

**CITY OF PLEASANTVILLE**

**ATLANTIC COUNTY**

**NEW JERSEY**

**AUDIT REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2015**



# CITY OF PLEASANTVILLE

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**CITY OF PLEASANTVILLE**

**PART I**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS**

**AND SUPPLEMENTARY DATA**

**YEAR ENDED DECEMBER 31, 2015**

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# FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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## Independent Auditor's Report

The Honorable Mayor and  
Members of City Council  
City of Pleasantville, New Jersey

### **Report on the Financial Statements**

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the City of Pleasantville, as of December 31, 2015 and 2014, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City'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 the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

### ***Auditor's Responsibility***

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

reasonable assurance about whether the financial statements are free of material misstatement.

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

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the City of Pleasantville on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Basis for 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 City of Pleasantville as of December 31, 2015 and 2014, or changes in financial position for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31,

2015 and 2014, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2015 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

## ***Other Matters***

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Pleasantville's basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 8, 2016 on our consideration of the City of Pleasantville'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 City of Pleasantville's internal control over financial reporting and compliance.

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Harvey C. Cocozza, Jr.*  
Harvey C. Cocozza, Jr.  
Certified Public Accountant  
Registered Municipal Accountant  
No. 551

July 8, 2016

**EXHIBIT A - CURRENT FUND**

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**CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
AS OF DECEMBER 31,**

	2015	2014
<b>ASSETS</b>		
Regular Fund:		
Cash - Treasurer	\$ 7,091,558	9,134,700
Due from State of New Jersey - Senior Citizens and Veterans	12,023	15,898
	7,103,581	9,150,598
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable	107,548	61,781
Tax Title and Other Liens	1,278,521	1,038,086
Property Acquired for Taxes-Assessed Valuation	1,428,529	1,428,529
Revenue Accounts Receivable	11,349	14,259
Due from:		
Animal Control Fund	4,325	3,399
Fire Prevention Penalty Fund	2,312	2,312
Utility Capital Fund	-	90,193
Utility Operating Fund	40,376	-
Tax Redemption Trust	127	131
Payroll Trust	119,099	119,099
Payroll Clearing	20,806	2,355
	3,012,992	2,760,144

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
AS OF DECEMBER 31,**

	<u>2015</u>	<u>2014</u>
ASSETS		
Deferred Charges:		
Cash Deficit in Operations	7,807	-
Special Emergency Appropriation	<u>1,686,742</u>	<u>2,000,000</u>
	<u>1,694,549</u>	<u>2,000,000</u>
Total Assets - Regular Fund	<u>11,811,122</u>	<u>13,910,742</u>
 Federal and State Grant Fund:		
Cash	3,927,288	5,005,782
Federal Grants Receivable	1,413,049	1,080,515
State Grants Receivable	2,910,340	2,463,866
Due from Current Fund	<u>2,215,660</u>	<u>2,275,911</u>
Total Assets - Grant Fund	<u>10,466,337</u>	<u>10,826,074</u>
Total Current Fund	<u>\$ 22,277,459</u>	<u>24,736,816</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS



**CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
AS OF DECEMBER 31,**

	2015	2014
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>		
Regular Fund:		
Liabilities:		
Appropriation Reserves	\$ 712,613	363,781
Reserve for Encumbrances and Payables	441,359	455,687
Taxes Collected in Advance	257,265	262,780
Tax Overpayments	125,552	73,340
Special Emergency Note Payable	1,686,742	1,408,428
Due to:		
Board of Education	423,947	537,678
Grant Fund	2,215,660	2,275,911
Utility Operating	-	193,258
Utility Capital	476,163	-
Accumulated Absence Trust	-	591,572
General Capital Fund	947,416	1,806,802
County of Atlantic - Added/Omitted Taxes	6,158	3,885
State Training Fees	8,298	2,885
Reserve for:		
State Tax Appeals Pending	100,000	100,000
FICA Reimbursements	232	232
Tax Lien Sale Costs	16,320	-
Revaluation	408,891	467,534
Performance Bonds	112,778	112,778
	7,939,394	8,656,551
Reserves for Receivables and Other Assets	3,012,992	2,760,144
Fund Balance	858,736	2,494,047
Total Liabilities - Regular Fund	11,811,122	13,910,742

**CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
AS OF DECEMBER 31,**

	2015	2014
LIABILITIES, RESERVES AND FUND BALANCE		
Federal and State Grant Fund:		
Encumbrances Payable	176,499	48,199
Due to General Capital	596,223	596,223
Commercial Development		
Unappropriated Reserves	40,514	40,514
Reserve for Dept of Transportation Grant	-	268,905
Reserve for Federal Grants		
Appropriated	1,121,803	721,797
Reserve for State Grants		
Appropriated	4,780,898	5,371,491
Unappropriated	3,750,400	3,778,945
Total Liabilities - Grant Fund	10,466,337	10,826,074
Total Current Fund	\$ 22,277,459	24,736,816

**CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES  
IN FUND BALANCE - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31,**

	2015	2014
Revenue and Other Income Realized		
Fund Balance Utilized	\$ 1,635,311	1,315,000
Miscellaneous Revenue Anticipated	8,748,289	6,529,319
Receipts from Delinquent Taxes	53,032	57,124
Receipts from Current Taxes	33,518,526	34,022,406
Non Budget Revenue	774,346	1,737,934
Other Credits to Income:		
Interfund Returned	90,193	-
Reduction of Reserve for State Tax Appeals	-	200,000
Unexpended Balance of Approp Reserves	75,986	277,628
Total Income	44,895,683	44,139,411
Expenditures		
Budget and Emergency Appropriations:		
Operations:		
Salaries and Wages	11,746,000	11,640,350
Other Expenses	14,461,237	10,784,431
Deferred Charges and Statutory Expenditures	3,306,524	3,753,887
Capital Improvements	20,000	200,000
Municipal Debt Service	2,251,381	2,193,494
Transferred to Board of Education for Local Use	77,212	76,222
Local District School Tax	9,130,185	9,607,354
County Tax	3,877,470	4,471,097
County Share of Added Taxes	6,158	3,885
Interfund Created	75,367	146,066
Refund of Prior Year's Revenue	511,656	-
Total Expenditures	45,463,190	42,876,786
Excess/(Deficit) in Revenue	(567,507)	1,262,625

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES  
IN FUND BALANCE - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31,**

	<u>2015</u>	<u>2014</u>
Adjustments to Income before Fund Balance:		
Expenditures included above with are by Statute		
Deferred Charges to Budget of Succeeding Year	-	-
Cash Deficit in Operations	7,507	-
Emergency Appropriation	<u>560,000</u>	<u>-</u>
Statutory Excess to Fund Balance	<u>-</u>	<u>1,262,625</u>
Fund Balance January 1	<u>2,494,047</u>	<u>2,546,422</u>
	2,494,047	3,809,047
Decreased by:		
Utilization as Anticipated Revenue	<u>1,635,311</u>	<u>1,315,000</u>
Balance December 31	<u>\$ 858,736</u>	<u>2,494,047</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Anticipated	Excess or (Deficit)	
	Budget	N.J.S. 40A:4-87	
	Realized	Realized	
Fund Balance Anticipated	\$ 1,635,311	1,635,311	-
Total Fund Balance Anticipated	1,635,311	1,635,311	-
Miscellaneous Revenues:			
Section A: Local Revenues			
Licenses:			
Alcoholic Beverages	22,000	22,700	700
Other	36,000	40,032	4,032
Fees and Permits	190,000	250,678	60,678
Fines and Costs:			
Municipal Court	250,000	176,662	(73,338)
Interest and Costs on Taxes	175,000	181,898	6,898
Anticipated Utility Operating Surplus	1,300,000	1,300,000	-
Rental of Municipal Property	65,000	65,000	-
Rent of Municipal Land	40,000	84,240	44,240
EMS Services		-	-
Payments in Lieu of Taxes	102,000	132,277	30,277
Hotel Room Tax	36,000	43,102	7,102
Rental Regulation Fee	130,000	144,270	14,270
Total Section A	2,346,000	2,440,859	94,859
Section B: State Aid Without Offsetting Appropriations			
Energy Receipts Tax	1,866,036	1,866,036	-
Consolidated Municipal Property Tax Relief Act	265,404	265,404	-
Total Section B	2,131,440	2,131,440	-

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Anticipated		Realized	Excess or (Deficit)
	Budget	N.J.S. 40A:4-87		
Section C: Dedicated Uniform Construction Code Fees Offset with Appropriations (NJS40A:4-36 & NJAC 5:23-4.17) Uniform Construction Code Fees	235,000		206,645	(28,355)
Total Section C	235,000	-	206,645	(28,355)
Section F: Special Items of General Revenue Anticipated -Public and Private Revenues Offset with Appropriations				
Clean Communities Program		36,262	36,262	
Shared Services Capital Grant		30,000	30,000	
Recycling Tonnage Grant	22,789		22,789	
Urban Enterprise Zone: Projects				
Body Armor Fund	1,300,000	45,000	1,345,000	
2013 CDBG - Superstorm Sandy	4,549		4,549	
FEMA Hazard Mitigation Grant - Generator	30,000		30,000	
Municipal Alliance Program	90,000		90,000	
Alcohol Education Rehabilitation	15,000		15,000	
FEMA - Addl Post Sandy Planning Grant	2,363		2,363	
Summer Food Program		110,000	110,000	
FEMA - Bayview Ave Pump Station		190,305	190,305	
OCEAN Inc. - After School Program		100,000	100,000	
Justice Assistance Grant		10,000	10,000	
FEMA - Post Sandy Planning Grant		15,382	15,382	
NJ DOT - 2015 Transit Village		280,000	280,000	
NJ DOT - 2015 Safe Streets		240,000	240,000	
NJ DOT - 2015 Muni Aid - Decature Avenue		500,000	500,000	
Sustainable New Jersey		240,950	240,950	
NJ EDA 2015 Main StreetScape		2,000	2,000	
		461,476	461,476	
Total Section F	1,464,701	2,261,375	3,726,076	-

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget	Anticipated N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Section G-Special Items of General Revenue				
Anticipated with Prior Written Consent of Director of				
Local Government Services - Other Special Items	30,000		37,961	7,961
Uniform Fire Safety Act	266,001		205,308	(60,693)
Insurance Reimbursements - Sandy	296,001	-	243,269	(52,732)
Total Section G	6,473,142	2,261,375	8,748,289	13,772
Total Miscellaneous Revenues	73,251		53,032	(20,219)
Receipts from Delinquent Taxes				
Amount to be Raised by Taxes for Support of Municipal Budget	21,235,921		20,880,318	(355,603)
Local Tax for Municipal Purposes	29,417,625	2,261,375	31,316,950	(362,050)
Budget Totals	-		774,346	774,346
Non-Budget Revenues:				
Other Non-Budget Revenue	\$ 29,417,625	2,261,375	32,091,296	412,296

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 33,518,526
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Less: Reserve for Tax Appeals Pending	<u>                    -</u>
---------------------------------------	------------------------------

Net Revenue from Collections	33,518,526
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Allocated to:

School, County Taxes	<u>13,013,813</u>
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Balance for Support of Municipal Budget Appropriations	20,504,713
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Increased by:

Appropriation "Reserve for Uncollected Taxes"	<u>375,605</u>
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Amount for Support of Municipal Budget Appropriations

	<u><u>20,880,318</u></u>
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Receipts from Delinquent Taxes:

Delinquent Tax Collections	18,285
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Tax Title Lien Collections	<u>34,747</u>
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	<u><u>\$ 53,032</u></u>
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**CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

Analysis of Non-Budget Revenue

Miscellaneous Revenue not Anticipated:

Tax Collector:

Tax Search Fees	\$ 110
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Treasurer:

Board Up & Cleaning Fees	24,439	
Escrow Application Fees	6,550	
Recreation Fees	4,389	
Abandoned House Registration	77,550	
Tax Sale Costs	35,560	
Police Contract Time	28,045	
Interest	83	
Auctioned Assets	288,068	
Insurance Reimbursements	18,399	
Payment in lieu of Taxes	30,267	
Miscellaneous	199,175	
Senior Citizen and Veterans Admin Fee	2,145	
EMS Billing Fee	5,753	
Refund of Prior Year's Expenditures	53,813	
		774,236
		\$ 774,346

**CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
<b>GENERAL GOVERNMENT:</b>						
General and Administrative						
Salaries and Wages	\$ 265,000	255,000	248,829	3,500	2,671	
Other Expenses	70,000	45,000	22,682	906	21,412	
Mayor and City Council						
Salaries and Wages	112,500	102,500	100,674		1,826	
Other Expenses	20,000	20,000	10,676	32	9,292	
Municipal Clerk						
Salaries and Wages	112,500	112,500	110,723		1,777	
Other Expenses	50,000	56,000	44,481	7,119	4,400	
Technology Support & Equipment						
Other Expenses	61,000	68,500	52,430	5,737	10,333	
Elections						
Other Expenses	6,000	8,500	6,888		1,612	
Financial Administration						
Salaries and Wages	187,500	182,500	181,233		1,267	
Other Expenses	56,500	71,500	44,697	8,760	18,043	
Audit Services						
	40,000	40,000	38,650	750	600	
Assessment of Taxes						
Salaries and Wages	60,000	60,000	55,653		4,347	
Other Expenses	8,400	8,400	1,277	5,261	1,862	
Collection of Taxes						
Salaries and Wages	101,250	92,250	88,878		3,372	
Other Expenses	13,000	18,000	5,979	5,928	6,093	

**CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
Liquidation of Tax Title Liens and Foreclosed Property Other Expenses	40,000	50,000	32,508	3,276	14,216	
Legal Services and Costs Salaries and Wages Other Expenses	28,000 140,000	28,000 145,000	27,000 113,453	1,222	1,000 30,325	
Public Buildings and Grounds Other Expenses	109,000	135,000	108,369	17,914	8,717	
Planning and Zoning Board of Adjustment Salaries and Wages Other Expenses	25,000 4,500	32,500 6,000	31,825 1,461	74	675 4,465	
<b>PUBLIC SAFETY:</b>						
Fire Salaries and Wages Other Expenses	4,075,000 121,000	4,055,000 123,500	4,025,693 99,016	12,000 15,537	17,307 8,947	
Police Salaries and Wages Other Expenses	4,300,000 246,500	4,180,000 246,500	3,866,910 177,105	120,000 6,191	193,090 63,204	
Emergency Management Service Salaries and Wages Other Expenses	5,000 3,750	5,000 3,750	5,000 3,088		- 662	
Uniform Fire Safety Act (PL 1983, CH 383) Fire Prevention Program Salaries and Wages Other Expenses	100,000 8,000	97,500 8,000	96,814 6,098	830	686 1,072	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Appropriations		Paid or Charged	Expended		Reserved	(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved		
Telecommunications Unit							
Salaries and Wages	410,000	430,000	419,464	4,000	6,536		
Other Expenses	9,000	10,000	8,252		1,748		
Municipal Court							
Salaries and Wages	220,000	213,500	211,871	854	1,629		
Other Expenses	23,000	24,500	17,587		6,059		
Public Defender							
Salaries and Wages	13,000	11,500	10,930	550	20		
<b>PUBLIC WORKS</b>							
Division of Roads							
Salaries and Wages	981,250	956,250	953,300		2,950		
Other Expenses	200,000	290,000	223,183	53,143	13,674		
Division of Public Property							
Salaries and Wages	175,000	195,000	191,283	2,000	1,717		
Other Expenses	22,000	40,500	16,637	1,162	22,701		
<b>SANITATION:</b>							
Solid Waste (CH 74, PL 1987)							
Garbage and Trash Removal							
Other Expenses - Contractual	577,000	552,000	503,329	48,075	596		
Contractual Trash Pickup	181,500	156,500	135,745	15,110	5,645		
Contractual Recycling Pickup							
Solid Waste Disposal Costs	650,000	592,500	548,480	41,500	2,520		
<b>HEALTH AND WELFARE:</b>							
Animal Control							
Other Expenses	21,000	21,000	18,968	2,032	-		
Senior Citizen Board							
Other Expenses	3,000	3,000	2,969		31		

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Appropriations		Paid or Charged	Expended		Reserved	(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Encumbered		
Recreation and Education:							
Parks and Playgrounds							
Salaries and Wages	215,000	235,500	227,834	4,000	3,666		
Other Expenses	31,500	31,500	26,067	1,265	4,168		
Insurance							
General Liability	360,000	359,000	359,000	-	-		
Workers Compensation	815,000	800,000	800,000	-	-		
Employee Group Health	4,648,800	4,793,800	4,768,250	5,311	20,239		
EPL Settlements	150,000	125,000	104,082	8,235	12,683		
Employee Group Health Opt-Outs	15,000	15,000	12,500		2,500		
Crossing Guards							
Salaries and Wages	110,000	115,000	114,939		61		
Other Expenses	5,000	5,000	965		4,035		
UNIFORM CONSTRUCTION CODE:							
Construction Official							
Salaries and Wages	205,000	201,000	200,131		869		
Other Expenses	10,500	11,100	7,782	2,264	1,054		
Housing Official							
Salaries and Wages	185,000	185,500	184,416		1,084		
Other Expenses	7,100	11,100	9,443	265	1,392		
Unclassified:							
Fire Hydrant Service	155,000	185,000	178,829		6,171		
Electricity	535,000	490,000	462,470		27,530		
Fuel Oil	72,500	72,500	65,743	72	6,685		
Telephone	190,000	275,000	241,493	11,068	22,439		
Water	42,000	51,500	27,089		24,411		
Gasoline	200,000	125,000	117,797		7,203		
Accumulated Absences		560,000	560,000		-		
<b>TOTAL OPERATIONS WITHIN "CAPS"</b>	<b>21,807,550</b>	<b>22,400,150</b>	<b>21,338,918</b>	<b>415,943</b>	<b>645,289</b>		<b>-</b>
Contingent	2,500	2,500	200		2,300		
<b>TOTAL OPERATIONS INCLUDING CONTINGENT - WITHIN "CAPS"</b>	<b>21,810,050</b>	<b>22,402,650</b>	<b>21,339,118</b>	<b>415,943</b>	<b>647,589</b>		<b>-</b>
Detail:							
Salaries and Wages	11,886,000	11,746,000	11,353,400	146,050	246,550		-
Other Expenses	9,924,050	10,656,650	9,985,718	269,893	401,039		-

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
Deferred Charges:						
Overexpenditure of Appropriation	-	-				
Overexpenditure of Appropriation Reserve	-	-				
Statutory Expenditures:						
Public Employees' Retirement System	401,687	392,587	392,047		540	
Social Security	440,000	422,500	382,078		40,422	
Police and Firemen's Retirement System of NJ	2,148,751	2,145,751	2,145,750		1	
Unemployment Comp Ins	40,000	40,000		25,000	15,000	
Defined Contribution Pension Plan	12,000	9,000	3,440	416	5,144	
Police and Firemen's Retirement System						
Pension Increase -						
Public Employees	15,000	15,000	13,583		1,417	
<b>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES</b>	<b>3,057,438</b>	<b>3,024,838</b>	<b>2,936,898</b>	<b>25,416</b>	<b>62,524</b>	<b>-</b>
Cash Deficit of Preceding Year						
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</b>	<b>24,867,488</b>	<b>25,427,488</b>	<b>24,276,016</b>	<b>441,359</b>	<b>710,113</b>	<b>-</b>
OPERATIONS - EXCLUDED FROM "CAPS"						
(A) Operations - Excluded from "CAPS"						
Recycling Tax	32,500	32,500	30,000		2,500	
Employee Group Health	31,200	31,200	31,200		-	
Total Other Operations - Excluded from "CAPS"	63,700	63,700	61,200	-	2,500	-

