

RECEIVED

MAY 23 2016

**BUENA VISTA TWP.
CLERK'S OFFICE**

TOWNSHIP OF BUENA VISTA

REPORT OF AUDIT

FOR THE YEAR ENDED

DECEMBER 31, 2015

1900

1900



TOWNSHIP OF BUENA VISTA
TABLE OF CONTENTS

<u>Exhibit</u>		<u>Page No.</u>
	<u>PART I</u>	
	Independent Auditor's Report	1 - 3
	<u>CURRENT FUND</u>	
A	Comparative Balance Sheet - Regulatory Basis	4 - 5
A - 1	Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis	6 - 7
A - 2	Statement of Revenues - Regulatory Basis	8 - 10
A - 3	Statement of Expenditures - Regulatory Basis	11 - 15
	<u>TRUST FUND</u>	
B	Comparative Balance Sheet - Regulatory Basis	16 - 17
	<u>GENERAL CAPITAL FUND</u>	
C	Comparative Balance Sheet - Regulatory Basis	18
C - 1	Statement of Fund Balance - Regulatory Basis	19
	<u>GENERAL FIXED ASSET ACCOUNT GROUP</u>	
D	Comparative Balance Sheet - Regulatory Basis	20
	NOTES TO FINANCIAL STATEMENTS - Regulatory Basis	21 - 38

TOWNSHIP OF BUENA VISTA
TABLE OF CONTENTS

<u>Exhibit</u>		<u>Page No.</u>
	<u>SUPPLEMENTARY INFORMATION</u>	
	Independent Auditor's Report - <i>Government Auditing Standards</i>	39 - 40
	Schedule of Findings and Responses	41
	<u>CURRENT FUND</u>	
A - 4	Schedule of Cash - Treasurer	42
A - 5	Schedule of Cash - Collector	43
A - 6	Schedule of Taxes Receivable and Analysis of Property Tax Levy	44
A - 7	Schedule of Tax Title Liens	45
A - 8	Schedule of Revenue Accounts Receivable	46
A - 9	Schedule of Appropriation Reserves - Prior Year	47 - 50
A - 10	Schedule of Regional District School Tax	51
A - 11	Schedule of Federal and State Grants Receivable	52 - 53
A - 12	Schedule of Appropriated Reserves for Federal and State Grants	54
A - 13	Schedule of Reserves for Federal and State Grants - Unappropriated	55
A - 14	Schedule of Property Acquired for Taxes - Assessed Valuation	56
A - 15	Schedule of Reserve for Sale of Municipal Assets	57
A - 16	Schedule of Rental Deposits	58
	<u>TRUST FUND</u>	
B - 1	Schedule of Animal Control Cash - Treasurer	59
B - 2	Schedule of Other Trust Cash - Treasurer	60
B - 3	Schedule of Reserve for Animal Control Expenditures	61
B - 4	Schedule of Amount Due from State of New Jersey	62
	<u>GENERAL CAPITAL FUND</u>	
C - 2	Schedule of Cash - Treasurer	63
C - 3	Analysis of Cash	64
C - 4	Schedule of Capital Improvement Fund	65
C - 5	Schedule of Deferred Charges to Future Taxation - Funded	66
C - 6	Schedule of Deferred Charges to Future Taxation - Unfunded	67
C - 7	Schedule of Improvement Authorizations	68
C - 8	Schedule of General Serial Bonds	69
C - 8a	Schedule of Green Trust Loans Payable	70
C - 9	Schedule of Bond Anticipation Notes	71
C - 10	Schedule of Bonds and Notes Authorized But Not Issued	72
	<u>PART II</u>	
	General Comments	73 - 75
	Findings and Recommendations	76

TOWNSHIP OF BUENA VISTA

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS - REGULATORY BASIS

FOR THE YEAR ENDED

DECEMBER 31, 2015





FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAYEN AVENUE • PO BOX 538 • OCEAN CITY, NJ • 08226-0538

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

Independent Auditor's Report

To the Honorable Mayor and
Members of the Township Committee
Township of Buena Vista
County of Atlantic, 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 Township of Buena Vista, 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 Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 Township of Buena Vista 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 Township of Buena Vista as of December 31, 2015 and 2014, or changes in financial position for the years then ended.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" paragraph, the financial statements referred to above present fairly, in all material respects, the regulatory basis balance 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 Township of Buena Vista's basic financial statements. The supplementary information listed in the table of contents 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information listed in the table of contents is presented for the purposes of additional analysis and is not a required part of the financial statements. Because of the significance of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, it is inappropriate to and we do not express an opinion on the supplementary information referred to above.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2016 on our consideration of the Township of Buena Vista's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Buena Vista's internal control over financial reporting and compliance.

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

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Registered Municipal Accountant
No. 472

May 20, 2016



EXHIBIT - A
CURRENT FUND

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

<u>ASSETS</u>	<u>2015</u>	<u>2014</u>
Regular Fund:		
Cash:		
Cash Treasurer	\$ 1,151,553.57	2,525,186.76
Cash - Collector	-	-
Cash - Change	500.00	500.00
Total Cash	<u>1,152,053.57</u>	<u>2,525,686.76</u>
Other Receivables:		
Due from State - Chapter 20 P.L. 1971	2,639.43	-
Other	-	-
Total Other Receivables	<u>2,639.43</u>	<u>-</u>
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable	285,657.78	38,157.30
Tax Title and Other Liens	207,179.65	161,127.90
Property Acquired for Taxes - at Assessed Valuation	7,493,472.24	7,864,472.24
Revenue Accounts Receivable	7,155.81	4,731.94
Interfund Receivable:		
State and Federal Grant Fund	103,324.66	-
Animal Control Fund	69.65	-
General Capital Fund	1,573.02	-
Trust - Tax Lien Premium	2.03	-
Due from Employees	-	373.09
Total Receivables and Other Assets	<u>8,098,434.84</u>	<u>8,068,862.47</u>
Deferred Charges:		
Emergency Appropriation	8,500.00	-
Special Emergency Appropriation	5,780.00	11,560.00
Overexpenditure of Appropriation	-	-
Total Deferred Charges	<u>14,280.00</u>	<u>11,560.00</u>
Total Regular Fund	<u>9,267,407.84</u>	<u>10,606,109.23</u>
Federal and State Grant Fund:		
Cash	-	-
Federal and State Grants Receivable	515,240.24	860,894.23
Due from Current Fund	-	325,473.48
Due from Atlantic County	6,614.72	6,614.72
Total Federal and State Grant Fund	<u>521,854.96</u>	<u>1,192,982.43</u>
Total Current Fund	<u>\$ 9,789,262.80</u>	<u>11,799,091.66</u>

See Accompanying Notes to Financial Statements - Regulatory Basis

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

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>2015</u>	<u>2014</u>
Regular Fund:		
Liabilities:		
Appropriation Reserves	\$ 135,674.32	193,081.01
Reserve for Encumbrances	36,911.25	79,638.64
Accounts Payable	-	2,360.00
Payroll Taxes Payable	8,107.20	12,615.45
Interfund Payable:		
Trust Other-Reserve for Revolving Loan	-	21,618.00
Trust Other-Reserve for P.O.A.A.	207.00	204.00
Trust Other-Reserve for Tax Redemption	406.34	406.52
Trust Other-Reserve for Planning Board	19,260.89	19,260.89
Federal and State Grant Fund	-	325,473.48
General Capital	-	83,444.13
Amount Due to State of New Jersey :		
Senior Citizens' & Veterans's Ded	-	110.57
Regional School Tax Payable	-	812,907.48
Fire District Levy Payable	-	0.05
Due to MUA - Tax Sale Proceeds	-	52,246.97
Prepaid Taxes	240,738.08	189,045.31
Tax Overpayments	26,392.53	34,494.15
Rental Deposits	2,497.53	2,497.53
Amount Due to County for Added and Omitted Taxes	10,328.88	8,446.30
Reserve for Sale of Municipal Assets	5,475.00	5,475.00
Marriage License Fees Due to State	100.00	125.00
Laielli Letter of Credit	31,339.59	-
Reserve for Escrow - Clerk	2,019.35	2,019.35
Reserve for Revaluation	5,321.75	5,321.75
Reserve for Hurricane Irene Expenses	1,517.09	1,517.09
Reserve for Insurance Claim	43,479.82	63,973.78
	<u>569,776.62</u>	<u>1,916,282.45</u>
Reserve for Receivables and Other Assets	8,098,434.84	8,068,862.47
Fund Balance	<u>599,196.38</u>	<u>620,964.31</u>
Total Regular Fund	<u>9,267,407.84</u>	<u>10,606,109.23</u>
Federal and State Grant Fund:		
Unappropriated Reserves	-	16,157.38
Appropriated Reserves	299,845.28	615,795.34
Encumbrances Payable	114,185.02	56,529.71
Due to Current Fund	103,324.66	-
Due to Trust Other	4,500.00	4,500.00
Due to General Capital	-	500,000.00
Total Federal and State Grant Fund	<u>521,854.96</u>	<u>1,192,982.43</u>
Total Current Fund	<u>\$ 9,789,262.80</u>	<u>11,799,091.66</u>

See Accompanying Notes to Financial Statements - Regulatory Basis

**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	\$ 405,000.00	400,000.00
Miscellaneous Revenue Anticipated	1,759,649.05	1,634,659.62
Receipts from Delinquent Taxes	44,517.62	20,476.23
Receipts from Current Taxes	15,731,720.94	15,907,837.51
Non Budget Revenue	299,534.15	29,756.24
Other Credits to Income:		
Unexpended Balance of Appropriation Res.	49,080.08	113,770.04
Interfund Returned	-	86,946.15
Cancellation of Prior Year Accounts Payable	-	24,788.08
Cancellation of Regional School Tax Payable	3.42	-
Cancellation of Fire District Tax Payable	0.05	-
Total Income	18,289,505.31	18,218,233.87
Expenditures		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	1,224,480.83	1,227,651.00
Other Expenses	1,939,103.17	1,861,524.00
Deferred Charges & Statutory Expenditures	217,044.00	193,795.00
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	-	-
Other Expenses	183,835.47	358,295.73
Capital Improvements	260,000.00	236,000.00
Debt Service	428,604.62	430,320.46
Deferred Charges	5,780.00	78,312.80
Transferred to Board of Education		
Regional District School Tax	9,535,068.00	9,490,744.00
County Tax	2,993,061.22	3,031,520.66
County Share of Added Tax	10,328.88	8,446.30
Fire District Tax	978,222.00	975,890.00
Interfund Created	104,526.62	-
Other:		
Senior Citizen Deduction Disallowed	3,063.70	2,132.88
Grants Receivable Cancelled, net	31,654.73	-
Total Expenditures	17,914,773.24	17,894,632.83
Excess/(Deficit) in Revenue	374,732.07	323,601.04

