

TOWN OF DOVER
COUNTY OF MORRIS
REPORT OF AUDIT
2015

NISIVOCCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS

TOWN OF DOVER
COUNTY OF MORRIS
REPORT OF AUDIT
2015

TOWN OF DOVER
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TOWN OF DOVER

PART I

FINANCIAL STATEMENTS

AND SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2015

Independent Auditors' Report

The Honorable Mayor and Members
of the Board of Aldermen
Town of Dover
Dover, New Jersey

Report on the Financial Statements

We have audited the financial statements – *regulatory basis* - of the various funds of the Town of Dover in the County of Morris (the "Town") as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions 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, audit requirements prescribed or permitted by the Division and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 Town'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 Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

The Honorable Mayor and Members
of the Board of Aldermen
Town of Dover
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May 30, 2016

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

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

As described in Note 1, these financial statements have been prepared by the Town on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly in accordance with accounting principles generally accepted in the United States of America the financial position of each fund and account group of the Town as of December 31, 2015 and 2014, or the changes in financial position or where applicable, cash flows thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the various funds and account group of the Town of Dover as of December 31, 2015 and 2014, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as described in Note 1.

Emphasis of Matter

As discussed in Note 5 to the financial statements, the Town implemented Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* during the year ended December 31, 2015. Our opinions are not modified with respect to this matter.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds that collectively comprise the Town's financial statements. The supplementary data schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements.

The Honorable Mayor and Members
of the Board of Aldermen
Town of Dover
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May 30, 2016

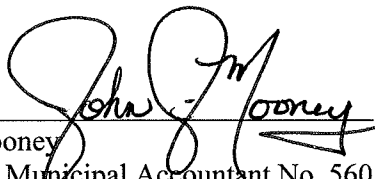
The supplementary data schedules and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the various fund financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund financial statements or to the various fund 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 data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2016 on our consideration of the Town of Dover's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Dover's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
May 30, 2016

Nisivoccia LLP
NISIVOCCIA LLP


John J. Mooney
Registered Municipal Accountant No. 560
Certified Public Accountant

TOWN OF DOVER

COUNTY OF MORRIS

2015

CURRENT FUND

TOWN OF DOVER
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	<u>Ref.</u>	<u>December 31,</u>	
		<u>2015</u>	<u>2014</u>
<u>ASSETS</u>			
Regular Fund:			
Cash and Cash Equivalents	A-4	\$ 3,399,006.12	\$ 3,929,219.39
Change Funds		645.00	645.00
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes	A-7	560,924.11	463,248.71
Tax Title Liens	A-8	292,214.61	299,132.39
Property Acquired for Taxes - Assessed Valuation		204,400.00	137,400.00
Revenue Accounts Receivable	A-9	44,491.71	28,421.11
Sewer Rents Receivable	A-10	28,390.62	29,307.57
Prepaid School Taxes	A-12	89,504.24	
Due from:			
Police Outside Services		12,091.27	4,780.10
Animal Control Fund	B	11,998.60	8,649.80
Total Receivables and Other Assets with Full Reserves		<u>1,244,015.16</u>	<u>970,939.68</u>
Deferred Charges:			
Special Emergency Authorizations		299,641.63	154,522.17
		<u>299,641.63</u>	<u>154,522.17</u>
Total Regular Fund		<u>4,943,307.91</u>	<u>5,055,326.24</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	A-13	541,605.31	986,302.55
Due from Current Fund	A	197,575.54	31,455.12
Total Federal and State Grant Fund		<u>739,180.85</u>	<u>1,017,757.67</u>
<u>TOTAL ASSETS</u>		<u>\$ 5,682,488.76</u>	<u>\$ 6,073,083.91</u>

TOWN OF DOVER
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>December 31,</u>	
		<u>2015</u>	<u>2014</u>
Regular Fund:			
Appropriation Reserves:			
Unencumbered	A-3;A-11	\$ 831,798.45	\$ 822,458.75
Encumbered	A-3;A-11	329,651.28	285,854.53
Total Appropriation Reserves		<u>1,161,449.73</u>	<u>1,108,313.28</u>
County Taxes Payable		102.48	1,763.29
Local School Taxes Payable	A-12		995,178.74
Prepaid Taxes		320,631.88	130,031.73
Tax Overpayments		1,468.38	1,131.49
Prepaid Sewer Rents		1,617.80	2,016.50
Accounts Payable - Vendors		1,252.00	1,252.00
Due to:			
Federal and State Grant Fund	A	197,575.54	31,455.12
Other Trust Funds - Recycling Trust Fund	B	358.00	284.00
State of NJ - Marriage License Fees		2,180.00	2,070.00
State of NJ - Veterans' and Senior Citizens' Deductions		20,106.72	15,314.94
State of NJ - Building Fees		4,571.00	5,012.00
Reserve for:			
Third Party Liens		58,102.49	
Maintenance of Free Public Library		11,178.73	30,385.19
Hurricane Sandy			2,382.23
Hurricane Irene			11,414.26
Tropical Storm Lee			3,028.36
Sale of Municipal Assets		5,355.35	5,355.35
Reassessments		106,600.00	
Tax Appeals		120,000.00	120,000.00
		<u>2,012,550.10</u>	<u>2,466,388.48</u>
Reserve for Receivables and Other Assets	A	1,244,015.16	970,939.68
Fund Balance	A-1	<u>1,686,742.65</u>	<u>1,617,998.08</u>
Total Regular Fund		<u>4,943,307.91</u>	<u>5,055,326.24</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-14	720,059.87	965,688.35
Unappropriated Reserves	A-15	5,802.28	18,874.50
Encumbrances Payable	A-14	13,318.70	33,194.82
Total Federal and State Grant Fund		<u>739,180.85</u>	<u>1,017,757.67</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 5,682,488.76</u>	<u>\$ 6,073,083.91</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS

	Year Ended December 31,	
	2015	2014
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 943,500.00	\$ 735,000.00
Miscellaneous Revenue Anticipated	5,843,042.32	6,085,331.68
Receipts from:		
Delinquent Taxes	458,800.71	637,620.68
Current Taxes	29,198,346.19	29,210,211.77
Nonbudget Revenue	464,761.93	544,020.92
Other Credits to Income:		
Interfunds Returned		17,930.19
Cancellation of Appropriated Reserves - Federal and State Grant Fund	66,591.80	23,464.13
Cancellation of Unappropriated Reserves - Federal and State Grant Fund		53.00
Unexpended Balance of Appropriation Reserves	444,003.51	371,292.16
Cancellation of Reserve for Hurricane Sandy	2,382.23	
Cancellation of Reserve for Hurricane Irene	11,414.26	
Cancellation of Reserve for Tropical Storm Lee	3,028.36	
Total Income	37,435,871.31	37,624,924.53
<u>Expenditures</u>		
Budget Appropriations:		
Municipal Purposes	20,172,762.33	19,928,855.55
County Taxes	3,214,783.65	3,447,612.01
Local School District Taxes	12,970,285.00	12,941,545.00
Interfunds and Other Receivables Advanced	10,659.97	
Prepaid School Taxes	89,504.24	
Cancellation of Federal and State Grant Funds Receivable	165,631.55	29,785.11
Total Expenditures	36,623,626.74	36,347,797.67
Excess in Revenue	812,244.57	1,277,126.86

