



TOWNSHIP OF NORTH BERGEN

HUDSON COUNTY, NEW JERSEY

REPORT ON

EXAMINATION OF ACCOUNTS

FOR THE YEAR ENDED

DECEMBER 31, 2015

TOWNSHIP OF NORTH BERGEN
COUNTY OF HUDSON, NEW JERSEY

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PART I
REPORTS ON EXAMINATION
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
AND
SUPPLEMENTARY EXHIBITS
FOR THE YEAR ENDED DECEMBER 31, 2015



Independent Auditors' Report

**The Honorable Mayor and Members
of the Township Council
Township of North Bergen
North Bergen, New Jersey**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

As described in Note 2, the financial statements are prepared by the Township on a basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion

In our opinion, the regulatory basis financial statements referred to above present fairly, in all material respects, the respective financial position of the various funds of the Township of North Bergen, Hudson County, New Jersey, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles and practices prescribed by the Division, as described in Note 1 to the financial statements.

Report on Summarized Comparative Information

We have previously audited the Township's 2014 financial statements, and our report dated April 21, 2015, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year end ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it had been derived.

Other Matters

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report June 3, 2016 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

June 3, 2016

John Lauria

John Lauria, RMA
Licensed Registered Municipal Accountant # 403

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2015 AND 2014

A
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>December 31, 2015</u>	<u>Balance</u> <u>December 31, 2014</u>
<u>Regular Fund</u>			
Cash - Treasurer	A-4	\$ 20,619,619.59	\$ 18,569,580.88
Cash - Change Fund	A-5	500.00	500.00
		<u>20,620,119.59</u>	<u>18,570,080.88</u>
 Due from State of New Jersey	 A-6	 <u>81,080.30</u>	 <u>78,830.30</u>
 Receivables and Other Assets with Offsetting Reserves:			
Delinquent Property Taxes	A-7	2,213,199.54	2,441,257.80
Tax Title Liens	A-8	1,278,571.37	1,133,045.94
Property Acquired for Taxes	A-9	6,543,000.00	6,543,000.00
Other Accounts Receivable	A-10	4,377.59	1,220.29
Other Municipal Liens	A-11	11,173.66	6,169.42
Interfunds Receivable	A-13	257,410.42	27,012.50
		<u>10,307,732.58</u>	<u>10,151,705.95</u>
 Deferred Charges:			
Special Emergency Authorizations: (N.J.S.A. 40A: 4-53)	 A-14	 <u>280,000.00</u>	 <u>560,000.00</u>
		<u>31,288,932.47</u>	<u>29,360,617.13</u>
 <u>Federal and State Grant Fund</u>			
Cash	A-4	2,714.61	139,893.68
Interfunds Receivable	A-21		105,287.81
Federal and State Grants Receivable	A-26	3,426,596.75	1,939,357.18
		<u>3,429,311.36</u>	<u>2,184,538.67</u>
		<u>\$ 34,718,243.83</u>	<u>\$ 31,545,155.80</u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2015 AND 2014

A
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>December 31, 2015</u>	<u>Balance</u> <u>December 31, 2014</u>
<u>Regular Fund</u>			
Appropriation Reserves:			
Encumbered	A-3,15	\$ 443,219.81	\$ 363,929.06
Unencumbered	A-3,15	4,484,997.40	3,869,730.86
Accounts Payable	A-16	183,888.82	107,736.23
County Taxes Payable	A-17	84,198.86	34,932.92
School Taxes Payable	A-18	2,672,332.00	2,708,451.00
Interfunds Payable	A-20		277,177.71
Tax Overpayments	A-23	1,289,093.28	639,518.62
Prepaid Taxes	A-24	1,090,253.13	677,817.16
Other Reserve Accounts	A-25	28,405.87	1,661,608.87
		<u>10,276,389.17</u>	<u>10,340,902.43</u>
Reserve for Receivables and Other			
Assets		10,307,732.58	10,151,705.95
Fund Balance	A-1	10,704,810.72	8,868,008.75
		<u>31,288,932.47</u>	<u>29,360,617.13</u>
<u>Federal and State Grant Fund</u>			
Interfunds Payable	A-21	949,267.06	610,000.00
Due to State of New Jersey	A-19	14,221.65	14,221.65
Appropriated Reserves	A-27	2,452,427.65	1,560,317.02
Unappropriated Reserves	A-28	13,395.00	
		<u>3,429,311.36</u>	<u>2,184,538.67</u>
		<u>\$ 34,718,243.83</u>	<u>\$ 31,545,155.80</u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

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

A-1

	<u>Ref.</u>	<u>December 31, 2015</u>	<u>December 31, 2014</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$ 2,000,000.00	\$ 2,000,000.00
Miscellaneous Revenue Anticipated	A-2	22,466,600.46	21,948,498.60
Receipts from Delinquent Taxes	A-2b	2,473,605.66	2,230,217.29
Receipts from Current Taxes	A-2b	131,772,784.26	127,412,359.74
Nonbudget Revenue	A-2c	890,774.09	982,132.80
Other Credits to Income:			
Interfunds Liquidated			38,952.99
Appropriation Reserves Lapsed	A-15	2,103,743.56	1,582,032.16
Grant Reserves Canceled	A-20	37,980.82	
		<u>161,745,488.85</u>	<u>156,194,193.58</u>
<u>Expenditures</u>			
<u>Budget Appropriations:</u>			
<u>Operations:</u>			
Salaries and Wages		24,303,635.22	22,860,390.64
Other Expenses		49,342,646.80	48,386,445.09
Deferred Charges and Statutory Expenditures		5,105,631.00	5,224,400.00
Judgments			
Capital Improvements		142,183.20	60,000.00
Municipal Debt Service		6,508,454.29	6,087,810.54
	A-3	<u>85,402,550.51</u>	<u>82,619,046.27</u>
County Taxes	A-17	25,854,051.06	24,676,029.73
Local School District Taxes	A-18	46,103,981.00	44,409,850.00
Senior Citizen Adjustment - Prior Year	A-6	15,250.00	15,158.14
Tax Court Judgements	A-23	278,208.13	
Interfunds Advanced	A-13	230,397.92	
Cancelation of Grant Receivables	A-20	19,394.86	105,287.81
Refund of Prior Years' Revenue	A-4	4,853.41	1,018.98
		<u>157,908,686.89</u>	<u>151,826,390.93</u>
Excess in Revenue		3,836,801.96	4,367,802.65
<u>Fund Balance</u>			
Balance, Beginning of Year	A	8,868,008.76	6,500,206.11
		<u>12,704,810.72</u>	<u>10,868,008.76</u>
Decreased by:			
Utilized as Anticipated Revenue	Above	2,000,000.00	2,000,000.00
Balance, End of Year	A	<u>\$ 10,704,810.72</u>	<u>\$ 8,868,008.76</u>

See accompanying notes to financial statements.

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

STATEMENT OF REVENUES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

A-2
Sheet #1

	Ref.	Budget	Realized	Excess or (Deficit)
Fund Balance Appropriated	A-1	\$ 2,000,000.00	\$ 2,000,000.00	\$
<u>Miscellaneous Revenues</u>				
Licenses:				
Alcoholic Beverages	A-12	88,000.00	88,541.00	541.00
Other	A-12	290,000.00	312,834.50	22,834.50
Fees and Permits	A-2a	360,000.00	451,312.40	91,312.40
Fines and Costs:				
Municipal Court	A-2a	2,005,000.00	1,723,122.74	(281,877.26)
Interest and Cost on Taxes	A-12	525,000.00	508,490.64	(16,509.36)
Interest on Investments and Deposits	A-12	125,000.00	170,066.76	45,066.76
Pool Membership Fees	A-12	305,000.00	323,256.27	18,256.27
North Bergen Cable Television - Franchise Fees	A-12	587,000.00	610,360.76	23,360.76
Payment in Lieu of Taxes - Floral Park, Inc.	A-12	630,000.00	642,877.00	12,877.00
Payment in Lieu of Taxes - North Bergen Housing Auth.	A-12	215,000.00	219,176.00	4,176.00
Payment in Lieu of Taxes - Fritz Reuter	A-12	174,000.00	174,864.92	864.92
Payment in Lieu of Taxes - Avalon Bay	A-12	230,000.00	261,322.21	31,322.21
Payment in Lieu of Taxes - LWH	A-12	1,035,000.00	1,121,966.28	86,966.28
1122 53rd Urban Renewal	A-12	250,000.00	258,688.88	8,688.88
Ambulance Fees	A-12	960,000.00	882,036.76	(77,963.24)
Hotel Tax	A-12	445,000.00	448,872.41	3,872.41
Consolidated Municipal Property Tax Relief Aid	A-12	1,451,656.00	1,330,975.00	(120,681.00)
Energy Receipts Tax (P.L. 1997, Chapters 162 and 167)	A-12	5,733,941.00	5,854,622.00	120,681.00
Uniform Construction Code Fees	A-2a	1,050,186.00	1,365,272.00	315,086.00
Grants:				
Clean Communities Program	A-20	89,575.15	89,575.15	
Municipal Alliance on Alcoholism and Drug Abuse	A-20	52,504.00	52,504.00	
Highway Safety Grant	A-20	19,000.00	19,000.00	
Handicapped Recreation Opportunities Grant	A-20	20,000.00	20,000.00	
DOT - Municipal Aid	A-20	302,876.00	302,876.00	
Green Acres Program	A-20	1,100,000.00	1,100,000.00	
Sustainable Jersey	A-20	10,000.00	10,000.00	
FEMA - Emergency Management	A-20	245,773.00	245,773.00	
Pedestrian Safety Grant	A-20	16,000.00	16,000.00	
Cooperative Housing Inspection Grant	A-20	21,000.00	21,000.00	
Summer Food Program	A-20	53,876.46	53,876.46	
Body Armor Fund	A-20	10,350.72	10,350.72	
Alcohol Education and Rehabilitation	A-20	2,475.19	2,475.19	
Host Fees	A-12	488,000.00	505,808.22	17,808.22
Uniform Fire Safety Act	A-12	135,000.00	150,818.95	15,818.95
NJ Transit Tax	A-12	182,000.00	188,790.00	6,790.00
MUA -5% of Annual Costs of Operations	A-12	400,000.00	400,000.00	

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

STATEMENT OF REVENUES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

A-2
Sheet #2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<u>Miscellaneous Revenues</u>				
NJ Meadowlands Lease	A-12	\$ 199,000.00	\$ 201,427.04	\$ 2,427.04
Reserve for Sale of Property	A-12	1,633,203.00	1,633,203.00	
General Capital Surplus	A-12	185,000.00	185,000.00	
Parking Authority Building Lease	A-12	90,000.00	90,000.00	
Trust Reserves	A-12	10,000.00	10,000.00	
Library Surplus	A-12	298,088.00	298,088.00	
Parking Authority Surplus	A-12	50,000.00	50,000.00	
MUA Debt Service Payment	A-12	61,376.00	61,376.20	0.20
 Total Miscellaneous Revenue	 A-1	 22,134,880.52	 22,466,600.46	 331,719.94
Receipts from Delinquent Taxes	A-2b	2,150,000.00	2,473,605.66	323,605.66
 Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes		60,789,460.00		
Minimum Library Tax		1,555,540.00		
Total Amount to be Raised by Taxes for Support of Municipal Budget	A-2b, A-7	62,345,000.00	62,974,536.50	629,536.50
		88,629,880.52	89,914,742.62	1,284,862.10
 Nonbudget Revenue	 A-2c	 	 890,774.09	 890,774.09
	A-3	\$88,629,880.52	\$90,805,516.71	\$ 2,175,636.19

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF MISCELLANEOUS REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

A-2a

	<u>Ref.</u>		
Other Fees and Permits:			
Tax Collector	A-12	\$ 22,122.50	
Tax Assessor	A-12	1,645.00	
Rent Control	A-12	41,760.00	
Township Clerk	A-12	2,741.94	
Health/Vital Statistics	A-12	93,826.00	
Police	A-12	48,010.71	
Finance Office	A-12	350.00	
Police - Special Duty	A-12	248,601.25	
Purchasing	A-12	<u>2,925.00</u>	
			\$ 461,982.40
Less: Refunds	A-22		<u>10,670.00</u>
	A-2		<u>\$ 451,312.40</u>
Uniform Construction Code Fees:			
Collections	A-12		\$ 1,426,738.00
Less: Refunds	A-22		<u>61,466.00</u>
	A-2		<u>\$ 1,365,272.00</u>
Payments in Lieu of Taxes	A-12		\$ 2,737,715.12
Less: Refunds	A-22		<u>58,819.83</u>
	A-2		<u>\$ 2,678,895.29</u>
Municipal Court:			
Collections	A-12		\$ 2,425,483.74
Less: Payments to North Bergen Parking Authority	A-22		<u>702,361.00</u>
	A-2		<u>\$ 1,723,122.74</u>

See accompanying notes to financial statements.

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF TAXES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

A-2b

	<u>Ref.</u>	<u>Amount to be Raised by Taxation</u>	<u>Receipts from Delinquent Taxes</u>	<u>Total</u>
<u>Allocation of Tax Collection</u>				
Due from State of New Jersey	A-6, A-7	\$ 136,500.00	\$	\$ 136,500.00
Collections	A-7	130,958,467.10	2,463,357.36	133,421,824.46
Tax Title Liens	A-8		10,248.30	10,248.30
Prepaid Taxes Applied	A-24	<u>677,817.16</u>		<u>677,817.16</u>
 Total Revenue	 A-1	 131,772,784.26	 2,473,605.66	 134,246,389.92
 Allocated to:				
County Levy and Added Taxes	A-17	(25,854,051.06)		(25,854,051.06)
Local School District Taxes	A-18	(46,103,981.00)		(46,103,981.00)
Plus: Reserve for Uncollected Taxes	A-3	<u>3,159,784.30</u>		<u>3,159,784.30</u>
 Realized Revenue	 A-2	 <u>\$ 62,974,536.50</u>	 <u>\$ 2,473,605.66</u>	 <u>\$ 65,448,142.16</u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF NONBUDGET REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

A-2c

	<u>Ref.</u>		
<u>Nonbudget Revenue</u>			
Prior Year Insurance Reimbursements		\$ 242,010.49	
FEMA Reimbursements		8,725.24	
Administrative Fee - State of N.J.			
Senior Citizens and Veterans		2,380.00	
North Bergen Library Reimbursement		110,151.34	
Community Action Rent		20,000.00	
Sale of Township Property		22,260.52	
Board of Education Reimbursements		100,550.00	
Rinaldi Bus Parking		20,000.00	
Utility Rebates		80,487.30	
Prior Year Reimbursements		6,720.85	
Parking Authority Reimbursements		24,649.99	
NJDMV Reimbursement		9,351.00	
Void Checks		49,044.32	
Vending Machine Commissions		1,017.00	
Snack Bar - Pool Complex		10,000.00	
Marriage and Civil Ceremonies		14,150.00	
State Restitution - Courts		366.00	
Escheated Funds		71,085.76	
Election Poll Rental		150.00	
Bus Shelter Fee		8,328.53	
Passaic Valley Rebate		12,447.02	
Other		<u>46,525.91</u>	
	A-4		\$ 860,401.27
Plus: Other Accounts Receivable	A-10	5,904.31	
Due from Claims Fund (Void Checks)	A-22	11,078.58	
Other Liens Receivable	A-11	1,708.16	
Interfunds Receivable	A-13	8,921.77	
Interfunds Payable	A-20	<u>2,760.00</u>	
			<u>30,372.82</u>
	A-1, A-2		<u>\$ 890,774.09</u>

See accompanying notes to financial statements.

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

Appropriation	Appropriations		Expended		Reserved		Unexpended Balance Canceled
	Budget	Modified Budget	Paid or Charged	Encumbered	Unencumbered	Unencumbered	
APPROPRIATIONS WITHIN "CAPS":							
DEPARTMENT OF PUBLIC AFFAIRS							
Director's Office:							
Salaries and Wages	\$ 223,460.00	\$ 213,460.00	\$ 209,140.66	\$ 365.33	\$ 4,319.34	\$ 13,636.87	\$
Other Expenses	20,000.00	20,000.00	5,795.80				
Purchasing:							
Salaries and Wages	215,220.00	219,083.82	219,083.82		2,748.89		
Other Expenses	4,800.00	4,800.00	1,791.59		259.52		
Central Purchasing	112,550.00	112,550.00	100,567.99		6,504.96		
Township Administrator:							
Salaries and Wages	550,650.00	566,997.74	566,997.74		5,867.70		
Other Expenses	14,000.00	14,000.00	7,420.03				
Township Clerk's Office:							
Salaries and Wages	128,025.00	134,672.71	134,672.71		460.99		
Other Expenses	21,500.00	21,500.00	20,960.01				
North Hudson Council of Mayors:							
Other Expenses	127,000.00	127,000.00	111,280.00		15,720.00		
Elections:							
Other Expenses	180,000.00	180,000.00	174,660.31		3,864.69		
Public Information:							
Other Expenses	340,000.00	340,000.00	265,967.30		26,881.53		
Printing and Legal Advertising:							
Other Expenses	32,000.00	33,141.60	33,141.60				
Consulting Services:							
Other Expenses	90,000.00	90,000.00	85,987.90		715.00		
Rent Control:							
Salaries and Wages	71,190.00	72,031.00	72,031.00		16,725.02		
Other Expenses	40,000.00	40,000.00	23,274.98				
Legal Services and Costs:							
Salaries and Wages	256,730.00	149,930.00	149,821.84		108.16		
Miscellaneous Other Expenses	8,000.00	8,000.00	3,076.00		4,632.35		
Registrar of Vital Statistics:							
Salaries and Wages	45,115.00	45,115.00	45,077.98		37.02		
Other Expenses	3,500.00	3,500.00	1,969.00		176.80		
Office of Community Services:							
Salaries and Wages	752,365.00	752,365.00	739,813.18		12,551.82		
Other Expenses	79,600.00	81,241.33	75,445.06		5,661.27		
Consumer Affairs Office:							
Salaries and Wages	16,400.00						
Board of Health:							
Salaries and Wages	571,015.00	556,015.00	555,688.80		325.20		
Other Expenses	68,615.00	68,615.00	25,443.97		6,632.02		
Special Litigation:							
Other Expenses	650,000.00	786,408.05	717,419.49		67,988.56		
License Officer:							
Salaries and Wages	42,630.00	46,587.34	46,587.34		1,776.67		
Other Expenses	5,000.00	5,000.00	3,186.12		35.21		
Animal Control:							
Other Expenses	145,000.00	145,000.00	144,999.96		0.04		
Economic Development:							
Other Expenses	20,000.00						
Municipal Court:							
Salaries and Wages	712,495.00	672,633.43	641,449.94		31,183.49		
Other Expenses	156,200.00	156,200.00	98,729.57		46,197.91		
Group Health Insurance	12,620,000.00	12,620,000.00	11,289,909.54		1,330,090.46		
Health Benefit Waiver	220,000.00	220,000.00	196,123.50		23,876.50		

