
Due from Board of Education	C-17		45,346
Due from Depository	C-18	<u>-</u>	<u>3,770</u>
 Total Assets		 <u>\$ 45,160,362</u>	 <u>\$ 51,823,662</u>
 LIABILITIES, RESERVES AND FUND BALANCE			
Casino Reinvestment Development Authority			
Loan Payable	C-6		28,727
General Serial Bonds	C-7	26,743,000	30,983,000
School Serial Bonds	C-8	2,540,000	2,650,000
State of New Jersey - Green Acres Loans Payable	C-9	1,104,737	1,235,339
Bond Anticipation Notes Payable	C-10	5,212,000	4,627,000
Contracts Payable	C-21	2,905,728	316,651
Due to Other Trust Fund	C-19	151,779	151,779
Due to Community Development Block Grant Fund	C-15		58,678
Capital Improvement Fund	C-11	162,715	99,715
Reserve for Payment of Debt	C-20	930,782	957,025
Improvement Authorizations			
Funded	C-13	1,139,207	2,423,702
Unfunded	C-13	4,078,380	8,187,645
Fund Balance	C-1	<u>192,034</u>	<u>104,401</u>
 Total Liabilities, Reserves and Fund Balance		 <u>\$ 45,160,362</u>	 <u>\$ 51,823,662</u>

There were bonds and notes authorized but not issued on December 31, 2014 and 2013 of \$4,249,873 and \$4,187,800 respectively. (Exhibit C-22)

The Accompanying Notes are an Integral Part of These Financial Statements

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - REGULATORY BASIS
GENERAL CAPITAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>Reference</u>	<u>2014</u>	<u>2013</u>
Balance, January 1	C	\$ 104,401	\$ 90,934
Increased by:			
Premium on Bond Anticipation Notes	C-2	17,015	6,981
Improvement Authorizations Cancelled	C-13	119,734	
Premium on Serial Bonds	C-1	<u>-</u>	<u>6,486</u>
		<u>136,749</u>	<u>13,467</u>
Decreased by:			
Cancellation of Due From Board of Education	C-17	45,346	
Cancellation of Due from Depository	C-18	<u>3,770</u>	<u>-</u>
		<u>49,116</u>	<u>-</u>
Balance, December 31	C	<u>\$ 192,034</u>	<u>\$ 104,401</u>

The Accompanying Notes are an Integral Part of These Financial Statements

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL FIXED ASSETS ACCOUNT GROUP
AS OF DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
General Fixed Assets:		
Land	\$ 2,095,513	\$ 2,095,513
Buildings	2,408,050	2,408,050
Building Improvements	11,687,401	11,244,742
Machinery and Equipment	1,366,419	1,366,419
Vehicles	<u>4,573,004</u>	<u>4,238,714</u>
 Total General Fixed Assets	 <u>\$ 22,130,387</u>	 <u>\$ 21,353,438</u>
 Investment in General Fixed Assets	 <u>\$ 22,130,387</u>	 <u>\$ 21,353,438</u>

NOTES TO FINANCIAL STATEMENTS

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of West New York (the "Town") was incorporated in 1898 and operates under an elected Commission form of government. The Town's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the Town is financially accountable. The Town is financially accountable for an organization if the Town appoints a voting majority of the organization's governing board and (1) the Town is able to significantly influence the programs or services performed or provided by the organization; or (2) the Town is legally entitled to or can otherwise access the organization's resources; the Town is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Town is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Town in that the Town approves the budget, the issuance of debt or the levying of taxes. The Town is not includable in any other reporting entity as a component unit.

The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Town do not include the municipal library, housing authority or parking authority, which are considered component units under GAAP. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

B. Description of Regulatory Basis of Accounting

The financial statements of the Town of West New York have been prepared on a basis of accounting in conformity with accounting principles and practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a regulatory basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). 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 Town accounts for its financial transactions through separate funds, which differ from the fund structure required by GAAP.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

C. Basis of Presentation – Financial Statements

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

TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

The Town has the following funds and account group:

Current Fund – This fund is used to account for the revenues and expenditures for governmental operations of a general nature and the assets and liabilities related to such activities, including Federal and State grants not accounted for in another fund.

Trust Funds - These funds are used to account for assets held by the government in a trustee capacity. Funds held by the Town as an agent for individuals, private organizations, or other governments are recorded in the Trust Funds.

Animal Control Fund - This fund is used to account for fees collected from dog and cat licenses and expenditures which are regulated by NJS 4:19-15.11.

Other Trust Fund - This fund is established to account for the assets and resources, which are held by the Town as a trustee or agent for individuals, private organizations, other governments and/or other funds. These funds include dedicated fees/proceeds collected, developer deposits, payroll related deposits and funds deposited with the Town as collateral.

Community Development Block Grant Fund - This fund is used to account for grant proceeds, program income and related expenditures for Federal Block grant entitlements.

General Capital Fund – This fund is used to account for the receipt and disbursement of funds used and related financial transactions related to the acquisition or improvement of general capital facilities and other capital assets, other than those acquired in the Current Fund.

General Fixed Assets Account Group - This account group is used to account for all general fixed assets of the Town. The Town's infrastructure is not reported in the account group.

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

Reclassifications - Certain reclassifications may have been made to the December 31, 2013 balances to conform to the December 31, 2014 presentation.

Financial Statements – Regulatory Basis

The GASB Codification also requires the financial statements of a governmental unit to be presented in the basic financial statements in accordance with GAAP. The Town presents the regulatory basis financial statements listed in the table of contents which are required by the Division and which differ from the basic financial statements required by GAAP. In addition, the Division requires the regulatory basis financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from reporting requirements under GAAP.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the accounting principles and practices prescribed by the Division in accordance with the regulatory basis of accounting. Measurement focus indicates the type of resources being measured. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Town of West New York follows a modified accrual basis of accounting. Under this method of accounting, revenues, except State/Federal Aid, are recognized when received and expenditures are recorded when incurred. The accounting principles and practices prescribed or permitted for municipalities by the Division ("regulatory basis of accounting") differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

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 reported at cost and are limited by N.J.S.A. 40A:5-15.1 et seq. GAAP requires that all investments be reported at fair value.

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires inventories to be recorded as assets in proprietary-type funds.

Property Tax Revenues/Receivables - 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. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one-quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. 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. A penalty of up to 6% of the delinquency may be imposed on a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the fiscal year in which the charges become delinquent. 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 Town. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April first 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 standard tax sale. The Town also has the option when unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears on the 11th day of the eleventh month in the fiscal year when the taxes or lien became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing property on an accelerated tax sale, provided that the sale is conducted and completed no earlier than in the last month of the fiscal year. The Town may institute annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of title to 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 tax 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 (i.e., when they are both levied and available), reduced by an allowance for doubtful accounts.

TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Miscellaneous Revenues/Receivables - 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 Town's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both measurable and available).

Grant and Similar Award Revenues/Receivables - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Town's budget. GAAP requires such revenues to be recognized as soon as all eligibility requirements imposed by the grantor or provider have been met.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve for interfunds and, therefore, does not recognize income in the year liquidated.

Prepaid Debt Service - The town has been allotted and has realized certain state aid that is pledged to the payment of certain debt service in the subsequent calendar year which were issued pursuant to the Municipal Qualified Bond Act. These debt service payments reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items in the current fund, except for prepaid debt service, are offset by a reserve, created by a charge to operations. GAAP does not require the establishment of a reserve for prepaid items.

Deferred Charges - Certain expenditures and other items are required to be deferred to budgets of succeeding years. GAAP requires expenditures and certain other items generally to be recognized when incurred, if measurable.

Appropriation Reserves - Appropriation reserves are recorded as liabilities and 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.

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

Encumbrances - Contractual orders outstanding at December 31, are reported as expenditures and liabilities through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures or liabilities under GAAP.

TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences. 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 are recorded as a long-term obligation in the government-wide financial statements.

Incurred But Not Reported (IBNR) Reserves and Claims Payable - The Town has not created a reserve for any potential unreported self-insurance losses which have taken place but in which the Town has not received notices or report of losses (i.e. IBNR). Additionally, the Town has not recorded a liability for those claims filed, but which have not been paid (i.e. claims payable). 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 potential claims are recorded as a long-term obligation in the government-wide financial statements.

Tax Appeals and Other Contingent Losses - Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. GAAP requires such amounts to be recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

General Fixed Assets - In accordance with NJAC 5:30-5.6, Accounting for Governmental Fixed Assets, the Town of West New York has developed a fixed assets accounting and reporting system. Fixed assets are defined by the Town as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two years.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, and streets and sidewalks are not capitalized.

Fixed Assets purchased after June 30, 2008 are stated as cost. Donated fixed assets are recorded at estimated fair market value at the date of donation.

Fixed Assets purchased prior to June 30, 2008 are stated as follows:

Land and Buildings	Assessed Value
Building Improvements	Estimated Historical Cost
Machinery and Equipment	Estimated Historical Cost
Vehicles	Estimated Historical Cost

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and put into operation for general fixed assets.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

General Fixed Assets (Continued)

GAAP requires that capital assets be recorded in proprietary-type funds as well as the government-wide financial statement at historical or estimated historical cost if actual historical cost is not available. In addition, GAAP requires depreciation on capital assets to be recorded in proprietary-type funds as well as in the government-wide financial statements.

Use of Estimates - The preparation of financial statements requires management of the Town 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 accrued revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. Budgets 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 Town and approved by the State Division of Local Government Services as per N.J.S.A. 40A:4 et seq.

The Town is not required to adopt budgets for the following funds:

Trust Funds
General Capital Fund

The governing body is required to introduce and approve the annual budget no later than February 10, of the fiscal year. The budget is required to be adopted no later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last two months of the fiscal 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. During 2014 and 2013 the Commissioners increased the original budget by \$106,291 and \$647,706. The 2014 increase was attributed to additional aid allotted. The 2013 increase was attributed to additional aid allotted of \$132,706 and emergency authorizations totaling \$515,000. In addition, the governing body approved several budget transfers during 2014 and 2013.

TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE 3 DEPOSITS AND INVESTMENTS

The Town considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as cash and cash equivalents.

A. Deposits

The Town's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Town is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At December 31, 2014 and 2013, the book value of the Town's deposits were \$27,014,159 and \$26,490,598 and bank and brokerage firm balances of the Town's deposits amounted to \$27,316,576 and \$27,490,292, respectively. The Town's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2014</u>	<u>2013</u>
Insured	\$ 26,316,258	\$ 26,489,974
Uninsured and Uncollateralized	<u>1,000,318</u>	<u>1,000,318</u>
	<u>\$ 27,316,576</u>	<u>\$ 27,490,292</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Town does not have a formal policy for custodial credit risk. As of December 31, 2014 and 2013, the Town's bank balances of \$1,000,318 were exposed to custodial credit risk as follows:

<u>Depository Account</u>	<u>2014</u>	<u>2013</u>
Uninsured and Uncollateralized	<u>\$ 1,000,318</u>	<u>\$ 1,000,318</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 3 DEPOSITS AND INVESTMENTS (Continued)

B. Investments

The Town is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the Town or bonds or other obligations of the school districts which are a part of the Town or school districts located within the Town, Local Government investment pools, and agreements for the repurchase of fully collateralized securities, if transacted in accordance with NJSA 40A:5-15.1 (8a-8e).

Interest Rate Risk – The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 40A:5-15.1). The Town does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The Town places no limit in the amount the Town may invest in any one issuer.

As of December 31, 2014 and 2013 the Town had no outstanding investments.

Interest earned in the General Capital Fund, Animal Control Fund and certain Other Trust Funds are assigned to the Current Fund in accordance with the regulatory basis of accounting.

NOTE 4 TAXES RECEIVABLE

Receivables at December 31, 2014 and 2013 consisted of the following:

2014

Property Taxes	\$ 45,927
Tax Title Liens	<u>335,456</u>
	<u>\$ 381,383</u>

2013

Property Taxes	26,473
Tax Title Liens	<u>297,075</u>
	<u>\$ 323,548</u>

In 2014 and 2013, the Town collected \$48,750 and \$209,236 from delinquent taxes, which represented 15.23% and 53.87%, respectively of the prior year delinquent taxes receivable balance.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 5 DUE TO/FROM OTHER FUNDS

As of December 31, interfund receivables and payables that resulted from various interfund transactions were as follows:

	<u>2014</u>		<u>2013</u>	
	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund:				
Regular	\$ 217,133	\$ 1,082,503	\$ 167,632	\$ 226,975
Federal and State Grant	197,484	668,205	267,586	668,205
Trust Fund:				
Animal Control	7,325		6,343	
Other Trust	151,779	220,639	151,779	169,880
Community Development Block Grant Fund	157,947	452,848	75,148	100,000
General Capital Fund	<u>1,844,306</u>	<u>151,779</u>	<u>707,029</u>	<u>210,457</u>
Total	<u>\$ 2,575,974</u>	<u>\$ 2,575,974</u>	<u>\$ 1,375,517</u>	<u>\$ 1,375,517</u>

The above balances are the result of expenditures being paid by one fund on behalf of another.

The Town expects all interfund balances to be liquidated within one year.

NOTE 6 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Under the regulatory basis of accounting, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges are reported on the balance sheets of the following funds:

	<u>Balance December 31,</u>	<u>Budget Appropriation</u>	<u>Balance</u>
<u>2014</u>			
Current Fund			
Special Emergency Authorizations (40A:4-53)	<u>\$ 193,000</u>	<u>\$ 101,000</u>	<u>\$ 92,000</u>
<u>2013</u>			
Current Fund			
Special Emergency Authorizations (40A:4-53)	<u>\$ 294,000</u>	<u>\$ 101,000</u>	<u>\$ 193,000</u>
Emergency Authorization	<u>515,000</u>	<u>515,000</u>	<u>-</u>
	<u>\$ 809,000</u>	<u>\$ 616,000</u>	<u>\$ 193,000</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 7 FUND BALANCES APPROPRIATED

Under the regulatory basis of accounting, fund balance in the Current Fund is comprised of cash surplus (fund balance) and non-cash surplus (fund balance). All or part of cash surplus as of December 31 may be anticipated in the subsequent year's budget. The non-cash surplus portion of fund balance may be utilized in the subsequent year's budget with the prior written consent of the Director of the Division of Local Government Services if certain guidelines are met as to its availability. Fund balances at December 31, which were appropriated and included as anticipated revenue in their own respective fund's budget for the succeeding year were as follows:

	2014		2013	
	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget (A)</u>	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget</u>
Current Fund				
Cash Surplus	\$ 6,006,928	\$ 5,573,266	\$ 6,598,031	\$ 4,900,000
Non-Cash Surplus	<u>1,772,078</u>	<u>-</u>	<u>2,972,069</u>	<u>-</u>
	<u>\$ 7,779,006</u>	<u>\$ 5,573,266</u>	<u>\$ 9,570,100</u>	<u>\$ 4,900,000</u>

(A) The above fund balance amount appropriated represents the surplus anticipated in the 2015 introduced municipal budget. The 2015 municipal budget has not been legally adopted as of the date of audit.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 8 FIXED ASSETS

General Fixed Assets

The following is a summary of changes in the general fixed assets account group for the years ended December 31, 2014 and 2013.

	Balance December 31, <u>2013</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2014</u>
<u>2014</u>				
Land	\$ 2,095,513			\$ 2,095,513
Buildings	2,408,050			2,408,050
Building Improvements	11,244,742	\$ 442,659		11,687,401
Machinery and Equipment	1,366,419			1,366,419
Vehicles	<u>4,238,714</u>	<u>334,290</u>	<u>-</u>	<u>4,573,004</u>
	<u>\$ 21,353,438</u>	<u>\$ 776,949</u>	<u>\$ -</u>	<u>\$ 22,130,387</u>
	Balance December 31, <u>2012</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2013</u>
<u>2013</u>				
Land	\$ 2,095,513			\$ 2,095,513
Buildings	2,408,050			2,408,050
Building Improvements	11,233,542	\$ 11,200		11,244,742
Machinery and Equipment	1,162,439	203,980		1,366,419
Vehicles	<u>4,065,143</u>	<u>173,571</u>	<u>-</u>	<u>4,238,714</u>
	<u>\$ 20,964,687</u>	<u>\$ 388,751</u>	<u>\$ -</u>	<u>\$ 21,353,438</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 9 MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes used to finance capital expenditures. General obligation bonds have been issued for general capital fund projects. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and four months or retired by the issuance of bonds.

The Town's debt is summarized as follows:

	<u>2014</u>	<u>2013</u>
Issued		
General		
Bonds, Notes and Loans	\$ 33,059,737	\$ 36,874,066
Less Funds Temporarily Held to Pay Bonds and Notes	<u>930,782</u>	<u>957,025</u>
Net Debt Issued	32,128,955	35,917,041
Authorized But Not Issued		
General		
Bonds and Notes	<u>3,916,873</u>	<u>3,854,800</u>
	<u>36,045,828</u>	<u>39,771,841</u>
Title I Local School District Debt		
Issued and Outstanding		
General Serial Bonds	2,540,000	2,650,000
Authorized But Not Issued	<u>333,000</u>	<u>333,000</u>
	<u>2,873,000</u>	<u>2,983,000</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 38,918,828</u>	<u>\$ 42,754,841</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 9 MUNICIPAL DEBT (Continued)

Statutory Net Debt

The statement of debt condition that follows is extracted from the Town's Annual Debt Statement and indicates a statutory net debt of 1.48% and 1.46% at December 31, 2014 and 2013, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2014</u>			
Local School District Debt - Type I	\$ 2,873,000	\$ 2,873,000	
Debt Guarantees	15,725,180	15,725,180	
General Debt	<u>36,976,610</u>	<u>3,100,782</u>	\$ 33,875,828
Total	<u>\$ 55,574,790</u>	<u>\$ 21,698,962</u>	<u>\$ 33,875,828</u>

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2013</u>			
Local School District Debt - Type I	\$ 2,983,000	\$ 2,983,000	
Debt Guarantees	16,457,064	16,457,064	
General Debt	<u>40,728,866</u>	<u>3,992,025</u>	\$ 36,736,841
Total	<u>\$ 60,168,930</u>	<u>\$ 23,432,089</u>	<u>\$ 36,736,841</u>

Statutory Borrowing Power

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

	<u>2014</u>	<u>2013</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 80,225,470	\$ 87,691,819
Less: Net Debt	<u>33,875,828</u>	<u>36,736,841</u>
Remaining Borrowing Power	<u>\$ 46,349,642</u>	<u>\$ 50,954,978</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt

The Town's long-term debt consisted of the following at December 31:

General Obligation Bonds

The Town levies ad valorem taxes to pay debt service on general obligation bonds. General obligation bonds outstanding at December 31 are as follows:

<u>General Obligation Bonds</u>	<u>2014</u>	<u>2013</u>
\$5,350,000, 2003 Pension Refunding Bonds, due in annual installments of \$640,000 to \$810,000 through March 15, 2017, interest at 4.92%	\$ 2,170,000	\$ 2,735,000
\$8,100,000, 2006A Refunding Bonds, due in annual installments of \$625,000 to \$1,350,000 through April 15, 2019, interest at 4.00%	5,670,000	6,300,000
\$3,590,000, 2006C Refunding Bonds, due in annual installments of \$800,000 through April 15, 2015, interest at 5.18%	800,000	1,555,000
\$6,100,000, 2007 General Improvement Bonds, due in annual installments of \$265,000 to \$695,000 through April 15, 2025, interest at 4.00% to 5.50%	5,860,000	6,100,000
\$6,888,000, 2008 General Improvement Bonds, due in annual installments of \$1,000,000 to \$1,088,000 through June 15, 2016, interest at 5.00%	2,088,000	3,013,000
\$4,595,000, 2008 General Improvement Bonds, due in annual installments of \$645,000 through June 15, 2014, interest at 5.00%		645,000
\$3,910,000 2013 Series A Qualified General Obligation Bonds, due in annual installments of \$170,000 to \$330,000 through May 15, 2029, interest at 2.00% to 3.00%	3,745,000	3,910,000
\$6,725,000 2013 Series B Qualified General Obligation Bonds (Taxable), due in annual installments of \$320,000 to \$630,000 through May 15, 2028, interest at 3.50% to 5.00%	6,410,000	6,725,000
	<u>\$ 26,743,000</u>	<u>\$ 30,983,000</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

School Debt

The West New York Board of Education is a Type 1 School District. As such, the members of the Board of Education are appointed by the Mayor and school appropriations are set by a Board of School Estimate. Bonds and notes authorized by the Board of School Estimate to finance capital expenditures are general obligations of the Town and are reported on the balance sheet of the Town's General Capital Fund.