TOWN OF DOVER
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
(Continued)

	Ref.	Year Ended December 31,	
		2015	2014
Adjustments to Income Before Fund Balance:			
Expenditures Included above Which are by Statute			
Deferred Charges to Budget of Succeeding Year:			
Special Emergency Authorization - Reassessment		\$ 200,000.00	
Statutory Excess to Fund Balance		1,012,244.57	\$ 1,277,126.86
<u>Fund Balance</u>			
Balance January 1		1,617,998.08	1,075,871.22
		2,630,242.65	2,352,998.08
Decreased by:			
Utilized as Anticipated Revenue		943,500.00	735,000.00
Balance December 31	A	\$ 1,686,742.65	\$ 1,617,998.08

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit*</u>
Fund Balance Anticipated	\$ 943,500.00		\$ 943,500.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	35,000.00		41,840.00	\$ 6,840.00
Other	40,000.00		53,525.00	13,525.00
Fees and Permits	140,000.00		159,349.49	19,349.49
Fines and Costs:				
Municipal Court	360,000.00		448,802.90	88,802.90
Interest and Costs on Taxes	125,000.00		171,758.96	46,758.96
Interest on Investments and Deposits	12,510.00		24,123.89	11,613.89
In Lieu of Taxes - Mill Pond Towers				
Senior Citizen Apartments	181,000.00		181,232.00	232.00
Sewer Rents	1,725,000.00		1,775,967.75	50,967.75
Fire Prevention Inspection Fees	18,000.00		30,023.50	12,023.50
Consolidated Municipal Property Tax Relief Aid	212,312.00		212,312.00	
Energy Receipts Taxes	1,052,310.00		1,052,310.00	
Uniform Construction Code Fees	150,000.00		233,177.00	83,177.00
Interlocal Services - Municipal Court & Fire	409,000.00		413,595.50	4,595.50

TOWN OF DOVER
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015
(Continued)

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit*</u>
Miscellaneous Revenue (Cont'd):				
N.J. Transportation Trust Fund Authority Act	\$ 120,000.00		\$ 120,000.00	
Reserve for Recycling Tonnage Grant	15,843.96		15,843.96	
Clean Communities Program		\$ 27,052.81	27,052.81	
Municipal Alliance on Alcoholism and Drug Abuse	23,361.00		23,361.00	
Small Cities Grant	150,000.00		150,000.00	
Reserve for Housing Rehabilitation	49,500.00		49,500.00	
NJ Department of Transportation Safe Corridor Grant	54,854.41		54,854.41	
Bulletproof Vest Program Grant	4,800.41		4,800.41	
Body Armor Replacement Grant	3,030.54	3,278.41	6,308.95	
Municipal Alliance Donation - Borough of Victory Gardens	1,000.00		1,000.00	
Utility Operating Surplus of Prior Year (Water Utility)	125,000.00		125,000.00	
Utility Operating Surplus of Prior Year (Parking Utility)	50,000.00		50,000.00	
Uniform Fire Safety Act	35,000.00		37,164.78	\$ 2,164.78
Cell Tower Rental	180,000.00		199,202.84	19,202.84
Cable TV Franchise Fee	160,000.00		180,935.17	20,935.17
	<hr/>	<hr/>	<hr/>	<hr/>
Total Miscellaneous Revenue	5,432,522.32	30,331.22	5,843,042.32	380,188.78
	<hr/>	<hr/>	<hr/>	<hr/>
Receipts from Delinquent Taxes	500,000.00		458,800.71	41,199.29 *
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TOWN OF DOVER
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015
(Continued)

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit*</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	\$ 13,467,996.93		\$ 13,414,865.68	\$ 53,131.25 *
Minimum Library Tax	431,652.21		431,652.21	
	<u>13,899,649.14</u>		<u>13,846,517.89</u>	<u>53,131.25 *</u>
Budget Totals	20,775,671.46	\$ 30,331.22	21,091,860.92	<u>\$ 285,858.24</u>
Nonbudget Revenue			<u>464,761.93</u>	
	<u>\$ 20,775,671.46</u>	<u>\$ 30,331.22</u>	<u>\$ 21,556,622.85</u>	

TOWN OF DOVER
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Analysis of Realized Revenue

Allocation of Current Tax Collections:

Collection of Current Taxes	\$ 29,198,346.19
Allocated to:	
School and County Taxes	16,185,068.65
	13,013,277.54
Add: Appropriation "Reserve for Uncollected Taxes"	
	833,240.35
Realized for Support of Municipal Budget	\$ 13,846,517.89

Analysis of Nonbudget Revenue

Miscellaneous Revenue Not Anticipated:

Treasurer:

Division of Motor Vehicles - Fines	\$ 5,625.00	
Flea Market Fee/Dover Marketplace	23,749.08	
Clerk Miscellaneous Revenue	3,339.38	
Morris County Shared Radio Communication	14,773.14	
Housing Authority - Payments in Lieu of Taxes	9,698.89	
Insurance Refund	48,364.88	
New Jersey Municipal Employee Benefit Fund Divided	132,989.00	
Rockaway Valley Regional Sewerage Authority Refund	72,065.04	
Hotel Occupancy Tax	31,684.22	
Board of Education Gas and Fuel Prior Year	32,056.74	
Community Champions	38,200.00	
Senior Citizen and Veteran Deductions - Administrative Fee	1,456.19	
Other Receipts	32,105.02	
		\$ 446,106.58
Due from Animal Control Fund:		
Statutory Excess in Reserve for Animal Control		11,998.60
Tax Collector Miscellaneous Revenue		
		6,656.75
		\$ 464,761.93

Interest on Investments and Deposits:

Current Fund	\$ 19,480.66	
General Capital Fund	4,643.23	
	\$ 24,123.89	

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	Appropriations		Expended By	
	Budget	Budget After Modification	Paid or Charged	Reserved
Operations Within "CAPS":				
GENERAL GOVERNMENT:				
Mayor and Board of Aldermen:				
Salaries and Wages	\$ 55,192.00	\$ 122,192.00	\$ 122,192.00	
Other Expenses	48,392.00	60,392.00	58,987.37	\$ 1,404.63
Administrative and Executive:				
Salaries and Wages	153,646.00	159,646.00	159,504.19	141.81
Other Expenses	111,622.00	111,622.00	107,403.02	4,218.98
Town Clerk:				
Salaries and Wages	194,586.00	206,586.00	196,085.39	10,500.61
Other Expenses	22,315.00	22,315.00	9,152.90	13,162.10
Financial Administration:				
Salaries and Wages	166,189.00	174,189.00	165,711.19	8,477.81
Other Expenses	41,495.00	51,495.00	46,747.91	4,747.09
Annual Audit	36,929.00	36,929.00	31,450.00	5,479.00
Assessment of Taxes:				
Salaries and Wages	88,347.00	88,347.00	87,429.68	917.32
Other Expenses	48,135.00	48,135.00	22,608.96	25,526.04
Tax Reassessment (N.J.S.A. 40A:4-53 \$200,000.00)		200,000.00	200,000.00	
Collection of Taxes:				
Salaries and Wages	74,720.00	78,320.00	76,581.70	1,738.30
Other Expenses	11,235.00	11,235.00	8,910.14	2,324.86
Legal Services and Costs:				
Legal Fees	179,400.00	179,400.00	156,541.59	22,858.41
Municipal Prosecutor:				
Salaries and Wages	92,200.00	92,200.00	85,079.72	7,120.28

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015
(Continued)

	Appropriations		Expended By	
	Budget	Budget After Modification	Paid or Charged	Reserved
Operations Within "CAPS" (Continued):				
GENERAL GOVERNMENT (Continued):				
Engineering Services and Costs:				
Salaries and Wages	\$ 162,393.00	\$ 167,393.00	\$ 163,632.42	\$ 3,760.58
Other Expenses	65,215.00	65,215.00	40,924.47	24,290.53
Municipal Land Use Law (N.J.S.A.40:55D-1):				
Planning Board:				
Salaries and Wages	6,419.00	6,419.00	6,419.00	
Other Expenses	7,190.00	7,190.00	7,182.84	7.16
Board of Adjustment:				
Salaries and Wages	6,419.00	6,419.00	6,419.00	
Other Expenses	7,140.00	7,140.00	2,262.61	4,877.39
Insurance:				
General Liability	300,000.00	300,000.00	278,982.68	21,017.32
Workers Compensation	293,000.00	293,000.00	292,768.00	232.00
Employee Group Health	3,190,497.00	3,041,197.00	2,969,202.63	71,994.37
Health Benefit Waivers	87,000.00	120,000.00	119,548.13	451.87
Code Enforcement:				
Salaries and Wages	299,853.00	274,853.00	267,914.93	6,938.07
Other Expenses	5,850.00	5,850.00	5,602.83	247.17
PUBLIC SAFETY:				
Police:				
Salaries and Wages	4,086,212.00	4,156,212.00	4,150,727.03	5,484.97
Other Expenses	175,875.00	175,875.00	173,864.99	2,010.01
Shared Services Dispatching:				
Other Expenses	311,550.00	311,550.00	311,512.51	37.49
Office of Emergency Management:				
Salaries and Wages	7,360.00	7,360.00	5,000.00	2,360.00
Other Expenses	7,925.00	7,925.00	7,694.13	230.87
Public Defender:				
Other Expenses	47,062.00	49,562.00	45,523.50	4,038.50

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015
(Continued)

	Appropriations		Expended By	
	Budget	Budget After Modification	Paid or Charged	Reserved
Operations Within "CAPS" (Continued):				
PUBLIC SAFETY:				
Uniform Fire Safety Act (P.L. 1983,Ch. 383):				
Salaries and Wages	\$ 70,321.00	\$ 50,321.00	\$ 30,929.52	\$ 19,391.48
Other Expenses	11,138.00	11,138.00	10,043.15	1,094.85
Fire:				
Salaries and Wages	417,376.00	387,376.00	360,925.56	26,450.44
Other Expenses	113,025.00	128,025.00	119,373.64	8,651.36
Municipal Court:				
Salaries & Wages	97,202.00	97,202.00	87,883.14	9,318.86
Other Expenses	74,200.00	80,200.00	74,191.49	6,008.51
HEALTH & WELFARE:				
Board of Health:				
Salaries and Wages	158,424.00	155,424.00	152,634.11	2,789.89
Other Expenses	106,133.00	106,133.00	98,195.24	7,937.76
Other Expenses Shared Services	46,685.00	46,685.00	46,685.00	
Solid Waste and Recycling:				
Salaries and Wages	99,986.00	99,986.00	99,986.00	
Other Expenses	1,097,805.00	1,072,805.00	1,002,370.73	70,434.27
RECREATION & EDUCATION:				
Shade Trees:				
Salaries and Wages	1,750.00	1,750.00	1,750.00	
Other Expenses	27,775.00	32,775.00	31,255.00	1,520.00
Senior Citizens Transportation:				
Salaries and Wages	39,445.00	39,445.00	36,783.04	2,661.96
Other Expenses	9,130.00	9,130.00	7,149.71	1,980.29

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015
(Continued)

	Appropriations		Expended By	
	Budget	Budget After Modification	Paid or Charged	Reserved
Operations Within "CAPS" (Continued):				
RECREATION & EDUCATION:				
Recreation Department:				
Salaries and Wages	\$ 99,685.00	\$ 99,685.00	\$ 73,746.29	\$ 25,938.71
Other Expenses	107,434.00	107,434.00	72,096.13	35,337.87
Historic Preservation:				
Salaries and Wages	5,756.00	5,756.00	5,756.00	
Other Expenses	3,766.00	3,766.00	2,514.40	1,251.60
STREETS & ROADS:				
Division of Streets and Roads:				
Salaries and Wages	687,397.00	657,397.00	604,909.32	52,487.68
Other Expenses	121,050.00	121,050.00	120,902.55	147.45
Division of Sewer Maintenance:				
Salaries and Wages	201,625.00	156,625.00	133,260.66	23,364.34
Other Expenses	7,268.00	7,268.00	5,450.40	1,817.60
Buildings and Grounds Maintenance Division:				
Salaries and Wages	70,122.00	72,122.00	69,668.11	2,453.89
Other Expenses	62,838.00	70,338.00	62,594.03	7,743.97
Snow and Ice Removal:				
Salaries and Wages	60,000.00	60,000.00	44,561.39	15,438.61
Other Expenses	90,000.00	90,000.00	63,798.24	26,201.76
State Uniform Construction Code:				
Salaries and Wages	182,071.00	182,071.00	163,689.31	18,381.69
Other Expenses	6,850.00	6,850.00	6,846.50	3.50
Unclassified:				
Utility Expenses & Bulk Purchases	497,000.00	459,700.00	344,365.79	115,334.21