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

Appropriation	Appropriations		Paid or Charged	Expended		Reserved		Unexpended Balance Carried
	Budget	Modified Budget		Encumbered	Unencumbered			
APPROPRIATIONS WITHIN "CAPS"								
DEPARTMENT OF PUBLIC AFFAIRS								
Other Insurance	\$ 2,000,000.00	\$ 2,000,000.00	\$ 1,992,966.34	\$	\$ 7,031.65	\$	\$	
Unemployment Insurance	100,000.00	100,000.00	100,000.00					
Total Department of Public Affairs	20,643,000.00	20,604,847.02	18,860,486.07	150,487.68	1,593,873.27			
DEPARTMENT OF REVENUE AND FINANCE								
Director's Office:								
Salaries and Wages	121,770.00	91,167.47	91,167.47					
Other Expenses	4,000.00	4,000.00	3,842.84		157.16			
Tax Collector:								
Salaries and Wages	287,360.00	257,360.00	251,675.36		5,684.64			
Other Expenses	33,800.00	33,800.00	22,037.00	4,426.50	7,336.50			
Tax Assessor:								
Salaries and Wages	150,310.00	150,310.00	150,267.34		42.66			
Other Expenses	35,000.00	35,000.00	1,161.49		33,838.51			
Tax Assessor Consultant:								
Other Expenses	100,000.00	100,000.00	49,022.32	1,079.35	49,998.33			
Financial Administration:								
Salaries and Wages	270,350.00	273,813.46	272,813.46		1,000.00			
Other Expenses	125,000.00	125,000.00	104,297.54	11,085.72	9,616.74			
Annual Audit	100,000.00	100,000.00	100,000.00					
Special Services	100,000.00	100,000.00	56,422.14	1,888.02	41,689.84			
Housing Inspections:								
Salaries and Wages	120,410.00	120,410.00	116,627.78		3,782.22			
Other Expenses	5,000.00	5,000.00	3,080.17		1,919.83			
Postage	62,000.00	62,000.00	57,522.40		4,477.60			
Total Department of Revenue and Finance	1,505,000.00	1,467,860.93	1,289,937.31	18,479.59	159,444.03			
DEPARTMENT OF PUBLIC SAFETY								
Director's Office:								
Salaries and Wages	317,750.00	287,750.00	283,893.38		3,856.62			
Other Expenses	6,500.00	6,500.00	3,518.93		2,981.07			
School Crossing Guards:								
Salaries and Wages	715,225.00	715,225.00	674,838.60		40,386.40			
Other Expenses	4,500.00	4,843.03	4,843.03					
Police:								
Salaries and Wages	11,225,340.00	11,225,340.00	10,761,778.02		463,561.98			
Other Expenses	606,000.00	606,000.00	456,737.02	42,313.40	106,949.58			
Clothing Allowance	81,000.00	81,000.00	77,568.75		3,431.25			
CCTV:								
Salaries and Wages	272,000.00	249,958.45	210,199.75		39,758.70			
Ambulance:								
Salaries and Wages	865,000.00	865,000.00	826,724.89		38,275.11			
Other Expenses	60,000.00	60,000.00	31,972.65	9,884.40	18,132.95			
Traffic Committee:								
Other Expenses	6,500.00	6,500.00	6,500.00					
Alarm System:								
Salaries and Wages	170,780.00	173,780.00	173,302.42		477.58			
Other Expenses	10,000.00	10,000.00	2,475.00		7,525.00			
ABC Board:								
Other Expenses	55,000.00	55,000.00	29,186.86	620.00	25,193.14			
Chaplains:								
Other Expenses	2,500.00	2,500.00	1,750.00		750.00			
Uniform Fire Safety Act:								
Salaries and Wages	204,550.00	204,550.00	172,327.64		32,222.36			

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

Appropriation	Appropriations		Paid or Charged		Expended		Reserved		Unexpended Balances Canceled
	Budget	Modified Budget			Encumbered	Unencumbered	Unencumbered		
APPROPRIATIONS WITHIN "CAPS":									
DEPARTMENT OF PUBLIC SAFETY									
Municipal Prosecutor:									
Salaries and Wages	\$ 80,655.00	\$ 91,905.00	\$ 91,904.86	\$	\$	\$ 0.14	\$	\$	
Other Expenses	10,000.00	10,000.00	1,200.00			8,800.00			
Vehicle Maintenance:									
Salaries and Wages	433,795.00	433,795.00	419,197.52			14,597.48			
Other Expenses	657,160.00	657,160.00	452,238.69			63,451.39			
Total Department of Public Safety	15,784,255.00	15,745,905.48	14,662,199.41			116,279.19			948,369.08
DEPARTMENT OF PUBLIC WORKS									
Director's Office:									
Salaries and Wages	163,955.00	170,255.00	170,242.61			12.19			
Other Expenses	10,000.00	10,000.00	6,016.49			409.55			3,573.96
Engineering:									
Other Expenses	85,000.00	85,000.00	72,339.68			6,637.46			6,022.86
Streets and Roads:									
Salaries and Wages	2,616,870.00	2,616,870.00	2,313,833.46			303,036.54			
Other Expenses	750,000.00	750,000.00	590,742.76			38,608.41			120,648.83
Board of Adjustment:									
Other Expenses	89,175.00	89,175.00	26,179.42			500.00			62,495.58
Planning Board:									
Other Expenses	90,000.00	90,000.00	21,821.86			68,178.14			
Total Department of Public Works	3,805,000.00	3,811,300.00	3,201,176.48			46,155.42			563,363.10
DEPARTMENT OF PARKS AND PUBLIC PROPERTY									
Director's Office:									
Salaries and Wages	200,595.00	159,865.65	133,088.99			26,776.66			
Other Expenses	3,500.00	3,500.00	2,072.64			1,427.36			
Parks and Playgrounds:									
Salaries and Wages	907,075.00	907,075.00	895,919.73			11,155.27			
Other Expenses	95,100.00	95,100.00	73,251.80			6,082.66			15,765.54
Pool:									
Salaries and Wages	231,000.00	240,618.96	239,148.38			1,470.58			
Other Expenses	140,000.00	140,000.00	111,952.35			22,781.25			
Public Events:									
Other Expenses	5,000.00	35,000.00	28,147.08			7,100.00			6,142.92
Public Buildings and Grounds:									
Salaries and Wages	189,945.00	230,928.99	228,908.52			2,020.47			
Other Expenses	222,080.00	222,080.00	139,709.18			4,477.58			77,693.24
Recreation:									
Salaries and Wages	613,705.00	613,705.00	585,004.26			78,700.74			
Other Expenses	322,000.00	361,362.76	350,557.58			4,260.66			
Total Department of Parks and Public Property	2,930,000.00	3,009,236.36	2,737,760.51			23,232.59			248,243.26
UNIFORM CONSTRUCTION CODE									
Chief Administrator of Enforcement:									
Salaries and Wages	88,955.00	88,955.00	88,849.56			105.44			
Other Expenses	1,840.00	1,840.00				1,840.00			
Building Department:									
Salaries and Wages	458,985.00	458,985.00	454,970.75			4,024.25			
Other Expenses	18,000.00	18,000.00	14,022.33			2,881.45			
Plumbing Department:									
Salaries and Wages	67,210.00	84,914.20	84,914.20						
Other Expenses	2,500.00	2,500.00	1,096.20			1,403.80			

See accompanying notes to financial statements.

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

Appropriation	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Modified Budget		Encumbered	Reserved Unencumbered	
APPROPRIATIONS WITHIN "CAPS":						
UNIFORM CONSTRUCTION CODE (CONTINUED):						
Fire Protection Officials:						
Other Expenses	\$ 1,500.00	\$ 1,500.00	\$ 278.68		\$ 1,221.32	
Total Uniform Construction Code	\$ 698,000.00	\$ 698,704.20	\$ 644,131.72	\$ 1,086.22	\$ 11,476.26	
UNCLASSIFIED						
Municipal Utilities Authority	6,324,000.00	6,324,000.01	6,324,000.01			
Gasoline	550,000.00	550,000.00	115,229.61	19,344.51	415,425.88	
Electricity	622,000.00	622,000.00	456,692.97	25,932.66	137,374.37	
Telephone	215,000.00	215,000.00	197,189.45	2,359.73	15,450.82	
Street Lighting	730,000.00	730,000.00	583,659.13	4,302.81	142,038.06	
Fire Hydrant Service	451,000.00	451,000.00	378,417.82		38,194.04	
Water	80,000.00	89,500.00	80,660.79	1,161.27	7,677.94	
Total Unclassified	8,972,000.00	8,981,500.01	8,137,846.78	87,489.12	756,161.11	
CONTINGENT						
Total Operations Within "CAPS"	25,000.00	25,000.00			25,000.00	
Total Operations Within "CAPS"	54,303,255.00	54,303,255.00	49,553,500.08	443,219.81	4,306,636.11	
Detail:						
Salaries and Wages	24,348,835.00	24,151,438.22	23,031,965.16		1,119,473.06	
Other Expenses	29,954,420.00	30,151,816.78	26,521,534.92	443,219.81	3,187,062.05	
DEFERRED CHARGES AND STATUTORY EXPENDITURES						
Statutory Expenditures:						
Contribution to:						
Social Security System	1,100,000.00	1,100,000.00	1,095,624.72		4,375.28	
Public Employees' Retirement System	1,239,421.00	1,239,421.00	1,237,581.37		1,839.63	
Pension Adjustment Fund	30,000.00	30,000.00	21,479.46		8,520.54	
Police & Fireman's Retirement System	2,456,210.00	2,456,210.00	2,456,210.00			
Total Deferred Charges and Statutory Expenditures	4,825,631.00	4,825,631.00	4,810,845.55		14,785.46	
Total Appropriations Within "CAPS"	59,128,886.00	59,128,886.00	54,364,345.63	443,219.81	4,321,320.56	
APPROPRIATIONS EXCLUDED FROM "CAPS":						
OTHER OPERATIONS						
Maintenance of Free Public Library	2,200,000.00	2,200,000.00	2,200,000.00			
Operations - 911:						
Salaries and Wages	131,197.00	131,197.00	131,197.00			
Reserve to Pay Tax Appeals	933,000.00	933,000.00	933,000.00			
Total Other Operations	3,264,197.00	3,264,197.00	3,264,197.00			

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

Appropriation	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Modified Budget		Encumbered	Reserved Unencumbered	
APPROPRIATIONS EXCLUDED FROM "CAPS":						
INTERLOCAL MUNICIPAL AGREEMENTS						
North Hudson Regional Fire and Rescue:						
Other Expenses	\$ 13,872,000.00	\$ 13,872,000.00	\$ 13,721,989.84	\$	\$ 150,000.16	\$
Regional Communications:						
Other Expenses	219,000.00	219,000.00	211,906.52		7,093.48	
Total Other Operations	14,091,000.00	14,091,000.00	13,933,906.36		157,093.64	
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUE						
Summer Food Program:						
Other Expenses	53,876.46	53,876.46	53,876.46			
Handicapped Grant:						
Other Expenses	20,000.00	20,000.00	20,000.00			
Drug Alliance:						
Salaries and Wages						
Other Expenses	52,503.50	52,503.50	52,503.50			
Clean Communities Grant:						
Other Expenses	89,575.15	89,575.15	89,575.15			
Sustainable Jersey:						
Other Expenses	10,000.00	10,000.00	10,000.00			
Pedestrian Safety Grant:						
Other Expenses	16,000.00	16,000.00	16,000.00			
Body Armor Fund:						
Other Expenses	10,350.72	10,350.72	10,350.72			
Green Acres						
Other Expenses	1,100,000.00	1,100,000.00	1,100,000.00			
Division of Highway Safety:						
Other Expenses	19,000.00	19,000.00	19,000.00			
Emergency Management:						
FEIMA Grant	245,773.00	245,773.00	245,773.00			
State Housing Inspection Program:						
Other Expenses	21,000.00	21,000.00	21,000.00			
DOT - NJ Transportation Trust:						
Other Expenses	302,876.00	302,876.00	302,876.00			
Alcohol Education and Rehabilitation:						
Other Expenses	2,475.19	2,475.19	2,475.19			
Matching Funds for Grants	4,400.00	4,400.00			4,400.00	
Matching Funds - Drug Alliance	36,000.00	36,000.00	36,000.00			
Matching Funds - Handicapped Grant	4,000.00	4,000.00	4,000.00			
	1,987,850.02	1,987,850.02	1,983,450.02		4,400.00	

TOWNSHIP OF NORTH BERGEN
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

Appropriation	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Modified Budget		Encumbered	Reserved Unencumbered	
Total Operations Excluded from "CAPS"	\$ 19,343,027.02	\$ 19,343,027.02	\$ 19,181,533.38	\$	\$ 161,493.64	\$
Detail:						
Salaries and Wages	171,197.00	152,197.00	152,197.00			
Other Expenses	19,171,830.02	19,190,830.02	19,029,336.38		161,493.64	
CAPITAL IMPROVEMENTS						
Capital Improvement Fund	142,183.20	142,183.20	140,000.00		2,183.20	
MUNICIPAL DEBT SERVICE						
Payment of Bond Principal	1,930,000.00	1,930,000.00	1,930,000.00			4,065.00
Payment of Bond Anticipation Notes	1,820,000.00	1,820,000.00	1,815,915.00			332.50
Interest on Bonds	1,200,000.00	1,200,000.00	1,199,667.50			933.05
Interest on Notes	245,000.00	245,000.00	244,066.95			
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	60,000.00	60,000.00	55,788.25			4,211.75
MUNICIPAL DEBT PIPELINE DEBT	160,000.00	160,000.00	152,596.59			7,403.41
NHRF Lease Payable	1,111,000.00	1,111,000.00	1,110,420.00			580.00
Total Municipal Debt Service	6,526,000.00	6,526,000.00	6,508,454.29			17,545.71
DEFERRED CHARGES						
Emergency Authorization	280,000.00	280,000.00	280,000.00			
Special Emergency Authorizations	280,000.00	280,000.00	280,000.00			
DEFERRED CHARGES						
Judgments	50,000.00	50,000.00				50,000.00
Total Appropriations Excluded from "CAPS"	26,341,210.22	26,341,210.22	26,109,987.67		163,676.84	67,545.71
Sub-Total Appropriations	85,470,096.22	85,470,096.22	80,474,333.30	443,219.81	4,484,997.40	67,545.71
Reserve for Uncollected Taxes	3,159,784.30	3,159,784.30	3,159,784.30			
Total Appropriations	\$ 88,629,880.52	\$ 88,629,880.52	\$ 83,634,117.60	\$ 443,219.81	\$ 4,484,997.40	\$ 67,545.71

APPROPRIATIONS EXCLUDED FROM "CAPS"

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

A-3
Sheet #7

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

Appropriation	Ref.	Appropriations Modified Budget	Paid or Charged	Expended		Reserved Unencumbered	Unexpended Balance Canceled
				Encumbered	Unencumbered		
Modified Budget	A-2	\$ 88,629,880.52	\$	\$	\$		\$
Emergency Appropriation	A-14		280,000.00				
Reserve for Uncollected Taxes	A-2b	(3,159,784.30)	3,159,784.30				
Cash Disbursed	A-4		5,253,252.37				
Interfunds Receivable - Net	A-13		26,118,828.72				
Interfunds Payable	A-20		2,587,612.16				
Claims Fund	A-22		45,301,640.05				
Tax Overpayments	A-23		933,000.00				
Encumbered	A, A-3 Sheet #6			443,219.81		4,484,997.40	67,545.71
Unencumbered	A, A-3 Sheet #6						
Cancelled	A, A-3 Sheet #6	(67,545.71)					
		<u>\$ 85,402,550.51</u>	<u>\$ 83,634,117.60</u>	<u>\$ 443,219.81</u>	<u>\$ 4,484,997.40</u>	<u>\$ 67,545.71</u>	
	Ref. A-1		A-3 Sheet #6	A	A	A	Above

See accompanying notes to financial statements.

TOWNSHIP OF NORTH BERGEN
TRUST FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2015 AND 2014

B
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	Balance <u>December 31, 2015</u>	Balance <u>December 31, 2014</u>
<u>Animal Control Trust Fund</u>			
Cash	B-2	\$ 19,795.10	\$ 16,533.50
<u>Other Funds</u>			
Cash	B-2	5,508,194.98	4,641,445.79
Account Receivable	B-4	447,884.53	172,237.28
Interfund Receivable	B-5		1,336,270.76
		<u>5,956,079.51</u>	<u>6,149,953.83</u>
<u>Insurance Fund</u>			
Cash	B-2	682,883.48	383,088.53
<u>Community Development Trust Fund</u>			
Cash	B-2	7,146.45	31,592.69
Due from Housing and Urban Development	B-3	1,380,851.58	1,318,932.93
		<u>1,387,998.03</u>	<u>1,350,525.62</u>
<u>Payroll Fund</u>			
Cash	B-2	248,916.80	267,989.33
		<u>\$ 8,295,672.92</u>	<u>\$ 8,168,090.81</u>

TOWNSHIP OF NORTH BERGEN
TRUST FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2015 AND 2014

B
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCES</u>	<u>Ref.</u>	<u>Balance</u> <u>December 31, 2015</u>	<u>Balance</u> <u>December 31, 2014</u>
<u>Animal Control Trust Fund</u>			
Due to State of New Jersey	B-6	\$ 6.60	\$ 2.40
Reserve for Animal Control Expenditures	B-13	19,788.50	16,531.10
		<u>19,795.10</u>	<u>16,533.50</u>
<u>Other Funds</u>			
Interfund Payable	B-11	362,514.00	
Reserve for Special Deposits	B-14	5,592,907.27	6,091,284.34
Reserve for Urban Enterprise Zone	B-9		58,011.25
Fund Balance	B-1	658.24	658.24
		<u>5,956,079.51</u>	<u>6,149,953.83</u>
<u>Insurance Fund</u>			
Accounts Payable	B-12	28,543.12	7,294.90
Reserve for:			
Unemployment Compensation Insurance	B-16	50,975.69	30,320.46
Self-Insurance	B-16	603,364.67	345,473.17
		<u>682,883.48</u>	<u>383,088.53</u>
<u>Community Development Trust Fund</u>			
Interfund Payable	B-11	106,447.50	71,447.50
Reserve for Community Development Trust Fund:			
Department of Housing and Urban Development	B-15	1,281,550.53	1,279,078.12
		<u>1,387,998.03</u>	<u>1,350,525.62</u>
<u>Payroll Fund</u>			
Due to Current Fund	B-11		27,012.50
Payroll Deductions Payable	B-7	248,916.80	240,976.83
		<u>248,916.80</u>	<u>267,989.33</u>
		<u>\$ 8,295,672.92</u>	<u>\$ 8,168,090.81</u>

See accompanying notes to financial statements.

