

**CITY OF ENGLEWOOD
COUNTY OF BERGEN, NEW JERSEY**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULES
YEARS ENDED DECEMBER 31, 2016 and 2015**

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

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**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**PART I
INDEPENDENT AUDITORS' REPORT**

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**REGULATORY-BASIS FINANCIAL
STATEMENTS AND FOOTNOTES**

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members
of the City Council
City of Englewood
Bergen County, New Jersey

Report on the Financial Statements

We have audited the accompanying basic financial statements-regulatory basis of the City of Englewood ("City"), County of Bergen, State of New Jersey, which comprise the comparative balance sheets – regulatory basis of the various funds and account group as of December 31, 2016 and 2015, and the related comparative statements of operations and changes in fund balances – regulatory basis and the related notes to the financial statements for the years then ended, and the related statements of changes in fund balance, statements of revenues – regulatory-basis and statements of expenditures – regulatory-basis for the year ended December 31, 2016 as listed in the regulatory-basis financial statements section of the accompanying 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 financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"). 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 misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the requirements prescribed by the Division. Those standards and the requirements prescribed by the Division require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 City'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 City'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 estimates made by management, as well as evaluating the overall presentation of the financial statements.

WISS & COMPANY, LLP

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

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

As described in Note 2 to the financial statements, the financial statements are prepared by the City on the basis of the financial reporting provisions of the Division (regulatory basis), which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 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 preceding 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 the City as of December 31, 2016 and 2015, or the results of its operations and changes in fund balances for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

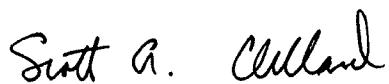
In our opinion, the financial statements referred to above present fairly, in all material respects the comparative balance sheets – regulatory basis of the various funds and account group of the City as of December 31, 2016 and 2015, and the results of its operations and changes in its fund balances of such funds – regulatory basis for the years then ended and the revenues – regulatory basis and expenditures – regulatory basis of the various funds for the year ended December 31, 2016 in accordance with the financial reporting provisions of the Division, as described in Note 2 to the financial statements.

Report on Supplementary Information as Required by the Division in Accordance with the Regulatory Basis

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's regulatory basis financial statements. The supplementary information, identified in the table of contents as Exhibits A-4 through D-5 and the general comments section and comments section, is presented for purposes of additional analysis as required by the Division, and is not a required part of the 2016 regulatory-basis financial statements of the City. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory basis financial statements or to the regulatory basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2017 on our consideration of the City'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 solely 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 the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Scott A. Clelland
Registered Municipal Accountant
No. 455



WISS & COMPANY, LLP

Livingston, New Jersey
June 30, 2017



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members
of the City Council
City of Englewood
Bergen County, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as 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, the regulatory-basis financial statements of the City of Englewood (the "City"), County of Bergen, New Jersey as of and for the year ended December 31, 2016, and the related notes to the financial statements, and have issued our report thereon dated June 30, 2017, in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the financial reporting provisions of the Division.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency or 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.

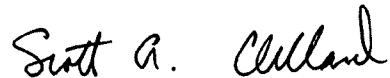
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Compliance and Other Matters

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

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 result of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Scott A. Clelland
Registered Municipal Accountant
No. 455



WISS & COMPANY, LLP

Livingston, New Jersey
June 30, 2017

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

CURRENT AND GRANT FUND
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2016 and 2015

<u>ASSETS</u>	<u>Ref.</u>	<u>BALANCE DEC. 31, 2016</u>	<u>BALANCE DEC. 31, 2015</u>	<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>BALANCE DEC. 31, 2016</u>	<u>BALANCE DEC. 31, 2015</u>
Current Fund:				Current Fund:			
Cash and Cash Equivalents - Treasurer	A-4	\$ 10,156,605.47	\$ 9,389,864.71	Appropriation Reserves	A-3 , A-18	\$ 850,466.52	\$ 650,951.55
Cash - Change Funds	A	400.00	400.00	Reserve for Encumbrances	A-3 , A-19	2,164,154.24	2,279,079.69
		<u>10,157,005.47</u>	<u>9,390,264.71</u>	Tax Overpayments	A-11	575,544.04	248,418.97
				Prepaid Taxes	A-12	976,319.37	929,632.36
Due from State of New Jersey Per Chapter 20, P.L. 1976 - Senior Citizen Deductions	A-9	8,691.17	3,531.27	Reserve for :			
				Various Deposits	A-23	7,233.80	7,233.80
Receivables and Other Assets with Full Reserves:				Tax Appeals	A-24	25,500.21	302,177.78
Delinquent Property Taxes Receivable	A-10	39,696.44	76,490.69	County Taxes Payable	A-15	44,541.80	22,182.10
Tax Title Liens Receivable	A-13	175,423.67	159,119.80	Local School Taxes Payable	A-16	0.52	0.50
Foreclosed Property	A-14	70,979.00	70,979.00	Reserve for the Sale of Municipal Assets	A-25	2,287,748.73	
Sewer User Charges Receivable	A-20	277,002.32	282,679.66	Garage Fees Payable	A-26	16,764.93	
Revenue Accounts Receivable	A-17	47,322.66	58,061.69	Interfunds Payable:			
Interfunds Receivable:				Other Trust Fund	A-22	<u>7,133.13</u>	
Grant Fund	A-8	64,652.91	45,510.71				
General Capital Fund	A-22	6,680.86	7,389.49			6,955,407.29	4,439,676.75
Animal Control Fund	A-22	3,357.78	12,939.29				
Community Development Trust Fund	A-22	4,635.42	163,067.82				
		<u>689,751.06</u>	<u>876,238.15</u>	Reserve for Receivables	Reserve	689,751.06	876,238.15
Deferred Charges:				Fund Balance	A-1	<u>3,228,289.35</u>	<u>4,990,119.23</u>
Special Emergency Authorizations	A-21	18,000.00	36,000.00				
Total Current Fund		<u>10,873,447.70</u>	<u>10,306,034.13</u>	Total Current Fund		<u>10,873,447.70</u>	<u>10,306,034.13</u>
State and Federal Grant Fund:				State and Federal Grant Fund:			
Grants Receivable	A-5	73,860.69	69,857.99	Interfund Payable - Current Fund	A-8	64,652.91	45,510.71
Interfunds Receivable:				Interfund Payable - Other Trust Fund	A-8	19,973.01	19,973.01
General Capital Fund	A-8	399,125.00	399,125.00	Reserve for State and Federal Grants:			
				Appropriated	A-6	373,197.36	348,195.58
				Unappropriated	A-7		1,997.57
				Reserve for Encumbrances	A-19	15,162.41	53,306.12
Total State and Federal Grant Fund		<u>472,985.69</u>	<u>468,982.99</u>	Total State and Federal Grant Fund		<u>472,985.69</u>	<u>468,982.99</u>
		<u>\$ 11,346,433.39</u>	<u>\$ 10,775,017.12</u>			<u>\$ 11,346,433.39</u>	<u>\$ 10,775,017.12</u>

See accompanying notes to the financial statements.

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

Exhibit - A-1

CURRENT FUND
COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>Ref.</u>	<u>YEAR 2016</u>	<u>YEAR 2015</u>
<u>REVENUE AND OTHER INCOME</u>			
Fund Balance Utilized	A-1 , A-2	\$ 3,300,000.00	\$ 4,300,000.00
Miscellaneous Revenues Anticipated	A-2	11,325,899.02	9,283,470.23
Receipts from Delinquent Taxes	A-2	63,806.87	60,678.81
Receipts from Current Taxes	A-2	111,892,052.94	110,053,813.61
Non-Budget Revenue	A-2	436,664.40	686,514.82
Other Credits to Income:			
Unexpended Balances of Appropriation Reserves	A-18	539,291.49	1,325,457.75
Interfund Loans Returned	A	<u>228,907.31</u>	<u>7,472.64</u>
 Total Revenues and Other Income		<u>127,786,622.03</u>	<u>125,717,407.86</u>
 <u>EXPENDITURES</u>			
Budget Appropriations:			
Operations	A-3	49,285,394.60	47,946,554.12
Capital Improvements	A-3	500,000.00	350,000.00
Municipal Debt Service	A-3	6,294,509.57	5,988,113.58
Def. Charges and Statutory Expenditures	A-3	6,084,446.00	5,858,000.00
County Taxes	A-10 , A-15	11,611,915.86	11,151,645.07
County Open Space Taxes	A-10 , A-15	119,767.81	118,231.76
Added and Omitted County Taxes	A-10 , A-15	44,541.80	22,182.10
Local School Taxes	A-10 , A-16	52,231,855.00	51,362,222.00
Prior Year Senior Citizen Deductions Disallowed			3,854.72
Interfund Advances	A	<u>76,021.27</u>	<u>228,907.31</u>
 Total Expenditures		<u>126,248,451.91</u>	<u>123,029,710.66</u>
Excess in Revenues Over Expenditures/Statutory Excess to Fund Balance		<u>\$ 1,538,170.12</u>	<u>\$ 2,687,697.20</u>
 <u>FUND BALANCE</u>			
Balance - January 1	A	<u>4,990,119.23</u>	<u>6,602,422.03</u>
Decreased by:			
Utilization as Anticipated Revenue	A-1 , A-2	<u>3,300,000.00</u>	<u>4,300,000.00</u>
Balance - December 31	A	<u>\$ 3,228,289.35</u>	<u>\$ 4,990,119.23</u>

See accompanying notes to the financial statements.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2016

Ref.	ANTICIPATED			EXCESS OR (DEFICIT)
	2016 BUDGET	N.J.S.A. 40A:4-87	REALIZED	
Fund Balance Anticipated				
Total Fund Anticipated	A-1	\$ 3,300,000.00	\$ 3,300,000.00	
		<u>3,300,000.00</u>	<u>3,300,000.00</u>	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	A-17	61,500.00	60,259.00	\$ (1,241.00)
Other	A-17	233,500.00	258,575.50	25,075.50
Fees and Permits:				
Other	A-17	128,500.00	160,163.15	31,663.15
Fines and Costs:				
Municipal Court	A-17	900,000.00	921,141.07	21,141.07
Interest and Costs on Taxes	A-17	164,000.00	143,980.02	(20,019.98)
Parking Meters	A-17	519,100.00	581,222.29	62,122.29
Interest on Investments and Deposits	A-2	2,000.00	6,377.87	4,377.87
Recreation Advisory Committee	A-17	538,250.00	636,849.35	98,599.35
Fire Prevention Fees	A-17	96,500.00	97,234.00	734.00
Kings Garden - PILOT	A-17	130,000.00	126,850.00	(3,150.00)
Rock Creek - Lafayette House - PILOT	A-17	261,000.00	321,250.00	60,250.00
Westmoor Gardons - PILOT	A-17	69,000.00	88,577.00	19,577.00
Exempt Sewer Charges	A-20	274,000.00	250,404.85	(23,595.15)
Parking Garage Fees	A-17	265,000.00	249,846.15	(15,153.85)
Municipal Hotel Tax	A-17	212,000.00	202,996.50	(9,003.50)
Cable Franchise Fees	A-17	64,000.00	57,547.65	(6,452.35)
Cell Tower Agreement	A-17	103,000.00	103,664.04	664.04
Sewer Charges	A-17	193,000.00	67,566.03	(125,433.97)
Consolidated Municipal Property Tax Relief	A-17	34,739.00	34,739.00	
Energy Receipts Tax	A-17	2,728,557.00	2,728,557.00	
Uniform Construction Code Fees	A-17	1,151,000.00	1,231,937.21	80,937.21
Public and Private Revenues Offset with Approp:				
Reach & Teach	A-5	24,000.00	24,000.00	
Municipal Alliance	A-5	20,000.00	20,000.00	
Sustainable Energy Grant	A-5	\$ 5,000.00	5,000.00	
Recycling Tonnage Grant	A-5	32,971.65	32,971.65	
Drunk Driving Enforcement Fund	A-5	5,213.00	5,213.00	
Clean Communities Grant	A-5	57,377.67	57,377.67	
State Forestry Services Green Communities	A-5	3,000.00	3,000.00	
Body Armor Replacement	A-5	7,477.28	7,477.28	
FDA Retail Standards	A-5	5,478.00	5,478.00	
FDA Mentorship Grant (NACCHO)	A-5	6,707.00	6,707.00	
Other Special Items:				
Uniform Fire Safety Act	A-17	51,700.00	64,558.55	12,858.55
Capital Surplus	A-22	500,000.00	500,000.00	
Special Assessment Surplus	A-22	150,000.00	73,468.98	(76,531.02)
Reserve for Debt payment - VESO Loan	A-22	5,000.00	5,000.00	
Phone Commissions	A-17	35,000.00	35,909.21	909.21
Reserve for Sale of Municipal Asset - Lincoln School	A-17	2,150,000.00	2,150,000.00	
Total Miscellaneous Revenues	A-1, A-2	11,064,346.00	123,224.60	11,325,899.02
		<u>11,064,346.00</u>	<u>123,224.60</u>	<u>11,325,899.02</u>
Receipts from Delinquent Taxes	A-1, A-2	30,000.00	63,806.87	33,806.87
Subtotal General Revenues		<u>11,094,346.00</u>	<u>123,224.60</u>	<u>11,389,705.89</u>
Amount to be Raised by Taxation for				
Support of Municipal Budget:				
Local Tax for Municipal Purposes	A-10	46,402,765.00	46,617,167.47	214,402.47
Minimum Library Tax	A-10	1,566,805.00	1,566,805.00	
	A-2	47,969,570.00	48,183,972.47	214,402.47
Total Budget Revenues		62,363,916.00	123,224.60	62,873,678.36
		<u>62,363,916.00</u>	<u>123,224.60</u>	<u>62,873,678.36</u>
Non-Budget Revenues	A-1, A-2		436,664.40	436,664.40
GRAND TOTALS		\$ 62,363,916.00	\$ 123,224.60	\$ 63,310,342.76
		<u>\$ 62,363,916.00</u>	<u>\$ 123,224.60</u>	<u>\$ 63,310,342.76</u>

See accompanying notes to the financial statements.

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

ANALYSIS OF REALIZED REVENUES

	<u>Ref.</u>	
<u>Allocation of Current Tax Collections:</u>		
Collection of Current Year Taxes	A-10	\$ 110,882,237.58
Prepaid Taxes Applied	A-10 , A-12	929,632.36
Senior and Veterans Deductions Allowed, net	A-9 , A-10	80,183.00
Current Tax Collections	A-1	<u>111,892,052.94</u>
Allocated to:		
School and County Taxes	A-10 , A-15 , A-16	<u>64,008,080.47</u>
Balance for Support of Municipal Budget Appropriations		47,883,972.47
Add: Reserve For Uncollected Taxes	A-3	<u>300,000.00</u>
Amount for Support of Municipal Budget	A-2	<u>\$ 48,183,972.47</u>
<u>Receipts from Delinquent Taxes and Liens</u>		
Receipts from Delinquent Taxes	A-10	<u>\$ 63,806.87</u>
		<u>\$ 63,806.87</u>
<u>Analysis of Miscellaneous Revenue Anticipated</u>		
Revenue Accounts Receivable	A-4, A-17	\$ 10,328,055.65
State and Federal Grants Receivable	A-5	167,224.60
Sewer User Charges Receivable	A-20	250,404.85
Due from Assessment Trust Fund	A-22	73,468.98
Due from General Capital	A-22 , C-15	506,680.86
Due from Animal Control Fund	A-22 , B-12	<u>64.08</u>
	A-2	<u>\$ 11,325,899.02</u>
<u>Analysis of Interest Earned</u>		
Due from General Capital Fund	A-22 , C-15	\$ 1,680.86
Due from Animal Control Fund	A-22	<u>64.08</u>
		<u>\$ 1,744.94</u>
Cash Receipts	A-17	<u>4,632.93</u>
	A-2	<u>\$ 6,377.87</u>
<u>Analysis of Non-Budget Revenues</u>		
Engineering		\$ 49,895.00
BCIA Refund		41,825.00
Vacant Property Rentals		49,300.00
GEHC PILOT		95,456.00
Extra Duty Processing Fee		32,295.00
EFD Entrance Exam		23,175.00
Other		<u>144,718.40</u>
	A-2	<u>\$ 436,664.40</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
OPERATIONS WITHIN "CAPS"						
City Council						
Salaries and Wages	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 1,163.89	\$ 1,489.78	
Other Expenses	5,000.00	5,000.00	2,346.33			
City Manager						
Salaries and Wages	302,000.00	302,000.00	301,191.15		808.85	
Other Expenses	68,000.00	68,000.00	59,399.45	5,652.97	2,947.58	
City Clerk						
Salaries and Wages	136,000.00	136,000.00	134,714.01		1,285.99	
Other Expenses	70,000.00	70,000.00	59,679.25	7,123.92	3,196.83	
Human Resources						
Salaries and Wages	215,000.00	225,000.00	221,547.73		3,452.27	
Other Expenses	40,000.00	52,000.00	48,035.44	2,214.73	1,749.83	
Purchasing						
Other Expenses	2,000.00	2,000.00	816.39	806.34	377.27	
Finance						
Salaries and Wages	407,000.00	415,000.00	414,561.95		438.05	
Other Expenses	140,000.00	142,000.00	137,974.13	3,900.09	125.78	
Computerized Data Processing Center						
Other Expenses	20,000.00	35,000.00	31,304.27	97.80	3,597.93	
Collection of Taxes						
Salaries and Wages	135,000.00	134,000.00	132,593.70		1,406.30	
Other Expenses	38,000.00	31,000.00	26,577.95	3,626.00	796.05	
Assessment of Taxes						
Salaries and Wages	164,000.00	164,000.00	162,754.03		1,245.97	
Other Expenses	40,000.00	40,000.00	28,209.61	4,526.54	7,263.85	
Legal Service and Costs						
Salaries and Wages	61,000.00	67,400.00	65,950.87		1,449.13	
Other Expenses	630,000.00	630,000.00	446,135.64	156,184.82	27,679.54	
Engineering Services						
Other Expenses	115,000.00	105,500.00	61,266.44	43,750.00	483.56	
Community Development						
Other Expenses	240,000.00	240,000.00	211,787.86	15,639.16	12,572.98	
Municipal Court						
Salaries and Wages	334,000.00	360,000.00	358,036.21		1,963.79	
Other Expenses	104,000.00	133,000.00	114,367.70	17,933.01	699.29	

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
OPERATIONS WITHIN "CAPS"						
Public Defender						
Other Expenses	\$ 14,000.00	\$ 14,000.00	\$ 10,800.00		\$ 3,200.00	
Insurance						
Medical	4,767,000.00	5,146,507.96	3,899,391.13	\$ 1,181,914.35	65,202.48	
Health Benefit Waiver	60,000.00	60,000.00	60,000.00			
Other Insurance Premium	1,025,000.00	954,939.13	954,939.13			
Workers Compensation	700,000.00	444,152.91	444,152.91			
Land Use						
Other Expenses	64,000.00	64,000.00	47,110.13	8,139.85	8,750.02	
Fire Division						
Salaries and Wages	6,925,000.00	6,905,000.00	6,884,518.79		20,481.21	
Other Expenses	200,800.00	220,800.00	198,625.47	22,103.90	70.63	
Fire Prevention						
Salaries and Wages	245,000.00	245,000.00	245,000.00			
Other Expenses	5,000.00	5,000.00	5,000.00			
Police						
Salaries and Wages	12,838,000.00	12,968,000.00	12,927,916.13		40,083.87	
Other Expenses	580,400.00	400,400.00	230,379.28	121,297.06	48,723.66	
Emergency Management Services						
Other Expenses	40,000.00	40,000.00		40,000.00		
DPW Administration						
Salaries and Wages	190,000.00	190,000.00	181,833.53		8,166.47	
Other Expenses	48,100.00	48,100.00	36,644.71	6,612.03	4,843.26	
Public Building and Grounds						
Other Expenses	285,000.00	285,000.00	255,395.59	21,991.69	7,612.72	
Shade Tree						
Salaries and Wages	313,000.00	303,000.00	287,930.21		15,069.79	
Other Expenses	48,000.00	48,000.00	28,065.56	12,686.19	7,248.25	