DEFERRED CHARGES AND STATUTORY EXPENDITURES:

Deferred Charges:  
Overexpenditure of Appropriation  
Overexpenditure of Appropriation Reserve

Statutory Expenditures:  
Public Employees' Retirement System  
Social Security  
Police and Firemen's Retirement System of NJ  
Unemployment Comp Ins  
Defined Contribution Pension Plan  
Police and Firemen's Retirement System  
Pension Increase -  
Public Employees

TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES

Cash Deficit of Preceding Year

TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"

OPERATIONS - EXCLUDED FROM "CAPS"

(A) Operations - Excluded from "CAPS"

Recycling Tax  
Employee Group Health

Total Other Operations - Excluded from "CAPS"

**CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
Public and Private Revenues Offset by Appropriations						
Municipal Alliance	15,000	15,000	15,000			
Municipal Alliance - Local Match	4,811	4,811	4,811			
Clean Communities Grant		36,262	36,262			
UEZ Abandoned Properties		45,000	45,000			
UEZ Public Safety Police Yr15	1,200,000	1,200,000	1,200,000			
UEZ Bus Station Sec Guard	100,000	100,000	100,000			
Shared Services Capital Grant		30,000	30,000			
2013 CDBG - Superstorm Sandy	30,000	30,000	30,000			
FEIMA Hazard Mitigation Grant - Generator	90,000	90,000	90,000			
FEIMA Hazard Mitigation Grant - Local Match	10,000	10,000	10,000			
Alcohol Education Rehabilitation	2,363	2,363	2,363			
FEIMA - Addl Post Sandy Planning Grant		110,000	110,000			
NJ EDA 2015 Main StreetScape		461,476	461,476			
Summer Food Program		190,305	190,305			
FEIMA - Bayview Ave Pump Station		100,000	100,000			
OCEAN Inc. - After School Program		10,000	10,000			
Justice Assistance Grant		15,382	15,382			
FEIMA - Post Sandy Planning Grant		280,000	280,000			
NJ DOT - 2015 Transit Village		240,000	240,000			
NJ DOT - 2015 Safe Streets		500,000	500,000			
NJ DOT - 2015 Muni Aid - Decature Avenue		240,950	240,950			
Sustainable New Jersey		2,000	2,000			
Recycling Tonnage Grant	22,789	22,789	22,789			
Body Armor Fund	4,549	4,549	4,549			
Total Public and Private Programs Offset by Revenues	1,479,512	3,740,887	3,740,887	-	-	-
TOTAL OPERATIONS EXCLUDED FROM "CAPS"	1,543,212	3,804,587	3,802,087	-	2,500	-
Detail:						
Salaries and Wages						
Other Expenses	1,543,212	3,804,587	3,802,087	-	2,500	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	20,000	20,000	20,000			
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	20,000	20,000	20,000	-	-	-

**CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
<b>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>						
Payment of Bond Principal	1,454,000	1,454,000	1,454,000	-	-	-
Payment of Bond Anticipation Notes	346,000	346,000	346,000	-	-	-
Interest on Bonds	356,465	356,465	356,465	-	-	-
Interest on Notes	57,841	57,841	56,800	-	-	1,041
Green Trust Loan Repayments Principal and Interest	19,308	19,308	19,308	-	-	-
Demolition Loan Repayments Principal and Interest	18,808	18,808	18,808	-	-	-
<b>TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>	<b>2,252,422</b>	<b>2,252,422</b>	<b>2,251,381</b>	<b>-</b>	<b>-</b>	<b>1,041</b>
<b>DEFERRED CHARGES</b>						
Special Emergency Authorizations - 5 Years	281,686	281,686	281,686	-	-	-
<b>TOTAL DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"</b>	<b>281,686</b>	<b>281,686</b>	<b>281,686</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transferred to Board of Education for Use of Local Schools	77,212	77,212	77,212	-	-	-
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</b>	<b>4,174,532</b>	<b>6,435,907</b>	<b>6,432,366</b>	<b>-</b>	<b>2,500</b>	<b>1,041</b>
<b>SUBTOTAL GENERAL APPROPRIATIONS</b>	<b>29,042,020</b>	<b>31,863,395</b>	<b>30,708,382</b>	<b>441,359</b>	<b>712,613</b>	<b>1,041</b>
Reserve for Uncollected Taxes	375,605	375,605	375,605	-	-	-
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 29,417,625</b>	<b>32,239,000</b>	<b>31,083,987</b>	<b>441,359</b>	<b>712,613</b>	<b>1,041</b>
<b>Budget</b>						
Appropriations by 40A:4-87	29,417,625	29,417,625				1,041
Emergency Appropriations	560,000	560,000				-
		32,239,000				1,041
					Cancelled Overexpenditures	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS



**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>PAID OR CHARGED</u>
Federal and State Grants	\$ 3,740,887
Deferred Charges	281,686
Reserve for Uncollected Taxes	375,605
Disbursed	<u>29,978,712</u>
	34,376,890
Appropriation Refunds	<u>3,292,903</u>
	<u>\$ 31,083,987</u>

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**EXHIBIT B - TRUST FUND**

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**TRUST FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
AS OF DECEMBER 31,**

	2015	2014
<b>ASSETS</b>		
<u>Animal Control Fund</u>		
Cash - Treasurer	\$ 5,716	4,824
	5,716	4,824
<u>Other Funds</u>		
Cash - Treasurer	2,440,710	2,774,795
Due from Current Fund	-	591,572
Due from Payroll Trust	9,024	9,024
	2,449,734	3,375,391
	\$ 2,455,450	3,380,215

**TRUST FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
AS OF DECEMBER 31,**

	2015	2014
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>		
<u>Animal Control Fund</u>		
Reserve for Dog Expenditures	\$ 1,391	1,417
Due to State of New Jersey	-	8
Due to Current Account	4,325	3,399
	5,716	4,824
<u>Other Funds</u>		
Deposits for Redemption of Tax Sale Certificates	52,755	2,829
Premiums Received at Tax Sale	1,359,700	2,160,100
Reserve for Unemployment	30,767	25,513
Reserve for Bid Escrow	5,000	5,000
Reserve for Confiscated Funds	22,314	32,569
Reserve for Developer's Escrow	112,776	160,233
Reserve for Law Enforcement Trust	565	565
Reserve for Payroll Deductions	40,893	-
Reserve for Parking Offenses Adjudication Act	894	803
Reserve for Veterans Memorial Park Fund	23,943	23,943
Reserve for Fire Prevention Penalty	8,294	8,194
Reserve for Fire Prevention Dedicated Penalty	2,877	3,677
Reserve for Accumulated Absences	491,367	775,342
Reserve for Maintenance Escrow	146,221	43,702
Due to Unemployment Trust Fund -	9,024	9,024
Due to Current Fund -		
TTL Redemption	127	131
Fire Prevention Penalties	2,312	2,312
Payroll Clearing	20,806	2,355
Payroll Trust	119,099	119,099
	2,449,734	3,375,391
	\$ 2,455,450	3,380,215

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**EXHIBIT C - CAPITAL FUND**

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**GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
AS OF DECEMBER 31,**

	2015	2014
<b>ASSETS</b>		
Cash	\$ 111,760	111,759
Deferred Charges to Future Taxation -		
Funded	13,075,669	10,693,163
Unfunded	871,068	4,586,068
Due from Current Fund	947,416	1,806,802
Due from Grant Fund	596,223	596,223
Due from State of New Jersey	182,280	182,280
Due from State of New Jersey - Demolition Loan	71,257	71,257
	15,855,673	18,047,552
 <b>LIABILITIES, RESERVES AND FUND BALANCE</b>		
Encumbrances Payable	754,085	1,127,290
General Serial Bonds	12,730,000	10,327,000
Loans Payable	345,669	366,163
Bond Anticipation Note Payable	692,000	4,407,700
Due to Utility Capital	422,115	-
Improvement Authorizations		
Funded	809,035	363,895
Unfunded	700	1,321,435
Capital Improvement Fund	61,700	93,700
Fund Balance	40,369	40,369
	\$ 15,855,673	18,047,552

There were bonds and notes authorized but not issued at December 31, 2015 and 2014 of \$179,068 and \$178,368.

**GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS  
AS OF DECEMBER 31**

	<u>2015</u>	<u>2014</u>
Beginning Balance	\$ 40,369	5,727
Increased by:		
Funded Authorizations canceled		34,642
Ending Balance	<u>\$ 40,369</u>	<u>40,369</u>

**EXHIBIT D - SEWER UTILITY FUND**

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**SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET  
REGULATORY BASIS  
AS OF DECEMBER 31,**

	2015	2014
<b>ASSETS</b>		
Operating Fund:		
Cash - Treasurer	\$ 784,373	472,502
Due from Sewer Capital	63,579	63,562
Due from Current Fund	-	193,258
	847,952	729,322
Receivables and Other Assets with Full Reserves:		
Consumer Accounts Receivable	639,863	674,092
Sewer Utility Liens	75,536	61,823
	715,399	735,915
Deferred Charges:		
Overexpenditure of Appropriation	2,956	-
	2,956	-
Total of Operating Fund	1,566,307	1,465,237
Capital Fund:		
Cash - Treasurer	179,113	179,650
Cash - In trust with NJEIT	93,343	93,343
Due from State - NJEIT	140,015	140,015
Due from General Capital Fund	422,115	-
Due from Current Fund	476,163	-
Fixed Capital	6,477,442	6,477,442
Fixed Capital - Authorized & Uncomp.	9,295,000	7,695,000
Total of Capital Fund	17,083,191	14,585,450
	\$ 18,649,498	16,050,687

**SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET  
REGULATORY BASIS  
AS OF DECEMBER 31,**

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>2015</u>	<u>2014</u>
Operating Fund:		
Liabilities:		
Appropriation Reserves	\$ 49,315	36,943
Reserve for Encumbrances	3,965	22,895
Utility Overpayments	174,545	208,355
Due to the Current Fund	40,376	-
Accrued Interest on Bonds and Notes	51,728	40,073
Reserve for California Avenue Pump Station	17,000	17,000
Reserve for Woodland Avenue Pump Station	25,000	25,000
Reserve for Megan's Landing Sewer Capacity Study	4,000	4,000
	<u>365,929</u>	<u>354,266</u>
Reserve for Receivables	715,399	735,915
Fund Balance	484,979	375,056
Total of Operating Fund	<u>1,566,307</u>	<u>1,465,237</u>
Capital Fund:		
Serial Bonds Payable	5,192,947	4,001,569
Capital Improvement Fund	146,538	146,538
Encumbrances Payable	411,817	219,138
Due to Sewer Operating Fund	63,579	63,562
Due to Current Fund	-	90,193
Improvement Authorizations		
Funded	1,201,947	79,053
Unfunded	455,467	783,123
Reserves for:		
Amortization	6,477,442	6,477,442
Amortization - Deferred	3,133,454	2,724,832
Fund Balance	-	-
Total of Capital Fund	<u>17,083,191</u>	<u>14,585,450</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 18,649,498</u>	<u>16,050,687</u>

There were Bonds and Notes Authorized but not issued at December 31, 2015 and 2014 of \$968,599 and \$968,599 respectively.

**SEWER UTILITY FUND  
COMPARATIVE STATEMENT OF OPERATIONS  
AND CHANGE IN FUND BALANCE - REGULATORY BASIS  
AS OF DECEMBER 31,**

	2015	2014
<u>Revenue and Other Income Realized</u>		
Fund Balance Anticipated	\$ -	-
Rents	4,798,454	4,938,605
Interest on Rents Receivable	135,449	135,416
Miscellaneous Revenue Anticipated	4,791	50,806
Army Corps of Engineers	299,012	157,080
City of Absecon	81,464	137,595
Other Credits to Income:		
Unexpended Balance of Appropriation		
Reserves	47,908	25,699
 Total Income	 5,367,078	 5,445,201
 <u>Expenditures</u>		
Operating	3,356,700	2,974,250
Debt Service	528,411	533,074
Deferred Charges and Statutory		
Expenditures	75,000	78,765
Surplus (General Budget)	1,300,000	1,500,000
 Total Expenditures	 5,260,111	 5,086,089
 Excess in Revenue	 106,967	 359,112
 Adjustments to Income before Fund Balance:		
Expenditures included above which are by		
Statute deferred Charges to Budget of		
Succeeding Year	2,956	-
 Excess in Operations	 109,923	 359,112
 Fund Balance January 1	 375,056	 15,944
 Decreased by:		
Utilization as Anticipated Revenue	-	-
 Balance December 31	 \$ 484,979	 375,056

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**SEWER CAPITAL FUND  
STATEMENT OF CAPITAL FUND BALANCE  
REGULATORY BASIS  
AS OF DECEMBER 31,**

	<u>2015</u>	<u>2014</u>
Beginning Balance	-	-
Decreased by:		
Surplus budgeted in Operating Fund	<u>-</u>	<u>-</u>
Ending Balance	<u><u>-</u></u>	<u><u>-</u></u>



**SEWER OPERATING FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
AS OF DECEMBER 31, 2015**

	<u>ANTIC. BUDGET</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Rents	\$ 4,750,000	4,798,454	48,454
Miscellaneous	127,155	140,240	13,085
Army Corps of Engineers	320,000	299,012	(20,988)
City of Absecon	60,000	81,464	21,464
	<u>\$ 5,257,155</u>	<u>5,319,170</u>	<u>62,015</u>

ANALYSIS OF REALIZED REVENUES

Rents

Consumer Accounts Receivable:

Current Collected	4,584,343
Overpayments Applied	208,610
Liens Collected	<u>5,501</u>
	4,798,454

Less Received from Absecon

-

4,798,454

Miscellaneous

Other Miscellaneous	2,191
Plumbing Permits	2,600
Interest on Sewer Rentals	135,449
	<u>140,240</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	APPROPRIATIONS			EXPENDED		UNEXPENDED		OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	BALANCE CANCELED		
<b>OPERATING</b>								
Salaries and Wages	\$ 357,000	382,000	375,662		6,338			
Other Expenses	988,900	968,900	923,065	3,965	41,870			
Atlantic County Sewerage Authority - Contractual	2,005,800	2,005,800	2,005,750		50			
	<u>3,351,700</u>	<u>3,356,700</u>	<u>3,304,477</u>	<u>3,965</u>	<u>48,258</u>			
<b>DEBT SERVICE</b>								
Payment of Bond Principal	408,622	408,622	408,622					
Interest on Bonds	116,833	116,833	119,789					2,956
Total Debt Service	<u>525,455</u>	<u>525,455</u>	<u>528,411</u>	<u>-</u>	<u>-</u>			<u>2,956</u>
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES</b>								
Deferred Charges:								
Overexpenditure of Appropriation								
Contribution to:								
Public Employees' Retirement System	45,000	45,000	45,000					
Social Security System	35,000	30,000	28,943		1,057			
Surplus (General Budget)	1,300,000	1,300,000	1,300,000					
	<u>1,380,000</u>	<u>1,375,000</u>	<u>1,373,943</u>	<u>-</u>	<u>1,057</u>			
	<u>\$ 5,257,155</u>	<u>5,257,155</u>	<u>5,206,831</u>	<u>3,965</u>	<u>49,315</u>			<u>2,956</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**SEWER OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>PAID OR CHARGED</u>
Interest on Bonds and Notes	119,789
Deferred Charges	-
Disbursed	5,087,042
	<u><u>5,206,831</u></u>

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**EXHIBIT G - GENERAL FIXED ASSET GROUP OF ACCOUNTS**

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**STATEMENT OF GENERAL FIXED ASSETS  
REGULATORY BASIS  
AS OF DECEMBER 31,**

	<u>2015</u>	<u>2014</u>
General Fixed Assets:		
Land	6,229,600	6,229,600
Buildings	11,825,155	11,825,155
Equipment and Machinery	1,856,703	1,724,345
Vehicles	<u>2,851,990</u>	<u>2,851,990</u>
	<u><u>22,763,448</u></u>	<u><u>22,631,090</u></u>
 Investment in General Fixed Assets	 <u><u>22,763,448</u></u>	 <u><u>22,631,090</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL  
STATEMENTS

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**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Except as noted below, the financial statements of the City of Pleasantville include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the City of Pleasantville, as required by N.J.S. 40A:5-5.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. The City has no component units.

**B. Description of Funds**

The accounting policies of the City of Pleasantville conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 the respect to public funds. Under this method of accounting, the City of Pleasantville accounts for its financial transactions through the following separate funds:

Current Fund -- resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

Trust Funds -- receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund -- receipt and disbursement of funds for the acquisition of general facilities, other than those acquired in the Current Fund.

Sewer Operating and Capital Funds -- account for the operations of the sewer utility and acquisition of sewer capital facilities other than those acquired in the Current and General Capital Funds.

General Fixed Assets Account Group -- All fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds.

**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

**C. Basis of Accounting**

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant policies in New Jersey follow.

A modified accrual basis of accounting is followed with minor exceptions.

Revenues -- are recorded as received in cash except for certain amounts, which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the City budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the City's Current Fund, in addition the receivables for utility billings are recorded with offsetting reserves in the Utility Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the City which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Expenditures -- are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements. Appropriation reserves covering unencumbered appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the Governing Body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; interest on utility capital indebtedness is on the accrual basis. Compensated absences are treated on a pay as you go basis with no amount charged to operations in the year incurred.

Foreclosed Property -- Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

Interfunds -- Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets.

General Fixed Assets -- The City has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles.

As required by New Jersey Statutes, foreclosed property is reported in the current operating fund of the municipality.

**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Expenditures for long lived assets with an original cost in excess of \$5,000 are capitalized.

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital have not been accounted for separately.

Property and equipment purchased by the Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents charges to operations for the costs of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

The following schedules are a summarization of the changes in general fixed assets for the calendar years ended December 31, 2015 and 2014:

	Balance 12/31/2013	Additions	Retirements	Balance 12/31/2014
Land	\$ 6,229,600			6,229,600
Building	11,220,155	605,000		11,825,155
Equipment and Machinery	1,335,225	462,200	(73,080)	1,724,345
Vehicles	2,904,507	123,000	(175,517)	2,851,990
	<u>\$ 21,689,487</u>	<u>1,190,200</u>	<u>(248,597)</u>	<u>22,631,090</u>

	Balance 12/31/2014	Additions	Retirements	Balance 12/31/2015
Land	\$ 6,229,600	-	-	6,229,600
Building	11,825,155	-	-	11,825,155
Equipment and Machinery	1,724,345	135,537	(3,179)	1,856,703
Vehicles	2,851,990	-	-	2,851,990
	<u>\$ 22,631,090</u>	<u>135,537</u>	<u>(3,179)</u>	<u>22,763,448</u>

**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

Levy of Taxes -- The County Board of Taxation certifies the tax levy of the municipality each year. The tax levy is based on the assessed valuation of taxable property within the municipality. Taxes are payable on the first day of February, May, August, and November. Any taxes that have not been paid by 11th day of the 11th month in the fiscal year levied are subject to being included in the tax sale and the lien enforced by selling the property in accordance with NJSA 54:5 et. seq.

The municipality is responsible for remitting 100% of the school and county taxes to the respective agency. The loss for delinquent or uncollectible accounts is borne by the municipality and not the school district or county.

Interest on Delinquent Taxes – It is the policy of the City of Pleasantville to collect interest for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first \$1,500.00 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten day grace period.

Levy of Utility Charges – The City operates a sewer utility fund. Rates are determined by ordinance and changed as necessary. Sewer charges are based on flat fees and usage based on the type of entity. Charges are billed annually and due in quarterly installments on December 1, March 1, June 1 and September 1.