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Total Operations Within "CAPS"	\$ 14,964,620.00	\$ 15,064,620.00	\$ 14,323,881.91	\$ 740,738.09
Total Operations Including Contingent Within "CAPS"	14,964,620.00	15,064,620.00	14,323,881.91	740,738.09
Detail:				
Salaries and Wages	7,584,696.00	7,605,296.00	7,359,178.70	246,117.30
Other Expenses	7,379,924.00	7,459,324.00	6,964,703.21	494,620.79
Deferred Charges and Statutory Expenditures - Municipal within "CAPS":				
Statutory Expenditures:				
Contributions to:				
Public Employees' Retirement System	350,765.00	350,765.00	350,763.90	1.10
Social Security System (O.A.S.I.)	352,100.00	352,100.00	335,518.72	16,581.28
Police and Fireman's Retirement System of New Jersey	958,585.00	958,585.00	958,585.00	
Defined Contribution Retirement Program	4,500.00	4,500.00	4,500.00	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	1,665,950.00	1,665,950.00	1,649,367.62	16,582.38
Total General Appropriations for Municipal Purposes Within "CAPS"	16,630,570.00	16,730,570.00	15,973,249.53	757,320.47

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operations Excluded from "CAPS":				
Rockaway Valley Regional Sewerage Authority Contribution	\$ 1,125,643.00	\$ 1,125,643.00	\$ 1,088,343.00	\$ 37,300.00
Maintenance of Free Public Library (Ch. 82 and 541, P.L. 1985)	441,372.00	441,372.00	404,194.02	37,177.98
Interlocal Municipal Service Agreements	409,000.00	409,000.00	409,000.00	
Public and Private Programs Offset by Revenue:				
Clean Communities Program (N.J.S.A. 40A: 4-87 \$27,052.81)		27,052.81	27,052.81	
Small Cities Grants	150,000.00	150,000.00	150,000.00	
Reserve for Recycling Tonnage Grant	15,843.96	15,843.96	15,843.96	
Body Armor Replacement Fund (N.J.S.A. 40A: 4-87 \$3,278.41)	3,030.54	6,308.95	6,308.95	
Reserve for Housing Rehabilitation	49,500.00	49,500.00	49,500.00	
Reserve for Bulletproof Vest Program	4,800.41	4,800.41	4,800.41	
NJ DOT Safe Corridor	54,854.41	54,854.41	54,854.41	
Municipal Alliance on Alcoholism and Drug Abuse:				
State Share	23,361.00	23,361.00	23,361.00	
Local Share	5,840.25	5,840.25	5,840.25	
 Total Operations Excluded from "CAPS"	 <u>2,283,245.57</u>	 <u>2,313,576.79</u>	 <u>2,239,098.81</u>	 <u>74,477.98</u>

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operations Excluded from "CAPS" (Continued):				
Detail:				
Other Expenses	\$ 2,283,245.57	\$ 2,313,576.79	\$ 2,239,098.81	\$ 74,477.98
Capital Improvements - Excluded from "CAPS":				
Capital Improvement Fund	150,000.00	250,000.00	250,000.00	
New Jersey Transportation Trust Fund Authority Act	120,000.00	120,000.00	120,000.00	
Total Capital Improvements - Excluded from "CAPS"	<u>270,000.00</u>	<u>370,000.00</u>	<u>370,000.00</u>	

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Municipal Debt Service Excluded from "CAPS":				
Payment of Bond Principal	\$ 545,000.00	\$ 545,000.00	\$ 545,000.00	
Interest on Bonds	158,735.00	158,735.00	158,735.00	
Total Municipal Debt Service - Excluded from "CAPS"	<u>703,735.00</u>	<u>703,735.00</u>	<u>703,735.00</u>	
Deferred Charges - Municipal - Excluded from "CAPS"				
Special Emergency Authorizations - 5 Years	54,880.54	54,880.54	54,880.54	
Total Deferred Charges - Municipal - Excluded from "CAPS"	<u>54,880.54</u>	<u>54,880.54</u>	<u>54,880.54</u>	
Total General Appropriations Excluded from "CAPS"	<u>3,311,861.11</u>	<u>3,442,192.33</u>	<u>3,367,714.35</u>	<u>\$ 74,477.98</u>
Subtotal General Appropriations	19,942,431.11	20,172,762.33	19,340,963.88	831,798.45
Reserve for Uncollected Taxes	<u>833,240.35</u>	<u>833,240.35</u>	<u>833,240.35</u>	
Total General Appropriations	<u>\$ 20,775,671.46</u>	<u>\$ 21,006,002.68</u>	<u>\$ 20,174,204.23</u>	<u>\$ 831,798.45</u>

Ref.

A

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015
(Continued)

		Analysis of	
<u>Ref.</u>	Budget After Modification	Paid or Charged	
Adopted Budget	\$ 20,775,671.46		
Added by:			
N.J.S.A. 40A:4-87	30,331.22		
Special Emergency Authorizations N.J.S.A. 40A: 4-53	200,000.00		
	\$ 21,006,002.68		
Cash Disbursed		\$ 19,221,194.32	
Reserve for Uncollected Taxes		833,240.35	
Deferred Charges - Special Emergency		54,880.54	
Reserve for Reassessment		200,000.00	
Encumbrances	A	329,651.28	
Transfer to Appropriated Grant Reserves:			
Federal and State Grants		451,721.54	
Local Matching Funds		5,840.25	
		21,096,528.28	
Less: Appropriation Refunds		922,324.05	
		\$ 20,174,204.23	

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
COUNTY OF MORRIS
2015
TRUST FUNDS