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
OPERATIONS WITHIN "CAPS"						
Roads						
Salaries and Wages	\$ 390,000.00	\$ 390,000.00	\$ 357,267.06		\$ 32,732.94	
Other Expenses	336,000.00	258,000.00	163,628.52	\$ 18,813.52		75,557.96
Central Maintenance - Garage						
Salaries and Wages	337,000.00	297,000.00	284,761.73			12,238.27
Other Expenses	647,000.00	647,000.00	571,686.53			4,918.66
Construction and Facilities Maintenance						
Salaries and Wages	372,000.00	367,000.00	356,925.52			10,074.48
Other Expenses	106,000.00	106,000.00	86,090.96			6,577.81
Sanitation						
Salaries and Wages	1,696,000.00	1,763,000.00	1,746,525.41			16,474.59
Other Expenses	48,000.00	16,000.00	7,482.44			133.06
Sewer Maintenance						
Salaries and Wages	314,000.00	284,000.00	262,556.89			21,443.11
Other Expenses	73,000.00	73,000.00	36,744.27			35,680.73
Park Maintenance						
Salaries and Wages	243,000.00	243,000.00	234,365.20			8,634.80
Other Expenses	44,000.00	44,000.00	39,086.17			4,913.83
Condominium Services Act						
Other Expenses	240,000.00	240,000.00	156,174.50			67,968.62
Board of Health						
Salaries and Wages	633,000.00	638,000.00	634,244.25			3,755.75
Other Expenses	80,000.00	80,000.00	72,255.38			6,199.43
Animal Control Regulation						
Other Expenses	45,000.00	45,000.00	36,648.46			8,351.54
Contribution to Child Dev. and Teen Program						
Other Expenses	59,000.00	59,000.00	58,413.00			587.00
Recreation Services and Programs						
Salaries and Wages	628,000.00	643,600.00	643,385.48			214.52
Other Expenses	540,000.00	639,900.00	594,608.65			0.00

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
OPERATIONS WITHIN "CAPS"						
Terminal Leave						
Salaries and Wages	\$ 400,000.00	\$ 510,000.00	\$ 505,836.22		\$ 4,163.78	
Construction Code Official						
Salaries and Wages	884,000.00	859,000.00	856,987.76		2,012.24	
Other Expenses	114,000.00	139,000.00	101,137.95	\$ 24,437.94	13,424.11	
Contingency	6,000.00	6,000.00			6,000.00	
Solid Waste Disposal	775,000.00	775,000.00	656,236.03	118,763.97		
Leaf Disposal Site	125,000.00	125,000.00	7,299.30	117,700.70		
Utilities						
Street Lighting	965,000.00	715,000.00	633,986.18		81,013.82	
Telephone / Communications	195,000.00	218,000.00	207,094.65	10,226.87	678.48	
Water	35,000.00	42,000.00	33,772.67		8,227.33	
Gas and Electric	400,000.00	400,000.00	375,014.17		24,985.83	
Fire Hydrant	400,000.00	363,000.00	329,518.71		33,481.29	
Total Operations Within "CAPS"	<u>42,774,300.00</u>	<u>42,714,300.00</u>	<u>39,796,686.74</u>	<u>2,122,686.30</u>	<u>794,926.96</u>	
DETAIL:						
Salaries and Wages	28,192,000.00	28,439,000.00	28,231,403.83		207,596.17	
Other Expenses	<u>14,582,300.00</u>	<u>14,275,300.00</u>	<u>11,565,282.91</u>	<u>2,122,686.30</u>	<u>587,330.79</u>	

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>2016 BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>EXPENDED</u>	<u>UNEXPENDED BALANCE CANCELLED</u>
DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL WITHIN "CAPS"					
Statutory Expenditures:					
Contribution to:					
Public Employee's Retirement System	\$ 915,000.00	\$ 915,000.00	\$ 913,289.00	\$ 1,711.00	
Social Security System (O.A.S.L.)	905,000.00	965,000.00	962,538.79		2,461.21
Defined Contribution Retirement Program	5,000.00	5,000.00	3,202.62		1,797.38
C.P.F.P.F.	40,000.00	40,000.00	34,858.64		5,141.36
Police and Firemen's Retirement System	4,141,446.00	4,141,446.00	4,141,446.00		
Total Deferred Charges and Statutory Expenditures Municipal Within "CAPS"	<u>6,006,446.00</u>	<u>6,066,446.00</u>	<u>6,055,335.05</u>	<u>\$ -</u>	<u>11,110.95</u>
Total General Appropriations for Municipal Purposes Within "CAPS"	<u>48,780,746.00</u>	<u>48,780,746.00</u>	<u>45,852,021.79</u>	<u>2,122,686.30</u>	<u>806,037.91</u>
OTHER OPERATIONS EXCLUDED FROM "CAPS"					
BCUA					
Share of Costs (PL 1968c 404) Sewer Charges	3,340,000.00	3,340,000.00	3,339,154.10		845.90
Recycling Tax	36,000.00	36,000.00	24,995.73		11,004.27
Maintenance of Free Public Library	2,105,870.00	2,105,870.00	2,031,823.62	30,463.67	43,582.71
Storm Water Regulation					
Salaries and Wages	291,000.00	291,000.00	291,000.00		
Other Expenses	27,000.00	27,000.00	27,000.00		
Reserve for Tax Appeals	<u>600,000.00</u>	<u>600,000.00</u>	<u>600,000.00</u>		
Total Other Operations Excluded from "CAPS"	<u>6,399,870.00</u>	<u>6,399,870.00</u>	<u>6,313,973.45</u>	<u>41,467.94</u>	<u>44,428.61</u>
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES					
Reach & Teach	24,000.00	24,000.00	24,000.00		
Municipal Alliance - State Share	20,000.00	20,000.00	20,000.00		
Municipal Alliance - Local Share	4,000.00	4,000.00	4,000.00		
Sustainable Energy Grant		5,000.00	5,000.00		
Recycling Tonnage Grant		32,971.65	32,971.65		
Drunk Driving Enforcement Fund		5,213.00	5,213.00		
Clean Communities Grant		57,377.67	57,377.67		
State Forestry Services Green Communities		3,000.00	3,000.00		
Body Armor Replacement		7,477.28	7,477.28		
FDA Retail Standards		5,478.00	5,478.00		
FDA Mentorship Grant (NACCHO)		6,707.00	6,707.00		
Total Public and Private Programs Offset by Revenues	<u>48,000.00</u>	<u>171,224.60</u>	<u>171,224.60</u>		
Total Operations Excluded from "CAPS"	<u>\$ 6,447,870.00</u>	<u>\$ 6,571,094.60</u>	<u>\$ 6,485,198.05</u>	<u>\$ 41,467.94</u>	<u>\$ 44,428.61</u>
DETAIL:					
Salaries and Wages	291,000.00	291,000.00	291,000.00		
Other Expenses	6,156,870.00	6,280,094.60	6,194,198.05	41,467.94	44,428.61

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED	UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>					
Capital Improvement Fund	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00		
Total Capital Improv. - Excl. from "CAPS"	500,000.00	500,000.00	500,000.00		
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>					
Payment of Bond Principal	1,520,000.00	1,520,000.00	1,515,000.00		\$ 5,000.00
Interest on Bonds	930,000.00	930,000.00	922,218.76		7,781.24
Payment of Bond Anticipation Notes and Capital Notes	1,182,100.00	1,182,100.00	1,173,850.00		8,250.00
Interest on Notes	470,000.00	470,000.00	468,240.81		1,759.19
Interest on Loans	5,200.00	5,200.00	5,200.00		
BCIA Lease Agreement - Principal and Interest	2,210,000.00	2,210,000.00	2,210,000.00		
Total Mun. Debt Service - Excl. from "CAPS"	6,317,300.00	6,317,300.00	6,294,509.57		22,790.43
<u>DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"</u>					
Deferred Charges:					
Special Emergency Authorizations	18,000.00	18,000.00	18,000.00		
Total Deferred Charges - Municipal Excluded from "CAPS"	18,000.00	18,000.00	18,000.00		

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

			EXPENDED			UNEXPENDED
	2016 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	BALANCE CANCELLED
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	\$ 13,283,170.00	\$ 13,406,394.60	\$ 13,297,707.62	\$ 41,467.94	\$ 44,428.61	\$ 22,790.43
Subtotal General Appropriations	62,063,916.00	62,187,140.60	59,149,729.41	2,164,154.24	850,466.52	22,790.43
Reserve for Uncollected Taxes	300,000.00	300,000.00	300,000.00			
Total General Appropriations	<u>\$ 62,363,916.00</u>	<u>\$ 62,487,140.60</u>	<u>\$ 59,449,729.41</u>	<u>\$ 2,164,154.24</u>	<u>\$ 850,466.52</u>	<u>\$ 22,790.43</u>
	Ref.	A-2	Below	Below	A, A-19	A
Original Budget	A-2		\$ 62,363,916.00			
Chapter 159's - special items of revenue	A-2		123,224.60			
	Above		<u>\$ 62,487,140.60</u>			
<u>Analysis of Paid or Charged</u>						
Cash Disbursements	A-4		\$ 57,860,504.81			
Capital Improvement Fund	A-22		500,000.00			
Reserve for Tax Appeals	A-24		600,000.00			
Special Emergency Authorizations	A-21		18,000.00			
Reserve for Uncollected Taxes	A-2		300,000.00			
Reserve for State and Federal Grants Appropriated	A-6		171,224.60			
	Above		<u>\$ 59,449,729.41</u>			

See accompanying notes to the financial statements

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

TRUST FUNDS
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2016 AND 2015

ASSETS	Ref.	BALANCE DEC. 31, 2016	BALANCE DEC. 31, 2015	LIABILITIES, RESERVES AND FUND BALANCE	Ref.	BALANCE DEC. 31, 2016	BALANCE DEC. 31, 2015
Assessment Trust Fund:				Assessment Trust Fund:			
Cash and Cash Equivalents	B-4	\$ 297,366.04	\$ 147,335.02	Assessment Serial Bonds Payable	B-6	\$ 4,995,000.00	\$ 5,625,000.00
Cash Held With Fiscal Agent	B-7	3,385.09	3,383.96	Fund Balance	B-1	1.13	73,468.98
Assessments Receivable	B-5	4,694,250.00	5,547,750.00				
Total Assessment Trust Fund		4,995,001.13	5,698,468.98	Total Assessment Trust Fund		4,995,001.13	5,698,468.98
Animal Control Trust Fund:				Animal Control Trust Fund:			
Cash and Cash Equivalents	B-4	25,663.58	34,338.09	Reserve for Animal Control Expenditures	B-9	22,319.00	21,397.60
Due From State Department of Health	B-10	13.20		Due to State Department of Health	B-10		1.20
Total Animal Control Trust Fund		25,676.78	34,338.09	Interfund Payable - Current Fund	B-11	3,357.78	12,939.29
Community Development Block Grant Fund:				Total Animal Control Trust Fund		25,676.78	34,338.09
Cash and Cash Equivalents	B-4	4,635.42		Community Development Block Grant Fund:			
Interfund Receivable - General Capital Fund	B-8	9,886.37	9,886.37	Interfund Payable - Current Fund	B-4	4,635.42	
Total Community Development Block Grant Fund		14,521.79	9,886.37	Reserve for Encumbrances	B-14	9,886.37	9,886.37
Unemployment Compensation Trust Fund:				Total Community Development Block Grant Fund		14,521.79	9,886.37
Cash and Cash Equivalents	B-4	271,489.90	210,635.13	Unemployment Compensation Trust Fund:			
Due From the State of New Jersey	B-13	17,253.73		Due to State of New Jersey	B-13		7,025.58
Interfund Receivable - Trust Fund Other		2,318.08	2,318.08	Reserve for Unemployment Insurance Claims	B-12	291,061.71	205,927.63
Total Unemployment Compensation Trust Fund		291,061.71	212,953.21	Total Unemployment Compensation Trust Fund:		291,061.71	212,953.21
Other Trust Fund:				Other Trust Fund:			
Cash and Cash Equivalents	B-4	6,247,507.74	6,304,670.87	Payroll Deductions Payable	B-15	346,049.70	333,576.48
Interfund - Current Fund	B-18	7,133.13		Various Reserves and Deposits	B-8	5,919,197.10	5,816,195.50
Interfund - Grant Fund	B-18	19,973.01	19,973.01	Interfund - Current Fund	B-18		163,067.82
Special Improvement District Taxes and Liens Receivable	B-17	80,535.73	80,912.77	Interfund - Unemployment Fund	B-18	2,318.08	2,318.08
Total Other Trust Fund		6,355,149.61	6,405,556.65	Reserve for Encumbrances	B-16	7,049.00	9,486.00
		\$ 11,681,411.02	\$ 12,361,203.30	Reserve for SID Taxes and Liens Receivables	B-17	80,535.73	80,912.77
				Total Other Trust Fund		6,355,149.61	6,405,556.65
						\$ 11,681,411.02	\$ 12,361,203.30

See accompanying notes to the financial statements

Exhibit B-1

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

ASSESSMENT TRUST FUND
STATEMENT OF CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>	
Balance - December 31, 2015	B	\$ 73,468.98
Increased by:		
Interest earned on Cash with Fiscal Agent	B-7	<u>1.13</u>
		73,470.11
Decreased by:		
Anticipated as Revenue in Current Fund Budget	B-4	<u>73,468.98</u>
Balance - December 31, 2016	B	<u>\$ 1.13</u>

See accompanying notes to the financial statements.

Exhibit B-2

ASSESSMENT TRUST FUND
STATEMENT OF ASSESSMENT REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

<u>Dedicated Revenues From:</u>	<u>2016</u>	<u>2016</u>	<u>Variance</u>
	<u>Anticipated</u>	<u>Realized</u>	
Assessments Received	<u>\$ 630,000.00</u>	<u>\$ 853,500.00</u>	<u>\$ 223,500.00</u>
<u>Ref.</u>	B-3	B-4, B-5	

See accompanying notes to the financial statements.

Exhibit B-3

ASSESSMENT TRUST FUND
STATEMENT OF ASSESSMENT EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

<u>Appropriations for Assessment Debt</u>	<u>2016</u>	<u>2016</u>	<u>Variance</u>
	<u>Anticipated</u>	<u>Actual</u>	
Payment of Bond Principal	<u>\$ 630,000.00</u>	<u>\$ 630,000.00</u>	<u>\$ -</u>
<u>Ref.</u>	B-2	B-4, B-6	

See accompanying notes to the financial statements.

CITY OF ENGLEWOOD
COUNTY OF BERGEN, NEW JERSEY

GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2016 AND 2015

	Ref.	December 31,	
		2016	2015
ASSETS			
Cash and Cash Equivalents	C-2, C-3	\$ 3,850,338.24	\$ 3,501,832.98
Parking Fees Receivable	C-10	404,397.72	505,867.93
Grants Receivable - County of Bergen	C-16		122,782.06
Deferred Charges to Future Taxation:			
Funded	C-4	23,904,589.30	29,839,845.80
Unfunded	C-5	57,667,160.32	49,576,414.53
		<u>\$ 85,826,485.58</u>	<u>\$ 83,546,743.30</u>
LIABILITIES, RESERVES AND FUND BALANCE			
General Serial Bonds Payable	C-13	\$ 17,795,000.00	\$ 22,310,000.00
Loan Revenue Bonds Payable - BCIA	C-12	6,109,589.30	7,529,845.80
Bond Anticipation Notes Payable	C-14	47,748,862.00	39,160,000.00
Interfund Payable - Community Development	C-15	9,886.37	9,886.37
Interfund Payable - Grant Fund	C-15	399,125.00	399,125.00
Interfund Payable - Current Fund	C-15	6,680.86	7,389.49
Reserve for Encumbrances	C-11	4,209,318.51	5,488,039.25
Improvement Authorizations:			
Funded	C-6	570,772.05	722,574.30
Unfunded	C-6	7,758,767.30	6,750,332.30
Capital Improvement Fund	C-8	12,825.47	5,776.47
Reserve for Debt Service	C-7	11,176.10	11,176.10
Various Reserves	C-9	73,759.02	91,759.02
Reserve for Receivables	C-10	404,397.72	505,867.93
Fund Balance	C-1	716,325.88	554,971.27
		<u>\$ 85,826,485.58</u>	<u>\$ 83,546,743.30</u>

There were Bonds and Notes Authorized but Not Issued at December 31, 2016 and 2015 of \$9,514,416.00 and \$10,262,945.00, respectively. See Exhibit C-17.

See accompanying notes to the financial statements.

CITY OF ENGLEWOOD
COUNTY OF BERGEN, NEW JERSEYGENERAL CAPITAL FUND
STATEMENT OF CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>	
Balance, December 31, 2015	C	\$ 554,971.27
Increased By:		
Premium on Sale of Notes	C-2	<u>661,354.61</u>
		1,216,325.88
Decreased By:		
Anticipated as Revenue in Current Fund Budget	C-15	<u>500,000.00</u>
Balance, December 31, 2016	C	<u>\$ 716,325.88</u>

See accompanying notes to the financial statements.

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

ENGLEWOOD FREE PUBLIC LIBRARY FUND
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2016 AND 2015

	Ref.	December 31,	
		2016	2015
ASSETS			
Cash and Cash Equivalents	D-2	\$ 421,043.75	\$ 377,745.19
Petty Cash / Change Funds	D	300.00	300.00
		<u>\$ 421,343.75</u>	<u>\$ 378,045.19</u>
RESERVES AND FUND BALANCE			
Reserve for Endowments	D-3	\$ 56,343.54	\$ 56,135.98
Reserve for State Aid Expenditures	D-4	22,753.19	14,740.97
Reserve for Custodial Fund Expenditures	D-5	48,094.61	47,900.40
Fund Balance	D-1	294,152.41	259,267.84
		<u>\$ 421,343.75</u>	<u>\$ 378,045.19</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

ENGLEWOOD FREE PUBLIC LIBRARY FUND
COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>Ref.</u>	<u>YEAR 2016</u>	<u>YEAR 2015</u>
<u>REVENUES</u>			
2016 Budget Appropriations	A-3	\$2,062,287.29	\$2,061,498.81
2015 Appropriation Reserves	A-18	<u>44,371.19</u>	<u>93,607.71</u>
		<u>\$ 2,106,658.48</u>	<u>\$ 2,155,106.52</u>
Library Operations			
Englewood Cliffs Contribution		80,208.33	225,000.00
Friends of the Library		19,305.00	9,500.00
Fines		36,522.00	18,063.00
Videos		4,041.97	5,924.00
Copy Machine		11,528.40	11,762.00
Miscellaneous		47,129.39	36,525.10
Interest		<u>2,250.57</u>	<u>2,193.00</u>
	D-2	<u>200,985.66</u>	<u>308,967.10</u>
Total Revenues		<u>2,307,644.14</u>	<u>2,464,073.62</u>
<u>EXPENDITURES</u>			
Current Fund Budget Appropriations			
Salaries and Wages	A-3,A-18	1,308,004.14	1,398,660.93
Other Expenses			
PERS		162,000.00	162,000.00
FICA		93,291.03	96,368.22
Insurance		324,912.52	296,947.23
Books		81,664.23	103,381.98
Heating and Lighting		37,178.32	36,785.00
Office Supplies		4,637.80	135.00
Facilities Maintenance		9,614.50	25,928.54
Other Contractual Service		32,659.96	27,768.45
Janitorial/Laundry Supplies		2,762.43	3,983.24
Automation		<u>49,933.55</u>	<u>3,147.93</u>
	A-3,A-18	<u>2,106,658.48</u>	<u>2,155,106.52</u>
Library Operations			
Office Supplies		8,424.95	14,064.00
Office Equipment / Service Maintenance		3,230.17	11,511.00
Postage		1,800.27	2,199.00
Periodicals		9,478.66	6,721.00
Books		11,526.93	33,076.00
Videos, Music and Recorded Books		11,845.88	27,356.00
Fuel			5,243.00
Staff Development		1,270.17	2,145.00
Programs		23,654.42	29,572.00
LVA		850.83	2,626.00
Other Contracted Services		31,187.65	126,641.00
Facilities Maintenance		40,792.52	12,198.00
Automation			13,794.00
Other Miscellaneous		<u>22,038.64</u>	<u>1,142.10</u>
	D-2	<u>166,101.09</u>	<u>288,288.10</u>
Total Expenditures		<u>2,272,759.57</u>	<u>2,443,394.62</u>
Excess in Revenues Over Expenditures		34,884.57	20,679.00
<u>FUND BALANCE</u>			
Balance - January 1	D	<u>259,267.84</u>	<u>238,588.84</u>
Balance - December 31	D	<u>\$ 294,152.41</u>	<u>\$ 259,267.84</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2016 AND 2015

	December 31,	
	2016	2015
<u>ASSETS</u>		
Land	\$ 92,238,900.00	\$ 93,414,900.00
Buildings	20,792,300.00	24,918,800.00
Machinery and Equipment	<u>15,261,175.00</u>	<u>14,740,620.00</u>
	<u><u>\$ 128,292,375.00</u></u>	<u><u>\$ 133,074,320.00</u></u>
<u>RESERVE</u>		
Investment in General Fixed Assets	<u><u>\$ 128,292,375.00</u></u>	<u><u>\$ 133,074,320.00</u></u>

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 1: FORM OF GOVERNMENT

The governing body of the City of Englewood, in the County of Bergen, New Jersey ("City") consists of the mayor and five council members, each elected for a three year term. Four are elected by the individual wards in which they live and the other is elected by a city-wide vote as an at-large member. The City is divided into four wards which are approximately equal in population. The City Council is the legislative branch of government, whereby, deciding public policy, creating City ordinances and resolutions, passing the City budget, appropriating funds for City services, and hiring the City Manager. The City Manager is the Chief Executive Officer of the City and is responsible for carrying out the policies of the City Council. The responsibilities of the City Manager include being accountable for all employees, proposing the annual budget and coordinating all activities of all departments within the City.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Governmental Accounting Standards Board ("GASB") established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division of Local Government Services ("Division") requires the financial statements of the City of Englewood to be reported separately.