<u>School Bonds</u>	<u>2014</u>	<u>2013</u>
\$2,650,000, 2007 School Bonds, due in annual installments of \$135,000 to \$295,000 through April 1, 2025, interest at 4.00% to 5.00%	<u>\$ 2,540,000</u>	<u>\$ 2,650,000</u>

General Intergovernmental Loans Payable

The Town has entered into a loan agreement with the State under the New Jersey Green Trust Bond Act of 1983 and Casino Reinvestment Development Authority for the financing relating to various improvements. The Town levies ad valorem taxes to pay debt service on general intergovernmental loans issued. General intergovernmental loans outstanding at December 31 are as follows:

<u>Green Trust Loans</u>	<u>2014</u>	<u>2013</u>
\$289,313, 1997 Loan, due in Semi-Annual installments of \$8,558 to \$8,906 through January 8, 2017, interest at 2%	\$ 43,657	\$ 60,521
\$500,000, 2000 Loan, due in Semi-Annual installments of \$14,377 to \$15,724 through December 20, 2019, interest at 2%	150,412	178,739
\$475,000, 2001 Loan, due in Semi-Annual installments of \$13,106 to \$14,622 through September 6, 2020, interest at 2%	166,219	192,044
\$425,000, 2001 Loan, due in Semi-Annual installments of \$11,727 to \$13,083 through September 16, 2020, interest at 2%	148,722	171,829
\$675,000, 2006 Loan, due in Semi-Annual installments of \$16,694 to \$20,779 through February 9, 2026, interest at 2%	429,303	462,196
\$170,010, 2013 Loan, due in Semi-Annual installments of \$3,621 to \$5,233 through July 21, 2033, interest at 2%	<u>166,424</u>	<u>170,010</u>
	<u>\$ 1,104,737</u>	<u>\$ 1,235,339</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Casino Reinvestment Development Authority Loans

2014

2013

\$478,727, 1994 Loan, due in Semi-Annual installments of \$28,727 through May 1, 2014, interest at 4.446%.

\$ - \$ 28,727

The Town's principal and interest for long-term debt issued and outstanding as of December 31, 2014 is as follows:

Calendar Year	General		School		Loans		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2015	\$ 3,820,000	\$ 987,045	\$ 135,000	\$ 106,750	\$ 136,848	\$ 21,414	\$ 5,207,057
2016	3,818,000	810,582	170,000	100,000	139,599	18,663	5,056,844
2017	3,015,000	657,969	210,000	91,500	133,409	15,857	4,123,735
2018	2,350,000	548,543	220,000	81,000	127,007	13,266	3,339,816
2019	2,415,000	458,680	225,000	72,200	129,558	10,713	3,311,151
2020-2024	6,750,000	1,494,826	1,285,000	217,800	289,917	28,775	10,066,318
2025-2029	4,575,000	340,365	295,000	11,000	107,954	7,864	5,337,183
2030-2033	-	-	-	-	40,445	1,841	42,286
Total	<u>\$ 26,743,000</u>	<u>\$ 5,298,010</u>	<u>\$ 2,540,000</u>	<u>\$ 680,250</u>	<u>\$ 1,104,737</u>	<u>\$ 118,393</u>	<u>\$ 36,484,390</u>

Debt Guarantees

Hudson County Improvement Authority – Lease Revenue Bonds North Hudson Regional Fire and Rescue (NHRFR)

In August, 2003, the Town guaranteed an amount not to exceed \$3,828,000 for its proportionate share of \$15,000,000 debt authorized by the HCIA in connection with the HCIA's financing of the costs of the public facilities as defined in that ordinance. On January 11, 2004 the HCIA issued Variable Rate Lease Revenue Bonds (federally taxable) in connection with this authorization. The Town's share in the debt service on these bonds is approximately 25.52%, which is proportionate to the Town's share in the contribution to create the NHRFR. These bonds are not considered as bonds payable of the Town, but rather a lease agreement between the Town (acting on behalf of the NHRFR) and the HCIA. Pursuant to the terms of the lease agreement, the town is required to make rental payments sufficient to pay for its proportionate share of the debt service on the HCIA Series 2003 Lease Revenue Bonds.

The 2004 Bonds had an interest rate of 3.01% (the "Initial Interest Rate") until January 1, 2007 (the "Initial Interest Rate Period"). At January 2007 a variable rate of 5.33% was issued for a one year period. Subsequent to year end the bond rate was fixed at rates ranging between 5.80% and 6.640%.

In January 2006, the Town guaranteed an amount not exceed \$2,194,720 for its proportionate share of \$8,600,000 debt authorized as Series A (tax-exempt) and Series B (taxable), and allocated each in accordance with each NHRFR participating municipality's proportionate share as defined above Pursuant to the terms of the lease agreement, the Town is required to make rental payments sufficient to pay for its proportionate share of the debt service on the HCIA Series 2006A and 2006B Lease Revenue Bonds, plus an administrative fee payable to the HCIA (one tenth of one percent of the outstanding principal on the Town's share of the bonds).

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Debt Guarantees (Continued)

Hudson County Improvement Authority – Lease Revenue Bonds North Hudson Regional Fire and Rescue (NHRFR) (Continued)

The HCIA, at the consent of the NHRFR, as lessee, issued the \$4,760,000 Lease Revenue Refunding Bonds, (North Hudson Regional Fire and Rescue Project Guaranteed Tax-Exempt Series) Series 2011A and to \$10,990,000 Lease Revenue Bonds, (North Hudson Regional Fire and Rescue Project Guaranteed Taxable Series) Series 2011B to call all of the outstanding \$7,010,000 Lease Revenue Bonds Series 1999A (Original Parties Tax Exempt Series) and \$15,070,000 Lease Revenue Bonds, Series 1999B (Original Parties Guaranteed Taxable Series). On October 18, 2011, the Town guaranteed and amount not to exceed \$1,214,752 and \$2,804,648, respectively for its proportionate share of the total \$15,750,000 2011A and 2011B Lease Revenue Bonds. Pursuant to the terms of the lease agreement, the Town is required to make rental payments sufficient to pay for its proportionate share of the debt service on the Series 2011A and Series 2011B.

The Town's proportionate share of the North Hudson Region Fire and Rescue Bonds are as follows:

	<u>2014</u>	<u>2013</u>
HCIA 2004 (Taxable) lease revenue bonds, originally issued on January 1, 2004 for \$3,828,000, maturing annually from January 2009 through 2024, bearing an initial rate of 3.01%. Following expiration of the Initial Interest Rate Period, and rates variable of 5.80% to 6.64%.	\$ 3,241,040	\$ 3,394,160
HCIA 2006A (tax-exempt) lease revenue bonds, originally issued on January 1, 2006 for \$1,143,296, maturing annually from January 1, 2008 through 2024, bearing interest rates of 4.0% to 5.0%.	777,084	837,056
HCIA 2006B (Taxable) lease revenue bonds, originally issued on January 1, 2006 for \$1,051,424, maturing annually from January 1, 2008 to 2015. At January 1, 2015 the issue requires term bond optional redemptions or sinking funds to 2020 and 2024. The bond bears interest of 4.99% to 5.4%.	726,044	779,636
HCIA 2011A (tax-exempt) lease revenue bonds, originally issued on September 1, 2011 for \$1,214,752, maturing annually from September 1, 2012 to 2023. The bond bears interest of 5.4% to 5.7%.	981,244	1,062,908
HCIA 2011B (Taxable) lease revenue bonds, originally issued on September 1, 2011 for \$2,804,648, maturing annually from September 1, 2012 to 2023. The bond bears interest of 5.4% to 5.7%.	2,319,768	2,493,304
	<u>\$ 8,045,180</u>	<u>\$ 8,567,064</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Debt Guarantees (Continued)

West New York Parking Authority

On October 4, 2006, the Town adopted a guaranty ordinance #17/06, in which the Town is guaranteeing an amount not to exceed \$9,000,000 in Guaranteed Revenue Bonds for the construction of parking decks. On October 19, 2006, the Parking Authority of the Town of West New York issued \$9,000,000 in Parking Revenue Bonds, Series 2006. As the Guarantor, the Town's responsibility is limited to the extent of the amounts outstanding in the event of default.

The Town's guarantee under the loan agreement is as follows:

	<u>2014</u>	<u>2013</u>
Parking Revenue Bonds, Series 2006 issued on October 19, 2006 for \$9,000,000, maturing annually beginning July 1, 2008 through 2024. The Bonds maturing on July 1, 2030 and 2036 are subject to mandatory sinking fund redemptions on July 1 from 2025 through 2036. Interest is paid semi-annually at interest rates ranging from 3.5% to 5%.	\$ <u>7,680,000</u>	\$ <u>7,890,000</u>

Hudson County Improvement Authority – Lease Financing Agreement

On June 15, 1997, the Town and the West New York Parking Authority (the "Authority") entered into a lease financing agreement with the Hudson County Improvement Authority (HCIA). The Agreement is for the HCIA to provide \$6,400,000 of funding to be shared equally between the Town and the Authority; however, the Town has ultimate responsibility for all amounts due pursuant to the lease. The proceeds of the lease were received equally by the Town and Authority and both entities are responsible for their share of rental payments in connection with the lease.

The Town, as a participant in the Agreement, has received funding of \$4,200,000 from the HCIA for the renovations/rehabilitation of Bergenline Avenue from 48th Street through 68th Street, both east and west sides. In consideration for the funding received, the Town will lease the land to the HCIA and then in turn lease the entire completed improvements from the HCIA for a term to expire July 1, 2025.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Debt Guarantees (Continued)

Hudson County Improvement Authority – Lease Financing Agreement (Continued)

Upon the satisfaction of certain criteria, which must include the approval of the Town of West New York, the Authority can elect to purchase the facility from the HCIA. Under the terms of the agreement, it is estimated that the exercise date of the purchase option would be July 1, 2025, the expiration date of the original lease term. The Authority will receive significant credit for the value of net minimum lease payments made to such date to be applied toward the option purchase price. As such, this agreement has been recorded as a capital lease obligation.

The Town is the lessee of the improvements thereto, referred to as the Renovation of Bergenline Avenue, under a capital lease that expires July 1, 2025. The assets and liabilities under capital lease are recorded at the present value of the minimum lease payments.

The capital lease obligation for the years ended December 31, 2014 and 2013 were \$165,000 and \$160,000, respectively.

Minimum future lease payments under the capital lease as of December 31, 2014 for each of the next five years and in the aggregate are:

<u>Years Ended</u> <u>December 31,</u>	<u>Amount</u>
2015	\$ 285,500
2016	286,750
2017	287,500
2018	287,750
2019	287,500
2020-2024	<u>1,426,000</u>
Total	2,861,000
Less: Amounts representing Interest	<u>651,000</u>
Present value of Net Minimum Lease Payments	<u>\$ 2,210,000</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Debt Guarantees (Continued)

Hudson County Improvement Authority – Lease Financing Agreement (Continued)

The initial interest rate on the capital lease was 5% and was based on the HCIA's borrowing rate at the inception of the lease. The future minimum lease payments set forth above assumes a 5% interest rate. However, as of the date of the Agreement, the interest rate payable on the outstanding principal is reset weekly by the Remarketing Agent for the HCIA Pooled Loan Program. The average estimated interest rate for the years ended December 31, 2014 and 2013 was 0.1131% and 0.8864%, respectively.

Changes in Long-Term Municipal Debt

The Town's long-term capital debt activity for the years ended December 31, 2014 and 2013 were as follows:

	Balance, December 31, <u>2013</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2014</u>	Due Within <u>One Year</u>
<u>2014</u>					
General Capital Fund					
Serial Bonds Payable	\$ 30,983,000		\$ 4,240,000	\$ 26,743,000	\$ 3,820,000
School Bonds Payable	2,650,000		110,000	2,540,000	135,000
Intergovernmental Loans Payable	<u>1,264,066</u>	<u>-</u>	<u>159,329</u>	<u>1,104,737</u>	<u>136,848</u>
General Capital Fund Long-Term Liabilities	<u>\$ 34,897,066</u>	<u>\$ -</u>	<u>\$ 4,509,329</u>	<u>\$ 30,387,737</u>	<u>\$ 4,091,848</u>
	Balance, December 31, <u>2012</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2013</u>	Due Within <u>One Year</u>
<u>2013</u>					
General Capital Fund					
Serial Bonds Payable	\$ 24,013,000	\$ 10,635,000	\$ 3,665,000	\$ 30,983,000	\$ 4,240,000
School Bonds Payable	2,650,000			2,650,000	110,000
Intergovernmental Loans Payable	<u>1,248,570</u>	<u>170,010</u>	<u>154,514</u>	<u>1,264,066</u>	<u>159,329</u>
General Capital Fund Long-Term Liabilities	<u>\$ 27,911,570</u>	<u>\$ 10,805,010</u>	<u>\$ 3,819,514</u>	<u>\$ 34,897,066</u>	<u>\$ 4,509,329</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 9 MUNICIPAL DEBT (Continued)

B. Short-Term Debt

The Town's short-term debt activity for the years ended December 31, 2014 and 2013 was as follows:

Bond Anticipation Notes

<u>Purpose</u>	<u>Rate</u> <u>(%)</u>	<u>Maturity</u> <u>Date</u>	Balance, December 31, <u>2013</u>	Renewed/ <u>Issued</u>	Retired/ <u>Redeemed</u>	Balance, December 31, <u>2014</u>
<u>2014</u>						
<u>General Capital Fund</u>						
Various Capital Improvements	1.00	11/25/2015		\$ 4,193,000		\$ 4,193,000
Road Improvement Projects	1.00	11/25/2015		1,019,000		1,019,000
Various Capital Improvements	1.00	12/10/2014	\$ 3,883,000		\$ 3,883,000	
Road Improvement Projects	1.00	12/10/2014	744,000	-	744,000	-
			<u>\$ 4,627,000</u>	<u>\$ 5,212,000</u>	<u>\$ 4,627,000</u>	<u>\$ 5,212,000</u>
<u>Purpose</u>	<u>Rate</u> <u>(%)</u>	<u>Maturity</u> <u>Date</u>	Balance, December 31, <u>2012</u>	Renewed/ <u>Issued</u>	Retired/ <u>Redeemed</u>	Balance, December 31, <u>2013</u>
<u>2013</u>						
<u>General Capital Fund</u>						
Various Capital Improvements	1.50	8/7/2013	\$ 3,810,450		\$ 3,810,450	
Various Capital Improvements	1.125	12/20/2013	1,900,000		1,900,000	
Various Capital Improvements	1.00	12/10/2014		\$ 3,883,000		\$ 3,883,000
Road Improvement Projects	1.00	12/10/2014	-	744,000	-	744,000
			<u>\$ 5,710,450</u>	<u>\$ 4,627,000</u>	<u>\$ 5,710,450</u>	<u>\$ 4,627,000</u>

The purpose of these short-term borrowings was to provide resources for capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq. The amounts issued for governmental activities are accounted for in the General Capital Fund.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 9 MUNICIPAL DEBT (Continued)

B. Short-Term Debt (Continued)

Bond Anticipation Notes (Continued)

State law requires that notes are to be issued for a period not exceeding one year and may be renewed from time to time for additional periods, none of which shall exceed one year. All bond anticipation notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes. In addition any note renewed beyond the third anniversary date of the original note, requires one legally payable installment to be paid.

In addition to the debt shown in the above schedule, municipalities may issue debt to finance emergency or special emergency appropriations. This debt which is not included in the Town's statutory debt limit calculation is reported in the Current Fund for the years 2014 and 2013 as follows:

Emergency Notes

Any local unit may borrow money and issue its negotiable notes to meet an emergency appropriation. All emergency notes, and any renewals thereof, shall mature not later than the last day of the fiscal year following the fiscal year in which the notes were issued and the emergency appropriation authorized.

<u>Purpose</u>	<u>Rate</u> <u>(%)</u>	<u>Maturity</u> <u>Date</u>	<u>Balance,</u> <u>December 31,</u> <u>2012</u>	<u>Renewed/</u> <u>Issued</u>	<u>Retired/</u> <u>Redeemed</u>	<u>Balance,</u> <u>December 31,</u> <u>2013</u>
<u>2013</u>						
General Liability	2.25	12/27/2013	\$ 977,100		\$ 977,100	
Employee Health Insurance	2.25	12/27/2013	325,800		325,800	
Engineering Fees	2.25	12/27/2013	385,100	-	385,100	-
Total Emergency Notes			<u>\$ 1,688,000</u>	<u>\$ -</u>	<u>\$ 1,688,000</u>	<u>\$ -</u>

There were no emergency notes issued during 2014.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 9 MUNICIPAL DEBT (Continued)

B. Short-Term Debt (Continued)

Special Emergency Notes

Following the adoption of an ordinance or resolution for special emergency appropriations, the Town may borrow money and issue special emergency notes which may be renewed from time to time, but at least 1/5 of all such notes and the renewal thereof, shall mature and be paid in each year so that all notes have been paid by the end of the fifth year following the date of the special emergency resolution.

<u>Purpose</u>	<u>Rate</u> <u>(%)</u>	<u>Maturity</u> <u>Date</u>	Balance, December 31, <u>2013</u>	Renewed/ <u>Issued</u>	Retired/ <u>Redeemed</u>	Balance, December 31, <u>2014</u>
<u>2014</u>						
Superstorm Sandy	1.00	12/10/2014	\$ 184,000		\$ 184,000	
Superstorm Sandy	1.00	11/25/2015	-	\$ 138,000	-	\$ 138,000
Total Special Emergency Notes			<u>\$ 184,000</u>	<u>\$ 138,000</u>	<u>\$ 184,000</u>	<u>\$ 138,000</u>

<u>Purpose</u>	<u>Rate</u> <u>(%)</u>	<u>Maturity</u> <u>Date</u>	Balance, December 31, <u>2012</u>	Renewed/ <u>Issued</u>	Retired/ <u>Redeemed</u>	Balance, December 31, <u>2013</u>
<u>2013</u>						
Superstorm Sandy	2.25	12/27/2013	\$ 230,000		\$ 230,000	
Superstorm Sandy	1.00	12/10/2014	-	\$ 184,000	-	\$ 184,000
Total Special Emergency Notes			<u>\$ 230,000</u>	<u>\$ 184,000</u>	<u>\$ 230,000</u>	<u>\$ 184,000</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 10 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

As of December 31, the Town had the following commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Construction Commitment</u>	<u>Estimated Date of Completion</u>
<u>2014</u>		
Improvements to 66 th Street	\$232,360	2015
Environmental Remediation Project	182,723	2015
Improvements to Veterans Park	2,458,713	2015
Improvements to Washington Park	342,461	2015
<u>2013</u>		
Municipal Pool Renovations	247,032	2014
Improvements to 67 th Street	94,765	2014

NOTE 11 OTHER LONG-TERM LIABILITIES

A. Compensated Absences

Under the existing policies and labor agreements of the Town, employees are allowed to accumulate (with certain restrictions) unused vacation benefits, personal, sick leave and compensation time in lieu of overtime over the life of their working careers and to redeem such unused leave time in cash (with certain limitations) upon death, retirement or by extended absence immediately preceding retirement.

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$7,682,147 and \$8,089,334 at December 31, 2014 and 2013, respectively. These amounts which are considered material to the financial statements, are not reported either as an expenditure or liability.