TOWNSHIP OF NORTH BERGEN
TRUST FUND

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

B-1

	<u>Ref.</u>	<u>Other Trust Fund</u>
Balance, December 31, 2014	B	<u>\$ 658.24</u>
Balance, December 31, 2015	B	<u><u>\$ 658.24</u></u>

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2015 AND 2014

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>December 31, 2015</u>	<u>Balance</u> <u>December 31, 2014</u>
Cash	C-2	\$ 2,230,215.70	\$ 3,617,848.28
Interfunds Receivable	C-4	1,160,818.14	681,447.50
Due from State of New Jersey:			
Green Acres Trust Program	C-6	1,500,000.00	1,500,000.00
Due from County Open Space	C-7		17,685.94
Due from Town of Guttenberg	C-8	338,854.00	338,854.00
Deferred Charges to Future Taxation - Funded	C-9	37,339,682.34	39,846,971.71
Deferred Charges to Future Taxation - Unfunded	C-10	<u>27,302,068.00</u>	<u>26,475,668.94</u>
		<u>\$ 69,871,638.18</u>	<u>\$ 72,478,476.37</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-19	\$ 27,557,000.00	\$ 29,487,000.00
Bond Anticipation Notes Payable	C-18	25,463,214.00	24,619,129.00
Capital Leases Payable	C-16	7,689,368.50	8,113,146.50
Green Acres Loans Payable	C-15	306,117.08	353,988.87
Environmental Infrastructure Loan Payable	C-17	1,787,196.76	1,892,836.34
Interfunds Payable	C-4		1,164,380.86
Capital Improvement Fund	C-12	26,992.00	26,992.00
Improvement Authorizations:			
Funded	C-11	37,315.33	38,930.33
Unfunded	C-11	4,572,877.48	4,457,045.28
Reserve for Future Improvements	C-13	327,575.00	277,575.00
Reserve for Grants and Other Receivables	C-14	1,838,854.00	1,856,539.94
Fund Balance	C-1	<u>265,128.03</u>	<u>190,912.25</u>
		<u>\$ 69,871,638.18</u>	<u>\$ 72,478,476.37</u>
 Bonds and Notes Authorized but Not Issued	 C-20	 <u>\$ 1,838,854.00</u>	 <u>\$ 1,856,539.94</u>

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

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

C-1

	<u>Ref.</u>	
Balance, December 31, 2014	C	\$ 190,912.25
Increased by:		
Premium on Sale of Notes and Bonds	C-2	<u>259,215.78</u>
		450,128.03
Decreased by:		
Anticipated Revenue	C-4	<u>185,000.00</u>
Balance, December 31, 2015	C	<u><u>\$ 265,128.03</u></u>

TOWNSHIP OF NORTH BERGEN
PUBLIC ASSISTANCE TRUST FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2015 AND 2014

D

<u>ASSETS</u>	<u>Ref.</u>	Balance <u>December 31, 2015</u>	Balance <u>December 31, 2014</u>
<u>Trust Fund Account #1</u>			
Cash	D-1	\$ <u>1,653.87</u>	\$ <u>1,903.87</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
<u>Trust Fund Account #1</u>			
Reserve for Expenditures	D-1	\$ <u>1,653.87</u>	\$ <u>1,903.87</u>

TOWNSHIP OF NORTH BERGEN
CAPITAL FIXED ASSETS

BALANCE SHEET
REGULATORY BASIS
DECEMBER 31, 2015

E

CAPITAL FIXED ASSETS

Land	\$ 8,669,400.00
Building and Site Improvements	25,656,936.00
Machinery and Equipment	<u>23,343,978.12</u>
	<u>\$ 57,670,314.12</u>

RESERVE

Investment in Capital Fixed Assets	<u>\$ 57,670,314.12</u>
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NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF NORTH BERGEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Since 1931, The Township of North Bergen, Hudson County, New Jersey (the "Township"), has been governed under the Walsh Act form of New Jersey municipal government. The government consists of five commissioners elected at large to the Township Committee in non-partisan elections to serve four year terms of office on a concurrent basis. After each election, the Commissioners select one of their members to serve as mayor and each individual is assigned to head one of the five Commissions. The Township's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, water and sewer, and general administrative services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Township conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), which is an other reporting framework 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 Borough accounts for its financial transactions through the separate funds, which differ from the fund structure in accordance with GAAP.

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

GASB has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, 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. The financial statements contained herein include only those boards, bodies, officers or commissions as required by the provisions of N.J.S.A. 40A:5-5. The financial statements of the Township, however, do not include the operations of the Municipal Library, Municipal Parking Authority or the Municipal Utilities Authority, which are separate entities subject to a separate examination.

The Township 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 Township functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those Funds.

The Township has the following funds and account groups:

Current Fund - Encompasses resources and expenditures for basic governmental operations. Fiscal activity of Federal and State grant programs are also included therein.

Trust Funds - The records of receipts, disbursements and custodianship of monies in accordance with the purpose for which each account was created are maintained in Trust Funds. These include the Animal Control Fund, General Trust Fund, Federal Housing and Urban Development Fund, Payroll Account and the Self-insurance Fund.

TOWNSHIP OF NORTH BERGEN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

General Capital Fund - The receipts and expenditure records for the acquisition of general infrastructure and other capital facilities, other than those acquired in the Current Fund, are maintained in this Fund, as well as related long-term debt accounts.

Public Assistance Trust Fund - Receipts and disbursements of funds that provide assistance to certain residents of the Township which are not covered under the provisions of Title 44 of the New Jersey statutes are maintained in the Public Assistance Trust Fund.

Capital Fixed Assets - These accounts reflect estimated valuations of land, buildings and certain moveable fixed assets of the Township.

Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from GAAP. The accounting system is maintained on the modified accrual basis with certain exceptions. Basis of accounting policies in New Jersey are summarized as follows:

Property Taxes and Other Revenue

Property taxes and other revenue are realized when collected in cash or approved by regulation for accrual from certain sources of the State of New Jersey and the Federal Government. Accruals of taxes and other revenue are otherwise deferred as to realization by the establishment of offsetting reserve accounts. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant Revenue

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

Expenditures

Expenditures for general operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts which may have been cancelled by the governing body or by statutory regulation, are automatically recorded as liabilities at year end, under the title of "Appropriation Reserves". Amounts unexpended at the end of the second year are lapsed and are recorded as income.

Grant appropriations are charged upon budget adoption to create separate spending reserves.

Budgeted transfers to the Capital Improvement Fund are recorded as expenditures to the extent permitted by law.

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

Budget Appropriations for interest on General Capital is recognized on the cash basis and is not accrued on the records; interest on Utility Debt is recognized on the accrual basis and so recorded.

GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

TOWNSHIP OF NORTH BERGEN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

2. *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

Encumbrances

As of January 1, 1986, all local units were required to maintain an encumbrance accounting system. This directive states that contractual orders outstanding at year end, are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

Compensated Absences

Expenditures relating to obligations for unused vested accumulated sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes

Property Acquired for Taxes (Foreclosed Property) is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. GAAP requires such property to be recorded in the capital fixed assets at appraised value on the date of acquisition.

Self-Insurance Contributions

Contributions to self-insurance funds are charged to budget appropriations. GAAP requires that payments be accounted for as an operating transfer and not as an expenditure.

Interfunds Receivable

Interfunds Receivable in the Current Fund are generally recorded with offsetting reserves which are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interfunds Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfunds Receivable of one fund are offset with Interfunds Payable of the fund. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies

Materials and supplies purchased by all funds are recorded as expenditures.

An annual inventory of materials and supplies for utilities is required, by regulation, to be prepared by Township personnel for inclusion on the Utility Operating Funds' Balance Sheet. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. Materials and supplies of other funds are not inventoried nor included on their respective balance sheet. The Township does not maintain a utility.

TOWNSHIP OF NORTH BERGEN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Capital Fixed Assets

In accordance with GAAP, the Township has developed a fixed asset accounting and reporting system. Fixed assets used in governmental operations (capital fixed assets) are accounted for in the Capital Fixed Assets. Public domain (infrastructure) capital fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems, are not capitalized.

Acquisitions of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual fixed asset record.

Depreciation of assets is not recorded as an operating expense of the Township.

Basic Financial Statements

The GASB also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents, which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

3. **CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash and Cash Equivalents

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities which mature within two years provided, however, the average maturity of all investments in the Fund shall not exceed one year. Collateralization of fund investments is generally not required.

In addition, by regulation of the Division, municipalities are allowed to deposit funds in the Municipal Bond Insurance Association (MBIA) through their investment management company, the Municipal Investors Service Corporation.

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey (GUDPA), public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds or;

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Board, The Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

TOWNSHIP OF NORTH BERGEN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

3. **CASH, CASH EQUIVALENTS AND INVESTMENTS** *(continued)*

All cash and cash equivalents were covered under either FDIC insurance or GUDPA.

Investments

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

- . Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- . Government money market mutual funds.
- . Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- . Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- . Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.
- . Local government investment pools, such as New Jersey CLASS, and the New Jersey Arbitrage Rebate Management Program.
- . New Jersey State Cash Management Fund.
- . Repurchase agreements of fully collateralized securities, subject to special conditions.

4. **TAXES AND TAX TITLE LIENS RECEIVABLE**

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the Township, County and School purposes. Certified adopted budgets are submitted to the County Board of Taxation (the "Board") by each taxing district. The tax rate is determined by the Board upon the filing of these budgets.

Municipalities operating under a calendar fiscal year budget are required by statute to mail tax bills once a year on or about July 20th.

Tax installments not paid by the above due dates are subject to interest penalties. The rate of interest is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The resolution also sets a grace period of ten days before interest is calculated.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes became in arrears are subject to the tax sale provisions of the New Jersey statutes. The municipality may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

TOWNSHIP OF NORTH BERGEN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

4. TAXES AND TAX TITLE LIENS RECEIVABLE (continued)

The following is a five year comparison of certain statistical information relative to property taxes and property tax collections:

Comparative Schedule of Tax Rates

	Calendar Year <u>2015</u>	Calendar Year <u>2014</u>	Calendar Year <u>2013</u>	Calendar Year <u>2012</u>	Calendar Year <u>2011</u>
Tax Rate	<u>\$ 5.291</u>	<u>\$ 5.240</u>	<u>\$ 5.147</u>	<u>\$ 4.953</u>	<u>\$ 4.843</u>
Apportionment of Tax Rate:					
Municipal (including Library)	\$ 2.456	\$ 2.460	\$ 2.399	\$ 2.260	\$ 2.203
County	1.007	0.983	1.010	1.002	0.996
School	1.818	1.787	1.734	1.671	1.633
Open Space - County	<u>0.010</u>	<u>0.010</u>	<u>0.004</u>	<u>0.020</u>	<u>0.011</u>

Assessed Valuations

Calendar <u>Year</u>	<u>Amount</u>
2015	\$ 2,537,135,875.00
2014	2,485,024,557.00
2013	2,489,221,847.00
2012	2,521,083,215.00
2011	2,532,093,789.00

Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>	
CY 2015	\$ 134,669,781.21	\$ 131,772,784.26	97.84	%
CY 2014	130,389,573.64	127,412,359.74	97.71	
CY 2013	128,465,679.33	125,798,593.76	97.92	
CY 2012	125,152,305.79	122,460,585.12	97.85	
TY 2011 **	62,082,757.02	59,111,606.08	95.21	

TOWNSHIP OF NORTH BERGEN

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015**

4. TAXES AND TAX TITLE LIENS RECEIVABLE (continued)

Delinquent Taxes and Tax Title Liens

<u>Year</u>	Amount of Tax Title <u>Liens</u>	Amount of Delinquent <u>Taxes</u>	Total <u>Delinquent</u>	Percentage of <u>Tax Levy</u>
CY 2015	\$ 1,278,571.37	\$ 2,213,199.54	\$ 3,491,770.91	2.59 %
CY 2014	1,133,045.94	2,441,257.80	3,574,303.74	2.74
CY 2013	1,023,725.89	2,188,779.92	3,212,505.81	2.50
CY 2012	875,674.10	2,076,926.82	2,952,600.92	2.36
TY 2011 **	1,027,517.37	2,250,727.75	3,278,245.12	5.28

** Effective January 2012, the Township converted to a calendar year.

5. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of properties acquired by tax title lien liquidation is carried at assessed valuation in the year of acquisition, was as follows:

<u>Year</u>	<u>Amount</u>
2015	\$6,543,000.00
2014	6,543,000.00
2013	6,543,000.00
2012	6,543,000.00

6. FUND BALANCES APPROPRIATED

<u>Year</u>	<u>Balance</u>	<u>Utilized in Budgets of Succeeding Year</u>
Current Fund:		
CY2015	\$ 10,704,810.72	\$ 3,900,000.00
CY2014	8,868,008.75	2,000,000.00
CY2013	6,500,206.10	2,000,000.00
CY2012	5,804,770.95	2,400,000.00
TY2011 **	8,573,290.30	5,000,000.00 *

* Transition year budget July 1, 2011 to December 31, 2011.

** Effective January 1, 2012, the Township converted to a calendar year budget.

TOWNSHIP OF NORTH BERGEN

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015**

7. MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Pursuant to N.J.S.A. 40A:2-8, bond anticipation notes, which are issued to temporarily finance capital projects, cannot be renewed past the third anniversary unless an amount equal to at least the first legal requirement is paid prior to each anniversary and must be paid off within ten years and five months or retired by the issuance of bonds.

Summary of Municipal Debt (Excluding Operating and School Debt)

	<u>Calendar Year 2015</u>	<u>Calendar Year 2014</u>	<u>Calendar Year 2013</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 53,020,214.00	\$ 54,106,129.00	\$ 54,092,250.00
Green Trust Loan	306,117.08	353,988.87	401,237.21
Environmental Infra- structure Loan	1,787,196.76	1,892,836.34	1,998,525.43
 Bonds Issued by Another Public Entity Guaranteed by Municipality	 55,178,043.00	 57,210,563.00	 62,806,121.00
Total Issued	<u>110,291,570.84</u>	<u>113,563,517.21</u>	<u>119,298,133.64</u>
 <u>Authorized but Not Issued</u>			
General:			
Bonds and Notes	<u>1,838,854.00</u>	<u>1,856,539.94</u>	<u>2,850,000.00</u>
 Net Bonds and Notes Issued and Authorized but Not Issued	 <u>\$ 112,130,424.84</u>	 <u>\$ 115,420,057.15</u>	 <u>\$ 122,148,133.64</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summary statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.252%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 3,870,000.00	\$	\$
General Debt	<u>112,130,424.84</u>	<u>55,178,043.00</u>	<u>56,952,381.84</u>
	<u>\$ 116,000,424.84</u>	<u>\$ 55,178,043.00</u>	<u>\$ 56,952,381.84</u>

Net Debt, \$56,952,381.84, divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$4,785,952,085.67 equals 1.190%.

TOWNSHIP OF NORTH BERGEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

7. MUNICIPAL DEBT (continued)

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

3 1/2% of Rqualized valuation Basis	\$ 167,508,323.00
Net Debt	<u>56,952,381.84</u>
 Remaining Borrowing Capacity	 <u><u>\$ 110,555,941.16</u></u>

School Debt Deductions

School debt is deductible up to the extent of 4.0% of the Average Equalized Assessed Valuations of real property for the Local School District.

The Board of Education of the Township is a Type II school district. The members of the Board of Education are elected by the voters of the school district on the third Tuesday in April. At each annual school election, the Board of Education shall submit to the voters of the district the amount of money fixed and determined in its budget, excluding interest and debt redemption charges, to be voted upon for the use of the public schools of the district for the ensuing school year.

Long-Term Debt

The Township issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The full faith and credit of the Township are irrevocably pledged for the payment of the principal of the bonds and interest thereon.

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

General Obligation Bonds

\$11,000,000, 2008 Refunding Bonds, due in annual installments of \$580,000 through August 2018, interest at 5.0%	\$ 1,740,000.00
\$22,472,000, 2009 Bonds, due in annual installments of \$1,072,000 to \$1,490,000 through February 2032, interest at 4.0% to 4.5%	22,472,000.00
\$3,800,000 Tax Appeal Bonds, due in annual installments of \$1,000,000 through February 2016, interest at 4.0%	1,000,000.00
\$3,145,000, 2012 Refunding Bonds, due in annual installments of \$385,000 to \$395,000 through April 2021, interest at 3.00% to 4.00%	<u>2,345,000.00</u>
Total	<u><u>\$27,557,000.00</u></u>

TOWNSHIP OF NORTH BERGEN

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015**

7. MUNICIPAL DEBT (continued)

A Schedule of Annual Debt Service for Principal and Interest for Bonded Debt is as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>General Interest</u>	<u>Total</u>
2016	\$ 1,975,000.00	\$ 1,121,242.50	\$ 3,096,242.50
2017	2,047,000.00	1,038,952.50	3,085,952.50
2018	2,070,000.00	952,787.50	3,022,787.50
2019	1,540,000.00	863,187.50	2,403,187.50
2020	1,780,000.00	796,787.50	2,576,787.50
2021	1,775,000.00	725,687.50	2,500,687.50
2022-2032	16,370,000.00	3,896,881.25	20,266,881.25
	<u>\$ 27,557,000.00</u>	<u>\$ 9,395,526.25</u>	<u>\$ 36,952,526.25</u>

Green Acres Trust Loans

The Township was issued loans from the New Jersey Department of Environmental Protection for the purpose of improvements to the Township parks at an interest rate of 2%. Two new loans were issued to the Township in fiscal year 2010 at a zero percent interest rate. Loans payable at December 31, 2015 in the amount of \$306,117.08 are as follows:

Soccer Field - 1993	\$ 5,879.70
88th Street Park - 1993	16,459.18
Riverview Park - 1995	29,201.28
74th Street Park - 2010	49,448.72
76th Street Field - 2011	205,128.20
	<u>\$ 306,117.08</u>

The following is a Schedule of Annual Principal and Interest for the Green Acres Trust Loans:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 42,569.30	\$ 649.68	\$ 43,218.98
2017	31,504.34	400.21	31,904.55
2018	26,158.88	149.17	26,308.05
2019	16,230.78		16,230.78
2020	16,230.78		16,230.78
2021	16,230.78		16,230.78
2022-2031	157,192.22		157,192.22
	<u>\$ 306,117.08</u>	<u>\$ 1,199.06</u>	<u>\$ 307,316.14</u>

TOWNSHIP OF NORTH BERGEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

7. MUNICIPAL DEBT (continued)

Environmental Infrastructure Trust Loan

The Township has a service contract with the North Bergen Municipal Utility Authority (MUA) in which the MUA provides for the operation of a sewerage system for the Township. The MUA applied for and received an Environmental Infrastructure Trust loan from the State of New Jersey for system upgrades. The Township has agreed to pay fifty percent (50%) of the debt service on the loan. The Township's portion of the loan payable as of December 31, 2015 is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 110,689.09	\$ 38,575.00	\$ 149,264.09
2017	113,189.09	36,075.00	149,264.09
2018	115,689.09	33,450.00	149,139.09
2019	118,189.09	30,700.00	148,889.09
2020	120,689.09	28,400.00	149,089.09
2021	123,189.09	25,400.00	148,589.09
2022-2029	1,085,562.22	110,625.00	1,196,187.22
	<u>\$ 1,787,196.76</u>	<u>\$ 303,225.00</u>	<u>\$ 2,090,421.76</u>

Hudson County Improvement Authority (HCIA)

The Township entered into a regional agreement with other municipalities to establish the North Hudson Regional Fire and Rescue. Debt was issued through the HCIA to build fire houses and for other capital expenditures. Each municipality was apportioned a share of the debt. At December 31, 2015, the Township's share is \$7,689,368.50.

North Bergen Municipal Utilities Authority

The Township guarantees the debt of the Utilities Authority. Debt was issued for construction of a wastewater treatment plant and other capital projects. At December 31, 2015, the Authority's debt guaranteed by the Township is \$55,178,043.00.

Bond Anticipation Notes

Outstanding Bond Anticipation Notes are summarized as follows:

<u>Notes</u>	<u>Interest Rate</u>	<u>Amount</u>
General Capital Fund	1.25%	<u>\$25,463,214.00</u>

TOWNSHIP OF NORTH BERGEN

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015**

8. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS BUDGET

Under N.J.S.A. 40A:4-53, special emergencies, the Township must raise twenty percent per year for accumulated absences. The amount required to be budgeted in 2016 for the emergency is \$280,000.00.

At December 31, 2015, there were deferred charges totaling \$280,000.00. The breakdown of the emergency is as follows:

<u>Year</u>	<u>Purpose</u>	<u>Amount</u>
2011	Accumulated Vacation and Sick Pay	<u>\$ 280,000.00</u>

9. PENSION PLANS

Public Employee Retirement System

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

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

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

Contributing Employers – 1,710

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

Chapter 19, P.L. 2009, effective March 17, 2009, provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State Fiscal Year 2009. Such an employer will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of PERS, by employer, for the reduced normal and accrued liability contributions provided under this law.