See Accompanying Notes to Financial Statements - Regulatory Basis

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

	2015	2014
Adjustments to Income before Fund Balance:		
Expenditures included above which are by Statute Deferred Charges to Budgets of Succeeding Year Emergency Appropriation	8,500.00	-
Total Adjustments	8,500.00	-
Statutory Excess to Fund Balance	383,232.07	323,601.04
Fund Balance January 1	620,964.31	697,363.27
	1,004,196.38	1,020,964.31
Decreased by:		
Utilization as Anticipated Revenue	405,000.00	400,000.00
Fund Balance December 31	\$ 599,196.38	620,964.31

See Accompanying Notes to Financial Statements - Regulatory Basis

**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		
Fund Balance Anticipated	\$ 405,000.00	-	405,000.00	-
Total Fund Balance Anticipated	<u>405,000.00</u>	<u>-</u>	<u>405,000.00</u>	<u>-</u>
Miscellaneous Revenues:				
Section A: Local Revenues				
Licenses:				
Alcoholic Beverages	7,500.00	-	8,396.80	896.80
Other	-	-	-	-
Fees and Permits				
Fines and Costs:				
Municipal Court	270,000.00	-	283,342.56	13,342.56
Interest and Costs on Taxes	93,000.00	-	101,287.12	8,287.12
Interest Earned on Investments	60,000.00	-	45,684.97	(14,315.03)
Verizon Cell Tower Lease	3,000.00	-	3,552.15	552.15
Solid Waste Transfer Fee	36,000.00	-	197,856.02	161,856.02
Cable TV Franchise Fee	10,000.00	-	18,654.90	8,654.90
Uniform Fire Safety Inspection Fees	20,000.00	-	20,475.39	475.39
Rent of Post Office	4,500.00	-	7,806.58	3,306.58
Rent of Patcong Building	20,886.00	-	17,405.80	(3,480.20)
Rent of Deli	6,240.00	-	6,600.00	360.00
Rent of House (Toy Store)	5,000.00	-	6,480.64	1,480.64
Rent of Martin Luther King Center	8,900.00	-	9,848.00	948.00
	7,500.00	-	7,793.90	293.90
Total Section A: Local Revenues	<u>552,526.00</u>	<u>-</u>	<u>735,184.83</u>	<u>182,658.83</u>
Section B: State Aid Without Offsetting Appropriations				
Consolidated Municipal Property Tax Relief				
Energy Receipts Tax	701,169.00	-	701,169.00	-
Garden State Preservation Trust Fund	15,398.00	-	15,398.00	-
Total Section B: State Aid Without Offsetting Appropriations	<u>716,567.00</u>	<u>-</u>	<u>716,567.00</u>	<u>-</u>

See Accompanying Notes to Financial Statements - Regulatory Basis

**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	
Section D: Interlocal Municipal Service Agreements Offset with Appropriations Buena Vista Township - Fire District JIF Insurance	30,000.00	-	5,873.75
Total Section D: Interlocal Municipal Service Agreements Offset with Appropriations	<u>30,000.00</u>	<u>-</u>	<u>5,873.75</u>
Section F: Special Items - Public and Private Programs NJ DOT - Weymouth/Malaga Phase IV Clean Communities Program Municipal Alliance on Alcoholism and Drug Abuse Recycling Tonnage Grant Title Joint Insurance Fund	- - 26,000.00 16,157.38 -	196,000.00 31,606.24 189.00 - 2,070.85	- - - - -
Total Section F: Special Items - Public and Private Programs Off-Set with Appropriations	<u>42,157.38</u>	<u>229,866.09</u>	<u>272,023.47</u>
Total Miscellaneous Revenues:	<u>1,341,250.38</u>	<u>229,866.09</u>	<u>188,532.58</u>
Receipts from Delinquent Taxes	<u>35,000.00</u>		<u>9,517.62</u>
Amount to be Raised by Taxes for Support of Municipal Budget Local Tax for Municipal Purposes	<u>2,563,960.52</u>	<u>-</u>	<u>(27,239.16)</u>
Total Amount to be Raised by Taxes for Support of Municipal Budget	<u>2,563,960.52</u>	<u>-</u>	<u>(27,239.16)</u>
Budget Totals	<u>4,345,210.90</u>	<u>229,866.09</u>	<u>170,811.04</u>
Non- Budget Revenues: Other Non- Budget Revenues:	<u>-</u>	<u>-</u>	<u>299,534.15</u>
	<u>\$ 4,345,210.90</u>	<u>229,866.09</u>	<u>470,345.19</u>

See Accompanying Notes to Financial Statements - Regulatory Basis

**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	\$ 15,731,720.94
Less: Reserve for Tax Appeals Pending	<u>-</u>
Net Revenue from Collections	15,731,720.94
Allocated to:	
School, County and Other Taxes	<u>13,516,680.10</u>
Balance for Support of Municipal Budget Appropriations	2,215,040.84
Increased by:	
Appropriation "Reserved for Uncollected Taxes"	<u>321,680.52</u>
Amount for Support of Municipal Budget Appropriations	<u><u>2,536,721.36</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collection	\$ 23,888.82
Tax Title Lien Collections	<u>20,628.80</u>
Total Receipts from Delinquent Taxes	<u><u>44,517.62</u></u>

Analysis of Non-Budget Revenue:

Miscellaneous Revenue Not Anticipated:

Auction (GOV Deals)	1,714.53
Budget Reimbursements	16,719.90
Certified List	410.00
Checks canceled by Resolution	18.00
Copies/OPRA Requests	9.98
DMV Inspection Fees	150.00
Duplicate Tax Bills	5.00
FEMA - Derecho June 2012	94,124.08
In Lieu of Taxes	5,774.13
Land Sale	150,940.00
Miscellaneous	1,745.00
NSF Fees	140.00
Recycling Refunds	2,337.80
Zoning Map	40.00
Rent of Gas Station	900.00
Facility Rental Fees	3,813.42
Insurance Refund JIF	6,510.00
Seniors & Vets - 2% Adm. Fee	1,493.73
Soda Machine - MLK	121.08
Tax Maps	16.50
Tax Searches	30.00
Vendor Reimbursements	12,500.00
Yard Sale Permits	21.00

Total Miscellaneous Revenue Not Anticipated:	<u><u>299,534.15</u></u>
--	--------------------------

See Accompanying Notes to Financial Statements - Regulatory Basis

**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	
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
Administration and Executive						
Salaries and Wages	\$ 46,000.00	48,874.12	48,874.12	-	-	-
Other Expenses	26,000.00	32,500.00	30,375.12	122.88	2,002.00	-
Mayor and Committee						
Salaries and Wages	52,100.00	53,725.44	53,725.44	-	-	-
Other Expenses	9,000.00	9,400.00	9,043.20	-	356.80	-
Municipal Clerk						
Salaries and Wages	120,000.00	130,358.21	130,358.21	-	-	-
Other Expenses	25,000.00	23,222.96	23,222.96	717.12	1,059.92	-
Code of Ordinances	5,000.00	5,000.00	5,000.00	-	-	-
Financial Administration						
Salaries and Wages	114,000.00	112,856.95	112,856.95	-	-	-
Other Expenses	18,000.00	21,770.91	20,463.37	169.99	1,137.55	-
Audit Services						
Other Expenses	30,000.00	30,000.00	29,479.01	520.99	0.00	-
Collection of Taxes						
Salaries and Wages	62,800.00	54,043.59	54,043.59	-	-	-
Other Expenses	15,000.00	16,000.00	14,505.18	-	1,494.82	-
Assessment of Taxes						
Salaries and Wages	68,000.00	63,000.00	63,000.00	-	-	-
Other Expenses	12,000.00	11,172.40	10,095.29	1,077.11	-	-
Prosecutor						
Salaries and Wages	19,000.00	19,000.00	15,208.32	3,791.68	-	-
Municipal Court						
Salaries and Wages	120,000.00	120,300.00	120,300.00	-	-	-
Other Expenses	13,235.00	13,235.00	13,234.00	-	1.00	-
Public Defender						
Salaries and Wages	4,000.00	5,800.00	4,000.00	-	1,800.00	-
Legal Services and Costs						
Other Expenses	80,000.00	81,800.00	76,115.61	3,882.39	1,802.00	-
Engineering Services and Costs						
Other Expenses	98,000.00	71,516.00	66,440.01	3,249.53	1,826.46	-
Professional Services						
LAND USE ADMINISTRATION						
Planning Board						
Salaries and Wages	12,000.00	8,579.17	8,579.17	-	-	-
Other Expenses	4,000.00	4,000.00	3,794.94	75.00	130.06	-
Zoning Board						
Salaries and Wages	10,000.00	9,891.49	9,891.49	-	-	-
Other Expenses	2,500.00	2,500.00	2,076.24	-	423.76	-
Code Enforcement - Fire Inspector						
Salaries and Wages	12,000.00	7,301.01	7,301.01	-	-	-
Other Expenses	5,000.00	4,829.20	3,589.46	1,239.74	-	-

See Accompanying Notes to Financial Statements - Regulatory Basis

**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	
INSURANCE						
General Liability	163,167.00	163,167.00	163,167.00	-	-	-
Employee Group Health	294,632.00	355,632.00	351,385.81	661.34	3,584.85	-
Health Benefits Waiver						
Salaries and Wages	10,000.00	8,636.17	8,636.17	-	-	-
PUBLIC SAFETY						
Police Crossing Guards						
Salaries and Wages	15,500.00	16,786.47	16,786.47	-	-	-
Other Expenses	100.00	-	-	-	-	-
Office of Emergency Management						
Other Expenses	1,000.00	1,000.00	1,000.00	-	-	-
First Aid Organizations - Contributions	40,000.00	38,626.72	38,626.72	-	-	-
PUBLIC WORKS						
Road Repairs and Maintenance						
Salaries and Wages	495,000.00	496,986.67	496,986.96	-	89.71	-
Other Expenses	88,000.00	56,976.21	45,143.66	4,955.00	6,877.55	-
Snow Removal	30,000.00	30,000.00	25,305.67	4,694.33	-	-
Vehicle Maintenance						
Other Expenses	40,000.00	48,800.00	31,145.01	9,397.10	8,257.89	-
Public Buildings and Grounds						
Salaries and Wages	100.00	-	-	-	-	-
Other Expenses	105,000.00	108,000.00	105,601.68	1,472.50	925.82	-
Sanitation						
Other Expenses	311,000.00	281,000.00	251,785.30	-	29,214.70	-
HEALTH AND WELFARE						
Animal Control						
Other Expenses	21,000.00	21,000.00	21,000.00	-	-	-
Environmental Health Service						
Environmental Commission						
Other Expenses	1,000.00	938.91	938.91	-	-	-
PARKS AND EDUCATION						
Parks and Playgrounds						
Salaries and Wages	100.00	-	-	-	-	-
Other Expenses	32,000.00	32,000.00	31,825.00	175.00	-	-
Summer Youth Program						
Other Expenses	500.00	472.28	222.28	250.00	-	-
Celebration of Public Events						
Other Expenses	8,500.00	8,500.00	8,500.00	-	-	-
Martin Luther King Center						
Salaries and Wages	68,000.00	68,341.54	68,341.54	-	-	-
Other Expenses	4,000.00	3,668.61	2,918.76	-	749.85	-