Except as noted below, the financial statements of the City of Englewood include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the City of Englewood, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the City of Englewood do not include the operations of the Local School District, inasmuch as their activities are administered by a separate Board.

B. Description of Funds

The accounting policies of the City of Englewood conform to the accounting principles applicable to municipalities, which have been prescribed by the Division. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the City are organized on the basis of funds and an account group which is different from the fund structure required by generally accepted accounting principles ("GAAP"). A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operations of a specific governmental activity. As required by the Division, the City of Englewood accounts for its financial transactions through the following separate funds and account group:

Current Fund – records resources and expenditures for governmental operations of a general nature, including Federal and State grant funds, except as otherwise noted.

Trust Funds – records receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. The financial transactions of the following funds are reported within the Trust Fund:

Assessment Trust Fund
Animal Control Trust Fund
Community Development Block Grant Fund
Unemployment Compensation Trust Fund
Other Trust Fund

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

General Capital Fund – records resources, including Grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds, loans and notes authorized for said purposes. General bonds, notes and loans payable are recorded in this fund offset by deferred charges to future taxation.

Library Fund – records the receipts and disbursements of funds for the operation of the City Library.

General Fixed Assets Account Group - The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available or any other reasonable basis, provided such basis is adequately disclosed in the financial statements. Donated fixed assets are valued at their estimated fair value at the date of donation. No depreciation is recorded on general fixed assets.

The GASB is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. GASB's Codification of Governmental Accounting and Financial Reporting Standards recognizes three fund categories as appropriate for the accounting and reporting of the financial position and results of operations in accordance with GAAP to provide detailed information about the governmental unit. This structure of funds differs from the organization of funds prescribed under the regulatory basis of accounting utilized by the City. The resultant presentation of financial position and results of operations in the form of regulatory-basis financial statements is not intended to present the basic financial statements as required by GAAP.

C. Regulatory-Basis Financial Statements

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

D. Basis of Accounting

Basis of Accounting and Measurement Focus - The basis of accounting, as prescribed by the Division for its operating funds is generally a modified cash basis for revenue recognition and a modified accrual basis for expenditures. The operating funds utilize a "current financial resources" measurement focus. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from GAAP applicable to local government units. The most significant is the reporting of entity-wide financial statements, which are not presented in the accounting principles prescribed by the Division. The other more significant differences are as follows:

Revenues - Revenues are recorded as received in cash except for statutory reimbursements and grant funds, which are due from other governmental units. Receivables for property taxes and sewer user charges are recorded with offsetting reserves within the Current Fund and Special Improvement District Taxes Receivable are recorded with an offsetting reserve within the Other Trust Fund. Other amounts that are due to the City which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting (Continued)

recognition of revenues for general operations in the accounting period in which they become available and measurable.

Expenditures - For purposes of financial reporting, expenditures are recorded as "paid or charged" or "appropriation reserves." Paid or charged refers to the City's "budgetary" basis of accounting. Generally, these 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. Reserves for unliquidated encumbrances at the close of the year are reported as a cash liability. Encumbrances do not constitute expenditures under GAAP. Appropriation reserves refer to unexpended appropriation balances at the close of the year. Appropriation reserves are automatically created and recorded as a cash liability, except for amounts, which may be cancelled 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 and not recorded in the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Generally, unexpended balances of budget appropriations are not recorded as expenditures under GAAP. Expenditures for compensated absences, i.e., accumulations of earned but unused vacations and sick leave, are recorded in the accounting period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources.

For the purposes of calculating the results of Current Fund operations, the regulatory basis of accounting utilized by the City requires that certain expenditures be deferred and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories of overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the various balance sheets. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based upon the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps, master plans or the revaluation of assessable real property, would represent the designation of fund balance.

The Local Budget Law (N.J.S.A. 40A:4-1 et seq.) requires that certain transfers between funds, such as transfers from the Current Fund to the Trust Funds or General Capital Fund are required to be included in the City's annual budgets as budget appropriations. Expenditures are recorded upon the adoption of the budget for legally required transfers, and upon the determination of availability of funds for any discretionary transfers. Under GAAP, transfers are not recognized as expenditures.

New Jersey statutes require municipalities to provide annual funding to Free Public Libraries through the Current Fund Budget. Amounts paid on behalf of the Free Public Library or transferred to the custody of the Library's management are recorded as budgetary expenditures of the City. Under GAAP, the Library would be recognized, as a "component unit" of the City, and discrete reporting of the Library's financial position and operating results would be incorporated in the City's financial statements.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting (Continued)

Foreclosed Property – Foreclosed Property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the governmental fixed assets at fair value.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the accounting period the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve.

Compensated Absences - The City has adopted written policies via employee contracts and municipal ordinances which set forth the terms under which an employee may accumulate earned, but unused, vacation and sick leave, establishes the limits on such accumulations and specifies the conditions under which the right to receive payment for such accumulations vests with the employee. The City records expenditures for payments of earned and unused vacation and sick leave in the accounting period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources.

Grants Received - Federal and State Grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the City's Budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Long-term debt - The City's long-term debt is stated at face value. The debt is not traded and it is not practicable to determine its fair value without incurring excessive cost. Additional information pertinent to the City's long-term debt is provided in Note 4 to the financial statements.

Insurance Claims – Insurance claims incurred are not recorded as a liability but would be recorded as a liability under GAAP (See Note 11 to the financial statements).

Fixed Assets – N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the City as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$2,000.00 or more per unit.

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. No depreciation has been provided on general fixed assets or reported in the financial statements and are not required by the Division.

Fixed asset values for Machinery and Equipment are valued at historical cost or estimated historical cost if actual historical cost is not available. Land and Building values are stated at the assessed value contained in the City's most recent property revaluation. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Account Group rather than in a governmental fund.

Net Pension Liability and Pension Related Deferred Outflows of Resources and Deferred Inflows of Resources and Pension Expense – the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* require governmental entities to record

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting (Continued)

their distributive share of net pension liability, deferred outflows of resources, deferred inflows of resources and total pension related expense. Accounting principles applicable to municipalities, which have been prescribed by the Division, do not require the recording of these liabilities, deferrals and expenses, but do require the disclosure of these amounts. See Note 9 to the financial statements – Pension and Retirement Plans for these disclosures.

Sale of Municipal Assets – The proceeds from the sale of municipal assets can be held in a reserve until anticipated as revenue in a future budget. GAAP requires such proceeds to be recorded as revenue in year of sale.

E. Comparative Data

Comparative data for the prior year has been presented in order to provide an understanding of changes in the City's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

F. GASBs Implemented in the 2016 Fiscal Year

GASB Statement No. 72, *Fair Value Measurement and Application* ("GASB 72"). The objective of this Statement is to provide guidance for applying fair value for certain assets and liabilities and disclosures related to all fair value measurements. The requirements of this Statement mandate the use of valuation techniques that are appropriate under the circumstances and for which sufficient data are available to measure fair value. The requirements of this Statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. The City has adopted GASB 72 during the year ended December 31, 2016 and it did not have a significant impact on the financial statements.

The GASB issued Statement 77, *Tax Abatement Disclosures* in August 2015. This Statement is intended to improve financial reporting by requiring disclosure of tax abatement information about a reporting government's own tax abatement agreements and those that are entered into by other governments and that reduce the reporting government's tax revenues. The requirements of this Statement are effective for financial statements for reporting periods beginning after December 31, 2015. Since the City does not follow generally accepted accounting principles, the Statement did not result in a change in the City's assets, revenues or fund balance. However, certain required disclosures were included in Note 22.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Recent Pronouncements

The GASB issued Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in June 2015. This Statement replaces the requirements of Statement 45 and the primary objective of this Statement is to improve accounting and reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local government employers about financial support for OPEB that is provided by other entities. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2017. Management has not yet determined the impact of the Statement on the financial statements.

H. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred from December 31, 2016 through June 30, 2017, the date that the financial statements were issued and the effects of those that provided additional pertinent information about conditions that existed at the balance sheet date, have been recognized in the accompanying financial statements. The following were identified:

In April of 2017, the City issued \$32,631,000 of bond anticipation notes of 2017, Series A with an annual interest rate of 2.50%. The bond anticipation notes mature on April 4, 2018.

The City also issued \$14,285,000 of general obligation bonds payable in annual installments through 2031 with interest rates between 2.00% - 3.00%.

Note 3: DEFERRED COMPENSATION PLAN

The Englewood City Deferred Compensation Plan was established pursuant to Section 457 of the Internal Revenue Code and P.L. 1977, C. 381; P.L. 1978, C. 39; and P.L. 1980, C. 78 of the Statutes of New Jersey. The Plan is an arrangement whereby a public employer may establish a plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations. The program balances are not recorded in the Trust Fund of the City. The deferred compensation plans are administered by the ICMA Retirement Corporation and AXA Equitable. The City does not make any contributions to the plan and the deferred compensation is not available to employees until termination, retirement, death or unforeseeable hardship.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of the Internal Revenue Code Section 457(g), the City's plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the plan are held in trust, in annuity contracts or custodial accounts.

The plan's assets are not the property of the City and therefore are not presented in the financial statements.

As of December 31, 2016 and 2015, the amounts held in trust amounted to \$5,035,975.35 and \$4,578,135.27, respectively.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION

The Local Bond Law (N.J.S.A. 40A:2 et seq) governs the issuance of bonds and notes to finance municipal capital expenditures. The City's municipal debt is summarized as follows:

Summary of Municipal Debt

	<u>Year 2016</u>	<u>Year 2015</u>
Issued:		
General:		
Bonds and Loans	\$ 23,904,589.30	\$ 29,839,845.80
Notes	47,748,862.00	39,160,000.00
Assessment Trust:		
Bonds	<u>4,995,000.00</u>	<u>5,625,000.00</u>
 Total debt issued	 76,648,451.30	 74,624,845.80
 Less:		
Excess proceeds from bond anticipation notes held in trust	515.40	352,398.00
Funds temporarily held to pay Bonds and notes	<u>11,176.10</u>	<u>11,176.10</u>
 76,636,759.80	 74,261,271.70	
 Authorized but not issued:		
General:		
Bonds and notes	<u>9,514,416.00</u>	<u>10,262,945.00</u>
 Total authorized but not issued	 <u>9,514,416.00</u>	 <u>10,262,945.00</u>
 Net bonds and notes issued and authorized but not issued	 <u>\$ 86,151,175.80</u>	 <u>\$ 84,524,216.70</u>

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

Summary of Statutory Debt Condition - Annual Debt Statement – 2016

The summarized statement of debt condition which follows is reported in accordance with the required method for preparation of the Annual Debt Statement and indicates a statutory net debt of 1.824%:

	Gross Debt	Deductions	Net Debt
Local school district debt	\$ 12,215,000.00	\$ 12,215,000.00	
General debt	86,162,867.30	11,691.50	\$ 86,151,175.80
	<u>\$ 98,377,867.30</u>	<u>\$ 12,226,691.50</u>	<u>\$ 86,151,175.80</u>

Net Debt \$86,151,175.80 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$4,723,112,397.67 equals 1.824%.

EQUALIZED VALUATION BASIS

2014 Equalized Valuation Basis of Real Property	\$ 4,668,235,256.00
2015 Equalized Valuation Basis of Real Property	4,693,646,294.00
2016 Equalized Valuation Basis of Real Property	<u>4,807,455,643.00</u>
Average Equalized Valuation	<u>\$ 4,723,112,397.67</u>

BORROWING POWER UNDER N.J.S.A 40A:2-6 AS AMENDED

3 1/2% of Equalized Valuation Basis Municipal	\$ 165,308,933.92
Net Debt	<u>86,151,175.80</u>
Remaining Borrowing Power	<u>\$ 79,157,758.12</u>

The City of Englewood Board of Education is a Type II School District. As such, the members of the Board of Education are elected by the citizens of the City and school appropriations are set by the Board of Education. Bonds and notes authorized by voter referendum to finance capital expenditures are general obligations of the Board of Education and, as such, are reported on the financial statements of the Board of Education.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

The City's outstanding issues include the following:

\$8,775,000.00 of assessment bonds issued in December 2008 with a remaining balance at December 31, 2016 of \$4,995,000.00, due in annual installments ranging from \$585,000.00 to \$630,000.00 through January 2024 at interest rates ranging from 4.00% to 5.00%.

\$4,365,000.00 of general improvement bonds issued in May 2010 with a remaining balance at December 31, 2016 of \$3,385,000.00, due in annual installments ranging from \$185,000.00 to \$310,000.00 through August 2030 at interest rates ranging from 3.125% to 4.00%.

\$3,613,000.00 of taxable general improvement bonds issued in April 2014 with a remaining balance at December 31, 2016 of \$2,230,000.00, due in annual installments ranging from \$720,000.00 to \$770,000.00 through April 2019 at an annual interest rate of 2.00%.

\$16,450,000.00 of general improvement bonds issued in April 2014 with a remaining balance at December 31, 2016 of \$12,180,000.00, due in annual installments ranging from \$520,000.00 to \$1,010,000.00 through April 2032 at interest rates ranging from 3.00% to 3.50%.

\$15,316,015.70 of County Guaranteed Governmental Loan Revenue bonds issued in September 2005 with a remaining balance at December 31, 2016 of \$6,109,589.30, due in annual installments ranging from \$1,098,812.00 to \$1,349,735.40 through September 2021 at interest rates ranging from 4.17% to 4.43%.

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years and in Five Year Increments Thereafter for Bonded Debt Issued and Outstanding

Fiscal Year	General		Assessment Trust			Total
	Principal	Interest	Principal	Interest		
2017	\$ 1,425,000.00	\$ 633,587.50	\$ 630,000.00	\$ 226,125.00	\$ 2,914,712.50	
2018	1,460,000.00	593,325.00	630,000.00	200,137.50	2,883,462.50	
2019	1,505,000.00	551,625.00	630,000.00	171,000.00	2,857,625.00	
2020	750,000.00	516,675.00	630,000.00	139,500.00	2,036,175.00	
2021	770,000.00	487,925.00	630,000.00	108,000.00	1,995,925.00	
2022-2026	5,070,000.00	1,901,375.00	1,845,000.00	136,125.00	8,952,500.00	
2027-2031	5,805,000.00	833,387.50			6,638,387.50	
2032	1,010,000.00	22,050.00	-	-	1,032,050.00	
Total	<u>\$ 17,795,000.00</u>	<u>\$ 5,539,950.00</u>	<u>\$ 4,995,000.00</u>	<u>\$ 980,887.50</u>	<u>\$ 29,310,837.50</u>	

Bond Anticipation Notes

As of December 31, 2016, the City had bond anticipation notes outstanding in the amount of \$47,748,862.00. This balance represents \$47,168,862.00 of general obligation bond anticipation notes issued April 7, 2016 that mature on April 6, 2017 with an interest rate of 2.25% and \$580,000.00 tax appeal refunding notes issued on December 14, 2016, that mature on December 13, 2017 with an interest rate of 1.30%.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

Defeasance

On April 12, 2016, the City sold a firehouse and the Lincoln School properties for \$7,862,500.00 to non-governmental entities as the facilities were no longer suitable for the purposes for which they were originally acquired and therefore a portion of the 2014 debt had to be defeased. On May 18, 2016, the City established a restricted yield defeasance escrow account to defease and redeem a portion of the outstanding principal amount of the 2014 Bonds maturing on April 1 in the years 2017 through and including 2032 and bearing interest at rates ranging from 3.00% to 3.50% per annum in the aggregate principal amount of \$3,000,000.00 (“Defeased Portion of the 2014 Bonds”), for the purpose of paying: (i) the interest on the Defeased Portion of the Bonds through and (ii) the principal of the Defeased Portion of the Outstanding Bonds on the Redemption Date.

Note 5: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2016 and 2015 were appropriated and included as anticipated revenue in the Current fund for the “Fiscal Year” ending December 31, 2017 and 2016 as follows:

	<u>2017</u>	<u>2016</u>
Current fund	<u>\$ 1,600,000.00</u>	<u>\$ 3,300,000.00</u>

Note 6: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

As noted in Note 2, certain expenditures are required to be deferred to budgets of succeeding years.

At December 31, 2016, the City had \$18,000.00 of deferred charges in the current fund relating to special emergency appropriation. The Special Emergency appropriation was authorized in prior years relating to a master plan. The remaining balance was raised in the City’s Current Fund 2017 budget.

At December 31, 2015, the City had \$36,000.00 of deferred charges in the current fund relating to special emergency appropriations. The Special Emergency appropriation was authorized in prior years relating to a master plan. Of these balances, one-fifth of the initial deferred charges was raised in the City’s Current Fund 2016 budget. The remaining balance will be raised in the City’s 2017-2018 budgets.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
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Note 7: DEPOSITS AND INVESTMENTS

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund. New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

Cash on deposit is partially insured by federal deposit insurance in the amount of \$250,000.00 in each depository. Balances above the federal deposit insurance amount are insured by the Government Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:941, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

Based on GASB criteria, the City considers cash and cash equivalents to include petty cash, change funds, demand deposits, money market accounts, short-term investments and cash management money market mutual funds such as Pillar Funds, and are either any direct and general obligation of the United States of America and its agencies or certificates of deposit issued by any bank, savings and loan association or national banking association if qualified to serve as a depository for public funds under the provisions of the Government Unit Depository Protection Act. Cash and cash equivalents have original maturities of three months or less from the date of purchase. Investments are stated at cost, which approximates fair value.

At December 31, 2016, the book value of the City's cash and cash equivalents was \$21,275,376.54 which includes \$700.00 of change funds and petty cash. At December 31, 2016, the value of the City's cash and equivalents held on deposit amounted to \$22,508,910.22. Of the cash and cash equivalents held on deposit, \$1,587,100.06 was covered by federal depository insurance, \$20,107,840.67 was covered under provisions of New Jersey GUDPA, \$332,441.77 of New Jersey Cash Management funds was not collateralized and \$481,527.72 held in the City agency account is not covered by GUDPA.

At December 31, 2015, the book value of the City's cash and cash equivalents was \$19,954,895.89 which includes \$700.00 of change funds and petty cash. At December 31, 2015, the value of the City's cash and equivalents held on deposit amounted to \$21,496,602.00. Of the cash and cash equivalents held on deposit, \$1,310,069.45 was covered by federal depository insurance, \$19,413,756.83 was covered under provisions of New Jersey GUDPA, \$331,099.10 of New Jersey Cash Management funds was not collateralized and \$441,676.62 held in the City agency account is not covered by GUDPA.

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned. The government does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute and to deposit all of its funds in banks covered by FDIC and GUDPA. At least five percent of the City's deposits were fully collateralized by funds held by the financial institution, but not in the name of the City. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 7: DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

New Jersey Statutes establish the following as eligible for the investment of City funds:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States;
2. Government money market mutual funds;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided such obligation bear a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the City or bonds or other obligations of school districts of which the City is a part and within which the school district is located.
5. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase that are approved by the Division of Investment of the Department of Treasury for investment by local units;
6. Local government investment pools;
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section I of P.L. 1997, c. 281 (C.52:IXA-90G4);
8. Deposits with the New Jersey Asset and Rebate Management Fund (“NJ ARM”); or
9. Agreements for the repurchase of fully collateralized securities, if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3);
 - b. the custody collateralized is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days; and
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.199-41) and for which a master repurchase agreement providing for the custody and security of the collateral is executed.