This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

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

TOWNSHIP OF NORTH BERGEN

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015**

9. PENSION PLANS (continued)

For the year ended December 31, 2015 the Township's total payroll for all employees was \$22,191,575. Total PERS covered payroll was \$10,211,498. Due to payroll system limitations, covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

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

	<u>2015</u>	<u>2014</u>
Total Regular Billing	1,333,465	1,239,421

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

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

The following represents the membership tiers for PERS:

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

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

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

TOWNSHIP OF NORTH BERGEN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

9. PENSION PLANS (continued)

At June 30, 2015, the PERS reported a net pension liability of \$22,447,996,119 for its Non-State Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Employer Member Group that is attributable to the Township was \$34,817,390 or 0.1551024394%. At June 30, 2014, the PERS reported a net pension liability of \$18,722,735,003 for its Non-State Employer Member Group. The proportionate share of the State of New Jersey's the net pension liability for the Non-State Employer Member Group that is attributable to the Township was \$28,148,662 or 0.1503448186%.

For the year ended December 31, 2015, the Township recognized PERS expense of \$1,333,465. At December 31, 2015 the Township would have reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources, if GASB #68 was recognized:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expensed and actual experience	\$ 830,621	\$ -
Changes in assumptions	3,739,110	-
Net difference between projected and actual earnings on pension plan investments	-	559,797
Changes in proportion and differences between Township contributions and proportionate share of contributions	755,722	-
Township contributions subsequent to the measurement date	1,333,465	-

\$689,500 shown as deferred outflows of resources related to PERS resulting from Township contributions subsequent to the measurement date (December 31, 2015) should have been recognized as a reduction of net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS should have been recognized in pension expense as follows, if GASB #68 was recognized:

<u>Year ended December 31,</u>	<u>Amount</u>
2016	\$ 753,185
2017	753,185
2018	753,185
2019	1,172,562
2020	<u>712,165</u>
Thereafter	
Total	<u>\$14,144,282</u>

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

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

TOWNSHIP OF NORTH BERGEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

9. PENSION PLANS (continued)

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2014 are summarized in the following table:

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

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

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

	<u>At 1% Decrease</u>	<u>At Current Discount Rate</u>	<u>At 1% Increase</u>
PERS	<u>\$55,702,235,475</u>	<u>\$46,170,131,656</u>	<u>\$38,191,749,890</u>
Township's proportionate share	\$42,273,756	\$34,817,390	\$27,727,634

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

Police and Firemen's Retirement System

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

TOWNSHIP OF NORTH BERGEN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

9. PENSION PLANS (continued)

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

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

Contributing Employers – 585

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

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

For the year ended December 31, 2015 the Township's total payroll for all employees was \$22,191,575. Total PFRS covered payroll was \$10,117,315. Due to payroll system limitations, covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

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

	<u>2015</u>	<u>2014</u>
Total PFRS Payment - Regular	<u>\$2,570,726</u>	<u>\$2,456,210</u>

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

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

The following represents the membership tiers for PFRS:

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

TOWNSHIP OF NORTH BERGEN

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015**

9. PENSION PLANS (continued)

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

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

At June 30, 2015, the PFRS reported a net pension liability of \$16,656,574,197 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township’s proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$52,677,972, or 0.3162604823%. At June 30, 2014, the PFRS reported a net pension liability of \$12,579,072,492 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township’s proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$40,226,648, or 0.3197902514%.

For the year ended December 31, 2015, the Township recognized PFRS expense of \$2,570,726. At December 31, 2015 the Township would have reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources, if GASB #68 was recognized:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expensed and actual experience		\$554,667
Changes in assumptions	\$9,725,662	
Net difference between projected and actual earnings on pension plan investments		916,814
Changes in proportion and differences between Township contributions and proportionate share of contributions	1,843,232	387,182
Township contributions subsequent to the measurement date	2,570,726	

\$2,570,726 shown as deferred outflows of resources related to PFRS resulting from Township contributions subsequent to the measurement date (December 31, 2015) should have been recognized as a reduction of net pension liability in the year ended December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PFRS should have been recognized in pension expense as follows, if GASB #68 was recognized:

<u>Year ended December 31,</u>	<u>Amount</u>
2016	\$1,940,644
2017	1,940,644
2018	1,940,644
2019	2,966,893
2020	<u>1,021,336</u>
Total	<u>\$9,810,161</u>

TOWNSHIP OF NORTH BERGEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

9. PENSION PLANS (continued)

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

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

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

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

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

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

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

	<u>At 1% Decrease</u>	<u>At current discount rate</u>	<u>At 1% increase</u>
PFRS	\$69,446,291	\$52,677,972	\$39,004,906

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

TOWNSHIP OF NORTH BERGEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

9. PENSION PLANS (continued)

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

Plan Membership and Contributing Employers- Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in PFRS or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PFRS or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000 annually; and employees otherwise eligible to enroll in PFRS or PERS after May 21, 2010, who do not work the minimum number of hours per week required for tier 4 or tier 5 enrollment, but who earn salary of at least \$5,000 annually. At June 30, 2014, the membership in the DCRP, based on the information within the Division's database, was 28,270.

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

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

10. OTHER POST EMPLOYMENT HEALTHCARE PLAN

Plan Description: The Township has a single-employee defined benefit healthcare plan ("OPEB") administered by Horizon Blue Cross Blue Shield of New Jersey. The OPEB provides medical, prescription drug, dental and vision. For retirees hired prior to January 1, 2008, there is a choice of an indemnity plan or a PPO plan and the retirees hired on or after January 1, 2008, there is only an indemnity plan.

There are different retirement requirements for the different unions within the Township. Medical benefits coordinates with Medicare as primary and the Township Plan secondary for retirees eligible for Medicare. Medicare eligible retirees and dependents are required to enroll in Medicare Part B. The Township does not reimburse Medicare eligible retirees and dependents for the Medicare Part B premium. The surviving spouse and dependents of a deceased member active or retired, are eligible for continued benefits. Benefits continue for the surviving spouse for life.

Funding Policy: The Township's funding policy is pay as you go.

Annual OPEB Cost and Net OPEB Obligation: The Township's annual OPEB cost (expense) is calculated based on the annual required contribution ("ARC") of the employer, 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 the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a 30 year period.

TOWNSHIP OF NORTH BERGEN

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

10. OTHER POST EMPLOYMENT HEALTHCARE PLAN

The Township had an actuarial evaluation performed as of December 31, 2015. The results of the actuary study and other pertinent information is as follows:

In March 2010, the Patient Protection and Affordable Care Act (PPACA) were signed into law. An adjustment in the liabilities for possible future benefit changes due to PPACA; specifically, we have included a provision in the Actuarial Accrued Liability for the "Cadillac" excise tax.

Additionally, on June 28, 2011 P.L. 2011 c. 78 (chapter 78) was enacted. Chapter 78 contained many changes to the retirement and healthcare plans offered to employees and retirees of New Jersey State and local government. Among these changes was the requirement for certain retirees to pay a varying portion of postretirement healthcare costs. This valuation reflects the Chapter 78 contribution change.

The results of the valuation are as follows:

- The Actuarial Accrued Liability for retiree healthcare coverage is \$201,008,000 with respect to current and future retirees and for the PPACA Cadillac tax is \$41,105,000 for a total accrued liability of \$245,113,000.
- The estimated cash cost for retiree healthcare benefits for the fiscal year beginning January 1, 2016 is \$6,316,000.
- The Annual Required Contribution (ARC) for the fiscal years ending December 31, 2015 and December 31, 2016 is \$22,563,000 and \$22,324,000, respectively. This is based on a 30-year amortization of the Unfunded Actuarial Accrued Liability.
- The Annual OPEB Cost for the fiscal year ending December 31, 2015 and December 31, 2016 under the GASB accounting standard are \$21,347,000 and \$20,861,000 respectively. These are based on a 30-year amortization of the Unfunded Actuarial Accrued Liability.
- The Net OPEB Obligation (NOO) as of December 31, 2015 is \$89,271,000, based on estimated cash payments and annual OPEB costs for the period July 1, 2009 through December 31, 2015.

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 ARC are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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, consistent with the long-term perspective of the calculations.

TOWNSHIP OF NORTH BERGEN

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015**

11. RISK MANAGEMENT

The Township maintains a self-insurance fund for general liability and workers' compensation.

Under the terms of the New Jersey Municipal Joint Insurance Fund (the "JIF"), the first \$100,000.00 of exposure is a self-insurance layer. The next \$150,000.00 of exposure is backed by the joint resources of the JIF and any exposure beyond that amount is covered by the Municipal Excess Liability Joint Insurance Fund as follows:

<u>Coverage</u>	<u>Deductible</u>	<u>Limits</u>
1. Property (Blanket Building and Contents)	\$5,000	\$250,000,000
2. Boiler and Machinery	\$1,000	\$100,000,000
3. Equipment Floater (Scheduled)		Included Under Property Coverage
4. Auto Physical Damage (Scheduled)	\$1,000/\$2,500	Actual Cash Value
5. Blanket Bond	\$1,000	\$ 50,000
6. Auto Liability	0	\$5,000,000
7. General Liability	0	\$5,000,000
8. Public Official Liability	0	\$2,000,000
9. Worker Compensation and Employer Liability		Statutory

12. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2015, interfund receivables and payables that resulted from various interfund transactions were as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund	\$ 257,410.42	\$
Federal and State Grant Fund		949,267.06
Grant Trust Fund		106,447.50
General Capital Fund	1,160,818.14	
General Trust Fund		362,514.00
	<u>\$ 1,418,228.56</u>	<u>\$ 1,418,228.56</u>

13. HEALTH INSURANCE COVERAGE

The State of New Jersey adopted P.L. 2011 Chapter 78 which requires all municipalities to increase the share of health benefit coverage paid by public employees and retirees who receive employer paid health benefits. The law changes the health care contributions standards set in Chapter 2 of 2010, by increasing the amounts contributed. The contribution rates are increased over a four year period and are based on an employee's contractual salary. The law became effective for non-union contract agreements on July 1, 2011, which was then extended to October 1 and for all union contracts after they expire. In the Township, all union contracts expired December 31, 2011. The new contribution rates began on January 1, 2012.

TOWNSHIP OF NORTH BERGEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

14. CONTINGENT LIABILITIES

a. Accrued Sick and Vacation Benefits

The Township has permitted employees to accrue sick and vacation pay, which may be taken as time off or paid at a later date at an agreed upon rate. The Township has estimated the current cost at December 31, 2015 of such unpaid compensation to be \$3,914,635. The Township has established a reserve account of \$72,592 in the Trust Fund to fund a portion of this estimated potential liability. This estimate by management is unaudited.

b. Tax Appeals

As of December 31, 2015, there were tax appeals pending before the New Jersey Tax Court of an undetermined amount.

Judgments favorable to the taxpayers generally extend to two years following the year adjudicated and would also subject the Township to a liability for statutory interest on the amount of taxes refunded from the date of payment to the date of refund (R.S. 54:3-27.2).

County taxes paid on the reductions in assessed valuations are subject to credits against the County tax levy of the year subsequent to the year in which the appeals are adjudicated.

c. Federal and State Awards

The Township participates in several federal and state grant programs which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the Township has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at December 31, 2014 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying regulatory basis financial statements for such contingencies.

d. Litigation

Local governments are required to disclose contingencies based on criteria set forth in FASB No. 5, Accounting for Contingencies. There are currently a number of liability cases outstanding and workers' compensation claims outstanding. These claims are being handled through the New Jersey Municipal Self Insurer's Joint Insurance Fund (NJMSIJIF). The Township has a \$100,000 self insured retention limit (SIR) and after that amount is exhausted the cases are then covered by NJMSIJIF for the next \$200,000. Exposure beyond \$300,000 is covered by the Municipal Excess Liability Fund (MELF). Coverage after January 1, 2016 after the first \$100,000 SIR will be by Garden State Joint Insurance Fund (GSJIF) for the next \$200,000.

There are three cases whereby the Township's insurance has a \$20,000 deductible and a 20% copayment required on the next \$250,000 with a 2,000,000 limit. The Township is contesting two of the claims and has agreed on a \$30,000 settlement on the other case.

In one case an arbitrator rendered an award in excess of \$1,000,000. The Township has notified the court that it disagrees with the decision. An estimate of the potential loss to the Township, however, can not be determined at this time.

There are three cases pending whereby the Township's employment practices liability coverage has a \$100,000 deductible and a 20% copayment required on the next \$2,000,000. The Township's potential liability if any could not be determined at this time.

TOWNSHIP OF NORTH BERGEN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2015

15. SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after the balance sheet date through June 3, 2016 which is the date the financial statements were available to be issued. Based on this evaluation, the Township has determined that the following subsequent event has occurred that requires disclosure in the financial statements.

The Township conducted a Note Sale consisting of \$28,937,415 of Bond Anticipation Note. The notes were dated March 31, 2016.

* * *

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED DECEMBER 31, 2015

A-4

	<u>Ref.</u>	<u>Current Fund</u>	<u>State and Federal Grant Fund</u>
Balance, December 31, 2014	A	\$ 18,569,580.88	\$ 139,893.68
Increased by Receipts:			
Nonbudget Revenue	A-2c	\$ 860,401.27	\$
Due from State of New Jersey - Ch. 129, P.L. 1976	A-6	119,000.00	
Taxes Receivable	A-7	133,421,824.46	
Tax Title Liens Receivable	A-8	10,248.30	
Other Accounts Receivable	A-10	5,904.31	
Other Municipal Liens	A-11	1,708.16	
Revenue Accounts Receivable	A-12	18,935,988.75	
Interfunds Receivable	A-13	323,210.95	
Accounts Payable	A-16	183,888.82	
Appropriation Reserves Refund	A-15	42,112.79	
Interfunds Payable	A-20, A-21	912,686.76	618,406.62
Tax Overpayments	A-23	435,265.80	
Prepaid Taxes	A-24	1,090,253.13	
Grants Receivable	A-26		48,224.61
		156,342,493.50	666,631.23
		174,912,074.38	806,524.91
Decreased by Disbursements:			
Budget Appropriations	A-3	5,253,252.37	
Interfunds Receivable	A-13	26,221,105.40	
Refund of Prior Year Revenue	A-1	4,853.41	
County Taxes Payable	A-17	25,804,785.12	
Due to Claims Fund	A-22	94,816,809.94	
Interfunds Payable	A-20, A-21	2,191,648.55	803,810.30
		154,292,454.79	803,810.30
Balance, December 31, 2015	A	\$ 20,619,619.59	\$ 2,714.61

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

CHANGE FUND
DECEMBER 31, 2015

A-5

	<u>Ref.</u>	
Balance, December 31, 2014	A	<u>\$ 500.00</u>
Balance, December 31, 2015	A	<u><u>\$ 500.00</u></u>
 <u>Analysis of Balance</u>		
Township Clerk		\$ 200.00
Tax Collector		<u>300.00</u>
		<u><u>\$ 500.00</u></u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

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

A-6

	<u>Ref.</u>		
Balance, December 31, 2014	A		\$ 78,830.30
Increased by:			
Exemptions per Tax Duplicate:			
Senior Citizens and Veterans		\$ 134,250.00	
Deductions Allowed by Tax Collector:			
Senior Citizens and Veterans		<u>2,500.00</u>	
		136,750.00	
Less: Deductions Disallowed by			
Tax Collector:			
Senior Citizens		<u>(250.00)</u>	
	A-2b, A-7	136,500.00	
Less: Prior Year Senior Citizens			
Disallowed by Tax Collector	A-1	<u>15,250.00</u>	
			<u>121,250.00</u>
			200,080.30
Decreased by:			
Collections	A-4		<u>119,000.00</u>
Balance, December 31, 2015	A		<u>\$ 81,080.30</u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

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

A-7

Year	Balance December 31, 2014	2015 Levy	Added Taxes	Prepaid	Collected	2015	Transferred to Tax Title Liens	Canceled	Balance December 31, 2015
2011 and Prior	\$ 1,500.00	\$	\$	\$	\$	\$	\$	\$ 1,500.00	\$
2012	0.75								0.75
2013	5,536.48		5,569.06			11,104.54			2,390.30
2014	2,434,221.57		24,702.39			2,452,252.82	4,280.84		2,391.05
	2,441,257.80	134,669,781.21	24,702.39	677,817.16		2,463,357.36	4,280.84	1,500.00	2,210,808.49
						131,094,967.10	150,745.92	535,442.54	
	\$ 2,441,257.80	\$ 134,669,781.21	\$ 24,702.39	\$ 677,817.16	\$ 133,558,324.46	\$ 133,558,324.46	\$ 155,026.76	\$ 536,942.54	\$ 2,213,199.54
Ref.	A	Below	Reserve	A-24	Below	Below	A-8	Reserve	A

ANALYSIS OF PROPERTY TAX LEVY

Year	Balance December 31, 2014	2015 Levy	Added Taxes	Prepaid	Collected	2015	Transferred to Tax Title Liens	Canceled	Balance December 31, 2015
2011 and Prior	\$ 1,500.00	\$	\$	\$	\$	\$	\$	\$ 1,500.00	\$
2012	0.75								0.75
2013	5,536.48		5,569.06			11,104.54			2,390.30
2014	2,434,221.57		24,702.39			2,452,252.82	4,280.84		2,391.05
2015	2,441,257.80	134,669,781.21	24,702.39	677,817.16		2,463,357.36	4,280.84	1,500.00	2,210,808.49
						131,094,967.10	150,745.92	535,442.54	
	\$ 2,441,257.80	\$ 134,669,781.21	\$ 24,702.39	\$ 677,817.16	\$ 133,558,324.46	\$ 133,558,324.46	\$ 155,026.76	\$ 536,942.54	\$ 2,213,199.54
Ref.	A	Below	Reserve	A-24	Below	Below	A-8	Reserve	A
Tax Yield									
General Purpose									
Added Taxes									
		\$ 134,239,865.40				\$ 133,421,824.46		\$ 25,769,852.20	
		429,915.81				136,500.00		84,198.86	
								46,103,981.00	
									\$ 71,958,032.06
									62,345,000.00
									366,749.15
									62,711,749.15
									\$ 134,669,781.21

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

TAX TITLE LIENS
YEAR ENDED DECEMBER 31, 2014

A-8

	<u>Ref.</u>		
Balance, December 31, 2014	A		\$ 1,133,045.94
Increased by:			
Transferred from Taxes Receivable	A-7	\$ 155,026.76	
Interest and Costs of Tax Sale	Reserve	<u>746.97</u>	
			<u>155,773.73</u>
			1,288,819.67
Decreased by:			
Collections	A-2b, A-4	<u>10,248.30</u>	
			<u>10,248.30</u>
Balance, December 31, 2015	A		<u><u>\$ 1,278,571.37</u></u>

PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)
DECEMBER 31, 2015

A-9

	<u>Ref.</u>	
Balance, December 31, 2014	A	<u>\$ 6,543,000.00</u>
Balance, December 31, 2015	A	<u><u>\$ 6,543,000.00</u></u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

OTHER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015

A-10

	<u>Ref.</u>		
Balance, December 31, 2014			\$ 1,220.29
Increased by:			
Lot Cleaning Charges	Reserve		<u>9,824.15</u>
			11,044.44
Decreased by:			
Cash Collections	A-2c, A-4	\$ 5,904.31	
Transferred to Other Municipal Liens	A-11	<u>762.54</u>	
			<u>6,666.85</u>
Balance, December 31, 2015	A		<u>\$ 4,377.59</u>

OTHER MUNICIPAL LIENS
YEAR ENDED DECEMBER 31, 2015

A-11

	<u>Ref.</u>		
Balance, December 31, 2014	A		\$ 6,169.42
Increased by:			
Transfer from Other Accounts Receivable	A-10	\$ 762.54	
Transfer from Water/Sewer - MUA	Reserve	4,759.27	
Interest and Cost	Reserve	<u>1,190.59</u>	
			<u>6,712.40</u>
			12,881.82
Decreased by:			
Cash Receipt	A-2c, A-4	<u>1,708.16</u>	
			<u>1,708.16</u>
Balance, December 31, 2015	A		<u>\$ 11,173.66</u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
DECEMBER 31, 2015