B. Deferred Pension Obligation

During the year ended December 31, 2009 the Town elected to contribute 50% of its normal and accrued liability components of the PFRS and PERS obligations and deferred the remaining 50% in accordance with P.L. 2009, c.19. The deferred amount totaled \$1,589,585 and will be paid back with interest over 15 years beginning in the 2012 year. The Town is permitted to payoff the deferred PFRS and PERS pension obligations at any time. It is estimated that the total deferred liability including accrued interest (at 7.90% effective July 1, 2012 and 8.25% prior to July 1, 2012) at December 31, 2014 and 2013 is \$1,100,795 and \$1,310,824, respectively.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 11 OTHER LONG-TERM LIABILITIES (Continued)

Changes in Other Long-Term Liabilities

The Town's changes in other long-term liabilities for the years ended December 31, 2014 and 2013 were as follows:

	Balance, December 31, <u>2013</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2014</u>	Due Within <u>One Year</u>
<u>2014</u>					
Compensated Absences	\$ 8,089,334		\$ 407,187	\$ 7,682,147	\$ 250,000
Deferred Pension Obligation	<u>1,310,824</u>	<u>-</u>	<u>210,029</u>	<u>1,100,795</u>	<u>214,350</u>
Other Long-Term Liabilities	<u>\$ 9,400,158</u>	<u>\$ -</u>	<u>\$ 617,216</u>	<u>\$ 8,782,942</u>	<u>\$ 464,350</u>
	Balance, December 31, <u>2012</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2013</u>	Due Within <u>One Year</u>
<u>2013</u>					
Compensated Absences	\$ 8,518,047		\$ 428,713	\$ 8,089,334	
Deferred Pension Obligation	<u>1,515,271</u>	<u>-</u>	<u>204,447</u>	<u>1,310,824</u>	<u>\$ 210,029</u>
Other Long-Term Liabilities	<u>\$ 10,033,318</u>	<u>\$ -</u>	<u>\$ 633,160</u>	<u>\$ 9,400,158</u>	<u>\$ 210,029</u>

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees which includes those Town employees who are eligible for pension coverage.

Police and Firemen's Retirement System (PFRS) – established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership. PFRS is a cost-sharing multi-employer defined benefit pension plan.

Public Employees' Retirement System (PERS) – established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement healthcare for those eligible employees whose local employers elected to do so, to substantially all full-time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and, if applicable, 25 years for post-retirement healthcare coverage. PERS is a cost-sharing multi-employer defined benefit pension plan.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Town employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS and do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP.

Other Pension Funds

The state established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The cost of living increase for PFRS and PERS are funded directly by each of the respective systems, but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trust. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

Basis of Accounting

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits and refunds are recognized when due and payable in accordance with the terms of the retirement systems.

Significant Legislation

P.L. 2011, c.78, effective June 28, 2011, made various changes to the manner in which PERS and PFRS operate and to the benefit provisions of those systems.

This new legislation's provisions impacting employee pension and health benefits include:

- For new members of PERS hired on or after June 28, 2011 (Tier 5 members), the years of creditable service needed for early retirement benefits increased from 25 to 30 years and the early retirement age increased from 55 to 65. The eligibility age to qualify for a service retirement in the PERS increased from age 62 to 65 for Tier 5 members.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Significant Legislation (Continued)

- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), decreased from 65 percent of final compensation to 60 percent of final compensation after 25 years of service and from 70 percent of final compensation to 65 percent of final compensation after 30 or more years of service.
- It increased the active member contribution rates as follows: PERS active member rates increase from 5.5 percent of annual compensation to 6.5 percent plus an additional 1 percent phased-in over 7 years for members hired or reappointed on or after June 28, 2011; PFRS active member rates increase from 8.5 percent to 10 percent. For Fiscal Year 2014, the PERS member contribution rate was 6.78%. The rate increased to 6.92% effective July 2014. The phase-in of the additional incremental member contributions for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries was suspended. COLA increases may be reactivated at a future date as permitted by this law.
- It changed the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay method).

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290, or at www.state.nj/treasury/doinvest.

Funded Status and Funding Progress

As of July 1, 2012, the most recent actuarial valuation date, the aggregate funded ratio for all the State administered retirement systems, including PERS and PFRS, is 64.5 percent with an unfunded actuarial accrued liability of \$47.2 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 56.7 percent and \$34.4 billion, respectively and the aggregate funded ratio and unfunded accrued liability for local PERS and PFRS is 76.1 percent and \$12.8 billion, respectively.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Funded Status and Funding Progress (Continued)

The funded status and funding progress of the retirement systems includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2012 actuarial valuations, the date of the most recent actuarial valuations, the projected unit credit was used as actuarial cost method, and the five year average of market value was used as asset valuation method for pension trust funds. The actuarial assumptions included (a) 7.90% for investment rate of return for all the retirement systems except CPFPPF (2.00%) and (b) changes to projected salary increases of 4.22 percent for PERS and 6.01 percent for PFRS.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions based on 6.50% plus an additional 1% phased-in over 7 years beginning in July 2012 for PERS, 10.0% for PFRS and 5.50% for DCRP of employees' annual compensation. The member contribution for PERS was 6.78% in fiscal year 2014 and 6.92% for fiscal year 2015 effective July 2014.

Annual Pension Cost (APC)

For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, annual pension cost equals contributions made. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Annual Pension Cost (APC) (Continued)

During the years ended December 31, 2014, 2013 and 2012, the Town, was required to contribute for normal cost pension contributions, accrued liability pension contributions, deferred pension obligation contributions, and non-contributory life insurance premiums the following amounts which equaled the required contributions for each respective year:

<u>Year Ended December 31</u>	<u>PFRS</u>	<u>PERS</u>	<u>DCRP</u>
2014	\$ 2,400,660	\$ 775,262	-
2013	2,591,859	807,389	\$ 15,334
2012	2,432,976	891,572	6,307

NOTE 13 POST-RETIREMENT MEDICAL BENEFITS

Plan Description

The Town provides a post employment healthcare plan for its eligible retirees, spouses and dependents. The plan is a single-employer defined benefit healthcare plan administered by the Town. In accordance with Town ordinances, contracts and/or policies, the Town provides medical and prescription benefits to retirees and their covered eligible dependents. The Town pays the full cost for eligible retirees, spouses and dependents. All active employees who retire directly from the Town and meet the eligibility criteria may participate.

Funding Policy

The required contribution is funded on a pay-as-you-go basis. For the years 2014 and 2013, the Town contributed \$4,516,000 and \$4,436,000, respectively to the plan reflecting implicit rate subsidies.

TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation

The Town's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Town's annual OPEB cost for the years 2014 and 2013, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation to the plan.

	<u>2014</u>	<u>2013</u>
Annual Required Contribution	\$ 11,175,597	\$ 11,175,597
Interest on Net OPEB Obligation	1,289,469	981,956
Adjustment to Annual Required Contribution	<u>(852,563)</u>	<u>(887,948)</u>
Annual OPEB Cost (Expense)	11,612,503	11,269,605
Contributions Made	<u>(4,516,000)</u>	<u>(4,436,000)</u>
Increase in Net OPEB Obligation	7,096,503	6,833,605
Net OPEB Obligation - Beginning of Year	<u>28,654,857</u>	<u>21,821,252</u>
Net OPEB Obligation - End of Year	<u>\$ 35,751,360</u>	<u>\$ 28,654,857</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the years 2014, 2013 and 2012 were as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percentage of</u> <u>Annual OPEB</u> <u>Cost Contributed</u>	<u>Net</u> <u>OPEB</u> <u>Obligations</u>
2014	\$ 11,612,503	39%	\$ 35,751,360
2013	11,269,605	39%	28,654,857
2012	10,930,476	37%	21,821,252

Funded Status and Funding Progress

As of December 31, 2014, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$121,785,247, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$121,785,247.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Funded Status and Funding Progress (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2014, actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expense) which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 7.5% of pre-Medicare medical benefits and 5% post-Medicare medical benefits. The unfunded actuarial liability is amortized as a level dollar amount using an open period of 30 years.

NOTE 14 RISK MANAGEMENT

Employee Group Health

The Town of West New York has established a group health and prescription insurance benefit plan for its active employees and eligible dependents. Claims dollars are funded by the Town and employee health contributions and are paid by the plan (Horizon BCBS – Medical and Express Scripts – Prescription). The Town has a Medicare Advantage plan with Horizon BCBS to cover all retired members; the Town assumes all cost to fund the Medicare Advantage plan.

Total cost paid by the Town for Medical, Medicare Advantage Plan, Rx and Stop-Loss totals \$12,657,098 for plan year ending December 31, 2014. The plan has a re-insurance agreement with Optum in place to fund claims in excess of \$175,000 per person and a policy year maximum specific benefit of \$1,825,000. The re-insurance policy also contains an aggregate loss provision in the amount of \$10,739,352 for the policy year ending December 31, 2014. The Town experienced three members and one member that exceeded the specific attachment point of \$175,000 in the calendar years 2014 and 2013, respectively. The Town will be reimbursed \$170,274 and \$234,359 in plan year 2014 and 2013, respectively. The Town has not created a liability for loss reserves for claims incurred which were unpaid at December 31, 2014. In addition, the Town has not created a liability for reserves for any potential unreported losses which have taken place but in which the Town has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but is presumed to be material. A contingent liability exists with respect to reinsurance, which would become an actual liability in the even the reinsuring company might be unable to meet their obligations to the Town under existing reinsurance agreements.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 14 RISK MANAGEMENT (Continued)

Worker's Compensation

The Town has established a worker's compensation plan for its employees. Transaction related to the plan are accounted for in the Trust Fund. The Town funds the entire cost of the plan from the Current Fund budget. Claims are paid directly by the plan up to a maximum of \$150,000 for any one accident or occurrence, with any excess benefits up to \$2,000,000 per occurrence being reimbursed through an excess workers' compensation policy with the Public Entity Joint Insurance Fund (PEJIF). A contingent liability exists with respect to reinsurance, which would become an actual liability in the event the reinsuring company may not be able to meet their obligations to the Town under existing reinsurance agreements.

General Liability

The Town has established a general liability self-insurance plan. Transactions related to the plan are accounted for in the Trust Fund. The Town funds the entire cost of the plan from the Current Fund budget. Claims are paid directly by the plan up to a maximum of \$100,000 for any one accident or occurrence, with any excess benefit being reimbursed through an excess liability policy with PEJIF. A contingent liability exists with respect to reinsurance, which would become an actual liability in the event the reinsuring company may not be able to meet their obligations to the Town under existing reinsurance agreements.

Other Insurance Coverage

The Town of West New York is a member of the Public Entity Joint Insurance Fund (PEJIF). The joint insurance fund is an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The Fund is a risk sharing public entity pool. The PEJIF coverage amounts are on file with the Town.

The relationship between the Town and insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Town is contractually obligated to make all annual and supplementary contributions to the insurance fund, to report claims on a timely basis, to cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which the municipality was a member.

The fund provides its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the fund can be obtained by contacting the respective fund's Treasurer.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlement in excess of insurance coverage in any of the prior three years.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 14 RISK MANAGEMENT (Continued)

Other Insurance Coverage (Continued)

The Town has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the Town is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Town is billed quarterly for amounts due to the State. The following is a summary of Town contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Town's unemployment compensation trust fund for the current and previous two years:

<u>Year Ended December 31</u>	<u>Town Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014	\$ 156,595	\$ 15,940	\$ 135,341	\$ 223,159
2013	120,000	31,151	156,702	186,770
2012	350,000	33,864	285,635	192,321

NOTE 15 CONTINGENT LIABILITIES

The Town is a party defendant in some lawsuits, none of a kind unusual for a municipality of its size and scope of operation. In the opinion of the Town's Attorney, the potential claims against the Town not covered by insurance policies would not materially affect the financial condition of the Town.

Pending Tax Appeals - Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2014 and 2013. Amounts claimed have not yet been determined. The Town is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of community Affairs, State of New Jersey, the Town does not recognize a liability, if any, until these cases have been adjudicated. The Town expects such amounts, if any, could be material. As of December 31, 2014 and 2013, the Town reserved \$125,000 and \$-0-, respectively in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability in excess of established reserve amounts would be provided for in succeeding years' budget, fund balance or a refunding bond ordinance.

Federal and State Awards - The Town participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. As of December 31, 2014 and 2013, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Town believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Town.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 16 FEDERAL ARBITRAGE REGULATIONS

The Town is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At December 31, 2014 and 2013, the Town has not estimated its estimated arbitrage earnings due to the IRS, if any.

NOTE 17 RELATED PARTY TRANSACTIONS

North Hudson Sewerage Authority

In October, 1996, the West New York Municipal Utilities Authority (WNYMUA) was acquired by the Hoboken – Union City – Weehawken Sewerage Authority (HUCWSA), and together, these entities were consolidated to create the North Hudson Sewerage Authority (NHSA). The acquisition was executed through the issuance and sale of \$104,945,000 Sewer Revenue Bonds, Series 1996, issued by the NHSA on October 15, 1996. Upon delivery of the bonds on October 31, 1996, the NHSA acquired all of the existing wastewater collection and treatment facilities of the Town and the WNYMUA. On February 16, 2000, the WNYMUA was officially dissolved pursuant to N.J.S. 40A:5A-20, through Town ordinance 25/99. By virtue of this ordinance, the Town assumed all remaining assets and liabilities of the now defunct WNYMUA.

In connection with the creation of the NHSA, a service agreement between the Town (together with the Hudson County municipalities of Hoboken, Union City and Weehawken) and the NHSA was executed. This agreement supersedes a previous agreement between the Town and the WNYMUA. The related obligation of the Town with respect to the current service agreement pertains to service charges and annual charges, as described below.

Service Charges

The NHSA will charge (to users of its system) service charges, pursuant to the service agreement, with respect to all sewerage treated or disposed of by the NHSA and for all use and services of its system, in accordance with the New Jersey Sewerage Authorities Law, ch. 138, L. 1946, and in a manner consistent with the submission relied upon by the United States Environmental Protection Agency (EPA) and the New Jersey Department of Environmental Protection (NJDEP) in issuing a federal grant or in such other manner that the EPA and the NJDEP approve. Such service charges shall be established at rates estimated to be sufficient to provide for all amounts necessary to pay or provide for the expense of operation and maintenance of the NHSA's system and the principal and interest on any and all bonds as they become due, to maintain the amounts required to be held on deposit in the sinking fund and the bond reserve fund and to comply in all respects with the terms of provisions of the general bond resolution adopted by the NUCWSA on April 24, 1989, as amended and the New Jersey Sewerage Authorities Law, provided, however, that the NHSA may charge service charges which are less than sufficient to comply with the requirements referred to above if each of the municipalities gives its written consent to such lesser service charges.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 17 RELATED PARTY TRANSACTIONS (Continued)

North Hudson Sewerage Authority (Continued)

Annual Charges

Annual charges are based upon application of a formula which is explained in the next two paragraphs. If, but only if, the application of the formula yields a positive dollar amount for any fiscal year during which the service agreement is in effect, the Town shall be obligated to pay to the NHSA its allocable share of such positive dollar amount as an annual charge. Such annual charges shall be the excess, if any of the amount determined by the items in the first paragraph following less the amount determined by the items in the second paragraph following to determine the excess, if any.

The sum of all of the amounts reasonably expected by the NHSA to be expended in the fiscal year of the NHSA (1) to pay or provide for the expenses of construction, acquisition, operation and maintenance of its system, as well as administrative and other expenses of the NHSA related to its system prior to placing the system in operation, and the principal of and interest on all bonds as the same become due; (2) to maintain such reserves or sinking funds as may be required by the terms of the contract of the NHSA or any bond resolution, or as may be deemed necessary by the NHSA; and (3) to comply in all respects with the terms of the general bond resolution adopted by the HUCWSA on April 24, 1989, as amended, and the New Jersey Sewerage Authorities Law.

The sum of the following amounts to the extent available to be used to pay or provide for the amounts described in the preceding paragraph: (1) service charges collected by the NHSA; (2) the proceeds of bonds received by or for account of the NHSA with respect to its system; (3) the proceeds of insurance awards received by or for account of the NHSA with respect to its system; (4) contributions received by or for account of the NHSA with respect to its system and not under any circumstances repayable by the NHSA until after the payment in full of all other obligations of the NHSA including its bonds, original or refunding or both, or (5) any other funds on hand or available therefore.

Annual charges, if any, are assessed to and payable by the Town in the same percentage as the most recent determination by the NHSA of the allocation of the annual flow among the municipalities. The most recent determination by the NHSA of the allocation of the annual flow is as follows: (i) Hoboken 31%, (ii) Union City 35%, (iii) Weehawken 8% and (iv) West New York 26%.

On or before January 1 of each fiscal year, the NHSA will make an estimate of the amount of the annual charges, if any, which will become payable by the Town for such fiscal year. On or before February 15 of each fiscal year, the Town will pay to the NHSA the amount of any annual charges not paid relating to any prior fiscal year. The Town will pay to the NHSA that part of the estimated amount of the annual charges for the current fiscal year in four equal installments on March 1, June 1, September 1, and November 1 of such fiscal year.

There was no annual charge due to the NHSA for the years ended December 31, 2014 and 2013.

NOTE 18 JOINT GOVERNED ORGANIZATION

North Hudson Regional Fire and Rescue

The North Hudson Regional Fire and Rescue was created pursuant to the second Amended and Restated Consolidated Municipal Services Agreement (Agreement) for the Formation of a Joint Meeting Pursuant to N.J.S.A. 40:8B-1 et seq.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2014 AND 2013**

NOTE 18 JOINT GOVERNED ORGANIZATION (Continued)

Background of the Agreement

On October 1, 1998, the Hudson County municipalities of North Bergen, Union City, Weehawken and West New York had formed the Agreement in order to form a joint meeting pursuant to the Consolidated Municipal Services Act, N.J.S.A. 40:8B-1 et seq. (the "Act"). The entity created by the formation of this joint meeting is known as the North Hudson Regional Fire and Rescue (NHRFR), which is a public body, corporate and politic, constituting a political subdivision of the State of New Jersey, having all powers and authorities permitted by the Act. The purpose of the NHRFR is to provide for the joint operation of fire protection, rescue and emergency services, and other related governmental services.

The Town adopted an ordinance on September 30, 1998, authorizing the sale, lease transfer, conveyance or other disposition of an improvement of real and personal property to the NHRFR, pursuant to New Jersey Statutes.

On December 30, 1998, the Town of Guttenberg, duly adopted a resolution approving it to officially enter into the Agreement, and Guttenberg was admitted to participate in the NHRFR.

The terms of the Agreement expires September 30, 2023, but may be subject to earlier termination pursuant to the Act. The operations of the NHRFR commenced on January 1, 1999. The NHRFR is governed by a five member management committee, consisting of one representative from each municipality, and this committee may appoint one or two executive director(s), and other such officers, employees and counsel as it deems necessary. A municipality's admission to or withdrawal from the NHRFR requires four votes from the management committee.

The annual contribution is based on each an allocation formula set for the original four participating municipalities and subsequent agreement with the Town of Guttenberg on the annual budgeted costs of North Hudson Regional Fire and Rescue. The Towns contribution was \$14,403,208 and \$14,207,443 for the years 2014 and 2013, respectively, including health insurance and debt service costs.

NOTE 19 ACCELERATED TAX SALE

Chapter 99 of the Public Laws and 1997 of the State of New Jersey, effective May 12, 1997, authorized any municipality to have an accelerated tax sale. An accelerated tax sale permits a municipality to have a tax sale when a property is in arrears after the 11th day of the 11th month of each fiscal year. In 2014 and 2013, the Town had an accelerated tax which resulted in the majority of delinquent taxes being sold to outside lien holders. As a result of the accelerated tax sales, the true collection rate which includes the proceeds of the accelerated tax sale was 99.29% and 99.49% for 2014 and 2013, respectively. The underlying tax collection rate was 97.67% and 98.06% for 2014 and 2013, respectively.