See Accompanying Notes to Financial Statements - Regulatory Basis

**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	
UNCLASSIFIED						
UTILITY EXPENSES AND BULK PURCHASES						
Electricity	76,000.00	108,000.00	88,841.07	-	19,158.93	-
Street Lighting	80,000.00	79,997.93	79,997.93	-	-	-
Telephone	15,000.00	14,600.00	13,170.97	-	1,429.03	-
Gas	6,000.00	6,000.00	6,000.00	-	-	-
Fuel Oil	4,000.00	4,000.00	612.42	-	3,387.58	-
Gasoline	50,000.00	50,000.00	36,623.26	-	13,376.74	-
Landfill/Solid Waste Disposal Costs	215,000.00	198,000.00	177,831.86	-	20,168.14	-
TOTAL OPERATIONS WITHIN "CAPS"	3,157,234.00	3,163,584.00	3,007,877.14	36,451.70	119,255.16	-
Contingent	-	-	-	-	-	-
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	3,157,234.00	3,163,584.00	3,007,877.14	36,451.70	119,255.16	-
Detail:						
Salaries and Wages	1,228,600.00	1,224,480.83	1,218,799.44	3,791.68	1,889.71	-
Other Expenses	1,928,634.00	1,939,103.17	1,789,077.70	32,660.02	117,365.45	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES:						
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	108,894.00	108,894.00	108,894.00	-	-	-
Social Security System (O.A.S.I.)	95,000.00	96,500.00	93,977.00	-	2,523.00	-
Unemployment Compensation Insurance	11,000.00	11,650.00	6,140.96	-	5,509.04	-
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES:	214,894.00	217,044.00	209,011.96	-	8,032.04	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	3,372,128.00	3,380,628.00	3,216,889.10	36,451.70	127,287.20	-
OPERATIONS - EXCLUDED FROM "CAPS"						
(A) Operations - Excluded from "CAPS"						
Employee Group Health	368.00	368.00	368.00	-	-	-
Police 911 Emergency	68,000.00	68,000.00	68,000.00	-	-	-
Buena Vista Fire Districts-General Liability Insurance	30,000.00	30,000.00	30,000.00	-	-	-
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	98,368.00	98,368.00	98,368.00	-	-	-

See Accompanying Notes to Financial Statements - Regulatory Basis

**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	
(A) Public and Private Programs Off-Set by Revenues						
Clean Communities Act (40A:4-87 \$26,016.43)	-	31,606.24	31,606.24	-	-	-
Recycling Tonnage Grant	16,157.38	16,157.38	16,157.38	-	-	-
SFSP Fire District Payment	2,897.00	2,897.00	2,897.00	-	-	-
Municipal Alliance Program						
State Share	26,000.00	26,189.00	26,189.00	-	-	-
Local Share	6,700.00	6,700.00	6,547.00	-	-	153.00
Statewide Insurance Fund Risk Control Grant	-	2,070.85	2,070.85	-	-	-
Total Public and Private Programs Off-Set by Revenues	51,754.38	85,620.47	85,467.47	-	-	153.00
Total Operations - Excluded from "CAPS" Detail:	150,122.38	183,988.47	183,835.47	-	-	153.00
Salaries and Wages	-	-	-	-	-	-
Other Expenses	150,122.38	183,988.47	183,835.47	-	-	153.00
(C) Capital Improvements						
Capital Improvement Fund	5,000.00	5,000.00	5,000.00	-	-	-
Lease/Purchase of Public Works Equipment	19,000.00	19,000.00	10,153.33	459.55	8,387.12	-
Improvements to Recreational Facilities	20,000.00	20,000.00	20,000.00	-	-	-
Improvements to Martin Luther King Center	20,000.00	20,000.00	20,000.00	-	-	-
Public and Private Programs Offset by Revenues						
New Jersey Transportation Trust Fund	-	196,000.00	196,000.00	-	-	-
Improvements to Weymouth-Malaga Road						
Total Capital Improvements	64,000.00	260,000.00	251,153.33	459.55	8,387.12	-
(D) Debt Service						
Payment of Bond Principal	250,000.00	250,000.00	250,000.00	-	-	-
Payment of Bond Anticipation Notes	80,000.00	80,000.00	80,000.00	-	-	-
Interest on Bonds	61,000.00	61,000.00	60,775.00	-	-	225.00
Interest on Notes	20,000.00	20,000.00	17,605.96	-	-	2,394.04
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	20,500.00	20,500.00	20,223.66	-	-	276.34
Total Debt Service	431,500.00	431,500.00	428,604.62	-	-	2,895.38
(E) Deferred Charges						
Emergency Authorizations	-	-	-	-	-	-
Special Emergency Authorizations - 5 years	5,780.00	5,780.00	5,780.00	-	-	-
Total Deferred Charges	5,780.00	5,780.00	5,780.00	-	-	-

See Accompanying Notes to Financial Statements - Regulatory Basis

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

	Appropriations		Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered Reserved	
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	651,402.38	881,268.47	869,373.42	459.55	8,387.12
SUBTOTAL GENERAL APPROPRIATIONS	4,023,530.38	4,261,896.47	4,086,262.52	36,911.25	135,674.32
(M) Reserve for Uncollected Taxes	321,680.52	321,680.52	321,680.52	-	-
TOTAL GENERAL APPROPRIATIONS	\$ 4,345,210.90	4,583,576.99	4,407,943.04	36,911.25	135,674.32
Budget	\$ 4,345,210.90				Cancelled
Appropriations by 40A-4-87	229,866.09				Overexpended
Emergency Appropriations	8,500.00				\$ 3,048.38
					<u>3,048.38</u>
Reserve for Uncollected Taxes	\$ 321,680.52				
Federal and State Grants	281,467.47				
Deferred Charges	5,780.00				
Capital Improvement Fund	-				
Disbursements	3,799,015.05				
					<u>4,407,943.04</u>

See Accompanying Notes to Financial Statements - Regulatory Basis

**EXHIBIT - B
TRUST FUND**



**TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,**

<u>ASSETS</u>	<u>2015</u>	<u>2014</u>
<u>Animal Control Fund</u>		
Cash	\$ 5,563.98	170.90
Due from State of New Jersey	-	1.80
	<u>5,563.98</u>	<u>172.70</u>
<u>Other Funds</u>		
Cash - Treasurer	490,493.58	386,245.52
Cash - Collector	92,565.49	154,126.16
Program Loan Receivable	7,257.73	7,257.73
Due from Grant Fund	4,500.00	4,500.00
Reserve for Residential Loan	-	21,618.00
Reserve for P.O.A.A.	207.00	204.00
Reserve for Tax Lien Redemption	406.34	406.52
Reserve for Planning Board Escrow	19,260.89	19,260.89
Due from Township Engineer	75.00	75.00
Economic Development Receivable	64,523.35	18,150.60
	<u>679,289.38</u>	<u>611,844.42</u>
	<u>\$ 684,853.36</u>	<u>612,017.12</u>

See Accompanying Notes to Financial Statements - Regulatory Basis

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>2015</u>	<u>2014</u>
<u>Animal Control Fund</u>		
Reserve for Animal Control Expenditures	\$ 5,493.13	172.70
Interfunds:		
Due to State of New Jersey	1.20	-
Due to Current Fund	69.65	-
	<u>5,563.98</u>	<u>172.70</u>
<u>Other Funds</u>		
Redemption for Outside Liens	40,269.80	16,032.68
Due to Current - TTL Premium	2.03	-
Premiums Received at Tax Sale	52,700.00	138,500.00
Reserve for Special Events	14,951.59	6,588.40
Reserve for Landfill Closure Escrow	77,032.42	76,916.86
Reserve for Economic Development	174,606.49	174,434.41
Reserve for Residential Revolving Loans	50,336.91	50,319.03
Reserve for Program Loans Receivable	7,257.73	7,257.73
Reserve for Economic Development Accounts Receivable	64,523.35	18,150.60
Reserve for Site Plan Escrow Deposits	25,273.91	25,270.99
Reserve for Planning Escrow Deposits	115,172.39	59,273.70
Reserve for Summer Concert Series-Recreation	1,345.67	(874.67)
Reserve for Fire Safety Penalty Act	29,758.80	15,426.61
Reserve for P.O.A.A.	207.00	204.00
Reserve for Snow Removal	6,092.22	6,092.22
Reserve for Recreation Trust	19,759.07	18,251.86
	<u>679,289.38</u>	<u>611,844.42</u>
	<u>\$ 684,853.36</u>	<u>612,017.12</u>

See Accompanying Notes to Financial Statements - Regulatory Basis

EXHIBIT - C
GENERAL CAPITAL FUND



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

<u>ASSETS</u>	<u>2015</u>	<u>2014</u>
Cash	\$ 1,345,341.07	1,122,723.56
Deferred Charges to Future Taxation -		
Funded	1,282,406.68	1,550,313.44
Unfunded	2,180,450.00	1,785,450.00
Interfunds and Receivables		
Due from Current Fund	-	83,444.13
Due from Grant Fund	-	500,000.00
	<u>4,808,197.75</u>	<u>5,041,931.13</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Encumbrances Payable	299,742.16	49,440.34
Interfunds:		
Due to Current Fund	1,573.02	-
Bond Anticipation Notes Payable	2,160,500.00	1,765,500.00
Serial Bonds Payable	1,180,000.00	1,430,000.00
Green Trust Loan Payable	102,406.68	120,313.44
Improvement Authorizations:		
Funded	60,893.83	90,895.83
Unfunded	898,443.61	1,513,200.00
Capital Improvement Fund	30,000.00	70,000.00
Reserve for Public Works Vehicle	9,547.60	-
Reserve for MLK Improvements	27,500.00	-
Reserve for Recreation Facilities	20,814.94	-
Reserve for Improvements to Roads	14,194.39	-
Fund Balance	2,581.52	2,581.52
	<u>\$ 4,808,197.75</u>	<u>5,041,931.13</u>

There were bonds and notes authorized but not issued at December 31

2014	19,950.00
2015	19,950.00

See Accompanying Notes to Financial Statements - Regulatory Basis

**GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF FUND BALANCE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,**

	2015	2014
Beginning Balance January 1	\$ 2,581.52	2,581.52
Ending Balance December 31	\$ <u>2,581.52</u>	<u>2,581.52</u>

See Accompanying Notes to Financial Statements - Regulatory Basis

EXHIBIT - D
GENERAL FIXED ASSETS ACCOUNT GROUP



**GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,**

	<u>2015</u>	<u>2014</u>
<u>Assets</u>		
Land and Land Improvements	\$ 4,279,999.00	4,281,000.00
Building and Building Improvements	2,044,550.25	1,962,080.25
Machinery, Equipment and Vehicles	2,447,515.20	2,294,209.68
	<hr/>	<hr/>
Total General Fixed Assets	<u>8,772,064.45</u>	<u>8,537,289.93</u>
<u>Liabilities, Reserves, and Fund Balance</u>		
Investment in General Fixed Assets	\$ <u>8,772,064.45</u>	<u>8,537,289.93</u>

See Accompanying Notes to Financial Statements - Regulatory Basis

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

NOTES TO THE FINANCIAL STATEMENTS



**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 Township of Buena Vista include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Township of Buena Vista, as required by N.J.S. 40A:5-5.