A-12

	<u>Ref.</u>	<u>2015 Accrued</u>	<u>Collected in 2015</u>
Borough Clerk:			
Alcoholic Beverage Licenses	A-2	\$ 88,541.00	\$ 88,541.00
Other Licenses	A-2	312,834.50	312,834.50
Construction Code Official:			
Uniform Construction Code Fees	A-2a	1,426,738.00	1,426,738.00
Fees and Permits:			
Tax Collector	A-2a	22,122.50	22,122.50
Tax Assessor	A-2a	1,645.00	1,645.00
Rent Control	A-2a	41,760.00	41,760.00
Clerk	A-2a	2,741.94	2,741.94
Health/Vital Statistics	A-2a	93,826.00	93,826.00
Police	A-2a	48,010.71	48,010.71
Finance Office	A-2a	350.00	350.00
Purchasing	A-2a	2,925.00	2,925.00
Police Special Duty	A-2a	248,601.25	248,601.25
Recreation:			
Pool Fees	A-2	323,256.27	323,256.27
Collector of Taxes:			
Interest and Cost on Taxes	A-2	508,490.64	508,490.64
Interest on Investments	A-2	170,066.76	170,066.76
Municipal Court:			
Fines and Costs	A-2a	2,425,483.74	2,425,483.74
State Aid:			
Energy Receipt Tax	A-2	5,854,622.00	5,854,622.00
Consolidated Municipal Property Tax Relief Aid	A-2	1,330,975.00	1,330,975.00
North Bergen Cable TV - Franchise Fee	A-2	610,360.76	610,360.76
Payment in Lieu of Taxes:			
Floral Park, Inc.	A-2a	642,877.00	642,877.00
North Bergen Housing Authority	A-2a	219,176.00	219,176.00
Fritz Reuter	A-2a	174,864.92	174,864.92
Avalon Bay	A-2a	272,592.04	272,592.04
LWH	A-2a	1,160,141.28	1,160,141.28
Urban Renewal	A-2a	268,063.88	268,063.88
Host Fees	A-2	505,808.22	505,808.22
Trust Fund - Street Openings	A-2	10,000.00	10,000.00
Ambulance Fees	A-2	882,036.76	882,036.76
General Capital Surplus	A-2	185,000.00	185,000.00
Hotel Tax	A-2	448,872.41	448,872.41
NJ Transit Tax	A-2	188,790.00	188,790.00
Sale of Property	A-2	1,633,203.00	1,633,203.00
Uniform Fire Safety Rebates	A-2	150,818.95	150,818.95
Meadowlands Lease	A-2	201,427.04	201,427.04
MUA - 5% of Operating Costs	A-2	400,000.00	400,000.00
Public Library Surplus	A-2	298,088.00	298,088.00
Parking Authority Surplus	A-2	50,000.00	50,000.00
Parking Authority Building Lease	A-2	90,000.00	90,000.00
MUA Debt Service Payment	A-2	61,376.20	61,376.20
		<u>\$ 21,356,486.77</u>	<u>\$ 21,356,486.77</u>

	<u>Ref.</u>	<u>Reserve</u>	<u>Below</u>
Cash Receipts	A-4		\$ 18,935,988.75
Other Reserve Accounts	A-25		1,633,203.00
Interfunds Receivable	A-13		185,000.00
Interfunds Payable	A-20		<u>602,295.02</u>
		<u>Above</u>	<u>\$ 21,356,486.77</u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015

A-13

Ref.	Total	Animal Control Fund	General Capital Fund	Payroll Account	Federal/State Grant Fund	Grant Trust
Balance, December 31, 2014	\$ 27,012.50	\$	\$	\$ 27,012.50	\$	\$
Increased by:						
Revenue Accounts Receivable	185,000.00		185,000.00			
Miscellaneous Revenue Not Anticipated	8,921.77			8,921.77		
Transferred from/to Interfunds Payable	257,410.42				257,410.42	
Expenses Paid by Budget Appropriation	37,045.70	58.17	1,916,286.04	24,054,761.19		37,045.70
Cash Disbursements	26,221,105.40	58.17	2,101,286.04	24,063,682.96	257,410.42	250,000.00
	26,709,483.29	58.17	2,101,286.04	24,090,695.46	257,410.42	287,045.70
Sub-Total	26,736,495.79	58.17	2,101,286.04	24,090,695.46	257,410.42	287,045.70
Decreased by:						
Budget Appropriation	26,155,874.42		2,101,286.04	24,054,588.38		287,045.70
Cash Receipts	323,210.95	58.17		36,107.08		
	26,479,085.37	58.17	2,101,286.04	24,090,695.46		287,045.70
Balance, December 31, 2015	\$ 257,410.42	\$	\$	\$	\$ 257,410.42	\$
Net Debit to Operations						
Balance December 31, 2015	\$ 257,410.42					
Balance December 31, 2014	27,012.50					
Net Debit	\$ 230,397.92					

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

DEFERRED CHARGES
EMERGENCY APPROPRIATION
YEAR ENDED DECEMBER 31, 2015

A-14

	<u>Ref.</u>	
Balance, December 31, 2014	A	\$ 560,000.00
Decreased by:		
Budget Appropriation	A-3	<u>280,000.00</u>
Balance, December 31, 2015	A	<u>\$ 280,000.00</u>
 <u>Analysis of Balance</u>		
Special Emergency Authorization (40A:4-53):		
Accumulated Absences		<u>\$ 280,000.00</u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2015

A-15
Sheet #1

	Encumbered	Balance December 31, 2014 Unencumbered	Balance After Transfers	Paid or Charged	Balance Lapsed
Department of Public Affairs					
Director's Office:					
Salaries and Wages	\$ 388.99	\$ 7,735.90	\$ 25,375.22	\$ 3,915.59	\$ 21,459.63
Other Expenses		11,286.23			
Purchasing:					
Salaries and Wages		2.11	2.11		2.11
Other Expenses	120.58	2,032.66	120.58	120.58	
Central Purchasing	7,238.97	7,732.78	14,971.75	12,904.47	2,067.28
Township Clerk's Office:					
Salaries and Wages	203.26	1,233.40	275.37	206.37	69.00
Other Expenses					
Elections:					
Other Expenses		12,356.71	12,356.71	12,356.71	
Public Information:					
Other Expenses	1,020.00	61,605.41	62,625.41	48,423.19	14,202.22
Printing and Legal Advertising:					
Other Expenses	190.92	5,311.54	5,502.46	3,344.63	2,157.83
Township Administrator:					
Salaries and Wages	258.90	4,283.70	258.90	258.90	
Other Expenses					
Consulting Services:					
Other Expenses	9,522.61	2,580.00	12,102.61	12,102.61	
Rent Control:					
Other Expenses	927.28	13,782.06	4,709.34	2,377.28	2,332.06
Legal Services and Costs:					
Salaries and Wages	1,864.99	56,953.41	1,864.99	864.99	1,000.00
Other Expenses					
Registrar of Vital Statistics:					
Salaries and Wages	633.00		633.00	633.00	
Other Expenses					
Office of Community Services:					
Salaries and Wages	1,583.11	15,161.62	8,561.31	4,937.32	3,623.99
Other Expenses		6,978.20			
North Hudson Council of Mayors:					
Other Expenses		6,115.00	22,167.00	22,167.00	
Board of Health:					
Salaries and Wages	2,023.29	1,304.52	6,899.95	6,551.57	348.38
Other Expenses					
Special Litigation:					
Other Expenses	6,890.36	112,122.23	126,754.03	126,754.03	
License Officer:					
Salaries and Wages	90.00	0.06	0.06	2,574.67	0.06
Other Expenses		2,484.67	2,574.67		
Dog Regulation:					
Other Expenses		12,083.37	12,083.37	12,083.33	0.04
Municipal Court:					
Salaries and Wages					
Other Expenses	7,784.52	42,234.20	30,018.72	13,412.25	16,606.47
Group Health Insurance	122.28	354,703.69	354,703.69	329,587.16	25,116.53
Health Benefit Waiver		17,934.80	17,934.80		17,934.80
Other Insurance	40,863.06	20,782.22	20,782.22		20,782.22
		778,678.21	743,278.27	615,575.65	127,702.62

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2015

A-15
Sheet #2

	December 31, 2014 Encumbered	Balance December 31, 2014 Unencumbered	Balance After Transfers	Paid or Charged	Balance Lapsed
Department of Revenue and Finance					
Director's Office:					
Other Expenses		\$ 3,390.61	\$ 25,000.61	\$ 7,085.00	\$ 17,915.61
Assessment of Taxes:					
Salaries and Wages		0.66	0.66		0.66
Other Expenses	1,111.50	20,046.06	11,157.56	1,111.50	10,046.06
Collection of Taxes:					
Other Expenses	2,825.10	14,835.10	7,660.20	2,950.10	4,710.10
Tax Assessor Consultant					
Other Expenses	1,858.96	53,208.02	55,066.98	52,824.08	2,242.90
Bureau of Housing Inspection:					
Salaries and Wages					
Other Expenses	112.27	933.42	1,045.69	347.65	698.04
Postage	377.95	23,681.21	24,059.16	20,199.00	3,860.16
Financial Administration:					
Salaries and Wages	1,325.06	5,652.60	14,292.07	14,292.07	
Other Expenses		19,692.04	9,692.04	2,540.00	
Special Services	7,610.84	151,115.05	147,974.97	101,349.40	7,152.04
					<u>46,625.57</u>

Department of Public Safety					
Director's Office:					
Salaries and Wages	39.99	4,038.62	25,078.61	39.99	25,038.62
Other Expenses					
Vehicle Maintenance:					
Salaries and Wages	50,101.93	80,869.96	28,033.98	28,033.98	
Other Expenses		173,277.14	223,379.07	136,537.54	86,841.53
Police:					
Salaries and Wages	36,118.13	134,479.81	134,479.81	134,479.81	
Clothing Allowance		168.75			
Other Expenses		85,195.36	121,313.49	49,941.38	71,372.11
Ambulance:					
Salaries and Wages	15,762.64	3,281.24	21,517.75	15,308.65	6,209.10
Other Expenses		5,755.11			
Alarm System:					
Salaries and Wages		3,575.66	2,087.50		2,087.50
Other Expenses		7,087.50			
ABC Board:					
Other Expenses	905.00	5,808.84	6,713.84	3,119.00	3,594.84
Chaplains:					
Other Expenses		83.32	96,000.00	96,000.00	
Police Vehicle Acquisition					
School Crossing Guards:					
Salaries and Wages		1,540.40			
Other Expenses		7,606.72	3,018.54	3,018.54	
Uniform Fire Safety Act:					
Salaries and Wages		16,000.00	16,000.00		16,000.00
Municipal Prosecutor:					
Salaries and Wages	1,600.00	4,000.00	5,600.00	1,200.00	4,400.00
Other Expenses	104,527.69	628,768.43	683,222.59	467,678.89	215,543.70
					<u>4,400.00</u>
					<u>215,543.70</u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND
APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2015

A-15
 Sheet #3

	<u>Encumbered</u>	<u>Balance December 31, 2014</u>	<u>Unencumbered</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Department of Public Works						
Director's Office:						
Salaries and Wages	\$ 1,099.23	\$ 1,948.47		\$ 26,147.70	\$ 1,099.23	\$ 25,048.47
Other Expenses						
Engineering:						
Other Expenses	6,174.78	2,326.47		12,071.16	11,904.16	167.00
Streets and Roads:						
Salaries and Wages		148,640.14		390,833.69	281,762.18	109,071.51
Other Expenses	36,471.67	129,362.02				
Zoning Board of Adjustment:						
Other Expenses	1,325.30	87,050.95		81,376.25	74,114.65	7,261.60
Planning Board:						
Other Expenses	240.00	63,754.55		57,994.55	51,845.00	6,149.55
	<u>45,310.98</u>	<u>433,082.60</u>		<u>568,423.35</u>	<u>420,725.22</u>	<u>147,698.13</u>
Department of Parks and Public Property						
Director's Office:						
Salaries and Wages		6,149.94		25,323.62		25,323.62
Other Expenses		2,323.62				
Parks and Playgrounds:						
Salaries and Wages		13,865.29		15,691.47	10,246.97	5,444.50
Other Expenses	7,466.97	8,224.50				
Pool:						
Other Expenses	5,040.33	20,694.33		25,734.66	7,155.65	18,579.01
Celebration of Public Events:						
Other Expenses		1,060.00		1,060.00		1,060.00
Public Buildings and Grounds:						
Other Expenses	9,427.71	86,435.52		86,011.05	20,852.34	65,158.71
Recreation:						
Salaries and Wages		12,290.61		26,368.26	24,890.16	1,478.10
Other Expenses	23,578.26	2,790.00		26,368.26	63,145.12	117,043.94
	<u>45,513.27</u>	<u>153,833.81</u>		<u>180,189.06</u>		

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2015

A-16

	<u>Ref.</u>		
Balance, December 31, 2014	A		\$ 107,736.23
Increased by:			
Due to State of New Jersey:			
Marriage Licenses		\$ 2,400.00	
Construction Surcharge		21,828.00	
Burial Permits		15.00	
County Taxes:			
PILOT Agreements		18,950.82	
Due to North Bergen Parking Authority		<u>140,695.00</u>	
	A-4	<u>183,888.82</u>	
			<u>183,888.82</u>
			<u>291,625.05</u>
Decreased by:			
Due to Claims Fund	A-22	<u>107,736.23</u>	
			<u>107,736.23</u>
Balance, December 31, 2015	A		<u><u>\$ 183,888.82</u></u>

COUNTY TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2015

A-17

	<u>Ref.</u>		
Balance, December 31, 2014	A		\$ 34,932.92
Increased by:			
County Tax Levy - Year 2015		\$ 25,769,852.20	
Added Assessments		<u>84,198.86</u>	
	A-1, A-2b, A-7		<u>25,854,051.06</u>
			<u>25,888,983.98</u>
Decreased by:			
Payments	A-4		<u>25,804,785.12</u>
Balance, December 31, 2015	A		<u><u>\$ 84,198.86</u></u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

LOCAL SCHOOL DISTRICT TAXES
YEAR ENDED DECEMBER 31, 2015

A-18

	<u>Ref.</u>	
Balance, December 31, 2014	A	\$ 2,708,451.00
Increased by:		
Levy Year 2015	A-1, A- 2b, A-7	<u>46,103,981.00</u>
		48,812,432.00
Decreased by:		
Claims Fund	A-22	<u>46,140,100.00</u>
Balance, December 31, 2015	A	<u><u>\$ 2,672,332.00</u></u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

DUE TO STATE OF NEW JERSEY
FEDERAL AND STATE GRANT FUND
DECEMBER 31, 2015

A-19

	<u>Ref.</u>	
Balance, December 31, 2014	A	<u>\$ 14,221.65</u>
Balance, December 31, 2015	A	<u><u>\$ 14,221.65</u></u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2015

A-20

Ref.	Total	Trust Fund	SUI Insurance	JIF Insurance	Federal/State Grant Fund
Balance, December 31, 2014	\$ 277,177.71	\$ 171,889.90	\$	\$	\$ 105,287.81
Increased by:					
Transferred from/to Interfunds					
Receivable	257,410.42				257,410.42
Grant Receivables Canceled	19,394.86				19,394.86
Budget Appropriation	2,590,157.41		100,000.00	506,727.39	1,983,430.02
Appropriation Reserve	724,833.00	724,833.00			
Cash Receipts	912,686.76	430,651.00		33,272.61	448,763.15
	<u>4,504,482.45</u>	<u>1,155,484.00</u>	<u>100,000.00</u>	<u>540,000.00</u>	<u>2,708,998.45</u>
	4,781,660.16	1,327,373.90	100,000.00	540,000.00	2,814,286.26
Decreased by:					
Cash Disbursements	2,191,648.55				831,874.92
Anticipated Revenue	1,943,430.52	719,773.63	100,000.00	540,000.00	1,943,430.52
Revenue Account Receivable	602,295.02	602,295.02			
Grant Reserves Canceled	37,980.82				37,980.82
Miscellaneous Revenue not Anticipated	2,760.00	2,760.00			
Budget Appropriation Credit	2,545.25	2,545.25			
Appropriation Reserve Credit	1,000.00				1,000.00
	<u>4,781,660.16</u>	<u>1,327,373.90</u>	<u>100,000.00</u>	<u>540,000.00</u>	<u>2,814,286.26</u>
Balance, December 31, 2015	\$	\$	\$	\$	\$

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

FEDERAL AND STATE GRANT FUND
INTERFUNDS
YEAR ENDED DECEMBER 31, 2015

A-21

	Ref.	Total	Current Fund	Claims Fund	Payroll Fund	General Capital Fund
Balance, December 31, 2014 (Due From)	A	\$ 504,712.19	\$ (105,287.81)	\$	\$	\$ 610,000.00
Increased by:						
Cash Receipts	A-4	618,406.62	551,406.62			67,000.00
Grant Reserves Canceled	A-27	37,980.82	37,980.82			
Anticipated Revenue	A-26	1,943,430.52	1,943,430.52			
Appropriated Reserves Paid	A-27	1,062,482.93	302,375.92	732,982.01	3,125.00	24,000.00
		<u>3,662,300.89</u>	<u>2,835,193.88</u>	<u>732,982.01</u>	<u>3,125.00</u>	<u>91,000.00</u>
		<u>4,167,013.08</u>	<u>2,729,906.07</u>	<u>732,982.01</u>	<u>3,125.00</u>	<u>701,000.00</u>
Decreased by:						
Cash Disbursements	A-4	803,810.30	67,703.29	732,982.01	3,125.00	
Budget Appropriations	A-27	1,983,431.02	1,983,431.02			
Capital Expenditure Paid	A-27	9,143.36				9,143.36
Unappropriated Grant	A-28	13,395.00	13,395.00			
Grant Receivables Canceled	A-26	19,394.86	19,394.86			
Grants Received by Other Funds	A-26	388,571.48	388,571.48			
		<u>3,217,746.02</u>	<u>2,472,495.65</u>	<u>732,982.01</u>	<u>3,125.00</u>	<u>9,143.36</u>
Balance, December 31, 2015 (Due To)	A	\$ 949,267.06	\$ 257,410.42	\$	\$	\$ 691,856.64

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

DUE TO CLAIMS FUND
YEAR ENDED DECEMBER 31, 2015

A-22

	<u>Ref.</u>		
Increased by:			
Revenue Refunds	A-2a	\$ 833,316.83	
Budget Appropriations	A-3	45,301,640.05	
Appropriation Reserves	A-15	1,316,271.22	
Accounts Payable	A-16	107,736.23	
Local School Taxes Payable	A-18	46,140,100.00	
Tax Overpayments	A-23	<u>1,128,824.20</u>	
			\$ 94,827,888.52
Decreased by:			
Void Checks	A-2c	11,078.58	
Cash Disbursements	A-4	<u>94,816,809.94</u>	
			<u>94,827,888.52</u>
			<u>\$</u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

TAX OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2015

A-23

	<u>Ref.</u>		
Balance, December 31, 2014	A		\$ 639,518.62
Increased by:			
State Tax Court Judgments	A-1	\$ 278,208.13	
Transferred from Appropriations	A-3	933,000.00	
Collections	A-4	435,265.80	
Transfer from Appropriation Reserves	A-15	<u>131,924.93</u>	
			<u>1,778,398.86</u>
			2,417,917.48
Decreased by:			
Applied to Taxes Receivable Due to Claims Fund	A-22	<u>1,128,824.20</u>	
			<u>1,128,824.20</u>
Balance, December 31, 2015	A		<u>\$ 1,289,093.28</u>

PREPAID TAXES
YEAR ENDED DECEMBER 31, 2015

A-24

	<u>Ref.</u>		
Balance, December 31, 2014	A		\$ 677,817.16
Increased by:			
Collections	A-4		<u>1,090,253.13</u>
			1,768,070.29
Decreased by:			
Applied to Taxes Receivable	A-2b, A-7		<u>677,817.16</u>
Balance, December 31, 2015	A		<u>\$ 1,090,253.13</u>

TOWNSHIP OF NORTH BERGEN
CURRENT FUND

OTHER RESERVE ACCOUNTS
DECEMBER 31, 2015

A-25

	Balance December 31, 2014	Decrease	Balance December 31, 2015
Reserve for Preparation of Tax Maps	\$ 28,405.00	\$	\$ 28,405.00
Reserve for Sale of Property	1,633,203.87	1,633,203.00	0.87
	\$ 1,661,608.87	\$ 1,633,203.00	\$ 28,405.87

Ref.