Interest on Delinquent Utility Charges -- It is the policy of the City to collect interest for the nonpayment of utility charges on or before the date when they would become delinquent. The Utility Collector is authorized to charge eight percent (8%) per annum on the first \$1,500.00 of charges becoming delinquent after due date and eighteen percent (18%) per annum on any amount of charges in excess of \$1,500.00 becoming delinquent after due date.

Capitalization of Interest -- It is the policy of the City of Pleasantville to treat interest on projects as a current expense and the interest is included in both the current and utility operating budgets.

Use of Estimates -- The preparation of financial statements in conformity with generally accepted accounting principles or the statutory basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **D. Required Financial Statements**

The State of New Jersey requires the following financial statements to be presented for each fund on the regulatory basis of accounting: Balance Sheet, Statement of Operations and Changes in Fund Balance, Statement of Revenue and Statement of Expenditures. These statements differ from those presented under Generally Accepted Accounting Principles, which requires a Statement of Net Position and Statement of Activities.

**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

**E. Comparative Data**

Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations in order to provide an understanding of changes in the City's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the Statement of Revenue-Regulatory Basis and Statement of Expenditures-Regulatory Basis since their inclusion would make the statements unduly complex and difficult to read.

**F. Recent Accounting Pronouncements Not Yet Effective**

In February 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 72 "Fair Value Measurement and Application". This statement, which is effective for fiscal periods beginning after June 15, 2015, will not have any effect on the City's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 73 "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB 68, and Amendments to Certain Provisions of GASB Statements 67 and 68". This statement, which is effective for fiscal periods beginning after June 15, 2015, will not have any effect on the City's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 74 "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans". This statement, which is effective for fiscal periods beginning after June 15, 2016, will not have any effect on the City's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement, which is effective for fiscal periods beginning after June 15, 2017, will not have any effect on the City's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 76 "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments". This statement, which is effective for fiscal periods beginning after June 15, 2015, will not have any effect on the City's financial reporting.

In August 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 77 "Tax Abatement Disclosures". This statement, which is effective for fiscal periods beginning after December 15, 2015, will not have any effect on the City's financial reporting.

In December 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 78 "Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans". This statement, which is effective for fiscal periods beginning after December 15, 2015, will not have any effect on the City's financial reporting.

In December 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 79 "Certain External Investment Pools and Pool Participants". This statement, which is effective for fiscal periods beginning after December 15, 2015, will not have any effect on the City's financial reporting.

**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

In January 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 80 "Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14". This statement, which is effective for fiscal periods beginning after June 15, 2016, will not have any effect on the City's financial reporting.

**Note 2: BUDGETARY INFORMATION**

Under New Jersey State Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. The 2015 and 2014 statutory budgets included a reserve for uncollected taxes in the amount of \$375,605 and \$345,566. To balance the budget, the municipality is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2015 and 2014 statutory budgets was \$1,635,311 and \$1,315,000. In addition, the City operates a self liquidating sewer utility. Under New Jersey Statutes a separate budget for the utility must be adopted concurrently with the operating budget of the City. The utility budget must be a balanced cash basis budget with fund balance being used to balance the budget. The amount of fund balance budgeted to balance the 2015 and 2014 statutory budgets was \$0 and \$0.

The Chief Financial Officer has the discretion of approving intra department budgetary transfers throughout the year. Inter department transfers are not permitted prior to November 1. After November 1 these transfers can be made in the form of a resolution and approved by City Council. The following significant budget transfers were approved in the 2015 and 2014 calendar years:

**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

<u>Budget Category</u>	<u>2015</u>	<u>2014</u>
<u>Current Fund:</u>		
General and Administrative		
Other Expenses	(25,000)	-
Legal Services		
Other Expenses	-	(35,000)
Public Buildings and Grounds		
Other Expenses	26,000	-
Fire		
Salaries and Wages	-	(245,000)
Police		
Salaries and Wages	(120,000)	85,000
Other Expenses	-	37,500
Division of Roads		
Salaries and Wages	(25,000)	(92,000)
Other Expenses	90,000	29,000
Division of Public Property		
Other Expenses	-	39,500
Solid Waste Disposal Costs	(57,500)	(80,000)
Insurance		
Employee Group Health	145,000	245,000
Fire Hydrant Service	30,000	-
Electricity	(45,000)	-
Telephone	85,000	-
Gasoline	(75,000)	-
Police and Fireman's Retirement System	-	(85,000)
Unemployment Compensation Insurance	-	50,000

<u>Budget Category</u>	<u>2015</u>	<u>2014</u>
<u>Utility Fund</u>		
Salaries and Wages	25,000	53,500
Other Expenses	(20,000)	-
Atlantic County Utilities Authority - Contractual	-	(68,350)
Payment of Bond Principal	-	8,650

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**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

NJSA 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget when the item has been made available by any public or private funding source and the item was not determined at the time of budget adoption. During 2015 and 2014, the following significant budget insertions were approved:

<u>Budget Category</u>	<u>2015</u>	<u>2014</u>
Clean Communitis Program	\$ 36,262	90,000
Municipal and Urban Aid Program	240,950	-
NJ DOT Transit Village Grant	240,000	-
Summer Food Service Program	190,305	-
UEZ 2nd Generation Abandoned Properties	45,000	-
NJDOT Safe Streets Improvements	500,000	-
FEMA Bayview Ave Pump Station Generator	100,000	-
Main Street Streetscape NJEDA Grant	461,476	-
Additional Post Sandy Planning Grant	110,000	-
Sandy Shared Services Capital Grant	30,000	-
FEMA - Post Sandy Planning Grant	280,000	-

The City may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budgets of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. The City approved a special emergency appropriation in 2014 for \$500,000. The emergency was for a revaluation in the City. The unfunded balance as of December 31, 2015 was \$400,000. The City also approved a special emergency appropriation in 2014 for \$1,500,000. The emergency was used to fund payments of accumulated absences. The unfunded balance as of December 31, 2015 was \$726,742. The City approved a special emergency appropriation in 2015 for \$560,000 to fund payments of accumulated absences. The unfunded balance as of December 31, 2015 was \$560,000.

**Note 3: INVESTMENTS**

As of December 31, 2015 and 2014, the municipality held no investments.

**Interest Rate Risk.** The municipality does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

**Credit Risk.** New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the local unit or school districts of which the local unit is a part of: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash



**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk.** The municipality places no limit on the amount the City can invest in any one issuer.

**Note 4: CASH**

**Custodial Credit Risk – Deposits.** Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The municipality’s policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, all demand deposits are covered by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or fund that may pass to the municipality relative to the happening of a future condition. As of December 31, 2015 and 2014, \$1,423,464 and \$2,414,529 of the municipality’s bank balance of \$14,906,934 and \$18,549,033 was exposed to custodial credit risk.

**Note 5: LONG TERM DEBT**

Long-term debt as of December 31, 2015 and 2014 consisted of the following:

	Balance 12/31/13	Issued	Retired	Balance 12/31/14	Amounts Due Within One Year
Bonds payable:					
General	\$ 11,724,000		1,397,000	10,327,000	1,454,000
Utility	4,405,191		403,622	4,001,569	408,622
Total	\$ 16,129,191	-	1,800,622	14,328,569	1,862,622
Other liabilities:					
Loans Payable	\$ 220,283	170,000	24,120	366,163	24,495
Compensated Absences Payable	4,263,374	1,915,647	1,727,237	4,451,784	-
Total long-term liabilities	\$ 20,612,848	2,085,647	3,551,979	19,146,516	1,887,117

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**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

	Balance 12/13/14	Issued	Retired	Balance 12/31/15	Amounts Due Within One Year
Bonds payable:					
General	\$ 10,327,000	3,857,000	1,454,000	12,730,000	1,682,000
Utility	4,001,569	1,600,000	408,622	5,192,947	473,622
Total	<u>\$ 14,328,569</u>	<u>5,457,000</u>	<u>1,862,622</u>	<u>17,922,947</u>	<u>2,155,622</u>
Other liabilities:					
Loans Payable	\$ 366,163	4,000	24,494	345,669	58,683
Compensated Absences Payable	4,451,784	1,717,909	1,925,011	4,244,682	
Total long-term liabilities	<u>\$ 19,146,516</u>	<u>7,178,909</u>	<u>3,812,127</u>	<u>22,513,298</u>	<u>2,214,305</u>

**Outstanding bonds whose principal and interest are paid from the Current Fund Budget of the City:**

\$3,302,000 General Improvement Bond dated 11/15/02 payable in annual installments through 10/15/22. Interest is paid semiannually at rates varying from 2.00% to 5.25% per annum. These bonds were issued through the New Jersey Economic Development Authority and were underwritten by Commerce Capital Markets, Inc. The balance remaining as of December 31, 2015 was \$1,466,000.

\$4,572,000 General Improvement Bond dated 7/1/07 payable in annual installments through 7/1/17. Interest is paid semiannually at rates varying from 4.00% to 4.25% per annum. The balance remaining as of December 31, 2015 was \$1,282,000.

\$3,165,000 Refunding Bonds dated 2/10/11 payable in annual installments through 10/1/21. Interest is paid semiannually at rates varying from 2.00% to 4.00% per annum. The balance remaining as of December 31, 2015 was \$1,760,000.

\$5,689,000 General Improvement Bond dated 11/1/11 payable in annual installments through 10/1/24. Interest is paid semiannually at rates varying from 1.25% to 3.50% per annum. The balance remaining as of December 31, 2015 was \$4,365,000.

\$3,857,000 General Improvement Bond dated 8/13/15 payable in annual installments through 8/1/29. Interest is paid semiannually at rates varying from 2.00% to 3.50% per annum. The balance remaining as of December 31, 2015 was \$3,857,000.

\$250,000 Green Acres Loan dated 4/14/04 payable in semiannual installments through 8/8/24. Interest is paid semiannually at a rate of 2.00% per annum. The semiannual payments of \$7,773 are applied first to interest and then to principal. The balance remaining as of December 31, 2015 was \$127,460.

**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

\$60,484 Green Acres Loan dated 4/7/06 payable in annual installments through 1/7/26. Interest is paid semiannually at a rate of 2.00% per annum. The semiannual payments of \$1,880 are applied first to interest and then to principal. The balance remaining as of December 31, 2015 was \$35,462.

\$84,700 Demolition Loan dated 10/23/06 payable in annual installments through 10/23/16. Interest is paid annually at a rate of 0.72% per annum. The balance remaining as of December 31, 2015 was \$8,747.

\$174,000 Demolition Loan dated 1/8/14 payable in annual installments through 1/8/24. Interest is paid annually at a rate of 0.72% per annum. The balance remaining as of December 31, 2015 was \$174,000.

**Outstanding bonds whose principal and interest are paid from the Utility Operating Fund of the City:**

\$1,840,000 Sewer Utility Bond dated 7/1/07 payable in annual installments through 7/1/17. Interest is paid semiannually at rates varying from 4.00% to 4.25% per annum. The balance remaining as of December 31, 2015 was \$410,000.

\$455,000 Refunding Bonds dated 2/10/11 payable in annual installments through 10/1/21. Interest is paid semiannually at rates varying from 2.00% to 4.00% per annum. The balance remaining as of December 31, 2015 was \$240,000.

\$2,590,000 General Improvement Bond dated 11/1/11 payable in annual installments through 10/1/31. Interest is paid semiannually at rates varying from 2.25% to 3.50% per annum. The balance remaining as of December 31, 2015 was \$2,185,000.

\$425,000 New Jersey Environmental Infrastructure Trust Bonds dated 5/31/12 payable in annual installments through 8/1/31. Interest is paid semiannually at rates varying from 2.00% to 5.00% per annum. The balance remaining as of December 31, 2015 was \$380,000.

\$464,561 New Jersey Environmental Infrastructure Trust Bonds dated 5/31/12 payable in semiannual installments through 8/1/31. The bonds carry an interest rate of 0.00% per annum. The balance remaining as of December 31, 2015 was \$377,948.

\$1,600,000 General Improvement Bond dated 8/13/15 payable in annual installments through 8/1/30. Interest is paid semiannually at rates varying from 2.00% to 3.50% per annum. The balance remaining as of December 31, 2015 was \$1,600,000.

**CITY OF PLEASANTVILLE**  
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Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

<u>Year</u>	<u>General Fund</u>		<u>Utility Fund</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	1,682,000	410,778	473,622	143,636
2017	1,677,000	354,627	488,622	129,361
2018	1,199,000	296,642	338,622	114,549
2019	1,208,000	259,206	343,622	107,024
2020	1,233,000	222,599	318,622	99,386
2021-2025	4,334,000	581,697	1,473,109	384,781
2026-2030	1,397,000	120,330	1,563,109	175,338
2031	-	-	193,619	5,385
	<u>\$ 12,730,000</u>	<u>2,245,879</u>	<u>5,192,947</u>	<u>1,159,460</u>

Schedule of Annual Debt Service for Principal and Interest for Loans Issued and Outstanding

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2016	58,683	5,626
2017	33,540	3,863
2018	33,994	3,410
2019	34,455	2,949
2020	34,924	2,480
2021-2025	148,211	5,162
2026	1,862	19
	<u>345,669</u>	<u>23,509</u>

As of December 31, 2015 the carrying value of the above bonds and notes approximates the fair value of the bonds.

<u>Summary of Municipal Debt</u>	<u>Year 2015</u>	<u>Year 2014</u>	<u>Year 2013</u>
<u>Issued:</u>			
General - Bonds and Notes	\$ 13,767,669	15,100,863	14,278,283
Sewer Utility - Bonds and Notes	5,192,947	4,001,569	4,405,191
Total Issued	<u>18,960,616</u>	<u>19,102,432</u>	<u>18,683,474</u>
<u>Authorized but not issued:</u>			
General - Bonds and Notes	179,068	178,368	1,259,000
Sewer Utility - Bonds and Notes	968,599	968,599	968,599
Total Authorized But Not Issued	<u>1,147,667</u>	<u>1,146,967</u>	<u>2,227,599</u>
Total Bonds & Notes Issued and Authorized But Not Issued	<u>\$ 20,108,283</u>	<u>\$ 20,249,399</u>	<u>20,911,073</u>

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Summary of Statutory Debt Condition - Annual Debt Statement

The summarized 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 1.581%.

	Gross Debt	Deductions	Net Debt
Local School District Debt	\$ 17,225,000	17,225,000	-
Sewer Utility Debt	6,161,546	6,161,546	-
General Debt	13,946,737	-	13,946,737
	<u>\$ 37,333,283</u>	<u>23,386,546</u>	<u>13,946,737</u>

Net Debt \$13,946,737 ÷ Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$882,413,753 = 1.581%.

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

3 1/2 % of Equalized Valuation Basis ( Municipal)	\$ 30,884,481
Net Debt	13,946,737
Remaining Borrowing Power	<u>\$ 16,937,744</u>

The City of Pleasantville School District, as a K-12 school district, is permitted to borrow up to 4% of the average equalized valuation for the past three years. State statutes allow a school district to exceed the districts limitation with voter approval. Any amount approved by the voters in excess of the limit is treated as an impairment of the municipal limit.

**Note 6: NOTES PAYABLE**

	Balance 12/31/13	Issued	Retired	Balance 12/31/14
Bond Anticipation Notes payable:				
General	\$ 2,334,000	2,419,700	346,000	4,407,700
	<u>\$ 2,334,000</u>	<u>2,419,700</u>	<u>346,000</u>	<u>4,407,700</u>

	Balance 12/31/14	Issued	Retired	Balance 12/31/15
Bond Anticipation Notes payable:				
General	\$ 4,407,700	-	3,715,700	692,000
	<u>\$ 4,407,700</u>	<u>-</u>	<u>3,715,700</u>	<u>692,000</u>

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The note was issued on 12/8/15 and is due and payable on 12/7/16 with interest at 1.12. As of December 31, 2015 the City has authorized but not issued bonds in the amount of \$179,068 and \$968,599 in the General Capital Fund and Utility Capital Fund respectively.

**Note 7: FUND BALANCES APPROPRIATED**

Fund balances at December 31, 2015 and 2014, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2016 and 2015 were as follows:

		<u>2016</u>	<u>2015</u>
Current Fund	\$	363,494	1,635,000

**Note 8: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2015, the following deferred charges are shown on the balance sheets of the various funds:

	<u>Balance December 31, 2015</u>	<u>2016 Budget Appropriation</u>	<u>Balance to Succeeding</u>
Current fund:			
Cash Deficit in Operations	\$ 7,807	7,807	-
Special Emergency Appropriation	1,686,742	393,686	1,293,056
	<u>\$ 1,694,549</u>	<u>401,493</u>	<u>1,293,056</u>

The appropriations in the 2016 Budget are not less than that required by statute.

**Note 9: SCHOOL TAXES**

Local District School Tax in the amounts of \$9,130,185 and \$9,607,354, have been raised for the 2015 and 2014 calendar years and are remitted or due to the school district. The school tax levy is determined by taking 50% of the prior year and 50% of the current year requirements, plus the actual amount needed for debt service.

**Note 10: TAXES COLLECTED IN ADVANCE**

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

	<u>Balance 12/31/15</u>	<u>Balance 12/31/14</u>
Prepaid Taxes	\$ 257,265	262,780
Cash Liability for Taxes Collected in Advance	<u>\$ 257,265</u>	<u>262,780</u>

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**Note 11: PENSION FUNDS**

Description of Plans

Substantially all of the City's employees participate in the Public Employees' Retirement System (PERS) and Police and Fireman's Retirement System (PFRS) cost sharing multiple-employer defined benefit pension plans which have been established by State Statute and are administered by the New Jersey Division of Pensions and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the system terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the systems. This report may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey 08625 or the report can be accessed on the internet at - <http://www.state.nj.us/treasury/pensions/annrpts.shtml>.

Public Employees' Retirement System

The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not required to be a member of another State-administered retirement system.

Police and Fireman's Retirement System

The contribution policy for the Police and Fireman's Retirement System (PFRS) is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation, as defined. Employers are required to contribute to an actuarially determined rate.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provided for employee contributions of 6.92% through June 30, 2015 and 7.06% thereafter of employee's annual compensation, as defined. Employers are required to contribute to an actuarially determined rate in PERS. The current PERS rate is 12.46% of covered payroll. The City's contributions to PERS for the years ended December 31, 2015, 2014, and 2013 were \$391,686, \$362,142 and \$362,142.

The contribution policy for the PFRS is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate. The City's contributions to PFRS for the years ended December 31, 2015, 2014, and 2013 were \$2,145,750, \$2,063,649, and \$2,203,083.

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*Significant Legislation*

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of  $\frac{1}{4}$  of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to  $\frac{1}{60}$ <sup>th</sup> from  $\frac{1}{55}$ <sup>th</sup>, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This



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law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7<sup>th</sup> of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

**NOTE 12: PENSION LIABILITIES**

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the City's pension liabilities. However, due to the fact that the City reports on the regulatory basis of accounting, no financial statement impact will be recognized.

The following represents the municipality's pension liabilities as June 30, 2015:

**Public Employees' Retirement System**

The City has a liability of \$11,037,624 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the City's proportion is 0.04916975250%, which was a decrease of 1.31% from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the City would have recognized pension expense of \$697,539. At December 31, 2015, the City would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

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	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 1,185,353	
Net difference between projected and actual earnings on pension plan investments	263,319	(177,464)
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>-</u>	<u>(123,992)</u>
Total	<u>\$ 1,448,672</u>	<u>(301,456)</u>

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

<u>Year ended June 30,</u>		
2016	\$	399,763
2017		399,763
2018		399,763
2019		399,763
2020		(313,775)
Thereafter		<u>(138,061)</u>
Total	\$	<u>1,147,216</u>

**Actuarial Assumptions**

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation of July 1, 2014, which was rolled forward to June 30, 2015. The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014. This actuarial valuation used the following assumptions, applied to all period in the measurement:

Inflation rate	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%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) with adjustments for mortality improvements from the base year of 2012 based on Projections Scale AA.