TOWN OF DOVER
TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2015	2014
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents	B-4	\$ 37,652.40	\$ 32,512.80
		<u>37,652.40</u>	<u>32,512.80</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	1,319,509.54	1,090,332.65
Due from Current Fund - Recycling Trust Fund	A	358.00	284.00
		<u>1,319,867.54</u>	<u>1,090,616.65</u>
<u>TOTAL ASSETS</u>		<u>\$ 1,357,519.94</u>	<u>\$ 1,123,129.45</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Due to State of New Jersey		\$ 5.40	\$ 5.40
Due to Current Fund	A	11,998.60	8,649.80
Reserve for Animal Control Fund Expenditures	B-6	25,648.40	23,857.60
		<u>37,652.40</u>	<u>32,512.80</u>
Other Trust Funds:			
Reserve for:			
Other Deposits		548,123.73	516,785.31
Recycling Trust Fund		3,558.30	1,962.96
Forfeited Assets Deposits		36,156.75	47,457.54
Fire Penalty Fees		14,141.80	14,872.43
Recreation		15,555.51	29,705.46
Historical Preservation		6,002.00	6,462.00
Accumulated Absences		40,262.99	276.34
Tax Sale Premiums		611,700.00	435,200.00
Unemployment Compensation		44,366.46	37,894.61
		<u>1,319,867.54</u>	<u>1,090,616.65</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 1,357,519.94</u>	<u>\$ 1,123,129.45</u>

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

NOT APPLICABLE

ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER

COUNTY OF MORRIS

2015

GENERAL CAPITAL FUND

TOWN OF DOVER
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2015	2014
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 4,412,118.00	\$ 1,199,248.90
Deferred Charges to Future Taxation:			
Funded		4,953,000.00	5,498,000.00
Unfunded	C-4	4,807,928.00	1,957,928.00
<u>TOTAL ASSETS</u>		<u>\$ 14,173,046.00</u>	<u>\$ 8,655,176.90</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-8	\$ 4,953,000.00	\$ 5,498,000.00
Bond Anticipation Notes Payable	C-7	4,807,000.00	
Improvement Authorizations:			
Funded	C-5	118,921.88	1,031,382.43
Unfunded	C-5	2,748,101.03	1,943,323.65
Capital Improvement Fund	C-6	100,000.00	
Downpayments on Improvements	C-6A	792.20	792.20
Due Parking Utility Capital Fund	E		20.00
Reserve to Pay Debt Service		2,750.56	2,750.56
Encumbrances Payable		1,415,273.30	151,701.03
Fund Balance	C-1	27,207.03	27,207.03
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 14,173,046.00</u>	<u>\$ 8,655,176.90</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2014	C	<u>\$ 27,207.03</u>
Balance December 31, 2015	C	<u><u>\$ 27,207.03</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER

COUNTY OF MORRIS

2015

WATER UTILITY FUND

TOWN OF DOVER
WATER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2015	2014
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents:			
Treasurer	D-4	\$ 911,702.92	\$ 385,306.81
Collector's Change Fund		100.00	100.00
Due Water Utility Capital Fund	D	940.28	
Receivables and Inventory with Full Reserves:			
Consumer Accounts Receivable	D-6	90,531.56	52,343.54
Inventory	D-7	74,294.26	68,481.34
Total Receivables and Inventory with Full Reserves		<u>164,825.82</u>	<u>120,824.88</u>
Total Operating Fund		<u>1,077,569.02</u>	<u>506,231.69</u>
Capital Fund:			
Cash and Cash Equivalents	D-4	2,362,822.97	1,118,553.83
New Jersey Department of Transportation Receivable		97,491.57	97,491.57
Fixed Capital	D-8	7,565,463.15	7,565,463.15
Fixed Capital Authorized and Uncompleted	D-9	5,992,214.16	4,492,214.16
Total Capital Fund		<u>16,017,991.85</u>	<u>13,306,917.71</u>
<u>TOTAL ASSETS</u>		<u>\$ 17,095,560.87</u>	<u>\$ 13,813,149.40</u>

TOWN OF DOVER
WATER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	Ref.	December 31,	
		2015	2014
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves:			
Unencumbered	D-3;D-10	\$ 168,871.91	\$ 173,943.08
Encumbered	D-3;D-10	102,784.02	8,356.26
Total Appropriation Reserves		271,655.93	182,299.34
Water Rent Overpayments		32,577.00	
Prepaid Water Rents		13,984.91	2,330.63
Accrued Interest on Notes		940.28	
Accrued Interest on Bonds		15,011.21	17,711.21
Third Party Lien		213.49	213.49
		334,382.82	202,554.67
Reserve for Receivables and Inventory	D	164,825.82	120,824.88
Fund Balance	D-1	578,360.38	182,852.14
Total Operating Fund		1,077,569.02	506,231.69
Capital Fund:			
Serial Bonds Payable	D-14	2,496,575.00	2,781,575.00
Bond Anticipation Notes Payable	D-15	1,592,000.00	
NJ Environmental Infrastructure Trust Loans Payable	D-16	628,255.78	667,251.82
Improvement Authorizations:			
Funded	D-11	957,831.82	1,131,180.32
Unfunded	D-11	1,273,564.97	198,206.61
Due Water Utility Operating Fund	D	940.28	
Capital Improvement Fund	D-12	81,773.48	56,773.48
Encumbrances Payable	D-11	190,754.00	
Reserve for:			
Receivables		97,491.57	97,491.57
Amortization		8,355,088.03	8,070,088.03
Deferred Amortization	D-13	331,571.65	292,575.61
Fund Balance	D-1A	12,145.27	11,775.27
Total Capital Fund		16,017,991.85	13,306,917.71
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 17,095,560.87</u>	<u>\$ 13,813,149.40</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
WATER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2015	2014
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 57,000.00	\$ 123,863.00
Rents		3,083,847.94	2,521,906.78
Miscellaneous Revenue Anticipated		6,867.47	10,808.69
Other Credits to Income:			
Appropriation Reserves Lapsed		94,976.79	68,760.26
		<u>3,242,692.20</u>	<u>2,725,338.73</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		2,099,804.00	2,040,502.00
Capital Improvement Fund		25,000.00	25,000.00
Debt Service		419,079.96	400,183.48
Deferred Charges and Statutory Expenditures		121,300.00	100,776.00
		<u>2,665,183.96</u>	<u>2,566,461.48</u>
Excess in Revenue		577,508.24	158,877.25
<u>Fund Balance</u>			
Balance January 1	D	182,852.14	272,837.89
		<u>760,360.38</u>	<u>431,715.14</u>
Decreased by:			
Utilized as Anticipated Revenue		57,000.00	123,863.00
Utilized as Anticipated Revenue - Current Fund		125,000.00	125,000.00
		<u>182,000.00</u>	<u>248,863.00</u>
Balance December 31	D	<u>\$ 578,360.38</u>	<u>\$ 182,852.14</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 11,775.27
Increased by:		
Premium on Sale of Bond Anticipation Notes		<u>370.00</u>
Balance December 31, 2015	D	<u>\$ 12,145.27</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
WATER UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	Anticipated	Realized	Excess or Deficit*
Fund Balance Anticipated	\$ 57,000.00	\$ 57,000.00	
Water Rents	2,690,885.00	3,083,847.94	\$ 392,962.94
Miscellaneous Revenue	10,000.00	6,867.47	3,132.53 *
	\$ 2,757,885.00	\$ 3,147,715.41	\$ 389,830.41