A

A-12

A

TOWNSHIP OF NORTH BERGEN
FEDERAL/STATE GRANT FUND

GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015

A-26

	Balance Dec 31, 2014	Revenue	Collections	Canceled	Balance Dec 31, 2015
Handicapped Recreational	\$ 20,000.00	\$ 20,000.00	\$ 19,480.13	\$ 519.87	\$ 20,000.00
Drunk Driving Enforcement Grant	26,252.00		14,197.61		12,054.39
Drug Alliance FY 2014	500,000.00	52,504.00	42,623.14		9,880.86
Drug Alliance FY 2015	8,343.91		8,343.91		500,000.00
Open Space-Parks Projects	24,000.00		24,000.00		
Bullet Proof Vest - 2013	285,000.00				285,000.00
Bullet Proof Vest - 2012					
Recreational Trails Program					
HUD - JFK Blvd. East Streetscape					
DOT:					
Year 30		302,876.00			302,876.00
Bld East Streetscape	400,000.00				400,000.00
Year 28	210,000.00				210,000.00
Year 29	105,373.52		101,186.00	4,187.52	
Other					
NJ Department of Transportation Trust	79,282.50				79,282.50
NJ DEP - Recycling Tonnage	4,498.25	53,876.46	44,187.24	14,187.47	
Summer Food					
Click It or Ticket					
Ed Byrne - Justice Assistance - 2014	10,027.00	5,000.00	10,027.00		
EMAA - Emergency Management Agency			5,000.00		
FEMA - Hazard Mitigation - Generators	142,080.00	240,773.00			382,853.00
Hudson River Foundation	10,000.00				10,000.00
Housing Inspection Program		21,000.00	21,000.00		
Impaired Driving Crackdown	7,500.00	10,000.00	12,500.00		5,000.00
Distracted Driving Crackdown		9,000.00	8,500.00	500.00	
Clean Communities		89,575.15	89,575.15		
Pedestrian Safety Grant - 2014	14,000.00		14,000.00		
Pedestrian Safety Grant - 2015		16,000.00	4,350.00		11,650.00
NJ Law Public Safety - Body Armor		10,350.72	10,350.72		
Alcohol Education and Rehabilitation		2,475.19	2,475.19		
Sustainable Jersey		10,000.00	5,000.00		5,000.00
NJ Transit - Community Shuttle	20,000.00				20,000.00
NJ Meadowlands Commission - COAH	25,000.00				25,000.00
Green Acres - 76th Street Little League Improvements		1,100,000.00			1,100,000.00
Recycling Tonnage					
NJ EPA - Green Communities	3,000.00				3,000.00
	<u>\$ 1,939,357.18</u>	<u>\$ 1,943,430.52</u>	<u>\$ 436,796.09</u>	<u>\$ 19,394.86</u>	<u>\$ 3,426,596.75</u>
Reference	A	A-21	Below	A-21	A

Cash Receipts
Interfunds

\$ 48,224.61	A-4
388,571.48	A-21
<u>\$ 436,796.09</u>	

TOWNSHIP OF NORTH BERGEN
FEDERAL/STATE GRANT FUND

APPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2015

A-27
Sheet# 1

	Balance Dec. 31, 2014	Budget	Appropriated under NJSA- 40A:4-87	Expended	Canceled	Balance Dec. 31, 2015
Drug Alliance - 2015	\$ 14,647.91	\$ 88,504.50	\$	\$ 76,159.98	\$	\$ 12,344.52
Drug Alliance - 2014				14,384.62		263.29
DOT:						
Blvd. East Street scape	225,180.66					225,180.66
Year 30			302,876.00	3,432.00		299,444.00
Year 29	315,304.07			299,940.36		15,363.71
Emergency Signals	110,743.17			110,743.17		
Hudson River Foundation	10,000.00					
Summer Food 2014	17,613.23				17,613.23	10,000.00
Summer Food 2015						
Hazard Mitigation - Generators	142,080.00		53,876.46	34,528.74	19,347.72	
NJDEP - Green Communities	3,000.00		240,773.00	275,683.47		107,169.53
Drunk Driving Enforcement	4,278.14					3,000.00
Alcohol Education and Rehabilitation	24,404.66					4,278.14
EMMA - Emergency Management			2,475.19	3,125.00		23,754.85
Handicapped Recreational	13,585.40		5,000.00	5,000.00		
Recreational Trails Program	24,000.00	4,000.00	20,000.00	20,795.43	519.87	16,270.10
Walmart	2,568.71			24,000.00		
Target	1,000.00			1,791.15		777.56
Pedestrian Safety Grant	14,000.00			16,500.00		1,000.00
Body Armor	34,044.86			16,568.00		13,500.00
Open Space Park Street	500,000.00					27,827.58
Junior Police Academy	2,503.30			1,326.50		500,000.00
NJ Transit - Implementation Reforestation Plan	63,430.00			9,580.00		1,176.80
						53,850.00

TOWNSHIP OF NORTH BERGEN
FEDERAL/STATE GRANT FUND

APPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2015

A-27
Sheet# 2

	Balance Dec. 31, 2014	Budget	Appropriated under NJSA- 40A:4-87	Expended	Canceled	Balance Dec. 31, 2015
Clean Communities	\$	\$	\$ 89,575.15	\$ 89,575.15	\$	\$
NJ Department of Community Affairs						
Housing Inspection	7,500.00		21,000.00	21,000.00		5,000.00
Impaired Driving Crackdown Grant			10,000.00	12,500.00		
Distracted Driving Crackdown			9,000.00	8,500.00	500.00	
Bullet Proof Vest	8,343.91			8,206.00		137.91
Sustainable Jersey			10,000.00			10,000.00
Green Acres - 76th Street Park Improvements			1,100,000.00			1,100,000.00
NJ Meadowlands Commission:						
COAH Fair Housing	22,089.00					22,089.00
	<u>\$ 1,560,317.02</u>	<u>\$ 92,504.50</u>	<u>\$ 1,890,926.52</u>	<u>\$ 1,053,339.57</u>	<u>\$ 37,980.82</u>	<u>\$ 2,452,427.65</u>
Reference	A	A-21	A-21	A-21	A-21	A
		Due to Current Fund	\$ 1,062,482.93			
		Due from General Capital Fund	(9,143.36)			
			<u>\$ 1,053,339.57</u>			

TOWNSHIP OF NORTH BERGEN
TRUST FUND

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

B-2
Sheet #1

Ref.	Animal Control Fund	Other Trust Fund	Total Insurance Fund	Unemployment Compensation Insurance Fund	Self-Insurance Fund	Community Development Block Grant
B	\$ 16,533.50	\$ 4,641,445.79	\$ 383,088.53	\$ 37,615.36	\$ 345,473.17	\$ 31,592.69
Increased by Receipts:						
B-13	3,235.40					
B-6	1,065.60					
B-3						546,202.35
B-4		172,237.28				
B-5		2,275,718.49	673,272.61	100,000.00	573,272.61	
B-8	58.17					
B-14		8,784,297.32	1,696,136.65	36,799.26	1,659,337.39	285,000.00
B-11						
B-16						
	<u>4,359.17</u>	<u>11,232,253.09</u>	<u>2,369,409.26</u>	<u>136,799.26</u>	<u>2,232,610.00</u>	<u>831,202.35</u>
	<u>20,892.67</u>	<u>15,873,698.88</u>	<u>2,752,497.79</u>	<u>174,414.62</u>	<u>2,578,083.17</u>	<u>862,795.04</u>
Decreased by Disbursements:						
B-5		2,034,066.99				
B-10	1,061.40	723,475.19	1,046,677.81	94,895.81	951,782.00	514,825.25
B-8	36.17		33,272.61		33,272.61	
B-11						340,823.34
B-14		7,607,961.72	989,663.89		989,663.89	
B-16						
	<u>1,097.57</u>	<u>10,365,503.90</u>	<u>2,069,614.31</u>	<u>94,895.81</u>	<u>1,974,718.50</u>	<u>855,648.59</u>
	<u>\$ 19,795.10</u>	<u>\$ 5,508,194.98</u>	<u>\$ 682,883.48</u>	<u>\$ 79,518.81</u>	<u>\$ 603,364.67</u>	<u>\$ 7,146.45</u>

Balance, December 31, 2015

TOWNSHIP OF NORTH BERGEN
TRUST FUND

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

B-2
Sheet # 2

	<u>Ref.</u>	<u>Payroll Fund</u>
Balance, December 31, 2014	B	\$ 267,989.33
Increased by Receipts:		
Net Payroll		\$ 16,388,188.34
Payroll Deductions		10,638,821.87
	B-7	<u>27,027,010.21</u>
		<u>27,294,999.54</u>
Decreased by Disbursements:		
Interfund Payable	B-11	27,012.50
Net Payroll	B-7	16,388,188.34
Payroll Deductions	B-7	<u>10,630,881.90</u>
		<u>27,046,082.74</u>
Balance, December 31, 2015	B	<u>\$ 248,916.80</u>

TOWNSHIP OF NORTH BERGEN
TRUST FUND

DUE FROM HOUSING AND URBAN DEVELOPMENT
COMMUNITY DEVELOPMENT BLOCK GRANT
YEAR ENDED DECEMBER 31, 2015

B-3

	<u>Ref.</u>	
Balance, December 31, 2014	B	\$1,318,932.93
Increased by:		
Grant Award	B-15	608,121.00
		<u>1,927,053.93</u>
Decreased by:		
Collections	B-2	546,202.35
		<u>546,202.35</u>
Balance, December 31, 2015	B	<u>\$1,380,851.58</u>

ACCOUNT RECEIVABLE
YEAR ENDED DECEMBER 31, 2015

B-4

	<u>Ref.</u>	
Balance, December 31, 2014	B	\$ 172,237.28
Increased by:		
Due from Developer's - Police Special Duty	B-14	447,884.53
		<u>620,121.81</u>
Decreased by:		
Cash Receipts	B-2	172,237.28
		<u>172,237.28</u>
Balance, December 31, 2015	B	<u>\$ 447,884.53</u>

TOWNSHIP OF NORTH BERGEN
TRUST FUNDS

INTERFUNDS RECEIVABLE
OTHER TRUST FUNDS
YEAR ENDED DECEMBER 31, 2015

B-5

	<u>Ref.</u>	<u>Total</u>	<u>Current Fund</u>	<u>General Capital Fund</u>	<u>Salary Account</u>
Balance, December 31, 2014	<u>B</u>	\$ 1,336,270.76	\$ 171,889.90	\$ 1,164,380.86	\$
Increased by:					
Cash Disbursements	B-2	2,034,066.99	326,737.21		1,707,329.78
Special Deposits	B-14	856,034.04	826,984.04	29,050.00	
Urban Enterprise Expenditure Reimbursed	B-9	3,863.75	3,863.75		
Transferred to Interfund Payable	B-11	362,514.00		362,514.00	
		<u>3,256,478.78</u>	<u>1,157,585.00</u>	<u>391,564.00</u>	<u>1,707,329.78</u>
		4,592,749.54	1,329,474.90	1,555,944.86	1,707,329.78
Decreased by:					
Cash Receipts	B-2	2,275,718.49	719,773.63		
Special Deposits	B-14	2,252,396.05	606,941.27	1,555,944.86	1,645,454.78
Claims Fund Void Check	B-10	2,760.00	2,760.00		
Urban Enterprise Expenditure	B-9	61,875.00			61,875.00
		<u>4,592,749.54</u>	<u>1,329,474.90</u>	<u>1,555,944.86</u>	<u>1,707,329.78</u>
Balance, December 31, 2015		\$	\$	\$	\$

TOWNSHIP OF NORTH BERGEN
TRUST FUND

DUE TO STATE OF NEW JERSEY
ANIMAL CONTROL TRUST FUND
YEAR ENDED DECEMBER 31, 2015

B-6

	<u>Ref.</u>	<u>Total</u>	<u>State Share License Fee</u>	<u>Pilot Clinic</u>	<u>Population Control</u>
Balance, December 31, 2014	B	\$ 2.40	\$ 2.00	\$ 0.40	\$
Increased by:					
Fees Collected	B-2	1,065.60	478.00	95.60	492.00
		<u>1,068.00</u>	<u>480.00</u>	<u>96.00</u>	<u>492.00</u>
Decreased by:					
Paid to State - Claims Fund	B-10	1,061.40	477.00	95.40	489.00
Balance, December 31, 2015	B	<u>\$ 6.60</u>	<u>\$ 3.00</u>	<u>\$ 0.60</u>	<u>\$ 3.00</u>

TOWNSHIP OF NORTH BERGEN
TRUST FUND

PAYROLL DEDUCTION PAYABLE
YEAR ENDED DECEMBER 31, 2015

B-7

	Balance Dec. 31, 2014	Receipts	Disbursements	Balance Dec. 31, 2015
Net Payroll	\$	\$ 16,388,188.34	\$ 16,388,188.34	\$
Federal Withholding		3,212,056.93	3,212,056.93	
Social Security		2,280,214.22	2,280,214.22	
State Income Tax		832,922.92	832,922.92	
Unemployment Compensation Insurance		65,766.51	65,766.51	
Public Employees' Retirement System:				
Pension	86,774.50	993,987.36	990,941.81	89,820.05
Contributory Insurance	5,548.00	51,279.24	50,853.12	5,974.12
Supplemental Insurance	1,282.00	13,571.00	13,447.00	1,406.00
Police and Firemen's Retirement				
Pension	136,054.64	1,502,920.10	1,502,344.23	136,630.51
Supplemental Insurance	7,374.00	100,144.00	98,478.36	9,039.64
ING Insurance		2,443.20	2,443.20	
Boston Mutual Premium	338.30	8,269.84	8,608.14	
Teamsters Local #11	2,127.22	23,747.00	23,745.50	2,128.72
Teamsters Local #945	4.54	8,893.25	8,225.75	672.04
Garnishments	(717.06)	255,691.34	254,691.34	282.94
PBA Local #18	65.00	70,940.00	70,420.00	585.00
PBA Local #18M Superiors	30.00	21,150.00	21,150.00	30.00
AFLAC	727.92	47,994.89	47,555.39	1,167.42
Medical -23	(25.72)	1,043,709.26	1,043,683.54	
Vision/Dental-52		2,828.99	2,828.99	
AXA Equitable		65,657.39	65,657.39	
VALIC	100.00	17,400.00	17,400.00	100.00
FSA	104.17	3,762.50	3,970.92	(104.25)
Liberty Mutual		13,471.93	13,471.93	
Unallocated	1,189.32		4.71	1,184.61
	<u>240,976.83</u>	<u>10,638,821.87</u>	<u>10,630,881.90</u>	<u>248,916.80</u>
Total	\$ 240,976.83	\$ 27,027,010.21	\$ 27,019,070.24	\$ 248,916.80
<u>Ref.</u>	B	B-2	Below	B

TOWNSHIP OF NORTH BERGEN
TRUST FUND

DUE FROM CURRENT FUND
YEAR ENDED DECEMBER 31, 2015

B-8

	<u>Ref.</u>	<u>Total</u>	<u>Animal Control Fund</u>	<u>Insurance Funds</u>
Increased by:				
Budget Appropriations	B-16	\$ 640,000.00	\$	\$ 640,000.00
Dog License Fees	B-3	22.00	22.00	
Cash Disbursements	B-2	33,308.78	36.17	33,272.61
		<u>673,330.78</u>	<u>58.17</u>	<u>673,272.61</u>
Decreased by:				
Cash Receipts	B-2	673,330.78	58.17	673,272.61
Balance, December 31, 2015		<u>\$</u>	<u>\$</u>	<u>\$</u>

TOWNSHIP OF NORTH BERGEN
TRUST FUND

RESERVE FOR URBAN ENTERPRISE ZONE
YEAR ENDED DECEMBER 31, 2015

B-9

	<u>Ref.</u>		
Balance, December 31, 2014	B	\$	58,011.25
Increased by:			
Due from Current Fund	B-5		<u>3,863.75</u>
			61,875.00
Decreased by:			
Due to Payroll Fund	B-5	<u>\$</u>	<u>61,875.00</u>
			<u>61,875.00</u>
Balance, December 31, 2015		<u>\$</u>	<u> </u>

TOWNSHIP OF NORTH BERGEN
TRUST FUND

DUE TO CLAIMS FUND
YEAR ENDED DECEMBER 31, 2015

B-10

	Ref.	Animal Control Fund	Other Trust Funds	Insurance Funds	Grant Funds
Increased by:					
Due to State of New Jersey	B-6	\$ 1,061.40	\$	\$	\$
Accounts Payable	B-12			7,294.90	
Special Deposits	B-14		726,235.19		
Grant Expenditures	B-15				514,825.25
Insurance Claims	B-16			1,039,382.91	
		<u>1,061.40</u>	<u>726,235.19</u>	<u>1,046,677.81</u>	<u>514,825.25</u>
Decreased by:					
Disbursements	B-2	1,061.40	723,475.19	1,046,677.81	514,825.25
Prior Year Void Checks	B-5		2,760.00		
		<u>1,061.40</u>	<u>726,235.19</u>	<u>1,046,677.81</u>	<u>514,825.25</u>
		<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

TOWNSHIP OF NORTH BERGEN
TRUST FUNDS

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2015

B-11

	Ref.	Total	Community Development Block Grant			Other Trust Fund General Capital	Payroll Account Current Fund
			Current Fund	Salary Account	General Capital		
Balance, December 31, 2014	B	\$ 98,460.00	\$	\$	\$ 71,447.50	\$	\$ 27,012.50
Increased by:							
Transferred from/to Interfunds Receivable	B-5	362,514.00				362,514.00	
CDBG Expenditures	B-15	90,823.34	37,045.70	53,777.64			
Cash Receipts	B-2	285,000.00	250,000.00		35,000.00		
		738,337.34	287,045.70	53,777.64	35,000.00	362,514.00	
		836,797.34	287,045.70	53,777.64	106,447.50	362,514.00	27,012.50
Decreased by:							
Cash Disbursements	B-2	367,835.84	287,045.70	53,777.64			27,012.50
		367,835.84	287,045.70	53,777.64			27,012.50
Balance, December 31, 2015	B	\$ 468,961.50	\$	\$	\$ 106,447.50	\$ 362,514.00	\$

TOWNSHIP OF NORTH BERGEN
TRUST FUND

ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2015

B-12

	<u>Ref.</u>		
		<u>Insurance</u>	
		<u>Funds</u>	
Balance, December 31, 2014	B	\$ 7,294.90	
Increased by:			
Accounts Payable Established	B-16	28,543.12	
		<u>35,838.02</u>	
Decreased by:			
Due to Claims Fund	B-10	<u>7,294.90</u>	
Balance, December 31, 2015	B	<u>\$ 28,543.12</u>	