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The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%

*Discount Rate*

The discount rate used to measure the total pension liability was 4.90% and 5.39% as of June 30, 2015 and 2014, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% and 4.29% as of June 30, 2015 and 2014, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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*Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate.*

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 4.90%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.90%) or 1-percentage point higher (5.90%) than the current rate:

	1% Decrease (4.39%)	Current Discount Rate (5.39%)	1% Increase (6.39%)
City's proportionate share of the net pension liability	\$ 13,718,416	11,037,624	8,790,067

*Pension plan fiduciary net position.*

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

**Police and Firemen's Retirement System**

The City has a liability of \$41,589,747 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the City's proportion is 0.24969058160%, which is a decrease of 1.98% from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the City would have recognized pension expense of \$3,351,163. At December 31, 2015, the City would have reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 7,678,500	
Net difference between projected and actual earnings on pension plan investments	-	(1,084,558)
Changes in proportion and differences between City contributions and proportionate share of contributions	-	(1,034,392)
Total	\$ 7,678,500	(2,118,950)

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Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,		
2016	\$	1,597,568
2017		1,597,568
2018		1,597,568
2019		1,597,568
2020		(708,309)
Thereafter		(120,412)
Total	\$	<u>5,561,550</u>

**Actuarial Assumptions**

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following assumptions, applied to all period in the measurement:

Inflation rate	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 Healthy Mortality Tables projected one year using Projection Scale AA and one year using Projection Scale BB for male service retirements with adjustments for mortality improvements from the base year based on Projection Scale BB. Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected fourteen years using Projection Scale BB for female service retirements and beneficiaries with adjustments for mortality improvements from the base year of 2014 based on Projection Scale BB.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2015 are summarized in the following table:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%

*Discount Rate*

The discount rate used to measure the total pension liability was 5.79% and 6.32% as of June 30, 2015 and 2014, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% and 4.29% as of June 30, 2015 and 2014, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2045. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2045, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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*Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate.*

The following presents the collective net pension liability of the participating employers as of June 30, 2015, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (4.79%)	Current Discount Rate (5.79%)	1% Increase (6.79%)
City's proportionate share of the net pension liability	\$ 59,636,765	41,589,747	33,495,330

In addition to the PFRS liabilities listed above, a special funding situation exists for the Local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers under Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The June 30, 2015 and June 30, 2014 State special funding situation net pension liability amounts of \$1,460,720,421 and \$1,354,554,686, respectively, are the accumulated differences between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The fiscal year ending June 30, 2015 State special funding situation pension expense of \$182,203,735 is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2015. The pension expense is deemed to be a State administrative expense due to the special funding situation.

Although the liabilities related to the special funding situation are the liabilities of the State of New Jersey, the proportionate share of the statewide liability allocated to the City of Pleasantville was 0.24969058160% and 0.25472696190% for 2015 and 2014 respectively. The net pension liability amounts allocated to the City were \$3,647,281 and \$3,450,416 respectively. For the fiscal year ending June 30, 2015 State special funding situation pension expense of \$454,946 is allocated to the City.

*Pension plan fiduciary net position.*

Detailed information about the pension plan's fiduciary net position is available in the separately issued PFRS financial report.

**Note 13: POST-RETIREMENT BENEFITS**

**Plan Description** The City of Pleasantville contributes to the State Health Benefits Program (SHBP) a cost-sharing, multi-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. The SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents.

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**YEARS ENDED DECEMBER 31, 2015 AND 2014**

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at <http://www.state.nj.us/treasury/pensions/shbp.htm>

**Plan Coverage** The City currently has 3 collective bargaining units as well as several non-union employees. The employee's post employment benefits are dependent upon the collective bargaining unit to which they are a member as well as the year of retirement. The benefits by collective bargaining unit are:

Governmental Workers Union – Individuals who retired between 1/1/96 and 12/31/03 with at least 25 years of service to the City receive hospitalization and major medical coverage for the employee and spouse that was in effect at the time of retirement. Individuals who retired between 1/1/04 and 12/31/14 with at least 25 years of service to the City receive hospitalization, major medical, dental, prescription and optical for the employee and the employee's family in effect at the time of retirement.

International Association of Fire Fighters Local 2616 – Individuals who retired between 1/1/96 and 12/31/97 with at least 25 years of service to the City receive hospitalization and major medical coverage for the employee and spouse that was in effect at the time of retirement. Individuals who retired between 1/1/98 and 12/31/03 with at least 25 years of service to the City receive hospitalization, major medical coverage and prescription for the employee and spouse that was in effect at the time of retirement. Individuals who retired between 1/1/04 and 12/31/14 with at least 25 years of service to the City receive hospitalization, major medical, dental, prescription and optical for the employee and spouse in effect at the time of retirement.

International Association of Fire Fighters, Superior Officers Local 9428 – Individuals who retired between 1/1/96 and 12/31/97 with at least 25 years of service to the City receive hospitalization and major medical coverage for the employee and spouse that was in effect at the time of retirement. Individuals who retired between 1/1/98 and 12/31/03 with at least 25 years of service to the City receive hospitalization, major medical coverage and prescription for the employee and spouse that was in effect at the time of retirement. Individuals who retired between 1/1/04 and 12/31/14 with at least 25 years of service to the City receive hospitalization, major medical, dental, prescription and optical for the employee and spouse in effect at the time of retirement.

Policemen Benevolent Association Mainland Local 77 – Individuals who retired between 1/1/98 and 12/31/13 with at least 25 years of service in the Police and Fireman's Retirement System receive hospitalization, major medical, dental, prescription and optical for the employee and spouse in effect at the time of retirement.



**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

Non Affiliated Employees - Individuals who retired with at least 25 years of service in the Public Employees' Retirement System with the City receive hospitalization, major medical, dental, prescription and optical for the employee and spouse in effect at the time of retirement.

**Funding Policy** Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the City of Pleasantville on a monthly basis. The rates charged by the system for the year ended December 31, 2015 vary according to the type of coverage selected by the retiree and range from \$231 to \$2,844 monthly per retiree.

The City of Pleasantville contributions to SHBP for post-retirement benefits for the year ended December 31, 2015 and 2014, were \$1,547,426 and \$1,483,267 respectively, which equaled the required contribution for the year.

Effective February 2015 the City left the SHBP and entered a private plan. The required actuarial calculations were not completed. The actuarial report will be available for the 2016 year.

**Note 14: ACCRUED SICK AND VACATION BENEFITS**

The City has permitted employees to accrue unused sick time, which may be taken as time off or paid at a later date at an agreed upon rate. It is estimated that the cost for the most current calendar year of such unpaid compensation would approximate \$4,244,682 in 2015 and \$4,451,784 in 2014. This amount is not reported either as an expenditure or liability due to the likelihood of all employees terminating in one fiscal year being improbable. It is the City's policy to negotiate the final amount of each payment of accrued sick and vacation pay on an individual basis. The final amount of the settlement cannot exceed 180 days even though more may be accrued. This limitation is effective for all non-union employees, members of Police Mainland Local #77, and AFSCME Local #3103. Professional Firefighters Local #2616 permits employees to accumulate sick time without limitation. The amount shown above represents the total number of days of unpaid compensation without taking the 180 day limitation into account. The policy of not reflecting the accrued benefit is not in agreement with GASB Statement No. 12 but is required by the State of New Jersey. Effective January 1, 2002 the State of New Jersey is allowing municipalities to accrue a compensated absences liability. The City does not accrue the liability.

**Note 15: ECONOMIC DEPENDENCY**

The City of Pleasantville is not economically dependent on any one business or industry as a major source of tax revenue for the City.

**Note 16: RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

**Property and Liability Insurance** - The City maintains commercial insurance coverage for property, liability and surety bonds. During the year ended December 31, 2015 and 2014 the City did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The City is a member of the Atlantic County Joint Insurance Fund (JIF) and the Municipal Excess Liability Fund (MEL) which also includes other municipalities throughout the region. The City is obligated to remit insurance premiums into these funds for sufficient insurance coverage. There is an unknown contingent liability with the Atlantic County Municipal Joint Insurance Fund if there is a catastrophic insurance claim from any member of the fund. The City has a general liability limit of \$100,000 under JIF, which increases to \$5,000,000 under MEL.

**New Jersey Unemployment Compensation Insurance** – The City has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the City is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The City is billed quarterly for amounts due to the State. The following is a summary of City contributions, employee contributions, reimbursements to the State for benefits and the ending balance of the City’s trust fund for the previous three years:

<u>Calendar Year</u>	<u>City Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2015		29,913	-	24,659	30,767
2014	110,000	33,578	-	130,358	25,513
2013	-	30,211	-	46,212	12,293

**Note 17: TAX ABATEMENT PROGRAM**

The tax abatement program was established to encourage commercial and industrial development in the City of Pleasantville. It is a five-year program where real estate taxes on the approved buildings and residences are abated and payments are made in lieu. Agreements may be entered into for both improvements and construction projects. The value of the building improvements must exceed \$100,000 for commercial and the properties are tax-exempt until the project is complete. Once completed, the taxpayer pays no tax in the first year after completion. Beginning in the second year, the taxpayer is assessed taxes on 20% of the assessed value, with annual increases of 20% until the end of five years.

The tax exemption program was established to encourage residential property improvements in the City of Pleasantville. This exemption is only permitted on properties more than twenty (20) years old and is also a five-year program. The Assessor’s full and true value of the home improvements must not exceed \$15,000 and will not increase the value of the property for five years.

**Note 18: DEFERRED COMPENSATION**

Employees of the City of Pleasantville may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans With Respect to Service for State and Local Governments). The deferred compensation plan is available to all employees of the City. Under the plan, employees may elect to defer a portion of

**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

An unrelated financial institution administers the deferred compensation plan. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the employees.

As part of its fiduciary role, the City has an obligation of due care in selecting the third party administrator. In the opinion of the City's legal counsel, the City has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan.

**Note 19: URBAN ENTERPRISE ZONE**

In February 1995, the City of Pleasantville was designated as an Urban Enterprise Zone by the State of New Jersey. This is a twenty (20) year program that allows retail merchants, excluding automobile dealers and restaurants, to charge 3.5% sales tax to their customers. It also allows the merchant to purchase their supplies tax-free. The zone is limited to contiguous commercial and industrial zones. The City's UEZ designation has been extended through 2016.

Under current legislation the Urban Enterprise Zone will no longer be funded by the State of New Jersey. As of December 31, 2011 the State has turned over all remaining funds in the City's account. All new projects must be funded with either the remaining funds provided by the State in 2011 or through the use of loan repayments made into the second generation fund maintained by the City. All funds sent to the City may be used for projects that meet the requirements of the Zone until the funds are completely spent.

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**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

**Note 20: INTERFUND BALANCES**

During the most current calendar year ended December 31, 2015, the following interfunds were included on the balance sheets of the various funds of the City of Pleasantville:

	Due From	Due To
Current Fund:		
General Capital Fund		947,416
Animal Control Fund	4,325	
Fire Prevention Penalty Fund	2,312	
Payroll Trust	119,099	
Payroll Clearing	20,806	
Tax Title Lien Redemption	127	
Accumulated Absence Trust		
Utility Operating	40,376	
Utility Capital		476,163
Grant Fund		2,215,660
Grant Fund:		
Current Fund	2,215,660	
General Capital Fund		596,223
Trust Fund:		
Current - Animal Control Fund		4,325
Current - Tax Title Lien		127
Current - Fire Prev Penalty		2,312
Current - Accumulated Absence		
Current - Payroll Clearing		20,806
Current - Payroll Trust		119,099
Payroll Trust - Unemployment Trust		9,024
Unemployment - Payroll Trust	9,024	
General Capital Fund:		
Grant Fund	596,223	
Current Fund	947,416	
Utility Capital		422,115
Sewer Operating:		
Current Fund		40,376
Sewer Capital	63,579	
Sewer Capital Fund:		
Current Fund	476,163	
Sewer Operating		63,579
General Capital	422,115	
\$	4,917,225	4,917,225

**CITY OF PLEASANTVILLE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2015 AND 2014**

The amount due to the Grant fund from the Current fund is due to the fact that there is only one bank account. The amount due to the General Capital fund from the Grant fund is due to a state grant funded improvement authorization. The remaining interfunds are due to amounts that should have been transferred to the proper bank accounts.

**Note 21: CONTINGENT LIABILITIES**

From time to time, the City is a defendant in legal proceedings relating to its operations as a municipality. In the best judgment of the City's management, the outcome of any present legal proceedings will not have any adverse material effect on the accompanying financial statements.

**Note 22: LEASE OF CITY PROPERTY**

The City leases the library building to Atlantic County on an annual basis at a rate of \$65,000 per year. The City also leases parking spaces at various locations throughout the City as well as boat slips at the City's marina. The boat slips were not rentable until August 1, 2015, due to damages sustained in 2012.

**Note 23: SUBSEQUENT EVENTS**

The City has evaluated subsequent events through July 8, 2016, the date which the financial statements were available to be issued and identified no events requiring disclosure.

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## **SUPPLEMENTARY DATA**

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# FORD - SCOTT

& ASSOCIATES, L.L.C.

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## Independent Auditor's Report

The Honorable Mayor and  
Members of City Council  
City of Pleasantville, 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 financial statements of the various funds and account group of the City, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated July 8, 2016, which was adverse due to being presented in accordance with the New Jersey regulatory basis of accounting.

### **Internal Control over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying *schedule of findings and questioned costs*, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

*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. We

consider the deficiencies described in the accompanying *schedule of findings and questioned costs* to be material weaknesses: 2015-001.

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.

### **Compliance and Other Matters**

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

### **City's Responses to Findings**

The City's response to the findings identified in our audit is described in the accompanying *schedule of findings and questioned costs*. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

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

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Harvey C. Coccozza, Jr.*  
Harvey C. Coccozza, Jr.  
Certified Public Accountant  
Registered Municipal Accountant  
No. 551

July 8, 2016



# FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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## Independent Auditor's Report

The Honorable Mayor and  
Members of City Council  
City of Pleasantville, New Jersey

### **Report on Compliance for Each Major State Program**

We have audited the City of Pleasantville's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and NJ OMB Circular 15-08 that could have a direct and material effect on each of the City's major state programs for the year ended December 31, 2015. The City's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

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

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and NJ OMB 15-08. Those standards, the Uniform Guidance and NJ OMB 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 federal or state program occurred. An audit includes examining, on a test basis, evidence about the City'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 state program. However, our audit does not provide a legal determination of the City's compliance.

#### ***Opinion on Each Major State Program***

In our opinion, the City 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 state programs for the year ended December 31, 2015.

## Report on Internal Control Over Compliance

Management of the City 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 City's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 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 City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 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 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Harvey C. Coccozza, Jr.*  
Harvey C. Coccozza, Jr.  
Certified Public Accountant  
Registered Municipal Accountant  
No. 551

July 8, 2016

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

Federal or State Grantor/Pass-Through Grantor/Program Title	Pass-Through Grantor's #	Grant Period	Program or Award Amount	Unexpended Balance at 1/1/2015	Receipts or Revenue Recognized	Disbursements/Expenditures	Adjustments	Unexpended Balance at 12/31/2015	(Memo Only) Cumulative Expenditures
<b>FEDERAL</b>									
2013 Community Development Block Grant - Sandy	14,218	1/1/15-12/31/15	30,000	\$ -	30,000	30,000	-	-	30,000
			Subtotal 14,218	-	30,000	30,000	-	-	-
FRA Grant - Pleasantville Rail Road Program	20 xxx	1/1/09-12/31/09	152,664	152,664	30,000	30,000	-	152,664	-
Total Department of Community Affairs				152,664	30,000	30,000	-	152,664	-
U.S. Department of Commerce									
Economic Development Administration	11,300	2/1/98-1/31/00	845,600	114,860	-	-	-	114,860	730,740
Housing and Urban Development									
Pleasantville Housing Authority	14,854	1/1/99-12/31/99	47,994	18,040	-	-	-	18,040	29,954
Department of Education									
Summer Food Program	10,559	1/1/15-12/31/15	190,305	-	190,305	90,148	-	100,157	90,148
Summer Food Program	10,559	1/1/13-12/31/13	169,888	55,884	-	7,864	-	48,000	121,888
Summer Food Program	10,559	1/1/12-12/31/12	169,457	70,402	-	-	-	70,402	99,055
Summer Food Program	10,559	1/1/11-12/31/11	151,392	42,842	-	-	-	42,842	108,550
Summer Food Program	10,559	1/1/10-12/31/10	107,007	22,519	-	-	-	22,519	84,488
Summer Food Program	10,559	1/1/09-12/31/09	160,191	16,458	-	-	-	16,458	143,733
Summer Food Program	10,559	1/1/08-12/31/08	138,322	35,571	-	-	-	35,571	102,751
Summer Food Program	10,559	1/1/07-12/31/07	111,535	98,679	-	-	-	98,679	12,856
Total Department of Education				342,355	190,305	98,032	-	434,628	-
U.S. Department of Justice									
School Based Partnership COPS Grant	16,710	1/1/03-12/31/03	76,170	6,981	-	-	-	6,981	69,189
Local Law Enforcement Grant	16,710	1/1/03-12/31/03	93,269	41,888	-	-	-	41,888	51,381
			Subtotal 16,710	48,869	-	-	-	48,869	-
Body Armor Fund	16,607	1/1/15-12/31/15	4,549	-	4,549	4,549	-	-	4,549
Body Armor Fund	16,607	1/1/14-12/31/14	5,980	5,980	-	-	-	5,980	-
Body Armor Fund	16,607	1/1/13-12/31/13	4,050	4,050	-	-	-	4,050	-
Body Armor Fund	16,607	1/1/12-12/31/12	9,813	4,828	-	-	-	4,828	4,985
			Subtotal 16,607	14,858	4,549	4,549	-	14,858	-
Justice Assistance Grant - ARRA	16,804	6/1/11-11/30/12	250,000	12,796	-	12,796	-	-	250,000
			Subtotal 16,804	12,796	-	12,796	-	-	-
Justice Assistance Grant	16,738	1/1/15-12/31/15	15,382	-	15,382	14,414	-	968	14,414
Justice Assistance Grant	16,738	1/1/12-12/31/12	22,327	1,147	-	1,147	-	-	22,327
Justice Assistance Grant	16,738	1/1/11-12/31/11	27,091	13,173	-	13,173	-	-	27,091
			Subtotal 16,738	14,320	15,382	28,734	-	968	-
Total U.S. Department of Justice				90,843	19,931	46,079	-	64,695	-
U.S. Department of Homeland Security									
Police Canine & Equipment	97,004	1/1/07 - 12/31/07	10,000	1,985	-	-	-	1,985	8,015
Total U.S. Department of Homeland Security				1,985	-	-	-	1,985	-
Federal Emergency Management Assistance									
Assistance to Firefighters - Purchase of Equipment	97,067	1/1/04-12/31/04	98,200	-	-	-	-	-	98,200
Sandy Shared Services Grant	97,067	1/1/15/12/31/15	30,000	-	30,000	30,000	-	-	30,000
Post Sandy Planning Grant	97,067	1/1/15/12/31/15	280,000	-	280,000	139,240	-	140,760	139,240
Additional Post Sandy Planning Grant	97,067	1/1/15/12/31/15	110,000	-	110,000	110,000	-	110,000	-
Bayview Ave Pump Station Generator	97,067	1/1/15/12/31/15	100,000	-	100,000	21,350	-	78,650	21,350
Hazard Mitigation - Generator	97,067	1/1/15/12/31/15	90,000	-	90,000	85,977	-	4,023	85,977
Homeland Security	97,067	1/1/09-12/31/09	189,460	1,050	-	276,567	-	334,483	188,410
Total Federal Emergency Management Assistance				1,050	610,000	450,678	-	1,121,355	-
Total Federal Assistance				721,797	850,236	450,678	-	1,121,355	-