NOTE 20 SUBSEQUENT EVENTS

Debt Authorized

On July 15, 2015 the Town adopted a bond ordinance authorizing the issuance of \$924,629 in bonds or bond anticipation notes to fund certain capital projects. As of the date of this report the Town has not issued nor awarded the sale of said bonds or notes.

On July 15, 2015 the Town adopted a refunding tax appeal bond ordinance authorizing the issuance of \$1,690,000 in bonds or bond anticipation notes to fund certain prior year tax appeals. As of the date of this report the Town has not issued nor awarded the sale of said bonds or notes.

CURRENT FUND

**TOWN OF WEST NEW YORK
STATEMENT OF CURRENT CASH - TREASURER**

Balance, January 1, 2014		\$ 12,857,257
Increased by Receipts:		
Taxes Receivable	\$ 59,996,505	
Non-Budget Revenue	509,104	
Senior Citizen's and Veteran's Deductions	33,750	
Tax Title Liens	26,853	
Prepaid Taxes	909,411	
Tax Overpayments	214,159	
Revenue Accounts Receivable	33,853,084	
North Hudson Sewerage Authority	906,943	
Receipts for Federal and State Grant Fund	8,640	
Receipts for General Capital Fund	258,645	
Receipts from General Capital Fund	1,984,000	
Receipts from Community Development Block Grant Fund	113,655	
Receipts for Community Development Block Grant Fund	303,387	
Receipts for Other Trust Fund	89,498	
		<u>99,207,634</u>
		112,064,891
Decreased by Disbursements:		
2014 Budget Appropriations	63,664,481	
2013 Appropriation Reserves	807,463	
Encumbrances Payable	394,477	
Tax Overpayments	375,610	
County Taxes Payable	11,846,514	
School Taxes Payable	14,714,906	
Payments to General Capital Fund	1,800,000	
Reserve for Master Plan	60,039	
Special Emergency Notes Payable	184,000	
North Hudson Sewerage Authority	1,080,755	
Payments for Federal and State Grant Fund	107,199	
Payments for General Capital Fund	44,198	
Payments to Community Development Block Grant Fund	121,665	
Payments for Community Development Block Grant Fund	153,900	
Refund of Prior Year Revenue	24,187	
		<u>95,379,394</u>
Balance, December 31, 2014		<u>\$ 16,685,497</u>

**TOWN OF WEST NEW YORK
STATEMENT OF CHANGE FUND**

	Balance, <u>January 1, 2014</u>	Balance, <u>December 31, 2014</u>
Collector	\$ 100	\$ 100
Violations Clerk	<u>400</u>	<u>400</u>
	<u>\$ 500</u>	<u>\$ 500</u>

**STATEMENT OF DUE TO STATE OF NEW JERSEY
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS**

Balance, January 1, 2014	\$ 56,130
Increased by:	
Cash Received from State	\$ 33,750
Senior Citizen and Veteran's Deductions Disallowed by Taxation Audit	9,500
Senior Citizen and Veteran's Deductions Disallowed by Tax Collector	<u>3,625</u>
	<u>46,875</u>
	103,005
Decreased by:	
Senior Citizen and Veteran's Deductions Allowed Per Tax Duplicate	<u>47,750</u>
Balance, December 31, 2014	<u>\$ 55,255</u>

**TOWN OF WEST NEW YORK
STATEMENT OF PREPAID DEBT SERVICE**

Balance, January 1, 2014	\$ 2,322,703
Increased by:	
Qualified Debt Service Received	<u>1,717,078</u>
	4,039,781
Decreased by:	
Qualified Debt Service Paid on Behalf	<u>2,322,703</u>
Balance, December 31, 2014	<u>\$ 1,717,078</u>

EXHIBIT A-8

STATEMENT OF DUE FROM BOARD OF EDUCATION

Balance, January 1, 2014	\$ 24,366
Decreased by:	
Cancellation to Fund Balance	<u>24,366</u>
Balance, December 31, 2014	<u>\$ -</u>

TOWN OF WEST NEW YORK
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

<u>Year</u>	<u>Balance, January 1, 2014</u>	<u>Tax Levy</u>	<u>Senior Citizens' and Veterans' Deductions Disallowed</u>	<u>Collected In 2013</u>	<u>Collected In 2014</u>	<u>Senior Citizens' and Veterans' Deductions Allowed</u>	<u>Cancelled Title Liens</u>	<u>Transferred to Tax</u>	<u>Balance, December 31, 2014</u>
2013	\$ 26,473	-	-	-	\$ 21,897	-	-	-	\$ 4,576
2014	26,473				21,897				4,576
		\$ 60,810,505	\$ 3,625	\$ 319,032	59,974,608	\$ 47,750	\$ 366,155	\$ 65,234	41,351
	\$ 26,473	\$ 60,810,505	\$ 3,625	\$ 319,032	\$ 59,996,505	\$ 47,750	\$ 366,155	\$ 65,234	\$ 45,927

Analysis of 2014 Tax Levy

TAX YIELD	
General Purpose Tax	\$ 60,511,326
Added Taxes (NJSA 54:4-63.1 et seq)	<u>299,179</u>
	<u>\$60,810,505</u>
TAX LEVY	
Local District School Tax	
Local District School Tax Levy	\$ 14,714,906
Additional Local District School Tax Levy	<u>242,500</u>
	14,957,406
County Taxes	
County Tax Levy	11,709,913
Due County for Open Space Preservation	108,792
Added County Taxes	<u>58,996</u>
	11,877,701
Municipal Taxes	
Local Tax for Municipal Purposes	33,007,590
Minimum Library Tax	721,438
Additional Tax Levied	<u>246,370</u>
	<u>33,975,398</u>
	<u>\$60,810,505</u>

**TOWN OF WEST NEW YORK
STATEMENT OF TAX TITLE LIENS**

Balance, January 1, 2014	\$ 297,075
Increased by:	
Transfer from 2014 Taxes Receivable	<u>65,234</u>
	362,309
Decreased by:	
Cash Received	<u>26,853</u>
Balance, December 31, 2014	<u>\$ 335,456</u>

**TOWN OF WEST NEW YORK
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE**

	Balance, January 1, <u>2014</u>	Accrued in 2014	<u>Collected</u>	Balance, December 31, <u>2014</u>
Licenses				
Alcoholic Beverages		\$ 104,400	\$ 104,400	
Other		151,143	151,143	
Fines and Costs				
Municipal Court	\$ 162,424	2,360,922	2,331,318	\$ 192,028
Fees and Permits		65,664	65,664	
Interest and Costs on Taxes		322,891	322,891	
Interest on Investments and Deposits		5,415	5,415	
Payment in Lieu of Taxes:				
Overlook Terrace, Parkview and Housing Authority		122,128	122,128	
Waterfront		21,512,520	21,512,520	
Cable T.V. Franchise Tax		427,077	427,077	
Pool Membership Fees		130,094	130,094	
Consolidated Municipal Property Tax Relief Aid		2,774,727	2,774,727	
Energy Receipts Tax		4,035,652	4,035,652	
Uniform Construction Code Fees (N.J.S.A. 40A:4-36)				
Uniform Construction Code Fees		832,712	832,712	
Reimbursement for Health Services				
Weehawken		15,000	15,000	
Guttenberg		8,290	8,290	
Secaucus		20,000	20,000	
Bayonne		35,000	35,000	
North Bergen		35,000	35,000	
Harrison		35,000	35,000	
EMS Service Fees		750,455	750,455	
West New York Board of Education				
Reimbursement for:				
Recreation Services		981,551	981,551	
Police Security		503,638	503,638	
Fuel		100,000	100,000	
Formula One Race Contractual Revenue		250,000	250,000	
Towing Admin Fees		34,230	34,230	
UEZ Reserve - Other Trust Fund		120,806	120,806	
	<u>\$ 162,424</u>	<u>\$35,734,315</u>	<u>\$ 35,704,711</u>	<u>\$ 192,028</u>

Cash Receipts	\$ 33,853,084
Due from Other Trust Fund	126,221
Due from General Capital Fund	8,328
Prepaid Debt Service	<u>1,717,078</u>
	<u>\$35,704,711</u>

**TOWN OF WEST NEW YORK
STATEMENT OF DEFERRED CHARGES**

	Balance, January 1, <u>2014</u>	Raised in FY 2014 <u>Budget</u>	Balance, December 31, <u>2014</u>
Emergency Authorization	\$ 515,000	\$ 515,000	-
	<u>\$ 515,000</u>	<u>\$ 515,000</u>	<u>\$ -</u>

**STATEMENT OF DEFERRED CHARGES
N.J.S.A. 40A:4-55 SPECIAL EMERGENCY AUTHORIZATIONS**

<u>Purpose</u>	Net Authorized <u>Amount</u>	1/5 of Net Amount <u>Authorized</u>	Balance, January 1, <u>2014</u>	Raised in 2014 <u>Budget</u>	Balance, December 31, <u>2014</u>
Preparation of Tax Map	\$ 75,000	\$ 15,000	\$ 30,000	\$ 15,000	\$ 15,000
Preparation of Master Plan	200,000	40,000	80,000	40,000	40,000
Super Storm Sandy	230,000	46,000	<u>184,000</u>	<u>46,000</u>	<u>138,000</u>
			<u>\$ 294,000</u>	<u>\$ 101,000</u>	<u>\$ 193,000</u>

TOWN OF WEST NEW YORK
STATEMENT OF 2013 APPROPRIATION RESERVES

	Balance, January 1, 2014	Transfers	Cancelled Encumbrances	Balance After Modification	Paid or Charged	Balance Lapsed
Department of Public Affairs						
Director's Office						
Salaries and Wages	\$ 78,833			\$ 78,833	\$ 78,833	
Other Expenses	5,939			5,939	3,067	\$ 2,872
Town Clerk						
Salaries and Wages	5,000			5,000	5,000	
Other Expenses						
Legal Advertising and Publications	1,500			1,500	1,500	
Miscellaneous Other Expenses	3,160			3,160	577	2,583
Elections						
Salaries and Wages	5,000			5,000	5,000	
Community Development						
Salaries and Wages	21,200			21,200	21,200	
Board of Health						
Salaries and Wages	46,491			46,491	46,491	
Other Expenses	14,594		\$ 84	14,678		14,678
Prosecutor						
Salaries and Wages	11,000			11,000	11,000	
Public Relations						
Other Expenses	4,838	\$ 10,000		14,838	9,835	5,003
Rent Control Board						
Salaries and Wages	7,262			7,262	7,262	
Other Expenses	713			713		713
Town Funding Program						
Other Expenses	5,370			5,370		5,370
Housing Inspection						
Salaries and Wages	11,728			11,728	11,728	
Tenants Relations						
Other Expenses	25,500	(15,000)		10,500	5,850	4,650
Law Department						
Salaries and Wages	21,822	(20,000)		1,822	1,822	
Other Expenses	86,001			86,001	79,509	6,492
Supervised Play Activity						
Salaries and Wages	5,685			5,685	5,685	
Other Expenses	59,494	(15,000)		44,494	17,128	27,366

**TOWN OF WEST NEW YORK
STATEMENT OF 2013 APPROPRIATION RESERVES**

	Balance, January 1, 2014	Transfers	Cancelled Encumbrances	Balance After Modification	Paid or Charged	Balance Lapsed
Senior Citizens Coordinator of Events						
Other Expenses	\$ 9,709		\$ 130	\$ 9,839		\$ 9,839
Administrative Offices						
Salaries and Wages	13,879			13,879	\$ 13,879	
Insurance/Personnel Department						
Salaries and Wages	2,308			2,308	2,308	
Zoning Board						
Other Expenses	620			620	360	260
Planning Board						
Salaries and Wages	338			338	338	
Other Expenses	220			220		220
Urban Enterprise Zone						
Other Expenses	1,651			1,651	1,000	651
Department of Revenue and Finance						
Director's Office						
Salaries and Wages	41,277			41,277	41,277	
Other Expenses	2,850			2,850	645	2,205
Treasurer's Office						
Salaries and Wages	7,500			7,500	7,500	
Other Expenses						
Annual Audit	45,000			45,000	15,000	30,000
Miscellaneous Other Expenses	95,199	\$ (20,000)		75,199	56,027	19,172
Payroll Service Fee	35,000			35,000	2,505	32,495
Assessment of Taxes						
Other Expenses	2,250		600	2,850		2,850
Collection of Taxes						
Salaries and Wages	1,179			1,179	1,179	
Other Expenses	2,750			2,750	1,889	861
Insurance						
General Liability Insurance	25,000			25,000		25,000
Workers Compensation Insurance	74,000			74,000		74,000
Employee Group Health	234,810	125,000		359,810	115,277	244,533
Unemployment Insurance	260,237			260,237	156,595	103,642
Purchasing Agent						
Salaries and Wages	5,524			5,524	5,524	
Other Expenses	1,334			1,334	428	906

TOWN OF WEST NEW YORK
STATEMENT OF 2013 APPROPRIATION RESERVES

	Balance, January 1, 2014	Transfers	Cancelled Encumbrances	Balance After Modification	Paid or Charged	Balance Lapsed
DEPARTMENT OF PUBLIC SAFETY						
Director's Office						
Salaries and Wages	\$ 27,264			\$ 27,264	\$ 27,264	
Other Expenses	26,882	\$ (10,000)	\$ 170	17,052		\$ 17,052
Police						
Salaries and Wages	220,356			220,356	220,356	
Other Expenses	71,051			71,051	55,484	15,567
Public Safety Mechanics						
Salaries and Wages	754			754	754	
Juvenile Aid						
Other Expenses	4,000			4,000		4,000
Uniform Fire Safety						
Salaries and Wages	13,148			13,148	13,148	
Ambulance Squad						
Salaries and Wages	888			888	888	
Other Expenses	31,500			31,500	15,024	16,476
Office of Emergency Management						
Other Expenses	1,090			1,090	21	1,069
Department of Public Works						
Director's Office						
Salaries and Wages	93,856	(20,000)		73,856	73,856	
Other Expenses	1,550			1,550	794	756
Streets and Sewers						
Salaries and Wages	135,078			135,078	135,078	
Other Expenses	8,528	15,000		23,528	22,417	1,111
Snow Removal	40,000	(35,000)		5,000		5,000
Street Lighting						
Other Expenses	95,000			95,000	87,718	7,282
Fire Hydrant Rental						
Other Expenses	19,000			19,000	18,789	211
Recycling						
Other Expenses	35,000			35,000	14,432	20,568
Garbage and Trash						
Salaries and Wages	168			168	168	
Other Expenses						
Contractual	254,744		67,345	322,089		322,089
Miscellaneous Other Expenses	15,440			15,440	14,679	761

**TOWN OF WEST NEW YORK
STATEMENT OF 2013 APPROPRIATION RESERVES**

	Balance, January 1, <u>2014</u>	<u>Transfers</u>	Cancelled <u>Encumbrances</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Engineering Services and Costs						
Other Expenses	\$ 33,025			\$ 33,025	\$ 33,025	
Department of Parks and Public Property						
Director's Office						
Salaries and Wages	10,163			10,163	10,163	
Other Expenses	1,500			1,500		\$ 1,500
Divisions of Parks						
Salaries and Wages	20,804			20,804	20,804	
Other Expenses	16,726			16,726	3,058	13,668
Celebration of Public Events Anniversary or Holiday						
Other Expenses	23,630		\$ 139	23,769		23,769
Public Buildings and Ground Maintenance						
Salaries and Wages	51,383			51,383	51,383	
Other Expenses	21,295			21,295	11,457	9,838
Light and Power						
Other Expenses	81,540			81,540	29,385	52,155
Centralized Postage						
Other Expenses	10,907			10,907	8,719	2,188
Fuel						
Other Expenses	70,000			70,000	22,464	47,536
Telephone						
Other Expenses	52,281			52,281	1,751	50,530
Water						
Other Expenses	31,000			31,000	2,896	28,104
Sewerage						
Other Expenses	36,000			36,000		36,000
Signal Bureau						
Other Expenses	5,001			5,001		5,001
Construction Code Official						
Salaries and Wages	20,448			20,448	20,448	
Other Expenses	3,653			3,653	900	2,753
UNCLASSIFIED						
Municipal Court						
Salaries and Wages	49,509			49,509	49,509	
Other Expenses	76,333	\$ (15,000)		61,333	450	60,883

**TOWN OF WEST NEW YORK
STATEMENT OF 2013 APPROPRIATION RESERVES**

	Balance, January 1, <u>2014</u>	<u>Transfers</u>	Cancelled <u>Encumbrances</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Public Defender Other Expenses	\$ 6,000			\$ 6,000		\$ 6,000
Contingent	33,008			33,008		33,008
STATUTORY CHARGES						
Contribution to:						
Police and Fireman's Pension Fund	1			1		1
Social Security System (O.A.S.I.)	20,514			20,514		20,514
Maintenance of Free Public Library	172,639			172,639		172,639
Contribution to North Hudson Regional Fire	<u>116</u>	<u>-</u>	<u>-</u>	<u>116</u>	<u>-</u>	<u>116</u>
Total General Appropriations	<u>\$ 3,226,538</u>	<u>\$ -</u>	<u>\$ 68,468</u>	<u>\$ 3,295,006</u>	<u>\$ 1,700,500</u>	<u>\$ 1,594,506</u>
					Transferred to Reserve for Retro Pay \$ 889,847	
					Transferred to Accounts Payable 3,190	
					Cash Disbursements <u>807,463</u>	
					<u>\$ 1,700,500</u>	

**TOWN OF WEST NEW YORK
STATEMENT OF ACCOUNTS PAYABLE/ DUE TO NORTH HUDSON SEWERAGE AUTHORITY**

Balance, January 1, 2014		\$ 1,077,565
Increased by:		
Cash Receipts	\$ 906,943	
Transferred from 2013 Appropriation Reserves	<u>3,190</u>	
		<u>910,133</u>
		1,987,698
Decreased by:		
Cash Disbursements		<u>1,080,755</u>
Balance, December 31, 2014		<u>\$ 906,943</u>

EXHIBIT A-16

STATEMENT OF ENCUMBRANCES PAYABLE

Balance, January 1, 2014		\$ 462,945
Increased by:		
Charges to 2014 Appropriations		<u>561,673</u>
		1,024,618
Decreased by:		
Cancelled to Appropriation Reserves	\$ 68,468	
Cash Disbursements	<u>394,477</u>	
		<u>462,945</u>
Balance, December 31, 2014		<u>\$ 561,673</u>

EXHIBIT A-17

STATEMENT OF PREPAID TAXES AND PILOTS

Balance, January 1, 2014		\$ 319,032
Increased by:		
Cash Received - Calendar Year 2015 Taxes		<u>909,411</u>
		1,228,443
Decreased by:		
Applied to 2014 Taxes Receivable		<u>319,032</u>
Balance, December 31, 2014		<u>\$ 909,411</u>

**TOWN OF WEST NEW YORK
STATEMENT OF TAX AND PILOT OVERPAYMENTS**

Balance, January 1, 2014	\$ 508,724
Increased by:	
Cash Received	<u>214,159</u>
	722,883
Decreased by:	
Cash Disbursements	<u>375,610</u>
Balance, December 31, 2014	<u>\$ 347,273</u>

STATEMENT OF COUNTY TAXES PAYABLE

Balance, January 1, 2014	\$ 27,809
Increased by:	
2014 Levy	
General County Tax (Abstract)	\$ 11,709,913
County Open Space Preservation	108,792
Added County Taxes	<u>58,996</u>
	\$ 11,877,701
	11,905,510
Decreased by:	
Cash Disbursed	<u>11,846,514</u>
Balance, December 31, 2014	<u>\$ 58,996</u>

STATEMENT OF LOCAL DISTRICT SCHOOL TAXES

Increased by:	
Levy - 2014	<u>\$ 14,714,906</u>
Decreased by:	
Cash Disbursed	<u>\$ 14,714,906</u>