RESERVE FOR ANIMAL CONTROL EXPENDITURES
YEAR ENDED DECEMBER 31, 2015

B-13

	<u>Ref.</u>		
Balance, December 31, 2014	B	\$ 16,531.10	
Increased by:			
Cash Receipts	B-2	\$ 3,235.40	
Interfunds	B-8	<u>22.00</u>	
		<u>3,257.40</u>	
		19,788.50	
Balance, December 31, 2015	B	<u>\$ 19,788.50</u>	

TOWNSHIP OF NORTH BERGEN
TRUST FUND

SPECIAL DEPOSITS
YEAR ENDED DECEMBER 31, 2015

B-14

Account Number	Balance Dec. 31, 2014	Increase	Decrease	Balance Dec. 31, 2015
1 Cultural Affairs	\$ 12,819.35	\$ 1,563.41	\$ 7,361.94	\$ 7,020.82
2 Street Opening Deposits	14,436.75	19,300.00	14,200.00	19,536.75
3 Parking Offenses Adjudication Act	93,000.50	40,818.00	45,700.00	88,118.50
5 Planning Board Escrow	44,742.04	103,404.31	93,403.65	54,742.70
7 Rent Leveling Escrow	10,638.65	2,325.00	1,450.00	11,513.65
9 L.E.A. Program	235,347.03	35,992.49	9,818.81	261,520.71
10 Affordable Housing	32,853.55	180.52		33,034.07
12 Police Detail	124,979.40	1,588,054.25	1,568,713.96	144,319.69
13 Builders Escrow Deposits	1,653,105.13	435,374.15	944,288.06	1,144,191.22
14 Board of Adjustments Escrow	42,439.49	176,918.90	160,459.28	58,899.11
17 Pool Donation	2,466.57			2,466.57
18 Donations	3,385.06			3,385.06
25 Public Defender	11,604.00	11,409.00	5,850.00	17,163.00
28 Elevator Inspections Deposits	88,839.00	91,667.00	69,052.00	111,454.00
29 Law Enforcement	120,886.31	72,612.81	79,129.11	114,370.01
30 State Police Forfeitures	471,502.03	4,899.20	10,906.00	465,495.23
42 Tax Title Lien Redemptions	97,635.85	4,666,536.69	4,762,658.11	1,514.43
43 Tax Title Lien Redemption Premium Account	2,128,600.00	1,612,375.89	1,478,814.92	2,262,160.97
44 Developer's Costs	348,455.33	210,432.77	101,926.75	456,961.35
45 Accumulated Absences		500,000.00	427,408.28	72,591.72
46 Snow Removal	250,573.95	225,484.32	336,977.66	139,080.61
48 Donations for EMS	3,686.32	475.00	1,534.88	2,626.44
Reserve for Library Surplus	298,088.00		298,088.00	
Kennedy Blvd Fire Victims	450.03			450.03
Emergency Relief Funds	750.00	2,984.13	2,250.00	1,484.13
Board of Education		112,956.50		112,956.50
Recycling		172,451.55	166,601.55	5,850.00
	<u>\$ 6,091,284.34</u>	<u>\$ 10,088,215.89</u>	<u>\$ 10,586,592.96</u>	<u>\$ 5,592,907.27</u>
Ref.	B	Below	Below	B
	Ref.			
Cash Receipts	B-2	\$ 8,784,297.32	\$	
Cash Disbursements	B-2		7,607,961.72	
Accounts Receivable	B-4	447,884.53		
Interfunds	B-5	856,034.04	2,252,396.05	
Due to Claims Fund	B-10		726,235.19	
	Above	<u>\$ 10,088,215.89</u>	<u>\$ 10,586,592.96</u>	

TOWNSHIP OF NORTH BERGEN
TRUST FUND

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
YEAR ENDED DECEMBER 31, 2015 B-15

	<u>Ref.</u>		
Balance, December 31, 2014	B		\$ 1,279,078.12
Increased by:			
Grant Award	B-3		<u>608,121.00</u>
			1,887,199.12
Decreased by:			
Due to Current Fund	B-11	\$ 37,045.70	
Due to Claims Fund	B-10	514,825.25	
Due to Salary Account	B-11	<u>53,777.64</u>	
			<u>605,648.59</u>
Balance, December 31, 2015	B		<u><u>\$ 1,281,550.53</u></u>

TOWNSHIP OF NORTH BERGEN
TRUST FUND

RESERVE FOR VARIOUS INSURANCE FUNDS
YEAR ENDED DECEMBER 31, 2015

B-16

	<u>Ref.</u>	<u>Totals</u>	<u>Unemployment Insurance</u>	<u>Other Insurance</u>
Balance, December 31, 2014	B	\$ 375,793.63	\$ 30,320.46	\$ 345,473.17
Increased by:				
Current Fund Appropriations	B-2	\$ 1,420,000.00		\$ 1,420,000.00
Settlements	B-2	239,337.39		239,337.39
Refunds from State of New Jersey	B-2	36,799.26	36,799.26	
Due from Current Fund	B-8	640,000.00	100,000.00	540,000.00
		<u>2,336,136.65</u>	<u>136,799.26</u>	<u>2,199,337.39</u>
		2,711,930.28	167,119.72	2,544,810.56
Decreased by:				
Disbursements	B-2	989,663.89		989,663.89
Due to Claims Fund	B-10	1,039,382.91	87,600.91	951,782.00
Accounts Payable	B-12	28,543.12	28,543.12	
		<u>2,057,589.92</u>	<u>116,144.03</u>	<u>1,941,445.89</u>
Balance, December 31, 2015	B	<u>\$ 654,340.36</u>	<u>\$ 50,975.69</u>	<u>\$ 603,364.67</u>

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER C-2
YEAR ENDED DECEMBER 31, 2015

	<u>Ref.</u>		<u>General Capital</u>
Balance, December 31, 2014	C		\$ 3,617,848.28
Increased by Receipts:			
Premium on Sale of Notes and Bonds	C-1	\$ 259,215.78	
Interfunds Receivable	C-4	1,916,286.04	
Open Space Grant Receivable	C-7	17,685.94	
Improvement Authorization Refund	C-11	42,825.00	
Reserve for Future Improvements	C-13	50,000.00	
Bond Anticipation Notes	C-18	<u>25,463,214.00</u>	
			<u>27,749,226.76</u>
			31,367,075.04
Decreased by Disbursements:			
Interfunds Payable	C-4	3,717,926.81	
Due to Claims Fund	C-5	2,615,718.53	
Bond Anticipation Notes	C-18	<u>22,803,214.00</u>	
			<u>29,136,859.34</u>
Balance, December 31, 2015	C		<u>\$ 2,230,215.70</u>

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH
YEAR ENDED DECEMBER 31, 2015

C-3

Ordinance Number	Balance December 31, 2014	Receipts	Disbursed	Transferred From	Transferred To	Balance December 31, 2015
Fund Balance	\$ 190,912.25	\$ 259,215.78	\$	\$ 185,000.00		\$ 265,128.03
Capital Improvement Fund	26,992.00			140,000.00	140,000.00	26,992.00
Due to Current Fund		1,916,286.04	2,059,981.95	140,000.00	283,695.91	(106,447.50)
Due from Grant Trust Fund	(71,447.50)		35,000.00			327,575.00
Reserve for Future Improvements	277,575.00	50,000.00			2,615,718.53	
Due from Claims Fund			2,615,718.53			
Due from Federal and State Grant Fund	(610,000.00)			24,000.00		(691,856.64)
Due from General Trust Fund	1,164,380.86		67,000.00		9,143.36	(362,514.00)
Bond Anticipation Notes Renewed		22,803,214.00	1,555,944.86		28,050.00	
			22,803,214.00			
Improvement Authorizations						
Various Capital Improvements	473.50					473.50
Improvements to 76th Street Recreation Facility						
800-00	34,090.00					34,090.00
101-11	507.37			507.37		
102-11	479,366.83			1,615.00		477,751.83
146-12	(1,501,192.53)			26,545.00		(1,466,226.59)
151-13	639,985.60	60,510.94		612,354.38		27,631.22
175-13	89.75					89.75
208-14	2,986,115.15			1,811,147.54		1,174,967.61
240-15		2,660,000.00		277,438.51	140,000.00	2,522,561.49
	<u>\$ 3,617,848.28</u>	<u>\$ 27,749,226.76</u>	<u>\$ 29,136,859.34</u>	<u>\$ 3,217,607.80</u>	<u>\$ 3,217,607.80</u>	<u>\$ 2,230,215.70</u>

Ref.

C

C

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

INTERFUNDS
YEAR ENDED DECEMBER 31, 2015

C-4

Ref.	Total	General Trust Fund	State and Federal Grant Fund	Current Fund	Grant Trust Fund
Balance, December 31, 2014 - (Due To)	\$ (554,380.86)	\$ (1,164,380.86)	\$ 610,000.00		\$ 71,447.50
Increased by:					
Expenditures Charged to General Capital Fund	24,000.00		24,000.00		
Budget Appropriation - Capital Improvement Fund	140,000.00	1,555,944.86	67,000.00	140,000.00	35,000.00
Cash Disbursements	3,717,926.81	1,555,944.86	91,000.00	2,059,981.95	35,000.00
	3,881,926.81	391,564.00	701,000.00	2,199,981.95	106,447.50
Decreased by:					
Improvement Authorizations	136,889.27	29,050.00	9,143.36	98,695.91	
Anticipated Revenue - Fund Balance	185,000.00			185,000.00	
Cash Receipts	1,916,286.04			1,916,286.04	
	2,238,175.31	29,050.00	9,143.36	2,199,981.95	
Balance, December 31, 2015:					
Due from	\$ 1,160,818.14	\$ 362,514.00	\$ 691,856.64	\$	\$ 106,447.50
(Due To)	\$	\$	\$	\$	\$

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

DUE FROM/(TO) CLAIMS FUND
YEAR ENDED DECEMBER 31, 2015

C-5

	<u>Ref.</u>	
Increased by:		
Improvement Authorizations	C-11	\$ 2,615,718.53
Decreased by:		
Cash Disbursements	C-2	<u>2,615,718.53</u>
Balance, December 31, 2015		<u>\$</u>

DUE FROM STATE OF NEW JERSEY
GREEN ACRES TRUST PROGRAM
YEAR ENDED DECEMBER 31, 2015

C-6

	<u>Ref.</u>	
Balance, December 31, 2014	C	<u>\$ 1,500,000.00</u>
Balance, December 31, 2015	C	<u>\$ 1,500,000.00</u>

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

DUE FROM COUNTY OPEN SPACE
YEAR ENDED DECEMBER 31, 2015

C-7

	<u>Ref</u>	
Balance, December 31, 2014	C	\$ 17,685.94
Decreased by:		
Cash Receipt	C-2	<u>17,685.94</u>
Balance, December 31, 2015		<u><u>\$</u></u>

DUE FROM TOWN OF GUTTENBERG
YEAR ENDED DECEMBER 31, 2015

C-8

	Ref	
Balance, December 31, 2014	C	<u>\$ 338,854.00</u>
Balance, December 31, 2015	C	<u><u>\$ 338,854.00</u></u>

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

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

C-9

	<u>Ref.</u>		
Balance, December 31, 2014	C		\$ 39,846,971.71
Decreased by:			
Capital Leases	C-16	\$ 423,778.00	
Payment of Green Trust Loans	C-15	47,871.79	
Payment of NJEIT Loans	C-17	105,639.58	
Payment of Serial Bonds and Refunded Bonds	C-19	<u>1,930,000.00</u>	
			<u>2,507,289.37</u>
Balance, December 31, 2015	C		<u>\$ 37,339,682.34</u>

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

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

C-10

Improvement Number	Improvement Description	Balance December 31, 2014	2015 Authorizations	Budget Appropriation	Grant Received	Balance December 31, 2015	Analysis of Balances December 31, 2015		Unexpended Improvement Authorizations
							Bond Anticipation Notes	Expenditures	
15-09	Renovations to Parks	\$ 255,343.00	\$	\$ 9,828.43	\$	\$ 255,514.57	\$ 255,514.57	\$	\$
32-09	Various Capital Improvements	3,017,569.88		101,464.97		2,916,104.91	2,916,104.91		
43-10	Acquisition of Real Property	2,037,088.60		26,455.69		2,010,632.91	2,010,632.91		
64-10	Various Capital Improvements	3,553,127.52		123,372.49		3,429,755.03	3,429,755.03		
91-11	Various Capital Improvements	3,515,000.00		185,000.00		3,330,000.00	3,330,000.00		
101-11	Various Capital Improvements	3,515,000.00		92,015.71		3,422,984.29	3,422,984.29		
102-11	Rehabilitation of Properties	475,000.00		52,777.71		422,222.29	422,222.29		
146-12	Riverfront Park Redevelopment	1,856,539.94			17,685.94	1,838,854.00		1,466,226.59	372,627.41
151-13	Various Capital Improvements	3,021,000.00				3,021,000.00			
175-13	Refunding Tax Appeals	555,000.00		555,000.00					
198-13	Refunding Tax Appeals	1,340,000.00		670,000.00		670,000.00	670,000.00		
208-14	Various Capital Improvements	3,325,000.00				3,325,000.00	3,325,000.00		
240-15	Various Capital Improvements		2,660,000.00			2,660,000.00	2,660,000.00		
		<u>\$ 26,475,668.94</u>	<u>\$ 2,660,000.00</u>	<u>\$ 1,815,915.00</u>	<u>\$ 17,685.94</u>	<u>\$ 27,302,068.00</u>	<u>\$ 25,483,214.00</u>	<u>\$ 1,466,226.59</u>	<u>\$ 372,627.41</u>
	<u>Ref.</u>	C	C-11	C-18	C-14	C	C-18	C-3	C-11

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2015

C-11

Improvement Description	Ordinance Number	Amount	Balance December 31, 2014		2015 Authorization	Expended	Balance December 31, 2015	
			Funded	Unfunded			Funded	Unfunded
Office Equipment and Machinery	583-97	\$ 160,000.00	\$ 473.50	\$	\$	\$ 473.50	\$	
Improvements to 76th Street Recreation Facility	800-00	500,000.00	34,090.00			34,090.00		
Various Capital Improvements	101-11	3,700,000.00		507.37	507.37			
Rehabilitation of Properties	102-11	500,000.00	4,366.83	475,000.00	1,615.00	2,751.83	475,000.00	
Riverfront Park Redevelopment	146-12	2,850,000.00		355,347.41	(17,280.00)		372,627.41	
Various Capital Improvements	151-13	3,180,000.00		639,985.60	612,354.38		27,631.22	
Refunding Tax Appeals	175-13	1,110,000.00		89.75			89.75	
Various Capital Improvements	208-14	3,500,000.00		2,986,115.15	1,811,147.54		1,174,967.61	
Various Capital Improvements	240-15	2,800,000.00			277,436.51		2,522,561.49	
			\$ 38,930.33	\$ 4,457,045.28	\$ 2,800,000.00	\$ 37,315.33	\$ 4,572,877.48	

Reference

C C C C C

Ref.

Below Below

C C C

Due to Claims Fund	C-5	\$ 2,615,718.53
Cash Receipt	C-2	(42,825.00)
Deferred Charges to Future Taxation - Unfunded	C-10	
Interfunds	C-4	112,885.27
Capital Improvement Fund	C-12	140,000.00
		\$ 2,800,000.00

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2015

C-12

	<u>Ref.</u>	
Balance, December 31, 2014	C	\$ 26,992.00
Increased by:		
Budget Appropriation:		
Due from Current Fund	C-4	<u>140,000.00</u>
		166,992.00
Decreased by:		
Utilized to Fund Improvement Authorization	C-11	<u>140,000.00</u>
Balance, December 31, 2015	C	<u><u>\$ 26,992.00</u></u>

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

RESERVE FOR FUTURE IMPROVEMENTS
YEAR ENDED DECEMBER 31, 2015

C-13

	<u>Ref.</u>	
Balance, December 31, 2014	C	\$ 277,575.00
Increased by:		
Cash Receipt	C-2	<u>50,000.00</u>
Balance, December 31, 2015	C	<u>\$ 327,575.00</u>
 <u>Analysis of Balance</u>		
Street and Sewer Improvements		<u>\$ 327,575.00</u>

RESERVE FOR STATE GRANTS AND OTHER RECEIVABLES
YEAR ENDED DECEMBER 31, 2015

C-14

	<u>Ref.</u>	
Balance, December 31, 2014	C	\$ 1,856,539.94
Decreased by:		
County Open Space Received	C-10	<u>17,685.94</u>
Balance, December 31, 2015	C	<u>\$ 1,838,854.00</u>

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

GREEN ACRES LOANS PAYABLE
GREEN TRUST
YEAR ENDED DECEMBER 31, 2015

C-15

<u>Project/Improvement</u>	<u>Balance</u> <u>December 31, 2014</u>	<u>Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>December 31, 2015</u>
Soccer Field - 1993	\$ 17,465.04	\$ 11,585.34	\$ 5,879.70
88th Street Park - 1993	27,162.16	10,702.98	16,459.18
Riverview Park - 1995	38,554.00	9,352.72	29,201.28
74th Street Park	52,858.97	3,410.25	49,448.72
76th Street Park	217,948.70	12,820.50	205,128.20
	<u>\$ 353,988.87</u>	<u>\$ 47,871.79</u>	<u>\$ 306,117.08</u>
<u>Ref.</u>	C	C-9	C

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

CAPITAL LEASES PAYABLE
HUDSON COUNTY IMPROVEMENT AUTHORITY
YEAR ENDED DECEMBER 31, 2015

C-16

	<u>Ref.</u>	
Balance, December 31, 2014	C	\$ 8,113,146.50
Decreased by:		
Lease Payments	C-9	<u>423,778.00</u>
Balance, December 31, 2015	C	<u>\$ 7,689,368.50</u>

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

ENVIRONMENTAL INFRASTRUCTURE
LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2015

C-17

	<u>Ref.</u>	
Balance, December 31, 2014	C	\$ 1,892,836.34
Decreased by:		
Current Year Debt	C-9	<u>105,639.58</u>
Balance, December 31, 2015	C	<u>\$ 1,787,196.76</u>

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

C-19

GENERAL SERIAL BONDS
YEAR ENDED DECEMBER 31, 2015

Purpose	Date of Issue	Original Amount	Maturities of Bonds Outstanding December 31, 2015	Interest Rate	Balance December 31, 2014	Decrease	Balance December 31, 2015	Ref.
Refunding Bonds	2/15/08	\$ 11,000,000.00	\$ 580,000.00	5.00%	\$ 2,270,000.00	\$ 530,000.00	\$ 1,740,000.00	
Tax Appeal Bonds	5/15/09	3,800,000.00	1,000,000.00	4.00%	2,000,000.00	1,000,000.00	1,000,000.00	
General Improvements	5/15/09	22,472,000.00						
			1,072,000.00	4.00%				
			1,100,000.00	4.00%				
			1,150,000.00	4.00%				
			1,390,000.00	4.00%				
			1,470,000.00	4.00%				
			1,480,000.00	4.00%				
			1,490,000.00	4.125%				
			1,490,000.00	4.25%				
			1,490,000.00	4.375%				
			1,490,000.00	4.50%	22,472,000.00		22,472,000.00	
Refunding Bonds	5/10/12	3,145,000.00	395,000.00	3.00%				
			390,000.00	4.00%				
			385,000.00	4.00%				
					2,745,000.00	400,000.00	2,345,000.00	
					\$ 29,487,000.00	\$ 1,930,000.00	\$ 27,557,000.00	C
					C	C-9	C	