The Township of Buena Vista is located in the County of Atlantic, State of New Jersey. The population according to the 2010 census is 7,570.

The Township is incorporated and operates under a Committee form of government. The Mayor is the chief executive officer of the Township and is appointed by the Township Committee.

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

B. Description of Funds

The accounting policies of the Township of Buena Vista 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 Township of Buena Vista 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.

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.

{This space intentionally left blank}

**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 entity budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the entity's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the entity 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. 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.

Inter-funds -- Inter-fund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. 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 entity 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.

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 except for land which is valued at estimated market value on the date of acquisition. Expenditures for long lived assets with an original cost in excess of \$2,000 are capitalized.

No depreciation has been provided for in the financial statements.

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

Expenditures for construction in progress are recorded in the Capital fund 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.

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 Township of Buena Vista 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.

Capitalization of Interest -- It is the policy of the Township of Buena Vista to treat interest on projects as a current expense and the interest is included in the current operating budget.

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 in addition to the fund financial statements.

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 entity'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.

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

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 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 Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68". This statement is effective for fiscal periods beginning after June 30, 2016, 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 is effective for fiscal periods beginning after June 30, 2016, establishes new accounting and financial reporting requirements for OPEB plans. It is anticipated that this statement 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 is effective for fiscal periods beginning after June 30, 2017. Although not determinable, the impact of this statement on the net position of the City is anticipated to be significant.

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 is effective for fiscal periods beginning after June 30, 2015, will not have any effect on the City's financial reporting.

{This space intentionally left blank}

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

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 \$321,680.52 and \$330,452.09. 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 \$405,000.00 and \$400,000.00.

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 the Township Committee. The significant budget transfers on the following page were approved in the 2015 and 2014 calendar years:

<u>Budget Category</u>	<u>2015</u>	<u>2014</u>
<u>Current Fund:</u>		
General and Administrative		
Other Expenses	6,500.00	
Mayor and Council		
Salaries and Wages	10,358.21	
Collection of Taxes		
Salaries and Wages	(8,756.41)	
Tax Assessment		
Salaries and Wages	(5,000.00)	
Legal Services		
Other Expenses	-	(9,000.00)
Engineering Service		
Other Expenses	(26,484.00)	
Planning Board		
Salaries and Wages	-	(7,700.00)
Code Enforcement - Fire Inspector		
Salaries and Wages	(4,698.99)	
Employee Group Health	61,000.00	(15,700.00)
Road Repairs and Maintenance		
Salaries and Wages	-	54,000.00
Other Expenses	(31,023.79)	(11,120.00)
Vehicle Maintenance		
Other Expenses	8,800.00	
Public Buildings and Grounds		
Other Expenses	3,000.00	(5,000.00)
Sanitation		
Other Expenses	(30,000.00)	
Parks and Playgrounds		
Other Expenses	-	(10,500.00)
Electricity	32,000.00	
Landfill/Solid Waste Disposal	(17,000.00)	

{This space intentionally left blank}

**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>
Title Joint Insurance Fund	\$ 2,070.85	-
NJ DOT Weymouth/Malaga Road	196,000.00	200,000.00
Clean Communities Program	31,606.24	-
Municipal Alliance	189.00	-

The entity 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 entity approved a special emergency appropriation in 2012 for \$28,900.00. The emergency was for hurricane damage in the Township. The unfunded balance as of December 31, 2015 was \$5,780.00. During 2013, the entity approved an emergency appropriation for State Health Benefits Appropriation in the amount of \$8,500.00.

Note 3: 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, \$576,431.45 and \$607,692.32 of the municipality's bank balance of \$3,159,205.24 and \$5,396,942.12 respectively was exposed to custodial credit risk.

{This space intentionally left blank}

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014

Note 4: 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/ Retirements	Balance 12/31/2014
Land	\$ 4,281,000.00			4,281,000.00
Building	1,957,082.00	4,998.00		1,962,080.00
Equipment and Machinery	2,184,591.00	109,619.02		2,294,210.02
	<u>\$ 8,422,673.00</u>	<u>114,617.02</u>	<u>-</u>	<u>8,537,290.02</u>

	Balance 12/31/2014	Additions	Adjustments/ Retirements	Balance 12/31/2015
Land	\$ 4,281,000.00		(1,001.00)	4,279,999.00
Building	1,962,080.00	82,470.00		2,044,550.00
Equipment and Machinery	2,294,210.02	259,733.52	(106,428.09)	2,447,515.45
	<u>\$ 8,537,290.02</u>	<u>342,203.52</u>	<u>(107,429.09)</u>	<u>8,772,064.45</u>

Note 5: SHORT-TERM OBLIGATIONS

	Balance 12/31/13	Issued	Retired	Balance 12/31/14
Bond Anticipation Notes payable:				
Current Fund	\$ 173,250.00	-	173,250.00	-
General Capital	365,500.00	1,765,500.00	365,500.00	1,765,500.00
	<u>\$ 538,750.00</u>	<u>1,765,500.00</u>	<u>538,750.00</u>	<u>1,765,500.00</u>
	Balance 12/31/14	Issued	Retired	Balance 12/31/15
Bond Anticipation Notes payable:				
General Capital	\$ 1,765,500.00	2,160,500.00	1,765,500.00	2,160,500.00
	<u>\$ 1,765,500.00</u>	<u>2,160,500.00</u>	<u>1,765,500.00</u>	<u>2,160,500.00</u>

The Capital Bond Anticipation Note was issued on September 10, 2015 and is due and payable on September 9, 2016 with interest at 0.81%. As of December 31, 2015 the entity has authorized but not issued bonds in the amount of \$19,950.00 in the General Capital Fund.

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

Note 6: 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	\$ 1,665,000.00		235,000.00	1,430,000.00	250,000.00
Total	<u>\$ 1,665,000.00</u>	<u>-</u>	<u>235,000.00</u>	<u>1,430,000.00</u>	<u>250,000.00</u>
Other liabilities:					
Loans Payable	\$ 137,867.00		17,553.94	120,313.06	17,906.76
Compensated Absences Payable	<u>98,778.00</u>	<u>25,461.43</u>	<u>27,792.25</u>	<u>96,447.18</u>	<u>-</u>
Total long-term liabilities	<u>\$ 1,901,645.00</u>	<u>25,461.43</u>	<u>280,346.19</u>	<u>1,646,760.24</u>	<u>267,906.76</u>

	Balance 12/31/14	Issued	Retired	Balance 12/31/15	Amounts Due Within One Year
Bonds payable:					
General	\$ 1,430,000.00	-	250,000.00	1,180,000.00	265,000.00
Total	<u>\$ 1,430,000.00</u>	<u>-</u>	<u>250,000.00</u>	<u>1,180,000.00</u>	<u>265,000.00</u>
Other liabilities:					
Loans Payable	\$ 120,313.06	-	17,906.38	102,406.68	18,281.69
Compensated Absences Payable	<u>96,447.18</u>	<u>25,908.98</u>	<u>23,001.92</u>	<u>99,354.24</u>	<u>-</u>
Total long-term liabilities	<u>\$ 1,646,760.24</u>	<u>25,908.98</u>	<u>290,908.30</u>	<u>1,381,760.92</u>	<u>283,281.69</u>

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

At December 31, 2015, bonds payable in the General Capital Fund consisted of the following individual issues:

\$2,490,000.00 General Bonds dated July 1, 2009 due in annual installments through July 1, 2019 bearing interest at a rate of 4.25% per annum. The balance remaining as of December 31, 2015 is \$1,180,000.00.

\$146,505.00 Green Trust Loan dated March 2, 1999, due in annual installments through March 2, 2016, bearing interest at @.00 per annum. The balance remaining as of December 31, 2015 is \$9,830.93.

\$165,000.00 of Green Trust Loan dated June 14, 2006, due in semi-annual installments through November 10, 2025 bearing interest at 2.00% per annum. The balance remaining as of December 31, 2015 is \$92,575.75.

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014

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

Year	General Fund	
	Principal	Interest
2016	\$ 265,000.00	50,150.00
2017	290,000.00	38,887.50
2018	305,000.00	26,562.50
2019	320,000.00	13,600.00
2020	-	-
	<u>\$ 1,180,000.00</u>	<u>129,200.00</u>

Schedule of Annual Debt Service for Principal and Interest for Green Trust Loans

Year	Principal	Interest
2016	\$ 18,281.69	1,941.95
2017	8,620.61	1,639.61
2018	8,793.89	1,466.33
2019	8,970.68	1,289.57
2020	9,150.95	1,109.27
2021-2025	48,588.86	2,712.21
	<u>\$ 102,406.68</u>	<u>10,158.94</u>

As of December 31, 2015 the carrying value of the above bonds approximates the fair value of the bonds. No interest was charged to capital projects during the year and the total interest charged to the current budget was \$78,382.96.

<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	\$ 3,442,906.68	3,315,813.44	2,168,367.38
Total Issued	<u>3,442,906.68</u>	<u>3,315,813.44</u>	<u>2,168,367.38</u>
<u>Authorized but not issued:</u>			
General - Bonds and Notes	19,950.00	19,950.00	19,950.00
Total Authorized But Not Issued	<u>19,950.00</u>	<u>19,950.00</u>	<u>19,950.00</u>
Total Bonds & Notes Issued and Authorized But Not Issued	<u>\$ 3,462,856.68</u>	<u>3,335,763.44</u>	<u>2,188,317.38</u>

{This space intentionally left blank}

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

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 .561%.

	Gross Debt	Deductions	Net Debt
Regional School Debt	\$ 5,673,053.08	5,673,053.08	-
General Debt	3,462,856.68	-	3,462,856.68
	<u>\$ 9,135,909.76</u>	<u>5,673,053.08</u>	<u>3,462,856.68</u>

Net Debt \$3,462,856.68 ÷ Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$617,243,416.33 = .561%.