GASB Statement No. 40 - *Deposit and Investment Risk Disclosures* requires the City to disclose its deposits and investment policies regarding certain types of investment risks. The City did not hold any investments as of December 31, 2016 and 2015 other than as follows:

New Jersey Cash Management Fund

In order to maximize liquidity, the City utilizes the New Jersey Cash Management Fund (“NJCMF”) as one of its investments. The NJCMF is administered by the State of New Jersey, Department of the Treasury and issues a separate report that can be obtained directly from the Department of the Treasury. It invests pooled monies from various State and non-State agencies in primarily short-term investments. These investments include: U.S. Treasuries, short-term Commercial Paper, U.S. Agency Bonds, Corporate Bonds, and Certificates of Deposit. Agencies that participate in the NJCMF typically earn returns that mirror short-term investments rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty. At December 31, 2016 and 2015, the City’s balance in NJCMF was \$332,441.77 and \$331,099.10, respectively, and is classified as cash equivalents at December 31, 2016 and 2015, respectively, due to its short-term nature.

All investments in the Fund are governed by the regulations of the Investment Council, which prescribes specific standards designed to ensure the quality of investments and to minimize the risks related to investments.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 7: DEPOSITS AND INVESTMENTS (CONTINUED)

New Jersey Cash Management Fund (continued)

In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

Custodial Credit Risk: All of the City's investments are uncollateralized. The City does not have a policy for custodial credit risk for its investments.

Concentration of Credit Risk: The City places no limit on the amount the City may invest in any one issuer.

Credit Risk: The City does not have an investment policy regarding the management of credit risk. GASB 40 requires disclosures be made to the credit rating of all debt security investments except for obligations for the U.S. Government or investments guaranteed by the U.S. government. The NJCMF is not rated by a rating agency.

Interest Rate Risk: The City does not have a policy to limit interest rate risk; however, its practice is typically to invest in investments with short maturities.

Cash Held With Fiscal Agent

At December 31, 2016 and 2015, the City has \$3,385.09 and \$3,383.96, respectively, of funds held by a fiscal agent which pertains to funds held by the City's attorney in escrow for billed special assessments as more fully described in Note 18.

Note 8: ASSESSMENT AND COLLECTION OF PROPERTY TAXES

A taxable valuation of real property is prepared by the Tax Assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. The County Board of Taxation establishes tax rates to reflect the levy necessary for municipal, local school district, special district and county taxes.

Tax bills are prepared and mailed by the Collector of Taxes of the City annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one half of the previous year's tax. The preliminary payments are due and payable on February 1st and May 1st. NJ Statutes allow a grace period of 10 days for each payment period and the City granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% to 18% of the amounts delinquent, and if a delinquency (including interest) is in excess of \$10,000.00 and remains in arrears after December 31, an additional flat penalty of 6% is charged against the delinquency. If taxes become delinquent, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
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YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 8: ASSESSMENT AND COLLECTION OF PROPERTY TAXES (CONTINUED)

known. In 2016 and 2015, the City, under Chapter 99 of the Laws of 1997, held an accelerated tax sale. See Note 21 for additional information.

Note 9: PENSION AND RETIREMENT PLANS

Substantially, all City employees participate in the Public Employees' Retirement System (PERS), Consolidated Police and Firemen's Pension Fund (CPFPF) and Police and Firemen's Retirement System (PFRS). The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds and charges municipalities annually for their respective contributions. The plans provide retirement and disability benefits, annual cost of living adjustments and benefits to plan members and beneficiaries. The plans are cost sharing multiple-employer defined benefit plans and as such do not maintain separate records for each municipality in the state and, therefore, the actuarial data for the City is not available. The Division of Pensions issues publicly available financial reports for each of the plans that include financial statements and required supplementary information. The reports may be obtained by writing the State of New Jersey, Division of Pensions.

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, the PERS and PFRS bill the City annually at an actuarially determined rate for its required contribution. The current rate of required contribution of annual covered payroll is 7.06% for PERS employees and 10.0% for PFRS. The contribution requirements of plan members and the City are established and may be amended by the Board of Trustees of respective plans. The City's contributions to the PERS for the years ended December 31, 2016, 2015 and 2014 were \$1,075,289.00, \$1,050,531.00 and \$939,929.00 respectively. The City's contributions to the PFRS for the years ended December 31, 2016, 2015 and 2014 were \$4,141,446.00, \$3,929,561.00 and \$3,638,920.00, respectively. The City's contribution to the Consolidated Police and Firemen's Pension Fund for the years ended December 31, 2016, 2015 and 2014 were \$34,858.64, \$83.26 and \$34,863.06, respectively.

Public Employee's Retirement System (PERS)

At December 31, 2016 and 2015, the City's liability for its proportionate share of the net pension liability was \$38,858,242.00 and \$28,076,294.00 respectively. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2016, the City's proportion was 0.1312019068 percent, which was an increase of 0.0061292975 from its proportion measured as of June 30, 2015.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 9: PENSION AND RETIREMENT PLANS (CONTINUED)

At December 31, 2016, the City's deferred outflows of resources and deferred inflows of resources related to PERS were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 8,049,352	
Net differences between projected and actual earnings on pension plan investments	1,481,700	
Difference between expected and actual experience	722,646	
Changes in proportion and differences between City contributions and proportionate share of contributions	1,273,170	\$ 295,373
City contributions subsequent to the measurement date	582,790	
	\$ 12,109,658	\$ 295,373

At December 31, 2015, the City's deferred outflows of resources and deferred inflows of resources related to PERS were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 3,015,170	
Net differences between projected and actual earnings on pension plan investments		\$ 451,413
Difference between expected and actual experience	669,802	
Changes in proportion and differences between City contributions and proportionate share of contributions	354,037	374,775
City contributions subsequent to the measurement date	537,645	
	\$ 4,576,654	\$ 826,188

\$582,790 and \$537,645 as of December 31, 2016 and 2015, respectively, are reflected above as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows, if the financial statements were prepared in accordance with generally accepted accounting principles:

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
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Note 9: PENSION AND RETIREMENT PLANS (CONTINUED)

Year ended December 31:

2017	\$ 2,623,087
2018	2,623,086
2019	2,760,549
2020	2,421,596
2021	<u>803,177</u>
	<u><u>\$ 11,231,495</u></u>

Actuarial Assumptions

The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions:

Inflation rate	3.08%
Salary increase through 2026	1.65 - 4.15%
	based on age
Thereafter	2.65 - 5.15%
	based on age
Investment rate of return	7.65%

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 actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	3.04%
Salary increase through 2026	2.15 - 4.40%
	based on age
Thereafter	3.15 - 5.40%
	based on age
Investment rate of return	7.90%

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 9: PENSION AND RETIREMENT PLANS (CONTINUED)

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.

Mortality Rates

Pre-retirement mortality rates were based on the RP-2000 Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) 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. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
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Note 9: PENSION AND RETIREMENT PLANS (CONTINUED)

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2016 are summarized in the following table:

Asset Class	Allocation	Real Rate of Return
Cash	5.00%	8.70%
U.S. Treasuries	1.50%	1.74%
Investment grade credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High yield bonds	2.00%	4.56%
Inflation-indexed bonds	1.50%	3.44%
Broad U.S. equities	26.00%	8.53%
Developed foreign equities	13.25%	6.83%
Emerging market equities	6.50%	9.95%
Private equity	9.00%	12.40%
Hedge funds/Absolute return	12.50%	4.68%
Real Estate (property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global debt ex U.S.	5.00%	-0.25%
REIT	5.25%	5.63%
	100.00%	

Discount rate

The discount rate used to measure the total pension liability was 3.98% as of June 30, 2016. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016 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 contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their 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 2034. Therefore, the long-term expected rated of return on plan investments was applied to projected benefit payments through 2034 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
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Note 9: PENSION AND RETIREMENT PLANS (CONTINUED)

7.90%, 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 recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the City's proportionate share of the net pension liability as of December 31, 2016 calculated using the discount rate as disclosed above as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.98 percent) or 1-percentage-point higher (4.98 percent) than the current rate:

	At 1% Decrease (2.98%)	At Current Discount Rate (3.98%)	At 1% Increase (4.98%)
City's proportionate share of the net pension liability	\$ 47,616,240	\$ 38,858,242	\$ 31,627,756

The following presents the City's proportionate share of the net pension liability as of December 31, 2015 calculated using the discount rate as disclosed above as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.90 percent) or 1-percentage-point higher (5.90 percent) than the current rate:

	At 1% Decrease (3.90%)	At Current Discount Rate (4.90%)	At 1% Increase (5.90%)
City's proportionate share of the net pension liability	\$ 34,895,398	\$ 28,076,294	\$ 22,359,206

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report for the State of New Jersey Public Employees Retirement System.

Additional Information

Collective balances of the Local Group at June 30, 2016 are as follows:

Deferred outflows of resources	\$ 6,135,087,729
Deferred inflows of resources	\$ 870,133,595
Net pension liability	\$ 29,617,131,759
City's Proportion	0.1312019068%

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
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Note 9: PENSION AND RETIREMENT PLANS (CONTINUED)

Collective balances of the Local Group at June 30, 2015 are as follows:

Deferred outflows of resources	\$ 2,946,265,815
Deferred inflows of resources	\$ 360,920,604
Net pension liability	\$ 22,447,996,119
City's Proportion	0.1250726093%

Collective pension expense for the Local Group for the measurement period ended June 30, 2016 and 2015 were \$2,827,610,195 and \$1,472,586,715, respectively.

The average of the expected remaining service lives of all plan members is 5.57 and 5.72 years for 2016 and 2015, respectively.

Police and Firemen's Retirement System (PFRS)

At December 31, 2016 and 2015, the City's liability for its proportionate share of the net pension liability was \$99,170,516 and \$84,864,344, respectively. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2016, the City's proportion was 0.5191478305 percent, which was an increase of 0.0096514044 from its proportion measured as of June 30, 2015.

At December 31, 2016, the City's deferred outflows of resources and deferred inflows of resources related to PFRS were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 13,735,931	
Differences between expected and actual experience		\$ 650,077
Net differences between projected and actual earnings on pension plan investments	6,948,678	
Changes in proportion and differences between City contributions and proportionate share of contributions	1,987,553	181,137
City contributions subsequent to the measurement date	2,116,412	
	\$ 24,788,574	\$ 831,214

**CITY OF ENGLEWOOD
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NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 9: PENSION AND RETIREMENT PLANS (CONTINUED)

At December 31, 2015, the City's deferred outflows of resources and deferred inflows of resources related to PFRS were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 15,668,067	
Differences between expected and actual experience		\$ 731,982
Net differences between projected and actual earnings on pension plan investments		1,476,990
Changes in proportion and differences between		
City contributions and proportionate share of contributions	1,154,089	232,451
City contributions subsequent to the measurement date	<u>2,070,723</u>	
	<u>\$ 18,892,879</u>	<u>\$ 2,441,423</u>

\$2,116,412 and \$2,070,723 are reported as deferred outflows of resources as of December 31, 2016 and 2015, respectively, related to pensions resulting from City contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows, if the financial statements were prepared in accordance with generally accepted accounting principles:

Year ended December 31:

2017	\$ 5,479,657
2018	5,479,657
2019	6,412,055
2020	4,141,048
2021	<u>328,531</u>
	<u>\$ 21,840,948</u>

Actuarial Assumptions

The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions:

Inflation rate	3.08%
Salary increase through 2026	2.10 - 8.98% based on age
Thereafter	3.10 - 9.98% based on age

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 9: PENSION AND RETIREMENT PLANS (CONTINUED)

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014.

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 actuarial assumptions:

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

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

Mortality Rates

Pre-retirement mortality rates were based on the RP-2000 Pre-Retirement mortality tables projected thirteen years using Projection Scale BB and then projected on a generational basis using the plan actuary's modified 2014 projection scales. Post-retirement mortality rates for male service retirements and beneficiaries are based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and two years using the plan actuary's modified 2014 projection scales. Post retirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected thirteen years using Projection Scale BB and then two years using the plan actuary's modified 2014 projection scales, which was further projected on a generational basis using the plan actuary's modified 2014 projection scales. Disability mortality rates were based on special mortality tables used for the period after disability retirement.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of

Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2016 are summarized in the following table:

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 9: PENSION AND RETIREMENT PLANS (CONTINUED)

Asset Class	Allocation	Real Rate of Return
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad US Equities	26.00%	8.53%
Developed Foreign Markets	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds / Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global Debtrex US	5.00%	-0.25%
REIT	5.25%	5.63%
	100.00%	

Discount rate

The discount rate used to measure the total pension liability was 5.55% as of June 30, 2016. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016 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 and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their 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 2050. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2050, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

The discount rate used to measure the total pension liability was 5.79% 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 7.90%, 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

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015

Note 9: PENSION AND RETIREMENT PLANS (CONTINUED)

contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2045. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2045, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the City's proportionate share of the net pension liability as of December 31, 2016 calculated using the discount rate as disclosed above as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.55 percent) or 1-percentage-point higher (6.55 percent) than the current rate:

	At 1% Decrease (4.55%)	At Current Discount Rate (5.55%)	At 1% Increase (6.55%)
City's proportionate share of the net pension liability	\$ 127,873,109	\$ 99,170,516	\$ 75,765,278

The following presents the City's proportionate share of the net pension liability as of December 31, 2015 calculated using the discount rate as disclosed above as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.79 percent) or 1-percentage-point higher (6.79 percent) than the current rate:

	At 1% Decrease (4.79%)	At Current Discount Rate (5.79%)	At 1% Increase (6.79%)
City's proportionate share of the net pension liability	\$ 111,878,148	\$ 84,864,344	\$ 62,837,001

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report for the State of New Jersey Police and Firemen's Retirement System.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 9: PENSION AND RETIREMENT PLANS (CONTINUED)

Additional Information

Collective balances of the Local Group at June 30, 2016 are as follows:

Deferred outflows of resources	\$ 4,547,316,543
Deferred inflows of resources	\$ 688,197,590
Net pension liability	\$ 20,706,699,056
City's Proportion	0.5191478305%

Collective pension expense for the Local Group for the measurement period ended June 30, 2016 is \$2,248,798,664.

Collective balances of the Local Group at June 30, 2015 are as follows:

Deferred outflows of resources	\$ 3,075,206,294
Deferred inflows of resources	\$ 433,559,708
Net pension liability	\$ 18,117,234,618
City's Proportion	0.5094964261%

Collective pension expense for the Local Group for the measurement period ended June 30, 2015 is \$1,619,458,723.

The average of the expected remaining service lives of all plan members is 5.58 and 5.53 years for 2016 and 2015, respectively.

Special Funding Situation

Under N.J.S.A 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation and the State is treated as a non-employer contributing entity. The non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the City as of June 30, 2016 and 2015 for Police and Fire was 0.519147829% and 0.509496426%, respectively, and the non-employer contributing entities' contribution for the years ended June 30, 2016 and 2015 for Police and Fire was \$319,100 and \$387,411, respectively. The State's proportionate share of the net pension liability attributable to the City for the years ended June 30, 2016 and 2015 was \$8,327,863 and \$7,442,318, respectively.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 10: POST RETIREMENT HEALTH BENEFITS

State Health Benefits Program (SHBP)

Plan Description:

The City contributes to the State Health Benefits Program (SHBP) a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. 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 <http://www.state.nj.us/treasury/pensions/audit-rpts-2016/sbhp-2016.pdf>.

Plan Coverage:

All active employees, including their dependents, are eligible to participate in the SHBP, upon completion of a sixty day waiting period. Retirees with twenty five years or more active service in PFRS/PERS and fifteen years or more active service with the City are also eligible to participate in the SHBP.

Funding Policy:

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

Contributions to pay for the health premiums of participating employees in the SHBP are billed to the City on a monthly basis. Eligible employees and retirees have the option of choosing from four medical benefit plans (NJ Direct15, NJ Direct10, Aetna or Horizon) with monthly rates for single, family, married and spouse, married and partner and family plans ranging from \$742.97 to \$2,754.68.

The City's contributions to SHBP for post-retirement benefits for the years ended December 31, 2016 and 2015 were \$1,202,135.96 and \$1,079,044.90, respectively, which equaled the required contributions for each year.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 11: RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error or omission, injuries to employees; and natural disasters. The City has established a worker's compensation plan for its employees. In addition, the City has established a plan for property and liability claims against the City. Transactions related to the plan are accounted for in the Current Fund through annual budget appropriations. Workers Compensation claims are paid directly by the plan up to a maximum of \$500,000.00 for any one accident or occurrence, with any excess benefit being reimbursed through a re-insurance agreement with Brit Insurance / Safety National Casualty Corporation. Liability claims are paid directly by the plan up to a maximum of \$130,000.00 to \$250,000.00 (varies by type of liability) for any one accident or occurrence, with any excess benefit being reimbursed through a re-insurance agreement with Lloyds of London or Safety National Casualty Corporation (employers liability). The limit of re-insurance varies by type of coverage and ranges from \$1,000,000.00 to \$15,000,000.00 per occurrence. A contingent liability exists with respect to reinsurance, which would become an actual liability in the event the reinsuring company may not be able to meet their obligations to the City under the existing agreements.

Estimates of claims payable were determined based on claim information supplied by the claims administrator. The City has not created a liability for loss reserves of \$2,917,859.99 for claims incurred which were unpaid at December 31, 2016. In addition, the City has not created a liability for any potential unreported losses which have taken place but in which the City has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but are deemed material.

The City is a member of the Garden State Municipal Joint Insurance Fund ("GSMJIF"). The GSMJIF is a public entity risk pool currently operating as a common risk management and insurance program for municipalities established for the purpose of insuring against casualty. While additional assessments on premiums can be levied by the GSMJIF to assure payment of the GSMJIF's obligations, no such additional premiums have been necessary as of December 31, 2016. The GSMJIF is expected to be self-sustaining through member premiums of which the City portion is reported as an expenditure in the City's financial statements and liabilities of the GSMJIF are based on the estimated ultimate cost of settling the claims.

The City is not aware of any claims pending that have a demand in excess of coverages provided under the GSMJIF. In addition, there were no significant reductions in insurance coverage from prior year coverage and there were no amounts settled which exceeded insurance coverage for each of the past three years.

Note 12: ACCRUED SICK AND VACATION BENEFITS

As discussed in Note 2 and in accordance with accounting principles prescribed by the Division, the cash basis of accounting is followed for recording the City's liability related to unused vacation, sick and personal time. The City of Englewood has established policies, which set forth the terms under which an employee may accumulate and be compensated for these unused benefits. The City estimates current cost of such unpaid compensation would approximate \$8,750,517.00 and \$8,734,000.00 at December 31, 2016 and 2015, respectively. This total is not intended to represent amounts that will ultimately be paid to employees upon termination or retirement, as no adjustment has been made to reflect the limitations on lump sum payments. Expenditures for payment of accrued sick benefits are recorded in the period in which the payments are made. In accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 13: TAX APPEALS

At December 31, 2016, there are several tax appeals pending before the New Jersey Tax Court requesting a reduction of assessed valuation for 2016 and prior years. Any reduction in assessed valuation will result in a refund of prior year's taxes in the year of settlement, which may be funded from the City's tax levy or through the issuance of refunding bonds or notes per N.J.S. 40A:2-51. In accordance with the National Council on Governmental Accounting Statement 4, "Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences," the City charges its reserve for tax appeals or refunding tax appeal ordinance for all State Board Judgments rendered during the year and also has the ability to charge current fund operations if needed which will be paid from expendable available financial resources. The City's share of the County taxes paid on any successful tax appeal would result in appropriate reductions applied against the County tax levy of the following year.

A reserve for tax appeals was established in prior years and as of December 31, 2016, the City has a balance of \$25,500.21 reserved in the current fund and has budgeted \$800,000.00 in the 2017 fiscal year for settlement of tax appeals.

Note 14: GUARANTEE OF DEBT

On October 24, 2006, the Englewood Volunteer Ambulance Corp. was approved for a low interest loan with the State of New Jersey under the Volunteer Emergency Service Organizations Program in the amount of \$50,000.00 for the purchase of an ambulance. The loan was required to be paid in annual installments over a ten year period. On October 9, 2008, the Englewood Volunteer Ambulance Corp. defaulted on the loan and on June 23, 2009, the City assumed the loan and a significant portion of the emergency medical service responsibility of the Corp. The City of Englewood agreed to make the principal payments on the loan from the loan proceeds which are reserved in the General Capital Fund and to pay the annual interest expenses by an annual budget appropriation in the Current Fund. At December 31, 2016, the loan balance was \$5,000.00 and is due in the 2017 fiscal year.