SEE ACCOMPANYING AUDITOR'S REPORT

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2015**

STATE	Federal or State Grantor/Pass - Through Grantor/Program Title	Pass-Through Grantor's #	Grant Period	Program or Award Amount	Unexpended Balance at 1/1/2015	Receipts or Revenue Recognized	Disbursements/ Expenditures	Adjustments	Unexpended Balance at 12/31/2015	(Memo Only) Cumulative Expenditures
State of New Jersey	Department of Environmental Protection									
	Stormwater Grant	N/A	1/1/06-12/31/06	12,029	2,083				2,083	9,946
	Tree Planting Grant	N/A	1/1/15-12/31/15	10,000	10,000				-	-
	Recycling Tonnage Grant	4900-752-042-4900-001	1/1/14-12/31/14	22,789	-	22,789			22,789	-
	Recycling Tonnage Grant	4900-752-042-4900-001	1/1/13-12/31/13	23,352	23,352				23,352	-
	Recycling Tonnage Grant	4900-752-042-4900-001	1/1/13-12/31/13	23,041	23,041				23,041	-
	Recycling Tonnage Grant	4900-752-042-4900-001	1/1/12-12/31/12	9,703	9,703				9,703	-
	Recycling Tonnage Grant	4900-752-042-4900-001	1/1/11-12/31/11	24,446	24,446				24,446	-
	Recycling Tonnage Grant	4900-752-042-4900-001	1/1/09-12/31/09	19,010	19,010				19,010	-
	Recycling Tonnage Grant	4900-752-042-4900-001	1/1/08-12/31/08	9,015	9,015				9,015	-
	Recycling Tonnage Grant	4900-752-042-4900-001	1/1/07-12/31/07	2,086	2,086				2,086	-
	Recycling Tonnage Grant	4900-752-042-4900-001	1/1/05-12/31/05	380	380				380	-
	Recycling Tonnage Grant	4900-752-042-4900-001	1/1/03-12/31/03	720	720				720	-
	Clean Communities Act	4900-765-178920	1/1/15-12/31/15	36,262	-	36,262	2,014		34,248	2,014
	Clean Communities Act	4900-765-178920	1/1/13-12/31/13	31,802	31,802				31,802	-
	Clean Communities Act	4900-765-178920	1/1/12-12/31/12	71,341	64,832				64,832	-
	Hazardous Discharge Site Remediation	3200-850-0002	1/1/08-12/31/08	20,934	9,508				-	6,509
	Hazardous Discharge Site Remediation	3200-850-0002	1/1/06-12/31/06	28,615	26,365		(9,508)		-	11,426
	Hazardous Discharge Site Remediation	3200-850-0002	1/1/05-12/31/05	4,856	2,183		(26,365)		-	2,250
	Hazardous Discharge Site Remediation	3200-850-0002	1/1/05-12/31/05	30,926	7,454	59,051	(2,183)	(7,454)	-	2,673
	Total Department of Environmental Protection				265,960	59,051	2,014	(55,510)	267,507	23,472
Department of Community Affairs										
	Liveable Communities Grant		1/1/04-12/31/04	80,000	3,945				3,945	76,055
	Neighborhood Preservation	100-022-8020-086-022960	1/1/02-12/31/02	125,000	16			(16)	-	124,984
	Sewerage Infrastructure Grant	N/A	1/1/04-12/31/04	4,792	4,792			(4,792)	-	-
	State and Local COOP Inspection	N/A	1/1/02-12/31/02	3,500	3,500			(3,500)	-	-
	Cyber District Grant	N/A	1/1/01-12/31/01	20,000	4,878			(4,878)	-	-
	REDI Incentive Study and Implementation	N/A	1/1/01-12/31/01	47,550	9,736				9,736	15,122
	Smart Growth Implementation	N/A	1/1/02-12/31/02	5,605	5,605				5,605	37,814
	Smart Growth Implementation - Mainna	N/A	1/1/01-12/31/01	120,000	49,381				49,381	70,619
	Clean Vessel Program	N/A	1/1/07-12/31/07	33,185	32,544				32,544	641
	Sustainable Jersey	N/A	1/1/07-12/31/07	6,281	6,281				6,281	-
	Total Department of Community Affairs			2,000	120,678	2,000	771	(13,186)	108,721	771
N.J. Economic Development Authority										
	Economic Development Initiative		1/1/06-12/31/08	250,000	3,623				3,623	246,377
	Economic Development Initiative		1/1/15-12/31/16	461,476	-	461,476	54,040		407,436	54,040
	Total NJ Economic Development Authority				3,623	461,476	54,040	-	411,069	-
Division of Motor Vehicles										
	Drunk Driving Enforcement Fund	1110-101-030000-129040	1/1/11-12/31/11	11,472	5,207				5,207	6,265
	Buckle Up South Jersey	N/A	1/1/07-12/31/07	2,310	2,310				2,310	-
	Over the Limit Under Arrest	N/A	1/1/08-12/31/08	5,000	5,000				5,000	-
	Over the Limit Under Arrest	N/A	1/1/09-12/31/09	4,775	4,775				4,775	-
	Over the Limit Under Arrest	N/A	1/1/11-12/31/11	29,380	29,380				29,380	-
	Over the Limit Under Arrest	N/A	1/1/12-12/31/12	11,263	11,263				11,263	-
	NJ Division of Highway Safety	1160-206-030252-60	1/1/12-12/31/12	16,940	16,940				16,940	-
	NJ Division of Highway Safety	1160-206-030252-60	1/1/04-12/31/04	18,000	10,062				10,062	7,938

SEE ACCOMPANYING AUDITOR'S REPORT

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2015**

Federal or State Grantor/Pass - Through Grantor/Program Title	Pass-Through Grantor's #	Grant Period	Program or Award Amount	Unexpended Balance at 1/1/2015	Receipts or Revenue Recognized	Disbursements/ Expenditures	Adjustments	Unexpended Balance at 12/31/2015	(Memo Only) Cumulative Expenditures
Alcohol Education Rehabilitation	N/A	1/1/09-12/31/09	1,928	693	-	693	-	-	1,928
Alcohol Education Rehabilitation	N/A	1/1/11-12/31/11	830	830	-	207	-	623	207
Alcohol Education Rehabilitation	N/A	1/1/12-12/31/12	324	324	-	-	-	324	-
Alcohol Education Rehabilitation	N/A	1/1/14-12/31/14	950	950	-	-	-	950	-
Alcohol Education Rehabilitation	N/A	1/1/15-12/31/15	2,363	-	2,363	-	-	2,363	-
Aggressive Enforcement-Aggressive Driver	N/A	1/1/10-12/31/10	28,500	10,950	-	-	-	10,950	17,550
Aggressive Enforcement-Aggressive Driver	N/A	1/1/09-12/31/09	55,572	3,050	-	-	-	3,050	52,522
Emergency Management State Police Grant	N/A	1/1/01-12/31/01	4,000	4,000	-	-	(4,000)	-	4,000
Emergency Management State Police Grant	N/A	1/1/08-12/31/08	5,000	5,000	-	-	-	5,000	-
Emergency Management State Police Grant	N/A	1/1/09-12/31/09	5,000	5,000	-	-	-	5,000	-
Total Division of Motor Vehicles				115,734	2,363	900	(4,000)	113,197	-
<b>New Jersey Department of Transportation</b>									
Reconstruction of Linden Avenue-Phase II	6320-480-601385-61	1/1/03-12/31/03	153,000	149,000	-	-	(130,477)	18,523	134,477
West Jersey Avenue Streetscape	6320-480-601385-61	1/1/00-12/31/00	306,000	16,878	-	-	-	16,878	289,122
Construction of Bike Path	6320-480-601385-61	1/1/00-12/31/00	248,000	12,256	-	-	(12,526)	12,256	235,744
Parking/Traffic Study Central Business Bike Path Extension	6320-480-601385-61	1/1/03-12/31/03	50,000	12,526	-	-	-	12,526	50,000
Construction of West Jersey Avenue	6320-480-601385-61	1/1/11-12/31/11	380,000	92,953	-	-	-	92,953	287,047
Construction of West Jersey Avenue	6320-480-601385-61	1/1/13-12/31/13	220,090	193,091	-	193,091	-	-	220,090
Transit City Grant	6320-480-601385-61	1/1/13-12/31/13	250,000	250,000	-	239,890	-	10,110	239,890
Transit City Grant - Washington Avenue	6320-480-601385-61	1/1/13-12/31/13	240,000	-	240,000	-	-	240,000	-
Safe Streets Program - Rt 9 & Park Ave	6320-480-601385-61	1/1/15-12/31/15	500,000	-	500,000	-	-	500,000	-
2015 Municipal Aid - Decatur Avenue	6320-480-601385-61	1/1/15-12/31/15	240,950	-	240,950	-	-	240,950	-
Transportation Enhancement Fund	6320-480-601385-61	1/1/15-12/31/15	24,502	4,000	-	-	-	24,502	-
Pedestrian Safety	6320-480-078-6320	1/1/01-12/31/01	4,000	4,000	-	-	(8,218)	4,000	-
Reconstruction of Gentdale Ave.	6320-480-601385-61	1/1/11-12/31/11	139,101	8,218	-	-	-	14,448	139,101
Safe Corridors	6320-480-601385-61	1/1/09-12/31/09	47,999	14,448	-	-	-	20,646	33,551
Safe Corridors	6320-480-601385-61	1/1/11-12/31/11	20,646	20,646	-	-	-	38	19,982
Safe Corridors	6320-480-601385-61	1/1/13-12/31/13	20,020	38	-	-	(150,100)	79	309,100
Reconstruction of Woodland Ave.	6320-480-601385-61	1/1/07-12/31/07	309,100	150,100	-	-	-	30,758	251,221
Municipal and Urban Aid - 2012	6320-480-601385-61	1/1/12-12/31/12	251,300	14,315	-	14,236	-	30,758	277,492
Commuter Path Safety Improvements	6320-480-601385-61	1/1/08-12/31/08	308,250	30,758	-	-	-	10,277	7,014
Highway Safety Grant	6320-480-601385-61	1/1/14-12/31/14	17,291	14,071	-	7,014	(14,071)	-	45,283
Weed and Seed Program	N/A	1/1/03-12/31/03	45,283	1,025,091	980,950	454,231	(315,392)	1,236,418	-
<b>Department of Commerce and Economic Development</b>									
Urban Enterprise Zone Projects	763-020-2830	1/1/06-12/31/13	45,884,679	2,569,469	-	523,808	(28,984)	2,006,677	43,849,018
Zone Marketing Phase V	763-020-2830	1/1/09-12/31/09	285,040	55,202	-	30,087	-	25,115	259,925
City Center Property Acq. Phase II (08-10)	763-020-2830	1/1/08-12/31/08	1,398,925	10,550	-	-	(10,550)	38,125	238,920
City Center Property Acq. Phase III (09-07)	763-020-2830	1/1/08-12/31/08	2,708,914	56,924	-	17,799	-	14,081	1,359,800
City Center Property Acq. Phase V	763-020-2830	1/1/09-12/31/09	237,706	156,506	-	-	(156,506)	-	2,694,833
Lakes Bay Waterfront Redevelopment	763-020-2830	1/1/10-12/31/10	123,155	97,277	-	-	-	97,277	237,706
Public Safety Year 16	763-020-2830	1/1/15-12/31/15	1,200,000	-	1,200,000	-	-	-	1,200,000
Abandoned Properties	763-020-2830	1/1/15-12/31/15	65,000	-	45,000	-	-	-	65,000
Bus Station Security	763-020-2830	1/1/15-12/31/15	100,000	94,492	100,000	100,000	-	90,584	100,000
City Center Redevelopment Project Phase III	763-020-2830	1/1/10-12/31/10	252,889	3,044,501	1,345,000	1,920,602	(196,040)	2,272,859	162,305
Total State Assistance				4,575,607	2,850,840	2,432,558	(584,128)	4,409,761	-
Total Financial Assistance				\$ 5,297,404	3,701,076	2,863,236	(584,128)	5,531,116	-

SEE ACCOMPANYING AUDITOR'S REPORT

**Notes to Schedule of Expenditures of Federal and State Awards**  
**December 31, 2015**

**Note 1: BASIS OF PRESENTATION**

The accompanying schedule of federal and state awards includes the federal and state grant activity of the City of Pleasantville, State of New Jersey and is presented on the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles. Encumbrances are considered in determining single audit threshold on major programs.

**Note 2: RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedule agree with amounts reported in the City's financial statements. Receipts from Federal and State grants are realized as revenue when anticipated in the City's budget. Expenditures are recognized when they become payable. Following is a reconciliation of expenditures:

	<u>Federal</u>	<u>State</u>
Expenditure per Schedule of Federal and State Awards	\$ 450,678	2,432,558
Add local funding	<u>19,739</u>	<u>24,158</u>
Expenditure per Audit Schedule A-13	<u><u>\$ 470,417</u></u>	<u><u>2,456,716</u></u>



**CITY OF PLEASANTVILLE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

**Section I -- Summary of Auditor's Results**

**Financial Statement**

Type of auditor's report issued	<u>Adverse under GAAP, Unmodified under Regulatory Basis</u>		
Internal control over financial reporting:			
• Material weakness(es) identified?	<u>  X  </u>	yes	<u>        </u> no
• Significant deficiency(ies) identified?	<u>        </u>	yes	<u>  X  </u> none reported
Noncompliance material to financial statements noted?	<u>        </u>	yes	<u>  X  </u> no

**Federal Awards**

**Not applicable**

Internal Control over major programs:			
• Material weakness(es) identified?	<u>        </u>	yes	<u>        </u> no
• Significant deficiency(ies) identified?	<u>        </u>	yes	<u>        </u> none reported

Type of auditor's report issued on compliance major programs \_\_\_\_\_

Any audit findings disclosed that are required to be reported in accordance with OMB Uniform Guidance \_\_\_\_\_ yes \_\_\_\_\_ no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Dollar Threshold used to distinguish between type A and type B programs: \$ \_\_\_\_\_

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes \_\_\_\_\_ no

**State Awards**

Internal Control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes  X  no
- Significant deficiency(ies) identified? \_\_\_\_\_ yes  X  none reported

Type of auditor's report issued on compliance major programs

\_\_\_\_\_  Unmodified  \_\_\_\_\_

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

\_\_\_\_\_ yes  X  no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>763-020-2830</u>	<u>Urban Enterprise Zone Projects</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Dollar Threshold used to distinguish between type A and type B programs:

\$  750,000

Auditee qualified as low-risk auditee?  X  yes \_\_\_\_\_ no

## ***Part 2 -- Schedule of Financial Statement Findings***

### **2015-001. Criteria**

The general ledger is required to be maintained in an accurate manner in order for City personnel to determine the financial status at any point in time.

### **Condition**

Significant adjusting entries were not posted to the general ledger during the 2015 calendar year which resulted in incomplete financial information provided to City officials throughout the year.

### **Cause**

Due to staffing problems, the City's finance office did not post adjusting entries, such as interfund transfers and noncash budget items, to the general ledger and therefore did not have sufficient information to properly monitor the financial condition of the City.

### **Effect**

The City does not have sufficient information to accurately monitor financial activity throughout the year.

### **Recommendation**

That the Finance Department adequately monitor the financial information on an ongoing basis and post any necessary adjustments in a timely manner. We also suggest that a monthly report be submitted to City Council at the first meeting following the close of the month.

### **Management Response**

The Finance Office will monitor the general ledger on a regular basis and ensure that all required journal entries are posted.

***Part 3 -- Schedule of Federal Awards and State Financial Assistance Findings and Questioned Costs***

NONE

## **STATUS OF PRIOR RECOMMENDATIONS**

### **Finding 2014-001**

#### **Condition**

The general ledger is required to be maintained in an accurate manner in order for City personnel to determine the financial status at any point in time.

#### **Current Status**

This recommendation was not cleared during 2015.

**CURRENT FUND  
SCHEDULE OF CASH - TREASURER**

	<u>Current Fund</u>	<u>State Grant Fund</u>
Balance December 31, 2014	\$ 9,134,700	5,005,782
Increased by Receipts:		
Tax Collector	33,632,176	
Clerk	62,732	
Revenue Accounts Receivable	3,272,275	
Miscellaneous Revenue	774,236	
Anticipated Utility Surplus - Sewer	1,300,000	
Appropriation Refunds	3,292,903	
Special Emergency Note	278,314	
UEZ Second Generation Loan Repayments		1,409,720
State of New Jersey:		
Senior Citizens & Veterans	107,250	
DCA Training Fees	15,596	
	<u>42,735,482</u>	<u>1,409,720</u>
	51,870,182	6,415,502
Decreased by Disbursements:		
2015 Appropriations	29,978,712	
2014 Appropriation Reserve	743,482	
County Taxes	3,881,355	
Local District School Tax	9,321,128	
State of NJ - DCA Training Fees	10,183	
Due to Utility Operating Fund	193,258	
Due to Accumulated Absence Trust	591,572	
Reserve for Revaluation	58,934	
Due to the Current Fund		2,488,214
	<u>44,778,624</u>	<u>2,488,214</u>
Balance December 31, 2015	\$ <u><u>7,091,558</u></u>	<u><u>3,927,288</u></u>

**CURRENT FUND  
SCHEDULE OF CURRENT CASH - COLLECTOR**

Balance December 31, 2014		\$	-
Increased by Receipts:			
Prepaid Taxes - 2016	257,265		
Revenue Accounts Receivable	181,898		
Taxes Receivable	33,158,156		
Miscellaneous Revenue	110		
Tax Title and Other Liens	34,747		
			33,632,176
			33,632,176
Payments to Treasurer			33,632,176
Balance December 31, 2015		\$	-

**CURRENT FUND  
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

Year	Balance Dec. 31, 2014	2015 Levy	Added Taxes	Overpayments Created	Collections by Cash 2014	2015	Overpayments Applied	Cancellations	Cut and Clean	Transferred To Tax Title Lien	Arrears	Balance Dec. 31, 2015
Arrears	\$ 44,061					1,646		4,745		159,549	176,912	55,033
2013	5,226			27,878		96		27,852		(70)	(5,226)	-
2014	12,494		12,500	137,417		16,543		138,831		(42)	(7,079)	-
2015	61,781	-	12,500	165,295	-	18,285	-	171,428		159,437	164,607	55,033
		34,255,182	54,090		262,780	33,255,746		512,348		61,276	(164,607)	52,515
	\$ 61,781	34,255,182	66,590	165,295	262,780	33,274,031	-	683,776		220,713	-	107,548

Cash Collected	33,158,156
Senior Citizen & Veteran Allowances	<u>115,875</u>
	<u><u>33,274,031</u></u>

SEE ACCOMPANYING AUDITOR'S REPORT



**SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS  
OF PROPERTY TAX LEVY**

Analysis of 2015 Property Tax Levy

Tax Yield		
General Property Tax	\$ 34,255,182	
Added Taxes (54:4-63.1,63.12 et.seq.)	<u>54,090</u>	
		<u>34,309,272</u>
Tax Levy		
Local District School Tax (Abstract)	9,130,185	
County Tax (Abstract)	3,877,470	
Due County for Added and Omitted Taxes (54:4-63.1,63.12 et. seq.)	<u>6,158</u>	
		13,013,813
Local Tax for Municipal Purposes	21,235,921	
Add: Additional Tax Levied	<u>59,538</u>	
Local Tax for Municipal Purposes Levied		<u>21,295,459</u>
	\$	<u>34,309,272</u>