**TOWN OF WEST NEW YORK
STATEMENT OF MISCELLANEOUS RESERVES**

Balance, January 1, 2014	\$ 29,897
Decreased by:	
Cancellation to Fund Balance	<u>29,897</u>
Balance, December 31, 2014	<u>\$ -</u>

STATEMENT OF SPECIAL EMERGENCY NOTES PAYABLE

Balance, January 1, 2014	\$ 184,000
Increased by:	
Notes Issued - Deposited in General Capital Fund	<u>138,000</u>
	322,000
Decreased by:	
Cash Disbursements	<u>184,000</u>
Balance, December 31, 2014	<u>\$ 138,000</u>

STATEMENT OF RESERVE FOR PILOTS AND TAX APPEALS

Increased by:	
Transferred from 2014 Budget Appropriations	<u>\$ 125,000</u>
Balance, December 31, 2014	<u>\$ 125,000</u>

STATEMENT OF RESERVE FOR MASTER PLAN

Balance, January 1, 2014	\$ 203,544
Decreased by:	
Cash Disbursements	<u>60,039</u>
Balance, December 31, 2014	<u>\$ 143,505</u>

**TOWN OF WEST NEW YORK
SCHEDULE OF RESERVE FOR RETRO PAY**

Balance, January 1, 2014	\$ 120,567
Increased by:	
Transfer from 2013 Appropriation Reserves	<u>889,847</u>
Balance, December 31, 2014	<u>\$ 1,010,414</u>

STATEMENT OF CURRENT CASH - FEDERAL AND STATE GRANT FUND

Balance, January 1, 2014	\$ 1,924,361
Increased by Receipts:	
Grants Receivable	\$ 254,582
Unappropriated Grant Reserves	<u>67,043</u>
	<u>321,625</u>
	2,245,986
Decreased by Disbursements:	
Due to Grantor	16,622
Payments for Other Trust Fund	276
Appropriated Grant Reserves	<u>352,130</u>
	<u>369,028</u>
Balance, December 31, 2014	<u>\$ 1,876,958</u>

**TOWN OF WEST NEW YORK
FEDERAL AND STATE GRANT FUND
STATEMENT OF DUE FROM COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, January 1, 2014	\$ <u>100,000</u>
Balance, December 31, 2014	\$ <u>100,000</u>

EXHIBIT A-28

**STATEMENT OF DUE FROM CURRENT FUND
FEDERAL AND STATE GRANT FUND**

Balance, January 1, 2014	\$ 166,040
Increased by:	
Grants Received in Current Fund	\$ 8,640
Local Match	<u>28,181</u>
	<u>36,821</u>
	202,861
Decreased by:	
Federal and State Grant Fund Expenditures Paid by Current Fund	<u>107,199</u>
Balance, December 31, 2014	\$ <u>95,662</u>

**TOWN OF WEST NEW YORK
STATEMENT OF GRANTS RECEIVABLE
FEDERAL AND STATE GRANT FUND**

		2014	<u>Decreased by:</u>		Balance,
		Budget			December 31,
		Revenue			2014
		Realized	Cash Receipts	Cancellations	
NJ Department of Commerce					
Direct Aid					
Bergenline Ave Installment Loan - Year 10	\$	53,628			\$ 53,628
Litter Cleanup Phase 2 and Graffiti Truck		1,416			1,416
NJ Dept of Law and Public Safety:					
Direct Aid					
Safe and Secure Communities 2014	\$	3,300			3,300
Safe and Secure		60,000			60,000
NJ Department of Environmental Protection:					
Direct Aid					
Clean Communities Program		57,761	\$ 57,761		-
Green Acres Trust Fund:					
Miller Stadium - Phase II		159,980			159,980
NJ Department of Community Affairs:					
Direct Aid					
2014 Body Armor Grant		9,104	9,104		-

**TOWN OF WEST NEW YORK
STATEMENT OF GRANTS RECEIVABLE
FEDERAL AND STATE GRANT FUND**

		2014	Decreased by:		Balance,
	Balance, January 1, 2014	Budget Revenue Realized	Cash Receipts	Cancellations	December 31, 2014
NJ Department of Transportation (NJTTFAA):					
Direct Aid					
Federal Highway Traffic	\$ 15,000			\$ 15,000	
FY10 Road Resurfacing Program	2,074				\$ 2,074
NJ DOT Safe Routes	82,500				82,500
Hudson County Dept. of Finance and Administration					
Municipal Alliance	15,414	\$ 66,540	\$ 38,303		43,651
Recreational Opportunities Grant (ROID)		20,000	6,303		13,697
2011 Recreation Grant	4,400				4,400
US Department of Agriculture:					
Direct Aid					
2013 Summer Food Program	22,838				22,838
2014 Summer Food Program		120,000	95,303		24,697
U.S. Dept of Justice					
Direct Aid					
Drive Sober Get Pulled Over 2013		4,400			4,400
Drive Sober Get Pulled Over-Labor Day Crackdown		5,000	4,950		50
Drive Sober Get Pulled Over-Holiday Crackdown		7,500			7,500
Drive Sober Get Pulled Over Year End Crackdown	4,400		4,250		150
Enforcing Underage Drinking Law	3,248		3,248		
Cops in Shops 2011					8
Cops in Shops 2012	2,984		2,491		493
2014 Click It or Ticket		4,000			4,000
2013 Click It or Ticket		4,000	4,000		

**TOWN OF WEST NEW YORK
STATEMENT OF GRANTS RECEIVABLE
FEDERAL AND STATE GRANT FUND**

	Balance, January 1, 2014	2014 Budget Revenue Realized	Decreased by:		Balance, December 31, 2014
			Cash Receipts	Cancellations	
	\$ 17,883	\$ 19,626	\$ 19,626		
	<u>18,379</u>	<u>-</u>	17,883		<u>\$ 18,379</u>
	\$ 404,152	\$ 381,231	\$ 263,222	\$ 15,000	\$ 507,161
		Due from Current Fund	\$ 8,640		
		Cash Receipts	<u>254,582</u>		
			\$ 263,222		

U.S. Dept of Justice
Passed through Hudson County Prosecutor's Office
Justice Assistance Grant 2014
Justice Assistance Grant 2013
Justice Assistance Grant 2012

**TOWN OF WEST NEW YORK
STATEMENT OF APPROPRIATED GRANT RESERVES
FEDERAL AND STATE GRANT FUND**

	Balance, January 1, 2014	2014 Budget	Expended	Cancelled	Balance, December 31, 2014
Green Acres Trust Fund - Miller Stadium Phase II	\$ 168,848				\$ 168,848
Port Authority of NY and NJ - Parking Garage	1,000,000				1,000,000
UEZ Fees - Bergenline Renovation	3,583				3,583
UEZ Litter Clean Up Phase II & Garbage Truck	181,165				181,165
NJ DOT Safe Routes	76,325				76,325
2010 Energy Efficiency Community Block Grant	182,800		\$ 182,800		
2010 Body Armor Grant	9,788				9,788
2011 Body Armor Grant	9,344		9,344		
2012 Body Armor Fund	4,711				4,711
2013 Body Armor Fund		\$ 14,500	3,046		11,454
2014 Body Armor Fund		9,104			9,104
Hudson County - Justice Assistance Grant 2012	18,379				18,379
Hudson County - Justice Assistance Grant 2014		19,626			19,626
2011 Recreation Grant - Hudson County	4,400				4,400
NJ DOT Various Streets	98,602		98,602		
2014 Summer Program		120,000	68,427		51,573
2013 Summer Food Program	22,837		22,837		
Clean Communities	61,608				61,608
Clean Communities 2014		57,761			57,761
Recycling Tonnage Grant 2013		16,470			16,470
Municipal Alliance		66,540	49,534		17,006
Municipal Alliance-Local Match		22,181	16,511		5,670
Drive Sober, Get Pulled Over -2014		4,400			4,400
Drive Sober or Get Pulled Over -Labor Day Crackdown		5,000			5,000
Drive Sober or Get Pulled Over -Holiday Crackdown		7,500			7,500
Drive Sober, Get Pulled Over - Year End Crackdown	625				625
Federal Highway Traffic 2013	15,000			\$ 15,000	
Click It or Ticket 2014		4,000			4,000
Click It or Ticket 2013		4,000			4,000
Click It or Ticket-Local Match		2,000			2,000
Alcohol Education and Rehabilitation 2013		5,893			5,893
Drunk Driving Enforcement Fund 2013		8,228	8,228		
Safe and Secure 2014		60,000			60,000
Safe and Secure Communities Grant		3,300			3,300
Enforcing Underage Drinking Law 2011	3,248				3,248
Edward Byrne Memorial Justice Assistance Grant 2013	583				583
Recreational Opportunities Individual Disabilities (ROID)		20,000			20,000
ROID - Local Match	-	4,000	-	-	4,000
	<u>\$ 1,861,846</u>	<u>\$ 454,503</u>	<u>\$ 459,329</u>	<u>\$ 15,000</u>	<u>\$ 1,842,020</u>
Grants Receivable		\$ 381,231			
Unappropriated Grant Reserves		45,091			
Local Match		<u>28,181</u>			
		<u>\$ 454,503</u>			
Cash Disbursements		\$ 352,130			
Paid by Current Fund		<u>107,199</u>			
		<u>\$ 459,329</u>			

**TOWN OF WEST NEW YORK
STATEMENT OF UNAPPROPRIATED GRANT RESERVES
FEDERAL AND STATE GRANT FUND**

	Balance, <u>January 1, 2014</u>	Anticipated Revenue <u>Current Fund</u>	<u>Received</u>	Balance, <u>December 31, 2014</u>
Alcohol Education and Rehabilitation	\$ 5,893	\$ 5,893		
Enforcing Underage Drinking			\$ 296	\$ 296
Recycling Tonnage	16,470	16,470	63,030	63,030
Body Armor Grant	14,500	14,500	3,717	3,717
Drunk Driving Enforcement Fund	<u>8,228</u>	<u>8,228</u>	<u>-</u>	<u>-</u>
	<u>\$ 45,091</u>	<u>\$ 45,091</u>	<u>\$ 67,043</u>	<u>\$ 67,043</u>

EXHIBIT A-32

**STATEMENT OF DUE TO GENERAL CAPITAL FUND
FEDERAL AND STATE GRANT FUND**

Balance, January 1, 2014	\$ <u>668,205</u>
Balance, December 31, 2014	\$ <u>668,205</u>

EXHIBIT A-33

**STATEMENT OF DUE FROM OTHER TRUST FUND
FEDERAL AND STATE GRANT FUND**

Balance, January 1, 2014	\$ 1,546
Increased by:	
Other Trust Expenditures Paid by Federal and State Grant Fund	<u>276</u>
Balance, December 31, 2014	\$ <u>1,822</u>

EXHIBIT A-34

**STATEMENT OF DUE TO GRANTOR
FEDERAL AND STATE GRANT FUND**

Balance, January 1, 2014	\$ 20,957
Decreased by:	
Cash Disbursements	<u>16,622</u>
Balance, December 31, 2014	\$ <u>4,335</u>

TRUST FUND

**TOWN OF WEST NEW YORK
STATEMENT OF TRUST CASH**

	<u>Animal Control Fund</u>	<u>Community Development Block Grant Fund</u>	<u>Other Trust Fund</u>
Balance, January 1, 2014	\$ 271	\$ 5,661	\$ 7,241,757
Increased by Receipts:			
Various Reserves and Deposits			\$ 7,560,657
Payroll Deductions			15,418,846
Accrued Salaries and Wages			16,159,752
Community Development Block Grant		\$ 113,655	
Animal License Fees-Due to State	\$ 1,136		
Animal License Fees-Town Share	3,055		
Third Party Lienholders			3,505,075
Receipts from Current Fund		121,665	
Receipts for Animal Control Fund			3,232
Interest Earned			<u>5,415</u>
Total Receipts	<u>4,191</u>	<u>235,320</u>	<u>42,652,977</u>
Total Receipts and Beginning Balance	4,462	240,981	49,894,734
Decreased by Disbursements:			
Community Development Block Grant		112,202	7,425,157
Various Reserves and Deposits			15,418,846
Payroll Deductions			16,159,752
Accrued Salaries and Wages			2,250
Payments for Animal Control Fund			2,883,300
Payments to Current Fund		113,655	
Third Party Lienholders			
Animal Control Fund Expenditures	3,232		
Due to State of NJ - Animal Control Fund	<u>1,211</u>		
Total Disbursements	<u>4,443</u>	<u>225,857</u>	<u>41,889,305</u>
Balance, December 31, 2014	<u>\$ 19</u>	<u>\$ 15,124</u>	<u>\$ 8,005,429</u>

**TOWN OF WEST NEW YORK
STATEMENT OF DUE FROM CURRENT FUND
ANIMAL CONTROL FUND**

Balance, January 1, 2014	\$ <u>5,641</u>
Balance, December 31, 2014	\$ <u><u>5,641</u></u>

EXHIBIT B-3

**STATEMENT OF DUE FROM DOG LICENSE OFFICIAL
ANIMAL CONTROL FUND**

Balance, January 1, 2014	\$ <u>11</u>
Increased by:	
Due to State of New Jersey	\$ 1,136
Prior Year Animal Control Receipts Collected by Dog License Official	241
Municipal Share	<u>3,055</u>
	<u>4,432</u>
	4,443
Decreased by:	
Cash Disbursements - Due to State of New Jersey	1,211
Cash Disbursements - Municipal Share	<u>3,232</u>
	<u>4,443</u>
Balance, December 31, 2014	\$ <u><u>-</u></u>

EXHIBIT B-4

**STATEMENT OF RESERVE FOR EXPENDITURES
ANIMAL CONTROL FUND**

Balance, January 1, 2014	\$ 6,599
Increased by:	
Current Year Fees Collected	\$ 3,055
Cancellation of Prior Year Amount Due to State of New Jersey	<u>22</u>
	<u>3,077</u>
	9,676
Decreased by:	
Animal Control Fund Expenditures Paid by Other Trust Fund	<u>2,250</u>
Balance, December 31, 2014	\$ <u><u>7,426</u></u>

**TOWN OF WEST NEW YORK
STATEMENT OF DUE TO/FROM STATE OF NEW JERSEY
ANIMAL CONTROL FUND**

Balance, January 1, 2014 (Due To)	\$ 26
Increased by:	
State Fees Collected	<u>1,136</u>
	1,162
Decreased by:	
Cancellation of Prior Year Amount	\$ 22
Payments to State	<u>1,211</u>
	<u>1,233</u>
Balance, December 31, 2014 (Due From)	<u>\$ 71</u>

EXHIBIT B-6

**STATEMENT OF DUE FROM OTHER TRUST FUND
ANIMAL CONTROL FUND**

Balance, January 1, 2014	\$ 702
Increased by:	
Animal Control Fund Receipts Deposited in Other Trust Fund	<u>3,232</u>
	3,934
Decreased by:	
Animal Control Fund Expenditures Paid by Other Trust Fund	<u>2,250</u>
Balance, December 31, 2014	<u>\$ 1,684</u>

EXHIBIT B-7

**STATEMENT OF DUE TO CURRENT FUND
OTHER TRUST FUND**

Balance, January 1, 2014	\$ 167,632
Increased by:	
Interest Earned	\$ 5,415
Cancellation of Various Trust Reserves	34,341
Anticipated Revenue in Current Fund Budget - UEZ Reserve	<u>120,806</u>
	<u>160,562</u>
	328,194
Decreased by:	
Cancelled to Current Fund:	
Due to Hudson County	(2,037)
Due to West New York Parking Authority	(27,240)
Due from State of New Jersey	50,840
Other Trust Receipts Deposited in Current Fund	<u>89,498</u>
	<u>111,061</u>
Balance, December 31, 2014	<u>\$ 217,133</u>

**TOWN OF WEST NEW YORK
STATEMENT OF DUE FROM GENERAL CAPITAL FUND
OTHER TRUST FUND**

Balance, January 1, 2014	\$ 151,779
Balance, December 31, 2014	<u>\$ 151,779</u>

EXHIBIT B-9

**STATEMENT OF DUE TO ANIMAL CONTROL FUND
OTHER TRUST FUND**

Balance, January 1, 2014	\$ 702
Increased by:	
Animal Control Fund Receipts Deposited in Other Trust Fund	<u>3,232</u>
	3,934
Decreased by:	
Animal Control Fund Expenditures Paid by Other Trust Fund	<u>2,250</u>
Balance, December 31, 2014	<u>\$ 1,684</u>

EXHIBIT B-10

**STATEMENT OF DUE TO FEDERAL AND STATE GRANT FUND
OTHER TRUST FUND**

Balance, January 1, 2014	\$ 1,546
Increased by:	
Other Trust Fund Expenditures Paid by Federal and State Grant Fund	<u>276</u>
Balance, December 31, 2014	<u>\$ 1,822</u>

EXHIBIT B-11

**STATEMENT OF DUE FROM STATE OF NEW JERSEY
OTHER TRUST FUND**

Balance, January 1, 2014	\$ 50,840
Decreased by:	
Cancelled to Current Fund	<u>50,840</u>
Balance, December 31, 2014	<u>\$ -</u>

**TOWN OF WEST NEW YORK
STATEMENT OF VARIOUS TRUST RESERVES
OTHER TRUST FUND**

	Balance, January 1, 2014	Increases	Decreases	Balance December 31, 2014
Affordable Housing	\$ 28,244			\$ 28,244
Zoning Board Escrow Fees	214,184	\$ 45,246		259,430
Planning Board Escrow Fees	1,279			1,279
Unemployment Reserve	186,770	171,730	\$ 135,341	223,159
Health/Liability Insurance Reserve	1,205,378	1,494,829	1,660,165	1,040,042
Confiscated Money	255		255	
Neighborhood Preservation Program	456		456	
Parking Offenses Adjudication Act	65,343	117,090	100,148	82,285
Special Law Enforcement	20,963	26,876	13,499	34,340
Fire Safety Reserve	107,714	136,272	22,539	221,447
Unclaimed Bail Reserve	19,935	1,167		21,102
Christopher Columbus - Commemorative Committee	985		985	
Performance Bond Deposits	64,433		2,520	61,913
Waterfront Developers Reserve Fund	15,830			15,830
Premium on Tax Sale	264,776	4,214,554	4,140,082	339,248
Elections	17,000		17,000	
Public Defender	2,517	67,995	57,425	13,087
Bid Deposits Payable	15,645		15,645	
Recreation Reserve	12,913	9,433	9,748	12,598
Police Vehicle Lease Fund	20,773			20,773
Lien Premium		13,800		13,800
Elevator Inspections	58,028	50,352	8,838	99,542
UEZ Assistance Fund	916,791		120,806	795,985
Reserve for Police	44,136	132,573	158,281	18,428
Filming Deposits		2,000	2,000	
Federal Law Enforcement	5,295	116,822	10,435	111,682
DUI Fund		13,187	276	12,911
Other Miscellaneous		15		15
Police Off-Duty Employment	48,099	1,192,004	1,239,477	626
	<u>\$ 3,337,742</u>	<u>\$ 7,805,945</u>	<u>\$ 7,715,921</u>	<u>\$ 3,427,766</u>
Cash Receipts/Cash Disbursements		\$ 7,560,657	\$ 7,425,157	
Unemployment Claims Payable Cancelled/Accrued		155,790	135,341	
Due to/from Current Fund		89,498	155,147	
Due to Federal and State Grant Fund		-	276	
		<u>\$ 7,805,945</u>	<u>\$ 7,715,921</u>	

**TOWN OF WEST NEW YORK
STATEMENT OF RESERVE FOR PAYROLL DEDUCTIONS PAYABLE
OTHER TRUST FUND**

Increased by:	
Payroll Deductions	\$ 15,418,846
Decreased by:	
Payroll Deductions Paid	<u>15,418,846</u>
Balance, December 31, 2014	<u>\$ -</u>

EXHIBIT B-14

**STATEMENT OF ACCRUED SALARIES AND WAGES
OTHER TRUST FUND**

Increased by:	
Accrued Salaries and Wages Earned	\$ 16,159,752
Decreased by:	
Salaries and Wages Paid	<u>16,159,752</u>
Balance, December 31, 2014	<u>\$ -</u>