Note 15: CONTINGENT LIABILITIES

At December 31, 2016, the City had litigation pending. The majority of this litigation involves claims against the City relating to matters that traditionally would be covered through the procurement of workers' compensation and liability insurance policy coverages. As more fully described in Note 11, the City participates in a joint insurance fund. Management indicates the City is not involved in any pending or threatened litigation nor are there any unasserted claims or assessments requiring disclosure in the financial statements, other than those relating to the special assessment against certain properties, which is described in more detail in Note 18.

The City participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2016, the City does not believe that any material liabilities will result from such audits.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 16: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets as of December 31, 2016:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 79,326.97	\$ 7,133.13
State and Federal Grant Fund	399,125.00	84,625.92
Animal Control Trust Fund		3,357.78
Community Development Block Grant Trust Fund	9,886.37	4,635.42
Unemployment Compensation Trust Fund	2,318.08	
Other Trust Fund	27,106.14	2,318.08
General Capital Fund		415,692.23
 Total	 <u>\$ 517,762.56</u>	 <u>\$ 517,762.56</u>

All interfunds are expected to be liquidated within one year.

Note 17: UNEMPLOYMENT COMPENSATION INSURANCE

The City has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the City is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The City is billed quarterly for amounts due to the State. The City has reserved funds to pay for these costs and as of December 31, 2016 and 2015, had funds reserved of \$291,061.71 and \$205,927.63, respectively.

Note 18: SPECIAL ASSESSMENT

On March 8, 2008, the City adopted ordinance 2008-07, amending previously adopted ordinances 2003-18 and 2005-18 which were adopted for the purpose of providing for the acquisition of land and the construction of a roadway including access areas off Route 4 Eastbound and a public roadway from Route 4 to Sheffield Avenue in the City of Englewood. Ordinance 2008-07 appropriated additional funds to increase the total allotted costs for the above mentioned project to \$10,035,000.00. This ordinance also gave notice to the owners of all lots and parcels of real estate benefited by the improvements that the City intended to make and to levy special assessments against all such lots and parcels of real estate in the aggregate amount not to exceed the authorized costs of the project of \$10,035,000.00. As also stated in the approved ordinance, if the amount of the special assessment, as finally confirmed, is less than the total \$10,035,000.00, then the City will contribute the difference to the costs of the improvement.

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 18: SPECIAL ASSESSMENT (CONTINUED)

On April 24, 2012, the City adopted resolution #113-04-24-12 confirming the special assessment in the amount of \$8,535,000.00 which was required to be billed to and paid by the various property owners in equal installments over ten years. As part of the initial agreement with the various property owners, one property owner agreed to pay up front to the City a sum of \$500,000.00 which was to be returned to the owner upon the City's confirmation of the special assessment and collection of funds. As such, the initial billings sent out by the City were to be returned to the City attorney to ensure that the collection by the City of the first \$500,000.00 were placed in escrow to be held and ultimately released to the property owner. During the 2014 fiscal year, the property owner agreed to the release of \$179,700.94 of the funds held in escrow for the payment of building permit fees. The City also settled with the property owner on another matter in the amount of \$550,000.00 resulting in the release of \$320,299.06 from escrow for a portion of the payment of the aforementioned settlement amount. The property owner paid the remaining balance of \$220,630.78 during the 2014 fiscal year. The property owners challenged the assessment and in June 2013 a Court entered judgment in favor of the City affirming the special assessment in the amount of \$8,535,000.00. The property owners have appealed the Court's decision and to date no decision has been rendered. The City expects to prevail on the appeal.

Note 19: LEASE PROGRAM

On September 20, 2005, the City entered into an agreement with the Bergen County Improvement Authority ("Authority"), whereby the Authority issued \$15,316,015.70 of County Guaranteed Revenue Bonds (Series 2005B). Simultaneously with the issuance of these bonds, the Authority entered into a Borrow Purchase Agreement with the City, whereby the Authority purchased a Borrowed Bond from the City in the principal amount of the bonds issued. Under the Borrower bond, the City is required to make the loan repayments to the Authority in the amount of principal and interest, if any, on the Bonds. The payments commenced September 1, 2008 and continue through September 1, 2021.

The following represents the annual maturities under this agreement:

Year	Interest Rate	Price	Accretion	Final Maturity Amount
2017	4.17%	\$ 61,074	\$ 860,264.60	\$ 1,349,735.50
2018	4.23%	58,160	924,664.00	1,285,336.00
2019	4.31%	55,170	990,743.00	1,219,257.00
2020	4.38%	52,328	1,053,551.20	1,156,448.80
2021	4.43%	49,720	1,111,188.00	1,098,812.00
			\$ 4,940,410.80	\$ 6,109,589.30

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

Note 20: PALISADES SOUTH PARKING METER RECEIVABLE

On November 1, 2002, the City of Englewood entered into a developers' agreement for the redevelopment and revitalization of the Downtown Business District. The agreement included stipulations for the acquisition of property as well as for the relocation costs associated with the identified properties, for which the City would be responsible for up to \$800,000.00 of relocation costs. Additionally, the agreement included a clause that the developer would build a parking lot on the acquired property for which the City would be entitled to annual revenues from parking meter receipts up to \$80,000.00 per year over a 10 year period to cover the City's portion of the relocation expenses. Upon commencement of the acquisition of properties and the relocation associated with it in 2004, the City recorded a receivable of \$800,000.00 for parking meter receipts in the general capital fund that would be utilized to offset the incurred relocation expenses. As of December 31, 2016, the City has a receivable balance outstanding recorded in the general capital fund of \$404,397.72, which is fully reserved.

Note 21: ACCELERATED TAX SALE

Chapter 99 of the Public Laws of 1997 of the State of New Jersey, effective, May 12, 1997, authorizes any municipality to have an accelerated tax sale. An accelerated tax sale permits a municipality to have a tax sale when a property is in arrears after the 11th day of the 11th month of each fiscal year. In 2016 and 2015, the City had accelerated tax sales, which resulted in the majority of delinquent taxes being sold to outside lien holders. As a result of the accelerated tax sale, the true collection rate which includes the proceeds of the accelerated tax sale was 99.56% and 99.88% in 2016 and 2015, respectively and the underlying tax collection rate was 99.08% and 99.32% in 2016 and 2015, respectively.

Note 22: GASB 77 TAX ABATEMENTS

The City has entered into several property tax abatement agreements in order to provide incentives to redevelop areas that are in need for improvement or to create economic growth. These agreements are authorized under various New Jersey state statutes. The following represent the City's most significant tax abatement agreements at December 31, 2016:

Entity Name	Commencement	Termination	Taxes if Billed		
	Date	Date	Pilot Billing	in Full	Abated Taxes
Westmoor Gardens	1970	2020	\$ 88,577.00	\$ 542,047.87	\$ 453,470.87
MLKG Inc	1973	2023	126,850.00	375,864.85	249,014.85
GEHC	Not available	Not available	321,250.00	628,915.00	307,665.00
			<u>\$ 536,677.00</u>	<u>\$ 1,546,827.72</u>	<u>\$ 1,010,150.72</u>

**PART II – SUPPLEMENTARY SCHEDULES –
SUPPLEMENTARY INFORMATION –
AS REQUIRED BY THE DIVISION OF LOCAL GOVERNMENT SERVICES**

CURRENT AND GRANT FUND

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF CASH AND CASH EQUIVALENTS-TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>	<u>Current Fund</u>	<u>Grant Fund</u>
Balance, December 31, 2015	A	\$ 9,389,864.71	\$ -
Increased by Receipts:			
Miscellaneous Revenue Not Anticipated	A-2	\$ 433,358.70	
Taxes Receivable	A-10	110,946,044.45	
State of New Jersey (Ch. 20, P.L. 1976)	A-9	75,023.10	
Revenue Accounts Receivable	A-2 , A-17	10,328,055.65	
Prepaid Taxes	A-12	976,319.37	
Sewer User Charges Receivable	A-20	250,404.85	
Tax Overpayments	A-11	426,206.65	
Sale of Municipal Assets	A-25	2,287,748.73	
Garage Fees Payable	A-26	16,764.93	
Grants Receivable	A-5		\$ 161,224.33
Cash Receipts from Other Funds	A-8 , A-22	<u>264,010.71</u>	<u>23,142.20</u>
		126,003,937.14	184,366.53
		135,393,801.85	184,366.53
Decreased by Disbursements:			
2016 Budget Appropriations	A-3	57,860,504.81	
2015 Appropriation Reserves	A-18	2,390,739.75	
Appropriated Grant Reserves	A-6		131,060.41
Reserved for Encumbrances	A-19		53,306.12
Cash Disbursed to Other Funds	A-8 , A-22	27,777.62	
Tax Appeals	A-24	876,677.57	
Tax Overpayments	A-11	99,081.58	
Local School Taxes Payable	A-16	52,231,854.98	
County Taxes Payable	A-15	<u>11,753,865.77</u>	
		125,240,502.08	184,366.53
Balance, December 31, 2016	A	<u>\$ 10,153,299.77</u>	<u>\$ -</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

Program	Balance Dec 31, 2015	Budget Revenue	Cash Receipts	Transfer From Unappropriated Reserves	Balance Dec 31, 2016
ANJAC- Smart Growth Grant	\$ 4,066.00				\$ 4,066.00
Reach & Teach	36,000.00	\$ 24,000.00	\$ 30,000.00		30,000.00
Municipal Alliance	9,201.99	20,000.00	12,755.20		16,446.79
Sustainable Energy Grant		5,000.00	5,000.00		-
Recycling Tonnage Grant		32,971.65	32,971.65		-
Drunk Driving Enforcement Fund		5,213.00	5,213.00		-
Clean Communities Grant		57,377.67	57,377.67		-
State Forestry Services Green Communities		3,000.00	3,000.00		-
Body Armor Replacement		7,477.28	7,477.28		-
FDA Retail Standards		5,478.00	4,288.93		1,189.07
FDA Mentorship Grant (NACCHO)		6,707.00	3,140.60	\$ 1,997.57	1,568.83
Historic Preservation Grant - Mackay Gate House	<u>20,590.00</u>				<u>20,590.00</u>
	<u>\$ 69,857.99</u>	<u>\$ 167,224.60</u>	<u>\$ 161,224.33</u>	<u>\$ 1,997.57</u>	<u>\$ 73,860.69</u>

Ref A A-2 , A-6 A-4 A-7 A

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

GRANT FUND
SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS-APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2016

Program	Balance Dec 31, 2015	Transferred from 2016 Budget	Paid or Charged	Balance Dec 31, 2016
Municipal Alliance Program	\$ 9,350.14	\$ 20,000.00	\$ 14,385.67	\$ 14,964.47
Municipal Alliance Program-Local Match		4,000.00	3,870.53	129.47
State Forestry Services Green Communities		3,000.00		3,000.00
Bio -Terrorism Sub-Grant	1,977.22		711.85	1,265.37
Alcohol Education & Rehabilitation Fund	2,071.88			2,071.88
Reach & Teach	72,000.00	24,000.00	24,000.00	72,000.00
Drunk Driving Enforcement Fund	52,911.28	5,213.00		58,124.28
Pandemic Flu Preparedness	1,173.89		1,173.89	
Take Me Fishing Grant	44.28			44.28
Hepatitis B Grant	12.50			12.50
BC/US Dept of Justice Grant (JAG)	7,711.28			7,711.28
Public Health Priority Fund	555.25		315.00	240.25
Adolescent Health Grant	50,001.04		3,792.89	46,208.15
H1N1 Emergency Preparedness	1,043.05			1,043.05
H1N1 Corrective Action Mini Grant	838.52			838.52
Louis La Salle Tomorrow Fund	23,203.20			23,203.20
ANJAC- Smart Growth Grant-Local Match	6,653.75			6,653.75
FDA Mentorship Grant (NACCHO)		6,707.00	4,311.93	2,395.07
FDA Retail Standards		5,478.00		5,478.00
FEMA-Firefighters Grant	3.55			3.55
Body Armor Replacement	38,212.95	7,477.28	22,683.11	23,007.12
Hurricane Irene Relief Employment Fund	8,625.00			8,625.00
Historic Preservation Grant - Mackay Gate House	20,590.00			20,590.00
Recycling Tonnage	29,367.42	32,971.65	22,060.00	40,279.07
Clean Communities Program	9,091.24	57,377.67	48,917.95	17,550.96
Community Chest of Englewood	5,101.80			5,101.80
Drunk Driving Prevention	7,656.34			7,656.34
Sustainable Energy Grant		5,000.00		5,000.00
	<u>\$ 348,195.58</u>	<u>\$ 171,224.60</u>	<u>\$ 146,222.82</u>	<u>\$ 373,197.36</u>

Ref.	A	A-3 , Below	Below	A
Grants Receivable	A-5	\$ 167,224.60		
Local Share Raised by Budget	A-3, A-8	<u>4,000.00</u>		
	Above	<u>\$ 171,224.60</u>		
Cash Disbursed	A-4	\$ 131,060.41		
Reserved for Encumbrances	A-19	<u>15,162.41</u>		
	Above	<u>\$ 146,222.82</u>		

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

GRANT FUND
SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS-UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2016

Program	Balance Dec 31, 2015	Decreased by Appropriations	Balance Dec 31, 2016
NACCHO Grant	<u>\$ 1,997.57</u>	<u>\$ 1,997.57</u>	<u>\$ -</u>
	<u>\$ 1,997.57</u>	<u>\$ 1,997.57</u>	<u>\$ -</u>
<u>Ref.</u>	A	A-2, A-5	A

GRANT FUND
SCHEDULE OF INTERFUNDS RECEIVABLE (PAYABLE)
FOR THE YEAR ENDED DECEMBER 31, 2016

Ref.	General Capital Fund	Current Fund	Other Trust Fund
Balance, December 31, 2015	A	\$ 399,125.00	\$ (45,510.71)
Increased by:			
Local Share of Appropriations Raised On-Behalf of the State and Federal Grant Fund	A-6	4,000.00 399,125.00	(41,510.71) (19,973.01)
Decreased by:			
Cash Received from Other Funds	A-4	23,142.20	_____
Balance, December 31, 2016	A	<u>\$ 399,125.00</u>	<u>\$ (64,652.91)</u>
		<u>\$ 399,125.00</u>	<u>\$ (19,973.01)</u>

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF DUE FROM THE STATE OF NEW JERSEY
SENIOR CITIZENS AND VETERANS DEDUCTIONS
PER CHAPTER 20, P.L.1976
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Ref.</u>	
Balance - December 31, 2015	A	\$ 3,531.27
Increased by:		
Deductions Allowed Per Tax Billings	Below	\$ 77,500.00
2016 Deductions Allowed by Collector	Below	<u>2,891.90</u>
		<u>80,391.90</u>
		83,923.17
Decreased by:		
2016 Deductions Disallowed by Collector	Below	208.90
Cash Receipts	A-4	<u>75,023.10</u>
		<u>75,232.00</u>
Balance - December 31, 2016	A	<u>\$ 8,691.17</u>
Analysis of Senior Citizens, Veterans and Disability Deductions Realized <u>as Revenues in FY 2016</u>		
Deductions Allowed Per Tax Billings	Above	\$ 77,500.00
Plus:		
2016 Deductions Allowed by Collector	Above	<u>2,891.90</u>
		80,391.90
Less:		
2016 Deductions Disallowed by Collector	Above	<u>208.90</u>
Amount Realized as Revenue - 2016	A-2 , A-10	<u>\$ 80,183.00</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2016

Year	Balance, December 31, 2015	2016 Levy	Collections by Collector		St. Share Sr. Citizen Deductions	Remitted Adjusted and Cancelled	Transfer to Tax Title Liens	Balance, December 31, 2016
			2015	2016				
2013	\$ 4,320.47					\$ (2,423.49)		\$ 6,743.96
2014	53,154.88			\$ 42,963.13				10,191.75
2015	19,015.34			20,843.74		(10,044.34)		8,215.94
			76,490.69	-	63,806.87	-	(12,467.83)	-
								25,151.65
2016			\$ 112,385,015.84	\$ 929,632.36	\$ 110,882,237.58	\$ 80,183.00	464,805.65	\$ 13,612.46
			\$ 76,490.69	\$ 112,385,015.84	\$ 929,632.36	\$ 110,946,044.45	\$ 80,183.00	\$ 452,337.82
								\$ 13,612.46
								\$ 39,696.44
	Ref.	A	Below	A-2, A-12	A-2, A-4	A-2, A-9	Reserved	A-13
								A

Analysis of 2016 Property Tax Levy

Tax Yeld:

General Purpose Tax \$ 111,961,590.60
Added Taxes (54:4-63:1 et seq.) 423,425.24

Above \$ 112,385,015.84

Tax levy:

Local District School Taxes A-1, A-16 \$ 52,231,855.00
Total Local District School Tax A-2 \$ 52,231,855.00

County Tax:

County Taxes A-1, A-15 11,611,915.86
County Open Space Preservation Taxes A-1, A-15 119,767.81
Due Cty. For Added & Omitted Taxes A-1, A-15 44,541.80
Total County Tax A-2 11,776,225.47

Local Tax for Municipal Purposes A-2 46,402,765.00
Local Tax for Library Purposes A-2 1,566,805.00
Additional Taxes Levied 407,365.37
Total Local Tax for Mun. Purposes 48,376,935.37

Above \$ 112,385,015.84

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>	
Balance - December 31, 2015	A	\$ 248,418.97
Increased by:		
Cash Receipts	A-4	<u>426,206.65</u>
		674,625.62
Decreased by:		
Refunds	A-4	<u>99,081.58</u>
Balance - December 31, 2016	A	<u>\$ 575,544.04</u>

CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>	
Balance - December 31, 2015	A	\$ 929,632.36
Increased by:		
Collection of 2017 Taxes	A-4	<u>976,319.37</u>
		1,905,951.73
Decreased by:		
Applied to 2016 Taxes	A-2 , A-10	<u>929,632.36</u>
Balance - December 31, 2016	A	<u>\$ 976,319.37</u>

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Ref.	
Balance - December 31, 2015	A	\$ 159,119.80
Increased by:		
Transfers from Taxes Receivable	A-10	\$ 13,612.46
Miscellaneous Adjustments	Reserved	<u>2,691.41</u>
		<u>16,303.87</u>
Balance - December 31, 2016	A	<u><u>\$ 175,423.67</u></u>

**CURRENT FUND
SCHEDULE OF FORECLOSED PROPERTY
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Ref.	
Balance - December 31, 2016 and 2015	A	<u><u>\$ 70,979.00</u></u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

	Ref.	
Balance - December 31, 2015	A	\$ 22,182.10
Increased by:		
2016 Levy:		
County Taxes	A-1, A-2, A-10	\$ 11,611,915.86
County Open Space Taxes	A-1, A-2, A-10	119,767.81
Added and Omitted Taxes	A-1, A-2, A-10	<u>44,541.80</u>
		<u>11,776,225.47</u>
		11,798,407.57
Decreased by:		
Cash Disbursements	A-4	<u>11,753,865.77</u>
Balance - December 31, 2016	A	<u>\$ 44,541.80</u>

CURRENT FUND
SCHEDULE OF LOCAL SCHOOL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

	Ref.	
Balance - December 31, 2015	A	\$ 0.50
Increased by:		
Levy - 2016	A-1, A-2, A-10	<u>52,231,855.00</u>
		52,231,855.50
Decreased by:		
Cash Disbursements	A-4	<u>52,231,854.98</u>
Balance - December 31, 2016	A	<u>\$ 0.52</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