**CURRENT FUND  
SCHEDULE OF TAX TITLE AND OTHER LIENS**

Balance December 31, 2014		\$ 1,038,086
Increased by:		
Interest and Costs Accrued by Sale of December 18, 2015	13,228	
Other	58,416	
Transfers from Taxes Receivable	<u>220,713</u>	
		<u>292,357</u>
		1,330,443
Decreased by:		
Cancellation	17,175	
Collection	<u>34,747</u>	
		<u>51,922</u>
Balance December 31, 2015		<u><u>1,278,521</u></u>
 <b>ANALYSIS OF BALANCE</b>		
Tax Title Liens	1,199,975	
Boarding Up/Demolition Liens	55,571	
Cleaning Liens	<u>22,975</u>	
		\$ <u><u>1,278,521</u></u>

**CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

	Balance Dec. 31, 2014	Accrued In 2015	Collector	Treasurer	Clerk	Balance Dec. 31, 2015
Clerk:						
Licenses:						
Alcoholic Beverages		22,700			22,700	
Other		40,032			40,032	
Fees and Permits		250,678		250,678		
Construction Code		206,645		206,645		
Interest on Delinquent Taxes			181,898			
Municipal Court:						
Fines and Costs	14,259	173,752		176,662		11,349
Uniform Fire Safety		37,961		37,961		
Rental of Municipal Property		65,000		65,000		
EMS Services		-				
Payments in Lieu of Taxes		132,277		132,277		
Hotel Room Tax		43,102		43,102		
Rental of Land		84,240		84,240		
Rental Regulation Fee		144,270		144,270		
Energy Receipts Tax		1,866,036		1,866,036		
Consolidated Municipal Property Tax Relief Act		265,404		265,404		
	<u>14,259</u>	<u>3,513,995</u>	<u>181,898</u>	<u>3,272,275</u>	<u>62,732</u>	<u>11,349</u>

SEE ACCOMPANYING AUDITOR'S REPORT

**CURRENT FUND**  
**SCHEDULE OF APPROPRIATION RESERVES - 2014**

	Balance Dec. 31, 2014	Balance After Transfers	Paid or Charged	Balance Lapsed	Over- Expended
General and Administrative					
Other Expenses	\$ 35,394	27,894	27,808	86	
Mayor and City Council					
Salary & Wages	7,797	97		97	
Other Expenses	4,285	585	581	4	
City Clerk's Office					
Salary & Wages	1,075	75		75	
Other Expenses	1,873	1,373	294	1,079	
Financial Administration					
Salary & Wages	1,044	44		44	
Other Expenses	31,588	14,435	3,471	10,964	
Audit Services	1,220	1,020	950	70	
Collection of Taxes					
Other Expenses	7,319	319	250	69	
Assessment of Taxes					
Other Expenses	5,049	49		49	
Liquidation of Tax Title Liens					
Other Expenses	9,060	3,060	2,298	762	
Legal Services					
Salary & Wages	1,779	79		79	
Other Expenses	15,624	4,624	3,946	678	
Public Buildings and Grounds					
Other Expenses	7,608	5,608	5,103	505	
Planning and Zoning Board of Adjustment					
Salary & Wages	847	47		47	
Other Expenses	943	943	177	766	
Fire					
Salary & Wages	24,698	18,098	18,000	98	
Other Expenses	25,189	14,542	14,542	-	
Fire Prevention Program					
Salary & Wages	5,945	3,045	3,000	45	
Other Expenses		-		-	
Technology Support and Equipment					
Other Expenses	21,875	2,875	2,244	631	
Elections					
Other Expenses	1,265	65		65	
Telecommunications Unit					
Salary & Wages	7,280	180		180	
Other Expenses	7,201	201	120	81	
Animal Control					
Other Expenses	1,750	1,750	1,750	-	

**CURRENT FUND  
SCHEDULE OF APPROPRIATION RESERVES - 2014**

	Balance Dec. 31, 2014	Balance After Transfers	Paid or Charged	Balance Lapsed	Over- Expended
Senior Citizens Board					
Other Expenses	191	191	127	64	
Municipal Court					
Other Expenses	4,820	320	200	120	
Public Defender					
Salary & Wages	2,050	50		50	
Division of Roads					
Salary & Wages	13,504	104		104	
Other Expenses	31,560	16,560	14,246	2,314	
Division of Public Property					
Salary & Wages	1,728	128		128	
Other Expenses	11,703	1,463	1,082	381	
Police					
Salary & Wages	128,176	110,176	110,000	176	
Other Expenses	17,077	1,077	689	388	
Recreation					
Salary & Wages	3,893	1,093		1,093	
Other Expenses	4,339	2,339	1,694	645	
Construction Code Official					
Salary & Wages	998	98		98	
Other Expenses	6,269	1,949	1,771	178	
Housing Official					
Salary & Wages	953	3		3	
Other Expenses	3,995	1,085	874	211	
Emergency Management Service					
Other Expenses	2,576	2,576	2,364	212	
Sanitation					
Contractual Trash Pickup	96,964	94,664	94,654	10	
Contractual Recycling Pickup	31,320	29,820	29,750	70	
Solid Waste Disposal costs	106,359	77,459	77,455	4	
Unclassified:					
Fire Hydrant		-		-	
Street Lighting	6,064	6,064	5,072	992	
Electricity	18,336	18,336	17,857	479	
Telephone	11,059	11,059	6,443	4,616	
Fuel Oil	5,746	5,746	5,746	-	
Water	77	4,518	77	4,441	
Gasoline	15,643	11,202	9,885	1,317	
Contingent	1,900	620		620	
Insurance					
Employee Group Health	5,597	281,197	278,664	2,533	
Social Security	18,318	18		18	
DCRP Contribtuion	1,343	343	298	45	
Police and Firemen's Retirement System	1,056	56		56	
Other Accounts - No Changes	38,146	38,146	-	38,146	
	<u>\$ 819,468</u>	<u>819,468</u>	<u>743,482</u>	<u>75,986</u>	<u>-</u>

**CURRENT FUND  
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX**

Balance December 31, 2014		\$ 461,456
Increased By:		
Levy - Calendar Year 2015		<u>9,130,185</u>
		9,591,641
Decreased By:		
Payments	<u>9,321,128</u>	<u>9,321,128</u>
Balance December 31, 2015		\$ <u><u>270,513</u></u>

**CURRENT FUND  
SCHEDULE OF FEDERAL AND STATE GRANT RECEIVABLES**

<u>Purpose</u>	Balance Dec. 31, 2014	Transferred from 2015 Revenues	Received	Cancelled	Balance Dec. 31, 2015
<b>STATE GRANTS:</b>					
NJ Transportation Trust Fund Authority Act of 1984					
Reconstruction of Linden Avenue-Phase II	\$ 130,477			130,477	-
Reconstruction of Milan Avenue	67,584				67,584
Municipal and Urban Aid - 2012	93,811		51,354		42,457
Local Aid/Pedestrian Safety	7,293				7,293
Woodland Avenue	150,100			150,100	-
Transportation Enhancement Fund	24,502				24,502
Parking/Traffic Study-Central Business District	31,250			31,250	-
E. West Jersey Avenue Transit Village	12,374				12,374
Safe Corridors	20,646				20,646
2013 Municipal Aid Program	220,090		165,068		55,022
2013 Municipal Aid Program	250,000		187,500		62,500
Highway Safety Grant - 2014	17,291				17,291
2015 Transit Village	-	240,000			240,000
2015 Safe Streets	-	500,000			500,000
2015 Municipal Aid - Decature Ave	-	240,950			240,950
Highway Safety NJ Safe Corridors	20,020				20,020
Stormwater Mapping Grant	12,968			12,968	-
JIF Safety Award	2,500				2,500
Municipal Alliance Program	23,233	15,000	13,919		24,314
Clean Communities Program	46,222	36,262	36,262		46,222
Atlantic County Open Space Grant - Field Lights II	35,000			35,000	-
Atlantic County Open Space Grant - 2003	45,000			45,000	-
Aggressive Enforcement - Aggressive Driver	23,987				23,987
Drunk Driving Enforcement Fund	7,712				7,712
Recycling Tonnage Grant	-	22,789	22,789		-
Alcohol Education Rehabilitation	-	2,363	2,363		-
Hazardous Discharge Site Remediation Grant	105,861			105,861	-
Hazardous Discharge Site Remediation Grant - Duell Fuel	896			896	-
Hazardous Discharge Site Remediation Grant - Hospitality	7,997			7,997	-
Safe and Secure Neighborhoods Program	180,000				180,000
NJ Division of Highway Safety - Seat Belt Usage	8,400				8,400
NJ Division of Highway Safety - Buckle Up South Jersey	150				150
NJ Division of Highway Safety - Safety Belt Performance	2,000				2,000
NJ Department of Highway Safety	18,900				18,900
Green Acres - Brighton Recreation Complex Expansion	175,000				175,000
Smart Growth Community Planning & Implementation	45,605				45,605
COPS In Schools Grant	4,483				4,483
South Jersey Industries Recreation Grant	500				500
Department of Law & Public Safety-Click It or Ticket	4,978				4,978
Economic Development Initiative	13,003			13,003	-
Pedestrian Safety Grant	4,000				4,000
Highway Safety Grant	23,571				23,571
Highway Safety Grant - 2012	16,940				16,940
Donation - Pleasantville Dental Scoreboard	5,000				5,000
Commuter Path Systems Improvement	313,965				313,965
Hazardous Discharge Site Remediation					
109 Pennsylvania Ave.	6,215			6,215	-
645 Doughty Rd.	11,200			11,200	-
2008 Program	2,394			2,394	-
NJ Division of Engineering & Construction	83,457				83,457
NJ State Police Emergency Mgmt. Assistance Plan	5,000			5,000	-
Community Development Fund	130,041				130,041
State and Local COOP Inspection	3,500			3,500	-
Tree Planting Grant	2,250			2,250	-
Econ Dev Division Property Info System	16,500				16,500
NJ EDA - 2015 Main StreetScape	-	461,476			461,476
Pleasantville PAL	30,000			30,000	-
O.C.E.A.N. Inc. - After School Program	-	10,000	10,000		-
2015 Sustainable New Jersey	-	2,000	2,000		-
Pleasantville Urban Enterprise Zone					
Projects -					
Bus Station Security	-	100,000	100,000		-
Abandoned Properties	-	45,000	45,000		-
Public Safety Year 16	-	1,200,000	1,200,000		-
<b>Total State</b>	<b>2,463,866</b>	<b>2,875,840</b>	<b>1,836,255</b>	<b>593,111</b>	<b>2,910,340</b>

**CURRENT FUND**  
**SCHEDULE OF FEDERAL AND STATE GRANT RECEIVABLES**

<u>Purpose</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Transferred</u> <u>from</u> <u>2015</u> <u>Revenues</u>	<u>Received</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
<b>FEDERAL GRANTS</b>					
Small Cities Community Development Block Grant (1995,1997,1998,1999) Housing Rehabilitation					
Public Facilities Program	2,255			2,255	-
ACIA CDBG Program	9			9	-
2009 CDBG	33,481		13,940		19,541
2011 CDBG	27,183				27,183
2013 CDBG - Super Storm Sandy - Capital	-	30,000			30,000
2013 CDBG - Super Storm Sandy	-	30,000	30,000		-
2013 CDBG	2,072				2,072
Federal Emergency Management Assistance -					
Assistance to Firefighters	899			899	-
Hazard Mitigation Grant - Generator	-	90,000			90,000
Post Sandy Planning Grant	-	280,000	108,865		171,135
Additional Post Sandy Planning Grant	-	110,000			110,000
Bay Avenue Pump Station	-	100,000			100,000
Housing and Urban Development					
Pleasantville Housing Authority Drug Elimination	21,690			21,690	-
US Department of Homeland Security					
SAFER Grant EMW - 2006 - FF - 04417	224,425			224,425	-
Police Canine	1,985			1,985	-
US Department of Justice					
School Based Partnerships-Cops Grant	85,749				85,749
Local Law Enforcement Program	76,422				76,422
Body Armor Fund	1,684	4,549	4,549		1,684
COPS Hiring Grant - ARRA	76,796				76,796
Justice Assistance Grant	-	15,382			15,382
US Department of Agriculture					
Summer Food Program	301,498	190,305	109,085		382,718
Federal Transit Administration - FRA Grant	152,664				152,664
US Dept of Commerce-Economic Development Administration	71,703				71,703
	<u>1,080,515</u>	<u>850,236</u>	<u>266,439</u>	<u>251,263</u>	<u>1,413,049</u>
	<u>\$ 3,544,381</u>	<u>3,726,076</u>	<u>2,102,694</u>	<u>844,374</u>	<u>4,323,389</u>



**CURRENT FUND  
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS APPROPRIATED**

Grant	Balance Dec. 31, 2014	Transferred from 2015 Budget Appropriations	Expended	Encumbered	Prior Year Encumbrances Cancelled	Overexpended	Cancelled	Balance Dec. 31, 2015
<b>STATE GRANTS:</b>								
NJ Transportation Trust Fund Authority Act of 1984	\$							
Reconstruction of Linden Avenue-Phase II	149,000						130,477	18,523
Woodland Avenue	150,100						150,100	-
West Jersey Avenue Streetscape	16,878							16,878
Construction of Bike Path	12,256							12,256
Parking/Traffic Study Central Business District	92,953						12,526	-
Bike Path Extension	24,502							92,953
Transportation Enhancement Fund	14,315		6,258	7,978				24,502
Municipal and Urban Aid - 2012	8,218						8,218	-
Reconstruction of Glendale Avenue	193,091		118,691	74,400				10,110
2013 Municipal Aid Program - Construction of West Jersey Av	250,000		227,755	12,135				134,542
2013 Transit City Grant	111,753	22,789						96,634
Recycling Tonnage Grant	96,634							96,634
Clean Communities Act		36,262	2,014					34,248
Clean Communities Act - 2015	30,758							30,758
NJ DOT - Commuter Path Systems Improvements	17,291		7,014					10,277
NJ DOT - 2014 Highway Safety Grant	-							240,000
NJ DOT - 2015 Transit Village Imp. Washington Avenue	-	240,000						500,000
NJ DOT - 2015 Safe Streets to Imp Rt 9 & Park Avenue Safety	-	500,000						240,950
NJ DOT - 2015 Municipal Aid Program - Decatur Ave Imp	-	240,950						-
Sewerage Infrastructure Grant	4,792						4,792	-
REDI - Incentive Study & Implementation	9,736							9,736
Drunk Driving Enforcement Fund	5,207							5,207
Atlantic County - Lighting for Max Manning Field	47,156						47,156	-
Atlantic County Open Spaces Grant-2003	90,000						90,000	-
Atlantic County Open Space Program - 2006	20,655						20,655	-
Atlantic County Open Space Program - 2008	742						742	-
Atlantic County Open Space Program - Financial Asst.	95,993							95,993
Municipal Drug Alliance	53,371	15,000	10,063					58,308
Municipal Drug Alliance - Local	4,936	4,811	4,144					5,603
Emergency Management State Police Grant	4,000						4,000	-
Cyber District Grant	4,878						4,878	-
Aggressive Enforcement - Aggressive Driver	14,000							14,000
J/F Safety Fund	2,500							2,500
Alcohol Education Rehabilitation	2,797							2,500
NJ State Police Emergency Management Assistance	10,000	2,363	900					4,260
NJ Division of Highway Safety	10,062							10,000
NJ Division of Highway Safety Grant	16,940							10,062
NJ Division of Highway Safety - Buckle Up South Jersey	2,310							16,940
NJ Division of Highway Safety - Over the Limit Under Arrest	50,418							2,310
Smart Growth Implementation	54,986							50,418
Hazardous Discharge Site Remediation - Pennsylvania Ave.	3,965						3,965	-
Hazardous Discharge Site Remediation - Doughty Road	22,400						22,400	-
Hazardous Discharge Site Remediation Grant - Duell Fuel	2,183						2,183	-
Hazardous Discharge Site Remediation Grant - Hospitality	7,454						7,454	-
Hazardous Discharge Site Remediation Grant - 2008	9,508						9,508	-
Liveable Communities Grant	3,945							3,945
NJ Economic Development Initiative	3,623							3,623
NJ Economic Development - 2015 Main StreetScape	14,071	461,476	30,435	23,605			14,071	407,436
NJ Department of Transportation-Weed and Seed	32,544							32,544
Smart Growth Marina Facility	3,500						3,500	-
State and Local COOP Inspection	10,000						10,000	-
Tree Planting Grant								
Home-NPP								16

SEE ACCOMPANYING AUDITORS REPORT

**CURRENT FUND  
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS APPROPRIATED**

Grant	Balance Dec. 31, 2014	Transferred from 2015 Budget Appropriations	Expended	Encumbered	Prior Year Encumbrances Cancelled	Overexpended	Cancelled	Balance Dec. 31, 2015
NJ Dept of Transportation-Safe Corridors	35,132							35,132
Donation - Recreation Boxing Program	12,145							12,145
Donation - Recreation Department	25,000							25,000
Donation - Pleasant Dental Scoreboard	1,437							1,437
Project Vision Club - Combat Youth Gang Activity	16,142							16,142
ACIA - Drainage Improvements	147,643							147,643
Stormwater Grant	2,083							2,083
Pedestrian Safety Grant	4,000							4,000
NJ Clean Vessel Grant	6,281							6,281
South Jersey Industries Recreation Grant	500							500
Sustainable Jersey Small Grants Program - 2015	-	2,000	771					1,229
2015 O.C.E.A.N. Inc. - After School Program	-	10,000	9,951					49
Pleasantville Urban Enterprise Zone								
Revolving Loan Program (97-61)	1,098,498		523,808				29,572	574,690
Litter Collection - Local Match	29,572							-
Zone Marketing Phase V (09-192)	55,202		30,087					25,115
Direct Loan Program (97-61)	1,052,000							1,052,000
Lakes Bay Waterfront Redevelopment	97,277							97,277
Public Safety Year 16	-	1,200,000	1,200,000					-
Bayview Avenue Acquisition (07-182)	9,672							9,672
City Center Property Acquisition Phase II (08-10)	10,550							10,550
City Center Property Acquisition Phase III (09-07)	56,924		17,799					39,125
City Center Property Acquisition Phase V	14,081							14,081
UEZ Public Safety Local Match	242,275							-
UEZ Second Generation - Acquisition of Land	194,019						242,275	-
Demolition/Site Prep. 20 W. Milan Avenue	156,506							194,019
City Center Redevelopment Project (05-41)	19,312							-
City Center Redevelopment Project Phase II (07-180)	191,785							-
City Center Redevelopment Project Phase III	94,492							191,785
Abandoned Properties	-	45,000	3,908					-
Bus Station Security	-	100,000	45,000					90,584
	-	100,000	100,000					-
	5,371,491	2,880,651	2,338,598	118,118	-	-	1,014,528	4,780,898
Total State								