EXHIBIT B-15

**STATEMENT OF DUE TO THIRD PARTY LIENHOLDERS
OTHER TRUST FUND**

Balance, January 1, 2014	\$ 3,751,687
Increased by:	
Cash Receipts	<u>3,505,075</u>
	7,256,762
Decreased by:	
Cash Disbursements	<u>2,883,300</u>
Balance, December 31, 2014	<u>\$ 4,373,462</u>

**TOWN OF WEST NEW YORK
STATEMENT OF DUE TO STATE OF NEW JERSEY - UNEMPLOYMENT**

Balance, January 1, 2014	\$ 155,790
Increased by:	
Unemployment Claims Payable	<u>135,341</u>
	291,131
Decreased by:	
Cancelled to Unemployment Trust Reserve	<u>155,790</u>
Balance, December 31, 2014	<u>\$ 135,341</u>

EXHIBIT B-17

**STATEMENT OF DUE TO COUNTY OF HUDSON
OTHER TRUST FUND**

Balance, January 1, 2014	\$ 2,037
Decreased by:	
Cancelled to Current Fund	<u>2,037</u>
Balance, December 31, 2014	<u>\$ -</u>

EXHIBIT B-18

**STATEMENT OF DUE TO WEST NEW YORK PARKING AUTHORITY
OTHER TRUST FUND**

Balance, January 1, 2014	\$ 27,240
Decreased by:	
Cancelled to Current Fund	<u>27,240</u>
Balance, December 31, 2014	<u>\$ -</u>

EXHIBIT B-19

**STATEMENT OF DUE FROM COUNTY OF HUDSON
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, January 1, 2014	\$ 488,031
Increased by:	
2014 Grant Award	<u>411,526</u>
	899,557
Decreased by:	
Cash Receipts	\$ 113,655
CDBG Receipts Deposited in Current Fund	<u>303,387</u>
	<u>417,042</u>
Balance, December 31, 2014	<u>\$ 482,515</u>

**TOWN OF WEST NEW YORK
STATEMENT OF RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, January 1, 2014	\$ 468,840
Increased by:	
2014 Grant Award	<u>411,526</u>
	880,366
Decreased by:	
Cash Disbursements	\$ 112,202
CDBG Expenditures Paid by General Capital Fund	411,526
CDBG Expenditures Paid by Current Fund	<u>153,900</u>
	<u>677,628</u>
Balance, December 31, 2014	<u>\$ 202,738</u>

EXHIBIT B-21

**STATEMENT OF DUE FROM CURRENT FUND
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, January 1, 2014	\$ 16,470
Increased by:	
CDBG Receipts Deposited in Current Fund	\$ 303,387
Payments to Current Fund	<u>113,655</u>
	417,042
	433,512
Decreased by:	
Receipts from Current Fund	121,665
CDBG Expenditures Paid by Current Fund	<u>153,900</u>
	<u>275,565</u>
Balance, December 31, 2014	<u>\$ 157,947</u>

EXHIBIT B-22

**STATEMENT OF DUE TO STATE AND FEDERAL GRANT FUND
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, January 1, 2014	<u>\$ 100,000</u>
Balance, December 31, 2014	<u>\$ 100,000</u>

EXHIBIT B-23

**STATEMENT OF DUE FROM/TO GENERAL CAPITAL FUND
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, January 1, 2014 (Due From)	\$ 58,678
Decreased by:	
CDBG Expenditures Paid by General Capital Fund	<u>411,526</u>
Balance, December 31, 2014 (Due To)	<u>\$ 352,848</u>

GENERAL CAPITAL FUND

**TOWN OF WEST NEW YORK
STATEMENT OF CASH - TREASURER
GENERAL CAPITAL FUND**

Balance, January 1, 2014		\$ 4,460,791
Increased by:		
Bond Anticipation Note Proceeds	\$ 655,000	
Premium on Bond Anticipation Notes	17,015	
Special Emergency Note Deposited in General Capital Fund	138,000	
Reserve for Payment of Debt	82,884	
Current Fund Receipts Deposited in General Capital Fund	8,328	
Receipts from Current Fund	<u>1,800,000</u>	
		<u>2,701,227</u>
		7,162,018
Decreased by:		
Improvement Authorizations	3,518,783	
Contracts Payable	316,651	
Payments to Current Fund	1,984,000	
CDBG Expenditures Paid by General Capital Fund	411,526	
Current Fund Expenditures Paid by General Capital Fund	<u>500,437</u>	
		<u>6,731,397</u>
Balance, December 31, 2014		<u>\$ 430,621</u>

TOWN OF WEST NEW YORK
ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS

	Balance, December 31, <u>2014</u>
Due from Federal and State Grant Fund	\$ (668,205)
Due from CDBG Trust Fund	(352,848)
Due from Current Fund	(823,253)
Capital Improvement Fund	162,715
Grants Receivable	(3,035,825)
Due to Other Trust Fund	151,779
Contracts Payable	2,905,728
Reserve for Payment of Debt	930,782
Fund Balance	192,034

Improvement Authorizations:

Ordinance Number	<u>Improvement Description</u>	
1836	Improvement to Schools	(275,000)
2072	Reconstruction and Repair of School Buildings	(39,000)
2081	Purchase of Land For A New Capital Project - School	(19,000)
24/94	Improvements to Donnelly Park	(27,097)
31/97	Reconstruction of Various Streets	(31,228)
7/5	Tax Refunding Ordinance	(55,000)
2/07	Refunding Authorization - Workers Compensation and Liability	15,000
21/07	Acquisition of Computer Equipment	41,874
04/08	Refunding Emergency - Self-Insured Health Costs	61,165
17/08	Various Improvements	31,485
06/09	Various Capital Improvements	41,160
16/09	Various Capital Improvements	161,852
17/10; 23/13	Various Capital Improvements	(1,538,348)
27/10	Installation of Electronic Smoke Detection System	(200)
21/11	Various Capital Improvements	512,073
3/13	Various Capital Improvements	912,533
4/13	Acq of All Right, Title and Interest DPW Garage	(49,933)
16/13	Road Improvement Projects	92,768
7/14	Road Improvement Projects	674,610
8/14	Various Capital Improvements	400,000
16/14	Acquisition of Vehicles and Equipment	10,000
17/14	Acq of 911 Public Safety Equip and Other Imprvts	<u>48,000</u>
		<u>\$ 430,621</u>

TOWN OF WEST NEW YORK
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Balance, January 1, 2014			\$ 34,897,066
Decreased by:			
Payments for:			
General Serial Bonds	\$	4,240,000	
School Serial Bonds		110,000	
Casino Reinvestment Development Authority Loan Payable		28,727	
State of New Jersey Green Trust Loan Payable		<u>130,602</u>	
			<u>4,509,329</u>
Balance, December 31, 2014			<u>\$ 30,387,737</u>

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TOWN OF WEST NEW YORK
STATEMENT OF CASINO REINVESTMENT DEVELOPMENT AUTHORITY LOAN PAYABLE

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Loan</u>		<u>Interest Rate</u>	<u>Balance, January 1, 2014</u>	<u>Decreased</u>	<u>Balance, December 31, 2014</u>
			<u>Outstanding</u>	<u>Date</u>				
			<u>December 31, 2014</u>	<u>Amount</u>				
Town Bond	5/20/1994	\$ 478,727				\$ 28,727	\$ 28,727	\$ -

**TOWN OF WEST NEW YORK
STATEMENT OF GENERAL SERIAL BONDS**

<u>Purpose</u>	<u>Amount of Original of Issue</u>	<u>Maturities of Loan</u>		<u>Interest Rate</u>	<u>Balance, January 1, 2014</u>	<u>Decreased</u>	<u>Balance, December 31, 2014</u>
		<u>Date</u>	<u>Outstanding December 31, 2014 Amount</u>				
Pension Refunding Bonds, Series 2003	\$ 5,350,000	03/15/15	\$ 640,000	4.92%			
		03/15/16	720,000	4.92%			
		03/15/17	810,000	4.92%	\$ 2,735,000	\$ 565,000	\$ 2,170,000
General Obligation Refunding Bonds, Series 2006A	8,100,000	4/15/15	625,000	4.00%			
		4/15/16	1,175,000	4.00%			
		4/15/17	1,200,000	4.00%			
		4/15/18	1,320,000	4.00%			
		4/15/19	1,350,000	4.00%	6,300,000	630,000	5,670,000
General Obligation Refunding Bonds, Series 2006C	3,590,000	4/15/15	800,000	5.18%	1,555,000	755,000	800,000
General Improvement Bonds, Series 2007	6,100,000	04/15/15	265,000	4.00%			
		04/15/16	335,000	5.50%			
		04/15/17	495,000	5.50%			
		04/15/18	510,000	4.00%			
		04/15/19	535,000	4.00%			
		04/15/20	555,000	4.00%			
		04/15/21	575,000	4.00%			
		04/15/22	600,000	4.00%			
		04/15/23	630,000	4.00%			
		04/15/24	665,000	4.00%			
		04/15/25	695,000	4.00%	6,100,000	240,000	5,860,000

**TOWN OF WEST NEW YORK
STATEMENT OF GENERAL SERIAL BONDS**

<u>Purpose</u>	<u>Amount of Original of Issue</u>	<u>Maturities of Loan</u>		<u>Interest Rate</u>	<u>Balance, January 1, 2014</u>	<u>Decreased</u>	<u>Balance, December 31, 2014</u>
		<u>Outstanding</u>	<u>Date</u>				
General Improvement Bonds, Series 2008	\$ 6,888,000	6/15/2015	\$ 1,000,000	5.00%			
		6/15/2016	1,088,000	5.00%	\$ 3,013,000	\$ 925,000	\$ 2,088,000
General Obligation Refunding Bonds, Series 2008	4,595,000				645,000	645,000	
General Obligation Bonds, Series 2013 A	3,910,000	5/15/2015	170,000	2.00%			
		5/15/2016	175,000	2.00%			
		5/15/2017	180,000	2.00%			
		5/15/2018	185,000	2.00%			
		5/15/2019	190,000	2.00%			
		5/15/2020	245,000	2.00%			
		5/15/2021	255,000	2.00%			
		5/15/2022	260,000	2.50%			
		5/15/2023	270,000	2.50%			
		5/15/2024	280,000	2.50%			
		5/15/2025	285,000	2.50%			
		5/15/2026	295,000	3.00%			
		5/15/2027	305,000	3.00%			
		5/15/2028	320,000	3.00%			
		5/15/2029	330,000	3.00%	3,910,000	165,000	3,745,000

**TOWN OF WEST NEW YORK
STATEMENT OF GENERAL SERIAL BONDS**

<u>Purpose</u>	<u>Amount of Original of Issue</u>	<u>Maturities of Loan</u>		<u>Interest Rate</u>	<u>Balance, January 1, 2014</u>	<u>Decreased</u>	<u>Balance, December 31, 2014</u>
		<u>Outstanding</u>	<u>Date</u>				
General Obligation Bonds, Series 2013 B	\$ 6,725,000	\$	5/15/2015	5.00%			
			5/15/2016	5.00%			
			5/15/2017	3.50%			
			5/15/2018	3.50%			
			5/15/2019	3.50%			
			5/15/2020	3.50%			
			5/15/2021	3.50%			
			5/15/2022	3.50%			
			5/15/2023	4.00%			
			5/15/2024	4.00%			
			5/15/2025	4.10%			
			5/15/2026	4.20%			
			5/15/2027	4.30%			
			5/15/2028	4.40%			
					<u>\$ 6,725,000</u>	<u>\$ 315,000</u>	<u>\$ 6,410,000</u>
					<u>\$ 30,983,000</u>	<u>\$ 4,240,000</u>	<u>\$ 26,743,000</u>

TOWN OF WEST NEW YORK
STATEMENT OF SCHOOL SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Amount</u>	<u>Maturities of Loan</u>		<u>Interest Rate</u>	<u>Balance,</u>	<u>Balance,</u>
			<u>Date</u>	<u>Outstanding December 31, 2014 Amount</u>		<u>January 1, 2014</u>	<u>December 31, 2014</u>
School Bonds, Series 2007	04/15/07	\$ 2,650,000	04/01/15	\$ 135,000	5.00%		
			04/01/16	170,000	5.00%		
			04/01/17	210,000	5.00%		
			04/01/18	220,000	4.00%		
			04/01/19	225,000	4.00%		
			04/01/20	235,000	4.00%		
			04/01/21	245,000	4.00%		
			04/01/22	255,000	4.00%		
			04/01/23	270,000	4.00%		
			04/01/24	280,000	4.00%		
			04/01/25	295,000	4.00%		
						\$ 2,650,000	\$ 2,540,000
						\$ 110,000	\$ 2,540,000
						\$ 2,650,000	\$ 2,540,000
						\$ 110,000	\$ 2,540,000

TOWN OF WEST NEW YORK
STATEMENT OF STATE OF NEW JERSEY GREEN TRUST LOANS PAYABLE

Purpose	Date of Issue	Amount of Original Amount	Maturities of Loan		Interest Rate	Balance, January 1, 2014	Decreased	Balance, December 31, 2014
			Outstanding	Date				
Little Miss Field	07/08/97	\$ 289,313		01/08/15		8,558		
				07/08/15		8,644		
				01/08/16		8,731		
				07/08/16		8,818		
				01/08/17	2.00%	8,906	\$ 16,864	\$ 43,657
Miller Park & Stadium	12/20/2000	500,000		06/20/15		14,377		
				12/20/15		14,520		
				06/20/16		14,666		
				12/20/16		14,812		
				06/20/17		14,960		
				12/20/17		15,110		
				06/20/18		15,261		
				12/20/18		15,414		
				06/20/19	2.00%	15,568	178,739	150,412
				12/20/19		15,724	28,327	

**TOWN OF WEST NEW YORK
STATEMENT OF STATE OF NEW JERSEY GREEN TRUST LOANS PAYABLE**

Purpose	Date of Issue	Amount of Original Amount	Maturities of Loan		Interest Rate	Balance, January 1, 2014	Decreased	Balance, December 31, 2014	
			Outstanding	Date					
Donnelly Park II	03/09/01	\$ 475,000		03/06/15					
				09/06/15	\$	13,106			
				03/06/16		13,237			
				09/06/16		13,370			
				03/06/17		13,503			
				09/06/17		13,638			
				03/06/18		13,775			
				09/06/18		13,913			
				03/06/19		14,052			
				09/06/19		14,192			
				03/06/20		14,334			
				09/06/20		14,477			
Miller Stadium Ph II	3/20/01	425,000		03/16/15					
				09/16/15		11,727			
				03/16/16		11,844			
				09/16/16		11,962			
				03/16/17		12,082			
				09/16/17		12,203			
				03/16/18		12,325			
				09/16/18		12,448			
				03/16/19		12,572			
				09/16/19		12,698			
				03/16/20		12,825			
				09/16/20		12,953			
Donnelly and Veterans Park	05/09/06	675,000		02/09/15					
				08/09/15		16,694			
				02/09/16		16,861			
				08/09/16		17,029			
				02/09/17		17,200			
				08/09/17		17,372			
				02/09/18		17,545			
				08/09/18		17,721			

**TOWN OF WEST NEW YORK
STATEMENT OF STATE OF NEW JERSEY GREEN TRUST LOANS PAYABLE**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Amount</u>	<u>Maturities of Loan</u>		<u>Interest Rate</u>	<u>Balance, January 1, 2014</u>	<u>Decreased</u>	<u>Balance, December 31, 2014</u>
			<u>Outstanding</u>	<u>Date</u>				
Donnelly and Veterans Park	05/09/06	\$ 675,000	\$ 18,077	02/09/19				
			18,258	08/09/19				
			18,440	02/09/20				
			18,625	08/09/20				
			18,811	02/09/21				
			18,999	08/09/21				
			19,189	02/09/22				
			19,381	08/09/22				
			19,575	02/09/23				
			19,770	08/09/23				
			19,968	02/09/24				
			20,168	08/09/24				
			20,370	02/09/25				
			20,573	08/09/25				
			20,779	02/09/26				
					2.00%	\$ 462,196	\$ 32,893	\$ 429,303
Miller Stadium II	10/16/2013	170,010	3,621	1/21/2015				
			3,658	7/21/2015				
			3,695	1/21/2016				
			3,731	7/21/2016				
			3,769	1/21/2017				
			3,806	7/21/2017				
			3,844	1/21/2018				
			3,883	7/21/2018				
			3,922	1/21/2019				
			3,961	7/21/2019				
			4,001	1/21/2020				
			4,040	7/21/2020				
			4,081	1/21/2021				
			4,122	7/21/2021				
			4,163	1/21/2022				
			4,205	7/21/2022				
			4,247	1/21/2023				
			4,289	7/21/2023				
			4,332	1/21/2024				
			4,375	7/21/2024				
			4,419	1/21/2025				
			4,463	7/21/2025				

**TOWN OF WEST NEW YORK
STATEMENT OF STATE OF NEW JERSEY GREEN TRUST LOANS PAYABLE**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Amount</u>	<u>Maturities of Loan</u>		<u>Interest Rate</u>	<u>Balance, January 1, 2014</u>	<u>Decreased</u>	<u>Balance, December 31, 2014</u>
			<u>Outstanding</u>	<u>Date</u>				
Miller Stadium II	10/16/2013	\$ 170,010	\$ 4,508	1/21/2026				
			4,553	7/21/2026				
			4,599	1/21/2027				
			4,644	7/21/2027				
			4,691	1/21/2028				
			4,738	7/21/2028				
			4,785	1/21/2029				
			4,833	7/21/2029				
			4,882	1/21/2030				
			4,930	7/21/2030				
			4,980	1/21/2031				
			5,029	7/21/2031				
			5,080	1/21/2032				
			5,130	7/21/2032				
			5,182	1/21/2033				
			5,233	7/21/2033				
					2.00%	\$ 170,010	\$ 3,586	\$ 166,424
						<u>\$ 1,235,339</u>	<u>\$ 130,602</u>	<u>\$ 1,104,737</u>

**TOWN OF WEST NEW YORK
STATEMENT OF BOND ANTICIPATION NOTES**

Ord. No.	Improvement Description	Date of Original Note	Date of Issuance	Date of Maturity	Interest Rate	Balance, January 1, 2014	Increased	Decreased	Balance, December 31, 2014
17/10	Various Capital Improvements	1/10/2011	12/10/2013 11/25/2014	12/10/2014 11/25/2015	1.000% 1.000%	\$ 1,830,000	\$ 1,760,000	\$ 1,830,000	\$ 1,760,000
3/13	Various Capital Improvements	12/10/2013	12/10/2013 11/25/2014	12/10/2014 11/25/2015	1.000% 1.000%	2,053,000	2,053,000	2,053,000	2,053,000
16/13	Road Improvement Projects	12/10/2013	12/10/2013 11/25/2014	12/10/2014 11/25/2015	1.000% 1.000%	744,000	744,000	744,000	744,000
7/14	Road Improvement Projects	11/25/2014	11/25/2014	11/25/2015	1.000%		275,000		275,000
8/14	Various Capital Improvements	11/25/2014	11/25/2014	11/25/2015	1.000%	-	380,000	-	380,000
						<u>\$ 4,627,000</u>	<u>\$ 5,212,000</u>	<u>\$ 4,627,000</u>	<u>\$ 5,212,000</u>
						Renewals	\$ 4,557,000	\$ 4,557,000	
						New Issues	655,000		
						Paid by Budget	-	70,000	
							<u>\$ 5,212,000</u>	<u>\$ 4,627,000</u>	

**TOWN OF WEST NEW YORK
STATEMENT OF CAPITAL IMPROVEMENT FUND
GENERAL CAPITAL FUND**

Balance, January 1, 2014	\$ 99,715
Increased by:	
Budget Appropriation	<u>141,000</u>
	240,715
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>78,000</u>
Balance, December 31, 2014	<u>\$ 162,715</u>