	Ref.	Balance Dec 31, 2015	Accrued 2016	Collected	Balance Dec 31, 2016
Miscellaneous Revenues Anticipated:					
Alcoholic Beverage Licenses	A-2	\$ 60,259.00	\$ 60,259.00		
Licenses - Other	A-2	258,575.50	258,575.50		
Fees & Permits	A-2	160,163.15	160,163.15		
Municipal Court	A-2	\$ 58,061.69	910,402.04	921,141.07	\$ 47,322.66
Interest and Costs on Taxes	A-2	143,980.02	143,980.02		
Parking Meters	A-2	581,222.29	581,222.29		
Interest on Investments and Deposits	A-2	4,632.93	4,632.93		
Recreation Advisory Committee	A-2	636,849.35	636,849.35		
Fire Prevention Fees	A-2	97,234.00	97,234.00		
Kings Garden - PILOT	A-2	126,850.00	126,850.00		
Rock Creek - Lafayette House - PILOT	A-2	321,250.00	321,250.00		
Westmoor Gardons - PILOT	A-2	88,577.00	88,577.00		
Parking Garage Fees	A-2	249,846.15	249,846.15		
Municipal Hotel Tax	A-2	202,996.50	202,996.50		
Cable Franchise Fees	A-2	57,547.65	57,547.65		
Cell Tower Agreement	A-2	103,664.04	103,664.04		
Sewer Charges	A-2	67,566.03	67,566.03		
Consolidated Municipal Property Tax Relief	A-2	34,739.00	34,739.00		
Energy Receipts Tax	A-2	2,728,557.00	2,728,557.00		
Uniform Construction Code Fees	A-2	1,231,937.21	1,231,937.21		
Uniform Fire Safety Act	A-2	64,558.55	64,558.55		
Phone Commissions	A-2	35,909.21	35,909.21		
Reserve for Sale of Municipal Asset - Lincoln School	A-2	2,150,000.00	2,150,000.00		
	Ref.	\$ 58,061.69	\$ 10,317,316.62	\$ 10,328,055.65	\$ 47,322.66
	Ref.	A		A-2, A-4	A

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF 2015 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Balance Dec 31, 2015	Reserved for Encumbrances Dec 31, 2015	Budget Modifications	Balance After Modifications	Paid or Charged	Balance Lapsed
City Council						
Other Expenses	\$ 102.82			\$ 102.82	\$ 65.00	\$ 37.82
City Manager						
Salaries and Wages	1,338.62			1,338.62		1,338.62
Other Expenses	504.59	\$ 483.27	\$ 5,000.00	5,987.86	4,587.95	1,399.91
City Clerk						
Salaries and Wages	1,436.89			1,436.89		1,436.89
Other Expenses	12,728.07	2,149.56		14,877.63	6,559.46	8,318.17
Human Resources						
Salaries and Wages	764.61			764.61		764.61
Other Expenses	11,189.75	428.04	(5,000.00)	6,617.79	272.94	6,344.85
Purchasing						
Other Expenses		545.43		545.43	545.43	
Finance						
Salaries and Wages	1,038.75			1,038.75		1,038.75
Other Expenses	4,277.08	13,745.23	8,000.00	26,022.31	13,824.36	12,197.95
Computerized Data Processing Center						
Other Expenses	1,561.83			1,561.83		1,561.83
Collection of Taxes						
Salaries and Wages	1,033.46			1,033.46		1,033.46
Other Expenses	3,377.43			3,377.43	2,090.83	1,286.60
Assessment of Taxes						
Salaries and Wages	1,047.81			1,047.81		1,047.81
Other Expenses	2,300.64	2,145.52		4,446.16	2,431.52	2,014.64
Legal Service and Costs						
Salaries and Wages	48.00			48.00		48.00
Other Expenses	3,560.14	122,500.51	5,000.00	131,060.65	63,213.45	67,847.20
Engineering Services						
Other Expenses		17,500.00		17,500.00	17,500.00	
Community Development						
Other Expenses	7,272.06	17,559.69	4,000.00	28,831.75	27,232.70	1,599.05

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF 2015 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Reserved for		Budget Modifications	Balance After Modifications	Paid or Charged	Balance Lapsed
	Balance Dec 31, 2015	Encumbrances Dec 31, 2015				
Municipal Court						
Salaries and Wages	\$ 1,335.02			\$ 1,335.02		\$ 1,335.02
Other Expenses	9,872.39	\$ 4,168.30		14,040.69	\$ 7,324.27	6,716.42
Insurance						
Medical	54,201.11	870,623.63	\$ (197,000.00)	727,824.74	663,675.73	64,149.01
Other Insurance Premium	6,189.36	43,085.91		49,275.27	49,275.27	
Workers Compensation	156,680.25	112,944.48		269,624.73	269,624.73	
Land Use						
Other Expenses	4,442.61			4,442.61	4,206.82	235.79
Fire Division						
Salaries and Wages	3,078.05			3,078.05		3,078.05
Other Expenses	19,116.26	36,699.24		55,815.50	50,026.90	5,788.60
Police						
Salaries and Wages	3,907.30			3,907.30		3,907.30
Other Expenses	41,030.37	146,792.48		187,822.85	163,434.51	24,388.34
DPW Administration						
Salaries and Wages	934.03			934.03		934.03
Other Expenses	361.03	12,713.98	5,000.00	18,075.01	14,452.44	3,622.57
Public Building and Grounds						
Other Expenses	1,717.75	18,863.73	65,000.00	85,581.48	84,294.01	1,287.47
Shade Tree						
Salaries and Wages	3,206.20			3,206.20		3,206.20
Other Expenses	2,009.08	3,494.51	11,000.00	16,503.59	11,898.87	4,604.72

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF 2015 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Balance Dec 31, 2015	Reserved for Encumbrances Dec 31, 2015	Budget Modifications	Balance After Modifications	Paid or Charged	Balance Lapsed
Roads						
Salaries and Wages	\$ 159.13			\$ 159.13		\$ 159.13
Other Expenses	1,289.81	\$ 370.00	\$ 10,000.00	11,659.81	\$ 635.57	11,024.24
Central Maintenance - Garage						
Salaries and Wages	809.29			809.29		809.29
Other Expenses	448.14	41,361.55	30,000.00	71,809.69	70,590.67	1,219.02
Construction and Facilities Maintenance						
Salaries and Wages	3,012.81			3,012.81		3,012.81
Other Expenses	3,942.68	8,294.13		12,236.81	11,788.62	448.19
Sanitation						
Salaries and Wages	150.50			150.50		150.50
Other Expenses	720.94			720.94	720.94	
Sewer Maintenance						
Salaries and Wages	500.83			500.83		500.83
Other Expenses	5,068.62	2,568.08	5,000.00	12,636.70	10,933.08	1,703.62
Park Maintenance						
Salaries and Wages	33.52			33.52		33.52
Other Expenses	2,711.69			2,711.69	2,200.00	511.69
Condominium Services Act						
Other Expenses	43,543.32			43,543.32		43,543.32
Board of Health						
Salaries and Wages	1,309.21			1,309.21		1,309.21
Other Expenses	1,158.24	7,974.91	2,000.00	11,133.15	7,704.53	3,428.62
Animal Control Regulation						
Other Expenses	5,523.30			5,523.30		5,523.30
Contribution to Child Dev. & Teen Program						
Other Expenses	587.00	29,206.50		29,793.50	29,206.50	587.00
Recreation Services and Programs						
Salaries and Wages	2,947.78			2,947.78		2,947.78
Other Expenses	21,072.33	55,740.06	2,000.00	78,812.39	70,680.60	8,131.79

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF 2015 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Balance Dec 31, 2015	Reserved for Encumbrances Dec 31, 2015	Budget Modifications	Balance After Modifications	Paid or Charged	Balance Lapsed
Terminal Leave						
Salaries and Wages	\$ 4,854.92			\$ 4,854.92	\$ 700.00	\$ 4,154.92
Construction Code Official						
Salaries and Wages	2,428.92			2,428.92	-	2,428.92
Other Expenses	1,622.20	\$ 1,481.26	\$ 6,000.00	9,103.46	7,841.67	1,261.79
Contingency	6,000.00			6,000.00		6,000.00
Solid Waste Disposal	2,306.70	197,036.90	(6,000.00)	193,343.60	174,523.88	18,819.72
Leaf Disposal Site	4,021.00	84,433.00	150,000.00	238,454.00	155,234.00	83,220.00
Utilities						
Street Lighting	4,663.05	148,421.21	15,000.00	168,084.26	165,915.29	2,168.97
Telephone / Communications	24,706.77	11,453.19		36,159.96	8,833.01	27,326.95
Water	565.26	6,000.00		6,565.26	5,279.56	1,285.70
Gas and Electric	22,386.52	216,973.87	(100,000.00)	139,360.39	131,926.34	7,434.05
Fire Hydrant	11,777.07	30,000.00		41,777.07	29,656.63	12,120.44
Statutory Expenditures:						
Contribution to:						
Public Employee's Retirement System	499.92			499.92		499.92
Social Security System (O.A.S.L.)	24,511.32		(15,000.00)	9,511.32		9,511.32
C.P.F.P.F.	39,916.74			39,916.74		39,916.74
Police and Firemen's Retirement System	923.27			923.27		923.27
Share of Costs (PL 1968c 404) Sewer Charges	1,585.41			1,585.41		1,585.41
Recycling Tax	480.31	8,000.00		8,480.31	5,460.48	3,019.83
Maintenance of Free Public Library						
Salaries and Wages	30,397.53			30,397.53	30,397.53	
Other Expenses	10,652.14	3,321.52		13,973.66	13,973.66	
	<u>Ref.</u> \$ 650,951.55	<u>Ref.</u> \$ 2,279,079.69	-	\$ 2,930,031.24	\$ 2,390,739.75	\$ 539,291.49
	A	A-19			A-4	A-1

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Ref.	Current Fund	Grant Fund
Balance - December 31, 2015	A	\$ 2,279,079.69	\$ 53,306.12
Increased by:			
Charges to:			
2016 Budget Appropriations	A-3	2,164,154.24	
State and Federal Grant Appropriations	A-6		15,162.41
		<hr/> 4,443,233.93	<hr/> 68,468.53
Decreased by:			
Transferred to Appropriation Reserves	A-18	2,279,079.69	
Cash Disbursed	A-4		53,306.12
		<hr/> 2,279,079.69	<hr/> 53,306.12
Balance - December 31, 2016	A , A-3	<hr/> \$ 2,164,154.24	<hr/> \$ 15,162.41

CURRENT FUND
SCHEDULE OF SEWER USER CHARGES RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

	Ref.
Balance - December 31, 2015	A
Increased By:	
Billings	Reserved
	<hr/> 244,727.51
	527,407.17
Decreased By:	
Cash Receipts	A-2 , A-4
	<hr/> 250,404.85
Balance - December 31, 2016	A
	<hr/> \$ 277,002.32

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF DEFERRED CHARGES
SPECIAL EMERGENCY AUTHORIZATIONS N.J.S. 40A:4-53
FOR THE YEAR ENDED DECEMBER 31, 2016

<u>Date Authorized</u>	<u>Purpose</u>	1/5 of		Balance December 31, 2015	Balance December 31, 2016	
		Net Amount Authorized	Net Amount Authorized		Decreased	Decreased
3/20/2012	Master Plan	\$ 90,000.00	\$ 18,000.00	\$ 36,000.00	\$18,000.00	\$ 18,000.00
		<u>\$ 90,000.00</u>	<u>\$ 18,000.00</u>	<u>\$ 36,000.00</u>	<u>\$18,000.00</u>	<u>\$ 18,000.00</u>
	<u>Ref.</u>			A	A-3	A

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF INTERFUND RECEIVABLE (PAYABLE)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Ref.	Total	Animal Control Fund	Other Trust Fund	Assessment Trust Fund	Community Development Block Grant Trust Fund	General Capital Fund
Balance, December 31, 2015	A	\$ 183,396.60	\$ 12,939.29	\$ 163,067.82	\$ -	\$ -	\$ 7,389.49
Increased by:							
Anticipated as Revenue in Current Fund:							
Interest Earned	A-2	1,744.94	64.08				1,680.86
Capital Fund Fund Balance	A-2	500,000.00					500,000.00
Reserve for Debt Service - VESO Loan	A-2	5,000.00					5,000.00
Special Assessment Surplus	A-2	73,468.98			73,468.98		
Statutory Excess - Due to Current Fund	A-2	3,305.70	3,305.70				
Cash Disbursed to Other Funds	A-4	4,635.42				4,635.42	
		588,155.04	3,369.78	-	73,468.98	4,635.42	506,680.86
Decreased by:							
Cash Receipts From Other Funds	A-4	264,010.71	12,951.29	170,200.95	73,468.98		7,389.49
Budget Appropriations	A-3	500,000.00					500,000.00
		764,010.71	12,951.29	170,200.95	73,468.98	-	507,389.49
Balance, December 31, 2016	A	<u>\$ 7,540.93</u>	<u>\$ 3,357.78</u>	<u>\$ (7,133.13)</u>	<u>\$ -</u>	<u>\$ 4,635.42</u>	<u>\$ 6,680.86</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF RESERVE FOR VARIOUS DEPOSITS
FOR THE YEAR ENDED DECEMBER 31, 2016

Ref.

Balance - December 31, 2016 and 2015	A, Below	<u>\$ 7,233.80</u>
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Analysis of Balance as of December 31, 2016

Reassessment	\$ 5,000.00
Codification of Ordinances	<u>2,233.80</u>
<u>Above</u> <u>\$ 7,233.80</u>	

CURRENT FUND
SCHEDULE OF RESERVE FOR TAX APPEALS
FOR THE YEAR ENDED DECEMBER 31, 2016

Ref.

Balance - December 31, 2015	A	\$ 302,177.78
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Increased by:

Transferred from 2016 Budget Appropriations	A-3	<u>600,000.00</u>
		902,177.78

Decreased by:

Cash Disbursements	A-4	<u>876,677.57</u>
		<u>\$ 25,500.21</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>	
Balance - December 31, 2015	A	\$ -
Increased by:		
Cash Receipts	A-4	<u>2,287,748.73</u>
Balance - December 31, 2016	A	<u>\$ 2,287,748.73</u>

CURRENT FUND
SCHEDULE OF GARAGE FEES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>	
Balance - December 31, 2015	A	\$ -
Increased by:		
Cash Receipts	A-4	<u>16,764.93</u>
Balance - December 31, 2016	A	<u>\$ 16,764.93</u>

TRUST FUNDS

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

TRUST FUNDS
SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>ANIMAL CONTROL FUND</u>	<u>UNEMPLOYMENT COMPENSATION FUND</u>	<u>COMMUNITY DEVELOPMENT BLOCK GRANT FUND</u>	<u>ASSESSMENT TRUST FUND</u>	<u>OTHER TRUST FUND</u>
<u>Ref.</u>					
Balance - December 31, 2015	B	\$ 34,338.09	\$ 210,635.13	\$ -	\$ 147,335.02
Increased by Receipts:					
Interest	B-11, B-12	\$ 64.08	\$ 529.86		
Animal Control Fees	B-9	8,716.00			
State Dog License Fees	B-10	1,722.00			
Payroll Deductions Payable	B-15				\$ 32,000,296.22
S.I.D. Taxes and Liens Receivable	B-17				250,795.79
Due From / to State Of New Jersey	B-13	86,259.23			
Assessments Receivable	B-2, B-5			\$ 853,500.00	
Various Reserves and Deposits	B-14				4,548,103.07
Cash Received from Other Funds	B-18	10,502.08	86,789.09	4,635.42	853,500.00
		44,840.17	297,424.22	4,635.42	1,000,835.02
					36,799,195.08
					43,103,865.95
Decreased by Disbursements:					
Reserve for Encumbrances	B, B-16				2,437.00
Animal Control Expenditures	B-9	4,488.90			
Due From / to State Of New Jersey	B, B-10, B-13	1,736.40	25,934.32		
Payroll Deductions Payable	B-15, B-8				31,987,823.00
Various Reserves and Deposits	B-14				4,695,897.26
Assessments Serial Bonds Paid	B-3, B-6			630,000.00	
Cash Disbursed to Current Fund	B-1, B-11, B-18	12,951.29		73,468.98	170,200.95
		19,176.59	25,934.32	-	703,468.98
					36,856,358.21
Balance - December 31, 2016	B	<u>\$ 25,663.58</u>	<u>\$ 271,489.90</u>	<u>\$ 4,635.42</u>	<u>\$ 297,366.04</u>
					<u>\$ 6,247,507.74</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

ASSESSMENT TRUST FUND
SCHEDULE OF ASSESSMENTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

Ordinance Number	Improvement Description	Date of Confirmation	Balance		Balance Dec. 31, 2016	Balance Pledged to Serial Bonds Payable
			Dec. 31, 2015	Cash Receipts		
08-07 , 03-18 , 05-18	Route 4 Access	4/24/2012	\$ 5,547,750.00	\$ 853,500.00	\$ 4,694,250.00	\$ 4,694,250.00
		<u>Ref.</u>	B	B-2 , B-4	B	B, B-6

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

ASSESSMENT TRUST FUND
SCHEDULE OF ASSESSMENT SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

Purpose	Date of Issue	Original Issue	Maturities of Bonds				Decreased by Bonds Paid	Balance Dec. 31, 2016
			Outstanding - Dec. 31, 2016 Date	Amount	Interest Rate	Balance Dec. 31, 2015		
Assessment Bonds	12/16/08	\$ 8,775,000.00	01/01/17	\$ 630,000.00	4.000%			
			01/01/18	630,000.00	4.250%			
			01/01/19	630,000.00	5.000%			
			01/01/20	630,000.00	5.000%			
			01/01/21	630,000.00	5.000%			
			01/01/22	630,000.00	5.000%			
			01/01/23	630,000.00	5.000%			
			01/01/24	585,000.00	5.000%	<u>\$ 5,625,000.00</u>	\$ 630,000.00	\$ 4,995,000.00
						<u>\$ 5,625,000.00</u>	<u>\$ 630,000.00</u>	<u>\$ 4,995,000.00</u>

Ref.

B

B-3 , B-4

B , B-5

Cash	B-4	\$ 297,366.04
Cash with Fiscal Agent	B-7	3,383.96
Receivable	B-5	<u>4,694,250.00</u>
		<u>\$ 4,995,000.00</u>

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**ASSESSMENT TRUST FUND
SCHEDULE OF CASH HELD WITH FISCAL AGENT
FOR THE YEAR ENDED DECEMBER 31, 2016**

Ref.

Balance - December 31, 2015	B	\$ 3,383.96
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Increased by:

Cash Collected by Fiscal Agent:

Interest Earned on Investments	B-1	<u>1.13</u>
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Balance - December 31, 2016	B, Below	<u><u>\$ 3,385.09</u></u>
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Ref.

Pledged to Serial Bonds	B-6	\$ 3,383.96
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Fund Balance	B-1	<u>1.13</u>
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Above	\$	<u><u>3,385.09</u></u>
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CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

OTHER TRUST FUND
SCHEDULE OF VARIOUS RESERVES AND DEPOSITS
FOR THE YEAR ENDED DECEMBER 31, 2016

PURPOSE	BALANCE DEC. 31, 2015	INCREASES	DECREASES	BALANCE DEC. 31, 2016
Police Vests	\$ 15,407.71		\$ 6,230.00	\$ 9,177.71
Confiscated Funds (DEA)	413,546.34	\$ 85,317.76	91,965.52	406,898.58
Confiscated Funds (DHS)	166,508.40	55.52	7,930.58	158,633.34
Misc Bank Transactions	5,870.55	5,109.77		10,980.32
Charitable Causes	26,304.95	8,900.00	1,099.94	34,105.01
Honor Guard	1,208.28			1,208.28
DARE	600.00			600.00
Police Proceeds	1.68			1.68
Uniform Fire Safety	46,861.50	8,118.00	46,682.71	8,296.79
COAH	163,038.48	396,059.13		559,097.61
Recreation	13,378.13	3,414.78	4,000.00	12,792.91
POAA	16,244.45	7,278.00	7,000.00	16,522.45
Police Confiscated Funds	34,335.85			34,335.85
Ice Arena	9,441.72	18,000.00	22,740.00	4,701.72
Tree Fund Donations		3,150.00		3,150.00
Other	29,553.59	297.01		29,850.60
Tax Sale Redemption	146,338.79	1,534,991.55	1,465,344.56	215,985.78
Environmental Commission	6,214.31	3.07		6,217.38
Tax Sale Premiums	2,815,500.00	1,862,400.00	2,398,200.00	2,279,700.00
Englewood Economic Development Corp (EEDC) - SID Escrow	185,751.20	250,795.79		436,546.99
Developers Trust	1,702,994.33	594,950.31	626,318.95	1,671,625.69
Police Extra Duty	11,972.88	24.44		11,997.32
4'th of July Fireworks	5,122.36	20,033.73	18,385.00	6,771.09
	<u>\$ 5,816,195.50</u>	<u>\$ 4,798,898.86</u>	<u>\$ 4,695,897.26</u>	<u>\$ 5,919,197.10</u>

<u>Ref.</u>	B	Below	B-4	B
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<u>Ref.</u>	B-4	\$ 4,548,103.07	B-4	B
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Cash Receipts	B-4	\$ 4,548,103.07	B-4	B
Reserve for SID Taxes and Liens Receivable	B-17	250,795.79	B-4	B
Above	Above	\$ 4,798,898.86	B-4	B

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2016**

Ref.