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

3 1/2 % of Equalized Valuation Basis (Municipal)	\$ 21,603,519.57
Net Debt	3,462,856.68
Remaining Borrowing Power	<u>\$ 18,140,662.89</u>

The Buena Regional 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 7: FUND BALANCES APPROPRIATED

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

		<u>2016</u>	<u>2015</u>
Current Fund	\$	405,000.00	405,000.00

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:

	Balance December 31, 2015	2016 Budget Appropriation	Balance to Succeeding	Balance Cancelled
Current Fund:				
Emergency Appropriation	\$ 8,500.00	8,500.00		-
Special Emergency Appropriation	5,780.00	5,780.00	-	-
	<u>\$ 14,280.00</u>	<u>14,280.00</u>	<u>-</u>	<u>-</u>

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

Note 9: SCHOOL TAXES

Regional School Tax in the amounts of \$9,535,068.00 and \$9,490,744.00 have been raised for the 2015 and 2014 calendar years and 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:

	Balance 12/31/15	Balance 12/31/14
Prepaid Taxes	<u>\$ 240,738.08</u>	<u>189,045.31</u>
Cash Liability for Taxes Collected in Advance	<u>\$ 240,738.08</u>	<u>189,045.31</u>

Note 11: PENSION FUNDS

Description of Plans

Substantially all of the entity's employees participate in the Public Employees' Retirement System (PERS) 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 PERS 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.

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 12.39% of covered payroll. The entity's contributions to PERS for the years ended December 31, 2015, 2014, and 2013 were \$108,894.00, \$87,695.00 and \$97,211.00.

The total payroll for the year ended December 31, 2015, 2014 and 2013 was \$1,255,275.77, \$1,212,618.02 and \$1,109,029.46. Payroll covered by PERS was \$879,029.00, \$854,870.00 and \$831,051.00.

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

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) 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.
- 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. 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, 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 $\frac{1}{60}$ th from $\frac{1}{55}$ th, 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. This 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 $\frac{1}{7}$ th of the required amount, beginning in fiscal years 2013.

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.

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

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 municipality's pension liabilities. However, due to the fact that the municipality 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 Borough has a liability of \$2,713,008.00 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 Municipality's proportion of the net pension liability was based on a projection of the Municipality'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 Municipality's proportion would be 0.01208574580%, which would be a decrease of 3.98% from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the Municipality would have recognized pension expense of \$209,648.00. At December 31, 2015, the Municipality would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected & actual experience	\$ 64,723.00	
Changes of assumptions	291,355.00	
Changes in proportion	212,791.00	(76,703.00)
Net difference between projected and actual earnings on pension plan investments		(43,620.00)
Total	<u><u>\$ 568,869.00</u></u>	<u><u>(120,323.00)</u></u>

{This space intentionally left blank}

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

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	\$	83,848.30
2017		83,848.30
2018		83,848.30
2019		125,865.21
2020		71,135.88
Total	<u>\$</u>	<u>448,546.00</u>

Actuarial Assumptions

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following assumptions, applied to all periods 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) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projections Scale AA. The RP-2000 Disability Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

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.

{This space intentionally left blank}

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

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 (Except 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% as of June 30, 2015. 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% as of June 30, 2015, 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 2033.

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

{This space intentionally left blank}

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

The following presents the Municipality's proportionate share of the net pension liability calculated using the discount rate of 4.90%, as well as what the Municipality'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 (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
Municipality's proportionate share of the net pension liability	\$ 3,273,124.96	2,713,008.00	2,244,189.46

Pension plan fiduciary net position

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

Note 13: POST-RETIREMENT BENEFITS

Plan Description The Township of Buena Vista 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.

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 to <http://www.state.nj.us/treasury/pensions/shbp.htm>

Note 14: ACCRUED SICK AND VACATION BENEFITS

The Township has permitted employees to accrue a maximum of 36 days of unused sick time, which may be taken as time off or paid at a later date at an agreed upon rate. Employees will be paid for 1/3 of the unused sick time in excess of 36 days. Vacation is not accrued, but can be accumulated no more than 2 years. All vacation time accumulated over 2 years is lost if not used. The accrued number of sick and vacation days exceeds 100, as of December 31, 2015. It is estimated that the cost for the most current calendar year of such unpaid compensation would approximate \$99,354.24 in 2015 and \$96,447.46 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. Effective January 1, 2002 the State of New Jersey is allowing municipalities to accrue a compensated absences liability. The entity does not accrue the liability.

Note 15: ECONOMIC DEPENDENCY

The Township of Buena Vista is not economically dependent on any one business or industry as a major source of tax revenue for the entity.

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

Note 16: RISK MANAGEMENT

The entity 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.

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

The Township 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 Township 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 Township has a general liability limit of \$100,000.00 under JIF, which increases to \$5,000,000.00 under MEL.

Note 17: ECONOMIC DEVLEOPMENT ACCOUNT RECEIVABLE

The Township has established an Economic Development Trust Account. A receivable existed as of December 31, 2014 in the amount of 18,150.60. Subsequently, a new receivable was set-up in 2015 in the amount of 46,372.75. As of December 31, 2015, the receivable balance is 64,523.35.

Note 18 LANDFILL CLOSURE

The Township has established a Landfill Closure Account for the purpose of funding the costs of closing the Township landfill site. Charges to this account are for expenses involved with the closing of the landfill, such as fencing off the site and fill. This account has a balance of \$77,032.42 at December 31, 2015.

Note 19: CONTINGENT LIABILITIES

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

{This space intentionally left blank}

**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 inter-funds were included on the balance sheets of the various funds of the Township of Buena Vista:

	Due From	Due To
Current Fund:		
General Capital Fund	1,573.02	
Animal Control Fund	69.65	
Trust-Escrow		19,260.89
Trust - POAA		207.00
Tax Title Lien Redemption		406.34
Tax Title Lien Premium	2.03	
Revolving Loan		
Grant Fund	103,324.66	
Grant Fund:		
Current Fund		103,324.66
Trust Fund - Recreation		4,500.00
Trust Fund:		
Current Fund-Trust Escrow	19,260.89	
Grant Fund	4,500.00	
Current - Animal		69.65
Current Fund - POAA	207.00	
Current - Tax Title Lien Premium		2.03
Current - Tax Title Lien Redemption	406.34	
General Capital Fund:		
Current Fund		1,573.02
	<u>\$ 129,343.59</u>	<u>129,343.59</u>

The amounts due from the Grant fund to the Current fund are due to the fact that there is only one bank account. The remaining interfunds are due to amounts that should have been transferred to the proper bank accounts.

Note 21: LEASE OF TOWNSHIP PROPERTY

The Township is party to several lease agreements for various entity properties. The entity leases the post office building at a rate of \$1,573.00/month. The total rent received in 2015 and 2014 was \$17,405.80 and \$20,886.96 respectively. In addition the entity leases other buildings and houses at varying monthly amounts, and a portion of the Martin Luther King Center at \$626.17 per month. Total rental income in 2015 and 2014 was \$49,028.34 and \$50,909.95 respectively for all properties.

Note 22: SUBSEQUENT EVENTS

The entity has evaluated subsequent events through May 20, 2016, the date which the financial statements were available to be issued and identified no events requiring disclosure.

SUPPLEMENTARY INFORMATION



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • PO BOX 538 • OCEAN CITY, NJ • 08226-0538
PHONE 609.399.6333 • FAX 609.399.3710
www.ford-scott.com

Independent Auditor's Report

The Honorable Mayor and
Members of Township Committee
Township of Buena Vista
County of Atlantic, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory basis financial statements of the various funds and account group as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise Township's basic financial statements, and have issued our report thereon dated May 20, 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 Township's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's 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*.

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.

Very truly yours,

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

Michael S. Garcia
Michael S. Garcia
Certified Public Accountant
Registered Municipal Accountant
No. 472

May 20, 2016

TOWNSHIP OF BUENA VISTA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDING DECEMBER 31, 2015

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: **Unmodified Opinion issued on the Financial Statements – Regulatory Basis, presented in accordance with an "Other Comprehensive Basis of Accounting".**

Internal control over financial reporting:

- 1) Material Weakness identified? **NO**
- 2) Significant Deficiency identified? **NO**

Non-Compliance material to Financial Statements – Regulatory Basis noted? **NO**

II. FINDINGS RELATING TO THE FINANCIAL STATEMENTS – REGULATORY BASIS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS

In accordance with Government Auditing Standards, our audit disclosed no findings relating to the financial statements – regulatory basis that are required to be reported. However, we have issued an accompanying Management Letter.

MANAGEMENT RESPONSES

Management is required to respond to any findings and recommendations in the audit report. A corrective action plan is required to be filed with the Division of Local Government Services, Department of Community Affairs, State of New Jersey within 45 days of the filing of this report.

A corrective action plan is not required for 2015.

STATUS OF PRIOR YEAR FINDINGS

Finding 2014-1:

Recommendation

That in accordance with NJSA 40A:11-5(1) (a) (1), all Professional Service Contract Awards be advertised.

This recommendation was corrected during 2015.

Finding 2014-2:

Recommendation

That the Township ensure all employees comply with the State of New Jersey Health Benefit Contribution requirements under state law..

This recommendation was corrected during 2015.

**CURRENT FUND
SCHEDULE OF CASH - TREASURER**

	<u>Current Fund</u>	<u>Grant Fund</u>
Balance December 31, 2014	\$ 2,525,186.76	-
Increased by Receipts:		
Tax Collector	15,739,329.71	
Revenue Accounts Receivable	1,470,652.35	
Miscellaneous Revenue	299,907.24	
State of New Jersey - Veteran and Senior		
Citizen Deductions	74,686.30	
Marriage Licenses	900.00	
Reserve for Garden State Preservation Trust	15,398.00	
Due to Grant Fund	616,555.69	
Payroll Taxes	1,441,201.40	
Reserve for Statewide Insurance Claims	3,732.70	
Laielli Court Letter of Credit	88,240.08	
Due to Trust - POAA	3.00	
Due from Current Fund	-	586,452.56
Federal and State Receivables	-	616,555.69
	<u>19,750,606.47</u>	<u>1,203,008.25</u>
	22,275,793.23	1,203,008.25
Decreased by Disbursements:		
Current Year Appropriation	3,799,015.05	
Prior Year Appropriations	223,639.57	
Accounts Payable	2,360.00	
County Taxes	2,993,061.22	
County Taxes Added Omitted	8,446.30	
Regional School Taxes	10,347,972.06	
Fire District Taxes	978,222.00	
Payroll Deductions Paid	1,445,709.65	
State Share of Marriage License Fees	925.00	
Laielli Court Letter of Credit	56,900.49	
Reserve Payment for Insurance Claim	24,226.66	
Due to MUA - Tax Sale Proceeds	52,246.97	
Due to Grant Fund	1,086,452.56	
Due to General Capital	83,444.13	
Due to Trust-Residential Revolving	21,618.00	
Due to Current Fund	-	616,555.69
Federal and State Disbursements	-	586,452.56
	<u>21,124,239.66</u>	<u>1,203,008.25</u>
Balance December 31, 2015	\$ <u>1,151,553.57</u>	<u>-</u>

See Accompanying Auditor's Report

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

Balance December 31, 2014		\$	-
Increased by Receipts:			
Prepaid Taxes	\$	240,738.08	
Taxes Receivable		15,130,620.48	
Tax Overpayments		(8,101.62)	
Tax Title and Other Liens		20,628.80	
			15,383,885.74
			15,383,885.74
Payments to Treasurer			15,383,885.74
Balance December 31, 2015		\$	-