**TOWN OF WEST NEW YORK
STATEMENT OF GRANTS RECEIVABLE**

		County of Hudson (Ordinance 17-10) Improvements to Veterans and <u>Donnelly Park</u>	Green Acres Grant (Ordinance 3/13) Improvements to <u>Parks</u>	NJ DOT (Ordinance 16/13) Road Improvement <u>Projects</u>	Green Acres Grant (Ordinance 23/13) Rehabilitation of Veteran's Park and <u>Donnelly Park</u>	County of Hudson (Ordinance 23/13) Rehabilitation of Veteran's Park <u>Projects</u>	NJ DOT (Ordinance 7/14) Road Improvement <u>Projects</u>
	<u>Totals</u>	\$ 2,894,860	\$ 700,000	\$ 344,860	\$ 900,000	\$ 350,000	
Balance, January 1, 2014	\$						
Increased by:							
Grants Awarded		<u>399,610</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 399,610</u>
Decreased by:							
Due from Current Fund		<u>3,294,470</u>	<u>700,000</u>	<u>344,860</u>	<u>900,000</u>	<u>350,000</u>	<u>399,610</u>
		<u>258,645</u>	<u>-</u>	<u>258,645</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2014	\$	<u>3,035,825</u>	<u>700,000</u>	<u>86,215</u>	<u>900,000</u>	<u>350,000</u>	<u>\$ 399,610</u>
<u>Balance Pledged to:</u>							
Improvement Authorization	\$	<u>3,035,825</u>	<u>700,000</u>	<u>86,215</u>	<u>900,000</u>	<u>350,000</u>	<u>\$ 399,610</u>

**TOWN OF WEST NEW YORK
STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

2014 Authorizations													
Ordinance Number	Improvement Description	Date	Amount	Balance, January 1, 2014		Capital Improvement Fund	Deferred Charges to Future Charges		Grants Receivable	Authorizations Cancelled	Expended	Balance, December 31, 2014	
				Funded	Unfunded		Unfunded	Unfunded				Funded	Unfunded
03/00	Improvements to Parks	02/16/00	\$ 1,940,000	\$	22,307				\$	22,307			
19/01, 28/01	Various Capital Improvements	01/16/02	4,800,000		20,748					20,748			
22/02	Early Retirement Incentive Refunding Ordinance	11/25/02	5,650,000	33,383	\$ 300,000					333,383			
19/02	Refurbish Ambulances	11/25/02	135,000	18,457						50	\$ 18,407		
05/03	Tax Refunding Ordinance	02/19/03	440,000	19,479						19,479			
18/03, 06/04	Various Capital Improvements and Related Expenses	09/17/03	5,000,000	16,422						16,422			
7/05	Tax Refunding	06/15/05	210,000		15,000					15,000			
18/06	Various Equipment Purchases and Improvements	10/25/06	735,000	7,345	250					7,595			
2/07	Refunding Authorization - Workers Compensation and Liability	05/15/07	1,015,000	15,000					\$	15,000			
21/07	Acquisition of Computer Equipment	1/16/2008	200,000	48,425						41,874			
04/08	Refunding Emergency - Self-Insured Health Costs	3/19/2008	3,920,000	61,165						61,165			
17/08	Various Improvements	11/17/2008	150,000	51,385						19,900			
06/09	Various Capital Improvements	3/18/2009	601,000		41,160							\$ 41,160	
16/09	Various Capital Improvements	7/15/2009	250,000		161,852							161,852	
17/10, 23/13	Various Capital Improvements	9/15/2010	2,700,000	1,250,000	4,265,278					4,403,626		1,111,652	
21/11	Various Capital Improvements	10/19/2011	1,600,000	558,491						46,418			
3/13	Various Capital Improvements	3/20/2013	2,730,000		1,934,513					1,021,480		913,033	
4/13	Acq of All Right, Title and Interest DPW Garage	3/20/2013	7,500,000		725,067								
16/13	Road Improvement Projects	8/21/2013	1,089,385	301,095	744,525					952,327		93,293	
7/14	Road Improvement Projects	7/16/2014	675,000			\$ 20,000	\$ 275,390	\$ 399,610			399,610	275,390	
8/14	Various Capital Improvements	7/16/2014	400,000			10,000	380,000				20,000	380,000	
16/14	Acquisition of Vehicles and Equipment	12/17/2014	200,000			48,000	190,000				10,000	190,000	
17/14	Acq of 911 Public Safety Equip and Other Imprvts	12/17/2014	960,000				912,000				48,000	912,000	
				\$ 2,423,702	\$ 8,187,645	\$ 78,000	\$ 1,757,390	\$ 399,610	\$ 1,160,051	\$ 6,468,709	\$ 1,139,207	\$ 4,078,380	
								Cancelled to Fund Balance		\$ 119,734			
								Cancelled to Deferred Charges-Unfunded		1,040,317			
										\$ 1,160,051			

**TOWN OF WEST NEW YORK
STATEMENT OF DUE FROM CURRENT FUND**

Balance January 1, 2014		\$ 38,824
Increased by:		
Cash Disbursements	\$ 1,984,000	
Grants Deposited in Current Fund	258,645	
Current Fund Expenditures Paid by General Capital Fund	430,437	
Budget Appropriation - Capital Improvement Fund	141,000	
Budget Appropriation - Paydown of BAN Principal by General Capital Fund	<u>70,000</u>	
		<u>2,884,082</u>
		2,922,906
Decreased by:		
Current Fund Receipts Deposited in General Capital Fund	8,328	
Anticipated Revenue - Reserve for Payment of Debt	109,127	
General Capital Expenditures Paid by Current Fund	44,198	
Special Emergency Note Deposited in General Capital Fund	138,000	
Cash Receipts from Current Fund	<u>1,800,000</u>	
		<u>2,099,653</u>
Balance, December 31, 2014		<u>\$ 823,253</u>

EXHIBIT C-15

**STATEMENT OF DUE TO/FROM COMMUNITY
DEVELOPMENT BLOCK GRANT FUND**

Balance, January 1, 2014 (Due To)	\$ 58,678
Decreased by:	
CDBG Expenditures Paid by General Capital Fund	<u>411,526</u>
Balance, December 31, 2014 (Due From)	<u>\$ 352,848</u>

EXHIBIT C-16

STATEMENT OF DUE FROM FEDERAL AND STATE GRANT FUND

Balance, January 1, 2014	<u>\$ 668,205</u>
Balance, December 31, 2014	<u>\$ 668,205</u>

**TOWN OF WEST NEW YORK
STATEMENT OF DUE FROM BOARD OF EDUCATION**

Balance, January 1, 2014	\$ 45,346
Decreased by:	
Cancelled to Fund Balance	<u>45,346</u>
Balance, December 31, 2014	<u>\$ -</u>

EXHIBIT C-18

STATEMENT OF DUE FROM DEPOSITORY

Balance, January 1, 2014	\$ 3,770
Decreased by:	
Cancelled to Fund Balance	<u>3,770</u>
Balance, December 31, 2014	<u>\$ -</u>

EXHIBIT C-19

STATEMENT OF DUE TO TRUST OTHER FUND

Balance, January 1, 2014	<u>\$ 151,779</u>
Balance, December 31, 2014	<u>\$ 151,779</u>

EXHIBIT C-20

STATEMENT OF RESERVE FOR PAYMENT OF DEBT

Balance, January 1, 2014	\$ 957,025
Increased by:	
Grant Receipts for Improvement Authorizations Cancelled	<u>82,884</u>
	1,039,909
Decreased by:	
Anticipated Revenue in Current Fund Budget	<u>109,127</u>
Balance, December 31, 2014	<u>\$ 930,782</u>

**TOWN OF WEST NEW YORK
STATEMENT OF CONTRACTS PAYABLE**

Balance, January 1, 2014	\$ 316,651
Increased by:	
Contracts Payable	<u>2,905,728</u>
	3,222,379
Decreased by:	
Cash Disbursements	<u>316,651</u>
Balance, December 31, 2014	<u>\$ 2,905,728</u>

TOWN OF WEST NEW YORK
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance, January 1, 2014</u>	<u>2014 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Cancelled</u>	<u>Balance, December 31, 2014</u>
1836	Improvements to Schools	\$ 275,000				\$ 275,000
2072	Reconstruction and Repair of School Buildings	39,000				39,000
2081	Purchase of Land for a New Capital Project - School	19,000				19,000
24/94	Improvement to Donnelly Park	27,097				27,097
31/97	Reconstruction of Various Streets	31,228				31,228
22/02	Early Retirement Incentive Refunding Ordinance	300,000			\$ 300,000	
07/05	Tax Refunding	70,000			15,000	55,000
18/06	Various Equipment Purchases and Improvements	250			250	
27/10	Installation of Electronic Smoke Detection System	200				200
3/13	Various Capital Improvements	500				500
4/13	Acq of All Right, Title and Interest DPW Garage	775,000			725,067	49,933
16/13	Road Improvement Projects	525				525
17/10, 23/13	Various Capital Improvements	2,650,000				2,650,000
7/14	Road Improvement Projects		\$ 275,390	\$ 275,000		390
8/14	Various Capital Improvements		380,000	380,000		
16/14	Acquisition of Vehicles and Equipment		190,000			190,000
17/14	Acq of 911 Public Safety Equip and Other Imprvts		912,000	-		912,000
		<u>\$ 4,187,800</u>	<u>\$ 1,757,390</u>	<u>\$ 655,000</u>	<u>\$ 1,040,317</u>	<u>\$ 4,249,873</u>
	General Obligation					
	School	\$ 3,554,800				\$ 3,916,873
	ERIP	333,000				333,000
		<u>300,000</u>				<u>-</u>
		<u>\$ 4,187,800</u>				<u>\$ 4,249,873</u>

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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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

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Board of Commissioners
Town of West New York
West New York, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of the Town of West New York, as of and for the year ended December 31, 2014, and the related notes to the financial statements, and have issued our report thereon dated August 11, 2015. Our report on the financial statements – regulatory basis was modified to indicate that the financial statements were not prepared and presented in accordance with accounting principles generally accepted in the United States of America but rather prepared and presented in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the requirements of the State of New Jersey for municipal government entities as described in Note 1.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of West New York'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 opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Town of West New York's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of West New York'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 Town'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2014-001 that we consider to be a significant deficiency in internal control over financial reporting.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of West New York's 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 an instance of noncompliance or other matter that is required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which is described in the accompanying schedule of findings and questioned costs as item 2014-001.

We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Town of West New York in Part III of this report of audit entitled; "Letter of Comments and Recommendations"

Town of West New York's Response to Finding

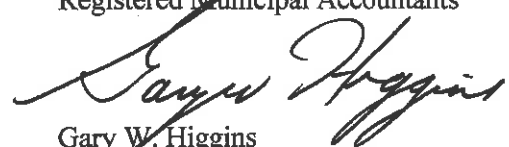
The Town of West New York's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Town of West New York's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Town of West New York'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 Town of West New York's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Registered Municipal Accountants



Gary W. Higgins
Registered Municipal Accountant
RMA Number CR00405

Fair Lawn, New Jersey
August 11, 2015



LERCH, VINCI & HIGGINS, LLP

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY U.S. OMB CIRCULAR A-133 AND
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY
NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Board of Commissioners
Town of West New York
West New York, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Town of West New York's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Town of West New York's major federal and state programs for the year ended December 31, 2014. The Town of West New York's major federal and state 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 Town of West New York's major federal and state 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; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and U.S. OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and Circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Town of West New York'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 federal and state program. However, our audit does not provide a legal determination of the Town of West New York's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Town of West New York 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 federal and state programs for the year ended December 31, 2014.

Report on Internal Control Over Compliance

Management of the Town of West New York 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 Town of West New York's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with U.S. OMB Circular A-133 and New Jersey OMB Circular 15-08, 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 Town of West New York'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 or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. 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.

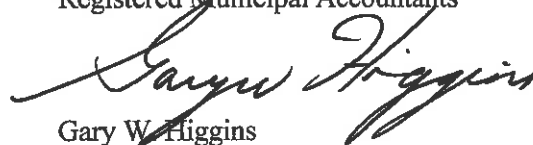
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. OMB Circular A-133 and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by U.S. OMB Circular A-133 and
Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08**

We have audited the financial statements - regulatory basis of the Town of West New York as of and for the year ended December 31, 2014, and the related notes to the financial statements and have issued our report thereon dated August 11, 2015, which contained a modified opinion on those financial statements because they were not prepared and presented in accordance with accounting principles generally accepted in the United States of America and also contained an unmodified opinion on those financial statements prepared and presented in accordance with the regulatory basis of accounting. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards as required by U.S. OMB Circular A-133 and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the 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 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 schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Registered Municipal Accountants



Gary W. Higgins
Registered Municipal Accountant
RMA Number CR00405

Fair Lawn, New Jersey
August 11, 2015

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Federal CFDA Number	Grant or State Proj. Number	Grant Period From	Grant Period To	Grant Receipts	Grant Award Amount	Balance, January 1, 2014	Revenue Realized	Budgetary Expenditures	Adjustments	Balance, December 31, 2014	Cumulative Expenditures
U.S. Department of Agriculture											
Passed - Through NJ Dept of Agriculture											
10.539	100-010-3350-033/	7/1/2012	6/30/2013	\$ 95,303	\$ 169,165	\$ 22,837	\$ 120,000	\$ 22,837	-	\$ 51,573	\$ 169,165
10.539	100-010-3350-033/	7/1/2013	6/30/2014		120,000	-		68,427			68,427
				<u>\$ 95,303</u>		<u>22,837</u>	<u>120,000</u>	<u>91,264</u>		<u>51,573</u>	<u>237,592</u>
Total U.S. Department of Agriculture											
U.S. Department of Housing & Urban Development											
Passed-Through Hudson County Dept. of FINANCE & ADMINISTRATION											
14.218	N/A	9/1/2008	6/30/2009	1,440	550,000	3,389		1,440		1,949	548,051
14.218	N/A	9/1/2010	6/30/2011	25,349	525,000	17,075		12,892		4,183	520,817
14.218	N/A	9/1/2012	6/30/2013	55,111	420,000	48,376		48,376			420,000
14.218	N/A	9/1/2013	6/30/2014	58,292	420,885	400,000		203,394		196,606	224,279
14.218	N/A	9/1/2014	6/30/2015	276,850	411,526		411,526	411,526			411,526
				<u>417,042</u>		<u>468,840</u>	<u>411,526</u>	<u>677,628</u>		<u>202,738</u>	<u>2,124,673</u>
Total U.S. Department of Housing & Urban Development											
U.S. Dept. of Energy											
Direct Aid											
81.128	N/A	7/1/2009	6/30/2010		182,800	182,800		182,800			182,800
						<u>182,800</u>		<u>182,800</u>			<u>182,800</u>
Total U.S. Department of Energy											
U.S. Dept. of Justice											
Direct Aid											
Passed Through NJ Dept of Law and Public Safety											
16.592	N/A	7/1/2011	6/30/2012		18,379	18,379				18,379	
16.592	N/A	7/1/2012	6/30/2013	17,883	17,883	583				583	17,300
16.592	N/A	7/1/2013	6/30/2014	19,626	19,626		19,626			19,626	
16.727	100-066-1400-014	7/1/2012	6/30/2013	3,248	3,248	3,248				3,248	
20.616	100-066-1160-155	7/1/2012	6/30/2013	4,000	4,000		4,000			4,000	
20.616	100-066-1160-155	7/1/2013	6/30/2014		4,000		4,000			4,000	
20.616	100-066-1160-157	7/1/2013	6/30/2014		4,400		4,400			4,400	
20.616	100-066-1160-157	7/1/2013	6/30/2014	4,950	5,000		5,000			5,000	
20.601	100-066-1160-057	7/1/2012	6/30/2013	4,250	4,400	625	7,500			7,500	3,775
				<u>53,957</u>		<u>22,835</u>	<u>44,526</u>			<u>67,361</u>	<u>21,075</u>
Total U.S. Dept. of Justice											

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Federal CFDA Number	Grant or State Proj. Number	Grant Period From To	Grant Receipts	Grant Award Amount	Balance, January 1, 2014	Revenue Realized	Budgetary Expenditures	Adjustments	Balance, December 31, 2014	Cumulative Expenditures
U.S. Dept. of Transportation										
Direct Aid										
Drunk Driving Enforcement Fund										
<i>Passed through NJ Department of Transportation</i>										
20.621	N/A	7/1/2011 6/30/2012		\$ 8,228		\$ 8,228	\$ 8,228		\$	8,228
20.205	480-078-6300-B9L	7/1/2007 6/30/2008		286,375	\$ 76,325				\$ 76,325	210,050
20.205	Safe Routes to Schools			280,000	98,602		98,602			280,000
	2012 Municipal Aid Program	7/1/2011 6/30/2012		15,000	15,000			\$ 15,000		
	Federal Highway Traffic	7/1/2012 6/30/2013								
Total U.S. Dept. of Transportation					189,927	8,228	106,830	15,000	76,325	498,278
Total Federal Financial Awards					\$ 887,239	\$ 584,280	\$ 1,058,322	\$ 15,000	\$ 397,997	\$ 3,064,418

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2014

State Grant Program	Grant Number	Grant Period From To	Grant Receipts	Award Amount	Balance, January 1, 2014	Revenue Realized	Budgetary Expenditures	Adjustments	Balance, December 31, 2014	Cumulative Expenditures
NJ Dept. of Community Affairs										
Direct Aid										
Recreational Opportunities Individual Disabilities (ROID)	100-022-8050-035	7/01/2013 6/30/2014	\$ 6,303	\$ 20,000	\$ 9,788	\$ 20,000			\$ 20,000	
Police Body Armor Replacement	718-066-1021-001	7/1/2008 6/30/2009		9,788	\$ 9,788				9,788	
Police Body Armor Replacement	718-066-1021-001	7/1/2009 6/30/2010		9,344	9,344		\$ 9,344			\$ 9,344
Police Body Armor Replacement	718-066-1021-001	7/1/2010 6/30/2011		14,500		14,500	3,046		11,454	3,046
Police Body Armor Replacement	718-066-1020-001	7/1/2012 6/30/2013		12,145	4,711				4,711	7,434
Police Body Armor Replacement	718-066-1020-001	7/1/2012 6/30/2013	9,104	9,104		9,104			9,104	
Total NJ Dept. of Community Affairs			15,407		23,843	43,604	12,390		55,057	19,824
NJ Dept. of Commerce										
Direct Aid										
Urban Enterprise Zone - Bergenline Ave Installment Loan - Year 9	763-020-2830-000	7/1/2007 6/30/2008		133,250	3,583				3,583	129,667
Urban Enterprise Zone - Litter Clean Up Phase II	763-020-2830-000	7/1/2009 6/30/2010		269,395	181,165				181,165	88,230
Total NJ Dept. of Commerce					184,748				184,748	217,897
NJ Dept. of Environmental Protection										
Direct Aid										
Clean Communities Program	765-042-4900-004	7/01/2012 6/30/2013		61,608	61,608				61,608	
Clean Communities Program	765-042-4900-004	7/01/2013 6/30/2014	57,761	57,761		57,761			57,761	
Recycling Tonnage Grant	752-042-4900-001	7/01/2012 6/30/2013		16,470		16,470			16,470	
<i>Green Acres Trust Fund:</i>										
Improvement to Parks - Ordinance #3/13	4800-533-852000-60	1/1/2013 12/31/2013		600,000	224,479		224,479			600,000
Rehabilitation of Veteran's Park & Donnelly Park -Ord #23/13	4800-533-852000-60	1/1/2013 12/31/2013		900,000	900,000		900,000			900,000
Miller Stadium - Phase II	533-042-4800-003	7/1/2000 6/30/2004		500,000	168,848				168,848	331,152
Total NJ Dept. of Environmental Protection			57,761		1,354,935	74,231	1,124,479		304,687	1,831,152