Balance - December 31, 2015	B	\$ 21,397.60
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Increased by:

Animal Control Fees Collected

Dog License Fees	\$ 8,397.00
Other Fees	<u>319.00</u>
	<u><u>B-4</u></u>
	<u><u>8,716.00</u></u>
	30,113.60

Decreased by:

Cash Disbursements	B-4 4,488.90
Statutory Excess Due to Current	<u>3,305.70</u>
	<u><u>7,794.60</u></u>

Balance - December 31, 2016	B	<u><u>\$ 22,319.00</u></u>
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License Fees Collected:

<u>Year</u>	<u>Amount</u>
2014	\$ 9,546.60
2015	<u>12,772.40</u>
	<u><u>\$ 22,319.00</u></u>

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE (FROM) TO STATE DEPARTMENT OF HEALTH
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Ref.	
Balance - December 31, 2015 (Due to)	B	\$ 1.20
Increased by:		
State Dog License Fees Collected	B-4	<u>1,722.00</u>
		1,723.20
Decreased by:		
Payments to State of New Jersey	B-4	<u>1,736.40</u>
Balance - December 31, 2016 (Due From)	B	<u>\$ (13.20)</u>

**ANIMAL CONTROL TRUST FUND
SCHEDULE OF INTERFUND PAYABLE - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Ref.	
Balance - December 31, 2015	B	\$ 12,939.29
Increased by:		
Interest on Investments	B-4	\$ 64.08
Statutory Excess Due to Current Fund	B-9	<u>3,305.70</u>
		<u>3,369.78</u>
		16,309.07
Decreased by:		
Cash Disbursements	B-4	<u>12,951.29</u>
Balance - December 31, 2016	B	<u>\$ 3,357.78</u>

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**UNEMPLOYMENT COMPENSATION TRUST FUND
SCHEDULE OF RESERVE FOR UNEMPLOYMENT COMPENSATION INSURANCE CLAIMS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Ref.	
Balance - December 31, 2015	B	\$ 205,927.63
Increased by:		
Refunds Awarded from State of NJ for Prior Year Overpayments	B-13	\$ 103,512.96
Interest Earnings	B-4	<u>529.86</u>
		<u>104,042.82</u>
		<u>309,970.45</u>
Decreased by:		
Current Year Billings	B-13	<u>18,908.74</u>
Balance - December 31, 2016	B	<u>\$ 291,061.71</u>

**UNEMPLOYMENT COMPENSATION TRUST FUND
SCHEDULE OF DUE (FROM) TO THE STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Ref.	
Balance - December 31, 2015 (Due to)	B	\$ 7,025.58
Increased by:		
Cash Receipt of Prior Year Overpayments	B-4	\$ 86,259.23
Current Year Billings	B-12	<u>18,908.74</u>
		<u>105,167.97</u>
		<u>112,193.55</u>
Decreased by:		
Refunds Awarded from State of NJ for Prior Year Overpayments	B-12	103,512.96
Cash Disbursements	B-4	<u>25,934.32</u>
		<u>129,447.28</u>
Balance - December 31, 2016 (Due From)	B	<u>\$ (17,253.73)</u>

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**COMMUNITY DEVELOPMENT BLOCK GRANT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2016**

Ref.

Balance - December 31, 2016 and 2015	B	\$ <u>9,886.37</u>
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CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

OTHER TRUST FUND
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>	
Balance - December 31, 2015	B	\$ 333,576.48
Increased by:		
Cash Receipts	B-4	<u>32,000,296.22</u>
		32,333,872.70
Decreased by:		
Cash Disbursements	B-4	<u>31,987,823.00</u>
Balance - December 31, 2016	B	<u>\$ 346,049.70</u>

OTHER TRUST FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>	
Balance - December 31, 2015	B	\$ 9,486.00
Decreased by:		
Cash Disbursements	B-4	<u>2,437.00</u>
Balance - December 31, 2016	B	<u>\$ 7,049.00</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

OTHER TRUST FUND
SCHEDULE OF SPECIAL IMPROVEMENT DISTRICT TAXES AND LIENS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

	Ref.		
Balance - December 31, 2015	B		\$ 80,912.77
Increased by:			
Billings and Adjustments	Reserved		<u>250,418.75</u>
			331,331.52
Decreased by:			
Cash Receipts	B-4, B-8		<u>250,795.79</u>
Balance - December 31, 2016	B, Reserved		<u>\$ 80,535.73</u>

OTHER TRUST FUND
SCHEDULE OF INTERFUND (PAYABLE) RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

	Ref.	Current Fund	Unemployment Trust	Grant Fund
Balance - December 31, 2015	B	\$ (163,067.82)	\$ (2,318.08)	\$ 19,973.01
Increased by:				
Cash Disbursed to Other Funds	B-4	<u>170,200.95</u>		
Balance - December 31, 2016	B	<u>\$ 7,133.13</u>	<u>\$ (2,318.08)</u>	<u>\$ 19,973.01</u>

GENERAL CAPITAL FUND

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH AND CASH EQUIVALENTS - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Ref.</u>	
Balance, December 31, 2015	C	\$ 3,501,832.98
Increased by Receipts:		
Proceeds from Sale of Fixed Assets	Below	\$ 3,342,918.00
Proceeds from Issuance of Bond Anticipation Notes	C-14	47,748,862.00
Premium on Sale of Notes	C-1	661,354.61
Parking Fees Receivable	C-5, C-10	101,470.21
Grant Proceeds - County of Bergen	C-16	122,782.06
Interest Earned on Investments	C-15	<u>1,680.86</u>
		<u>51,979,067.74</u>
		55,480,900.72
Decreased by Disbursements:		
Reserve for Encumbrances	C-11	10,294,104.99
Deposit to Escrow	Above	3,342,918.00
Payment of Bond Anticipation Notes	C-14	37,986,150.00
Cash Disbursed to Other Funds	C-15	<u>7,389.49</u>
		<u>51,630,562.48</u>
Balance, December 31, 2016	C	<u>\$ 3,850,338.24</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH AND CASH EQUIVALENTS
DECEMBER 31, 2016 AND 2015

		Balance Dec. 31, 2016	Balance Dec. 31, 2015
	Fund Balance	\$ 716,325.88	\$ 554,971.27
	Reserve for Various Reserves	73,759.02	91,759.02
	Reserve for Debt Service	11,176.10	11,176.10
	Capital Improvement Fund	12,825.47	5,776.47
	Reserve for Encumbrances	4,209,318.51	5,488,039.25
	Interfund Payable - Community Development	9,886.37	9,886.37
	Interfund Payable - Grant Fund	399,125.00	399,125.00
	Interfund Payable - Current Fund	6,680.86	7,389.49
	Due from County of Bergen		(122,782.06)
	Excess Note Proceeds - Ordinance 08-25	515.00	515.00
	Excess Note Proceeds - Ordinance 14-16		112,500.00
	Excess Note Proceeds - Ordinance 13-11a	0.40	107,846.40
	Excess Note Proceeds - Ordinance 12-15		131,537.00
<hr/>			
ORD NO.	IMPROVEMENT AUTHORIZATIONS		
85-22	Transfer Station	(35,600.00)	(35,600.00)
98-13	Meltzer Brook Construction	1,246.78	1,246.78
01-12	Various Improvements, City Hall, Fire and Parks	0.40	0.40
03-11	Acquisition Lincoln / Liberty School	693.31	693.31
03-15	Various Capital Improvements	19,203.77	19,203.77
04-06	Construction of Parking Garage	23,887.21	23,887.21
04-12	Various Capital Improvements	76,811.87	76,811.87
05-11	Various Capital Improvements	4,908.12	4,908.12
06-08	Various Capital Improvements	1,345.45	4,930.45
07-01 , 10-31	Various Capital Improvements	148,613.22	152,717.07
08-07	Route 4 Access	245,519.31	272,886.81
08-09	Various Equipment	26,245.51	38,344.55
09-13	Various Capital Improvements	(50.00)	3,654.76
10-18	Various Capital Improvements	29,703.14	22,907.03
10-28	Acquisition of DPW Equipment	1,224.75	5,867.85
11-05	Millers Pond	22,297.10	22,297.10
11-10	Various Capital Improvements	(50.00)	
12-15	Various Capital Improvements	104,446.03	135,952.72
12-20	Various Capital Improvements	285,591.31	(708,646.43)
12-23	Tax Appeals		1,237.19
	Reserve for Palisades South Redevelopment	(404,397.72)	(505,867.93)
13-01 , 14-25	Various Capital Improvements	5,500.00	5,500.00
13-05	Various Environmental Remediation Projects		2,300.00
13-06	Various Capital Improvements	714,916.90	1,147,303.04
13-11a	Ice Arena Improvements	30,470.00	31,352.96
13-15	Overpeck Creek Channel Wall Replacements	3,392.81	3,392.81
14-01	Construction of Fire House		221,805.04
14-13	Acquisition and Installation of Security Camera System		102,346.86
14-16	Various Capital Improvements	477,495.63	723,137.77
14-24	Various Capital Improvements	204,779.93	(9,542.90)
15-03 , 15-12	Various Equipment and Capital Improvements	1,239,889.32	(5,018,400.29)
15-13	Various Fire Equipment	4,133.50	(42,534.25)
16-07	Various Equipment and Capital Projects	(4,821,492.02)	
		<hr/> <u>\$ 3,850,338.24</u>	<hr/> <u>\$ 3,501,832.98</u>

Ref. C , C-2 C , C-2

() Denotes Cash Deficit

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Ref.</u>	
Balance, December 31, 2015	C	\$ 29,839,845.80
Decreased by:		
Paid by Budget Appropriations:		
General Serial Bonds Payable	C-13	\$ 1,515,000.00
Loan Revenue Bonds Payable - BCIA	C-12	1,420,256.50
Debt defeased	C-13	<u>3,000,000.00</u>
		<u>5,935,256.50</u>
Balance, December 31, 2016	C	<u>\$ 23,904,589.30</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2016

Ord No.	Improvement Description	Balance Dec 31, 2015	2016 Authorizations	2016 Note Paydowns	Cash Receipts	Balance Dec 31, 2016	Analysis of Balance - December 31, 2016		
							Expenditures	Bond Anticipation Notes	Unexpended Balance of Improv. Auth.
85-22	Transfer Station	\$ 35,600.00			\$ 35,600.00	\$ 35,600.00	\$ 35,600.00		
08-25	Renovations to City Hall	311,465.00		\$ 12,500.00	298,965.00	\$ 298,965.00	\$ 298,965.00		
09-13	Various Capital Improvements	2,850,019.00		126,350.00	2,723,669.00	50.00	50.00	2,723,619.00	
09-22	Fire Truck and Various Equipment	316,666.00		52,800.00	263,866.00			263,866.00	
10-18	Various Capital Improvements	3,397,828.00		120,050.00	3,277,778.00			3,277,728.00	\$ 50.00
10-28	Acquisition of DPW Equipment	598,888.00		85,600.00	513,288.00			513,288.00	
11-10	Various Capital Improvements	2,154,084.00		107,350.00	2,046,734.00		50.00	2,046,684.00	
12-15	Various Capital Improvements	3,264,103.00		89,200.00	3,174,903.00			3,166,803.00	8,100.00
12-20	Various Capital Improvements	3,228,540.00			3,228,540.00			3,228,540.00	
12-23	Tax Appeals	1,160,000.00		580,000.00	580,000.00			580,000.00	
	Reserve for Palisades South Redevelopment	505,867.93							
13-01 , 14-25	Various Capital Improvements	2,099,500.00			2,099,500.00			1,995,000.00	104,500.00
13-06	Various Capital Improvements	4,124,000.00			4,124,000.00			4,124,000.00	
13-11a	Ice Arena Improvements	652,153.60			652,153.60			652,153.60	
13-15	Overpeck Creek Channel Wall Replacements	604,200.00			604,200.00			604,200.00	
14-01	Construction of Fire House	7,267,500.00			7,267,500.00			7,267,500.00	
14-16	Various Capital Improvements	5,554,250.00			5,554,250.00			5,554,250.00	
14-24	Various Capital Improvements	2,669,000.00			2,669,000.00			2,669,000.00	
15-03 , 15-12	Various Equipment and Capital Improvements	8,458,800.00			8,458,800.00			8,458,800.00	
15-13	Various Fire Equipment	323,950.00			323,950.00			323,950.00	
16-07	Various Equipment and Capital Projects				9,366,066.00				
		\$ 49,576,414.53	\$ 9,366,066.00	\$ 1,173,850.00	\$ 101,470.21	\$ 57,667,160.32	\$ 5,261,589.74	\$ 47,748,346.60	\$ 4,657,223.98
<u>Ref.</u>		<u>C</u>	<u>C-6 , C-17</u>	<u>C-14</u>	<u>C-2, C-10</u>	<u>C</u>	<u>C-3</u>	<u>Below</u>	<u>C-6</u>

Bond Anticipation Notes	Ref. C-14	\$ 47,748,862.00
Less Excess Note Proceeds		
Ordinance 08-25	Ref. C-3	515.00
Ordinance 13-11a	Ref. C-3	0.40

Above \$ 47,748,346.60

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016

Ord No.	Improvement Description	Ordinance Date	Amount	Balance - Dec 31, 2015		2016 Authorized	Cancellation of Prior Year Encumbrances	Paid or Charged	Balance - Dec 31, 2016	
				Funded	Unfunded				Funded	Unfunded
General Improvements:										
80-13	Meltzer Brook Construction	Not available	\$ 32,940.00	\$ 1,246.78				\$	1,246.78	
01-12	Various Improvements, City Hall, Fire and Parks	5/1/2001	1,400,000.00	0.40					0.40	
03-11	Acquisition Lincoln / Liberty School	9/2/2003	4,900,000.00	693.31					693.31	
03-15	Various Capital Improvements	12/16/2003	1,185,000.00	19,203.77					19,203.77	
04-06	Construction of Parking Garage	4/20/2004	1,750,000.00	23,887.21					23,887.21	
04-12	Various Capital Improvements	6/29/2004	1,050,000.00	76,811.87					76,811.87	
05-11	Various Capital Improvements	6/14/2005	4,610,000.00	4,908.12					4,908.12	
06-08	Various Capital Improvements	6/20/2006	5,345,000.00	4,930.45					4,930.45	
07-01, 10-31	Various Capital Improvements / Dredging of Quarry Pond	2/13/2007 / 10/5/2010	2,387,958.00	152,717.07				\$	3,585	1,345.45
*08-07	Route 4 Access	3/18/2008	1,535,000.00	272,886.81					4,103.85	148,613.22
08-09	Various Equipment	5/6/2008	179,800.00	38,344.55					27,367.50	245,519.31
09-13	Various Capital Improvements	7/7/2009	3,392,000.00	\$ 3,654.76					12,099.04	26,245.51
10-18	Various Capital Improvements	7/20/2010	3,820,000.00	22,907.03		\$ 6,846.11				\$ 29,753.14
10-28	Acquisition of DPW Equipment	9/21/2010	810,000.00	5,867.85					4,643.10	1,224.75
11-05	Millers Pond	Not available	40,000.00	22,297.10						22,297.10
12-15	Various Capital Improvements	04/24/12	3,565,600.00	135,952.72					23,406.69	112,546.03
12-20	Various Capital Improvements	07/17/12	3,390,000.00	304,483.57					18,892.26	285,591.31
12-23	Tax Appeals	09/11/12	136,182.00	1,237.19					1,237.19	
13-01, 14-25	Various Capital Improvements	2/26/2013, 7/29/14	2,900,000.00	110,000.00						110,000.00
13-05	Various Environmental Remediation Projects	04/09/13	112,879.00	2,300.00					2,300.00	0.00
13-06	Various Capital Improvements	05/07/13	4,345,000.00	1,147,303.04					432,386.14	714,916.90
13-11a	Ice Arena Improvements	08/27/13	960,000.00	31,352.96					882.96	30,470.00
13-15	Overpeck Creek Channel Wall Replacements	12/10/13	636,000.00	3,392.81						3,392.81
14-01	Construction of Fire House	01/28/14	7,650,000.00	221,805.04					221,805.04	
14-13	Acquisition and Installation of Security Camera System	04/08/14	195,000.00	102,346.86					102,346.86	
14-16	Various Capital Improvements	05/13/14	5,965,000.00	723,137.77					245,642.14	477,495.63
14-24	Various Capital Improvements	07/29/14	2,810,000.00	317,422.10					112,442.17	204,779.93
15-03, 15-12	Various Equipment and Capital Improvements	5/12/15, 11/24/15	8,904,000.00	3,440,399.71					2,200,510.39	1,239,889.32
15-13	Various Fire Equipment	11/24/2015	341,000.00	281,415.75					277,282.25	4,133.50
16-07	Various Equipment and Capital Projects	5/24/2016	9,859,017.00	\$ 9,859,017.00					5,314,443.02	4,544,573.98
			\$ 722,574.30	\$ 6,750,332.30	\$ 9,859,017.00			\$ 9,009,230.36	\$ 570,772.05	\$ 7,758,767.30

Ref. C C Below C-11 C-11 C C Below

Ref.
 Deferred Charges - Unfunded C-5, C-17 \$ 9,366,066.00
 Capital Improvement Fund C-8 492,951.00
 Above **\$ 9,859,017.00**

Ref.
 Improvement Authorizations - Unfunded Above \$ 7,758,767.30
 Less: Unexpended Proceeds of Notes:

10-18	29,703.14
10-28	1,224.75
12-15	104,446.03
12-20	285,591.31
13-01, 14-25	5,500.00
13-06	714,916.90
13-11a	30,470.00
13-15	3,392.81
14-16	477,495.63
14-24	204,779.93
15-03, 15-12	1,239,889.32
15-13	4,133.50

C-5 \$ 4,657,223.98

* Local Improvement Ordinance

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2016**

Ref.

Balance - December 31, 2016 and 2015	C	<u>\$ 11,176.10</u>
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**GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

Ref.

Balance - December 31, 2015	C	<u>\$ 5,776.47</u>
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Increased by:

Cash Received from 2016 Budget Appropriation	C-15	<u>500,000.00</u>
		505,776.47

Decreased by:

Appropriated to Finance Improvement		
Authorizations	C-6	<u>492,951.00</u>
Balance - December 31, 2016	C	<u>\$ 12,825.47</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF VARIOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>		
Balance, December 31, 2015	C	\$	91,759.02
Decreased by:			
Transfer to Reserve for Encumbrances	C-11	\$ 13,000.00	
Due to Current Fund - VESO Loan	C-15	<u>5,000.00</u>	
		<u>18,000.00</u>	
Balance, December 31, 2016	C , Below	<u>\$ 73,759.02</u>	
<u>Analysis of Balance at December 31, 2016</u>			
Road Repairs		\$ 28,800.00	
Underground Storage Tanks		3,001.84	
Parking Lot		7,453.34	
Culvert Repairs		20,729.51	
Police Technology Center		8,690.87	
Library / Rink		83.46	
Payment of Loans - VESO		<u>5,000.00</u>	
	Above	<u>\$ 73,759.02</u>	

GENERAL CAPITAL FUND
SCHEDULE OF PARKING FEES RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>		
Balance - December 31, 2015	C	\$	505,867.93
Decreased By:			
Cash Receipts	C-2 , C-5		<u>101,470.21</u>
Balance - December 31, 2016	C	<u>\$ 404,397.72</u>	

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Ref.</u>	
Balance - December 31, 2015	C	\$ 5,488,039.25
Increased by:		
Charges to Improvement Authorizations	C-6	\$ 9,009,230.36
Charges to Various Reserves	C-9	<u>13,000.00</u>
		<u>9,022,230.36</u>
		14,510,269.61
Decreased by:		
Cash Disbursements	C-2	10,294,104.99
Cancellations	C-6	<u>6,846.11</u>
		<u>10,300,951.10</u>
Balance - December 31, 2016	C	<u>\$ 4,209,318.51</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF LOAN REVENUE BONDS PAYABLE - BCIA
FOR THE YEAR ENDED DECEMBER 31, 2016

Purpose	Date of Issue	Original Issue	Maturities of Leases		Interest Rate	Balance Dec 31, 2015	Decreased by bonds paid	Balance Dec 31, 2016
			Outstanding - Dec 31, 2016 Date	Amount				
County Guaranteed Governmental Loan Revenue Bonds Series 2005B	9/20/2005 \$	15,316,015.70	9/1/2017	\$ 1,349,735.40	4.17%			
			9/1/2018	1,285,336.00	4.23%			
			9/1/2019	1,219,257.00	4.31%			
			9/1/2020	1,156,448.80	4.38%			
			9/1/2021	1,098,812.00	4.43%	\$ 7,529,845.80	\$ 1,420,256.50	\$ 6,109,589.30
						<u>\$ 7,529,845.80</u>	<u>\$ 1,420,256.50</u>	<u>\$ 6,109,589.30</u>

Ref.