TOWNSHIP OF NORTH BERGEN
GENERAL CAPITAL FUND

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

C-20

<u>Improvement Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2014</u>	<u>2015 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Grants Received</u>	<u>Balance December 31, 2015</u>
146-12	Riverfront Park Redevelopment	\$ 1,856,539.94	\$	\$	\$ 17,685.94	\$ 1,838,854.00
240-15	Various Capital Improvements		2,660,000.00	2,660,000.00		
		<u>\$ 1,856,539.94</u>	<u>\$ 2,660,000.00</u>	<u>\$ 2,660,000.00</u>	<u>\$ 17,685.94</u>	<u>\$ 1,838,854.00</u>
	<u>Ref.</u>	C	C-10	C-18	C-10	C

TOWNSHIP OF NORTH BERGEN
PUBLIC ASSISTANCE TRUST FUND

CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED DECEMBER 31, 2015

D-1

	<u>Ref.</u>		
Balance, December 31, 2014	D		\$ 1,903.87
Decreased by:			
Payment of Claims	D-3	<u>\$ 250.00</u>	<u>250.00</u>
Balance, December 31, 2015	D		<u>\$ 1,653.87</u>

TOWNSHIP OF NORTH BERGEN
PUBLIC ASSISTANCE TRUST FUND

RESERVES FOR EXPENDITURES
TRUST FUND ACCOUNT # 1
YEAR ENDED DECEMBER 31, 2015

D-2

	<u>Ref.</u>		
Balance, December 31, 2014	D		\$ 1,903.87
			<u>1,903.87</u>
Decreased by:			
Payment of Claims	D-3	<u>250.00</u>	<u>250.00</u>
Balance, December 31, 2015	D		<u><u>\$ 1,653.87</u></u>

DUE TO CLAIMS FUND
YEAR ENDED DECEMBER 31, 2015

D-3

	<u>Ref.</u>		
Increased by:			
Reserve for Expenditures	D-2		\$ 250.00
Decreased by:			
Cash Disbursements	D-1		<u>250.00</u>
Balance, December 31, 2015			<u><u>\$</u></u>

TOWNSHIP OF NORTH BERGEN
CLAIMS FUND

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

E-1

	<u>Ref.</u>	
Increased by Receipts:		
Interfunds	E-2	\$ 100,470,803.91
Decreased by Disbursements:		
Interfunds	E-2	<u>100,470,803.91</u>
Balance, December 31, 2015		<u>\$</u>

TOWNSHIP OF NORTH BERGEN
CLAIMS FUND

INTERFUNDS
YEAR ENDED DECEMBER 31, 2015

E-2

	<u>Receipts</u>	<u>Disbursed</u>
Due to Current Fund	\$ 94,830,520.47	\$ 94,830,520.47
Due to Federal and State Grant Fund	732,982.01	732,982.01
Due to Community Development Trust Fund	514,825.25	514,825.25
Due to Public Assistance Fund	250.00	250.00
Due to Animal Control Fund	1,061.40	1,061.40
Due to General Capital Fund	2,618,251.78	2,618,251.78
Due to Other Trust Fund	726,235.19	726,235.19
Due to Unemployment Compensation Insurance Trust Fund	94,895.81	94,895.81
Due to Self-Insurance Trust Fund Contra	951,782.00	951,782.00
	<u>\$ 100,470,803.91</u>	<u>\$ 100,470,803.91</u>
<u>Ref.</u>	E-1	E-1

PART II
REPORTS ON INTERNAL CONTROL
AND OTHER MATTERS
SINGLE AUDIT ATTACHMENTS
ROSTER OF OFFICIALS
AND
COMMENTS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2015



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

**The Honorable Mayor and Members
of the Township Council
Township of North Bergen
North Bergen, New Jersey**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory basis financial statements of the various funds of the Township of North Bergen, Hudson County, New Jersey (the "Township"), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 3, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

PKF O'Connor Davies, LLP

June 3, 2016

John Lauria

John Lauria, RMA
Licensed Registered Municipal Accountant # 403



**Report on Compliance For Each Major Federal and State Program;
Report on Internal Control Over Compliance; and Report on the Schedule of
Expenditures of Federal and State Awards Required by OMB Uniform Guidance
and New Jersey OMB Circular 15-08**

**The Honorable Mayor and Members
of the Board of Commissioners
Township of North Bergen
County of Hudson
North Bergen, NJ**

Report on Compliance for Each Major Federal and State Program

We have audited the Township of North Bergen, County of Hudson, New Jersey's (the "Township") compliance with the types of compliance requirements described in the *OMB Uniform Guidance* and *New Jersey OMB Circular 15-18* that could have a direct and material effect on each of the Township's major programs for the year ended December 31, 2015. The Township's major programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Township's major programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and *New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Programs*. Those standards OMB Uniform Guidance and N.J. OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major program. However, our audit does not provide a legal determination of the Township's compliance.

Opinion on Each Major Program

In our opinion, the Township complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major programs for the year ended December 31, 2015.

Management of the Township is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements that could have a direct and material effect on each major program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on

**The Honorable Mayor and Members
of the Board of Commissioners
Page 2**

compliance for each major program and to test and report on internal control over compliance in accordance with Uniform Guidance and N.J. 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 Township's internal control over compliance.

Report on 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 OMB Uniform Guidance and N.J. OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal and State Awards Required by OMB Uniform Guidance and N.J. OMB Circular 15-08

We have audited the regulatory basis financial statements of the Township as of and for the year ended December 31, 2015, and have issued our report thereon dated June 3, 2016, which contained an unmodified opinion on those financial statements on the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our audit was conducted for the purpose of forming an opinion on the regulatory basis financial statements as a whole. The accompanying schedules of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and N.J. OMB Circular 15-08 and is not a required part of the regulatory basis financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the regulatory basis financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal and state awards is fairly stated in all material respects in relation to the financial statements as a whole.

PKF O'Connor Davies, LLP

June 3, 2016

John Lauria

John Lauria, RMA
Licensed Registered Municipal Accountant # 403

TOWNSHIP OF NORTH BERGEN
COUNTY OF HUDSON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2015

SCHEDULE A

Federal CFDA Number	Grant Period From To	Passed Through Entity Identifying Number	Passed Through Sub-Recipients	Revised Budget	Cash Receipts	Current Year Expenditures	Canceled	Cumulative Expenditures
14.218	7-01-04 7-01-10 7-01-11 7-01-12 7-01-13 7-01-14 7-01-15	\$	\$	\$ 1,468,205.54 939,911.93 617,762.00 585,719.41 81,249.00 1,035,936.00	53,418.48 492,783.87 546,202.35	53,418.48		\$ 1,447,995.82 926,227.96 514,769.33 568,902.18 80,450.68 588,644.82 24,932.56 4,131,927.35
	10-29-12 12-11-14 4-21-15 7-01-15	\$		557,580.00 250,000.00 132,853.00 5,000.00	8,725.24 5,000.00	179,194.26 96,489.21 5,000.00		557,580.00 179,194.26 96,489.21 5,000.00
	7-01-13 7-01-14 7-01-14 7-01-15			14,000.00 16,000.00	14,000.00 4,350.00	14,000.00 2,500.00		14,000.00 2,500.00
	7-01-12 7-01-14 7-01-15 7-01-15			8,343.91 16,500.00 10,000.00 8,500.00	8,343.91	8,206.00 7,500.00 5,000.00 8,500.00		8,206.00 16,500.00 5,000.00 8,500.00
	1-01-15 1-01-14			34,528.74 42,140.96	34,528.74 9,658.50	34,528.74		34,528.74 33,261.28
93.				24,000.00	24,000.00	24,000.00		24,000.00
				\$ 663,308.74	\$ 990,566.80	\$		\$ 5,116,686.84

TOWNSHIP OF NORTH BERGEN
COUNTY OF HUDSON

SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2015

SCHEDULE B
Sheet # 1

State Funding Department or Division	Program	State Account Number	Revised Grant Award	Grant Period		Cash Received	Expended	Cumulative Expended
				From	To			
Community Affairs	Handicapped Person's Recreation Opportunities Act	8050-150-051570-60	\$ 19,480.13	1/01/14	12/31/14	\$ 19,480.13	\$ 9,065.53	\$ 19,480.13
			20,000.00	1/01/15	12/31/15	11,729.90		11,729.90
	Municipal Alliance Grant	2000-475-995120-60	55,085.00	1/01/14	12/31/14	14,197.61	52,504.00	55,085.00
			52,504.00	1/01/15	12/31/15	42,823.14	52,504.00	52,504.00
	Cooperative Housing Inspection Program	N/A	21,000.00	1/01/15	12/31/15	21,000.00	21,000.00	21,000.00
						<u>77,820.75</u>	<u>94,299.43</u>	<u>159,799.03</u>
Transportation	Transportation Trust Fund	6320-480-601385-61	400,000.00	7/01/09	6/30/10			174,819.34
			210,000.00	7/01/11	6/30/12		110,743.17	210,000.00
			380,990.00	7/01/12	6/30/13		15,363.71	380,990.00
			317,130.00	7/01/13	6/30/14	101,186.00	284,576.65	301,766.29
			302,876.00	7/01/14	6/30/15	101,186.00	3,432.00	3,432.00
					<u>101,186.00</u>	<u>414,115.53</u>	<u>1,071,007.63</u>	
	New Jersey Transit	N/A	78,660.00	7/01/11	6/30/12		9,580.00	24,810.00
Environmental Protection	Clean Communities	4900-765-178910-60	89,575.15	1/01/15	12/31/15	89,575.15	89,575.15	89,575.15
	Recycling Tonnage Grant		172,451.55	7/01/14	6/30/15	172,451.55	166,601.55	141,325.67
	Green Acres Trust - Riverfront Park		1,500,000.00	7/01/12	Completion			1,500,000.00
						<u>262,026.70</u>	<u>256,176.70</u>	<u>1,730,900.82</u>

TOWNSHIP OF NORTH BERGEN
COUNTY OF HUDSON

SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2015

SCHEDULE B
Sheet # 2

State Funding Department or Division	Program	State Account Number	Revised Grant Award	Grant Period		Cash Received	Expended	Cumulative Expended
				From	To			
Law and Public Safety	Division of Criminal Justice:							
	Body Armor Fund 2012		10,920.32	7/01/12	6/30/13	\$	\$ 9,619.92	\$ 10,920.32
	Body Armor Fund 2013		13,971.48	7/01/13	6/30/14		6,948.08	6,948.00
	Body Armor Fund 2014		10,453.46	7/01/13	6/30/14			
	Body Armor Fund 2015		10,350.72	7/01/14	6/30/15			
	Division of Motor Vehicles:							
	Drunk Driving Enforcement	6400-100-078-6400	7,628.87	7/01/14	6/30/15			3,350.73
	Alcohol Education and Rehabilitation	9735-760-098-Y900	25,111.69	7/01/09	Completion	2,475.19	1,716.84	1,716.84
			7,251.65	7/01/08	Completion	2,475.19	1,408.16	5,843.49
							18,284.84	22,935.89
						\$ 443,508.64	\$ 792,456.50	\$ 3,009,453.37

See accompanying Notes to the Schedules of Expenditures of Federal and State Awards.

**TOWNSHIP OF NORTH BERGEN
COUNTY OF HUDSON**

**NOTES TO SCHEDULES OF EXPENDITURES OF
FEDERAL AND STATE AWARDS**

DECEMBER 31, 2015

NOTE 1 - GENERAL

The accompanying Schedules of Expenditures of Federal and State Awards present the activity of all federal and state financial assistance programs of the Township of North Bergen, County of Hudson, New Jersey (the "Township"). All federal and state financial award and assistance received directly from federal or state agencies, as well as federal and state financial assistance passed-through other government agencies, is included on the Schedules of Expenditures of Federal and State Awards.

NOTE 2 - BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal and State Awards are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than generally accepted accounting principles. The basis of accounting, with exception, is described in Note 2 to the Township's regulatory basis financial statements.

NOTE 3 - RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 4 - RELATIONSHIP TO REGULATORY BASIS FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's regulatory basis financial statements. These amounts are reported in the Current Fund, General Capital Fund or Trust Fund. Matching contributions expended by the Township in accordance with terms of the various grants are not reported in the accompanying schedules.

NOTE 5 - FEDERAL AND STATE LOANS OUTSTANDING

The Township has Green Acres Loans outstanding in the sum of \$306,117.08 and an Environmental Infrastructure Trust Loan of \$1,787,196.76.

**TOWNSHIP OF NORTH BERGEN
COUNTY OF HUDSON**

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	<u>Unmodified</u>		
Internal control over financial reporting:			
1) Material weakness(es) identified?	_____	Yes	_____ <input checked="" type="checkbox"/> _____ No
2) Were significant deficiencies identified that are not considered to be material weaknesses?	_____	Yes	_____ <input checked="" type="checkbox"/> _____ None Reported
Noncompliance material to basic financial statements noted?	_____	Yes	_____ <input checked="" type="checkbox"/> _____ No

Federal Awards Section

Internal control over major programs:			
1) Material weakness(es) identified?	_____	Yes	_____ <input checked="" type="checkbox"/> _____ No
2) Were significant deficiencies identified that are not considered to be material weaknesses?	_____	Yes	_____ <input checked="" type="checkbox"/> _____ No

Type of auditor's report issued on compliance for major programs:	<u>Unqualified</u>		
Any audit findings disclosed that are required to be reported in accordance with OMB Uniform Guidance	_____	Yes	_____ <input checked="" type="checkbox"/> _____ No

Dollar threshold used to distinguish between Type A and Type B Programs:	<u>\$750,000.00</u>		
Auditee qualified as low-risk auditee?	_____ <input checked="" type="checkbox"/> _____	Yes	_____ <input type="checkbox"/> _____ No

Identification of major programs:

14.218

Department of Housing Urban Development Community
Development Block Grant

TOWNSHIP OF NORTH BERGEN
COUNTY OF HUDSON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2015

State Awards

Dollar threshold used to distinguish between Type A
and Type B programs:

\$750,000.00

Auditee qualified as low-risk auditee?

 √ Yes No

Internal control over major programs:

1) Material weakness(es) identified

 Yes √ No

2) Significant deficiencies identified that are not
considered to be material weaknesses?

 Yes √ None Reported

Type of auditor's report issued on compliance for
major programs:

Unqualified

Any audit findings disclosed that are required to be reported
in accordance with NJ OMB Circular Letter 15-08?

 Yes √ No

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

Transportation Trust Fund

**TOWNSHIP OF NORTH BERGEN
COUNTY OF HUDSON**

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

Section II - Financial Statement Findings

None Reported

Section III - Federal and State Award Findings and Questioned Costs

None Reported

Section IV – Schedule of Prior Year Findings

None Reported

**OFFICIALS IN OFFICE AND REPORT ON SURETY BONDS
AS OF DECEMBER 31, 2015**

The following are the officials in office:

<u>Name</u>	<u>Position</u>
Nicolas J. Sacco	Mayor and Director of Public Affairs
Allen Pascual	Director of Public Safety
Frank Gargiulo	Director of Public Works
Hugo Cabrera	Director of Public Parks and Playgrounds
Julio Marenco	Director of Revenue and Finance
Christopher Pianese	Township Administrator
Erin Barillas	Township Clerk
Denise Zambardino	Tax Collector
Nino Falcone	Magistrate
Joseph Romano	Magistrate
Heather D. Luzzi-Hernandez	Court Administrator
Robert Pittfield	Chief Financial Officer
Thomas Kobin	Township Attorney
Elsie Vargas	Township Treasurer

The following is a list of employees with surety bond coverage:

Heather D. Luzzi-Herandez	Court Administrator
Nino Falcone	Judge
Public Employees' Dishonesty Bond Violations Department Blanket Bond	
Christopher Pianese	Township Administrator
Robert Pittfield	Chief Financial Officer

Effective January 1, 2007 these individuals, along with any assistant job titles, are covered under a blanket bond issued through the Municipal Excess Liability Joint Insurance Fund in the sum of \$1,000,000.00. It is also noted that Court personnel are covered under a separate Court blanket bond.

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

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

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

The bidding threshold for the period under review was \$36,000.00 through June 30th and then raised to \$40,000.00 effective July 1st in accordance with the provisions of N.J.S.A. 40A:11-3a, based on the appointment of a qualified purchasing agent.

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

It is further noted that contracts between \$17,500.00 and the municipal bidding threshold, known as "window contracts", can be issued by resolution of the governing body without competitive bidding if a non-fair and open process is implemented which prohibits reportable contributions by the business entity. The Township did not participate in this process.

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

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 of materials and supplies or related work or labor, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

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

N.J.S.A. 40A:11-6.1 states, "Except contracts which require the performance of professional services, all contracts or agreements which do not require public advertising for bids and the estimated cost or price exceeds fifteen percent of the bid threshold or \$5,400.00, at least two quotations as to the cost or price, whenever practicable, shall be solicited by the contracting agent, and the contract or agreement shall be made with and awarded to the lowest responsible bidder."

Reference is made to the Local Public Contract Guidelines and Local Public Contract Regulations (1977) promulgated by the New Jersey Division of Local Government Services in the Department of Community Affairs.

Collection of Interest on Delinquent Taxes

The statutes (N.J.S.A. 54:4-67, as amended) provide the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes and assessments on or before the date when they would become delinquent.

On January 14, 2015, the Governing Body adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED by the Board of Commissioners of the Township of North Bergen that approval be given to the Tax Collector to charge 8% on the first \$1,500.00 of the delinquency and 18% on all delinquencies in excess of \$1,500.00.

Minor differences were noted in our tests.

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent balances and current payments was made in accordance with the regulations of the Division of Local Government Services consisting of the following:

<u>Type</u>	<u>Number of Notices</u>
Payments of 2015 Taxes	25
2014 - 2015 Delinquent Taxes	<u>25</u>
	<u>50</u>

The results of tests did not disclose any material instance of irregularities.

Tax Collector

In some instances the Tax Collector's records were not in agreement with ledger accounts maintained by the Finance Office. Some adjustments made by the Tax Collector were not forwarded to the Finance Office for posting in the general ledger.

It is recommended:

- 1) That all tax adjustments be forwarded to the Finance Office for posting.

Administrative Procedures

Five employees hired in 2015 did not have their required contributory medical deduction taken from their pay in a timely manner.

One employee continued to receive health benefits after termination. The Township has notified the individual and reimbursement is being made.

Status of Prior Years' Audit Recommendations

In accordance with regulations promulgated by the Single Audit Act and the Division of Local Government Services, all municipalities are required to prepare and submit to the Division of Local Government Services, a Corrective Action Plan with regard to audit deficiencies. This plan must be approved by formal resolution of the Governing Body and submitted within 60 days from the date the audit is received. A plan was prepared for items found in the CY 2014 Report on Examination of Accounts.

A review was performed on all prior years' recommendations and corrective action was taken on all.

Miscellaneous

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

In verifying expenditures, computations were tested on the basis of a statistical sampling of claims approved and paid. No attempt was made in this connection to establish proof of prices or receipts of materials, these elements being left necessarily to internal review in connection with approval of claims.

The propriety of deductions from employees' individual gross salaries for pensions, withholding tax, social security and other purposes was not verified as part of this examination. Remittances to authorized agencies of the amounts deducted were ascertained.

The totals of outstanding checks shown in the Cash Reconciliations appearing herein are in agreement with the records in the Office of the Township Treasurer as well as with independent verifications made part of this examination.

A copy of this report was filed with the State of New Jersey, Director of the Division of Local Government Services, Department of Community Affairs.

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

RECOMMENDATIONS

Tax Collector

That all tax adjustments be forwarded to the Finance Office for posting.

* * *

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

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

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

Respectfully submitted,

PKF O'Connor Davies, LLP
John Lauria

John Lauria, RMA

June 3, 2016