See Accompanying Auditor's Report

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

Balance December 31, 2014		\$	161,127.90
Increased by:			
Transfers from Taxes Receivable	\$	65,827.13	
Interest and Costs Accrued by Sale of January 13, 2016		853.42	
		<hr/>	<hr/>
			66,680.55
			227,808.45
Decreased by:			
Collections		20,628.80	
		<hr/>	<hr/>
			20,628.80
Balance December 31, 2015		\$	<u>207,179.65</u>

See Accompanying Auditor's Report

**CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

	Balance	Accrued	Collected by		Balance
	Dec. 31, 2014	in 2015	Collector	Treasurer	Dec. 31, 2015
				Other	
\$	-	8,396.80	-	8,396.80	-
Alcoholic Beverages Fees and Permits	-	283,342.56	-	283,342.56	-
Fines and Costs:					
Municipal Court	4,731.94	103,710.99	-	101,287.12	7,155.81
Interest and Costs on Taxes	-	45,684.97	-	45,684.97	-
Interest on Investments	-	3,552.15	-	3,552.15	-
Verizon Cell Tower Lease	-	197,856.02	-	197,856.02	-
Solid Waste Transfer Fee	-	18,654.90	-	18,654.90	-
Cable TV Franchise Fee	-	20,475.39	-	20,475.39	-
Uniform Fire Safety Inspection Fees	-	7,806.58	-	7,806.58	-
Rent of Post Office	-	17,405.80	-	17,405.80	-
Rent of Patcong Building	-	6,600.00	-	6,600.00	-
Rent of Deli	-	6,480.64	-	6,480.64	-
Rent of House (Toy Store)	-	9,848.00	-	9,848.00	-
Rent of Martin Luther King Center	-	7,793.90	-	7,793.90	-
Energy Receipts Tax (PL 1997, C 162 and 167)	-	701,169.00	-	701,169.00	-
Buena Vista Township - Fire District JIF Insurance	-	35,873.75	-	35,873.75	-
Garden State Preservation Trust Fund	-	15,398.00	-	15,398.00	-
Miscellaneous Revenue Not Anticipated	-	299,907.24	-	299,907.24	-
	<u>4,731.94</u>	<u>1,789,956.69</u>	<u>-</u>	<u>1,787,532.82</u>	<u>7,155.81</u>
\$					
Cash Receipts		\$		1,770,559.59	
Interfunds				1,575.23	
Reserve for Garden State Trust				15,398.00	
		\$		<u>1,787,532.82</u>	

See Accompanying Auditor's Report

**CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR**

	Balance Dec. 31, 2014	Balance After Transfers	Paid or Charges	Balance Lapsed	Over- Expended
OPERATIONS WITHIN "CAPS"					
GENERAL GOVERNMENT:					
General Administration					
Salaries and Wages	0.51	0.51	-	0.51	-
Other Expenses	1,255.79	1,359.19	1,359.19	-	-
Mayor and Council					
Salaries and Wages	20.54	20.54	-	20.54	-
Other Expenses	136.56	405.36	302.95	102.41	-
Municipal Clerk					
Salaries and Wages	92.67	92.67	-	92.67	-
Other Expenses	3,673.78	3,673.78	3,448.78	225.00	-
Financial Administration					
Salaries and Wages	30.75	30.75	-	30.75	-
Other Expenses	3,221.17	3,221.17	3,221.17	-	-
Collection of Taxes					
Salaries and Wages	16.26	16.26	-	16.26	-
Other Expenses	2,425.20	2,425.20	2,424.91	0.29	-
Assessment of Taxes					
Salaries and Wages	54.66	54.66	-	54.66	-
Other Expenses	3,945.47	3,945.47	3,945.47	0.00	-
Prosecutor					
Salaries and Wages	3,236.25	3,236.25	-	3,236.25	-
Municipal Court					
Salaries and Wages	75.42	75.42	-	75.42	-
Other Expenses	289.78	1,539.78	1,431.65	108.13	-
Public Defender					
Salaries and Wages	1,400.00	1,400.00	1,300.00	100.00	-
Legal Services					
Other Expenses	10,982.82	10,982.82	10,982.82	-	-
Engineering Services					
Other Expenses	16,500.03	17,425.03	17,425.03	-	-

See Accompanying Auditor's Report

**CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR**

	Balance Dec. 31, 2014	Balance After Transfers	Paid or Charges	Balance Lapsed	Over- Expended
LAND USE ADMINISTRATION					
Planning Board					
Salaries and Wages	74.76	74.76	-	74.76	-
Other Expenses	346.53	346.53	346.00	0.53	-
Zoning Board of Adjustment					
Salaries and Wages	45.25	45.25	-	45.25	-
Other Expenses	1,703.49	1,703.49	1,703.49	-	-
Code Enforcement - Fire Inspector					
Salaries and Wages	4.13	4.13	-	4.13	-
Other Expenses	461.51	461.51	461.51	-	-
INSURANCE					
Employee Group Health	1,674.43	1,674.43	1,674.00	0.43	-
Health Benefits Waiver					
Salaries and Wages	1.64	1.64	-	1.64	-
PUBLIC SAFETY					
Police					
Salaries and Wages	254.16	254.16	-	254.16	-
Office of Emergency Management					
Other Expenses	1,000.00	1,000.00	-	1,000.00	-
First Aid Organizations-Contributions	7,547.20	8,375.00	8,375.00	-	-
PUBLIC WORKS					
Road Repairs and Maintenance					
Salaries and Wages	9,167.74	1,413.70	-	1,413.70	-
Other Expenses	10,371.92	10,371.92	10,371.92	-	-
Vehicle Maintenance					
Other Expenses	7,624.39	7,624.39	7,255.88	368.51	-
Buildings and Grounds					
Salaries and Wages	100.00	100.00	-	100.00	-
Other Expenses	17,294.44	17,294.44	14,948.43	2,346.01	-
Sanitation					
Other Expenses	31,833.94	31,833.94	25,147.08	6,686.86	-

See Accompanying Auditor's Report

**CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR**

	Balance Dec. 31, 2014	Balance After Transfers	Paid or Charges	Balance Lapsed	Over- Expended
HEALTH AND WELFARE					
Animal Control	3,500.00	3,500.00	-	3,500.00	-
Other Expenses					
Environmental Health Services					
Environmental Commission	412.00	412.00	-	412.00	-
Other Expenses					
PARKS AND RECREATION					
Parks and Playgrounds					
Salaries and Wages	100.00	100.00	-	100.00	-
Other Expenses	5,535.99	5,535.99	5,350.07	185.92	-
Summer Youth Program					
Other Expenses	200.00	200.00	-	200.00	-
Celebration of Public Events					
Other Expenses	3,500.00	3,500.00	3,500.00	-	-
Martin Luther King Center					
Salaries and Wages	287.94	287.94	-	287.94	-
Other Expenses	1,613.81	1,613.81	1,465.23	148.58	-
UNCLASSIFIED					
UTILITY EXPENSES AND BULK PURCHASES					
Electric	13,363.75	13,363.75	13,363.75	-	-
Street Lighting	4,517.27	4,517.27	4,517.27	-	-
Telephone	2,060.47	2,060.47	1,087.72	972.75	-
Natural Gas	2,296.16	2,296.16	1,684.20	611.96	-
Fuel Oil	2,849.93	2,849.93	2,000.00	849.93	-
Gasoline	3,508.17	7,887.21	7,887.21	-	-
Landfill/Solid Waste Disposal Costs	44,051.63	44,051.63	21,362.31	22,689.32	-
STATUTORY EXPENDITURES					
Contributions to:					
Social Security System (O.A.S.I.)	1,132.99	1,132.99	1,000.00	132.99	-
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. Seq.)	2,621.68	2,621.68	-	2,621.68	-

See Accompanying Auditor's Report

**CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR**

	Balance Dec. 31, 2014	Balance After Transfers	Paid or Charges	Balance Lapsed	Over- Expended
CAPITAL IMPROVEMENTS					
Lease Purchase of Public Works Equipment	8.14	8.14	-	8.14	-
Improvements to Roads	20,006.19	20,006.19	20,006.19	-	-
Improvements to Recreational Facilities	3,800.00	3,800.00	3,800.00	-	-
Improvements to Martin Luther King Center	7,500.00	7,500.00	7,500.00	-	-
Purchase of Public Works Truck	12,990.34	12,990.34	12,990.34	-	-
	<u>\$ 272,719.65</u>	<u>272,719.65</u>	<u>223,639.57</u>	<u>49,080.08</u>	<u>-</u>
Cash Disbursements			\$ 223,639.57		
Transfer to Accounts Payable			-		
			<u>\$ 223,639.57</u>		

See Accompanying Auditor's Report

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

Balance December 31, 2014	\$		
School Tax Deferred		-	
School Tax Payable		<u>812,907.48</u>	
			\$ 812,907.48
Increased by:			
Levy - Calendar Year 2015			<u>9,535,068.00</u>
			10,347,975.48
Decreased by:			
Cancelation of Payable			3.42
Payments			<u>10,347,972.06</u>
Balance December 31, 2015			
School Tax Deferred		-	
School Tax Payable		<u>-</u>	
			<u>-</u>
Current Year Liability for Regional District School Tax:			
Tax Paid			10,347,972.06
Tax Payable Ending			<u>-</u>
			10,347,972.06
Less: Tax Payable Beginning			<u>812,907.48</u>
Amount charged to Current Year Operations			<u>\$ 9,535,064.58</u>

See Accompanying Auditor's Report

**CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

<u>Purpose</u>	Balance Dec. 31, 2014	Transferred From 2015 Revenues	Received	Cancellations/ Adjustments	Balance Dec. 31, 2015
FEDERAL GRANTS:					
Small Cities Community Development Block Grant:					
Public Works Garage	21,590.00	-	-	-	21,590.00
Building Improvements	9,588.00	-	-	-	9,588.00
Road Construction - 2010	53,924.04	-	-	-	53,924.04
Total Federal	85,102.04	-	-	-	85,102.04
STATE GRANTS:					
NJ Transportation Trust Fund Authority Act Bikepath	32,075.00	-	-	-	32,075.00
Cains Mill Road - Phase IV	1,215.55	-	-	-	1,215.55
NJ DOT - 2014 Weymouth/Malaga Phase II	155,450.00	-	155,450.00	-	-
NJ DOT - 2013 Weymouth/Malaga Phase III	200,000.00	-	134,175.00	-	65,825.00
NJ DOT - 2013 Weymouth/Malaga Phase IV	-	196,000.00	128,925.00	-	67,075.00
Clean Communities	-	31,606.24	31,606.24	-	-
Municipal Alliance Program 2012	11,153.39	-	3,065.36	(15,035.61)	23,123.64
2015	-	26,189.00	26,189.00	-	-
Cultural Arts Grant	850.00	-	-	-	850.00
NJ DOT - Bikepath Program - 2000	8,717.38	-	-	-	8,717.38
NJ DEP - Hazardous Discharge Site Remediation Statewide Risk Control Grant	3,945.39	-	-	-	3,945.39
Department of Community Affairs - Shared Services Municipal Share	-	2,070.85	-	-	2,070.85
600.00	600.00	-	-	-	600.00
Total State	414,006.71	255,866.09	479,410.60	(15,035.61)	205,497.81

**CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

Purpose	Balance Dec. 31, 2014	Transferred From 2015 Revenues	Received	Cancellations/ Adjustments	Balance Dec. 31, 2015
OTHER GRANTS:					
Atlantic County Open Space Funding - 2009	174,519.00	-	48,576.00	-	125,943.00
Office of Culture & Heritage Affairs	1,050.00	-	-	-	1,050.00
Atlantic County - Community Development Block Grant-Prior	150,216.48	-	88,569.09	-	61,647.39
Atlantic County - Community Development Block Grant-2014	36,000.00	-	-	-	36,000.00
Total Other	<u>361,785.48</u>	<u>-</u>	<u>137,145.09</u>	<u>-</u>	<u>224,640.39</u>
\$	<u>860,894.23</u>	<u>255,866.09</u>	<u>616,555.69</u>	<u>(15,035.61)</u>	<u>515,240.24</u>
		Cash Receipts	600,398.31		
		Unappropriated Reserves	16,157.38		
			<u>616,555.69</u>		

See Accompanying Auditor's Report

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

	Balance December 31, 2014		2015		Encumbrances	Adjustments	Balance Dec. 31, 2015
	Appropriated	Reserve for Encumbrances	Appropriations	Disbursed			
FEDERAL GRANTS:							
Road Construction - 2010	\$ 53,924.04	-	-	-	-	-	53,924.04
FEEMA - Dam Reconstruction	37,945.04	-	-	-	-	-	37,945.04
Total Federal	91,869.08	-	-	-	-	-	91,869.08
STATE GRANTS:							
Clean Communities - 2011	5,509.09	-	-	5,509.09	-	-	-
Clean Communities - 2013	23,621.37	-	-	3,454.12	-	20,167.25	-
Clean Communities - 2013	9,896.06	4,891.72	-	14,468.05	-	-	319.73
Clean Communities - 2014	26,016.43	-	-	26,016.43	-	-	-
Clean Communities - 2015	-	-	31,606.24	31,606.24	-	-	-
Comcast Technology Grant	10,666.67	-	-	10,666.67	-	-	-
Municipal Alliance Program - 2013	21,284.85	-	-	21,284.85	-	-	-
Municipal Alliance Program - 2015	-	-	32,736.00	21,540.60	510.00	(62,264.59)	72,949.99
Bikepath - 2000	2,345.28	-	-	-	-	-	2,345.28
Cains Mill Road - Phase IV	20,328.05	-	-	-	-	-	20,328.05
Weymouth Road Phase I	3,391.28	14,900.99	-	650.00	-	-	17,642.27
Recycling Tonnage Grant - 2014	19,002.65	-	-	19,002.65	-	-	-
Recycling Tonnage Grant - 2015	-	-	16,157.38	16,157.38	-	-	-
Supplemental Fire Services Program - Fire District Payment	2,897.00	-	2,897.00	5,794.00	-	-	-
NJ DEP - Hazardous Discharge Site Remediation	29,112.50	-	-	-	-	-	29,112.50
NJ DOT - 2013 Weymouth/Malaga Phase III	183,500.00	16,500.00	196,000.00	162,624.97	24,519.76	-	37,375.03
NJ DOT - 2013 Weymouth/Malaga Phase IV	-	-	2,070.85	157,872.74	-	-	13,607.50
Statewide Risk Control Grant	-	-	-	-	-	-	2,070.85
Nature Trails Program	5,100.00	-	-	-	-	-	5,100.00
Total State	362,671.23	36,292.71	281,467.47	496,647.79	25,029.76	(42,087.34)	200,851.20
OTHER GRANTS:							
Atlantic County Open Space Grant	73,623.42	20,237.00	-	86,758.42	-	-	7,102.00
Atlantic County JIF Optional Safety Grant	1,355.26	-	-	-	1,355.26	-	-
Atlantic County Community Development Block Grant	6,276.35	-	-	1,725.00	4,528.35	-	23.00
Atlantic County-CDBG MLK Improvement - Prior	40,000.00	-	-	-	42,828.00	(2,828.00)	-
Atlantic County-CDBG MLK Improvement - 2014	40,000.00	-	-	1,321.35	40,443.65	(1,765.00)	-
Total Other	161,255.03	20,237.00	-	89,804.77	89,155.26	(4,593.00)	7,125.00
Totals	615,795.34	56,529.71	281,467.47	586,452.56	114,185.02	(46,690.34)	299,845.28

See Accompanying Auditor's Report

**CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS - UNAPPROPRIATED RESERVES**

<u>Purpose</u>	<u>Balance Dec. 31, 2014</u>	<u>Transferred To 2015 Appropriations</u>	<u>Received</u>	<u>Adjustments</u>	<u>Balance Dec. 31, 2015</u>
STATE GRANTS:					
Recycling Tonnage Grant	16,157.38	16,157.38	-	-	-
Total State	<u>16,157.38</u>	<u>16,157.38</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	<u>16,157.38</u>	<u>16,157.38</u>	<u>-</u>	<u>-</u>	<u>-</u>

See Accompanying Auditor's Report

CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION

Balance December 31, 2014		\$ 7,864,472.24
Decreased by:		
Sale of Foreclosed Property - Assessed Valuation	371,000.00	
	<hr/>	<hr/>
		371,000.00
Balance December 31, 2015		\$ <u><u>7,493,472.24</u></u>

See Accompanying Auditor's Report

CURRENT FUND
SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

Balance December 31, 2014	\$	5,475.00
Balance December 31, 2015	\$	<u>5,475.00</u>

See Accompanying Auditor's Report

**CURRENT FUND
SCHEDULE OF RENTAL DEPOSITS**

Balance December 31, 2014	\$	2,497.53
Balance December 31, 2015	\$	<u>2,497.53</u>

See Accompanying Auditor's Report

TRUST FUND
SCHEDULE OF ANIMAL CONTROL CASH - TREASURER

Balance December 31, 2014		\$	170.90
Increased By Receipts:			
Dog Licenses Fees	\$	7,905.60	
State License Fees		1,577.40	
Cat License Fees		1,497.00	
Late Fees		329.00	
Increase in Change Fund - Dog Clinic		300.00	
Interest		4.25	
			11,613.25
			11,784.15
Decreased By Disbursements:			
Animal Control Expenditures		4,645.77	
Due to State of New Jersey		1,574.40	
			6,220.17
Balance December 31, 2015		\$	5,563.98

See Accompanying Auditor's Report

TRUST FUND
SCHEDULE OF OTHER TRUST CASH - TREASURER

Balance December 31, 2014 - Treasurer	\$	386,245.52	
Balance December 31, 2014 - Collector		154,126.16	
		<u>540,371.68</u>	
Increased By Receipts:			
Due to Economic Development	\$	-	
Due from Current - Residential Revolving		21,618.00	
Due from Current - TTL Redemption		11.53	
Redemption of Outside Liens		50,557.24	
Interest on Investments		2.03	
Reserve for Recreation		1,507.21	
Reserve for Special Events		43,828.08	
Reserve for Landfill Closure Escrow		115.56	
Reserve for Economic Development		172.08	
Reserve for Trust Escrow		2.92	
Reserve for Residential Revolving Loans		17.88	
Reserve for Uniform Fire Safety		14,332.19	
Reserve for Summer Concert Series-Recreation		8,081.73	
Reserve for Planning Escrow Deposits		<u>107,717.99</u>	
		<u>247,964.44</u>	
		788,336.12	
Decreased By Disbursements:			
Due to Current - TTL Redemption		11.35	
Reserve for Outside Liens		26,320.12	
Reserve for Tax Premiums		85,800.00	
Reserve for Special Events		35,464.89	
Reserve for Summer Concert Series-Recreation		5,861.39	
Reserve for Planning Escrow Deposits		<u>51,819.30</u>	
		<u>205,277.05</u>	
Balance December 31, 2015	\$	<u><u>583,059.07</u></u>	
Balance December 31, 2015 - Treasurer	\$	490,493.58	
Balance December 31, 2015 - Collector		92,565.49	
	\$	<u><u>583,059.07</u></u>	

See Accompanying Auditor's Report

TRUST FUND
SCHEDULE OF RESERVE/(DEFICIT) FOR ANIMAL CONTROL EXPENDITURES

Balance December 31, 2014		\$	172.70
Increased By:			
Dog Licenses Fees Collected	\$	7,905.60	
Late Fees Collected		329.00	
Cat License Fees		1,497.00	
Return of Change Fund		300.00	
Interest		4.25	
			10,035.85
			10,208.55
Decreased By Disbursements:			
Animal Control Expenditures		4,645.77	
Due to Current - Expenditures		69.65	
			4,715.42
Balance December 31, 2015		\$	5,493.13

License Fees Collected	<u>Year</u>	
	2013	8,511.20
	2014	6,660.20
		\$ 15,171.40

See Accompanying Auditor's Report

**TRUST FUND
SCHEDULE OF AMOUNT DUE TO (FROM) STATE OF NEW JERSEY**

Balance December 31, 2014		\$	(1.80)
Increased By:			
Collected in 2015	\$ 1,577.40		
			1,577.40
			1,575.60
Decreased By:			
Paid to State of New Jersey	1,574.40		
			1,574.40
Balance December 31, 2015		\$	1.20

See Accompanying Auditor's Report

**GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER**

Balance December 31, 2014		\$	1,122,723.56
Increased by:			
Capital Improvement Fund	\$	5,000.00	
Proceeds from Bond Anticipation Notes		2,160,500.00	
Due to Current Fund		165,017.15	
Due to Grant Fund		500,000.00	
Reserve for Public Works Vehicle		12,990.34	
Reserve for MLK Improvements		27,500.00	
Reserve for Recreation Facilities		20,814.94	
Reserve for Improvements to Roads		20,006.19	
			<u>2,911,828.62</u>
			4,034,552.18
Decreased by:			
Improvement Authorizations		916,468.37	
Bond Anticipation Notes		1,765,500.00	
Reserve for MLK Improvements		3,442.74	
Reserve for Improvements to Roads		3,800.00	
			<u>2,689,211.11</u>
Balance December 31, 2015		\$	<u><u>1,345,341.07</u></u>