**CURRENT FUND  
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS APPROPRIATED**

Grant	Balance Dec. 31, 2014	Transferred from 2015 Budget Appropriations	Expended	Encumbered	Prior Year Encumbrances Cancelled	Overexpended	Cancelled	Balance Dec. 31, 2015
<b>FEDERAL GRANTS:</b>								
Small Cities Community Development Block Grant								
2013 CDBG	-			8,547	(8,547)			-
2013 CDBG Superstorm Sandy	-	30,000	29,598	402				-
CDBG Park Ave	-			1,640	(1,640)			-
US Department of Agriculture								
Summer Food Program	342,355	190,305	7,884					334,471
Summer Food Program - 2015	-		90,148					100,157
US Department of Justice								
School Based Partnership COPS Grant	6,981							6,981
Local Law Enforcement Program	41,888							41,888
Body Armor Fund	14,868	4,549	2,700	1,849				14,868
Justice Assistance Grant - ARRA	12,796		12,796					-
Justice Assistance Grant - 2012	1,147		540	607				-
Justice Assistance Grant	13,173		13,173					-
Justice Assistance Grant - 2015	-	15,382	13,917	497				968
US Department of Homeland Security								
Police Canine & Equipment	1,985							1,985
Federal Emergency Management Assistance								
Homeland Security	1,050							1,050
Sandy Shared Services Capital Grant	-	30,000	1,541	28,459				-
Additional Post Sandy Planning	-	110,000						110,000
Bayview Avenue Pump Station Generator	-	100,000	9,615	11,735				78,650
Post Sandy Planning Grant	-	280,000	139,240					140,760
Hazard Mitigation - Generator	-	90,000	81,796	4,181				4,023
Hazard Mitigation - Generator - Local Match	-	10,000	9,088	464				448
Housing and Urban Development								
Pleasantville Housing Authority Drug Elimination	18,040							18,040
Federal Transit Administration								
FRA grant - Pleasantville Railroad Rehabilitation	152,664							152,664
US Department of Commerce								
Economic Development	114,860							114,860
<b>Total Federal</b>	<b>721,797</b>	<b>860,236</b>	<b>412,036</b>	<b>58,381</b>	<b>(10,187)</b>	<b>-</b>	<b>-</b>	<b>1,121,803</b>
<b>Total All Grants</b>	<b>\$ 6,093,288</b>	<b>3,740,887</b>	<b>2,750,634</b>	<b>176,499</b>	<b>(10,187)</b>	<b>-</b>	<b>1,014,528</b>	<b>5,902,701</b>

**CURRENT FUND  
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - UNAPPROPRIATED**

<u>Grant</u>	Balance Dec. 31, 2014	Transferred to 2015 Appropriations	Received	Adjustments	Balance Dec. 31, 2015
Alcohol Education Rehab.	\$ 2,363	2,363			-
Donation - Boxing Program	20			(20)	-
Body Armor Fund	4,549	4,549	7,821		7,821
Recycling Tonnage Grant	22,789	22,789			-
Urban Enterprise Zone					-
Second Generation Funds	3,501,131	1,345,000	1,409,720	176,728	3,742,579
Law and Public Safety	133,986			(133,986)	-
Atlantic County Prosecutor - JAG	114,107			(114,107)	-
	<u>\$ 3,778,945</u>	<u>1,374,701</u>	<u>1,417,541</u>	<u>(71,385)</u>	<u>3,750,400</u>

**TRUST FUND  
SCHEDULE OF CASH - TREASURER**

	<u>Animal Control</u>	<u>Other</u>
Balance December 31, 2014	\$ 4,824	2,774,795
Increased By:		
Dog License Fees	618	
State License Fees	329	
Employee Withholdings		29,913
Tax Title Lien Redemption		4,335,787
Premiums Received		732,200
Confiscated Funds		4,386
Developers Deposits		94,079
Payroll Agency Trust		5,926,163
Payroll Clearing		8,584,633
Fire Prevention Penalty Fund		100
Parking Offenses Adjudication Act		430
Maintenance Escrow		102,519
Accumulated Absence Trust		691,000
Due from Current		163
	<u>947</u>	<u>20,501,373</u>
	5,771	23,276,168
Decreased By:		
State of New Jersey		
Animal Control Fund Expenditures	55	
Unemployment Claims		24,659
Redemption of Tax Sale Certificates		4,285,861
Refund of Tax Sale Premiums		1,532,600
Confiscated Funds		14,641
Developers Escrow		141,536
Due to Current fund	-	167
Fire Prevention Dedicated Penalty		800
Payroll Agency Trust		5,896,101
Payroll Clearing		8,555,351
Accumulated Absence Trust		383,403
Parking Offenses Adjudication Act		339
	<u>55</u>	<u>20,835,458</u>
Balance December 31, 2015	\$ <u><u>5,716</u></u>	<u><u>2,440,710</u></u>

SEE ACCOMPANYING AUDITOR'S REPORT

**TRUST FUND  
 SCHEDULE OF CASH - TREASURER**

**Analysis of Other Cash**

Bid Escrow Deposits	5,000
Tax Title Lien Redemption	1,412,582
Unemployment Trust	21,743
Developers Escrow	58,819
Zoning Board Escrow	53,957
Payroll Clearing Account	31,637
Payroll Agency Trust	158,185
Fire Prevention Penalty Fund	8,294
Fire Prevention Dedicated Penalty	5,189
Parking Offenses Adjudication Act	894
Law Enforcement Trust Fund	565
Veterans Memorial Park Fund	23,943
Maintenance Escrow	146,221
Accumulated Absence Trust	491,367
Confiscated Funds Account	<u>22,314</u>

\$

2,440,710

**TRUST FUND  
SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES**

Balance December 31, 2014	\$	1,417
Increased by:		
Dog License Fees Collected		618
		2,035
Decreased by:		
Expenditures		337
Statutory Excess		307
Balance December 31, 2015	\$	1,391

License Fees Collected	<u>Year</u>	<u>Amount</u>
	2014	692
	2013	699
		1,391

**TRUST FUND  
SCHEDULE OF AMOUNT DUE TO/(FROM) CURRENT FUND -  
ANIMAL CONTROL FUND**

Balance December 31, 2014	\$	3,399
Increased by:		
Due to Current		619
Statutory Excess		307
		4,325
Decreased by:		
Due to Current		-
		-
Balance December 31, 2015	\$	4,325

**TRUST FUND  
SCHEDULE OF AMOUNT DUE TO STATE OF NEW JERSEY -  
DEPARTMENT OF HEALTH**

Balance December 31, 2014	\$	8
Increased by:		
State License Fees	162	
Pilot Clinic Fee	32	
Animal Population Control Fee	135	
		329
		337
Decreased By:		
Payments		337
		-
Balance December 31, 2015	\$	-



**TRUST FUND  
SCHEDULE OF DEPOSITS FOR TAX TITLE LIEN REDEMPTIONS**

Balance December 31, 2014	\$	2,829
Increased by:		
Deposits for Redemptions		<u>4,335,787</u>
		4,338,616
Decreased by:		
Refunds - Certificates Received		<u>4,285,861</u>
Balance December 31, 2015	\$	<u><u>52,755</u></u>

**TRUST FUND  
SCHEDULE OF PREMIUMS RECEIVED AT TAX SALE**

Balance December 31, 2014	\$	2,160,100
Increased by:		
Premiums Received at Tax Sale		<u>732,200</u>
		2,892,300
Decreased by:		
Refunds upon Redemption		<u>1,532,600</u>
Balance December 31, 2015	\$	<u><u>1,359,700</u></u>

**TRUST FUND  
SCHEDULE OF UNEMPLOYMENT COMPENSATION TRUST**

Balance December 31, 2014	\$	25,513
Increased By:		
City Contribution	-	
Employee Withholdings	<u>29,913</u>	<u>29,913</u>
		55,426
Decreased by:		
Payments to State of New Jersey		<u>24,659</u>
Balance December 31, 2015	\$	<u><u>30,767</u></u>

**TRUST FUND  
SCHEDULE OF BID ESCROW TRUST**

Balance December 31, 2014	\$	5,000
No Activity During 2015		
Balance December 31, 2015	\$	<u><u>5,000</u></u>

**TRUST FUND  
SCHEDULE OF RESERVE FOR CONFISCATED FUNDS**

Balance December 31, 2014	\$	32,569
Increased by:		
City's Share of Forfeited Funds		4,386
		36,955
Decreased by:		
Miscellaneous		14,641
Balance December 31, 2015	\$	22,314

**TRUST FUND  
SCHEDULE OF RESERVE FOR DEVELOPER'S ESCROW**

Balance December 31, 2014	\$	160,233
Increased by:		
Deposits from Developer's	94,079	94,079
		254,312
Decreased by:		
Payments to Professionals	131,485	
Refunds to Developers	10,051	141,536
Balance December 31, 2015	\$	112,776

**TRUST FUND**  
**SCHEDULE OF RESERVE FOR LAW ENFORCEMENT TRUST**

Balance December 31, 2014	\$	565
No Activity During 2015		
Balance December 31, 2015	\$	<u>565</u>

**SCHEDULE OF CASH TREASURER  
GENERAL CAPITAL FUND**

Balance December 31, 2014	\$	111,759
Interest earned		1
		<hr/>
Balance December 31, 2015	\$	<u>111,760</u>

**GENERAL CAPITAL FUND  
ANALYSIS OF CASH**

	Balance		Receipts		Note Issue	Disbursements		Transfers		Balance Dec. 31, 2015				
	Dec. 31, 2014		Misc.			Improvement Authorizations		Misc.			From		To	
Fund Balance	\$	40,369											40,369	
Capital Improvement Fund		93,700								52,000		20,000	61,700	
Due to Current Fund		(1,806,802)		1						1,007,300		1,866,685	(947,416)	
Encumbrances Payable		1,127,290								1,127,290		754,085	754,085	
Due from Grant Fund		(596,223)											(596,223)	
Due from State of NJ		(182,280)											(182,280)	
Due from State of NJ - Demolition Loan		(71,257)											(71,257)	
Due to Utility Capital Fund		-								77,885		500,000	422,115	
<u>Improvement Authorizations</u>														
#12-93 Various General Improvements		-								13,962		13,962	-	
#08-02 Marina Redevelopment		149,489								149,489			-	
#18-05 Installation of Cresson Ave. Water Lines		(110,000)											(110,000)	
#9-06 Installation of Cresson Ave. Water Lines		(64,368)											(64,368)	
#20-07 Various General Improvements		44,050								62,534		35,983	17,499	
#26-08 Various General Improvements		-								160,038		160,038	-	
#05-10 Various General Improvements		43,861											43,861	
#07-10 Max Manning Park/ Walnut Rec. Complex		38,932								31,099		19,934	7,833	
#17-11 Various General Improvements		87,563								42,830			64,667	
#7-12 Demolition of Unsafe Buildings		(4,000)											(4,000)	
#9-13 Various Capital Improvements		133,282								776,781		651,570	8,071	
#5-14 Various Capital Improvements		1,173,112								908,281		245,803	510,634	
#21-14 Replace Dispatch System		15,041											15,041	
#10-15 Various Capital Acquisitions		-								897,871		1,039,300	141,429	
	\$	111,759		1						5,307,360		5,307,360	111,760	

SEE ACCOMPANYING AUDITORS REPORT

**GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND**

Balance December 31, 2014	\$ 93,700
Increased by:	
2015 Budget Appropriation	<u>20,000</u>
	113,700
Decreased by:	
Improvement Authorization	<u>52,000</u>
Balance December 31, 2015	<u><u>\$ 61,700</u></u>

**GENERAL CAPITAL FUND**  
**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED**

Balance December 31, 2014		\$ 10,693,163
Increased by:		
Loan Issued	4,000	
Bonds Issued	<u>3,857,000</u>	
		<u>3,861,000</u>
Decreased by:		
2015 Budget Appropriation to Pay Bonds	1,454,000	
to Pay Loan	<u>24,494</u>	
		<u>1,478,494</u>
Balance December 31, 2015		<u><u>\$ 13,075,669</u></u>



**GENERAL CAPITAL FUND  
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

Ordinance #	Improvement Description	Balance Dec. 31, 2014	2015 Authorization	Raised in 2015 Budget	Adjustment	Transfer to Deferred Charges to Future Taxation-Funded	Balance Dec. 31, 2015	Analysis of Balance - December 31, 2015	
								Financed by Bond Anticipation Notes	Unexpended Improvement Authorizations
18-05	Installation of Water Lines - Cresson Avenue	\$ 110,000					110,000		
9-06	Installation of Water Lines - Cresson Avenue	64,368					64,368		
7-12	Demolition of Unsafe Buildings	4,000					4,000		
12-12	Tax Appeal Refunding	1,038,000	346,000				692,000	692,000	
9-13	Various Capital Improvements	950,000				950,000	-		
5-14	Various Capital Improvements	2,300,000			500,000	1,800,000	-		
21-14	Replacement of Dispatch System	119,700				119,700	-		
10-15	Acquisition of Various Capital	-	988,000			987,300	700		700
		\$ 4,586,068	988,000	346,000	500,000	3,857,000	871,068	692,000	178,368
									700

GENERAL CAPITAL FUND  
STATEMENT OF IMPROVEMENT AUTHORIZATIONS

Ord. #	Improvement Description	Ord. Date	Amount	December 31, 2014		Capital Improvement Fund	2015 Authorizations	Deferred Charges to Future Taxation	Prior Year Encumbered	Paid or Charged	Encumbered	Adjustment	December 31, 2015	
				Funded	Unfunded								Funded	Unfunded
12-93	Various General Improvements	5/17/93	4,555,000	\$ -				(13,962)	13,962				-	-
8-02	Bulkhead Removal, Reconstruction and Dredging at the Pleasantville Marina	3/18/02	2,426,000	149,489					149,489				-	-
20-07	Various General Improvements	4/16/07	1,384,000	44,050				(35,983)	62,534				17,499	
26-08	Various General Improvements	10/20/08	2,645,400	-				(160,038)	160,038				-	-
05-10	Various General Improvements	3/15/10	1,225,300	43,861									43,861	
07-10	Max Manning Park/Walnut Recreational Complex	5/3/10	225,000	38,932					31,099				7,833	
17-11	Various General Improvements	10/5/11	2,169,950	87,563				(19,934)	32,867		9,963		64,667	
9-13	Various Capital Improvements	10/21/13	1,000,000		133,282			(651,570)	773,803		2,978		8,071	-
5-14	Various Capital Improvements	4/21/14	2,400,000		1,173,112			(245,803)	66,997		341,284	(500,000)	510,634	-
21-14	Replacement of Dispatch System	10/20/14	126,000		15,041								15,041	-
10-15	Acquisition of Various Capital	5/18/15	1,040,000			52,000	988,000		498,011		399,860		141,429	700
			\$ 363,895	1,321,435		\$ 52,000	988,000	(1,127,290)	1,788,800	754,085	(500,000)	-	809,035	700

Disbursed Due to Current Fund

1,788,800  
-  
1,788,800

**GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
			Date	Amount					
General Improvement Bonds	1/15/02	3,302,000	10/15/16	182,000	4.30%				
			10/15/17	190,000	5.25%				
			10/15/18	199,000	5.25%				
			10/15/19	208,000	4.63%				
			10/15/20	218,000	4.63%				
			10/15/21	229,000	4.75%				
			10/15/22	240,000	4.75%	1,640,000	174,000		1,466,000
General Improvement Bonds	7/1/07	4,572,000	7/1/16	640,000	4.25%				
			7/1/17	642,000	4.25%	1,882,000	600,000		1,282,000
Refunding Bond Issue	1/27/11	3,165,000	10/1/16	295,000	3.00%				
			10/1/17	290,000	3.00%				
			10/1/18	285,000	4.00%				
			10/1/19	285,000	4.00%				
			10/1/20	300,000	4.00%				
			10/1/21	305,000	4.00%	2,060,000	300,000		1,760,000

SEE ACCOMPANYING AUDITOR'S REPORT

**GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015	
			Date	Amount						
General Improvement Bonds	11/1/11	5,689,000	10/1/16	390,000	2.25%					
			10/1/17	370,000	2.25%					
			10/1/18	515,000	2.25%					
			10/1/19	515,000	2.25%					
			10/1/20	515,000	2.50%					
			10/1/21	515,000	2.63%					
			10/1/22	515,000	3.00%					
			10/1/23	515,000	3.50%					
			10/1/24	515,000	3.50%	4,745,000		380,000		4,365,000
	General Improvement Bonds	8/13/15	3,857,000	8/1/16	175,000	2.00%				
			8/1/17	185,000	2.00%					
			8/1/18	200,000	2.00%					
			8/1/19	200,000	2.00%					
			8/1/20	200,000	2.00%					
			8/1/21	200,000	2.00%					
			8/1/22	250,000	2.00%					
			8/1/23	350,000	2.00%					
			8/1/24	350,000	3.00%					
			8/1/25	350,000	3.00%					
		8/1/26	350,000	3.00%						
		8/1/27	350,000	3.50%						
		8/1/28	350,000	3.50%						
		8/1/29	347,000	3.50%			3,857,000		3,857,000	
						\$ 10,327,000	3,857,000	1,454,000	12,730,000	

SEE ACCOMPANYING AUDITOR'S REPORT

**GENERAL CAPITAL FUND  
SCHEDULE OF LOANS PAYABLE**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
			Date	Amount					
State of New Jersey Department of Community Affairs Multi Park Improvements	11/04/05	250,000	2/08/16	6,498	2.00%	140,264		12,804	127,460
			8/08/16	6,563					
			2/08/17	6,629					
			8/08/17	6,695					
			2/08/18	6,762					
			8/08/18	6,830					
			2/08/19	6,898					
			8/08/19	6,967					
			2/08/20	7,037					
			8/08/20	7,107					
			2/08/21	7,178					
			8/08/21	7,250					
			2/08/22	7,322					
			8/08/22	7,395					
			2/08/23	7,469					
			8/08/23	7,544					
2/08/24	7,620								
8/08/24	7,696								
Brighton Recreation Complex Acquisition (A)	4/7/06	60,484	1/7/16	1,526		38,469		3,007	35,462
			7/7/16	1,541					
			1/7/17	1,557					
			7/7/17	1,572					
			1/7/18	1,588					
			7/7/18	1,604					
			1/7/19	1,620					
			7/7/19	1,636					
			1/7/20	1,652					
			7/7/20	1,669					
1/7/21	1,686								
7/7/21	1,702								

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**GENERAL CAPITAL FUND  
SCHEDULE OF LOANS PAYABLE**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
			Date	Amount					
Brighton Recreation Complex Acquisition (A) - continued			1/7/22	1,719					
			7/7/22	1,737					
			1/7/23	1,754					
			7/7/23	1,772					
			1/7/24	1,789					
			7/7/24	1,807					
			1/7/25	1,825					
			7/7/25	1,844					
			1/7/26	1,862					
Demolition Loan	10/23/06	84,700		8,747		17,430		8,683	8,747
Demolition Loan	2014	170,000				170,000	4,000		174,000
						<u>366,163</u>	<u>4,000</u>	<u>24,494</u>	<u>345,669</u>

SEE ACCOMPANYING AUDITOR'S REPORT

**GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES**

Improvement Description	Ordinance Number	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
Tax Appeal Refunding	12-12	12/14/2012	12/9/2015	12/7/2016	1.12%	\$ 1,038,000		346,000	692,000
Various Capital Improvements	9-13	11/20/2013	11/19/2014	5/22/2015	0.55%	950,000		950,000	-
Various Capital Improvements	05-14	5/23/2014	5/23/2014	5/22/2015	0.86%	2,300,000		2,300,000	-
Replace Dispatch System	21-14	11/18/2014	11/18/2014	5/22/2015	0.55%	119,700		119,700	-
						\$ 4,407,700	-	3,715,700	692,000

SEE ACCOMPANYING AUDITOR'S REPORT

**GENERAL CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

Ordinance Number	Improvement Description	Balance Dec. 31, 2014	2015 Authorizations	Authorizations Cancelled	Bonds Issued	Balance Dec. 31, 2015
18-05	Installation of Cresson Ave. Water Lines	\$ 110,000				110,000
9-06	Installation of Water Lines-Cresson Avenue	64,368				64,368
7-12	Demolition of Unsafe Buildings	4,000				4,000
10-15	Acquisition of Various Capital	-	988,000		987,300	700
		<u>\$ 178,368</u>	<u>988,000</u>	<u>-</u>	<u>987,300</u>	<u>179,068</u>