TOWN OF WEST NEW YORK
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2014

<u>State Grant Program</u>	<u>Grant Number</u>	<u>Grant Period</u> <u>From</u> <u>To</u>	<u>Grant</u> <u>Receipts</u>	<u>Award</u> <u>Amount</u>	<u>Balance,</u> <u>January 1, 2014</u>	<u>Revenue</u> <u>Realized</u>	<u>Budgetary</u> <u>Expenditures</u>	<u>Adjustments</u>	<u>Balance,</u> <u>December 31, 2014</u>	<u>Cumulative</u> <u>Expenditures</u>
N.J. Administrative Office of the Courts										
Direct Aid										
Alcohol Education and Rehabilitation	760-046-4240-002	7/1/2011 6/30/2012		\$ 1,565	\$	\$ 1,565			\$ 1,565	
Alcohol Education and Rehabilitation	760-098-9735-001	7/1/2012 6/30/2013		4,328		4,328			4,328	
Total NJ Administrative Office of the Courts						5,893			5,893	
NJ Dept. of Law & Public Safety										
Direct Aid										
Safe and Secure Communities	232-066-1020-100	7/1/20013 6/30/2014		3,300		3,300			3,300	
Safe and Secure	232-066-1020-100	7/1/20013 6/30/2014		60,000		60,000			60,000	
Total NJ Dept. of Law & Public Safety						63,300			63,300	
NJ Dept. of the Treasury										
Passed-Through Hudson County Dept. of Finance & Administration										
Municipal Alliance on Alcoholism & Drug Abuse -										
County Share	100-082-2000-046	1/1/2014 12/31/2014	\$ 38,303	66,540		66,540	\$ 49,534		17,006	\$ 49,534
Local Share	100-082-2000-046	1/1/2014 12/31/2014		22,181		22,181	16,511		5,670	16,511
Total NJ Dept. of the Treasury			38,303			88,721	66,045		22,676	66,045
U.S. Dept. of Transportation										
Direct Aid										
Passed through NJ Department of Transportation										
Road Improvement Projects - Ordinance #16/13	480-078-6320-ALL	1/1/2013 12/31/2013	258,645	344,860	\$ 301,095		301,095		399,610	301,095
Road Improvement Projects - Ordinance #17/14	480-078-6320-XXX	1/1/2014 12/31/2014		399,610		399,610				
Total U.S. Dept. of Transportation			258,645		301,095	399,610	301,095		399,610	301,095
Total State Financial Awards			\$ 370,116		\$ 1,864,621	\$ 675,359	\$ 1,504,009	\$	\$ 1,035,971	\$ 2,436,013

**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE**

**TOWN OF WEST NEW YORK
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2014**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal awards and state financial assistance programs of the Town of West New York. The Town is defined in Note 1(A) to the Town's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedules of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the regulatory basis of accounting as prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. This basis of accounting is described in Note 1 to the Town's financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the Town's financial statements. Financial assistance revenues are reported in the Town's financial statements on a basis of accounting described above as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current Fund	\$ 172,754	\$ 275,749	\$ 448,503
Community Development Grant Fund	411,526		411,526
General Capital Fund	<u>-</u>	<u>399,610</u>	<u>399,610</u>
Total Financial Awards	<u>\$ 584,280</u>	<u>\$ 675,359</u>	<u>\$ 1,259,639</u>

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the Town's fiscal year and grant program year.

**TOWN OF WEST NEW YORK
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2014**

NOTE 5 STATE LOANS OUTSTANDING

The Town's state loans outstanding at December 31, 2014, which are not required to be reported on the schedules of expenditures of state financial assistance, are as follows:

<u>Loan Program</u>	<u>State</u>
N.J. Dept. of Environmental Protection Green Acres Loan	<u>\$ 1,104,737</u>

TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Part I – Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: Unmodified, Regulatory Basis

Internal control over financial reporting:

1) Material weakness(es) identified? _____ yes X no

2) Were significant deficiencies identified that were
not considered to be material weaknesses? X yes _____ no

Noncompliance material to financial
statements noted? X yes _____ no

Part I – Summary of Auditor’s Results

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2014-001

Municipal departments ordered goods or services prior to the issuance of a purchase order. Additionally, certain contracts awarded by the governing body were not encumbered when approved.

Criteria or Specific Requirement

In accordance with NJAC 5:30-5.2 encumbrance systems, purchase orders must be issued before a service is rendered or goods are received.

Condition

Purchase orders were not issued and encumbered prior to ordering goods or services.

Context

Several purchase orders tested were issued subsequent to the receipt of goods or services. Contracts for road improvements, environmental remediation, improvements to Veterans Park and Washington Park in the amount of \$3,216,257 were not encumbered in the General Capital Fund at year end. Additionally, \$370,883 of Current Fund charges were not encumbered at December 31, 2014.

Effect

None, sufficient funds were available to pay the expenditures.

Cause

Town employees ordered goods or materials prior to receiving an approved purchase order and contracts awarded in the official minutes were not encumbered in certain instances.

Recommendation

The encumbrance system be utilized to ensure that materials and/or services be ordered only after a purchase order has been executed. Additionally, all contracts be encumbered when awarded.

Management's Response

Management will ensure that the Qualified Purchasing Agent is made aware of the requirement to encumber goods and services in their entirety via the encumbrance process.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

There are none.

CURRENT YEAR STATE AWARDS

There are none.

**TOWN OF WEST NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014**

This section identified the status of prior-year findings related to the financial statements – regulatory basis and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. OMB Circular A-133 (section .315(a)(b)) and New Jersey OMB's Circular 04-04.

STATUS OF PRIOR YEAR FINDINGS

Finding 2013-1:

Municipal departments ordered goods or services prior to the issuance of a purchase order. Additionally, contracts awarded by the governing body were not encumbered when approved.

Current Status

See Finding 2014-001.

Finding 2013-2:

Procurement for most services in excess of \$17,500 require a "Fair and Open Process" or certain required documents to be obtained. The town does not currently have procedures in place to comply with N.J.S.A. 19:44A-20.4 et seq. "Political Contribution Disclosure Compliance Laws" otherwise known as "Pay to Play Laws".

Current Status

Corrective action has been taken.

Finding 2013-003

The Town does not properly maintain their fixed assets subsidiary ledger.

Current Status

Corrective action has been taken.

TOWN OF WEST NEW YORK

PART III

SUPPORTING DATA

LETTER OF COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2014

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
CURRENT FUND

	<u>Year 2014</u>		<u>Year 2013</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
REVENUE AND OTHER INCOME REALIZED				
Fund Balance Utilized	\$ 4,900,000	4.73 %	\$ 7,280,000	6.97 %
Miscellaneous - From Other Than Local				
Property Tax Levies	36,658,909	35.35	34,324,170	32.88
Collection of Delinquent Taxes				
and Tax Title Liens	48,750	0.05	209,236	0.20
Collection of Current Tax Levy	60,337,765	58.19	60,602,950	58.06
Other Credits	<u>1,749,099</u>	<u>1.69</u>	<u>1,968,046</u>	<u>1.89</u>
 Total Income	 <u>103,694,523</u>	 <u>100.00</u> %	 <u>104,384,402</u>	 <u>100.00</u> %
EXPENDITURES				
Budget Expenditures				
Municipal Purposes	73,863,893	73.43	72,293,216	72.73 %
County Taxes	11,877,701	11.81	12,388,586	12.46
Local District School Tax	14,714,906	14.63	14,469,214	14.56
Other Expenditures	<u>129,117</u>	<u>0.13</u>	<u>250,950</u>	<u>0.25</u>
 Total Expenditures	 <u>100,585,617</u>	 <u>100.00</u> %	 <u>99,401,966</u>	 <u>100.00</u> %
Less: Expenditures to be Raised by Future Revenue	<u> </u>		<u>515,000</u>	
 Total Adjusted Expenditures	 <u>100,585,617</u>		 <u>98,886,966</u>	
 Excess in Revenue	 3,108,906		 5,497,436	
Fund Balance, January 1	<u>9,570,100</u>		<u>11,352,664</u>	
	12,679,006		16,850,100	
Less Utilization as Anticipated Revenue	<u>4,900,000</u>		<u>7,280,000</u>	
 Fund Balance, December 31	 <u>\$ 7,779,006</u>		 <u>\$ 9,570,100</u>	

**TOWN OF WEST NEW YORK
COMPARATIVE SCHEDULE OF TAX RATE INFORMATION**

	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Tax Rate</u>	<u>\$6.692</u>	<u>\$6.650</u>	<u>\$6.460</u>

Apportionment of Tax Rate

Municipal	3.729	3.702	3.530
County	1.309	1.353	1.354
Local School	1.628	1.583	1.563
Local School Required by Local Municipal Budget	0.026	.012	0.013

Assessed Valuation

2014	<u>\$904,233,793</u>	
2013		<u>\$914,431,749</u>
2012		<u>\$919,447,938</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2014	\$ 60,810,505	\$ 60,337,765	99.22%
2013	60,938,113	60,602,950	99.44%
2012	59,712,549	58,809,661	98.49%

TOWN OF WEST NEW YORK
DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>December 31</u> <u>Year</u>	<u>Amount of</u> <u>Tax Title</u> <u>Liens</u>	<u>Amount of</u> <u>Delinquent</u> <u>Taxes</u>	<u>Total</u> <u>Delinquent</u>	<u>Percentage</u> <u>of</u> <u>Tax Levy</u>
2014	\$ 335,456	\$ 45,927	\$ 381,383	0.63%
2013	297,075	26,473	323,548	0.53%
2012	368,341	29,016	397,357	0.67%

COMPARATIVE SCHEDULE OF FUND BALANCE

	<u>Year</u>	<u>Balance</u> <u>Year End</u>	<u>Utilized in</u> <u>Budget of</u> <u>Succeeding</u> <u>Year</u>
Current Fund	2014	\$7,779,006	\$5,573,266 (A)
	2013	9,570,100	4,900,000
	2012	11,352,664	7,280,000
	2011	7,340,182	5,034,194

(A) The above fund balance amount appropriated represents the surplus anticipated in the 2015 introduced municipal budget. The 2015 municipal budget has not been legally adopted as of the date of audit.

**TOWN OF WEST NEW YORK
OFFICIALS IN OFFICE AND SURETY BONDS
AS OF DECEMBER 31, 2014**

<u>Name</u>	<u>Title</u>	<u>Term</u>	<u>Amount of Bond</u>
Felix Roque	Mayor; Director of Department of Public Affairs	May 1, 2011-2015	(A)
Dr. Count J. Wiley	Commissioner; Director of Department of Parks and Public Property	May 1, 2011-2015	(A)
FiorD'Aliza Frias	Commissioner; Director of Department of Revenue and Finance	May 1, 2011-2015	(A)
Caridad Rodriguez	Commissioner; Director of Department of Public Safety	May 1, 2011-2015	(A)
Ruben Vargas	Commissioner; Director of Department of Public Works	May 1, 2011-2015	(A)
Joseph DeMarco	Municipal Administrator (1/1/14-7/1/14)		(A)
Matthew Watkins	Municipal Administrator (9/1/14-12/31/14)		
Margaret Cherone	Chief Financial Officer		(A)
Carmela Riccie	Town Clerk		(A)
Kerri Tierney	Tax Collector		(A)
Sal Bonnaccorsi	Tax Assessor; Tax Searcher		(A)
Charles D'Amico	Judge		(A)
Amarilis A. Diaz	Judge		(A)
Daisy Bello	Court Administrator		(A)

(A) All employees and public officials were covered by policies in the amount of \$1,000,000 with the Public Entity Joint Insurance Fund.

**TOWN OF WEST NEW YORK
GENERAL COMMENTS**

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

Repeated from Prior Year

FINANCE

Finding – The audit revealed the Town maintained certain miscellaneous reserves in the Other Trust Fund; however, a dedication by rider was not sought from the Division of Local Government Services.

Recommendation – The miscellaneous reserves in the Other Trust Fund with no approved dedication by rider be cleared of record or approval of a dedication by rider be requested from the Division of Local Government Services.

Finding – Our audit revealed that numerous interfunds exist at December 31, 2014.

Recommendation – Cash transfers be made in order to liquidate interfund balances.

Finding – The audit of payroll indicated that salary ranges included in the salary ordinance have not been updated to reflect certain contractual salary modifications.

Recommendation – Salary ranges in the salary ordinance be adjusted to include all current contractual salaries.

Finding – Our audit indicated that there is no independent verification of state and federal payroll deductions remitted by the Town's third party payroll provider.

Recommendation – The Town implement procedures to verify the payment of state and federal payroll deductions by its third party payroll provider.

Finding – The Town has utilized the services of the in-house legal attorney to provide outside legal services and was paid as a vendor without entering into a professional services agreement. No recommendation is warranted since the services of the vendor were discontinued.

Finding – The Governing Body approved certain credits for PILOTS for a specific amount of units based upon a settlement. The audit indicated that credits were applied to a greater number of units than reflected in the settlement resolution.

Recommendation – That PILOT credits applied by the tax assessor be in agreement with the appropriate governing body resolution.

Finding – Record keeping of compensated absences is maintained on a manual basis and the liability is not calculated on a periodic basis. Additionally, certain errors were noted in the compensated absences report provided for audit.

Recommendation – The function for calculating the liability for compensated absences be computerized, integrated with the payroll system and prepared at least semi-annually. The calculations should be reviewed and approved by the appropriate department heads and commissioners.

**TOWN OF WEST NEW YORK
GENERAL COMMENTS**

Repeated from Prior Year (Continued)

DEPARTMENTS

Finding – The audit of the Municipal Court indicated numerous tickets included on the “Tickets Assigned Not Issued Report” were outstanding in excess of six months and certain tickets appeared on the “Tickets Issued Not Assigned Report”.

Recommendation – All tickets outstanding in excess of six months on the Municipal Court’s “Tickets Assigned Not Issued Report” be recalled and tickets on the “Tickets Issued Not Assigned Report” be assigned.

Finding – Our audit of the Municipal Court revealed numerous miscellaneous adjustments for overages and shortages are not being entered into the ATS/ACS System.

Recommendation – Municipal Court overages and shortages should be entered into the ATS/ACS System.

Finding – Our audit of municipal departments revealed that certain monies collected by the Police Department were not deposited within forty-eight hours.

Recommendation – All monies collected by the Police Department be deposited within forty-eight hours.

Current Year

FINANCE

Finding – The audit of certain Town bank reconciliations indicated there exists old outstanding checks at December 31, 2014.

Recommendation – Old outstanding checks on monthly bank reconciliations be reviewed and cleared of record.

Finding – The audit of the General Capital Fund indicated that the improvement authorization ledger was not in agreement with the general ledger. Additionally, the subsidiary grant receivable and reserve ledgers were not in agreement with the Federal and State Grant Fund general ledger.

Recommendation – All subsidiary ledgers be integrated with the respective fund’s general ledger.

Contracts and Agreements Required to be Advertised for NJS 40A:11-4

NJS 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only 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 bid threshold, except by contract or agreement."

**TOWN OF WEST NEW YORK
GENERAL COMMENTS**

Contracts and Agreements Required to be Advertised for NJS 40A:11-4 (Continued)

If the Town's purchasing agent is qualified pursuant to subsection b. of Section 9 of P.L. 1971, c. 198 (C.40A:11-9), the Town may establish the bid threshold up to a maximum of \$36,000. The Town's Purchasing Director is qualified and the Town by resolution, has increased the bid threshold to \$36,000.

The Purchasing Agent and the Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$36,000 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Town Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

General Contracting Services
66th Street Road Improvements
Environmental Remediation Project
Solid Waste and Recycling Collections
Printing Services

Improvements to Veterans Park
Summer Food Program
Office Supplies
Acquisition of DPW Vehicles
Acquisition of Ambulance

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

Inasmuch as 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.

Collection of Interest on Delinquent Taxes and Assessments

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

No record was found in the minutes of the period under audit, but upon inquiry, the municipal clerk could produce a prior minute record of the action of the governing body authorizing the rate of interest to be charged on delinquent taxes. The governing body on April 15, 1992 adopted the following resolution authorizing interest to be charged on delinquent taxes.

"BE IT RESOLVED, that in accordance with N.J.S.A. 54:4-67 as amended by Chapter 435, New Jersey Laws of 1979, that interest shall be charged for the non-payment of taxes or assessments on real property in the Town of West New York, on or after the date when they would become delinquent; and

BE IT FURTHER RESOLVED, that the rate of interest for the non-payment of taxes or assessments on real property in the Town of West New York, on or after the date when they would become delinquent, shall be eight percent (8%) per annum on the first \$1,500 provided, however, that no interest shall be charged if payment of any installment is made within the tenth calendar day following the date upon which the same become payable. Installments of taxes or assessments received after the expiration of the grace period herein granted shall bear interest from the due date of the installment. A six (6%) percent penalty made be charged on any delinquency in excess of \$10,000 if not paid by the end of the fiscal year; and

BE IT FURTHER RESOLVED, that the provisions of this resolution shall be effective with respect to all payments of taxes and assessments, and interest upon delinquent installments thereon, which shall be assessed from and after the date of this resolution, and

**TOWN OF WEST NEW YORK
GENERAL COMMENTS**

Collection of Interest on Delinquent Taxes and Assessments (Continued)

BE IT FURTHER RESOLVED, that any resolution heretofore adopted with respect to the payment of interest by reason of the non-payment of delinquent installments upon taxes and assessments herewith, are hereby rescinded; and

BE IT FURTHER RESOLVED, that the Assistant Tax Collector be authorized to hold an annual sale on back taxes pursuant to N.J.S.A. 54:5-19; and

BE IT FURTHER RESOLVED that the provisions of this resolution be effective upon adoption”.

An accelerated tax sale was held on December 17, 2014 and was incomplete.

The following comparison is made of the number of tax title liens receivable on December 31 of the last three years.

<u>Fiscal Year</u>	<u>Number of Liens</u>
2014	21
2013	35
2012	35

Suggestions to Management

- Continued efforts be made to review and clear of record prior year grant receivable and reserve balances.

TOWN OF WEST NEW YORK RECOMMENDATIONS


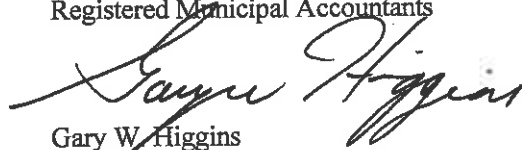
It is recommended that:

- * 1. The miscellaneous reserves in the Other Trust Fund with no approved dedication by rider be cleared of record or approval of a dedication by rider be requested from the Division of Local Government Services.
- 2. Old outstanding checks on monthly bank reconciliations be reviewed and cleared of record.
- * 3. All tickets outstanding in excess of six months on the Municipal Court's "Tickets Assigned Not Issued Report" be recalled and tickets on the "Tickets Issued Not Assigned Report" be assigned.
- * 4. Cash transfers be made in order to liquidate interfund balances.
- * 5. Salary ranges in the salary ordinance be adjusted to include all current contractual salaries.
- * 6. The Town implement procedures to verify the payment of state and federal payroll deductions by its third party payroll provider.
- * 7. The encumbrance system be utilized to ensure that materials and/or services be ordered only after a purchase order has been executed. Additionally, all contracts be encumbered when awarded.
- * 8. Municipal Court overages and shortages should be entered into the ATS/ACS system.
- * 9. All monies collected by the Police Department be deposited within forty-eight hours.
- * 10. PILOT credits applied by the tax assessor be in agreement with the appropriate governing body resolution.
- * 11. The function for calculating the liability for compensated absences be computerized, integrated with the payroll system and prepared at least semi-annually. The calculations should be reviewed and approved by the appropriate department heads and commissioners.
- 12. All subsidiary ledgers be integrated with the respective fund's general ledger.

A review was performed on all prior years' recommendations and corrective action was taken with the exception of those recommendations denoted with an asterisk (*).

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

Should any questions arise as to our comments and recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.


LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Registered Municipal Accountants

Gary W. Higgins
Certified Public Accountant
RMA Number CR00405