C

C-4

C

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding - Dec 31, 2016		Interest Rate	Balance Dec 31, 2015	Decreased by	Decreased by	Balance Dec 31, 2016
			Date	Amount			paid by budget appropriation	defeasance of debt	
General Improvement Bonds	05/16/10	\$ 4,365,000.00	08/15/17	\$ 185,000.00	3.125%				
			08/15/18	190,000.00	3.250%				
			08/15/19	200,000.00	3.500%				
			08/15/20	205,000.00	4.000%				
			08/15/21	215,000.00	4.000%				
			08/15/22	225,000.00	4.000%				
			08/15/23	235,000.00	4.000%				
			08/15/24	245,000.00	4.000%				
			08/15/25	255,000.00	4.000%				
			08/15/26	265,000.00	4.000%				
			08/15/27	275,000.00	4.000%				
			08/15/28	285,000.00	4.000%				
			08/15/29	295,000.00	4.000%				
			08/15/30	310,000.00	4.000%	\$ 3,560,000.00	\$ 175,000.00		\$ 3,385,000.00
General Improvement Bonds (2014A) (Taxable)	4/2/2014	3,613,000.00	04/01/17	720,000.00	2.000%				
			04/01/18	740,000.00	2.000%				
			04/01/19	770,000.00	2.000%	2,930,000.00	700,000.00		2,230,000.00
General Improvement Bonds (2014B)	4/2/2014	16,450,000.00	04/01/17	520,000.00	3.000%				
			04/01/18	530,000.00	3.000%				
			04/01/19	535,000.00	3.000%				
			04/01/20	545,000.00	3.000%				
			04/01/21	555,000.00	3.000%				
			04/01/22	720,000.00	3.000%				
			04/01/23	740,000.00	3.000%				
			04/01/24	765,000.00	3.000%				
			04/01/25	795,000.00	3.000%				
			04/01/26	825,000.00	3.000%				
			04/01/27	855,000.00	3.000%				
			04/01/28	885,000.00	3.000%				
			04/01/29	925,000.00	3.250%				
			04/01/30	965,000.00	3.250%				
			04/01/31	1,010,000.00	3.500%				
			04/01/32	1,010,000.00	3.500%	15,820,000.00	640,000.00	\$ 3,000,000.00	12,180,000.00
						<u>\$ 22,310,000.00</u>	<u>\$ 1,515,000.00</u>	<u>\$ 3,000,000.00</u>	<u>\$ 17,795,000.00</u>

Ref.

C

C-4

C-4

C

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

Cap No.	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec 31, 2015	Increased	Paid by Budget Appropriation	Paid by Cash	Balance Dec 31, 2016
08-25	Renovations to City Hall	9/19/2008	04/07/16	04/06/17	2.250%	\$ 311,980.00	\$ 299,480.00	\$ 12,500.00	\$ 299,480.00	\$ 299,480.00
09-13	Various Capital Improvements	5/7/2010	04/07/16	04/06/17	2.250%	2,850,019.00	2,723,619.00	126,350.00	2,723,669.00	2,723,619.00
09-22	Fire Truck and Various Equipment	5/7/2010	04/07/16	04/06/17	2.250%	316,666.00	263,866.00	52,800.00	263,866.00	263,866.00
10-18	Various Capital Improvements	5/6/2011	04/07/16	04/06/17	2.250%	3,397,828.00	3,277,728.00	120,050.00	3,277,778.00	3,277,728.00
10-28	Acquisition of DPW Equipment	5/6/2011	04/07/16	04/06/17	2.250%	598,888.00	513,288.00	85,600.00	513,288.00	513,288.00
11-10	Various Capital Improvements	05/04/12	04/07/16	04/06/17	2.250%	2,154,084.00	2,046,684.00	107,350.00	2,046,734.00	2,046,684.00
12-15	Various Capital Improvements	05/03/13	04/07/16	04/06/17	2.250%	3,395,640.00	3,166,803.00	89,200.00	3,306,440.00	3,166,803.00
12-20	Various Capital Improvements	05/01/14	04/07/16	04/06/17	2.250%	2,215,410.00	3,228,540.00		2,215,410.00	3,228,540.00
12-23	Tax Appeals	12/21/12	12/14/16	12/13/17	1.300%	1,160,000.00	580,000.00	580,000.00	580,000.00	580,000.00
13-01 , 14-25	Various Capital Improvements	05/01/14	04/07/16	04/06/17	2.250%	1,995,000.00	1,995,000.00		1,995,000.00	1,995,000.00
13-06	Various Capital Improvements	05/01/14	04/07/16	04/06/17	2.250%	4,124,000.00	4,124,000.00		4,124,000.00	4,124,000.00
13-11a	Ice Arena Improvements	05/01/14	04/07/16	04/06/17	2.250%	760,000.00	652,154.00		760,000.00	652,154.00
13-15	Overpeck Creek Channel Wall Replacements	04/21/15	04/07/16	04/06/17	2.250%	604,200.00	604,200.00		604,200.00	604,200.00
14-01	Construction of Fire House	04/21/15	04/07/16	04/06/17	2.250%	7,267,500.00	7,267,500.00		7,267,500.00	7,267,500.00
14-16	Various Capital Improvements	04/21/15	04/07/16	04/06/17	2.250%	5,666,750.00	5,554,250.00		5,666,750.00	5,554,250.00
14-24	Various Capital Improvements	04/21/15	04/07/16	04/06/17	2.250%	2,342,035.00	2,669,000.00		2,342,035.00	2,669,000.00
15-03 , 15-12	Various Equipment and Capital Improvements	04/07/16	04/07/16	04/06/17	2.250%		8,458,800.00			8,458,800.00
15-13	Various Fire Equipment	04/07/16	04/07/16	04/06/17	2.250%		323,950.00			323,950.00
						<u>\$ 39,160,000.00</u>	<u>\$ 47,748,862.00</u>	<u>\$ 1,173,850.00</u>	<u>\$ 37,986,150.00</u>	<u>\$ 47,748,862.00</u>
						<u>Ref.</u>	<u>C</u>	<u>Below , C-2</u>	<u>C-5</u>	<u>C , C-5</u>
						<u>Renewals Issued for Cash</u>	<u>C-2 , C-17</u>	<u>\$ 37,986,150.00</u>		
								<u>9,762,712.00</u>		
								<u>\$ 47,748,862.00</u>		
									<u>Above , C-2 , C-5</u>	

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF INTERFUND PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2016

	Ref.	Total	Current Fund	Grant Fund	Community Development Block Grant Fund
Balance, December 31, 2015	C	\$ (416,400.86)	\$ (7,389.49)	\$ (399,125.00)	\$ (9,886.37)
Increased by:					
Budget Appropriations:					
Capital Improvement Fund	C-8	500,000.00	500,000.00		
Cash Disbursed:					
To Other Funds	C-2	<u>7,389.49</u>	<u>7,389.49</u>	<u>-</u>	<u>-</u>
		<u>507,389.49</u>	<u>507,389.49</u>	<u>-</u>	<u>-</u>
Decreased by:					
Anticipated As Revenue In Current Fund Budget:					
Fund Balance	C-1	500,000.00	500,000.00		
VESO Loan	C-9	5,000.00	5,000.00		
Interest Earned on Investments	C-2	<u>1,680.86</u>	<u>1,680.86</u>	<u>-</u>	<u>-</u>
		<u>506,680.86</u>	<u>506,680.86</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2016	C	<u><u>\$ (415,692.23)</u></u>	<u><u>\$ (6,680.86)</u></u>	<u><u>\$ (399,125.00)</u></u>	<u><u>\$ (9,886.37)</u></u>

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE - COUNTY OF BERGEN
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Ref.</u>
Balance - December 31, 2015	C \$ 122,782.06
Decreased by:	
Cash Receipts	C-2 <u>122,782.06</u>
Balance - December 31, 2016	C \$ <u> -</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2016

Cap No.	Improvement Description	Balance Dec 31, 2015	2016 Authorized	Prior Year		Balance Dec 31, 2016
				Notes Repaid With Cash	Notes Issued	
85-22	Transfer Station	\$ 35,600.00				\$ 35,600.00
09-13	Various Capital Improvements			\$ 50.00		50.00
10-18	Various Capital Improvements			50.00		50.00
11-10	Various Capital Improvements			50.00		50.00
12-15	Various Capital Improvements			8,100.00		8,100.00
12-20	Various Capital Improvements	1,013,130.00			\$ 1,013,130.00	
13-01 , 14-25	Various Capital Improvements	104,500.00				104,500.00
14-24	Various Capital Improvements	326,965.00			326,965.00	
15-03 , 15-12	Various Equipment and Capital Improvements	8,458,800.00			8,458,800.00	
15-13	Various Fire Equipment	323,950.00			323,950.00	
16-07	Various Equipment and Capital Projects		\$ 9,366,066.00			9,366,066.00
		\$ 10,262,945.00	\$ 9,366,066.00	\$ 8,250.00	\$ 10,122,845.00	\$ 9,514,416.00
<u>Ref.</u>		<u>C</u>	<u>C-5 , C-6</u>	<u>C-3</u>	<u>Below</u>	<u>C</u>

	<u>Ref.</u>		
Notes Issued	Above	\$ 10,122,845.00	
Prior Year balances not renewed and held in trust	C-14	(360,133.00)	\$ 9,762,712.00

ENGLEWOOD FREE PUBLIC LIBRARY FUND

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

ENGLEWOOD FREE PUBLIC LIBRARY FUND
SCHEDULE OF CASH AND CASH EQUIVALENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Ref.	
Balance, December 31, 2015	D	\$ 377,745.19
Increased by Receipts:		
Interest Earned	D-3, D-4 , D-5	\$ 404.43
State Aid	D-4	11,811.00
Library Operations	D-1	<u>200,985.66</u>
		<u>213,201.09</u>
		590,946.28
Decreased by Disbursements:		
Reserve for State Aid Expenditures	D-4	3,801.44
Library Operations	D-1	<u>166,101.09</u>
		<u>169,902.53</u>
Balance, December 31, 2016	D	<u>\$ 421,043.75</u>

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**ENGLEWOOD FREE PUBLIC LIBRARY FUND
SCHEDULE OF RESERVE FOR ENDOWMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Ref.</u>
Balance - December 31, 2015	D \$ 56,135.98
Increased By:	
Interest Earned	D-2 <u>207.56</u>
Balance - December 31, 2016	D \$ <u>56,343.54</u>

CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY

ENGLEWOOD FREE PUBLIC LIBRARY FUND
SCHEDULE OF RESERVE FOR STATE AID EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>		
Balance, December 31, 2015	D	\$	14,740.97
Increased By:			
Interest Earned	D-2	\$	2.66
State Aid	D-2	<u>11,811.00</u>	<u>11,813.66</u>
		<u>11,813.66</u>	<u>26,554.63</u>
Decreased by:			
Cash Disbursements	D-2		<u>3,801.44</u>
Balance, December 31, 2016	D	<u>\$</u>	<u>22,753.19</u>

ENGLEWOOD FREE PUBLIC LIBRARY FUND
SCHEDULE OF RESERVE FOR CUSTODIAL FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Ref.</u>		
Balance - December 31, 2015	D	\$	47,900.40
Increased By:			
Interest Earned	D-2		<u>194.21</u>
Balance - December 31, 2016	D	<u>\$</u>	<u>48,094.61</u>

**PART III – SUPPLEMENTARY DATA AND SCHEDULES –
SUPPLEMENTARY INFORMATION**

**CITY OF ENGLEWOOD
COUNTY OF BERGEN, NEW JERSEY
YEAR ENDED DECEMBER 31, 2016**

GENERAL COMMENTS

An audit of the financial accounts and transactions of the City of Englewood, County of Bergen, New Jersey, for the year ended December 31, 2016, has been completed. The General Comments are herewith set forth:

Scope of Audit

The audit covered the financial transactions of the Finance Department and the other various offices and departments collecting fees within the City of Englewood, County of Bergen, New Jersey.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed.

Cash on hand was confirmed and cash balances were reconciled with independent certifications obtained directly from the depositories.

Revenues and receipts were established and verified as to source and amount insofar as the records permitted.

Our audit was made in accordance with auditing standards generally accepted in the United States and in compliance with the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Therefore, our audit included the procedures noted above as well as tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

OTHER MATTERS

**Contracts and Agreements Required
to be advertised Per N.J.S.A. 40A:11-4**

N.J.S.A. 40A: 11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3: of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$40,000.00 except by contract or agreement."

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

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts and agreements for "Professional Services" per N.J.S.A. 40A:11-5. In as much as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring or any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body, on January 5, 2016, adopted a resolution authorizing interest to be charged on delinquent taxes and assessments, as follows:

8% Interest on Amounts up to \$1,500.00 on Delinquent Tax and Assessment Accounts:

14% Interest on Amounts from \$1,500.00 and above on Delinquent Tax and Assessment Accounts:

Ten (10) Day Grace Period

This resolution was subsequently amended pursuant to revisions to N.J.S.A. 54:4-67 to include a penalty of 6% to be charged to delinquencies in excess of \$10,000.00 at the end of the calendar year.

An examination of the collector's records, on a test basis, indicated that interest on delinquencies was calculated in accordance with the foregoing resolution, for items tested.

Delinquent Taxes and Tax Title Liens

The City held an accelerated tax sale on December 15, 2016 and it was complete. Properties that were in bankruptcy proceedings were excluded from the sale. The status of these properties should be monitored to assure that the City protects its right to collect delinquent taxes and that these properties are exposed to tax sale proceedings at the earliest legal date.

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

Years	Tax Title Liens
2016	15
2015	16
2014	18

The City maintains a foreclosure program for tax title liens that become subject to In Rem Foreclosure.

Investment of Funds

The Chief Financial Officer had most of the idle funds of the City invested in the interest-bearing accounts from January 1, 2016 to December 31, 2016. Earnings from the accounts are shown as revenue in the various funds of the City as of December 31, 2016. The investment program instituted by the finance officer was complete with minimal balances remaining in demand accounts. This policy complied with N.J.S.A. 40A:5-14 in all respects.

All cash and cash equivalents held by the City were directly confirmed as of December 31, 2016.

Purchase Order System and Encumbrance System

The City's budgetary operation is on a full encumbrance system with the exception of payrolls and other direct costs. All purchases are made directly by the purchasing department or subsequently confirmed on an emergency basis. Blanket orders and other outstanding encumbrances were reviewed at the close of the year, and adjustments and cancellations were made where appropriate to reflect actual commitments outstanding for budgetary control. See comments and recommendations section of this report for exceptions identified.

Condition of Records - Tax Collector Office

The records maintained by the Tax Collector were audited. Computerized cash receipt records were agreed to daily controls and in total monthly with no exceptions noted for items tested. No exceptions were noted in the testing of computerized real estate tax billings and billing adjustments for real estate taxes.

Condition of Records - Finance Department

The Finance Department utilized a computerized general ledger accounting system during 2016. General ledgers were maintained for all funds. The City is currently in compliance with New Jersey Administrative Code 5:30-5.7, establishment and maintenance of a general ledger.

Payment of Claims

The examination did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. Authorization for payment of claims is delegated to the Chief Financial Officer and bill lists are submitted to the City Council for approval and recorded as a supplement to the official minutes.

Claims were examined on a test basis for the year under audit and no exceptions were noted.

Budgetary Records

The City maintains a detailed, computerized subsidiary ledger for each of its budgets. The software package does not permit the entry of non-cash charges and adjustments. These adjusting entries are made in the general journal and are recorded in the general ledger control account.

Administration and Accounting for Federal and State Grant Programs

During 2016, the City operated programs, which were funded in whole or in part by state or federal grant awards. As part of the acceptance of these funds, the City is required to make assurances to the grantor agency that it will comply, in its general operations as well as in the operation of grant funded programs, with various laws and regulations. In addition, the individual grant contracts impose specific compliance requirements for the operations of each program. The examination of these grant programs indicated that the City has expended grant funds during 2016 for the purposes authorized.

COMMENTS SECTION

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**COMPARATIVE SCHEDULE OF TAX RATE INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Tax Rate:</u>	\$ <u>2.557</u>	\$ <u>2.535</u>	\$ <u>2.514</u>

Apportionment of Tax Rate:

Municipal	\$ 1.059	\$ 1.054	\$ 1.056
Municipal Library	0.036	0.036	0.036
County	0.266	0.258	0.251
County Open Space	0.003	0.003	0.003
Local School	1.193	1.184	1.168

Assessed Valuation (Taxable):

2016	<u>\$ 4,378,630,700.00</u>
2015	<u>\$ 4,338,069,140.00</u>
2014	<u>\$ 4,328,468,113.00</u>

**COMPARATIVE SCHEDULE OF TAX LEVIES AND COLLECTIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014**

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2016	\$ 112,385,015.84	\$ 111,892,052.94	99.56%
2015	110,185,840.06	110,053,813.61	99.88%
2014	109,146,702.51	108,971,973.40	99.84%

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**DELINQUENT TAXES AND TAX TITLE LIENS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015, and 2014**

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

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2016	\$ 175,423.67	\$ 39,696.44	\$ 215,120.11	0.19%
2015	159,119.80	76,490.69	235,610.49	0.21%
2014	159,813.21	30,432.28	190,245.49	0.17%

**PROPERTY ACQUIRED FOR TAX TITLE LIEN LIQUIDATION
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015, and 2014**

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties was as follows:

Year	Amount
2016	\$ 70,979.00
2015	70,979.00
2014	70,979.00

**COMPARATIVE SCHEDULE OF SEWER UTILITY LEVIES AND COLLECTIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015, and 2014**

Year	Levies	Collections*
2016	\$ 244,727.51	\$ 250,404.85
2015	342,169.00	274,617.26
2014	419,909.44	327,699.13

*Includes collections against prior year balances.

**COMPARATIVE SCHEDULE OF FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015, and 2014**

	Year Ended	Balance	Utilized in Budget of Succeeding Year
Current Fund	2016	\$ 3,228,289.35	\$ 1,600,000.00
	2015	4,990,119.23	3,300,000.00
	2014	6,602,422.03	4,300,000.00

**CITY OF ENGLEWOOD
BERGEN COUNTY, NEW JERSEY**

**SCHEDULE OF OFFICIALS IN OFFICE AND SURETY BONDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

The following officials were in office on December 31, 2016:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Frank Huttle III	- Mayor	
Charles Cobb	- Council member (At Large Member)	
Marc Forman	- Council member (Ward 1)	
Michael Cohen	- Council member (Ward 2)	
Eugene Skurnick	- Council member (Ward 3)	
Wayne Hamer	- Council member (Ward 4)	
Timothy Dacey	- City Manager	
Michael Kaufmann	- Chief Financial Officer	\$ 1,000,000.00
Jodi DeMaio	- Tax Collector	\$ 1,000,000.00
Diana Patino	- Treasurer	\$ 1,000,000.00
James Dow	- Judge	\$ 1,000,000.00
Debbian Barr	- Court Administrator	\$ 1,000,000.00
Yancy Wazimas	- Municipal Clerk	\$ 1,000,000.00

All of the employees noted above with bonded amounts are covered under a blanket crime insurance policy in the amount of \$1,000,000 per occurrence.

Comments and Recommendations

CITY OF ENGLEWOOD
BERCEN COUNTY, NEW JERSEY

Comments and Recommendations

Year ended December 31, 2016

Prior Year Findings

Corrective action has been taken on all of the prior year's findings and recommendations with the exception of the following findings and recommendations marked with an asterisk (*).

Purchasing / Accounts Payable

*Technical Accounting Directive No. 1**

During our testing of the City's detailed open purchase order report, we noted that the majority of the City's contracts are entered into or encumbered prior to the procurement of goods or services. However, our tests of internal controls revealed a number of instances in which the City did not properly encumber funds prior to placing an order with a vendor for the procurement of goods or services.

We suggest that the City properly encumber funds prior to procuring goods and/or services.

Other

PILOT Agreements

During our testing of the Current Fund, we noted Payment in Lieu of Taxes (PILOT) agreements that date back more than 35 years.

We suggest all PILOTs be reviewed by management to determine if the agreements should be amended and updated to reflect the current status and revenues of the entities.