SEE ACCOMPANYING AUDITOR'S REPORT



**SEWER UTILITY FUND  
SCHEDULE OF CASH - TREASURER**

	Operating	Capital
Balance December 31, 2014	472,502	179,650
Increased By Receipts:		
Collector	4,984,140	
Due from Current Fund	233,634	
Miscellaneous Revenue	301,203	17
	5,518,977	17
	5,991,479	179,667
Decreased by Disbursements:		
2015 Appropriations	5,087,042	
2014 Appropriations	11,930	
Accrued Interest on Bonds and Notes	108,134	
Due to Current Fund Improvement Authorizations		554
	5,207,106	554
Balance December 31, 2015	784,373	179,113

**SEWER UTILITY CAPITAL FUND  
ANALYSIS OF CASH**

	Cash Receipts			Cash Disbursements			Transfers		Balance Dec. 31, 2015
	Dec. 31, 2014	Other	Bonds	Improvement Authorizations	Other	From	To		
Capital Improvement Fund	146,538								146,538
Due to Sewer Operating Fund	63,562	17							63,579
Due from Current Fund	90,193			554		1,100,000	534,198		(476,163)
Due from General Capital Fund	-					500,000	77,885		(422,115)
Encumbrances Payable	219,138					219,138	411,817		411,817
<u>Improvement Authorizations:</u>									
#13-93 Various Sewer Improvements	(359,299)					20,701			(380,000)
#30-05 Various Sewer Improvements	235								235
#25-08 Various Sewer Improvements	65,249					38,721	5,984		32,512
#18-11 Various Sewer Improvements	13,569					157,002	143,433		-
#1-12 Various Sewer Improvements	(59,535)					376,676	69,721		(366,490)
#5-14 Various Sewer Improvements	-					178,000	500,000		322,000
#9-15 Various Sewer Improvements	-					252,800	1,100,000		847,200
	<u>179,650</u>	<u>17</u>	<u>-</u>	<u>-</u>	<u>554</u>	<u>2,843,038</u>	<u>2,843,038</u>		<u>179,113</u>

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SEE ACCOMPANYING AUDITOR'S REPORT

**SEWER OPERATING FUND  
SCHEDULE OF CASH - COLLECTOR**

Balance December 31, 2014		-
Increased by Receipts:		
Consumer Accounts Receivable	4,584,343	
Sewer Utility Liens	5,501	
Sewer Overpayments	256,247	
Penalties on Delinquent Accounts	135,449	
Plumbing Permits	2,600	
		4,984,140
		4,984,140
Decreased by Disbursements:		
Payments to Treasurer		4,984,140
Balance December 31, 2015		-

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**SEWER OPERATING FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE**

Balance December 31, 2014		674,092
Increased by Receipts:		
Utility Rents Levied		<u>4,770,469</u>
		5,444,561
Decreased by Disbursements:		
Collection	4,584,343	
Overpayments Applied	208,610	
Transfer to Liens	1,750	
Cancellations	<u>9,995</u>	
		4,804,698
Balance December 31, 2015		<u><u>639,863</u></u>

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**SEWER UTILITY OPERATING FUND  
SCHEDULE OF SEWER UTILITY LIENS**

Balance December 31, 2014		61,823
Increased by:		
Penalties and Costs	4,300	
Adjustment	13,164	
Transfer from Consumer Accounts Receivable	<u>1,750</u>	
		<u>19,214</u>
		81,037
Decreased by:		
Collections	<u>5,501</u>	
		<u>5,501</u>
Balance December 31, 2015		<u><u>75,536</u></u>

SEE ACCOMPANYING AUDITOR'S REPORT

**SEWER OPERATING FUND  
SCHEDULE OF DEFERRED CHARGES**

	Balance Dec. 31, 2014	Added in 2015	2015 Budget	Balance Dec. 31, 2015
Overexpenditure of Appropriation	-	2,956		2,956
	-	2,956	-	2,956

SEE ACCOMPANYING AUDITOR'S REPORT

**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL**

Account	Balance Dec. 31, 2014	Additions		Balance Dec. 31, 2015
		By Budget Capital Outlay	By Ordinance	
Northfield Sewer Extension and Woodland Ave. Sewer Pumping Station	46,000			46,000
Ansley Blvd. Sewer Extension	33,922			33,922
Sewer Extensions	18,077			18,077
Sewer Connection Project	1,149,375			1,149,375
Sewer Extensions - Maplewood Park	76,495			76,495
Sewer System Improvements	206,850			206,850
Sewer Expansions and Reconstruction	2,467,632			2,467,632
Acquisition of Equipment	87,149			87,149
Reconstruction of Sewer Lines	152,927			152,927
Reconstruction of Black Horse Pike & Doughty Road Pumping Station	44,415			44,415
Various Sewer Improvements	873,600			873,600
Various Sewer Improvements-1987	1,036,000			1,036,000
Reconstruction of California Avenue Pumping Station	105,000			105,000
Sewer Improvements -Video Camera and the Replacement of Sewer Mains along Chestnut Avenue	180,000			180,000
	<u>6,477,442</u>	-	-	<u>6,477,442</u>

SEE ACCOMPANYING AUDITOR'S REPORT

**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED**

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2014	Authorized	Adjustment	Balance Dec. 31, 2015
13-93	Various Sewer Improvements	5/17/93	2,700,000	2,700,000			2,700,000
30-05	Various Sewer Improvements	11/7/05	640,000	640,000			640,000
25-08	Various Sewer Improvements	10/20/08	1,250,000	1,250,000			1,250,000
41-09	Costs of Refunding	10/19/09	15,000	15,000			15,000
18-11	Various Sewer Improvements	10/5/11	1,340,000	1,340,000			1,340,000
1-12	Various Sewer Improvements	2/22/12	1,750,000	1,750,000			1,750,000
5-14	Various Sewer Improvements	4/21/14	500,000	-		500,000	500,000
9-15	Various Sewer Improvements	5/18/15	1,100,000	-	1,100,000		1,100,000
				<u>7,695,000</u>	<u>1,100,000</u>	<u>500,000</u>	<u>9,295,000</u>

SEE ACCOMPANYING AUDITOR'S REPORT

**SEWER CAPITAL FUND**  
**SCHEDULE OF AMOUNT DUE TO/(FROM) SEWER OPERATING FUND**

Balance December 31, 2014		63,562
Increased by:		
Interest Earned	<u>17</u>	<u>17</u>
Decreased by:		
None	<u>-</u>	<u>-</u>
Balance December 31, 2015		<u><u>63,579</u></u>



**SEWER OPERATING FUND  
SCHEDULE OF 2014 APPROPRIATION RESERVES**

	Balance Dec. 31, 2014	Balance After Transfers	Paid or Charged	Balance Lapsed	Over- Expended
Operating:					
Salaries and Wages	9,856	9,856		9,856	
Other Expenses	49,812	49,812	11,930	37,882	
Contribution to:					
Social Security	170	170		170	
	59,838	59,838	11,930	47,908	-
	59,838	59,838	11,930	47,908	-

Operating:  
 Salaries and Wages  
 Other Expenses  
 Contribution to:  
 Social Security

SEE ACCOMPANYING AUDITOR'S REPORT

**SEWER OPERATING FUND  
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES AND ANALYSIS  
OF BALANCE - DECEMBER 31, 2015**

Balance December 31, 2014		40,073
Increased by:		
Budget Appropriation for:		
Interest on Bonds & Notes		119,789
		159,862
Decreased by Disbursements:		
Interest Paid - Treasurer	108,134	
		108,134
Balance December 31, 2015		51,728

**ANALYSIS OF ACCRUED INTEREST - DECEMBER 31, 2015**

	Principal Outstanding December 31, 2015	Interest Rate	From	To	Period	Amount
Serial Bonds						
	410,000	various	7/1/15	12/31/15	6 mos.	8,713
	240,000	various	10/1/15	12/31/15	3 mos.	2,200
	2,185,000	various	10/1/15	12/31/15	3 mos.	16,706
	380,000	various	8/1/15	12/31/15	5 mos.	6,739
	1,600,000	various	8/1/15	12/31/15	5 mos.	17,370
				Total		51,728

SEE ACCOMPANYING AUDITOR'S REPORT

**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATION**

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2014		2015 Authorizations	Down Payment or Capital Improvement Fund	Debt Authorized	Paid or Charged	Prior Year Encumbrances	Adjustment	Encumbered	Balance Dec. 31, 2015	
				Funded	Unfunded								Funded	Unfunded
13-93	Various Sewer Improvements	5/17/93	2,700,000		20,701			20,701						
30-05	Various Sewer Improvements	11/7/05	640,000	235									235	
25-08	Various Sewer Improvements	10/20/08	1,250,000	65,249				38,716	(5,984)			5	32,512	
18-11	Various Sewer Improvements	10/5/11	1,340,000	13,569				157,002	(143,433)				-	
1-12	Various Sewer Improvements	2/22/12	1,750,000		762,422			154,226	(69,721)			222,450		455,467
5-14	Various Sewer Improvements	4/21/14	500,000					77,885		500,000		100,115	322,000	
9-15	Various Sewer Improvements	5/18/15	1,100,000					163,553				89,247	847,200	
				79,053	783,123			612,083	(219,138)			411,817	1,201,947	455,467

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**SEWER CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND**

Balance December 31, 2014	146,538
No Activity in 2015	
Balance December 31, 2015	<u>146,538</u>

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**SEWER CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION**

Balance December 31, 2014	6,477,442
No Activity in 2014	
Balance December 31, 2015	<u>6,477,442</u>

**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION**

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2014	To Reserve for Amortization Fixed Capital	Capital Grant	Paid From Operating Budget Bonds	Balance Dec. 31, 2015
13-93	Various Sewer Improvements	5/17/93	2,360,000			370,000	2,730,000
18-11	Various Sewer Improvements	10/5/11	132,552			38,622	171,174
1-12	Various Sewer Improvements	2/22/12	232,280				232,280
			<u>2,724,832</u>	<u>-</u>	<u>-</u>	<u>408,622</u>	<u>3,133,454</u>

SEE ACCOMPANYING AUDITOR'S REPORT

**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS**

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2015 Date	Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
Various Sewer Improvements	7/1/07	1,840,000	7/1/16 7/1/17	4.250% 4.250%	\$ 625,000		215,000	410,000
	1/27/11	455,000	10/1/16 10/1/17 10/1/18 10/1/19 10/1/20 10/1/21	3.000% 3.000% 4.000% 4.000% 4.000% 4.000%				
Various Sewer Improvements	11/1/11	2,590,000	10/1/16 10/1/17 10/1/18 10/1/19 10/1/20 10/1/21 10/1/22 10/1/23 10/1/24 10/1/25 10/1/26 10/1/27 10/1/28 10/1/29 10/1/30 10/1/31	2.250% 2.250% 2.250% 2.250% 2.500% 2.625% 3.000% 3.500% 3.500% 3.500% 3.500% 3.500% 3.500% 3.500% 3.500%		280,000	40,000	240,000
					2,300,000	115,000		2,185,000

SEE ACCOMPANYING AUDITOR'S REPORT

**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS**

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2015 Date	Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
NJFIT Series 2012A	5/3/12	425,000	8/1/16	5.000%				
			8/1/17	5.000%	15,000			
			8/1/18	5.000%	15,000			
			8/1/19	5.000%	20,000			
			8/1/20	5.000%	20,000			
			8/1/21	5.000%	20,000			
			8/1/22	5.000%	20,000			
			8/1/23	5.000%	25,000			
			8/1/24	5.000%	25,000			
			8/1/25	5.000%	25,000			
			8/1/26	5.000%	25,000			
			8/1/27	3.000%	30,000			
			8/1/28	3.000%	30,000			
NJFIT Series 2012ABC	5/3/12	464,561	2/1/16	0.000%				
			8/1/16	0.000%	15,748			
			2/1/17	0.000%	7,874			
			8/1/17	0.000%	15,748			
			2/1/18	0.000%	7,874			
			8/1/18	0.000%	15,748			
			2/1/19	0.000%	7,874			
					395,000	15,000	380,000	

SEE ACCOMPANYING AUDITOR'S REPORT

**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS**

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2015	Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
	8/1/19		15,748	0.000%				
	2/1/20		7,874	0.000%				
	8/1/20		15,748	0.000%				
	2/1/21		7,874	0.000%				
	8/1/21		15,748	0.000%				
	2/1/22		7,874	0.000%				
	8/1/22		15,748	0.000%				
	2/1/23		7,874	0.000%				
	8/1/23		15,748	0.000%				
	2/1/24		7,874	0.000%				
	8/1/24		15,748	0.000%				
	2/1/25		7,874	0.000%				
	8/1/25		15,748	0.000%				
	2/1/26		7,874	0.000%				
	8/1/26		15,748	0.000%				
	2/1/27		7,874	0.000%				
	8/1/27		15,748	0.000%				
	2/1/28		7,874	0.000%				
	8/1/28		15,748	0.000%				
	2/1/29		7,874	0.000%				
	8/1/29		15,747	0.000%				
	2/1/30		7,873	0.000%				
	8/1/30		15,747	0.000%				
	2/1/31		7,873	0.000%				
	8/1/31		15,747	0.000%	401,569	23,622		377,947
Various Sewer Improvements	8/13/2015	1,100,000	75,000	2.000%				
	8/1/2017		75,000	2.000%				
	8/1/2018		125,000	2.000%				
	8/1/2019		125,000	2.000%				
	8/1/2020		100,000	2.000%				
	8/1/2021		100,000	2.000%				
	8/1/2022		100,000	2.000%				
	8/1/2023		100,000	2.000%				
	8/1/2024		100,000	3.000%				

SEE ACCOMPANYING AUDITOR'S REPORT



**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS**

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2015	Interest Rate	Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
			8/1/2025	100,000	3.000%			
			8/1/2026	100,000	3.000%			
			8/1/2027	100,000	3.500%			
			8/1/2028	100,000	3.500%			
			8/1/2029	150,000	3.500%			
			8/1/2030	150,000	3.500%	1,600,000		1,600,000
						<u>1,600,000</u>	<u>408,622</u>	<u>5,192,947</u>

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**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

Ordinance Number	Improvement Description	Balance Dec. 31, 2014	Debt Authorized	Raised in Budget	Bonds Issued	Capital Grant	Balance Dec. 31, 2015
13-93	Various Sewer Improvements	380,000					380,000
1-12	Various Sewer Improvements	588,599					588,599
9-15	Various Sewer Improvements	-	1,100,000		1,100,000		-
		968,599	1,100,000	-	1,100,000	-	968,599

SEE ACCOMPANYING AUDITOR'S REPORT

**CITY OF PLEASANTVILLE**

**PART II**

**LETTER OF COMMENTS AND RECOMMENDATIONS**

**YEAR ENDED DECEMBER 31, 2015**

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## **GENERAL COMMENTS**

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

N.J.S. 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost of 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 after public advertising for bids and bidding therefore, except as 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 \$40,000, except by contract or agreement".

The governing body of the municipality has the responsibility of determining whether the expenditures of any category will exceed \$40,000 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the City Counsel's opinion should be sought before a commitment is made.

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

Pipeline inspection components, installation of gas generator construction of sanitary sewer and various street improvements

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

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

My examination of expenditures did not reveal individual payments, contracts or agreements in excess of \$40,000 "for the performance of any work or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S. 40A:11-6.

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

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

The governing body on May 20, 1991 adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, NJS 54:4-67 permits the governing body of a municipality to fix the rate of interest to be charged for nonpayment of taxes or assessments subject to any abatement or discount for the late payment of taxes as provided by law; and

WHEREAS, NJSA 54:4-67 has been amended to permit the fixing of said rate of 8% per annum on the first \$1,500 of the delinquency and 18% per annum on any amount in excess of \$1,500 and allows an additional penalty of 6% be collected against a delinquency in excess of \$10,000 on properties that fail to pay the delinquency prior to the end of the calendar year.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Pleasantville, County of Atlantic, and the State of New Jersey, as follows: 1) The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500 becoming delinquent after due date and if a delinquency is in excess of \$10,000 and remains in arrears beyond December 31, an additional penalty of 6% shall be charged against the delinquency; 2) effective January 1, 1991, there will be a ten day grace period of quarterly tax payments made by cash, check or money order.

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

### **Delinquent Taxes and Tax Title Liens**

The last tax sale was held on December 18, 2015 and was complete.

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

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

<u>Year</u>	<u>Number of Tax Title Liens</u>	<u>Liens Sewer &amp; Other</u>
2015	186	65
2014	153	42
2013	133	52

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax-paying basis.

### **Verification of Delinquent Taxes and Other Charges**

A test verification of delinquent charges and current payments was made in accordance with the regulation of the Division of Local Government Services, including the mailing of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>
Payment of 2015 and 2016 Taxes	10
Payment of Delinquent Taxes & Liens	7
Payment of 2015 and 2016 Sewer Utility Charges	11
Municipal Court	10

As of the date of this audit report, all verifications have not been returned. However, no problems were noted with those that have been returned.

### Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Currently</u>		
	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percent of Collections</u>
2015	\$34,309,272	33,518,526	97.70%
2014	34,878,576	34,022,406	97.54%
2013	33,874,369	33,205,605	98.03%
2012	32,013,941	30,471,884	95.18%
2011	31,739,420	31,109,737	98.02%

### Comparative Schedule of Tax Rate Information

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Tax Rate	3.827	3.523	3.322	3.030	2.980
Apportionment of Tax Rate:					
Municipal	2.372	2.099	1.968	1.828	1.792
County	.435	.452	.450	.412	.409
Local School	1.020	.972	.904	.790	.779
Net Valuation Taxable	895,092,223	989,165,227	1,016,896,091	1,054,931,798	1,062,195,872

### Delinquent Taxes and Tax Title Liens

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

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2015	\$1,199,975	107,548	1,307,523	3.81%
2014	966,060	61,781	1,027,841	2.95%
2013	735,312	43,679	778,991	2.30%
2012	625,337	20,274	645,611	2.02%
2011	378,464	94,150	472,614	1.49%

### Uniform Construction Code

The City of Pleasantville construction code official is in compliance with uniform construction code rules NJAC 5:23.17(b) 2 and NJAC 5:23.4.17(b) 3.

### Law Enforcement Trust Fund

In order to promote statewide uniformity and accountability, the State Attorney General has issued standards concerning the administration of seized and forfeited property and monies. Funds distributed to a municipality from seizures or forfeitures, or the sale of forfeited property is to be deposited into a special law

enforcement trust fund to be used for a law enforcement purpose. NJAC 13:77-1.4 defines a law enforcement purpose as a purpose which is calculated to enhance a law enforcement agency's ability to conduct criminal investigations, surveillance, arrests, and prosecutions and to respond more fully to the effects of crime and, for the purposes of these rules, shall be beyond that allocated by the law enforcement agency's annual budget. This special law enforcement trust fund must be under the direct control of funding entity. Any local governmental body which receives forfeited proceeds or property shall comply with auditing requirements specified under NJSA 40A:5-4.



## ***Other Financial Statement Findings***

### **Finding 2015-002**

The City did not obtain the OPEB actuarial calculation as required by GASB 45.

### **Recommendation**

No recommendation is necessary, the City has already contracted with an actuary to obtain the necessary report for the 2016 year.

## STATUS OF PRIOR RECOMMENDATIONS

None

## RECOMMENDATIONS

\* 1. That the Finance Department adequately monitor the financial information on an ongoing basis and post any necessary adjustments in a timely manner.

\* - similar recommendation made in prior years.

The problems and weaknesses noted in my review were not of such magnitude that they would affect my ability to express an opinion on the financial statements taken as a whole.

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

Very truly yours,

*Ford, Scott & Associates, L.L.C.*  
**FORD, SCOTT & ASSOCIATES, L.L.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

*Harvey C. Cocozza, Jr.*  
**Harvey C. Cocozza, Jr.**  
**Certified Public Accountant**  
**Registered Municipal Accountant**  
**No. 551**

**July 8, 2016**