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
ANALYSIS OF CASH

	Balance Dec. 31, 2014	Receipts		Debt Issued	Disbursements		Transfers		Balance Dec. 31, 2015
		Miscellaneous			Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 2,581.52								2,581.52
Capital Improvement Fund	70,000.00	5,000.00						45,000.00	30,000.00
Due from Current Fund	(83,444.13)	165,017.15				80,000.00			1,573.02
Due from Grant Fund	(500,000.00)	500,000.00							
Reserve for Public Works Vehicle	-	12,990.34				3,442.74			9,547.60
Reserve for MLK Improvements	-	27,500.00							27,500.00
Reserve for Recreation Facilities	-	20,814.94							20,814.94
Reserve for Improvements to Roads	-	20,006.19				3,800.00		2,011.80	14,194.39
Encumbrances Payable	49,440.34							49,440.34	299,742.16
Improvement Authorizations:									
2-09 Roadway Improvement	(6,750.00)								(6,750.00)
7-09 Code Revitalization Services	700.00								700.00
14-10 Improvement to Various Streets & Roads									
a,b) Repair Storm Drainage System & Roadway Improvements						49,440.34			49,440.34
6-13 Construction of Salt Shed & Expenses	15,193.83								15,193.83
14-14 Various Improvements	1,575,002.00					867,028.03		297,730.36	410,243.61
7-15 Various Improvements				475,000.00					500,000.00
14-15 Dump Truck Recondition/Overhaul									20,000.00
	\$ 1,122,723.56	751,328.62		475,000.00	916,468.37	87,242.74	394,182.50		1,345,341.07

See Accompanying Auditor's Report

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

Balance December 31, 2014		\$	70,000.00
Increased by:			
Current Fund Budget Appropriation	\$	5,000.00	
		<hr/>	<hr/>
			5,000.00
			75,000.00
Decreased by:			
Improvement Authorizations Funded		45,000.00	
		<hr/>	<hr/>
			45,000.00
Balance December 31, 2015		\$	<u>30,000.00</u>

See Accompanying Auditor's Report

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

Balance December 31, 2014		\$	1,550,313.44
Decreased by:			
Serial Bonds Paid	250,000.00		
Green Acres Loan Paid	<u>17,906.76</u>		
			<u>267,906.76</u>
Balance December 31, 2015		\$	<u><u>1,282,406.68</u></u>

See Accompanying Auditor's Report

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Ord #	Improvement Description	Ord. Date	Amount	Balance December 31, 2014		Authorizations		Balance December 31, 2015	
				Funded	Unfunded	Other Funding	Deferred Charges to Future Taxation	Funded	Unfunded
7-09	Code Revitalization Services	9/14/2009	13,900.00	700.00	13,200.00	-	-	700.00	13,200.00
6-13	Construction of Sall Shed & Expenses	12/9/2013	15,194.00	15,193.83	-	-	-	15,193.83	-
14-14	Various Improvements	7/28/2014	1,580,000.00	75,002.00	1,500,000.00	-	-	-	410,243.61
7-15	Various Improvements	7/11/2015	50,000.00	-	-	25,000.00	475,000.00	25,000.00	475,000.00
14-15	Dump Truck Recondition/Overhaul	12/28/2015	20,000.00	-	-	20,000.00	-	20,000.00	-
				<u>90,895.83</u>	<u>1,513,200.00</u>	<u>45,000.00</u>	<u>475,000.00</u>	<u>60,893.83</u>	<u>898,443.61</u>

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
			December 31, 2015	Amount					
General Improvements	7/1/2009	2,490,000				1,430,000.00			1,180,000.00
			265,000.00	7/1/2016	4.250%			250,000.00	
			290,000.00	7/1/2017			-		
			305,000.00	7/1/2018					
			320,000.00	7/1/2019					
						<u>1,430,000.00</u>		<u>250,000.00</u>	<u>1,180,000.00</u>
						\$			\$

See Accompanying Auditor's Report

**GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PAYABLE**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds				Balance Dec. 31, 2014	Increased	Decreased	Balance Dec. 31, 2015
			Date	Outstanding December 31, 2015	Interest Rate	Amount				
Recreation Facility Expansion	3/2/1999	146,505	2016	9,830.93	2.000%	\$	19,453.45	9,622.52	9,830.93	
			2017	8,450.76	2.000%					
			2018	8,620.61						
			2019	8,793.89						
			2020	8,970.68						
Michael Debbi Park	6/14/2006	165,000	2021	9,150.95			100,859.99	8,284.24	92,575.75	
			2022	9,334.89						
			2023	9,522.52						
			2024	9,713.93						
			2025	9,909.18						
			10,108.34							
						\$	120,313.44	17,906.76	102,406.68	

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		Increased	Decreased	Balance Dec. 31, 2015
						Dec. 31, 2014	Dec. 31, 2015			
Improvement to Various Streets & Roads Repair Storm Drainage System & Roadway Improvement	14-2010	12/21/2010	9/11/2014	9/10/2015	1.00%	201,049.95	-	-	201,049.95	-
			9/10/2015	9/9/2016	0.81%	-	159,401.18	-	-	159,401.18
Public Works Equipment	14-2010	12/21/2010	9/11/2014	9/10/2015	1.00%	21,673.47	-	-	21,673.47	-
			9/10/2015	9/9/2016	0.81%	-	17,183.67	-	-	17,183.67
Purchase of Public Works Vehicles & Related Equipment	14-2010	12/21/2010	9/11/2014	9/10/2015	1.00%	39,342.29	-	-	39,342.29	-
			9/10/2015	9/9/2016	0.81%	-	31,192.29	-	-	31,192.29
Construction of Salt Shed & Expenses	6-2013	12/21/2010	9/11/2014	9/10/2015	1.00%	3,434.29	-	-	3,434.29	-
			9/10/2015	9/9/2016	0.81%	-	2,722.86	-	-	2,722.86
Various Improvements	14-2014	9/11/2014	9/11/2014	9/10/2015	1.00%	1,500,000.00	-	-	1,500,000.00	-
			9/10/2015	9/9/2016	0.81%	-	1,475,000.00	-	-	1,475,000.00
Various Improvements	7-2015	9/10/2015	9/10/2015	9/9/2016	0.81%	-	475,000.00	475,000.00	-	475,000.00
						<u>\$ 1,765,500.00</u>	<u>2,160,500.00</u>	<u>1,765,500.00</u>	<u>2,160,500.00</u>	
						Note Rollover	\$	1,685,500.00		
						Budget Paydown	\$	80,000.00		
							\$	<u>1,765,500.00</u>		

See Accompanying Auditor's Report

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2014	2015 Authorizations	Debt Issued	Other	Balance Dec. 31, 2015
2-09	Various Improvements	\$ 6,750.00	-	-	-	6,750.00
7-09	Code Revitalization Services	13,200.00	-	-	-	13,200.00
7-15	Various Improvements	-	475,000.00	475,000.00	-	-
		<u>\$ 19,950.00</u>	<u>475,000.00</u>	<u>475,000.00</u>	<u>-</u>	<u>19,950.00</u>

See Accompanying Auditor's Report

TOWNSHIP OF BUENA VISTA

PART II

GENERAL COMMENTS AND RECOMMENDATIONS

FOR THE YEAR ENDED

DECEMBER 31, 2015



GENERAL COMMENTS

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

N.J.S.A. 40A:11-4 states, "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law." Effective January 1, 2011, the bid threshold was \$17,500. However, effective July 1, 2015, pursuant to subsection b. of section 9 of P.L. 1971, c. 198 (C.40A:11-9), the governing body can establish the bid threshold at \$40,000 with the appointment of a qualified purchasing agent. The Township adopted the bid threshold of \$40,000.

The governing body of the Township of Buena Vista has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in a violation of the statute, the Township Committee's opinion should be sought before a commitment is made.

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.

Our examination of expenditures did not reveal any payments in excess of the bid threshold for the provision or performance of any goods or services, other than those where bids had been previously sought by public advertisement, awarded under state or county cooperative purchasing agreements, or awarded in compliance with other provisions of the "Local Public Contracts Law," N.J.S.A. 40A:11.

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

Reconstruction of Weymouth-Malaga Road – Phase III
Reconstruction of Weymouth-Malaga Road – Phase IV
Drainage Improvements for Wildwood Avenue

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on January 5, 2015 passed the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, R.S. 54:4-67 authorizes and permits a municipality to set penalties and rates of interest to be charged for non-payment of delinquent taxes and other municipal liens and charges; and,

WHEREAS, it has been determined by the governing body that the fixing of such interest rates and penalties would be beneficial to the municipality;

NOW, THEREFORE, BE IT RESOLVED, by the governing body of the Township of Buena Vista, County of Atlantic, and State of New Jersey, that it does hereby fix the maximum allowed under R.S. 54:4-67 to be charged against all properties who become delinquent as defined under R.S. 54:4-66 and 67.

BE IT FURTHER RESOLVED, that the charges on account of delinquent properties as set forth herein remain in effect from year to year until such time as the governing body adopts a new resolution setting forth new or different rates.

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

Delinquent Taxes and Tax Title Liens

The last tax sale was held on January 13, 2016 and was complete.

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

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

<u>Year</u>	<u>Number</u>
2015	126
2014	193
2013	179

It is essential to good management that all means provided by the statutes 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 taxes and charges as well as current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>
Payments of 2015 and 2016 Taxes	20
Delinquent Taxes	5
Tax Title Liens	15
Total	<u>40</u>

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>Tax Levy</u>	<u>Currently Cash Collections</u>	<u>Percentage of Collections</u>
2015	\$ 16,135,367	15,731,721	97.50%
2014	16,114,227	15,907,838	98.72%
2013	15,499,111	15,285,297	98.62%
2012	14,227,987	13,955,375	98.08%
2011	13,771,648	13,481,950	97.90%

{This space intentionally left blank}

Comparative Schedule of Tax Rate Information

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Tax Rate	\$ 2.321	2.310	2.216	2.033	1.972
Apportionment of Tax Rate:					
Municipal	0.394	0.394	0.393	0.384	0.375
County	0.461	0.463	0.461	0.352	0.348
Regional School	1.466	1.453	1.362	1.297	1.249
Assessed Valuation	650,544,624	653,468,895	654,241,744	654,065,899	634,129,406

Delinquent Taxes and Tax Title Liens

This tabulation includes a comparison, expressed in percentage, of the total 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	\$ 207,179.65	285,657.78	492,837.43	2.88%
2014	161,127.90	38,157.30	199,285.20	1.17%
2013	325,526.00	25,453.00	350,979.00	2.26%
2012	404,736.00	16,551.00	421,287.00	2.96%
2011	318,812.00	60,139.00	378,951.00	2.75%

Deposit of Municipal Funds

N.J.S.A. 40A:5-15 states:

“All moneys, including moneys collected by taxation, received from any source by or on behalf of any local unit or any board or department thereof shall, within 48 hours after the receipt thereof, either:

- a. be paid to the officer charged with the custody of the general funds of the local unit, who shall deposit all such funds within 48 hours after the receipt thereof to the credit of the local unit in its designated legal depository, or
- b. be deposited to the credit of the local unit in its designated legal depository.”

Our examination revealed that municipal funds were deposited within the mandated time.

{This space intentionally left blank}

FINDINGS AND RECOMMENDATIONS

None

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, LLC
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia
Michael S. Garcia
Certified Public Accountant
Registered Municipal Accountant
No. 472

May 20, 2016