Analysis of Water Rents Revenue:

Cash Received	\$ 3,081,517.31
Prepaid Rents Applied	2,330.63
	\$ 3,083,847.94

Analysis of Miscellaneous Revenue:

<u>Water Collector:</u>	
Copy Fees	\$ 53.56
Tax Sale	1,447.03
	1,500.59
<u>Treasurer:</u>	
Interest on Investments	740.08
Interest on Investments - Water Capital Fund	4,626.80
	\$ 6,867.47

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
WATER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	Appropriations		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 861,002.00	\$ 861,002.00	\$ 703,914.85	\$ 67,087.15	\$ 90,000.00
Other Expenses	1,328,802.00	1,328,802.00	1,237,691.30	91,110.70	
Capital Improvements:					
Capital Improvement Fund	25,000.00	25,000.00	25,000.00		
Debt Service:					
Payment of Bond Principal	285,000.00	285,000.00	285,000.00		
Interest on Bonds	90,210.00	90,210.00	87,509.68		2,700.32
NJEIT Principal and Interest	46,571.00	46,571.00	46,570.28		0.72
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	57,500.00	57,500.00	57,469.23	30.77	
Social Security System (O.A.S.I.)	59,000.00	59,000.00	48,356.71	10,643.29	
Unemployment Compensation Insurance	1,600.00	1,600.00	1,600.00		
State Disability Insurance	3,200.00	3,200.00	3,200.00		
	<u>\$ 2,757,885.00</u>	<u>\$ 2,757,885.00</u>	<u>\$ 2,496,312.05</u>	<u>\$ 168,871.91</u>	<u>\$ 92,701.04</u>
				D	
Cash Disbursed			\$ 2,348,439.14		
Encumbrances			102,784.02		
Accrued Interest on Bonds			87,509.68		
			<u>2,538,732.84</u>		
Less: Appropriation Refunds			<u>42,420.79</u>		
			<u>\$ 2,496,312.05</u>		

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER

COUNTY OF MORRIS

2015

PARKING UTILITY FUND

TOWN OF DOVER
PARKING UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2015	2014
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents:			
Treasurer	E-4	\$ 140,564.45	\$ 142,836.09
Total Operating Fund		<u>140,564.45</u>	<u>142,836.09</u>
Capital Fund:			
Cash and Cash Equivalents	E-4	422,127.10	59,326.85
Due General Capital Fund	C		20.00
Fixed Capital	E-6	610,815.40	610,815.40
Fixed Capital Authorized and Uncompleted	E-7	1,327,914.00	1,302,914.00
Total Capital Fund		<u>2,360,856.50</u>	<u>1,973,076.25</u>
<u>TOTAL ASSETS</u>		<u>\$ 2,501,420.95</u>	<u>\$ 2,115,912.34</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves:			
Unencumbered	E-3;E-8	\$ 63,718.02	\$ 31,132.99
Encumbered	E-3;E-8	11,084.39	3,212.37
Total Appropriation Reserves		74,802.41	34,345.36
Prepaid Parking Decals		7,674.00	7,822.00
Accrued Interest on Bonds		2,962.50	3,129.17
		85,438.91	45,296.53
Fund Balance	E-1	55,125.54	97,539.56
Total Operating Fund		<u>140,564.45</u>	<u>142,836.09</u>
Capital Fund:			
Serial Bonds Payable	E-12	711,000.00	751,000.00
Bond Anticipation Notes Payable	E-13	397,685.00	
Improvement Authorizations:			
Funded	E-9	22,604.53	41,882.76
Unfunded	E-9	357,122.68	372,685.00
Encumbrances Payable		22,435.80	
Capital Improvement Fund	E-10	15,168.23	12,668.23
Reserves For:			
Amortization		705,815.40	665,815.40
Deferred Amortization	E-11	124,229.00	124,229.00
Fund Balance	E-1A	4,795.86	4,795.86
Total Capital Fund		<u>2,360,856.50</u>	<u>1,973,076.25</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 2,501,420.95</u>	<u>\$ 2,115,912.34</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
PARKING UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	<u>Year Ended December 31,</u>	
		<u>2015</u>	<u>2014</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 44,159.00	
Revenue - Parking Meters		287,797.14	\$ 267,585.47
Miscellaneous		41,693.85	41,214.72
Other Credits to Income:			
Appropriation Reserves Lapsed		22,087.32	26,667.82
		<u>395,737.31</u>	<u>335,468.01</u>
<u>Total Income</u>			
<u>Expenditures</u>			
Budget Expenditures:			
Operating		262,204.00	223,229.00
Capital Improvements		2,500.00	2,500.00
Payment of Bond Principal		40,000.00	40,000.00
Interest on Bonds		21,078.33	15,501.93
Statutory Expenditures		18,210.00	15,282.00
		<u>343,992.33</u>	<u>296,512.93</u>
<u>Total Expenditures</u>			
Excess in Revenue		51,744.98	38,955.08
<u>Fund Balance</u>			
Balance January 1	E	97,539.56	158,584.48
		<u>149,284.54</u>	<u>197,539.56</u>
Decreased by:			
Utilized as Anticipated Revenue		44,159.00	
Prior Year Fund Balance Anticipated as			
Current Fund Revenue		50,000.00	100,000.00
		<u>50,000.00</u>	<u>100,000.00</u>
Balance December 31	E	<u>\$ 55,125.54</u>	<u>\$ 97,539.56</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2014	E	<u>\$ 4,795.86</u>
Balance December 31, 2015	E	<u><u>\$ 4,795.86</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
PARKING UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Fund Balance Anticipated	\$ 44,159.00	\$ 44,159.00	
Revenue - Parking Meters	260,000.00	287,797.14	\$ 27,797.14
Miscellaneous	40,000.00	41,693.85	1,693.85
	<u>\$ 344,159.00</u>	<u>\$ 373,649.99</u>	<u>\$ 29,490.99</u>

Analysis of Miscellaneous Revenue:

Collector:

Parking Permits - Decals	\$ 33,190.95
Prepaid Parking Decals Applied	7,822.00
Interest	680.90
	<u>\$ 41,693.85</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
PARKING UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	<u>Appropriations</u>		<u>Expended by</u>		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
Operating:					
Salaries and Wages	\$ 137,756.00	\$ 137,756.00	\$ 110,351.66	\$ 27,404.34	
Other Expenses	125,598.00	124,448.00	91,184.05	33,263.95	
Capital Improvements:					
Capital Improvement Fund	2,500.00	2,500.00	2,500.00		
Debt Service:					
Payment of Bond Principal	40,000.00	40,000.00	40,000.00		
Interest on Bonds	21,245.00	21,245.00	21,078.33		\$ 166.67
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	8,300.00	8,300.00	8,280.80	19.20	
Social Security System (O.A.S.I.)	7,820.00	8,970.00	5,939.47	3,030.53	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. seq.)	400.00	400.00	400.00		
Workers Compensation Insurance	540.00	540.00	540.00		
	<u>\$ 344,159.00</u>	<u>\$ 344,159.00</u>	<u>\$ 280,274.31</u>	<u>\$ 63,718.02</u>	<u>\$ 166.67</u>
		<u>Ref.</u>		<u>E</u>	
Cash Disbursed			\$ 250,402.26		
Accrued Interest on Bonds			21,078.33		
Encumbrances		<u>E</u>	11,084.39		
			<u>282,564.98</u>		
Less: Appropriation Refunds			2,290.67		
			<u>\$ 280,274.31</u>		

TOWN OF DOVER

COUNTY OF MORRIS

2015

GENERAL FIXED ASSETS ACCOUNT GROUP

TOWN OF DOVER
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	December 31,	
	2015	2014
<u>ASSETS</u>		
Land	\$ 4,105,200.00	\$ 4,105,200.00
Buildings	2,326,500.00	2,326,500.00
Machinery and Equipment	8,527,127.16	8,310,094.18
<u>TOTAL ASSETS</u>	<u>\$ 14,958,827.16</u>	<u>\$ 14,741,794.18</u>
 <u>RESERVES</u>		
Reserve for General Fixed Assets	\$ 14,958,827.16	\$ 14,741,794.18
<u>TOTAL RESERVES</u>	<u>\$ 14,958,827.16</u>	<u>\$ 14,741,794.18</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

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

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e., benefit of economic resources, access/entitlement to resources, and significance) should be included in the financial reporting entities. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

The accounting policies of the Town of Dover conform to the accounting practices applicable to municipalities which have been prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Town of Dover accounts for its financial transactions through the following separate funds:

Current Fund - Resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

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

Water Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned water utility.

Parking Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned parking utility.

General Fixed Assets Account Group - These accounts were established with estimated values of land, buildings and certain fixed assets of the Town as discussed in Note 1E.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The more significant accounting policies in New Jersey follow.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Grant revenue is realized in the Operating Funds when it is budgeted and in the Capital Funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are charged to operations based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

The cash basis of accounting is followed in the Trust Funds.

Had the Town's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, not when awarded or budgeted; inventories would not be reflected as expenditures at the time of purchase; and fixed assets purchased by the Utility Capital Funds would be depreciated, and the Town's net pension liability and related deferred inflows and outflows would be recorded..

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

D. Deferred Charges to Future Taxation – The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means that debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget or collecting a grant. The unfunded deferred charge may also be funded by selling bonds and by issuing loans or capital lease purchase agreements.

E. Other significant accounting policies include:

Management Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments – Investments are stated at cost or amortized cost, which approximates market.

Grants Receivable – Grants receivable represent total grant awards less amounts collected to date. Because the amount of grants funds to be collected are dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amount awarded.

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences – Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

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

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

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets, except for the Water Utility Operating Fund. The value of inventory is offset by a reserve.

General Fixed Assets Account Group - General fixed assets are recorded at historical value as estimated by the independent appraisal company which conducted an inventory of the Town's equipment during 2001 plus the cost of any additions since 2001 except for land (which is recorded at the 1987 assessed value) and buildings (which are recorded at historical cost). Infrastructure assets are not included in general fixed assets, as per state directive.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
 (Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

E. Other significant accounting policies include: (Cont'd)

General Fixed Assets Account Group (Cont'd) – Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided for on general fixed assets. The total value recorded for general fixed assets is offset by a "Reserve for General Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the General Fixed Assets Account Group may also be recorded in the Current, General Capital, Water Utility and Parking Utility Funds. The values recorded in the General Fixed Assets Account Group and the Current, General Capital, Water Utility and Parking Utility Funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

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

Budget/Budgetary Control – Annual appropriated budgets are usually prepared in the first quarter for the Current, Water Utility Operating and Parking Utility Operating Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Town during the year.

Note 2: Long-Term Debt

Summary of Municipal Debt

The Local Bond Law governs the issuance of bond to finance general Town capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Town are general obligation bonds. The Town's full faith and credit and taxing power has been pledged to the payment of the general obligation debt principal and interest.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt (Cont'd)

	December 31,		
	2015	2014	2013
<u>Issued</u>			
General:			
Bonds and Notes	\$ 4,953,000.00	\$ 5,498,000.00	\$ 6,028,000.00
Water Utility:			
Bonds, Notes and Loans	3,124,830.78	3,448,826.82	3,772,812.86
Parking Utility:			
Bonds and Notes	711,000.00	751,000.00	791,000.00
Total Issued	<u>8,788,830.78</u>	<u>9,697,826.82</u>	<u>10,591,812.86</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	928.00	1,957,928.00	57,928.00
Water Utility:			
Bonds and Notes	154,186.85	246,186.85	154,186.85
Total Authorized but not Issued	<u>155,114.85</u>	<u>2,204,114.85</u>	<u>212,114.85</u>
Less: Reserve to Pay Debt Service	<u>2,750.56</u>	<u>2,750.56</u>	<u>2,750.56</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 8,941,195.07</u>	<u>\$ 11,899,191.11</u>	<u>\$ 10,801,177.15</u>

Summary of Municipal Debt Issued and Outstanding

Summary of Municipal Debt Issued and Outstanding - Current Year

	Balance			Balance	
	12/31/2014	Additions		Retirements	12/31/2015
<u>Serial Bonds Payable:</u>					
General Capital Fund	\$ 5,498,000.00		\$ 545,000.00		\$ 4,953,000.00
Water Utility Fund	2,781,575.00		285,000.00		2,496,575.00
Parking Utility Fund	751,000.00		40,000.00		711,000.00
<u>Loan Payable:</u>					
Water Utility Fund	667,251.82		38,996.04		628,255.78
<u>Bond Anticipation Notes Payable:</u>					
General Capital Fund		\$4,807,000.00			4,807,000.00
Water Utility Fund		1,592,000.00			1,592,000.00
Parking Utility Fund		397,685.00			397,685.00
Total	<u>\$ 9,697,826.82</u>	<u>\$6,796,685.00</u>	<u>\$ 908,996.04</u>		<u>\$ 15,585,515.78</u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt Issued and Outstanding (Cont'd)

Summary of Municipal Debt Issued and Outstanding - Prior Year

	Balance 12/31/2013	Additions	Retirements	Balance 12/31/2014
Serial Bonds Payable:				
General Capital Fund	\$ 6,028,000.00		\$ 530,000.00	\$ 5,498,000.00
Water Utility Fund	3,066,575.00		285,000.00	2,781,575.00
Parking Utility Fund	791,000.00		40,000.00	751,000.00
Loan Payable:				
Water Utility Fund	706,237.86		38,986.04	667,251.82
Total	<u>\$ 10,591,812.86</u>	<u>\$ -0-</u>	<u>\$ 893,986.04</u>	<u>\$ 9,697,826.82</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .744%.

	Gross Debt	Deductions	Net Debt
Local School Debt	\$ 6,385,000.00	\$ 6,385,000.00	
Water Utility Debt	4,871,017.63	4,871,017.63	
Parking Utility Debt	1,108,685.00	1,108,685.00	
General Debt	9,760,928.00	2,750.56	\$ 9,758,177.44
	<u>\$ 21,016,945.63</u>	<u>\$ 11,258,768.19</u>	<u>\$ 9,758,177.44</u>

Net Debt \$9,758,177.44 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$1,312,109,295.33= .744%.

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

3-1/2% Average Equalized Valuation of Real Property	\$ 45,923,825.34
Net Debt	<u>9,758,177.44</u>
Remaining Borrowing Power	<u>\$ 36,165,647.90</u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 2: Long-Term Debt (Cont'd)

Calculation of "Self-Liquidating Purpose", Water Utility Per N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 3,191,465.49
Deductions:		
Operating and Maintenance Costs	\$ 2,308,402.96	
Debt Service	419,079.96	
Total Deductions	2,727,482.92	
Excess in Revenue		\$ 463,982.57

Calculation of "Self-Liquidating Purpose", Parking Utility Per N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 373,649.99
Deductions:		
Operating and Maintenance Costs	\$ 280,414.00	
Debt Service	61,078.33	
Total Deductions	341,492.33	
Excess in Revenue		\$ 32,157.66

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount.

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

The Town's debt issued and outstanding on December 31, 2015 is described as follows:

<u>General Capital Serial Bonds</u>			
Purpose	Final Maturity Date	Interest Rate	Balance Outstanding Dec. 31, 2015
General Improvement	10/15/2019	3.75% - 4.00%	\$ 875,000.00
General Improvement	9/15/2023	2.00%-3.250%	4,078,000.00
			\$ 4,953,000.00
<u>Water Utility Capital Serial Bonds</u>			
Purpose	Final Maturity Date	Interest Rate	Balance Outstanding Dec. 31, 2015
Water Improvements	7/15/2019	4.90%	\$ 381,575.00
Water Improvements	9/15/2028	2.00%-3.25%	700,000.00
Water Refunding Bond	9/1/2023	3.00%	1,415,000.00
			\$ 2,496,575.00

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 2: Long-Term Debt (Cont'd)

The Town's debt issued and outstanding on December 31, 2015 is described as follows: (Cont'd)

<u>Parking Utility Capital Serial Bonds</u>			
<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2015</u>
Parking Improvements	9/15/2031	2.00%-3.250%	\$ 711,000.00
<u>Water Utility Capital Loans Payable</u>			
<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2015</u>
Various Improvements to the Water Department	8/1/2029	3.00%-5.00%	\$ 628,255.78
<u>General Capital Bond Anticipation Notes Payable</u>			
<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2015</u>
Recreation Field and Park Improvements	8/4/2016	0.63%	\$ 57,000.00
Various General Improvements and Equipment Purchases	8/4/2016	0.63%	1,900,000.00
Various General Improvements and Equipment Purchases	8/4/2016	0.63%	2,850,000.00
			<u>\$ 4,807,000.00</u>
<u>Parking Utility Capital Bond Anticipation Notes Payable</u>			
<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2015</u>
Various Improvements	8/4/2016	0.63%	\$ 372,685.00
Purchase of New Vehicle	8/4/2016	0.63%	25,000.00
			<u>\$ 397,685.00</u>
<u>Water Utility Capital Bond Anticipation Notes Payable</u>			
<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2015</u>
Various Improvements for the Water Department	8/4/2016	0.63%	\$ 92,000.00
Various Improvements for the Water Department	8/4/2016	0.63%	1,500,000.00
			<u>\$ 1,592,000.00</u>
TOTAL DEBT ISSUED AND OUTSTANDING			<u>\$ 15,585,515.78</u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 2: Long-Term Debt (Cont'd)

New Jersey Department of Environmental Protection Loan Payable –

A loan agreement was entered into with the New Jersey Department of Environmental Protection in 2010 for various improvements to the water department. The loan is payable over 20 years and the original principal amount of the loan was \$628,255.78.

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years and Thereafter for Bonded Debt and Loans Payable Issued and Outstanding

Calendar Year	General Capital Fund		
	Principal	Interest	Total
2016	\$ 570,000.00	\$ 144,160.00	\$ 714,160.00
2017	590,000.00	128,910.00	718,910.00
2018	610,000.00	112,710.00	722,710.00
2019	630,000.00	96,110.00	726,110.00
2020	640,000.00	78,172.50	718,172.50
2021-2023	1,913,000.00	119,317.50	2,032,317.50
	<u>\$ 4,953,000.00</u>	<u>\$ 679,380.00</u>	<u>\$ 5,632,380.00</u>

Calendar Year	Water Utility Capital Fund		
	Principal	Interest	Total
2016	\$ 324,009.04	\$ 96,271.92	\$ 420,280.96
2017	324,025.04	87,506.18	411,531.22
2018	324,046.04	77,184.54	401,230.58
2019	335,650.04	56,805.28	392,455.32
2020	294,112.04	46,408.76	340,520.80
2021-2025	1,111,344.20	199,537.10	1,310,881.30
2026-2030	399,953.73	19,740.00	419,693.73
2031	11,690.65	117.68	11,808.33
	<u>\$ 3,124,830.78</u>	<u>\$ 583,571.46</u>	<u>\$ 3,708,402.24</u>

Calendar Year	Parking Utility Capital Fund		
	Principal	Interest	Total
2016	\$ 45,000.00	\$ 20,445.00	\$ 65,445.00
2017	45,000.00	19,545.00	64,545.00
2018	50,000.00	18,645.00	68,645.00
2019	50,000.00	17,645.00	67,645.00
2020	55,000.00	16,520.00	71,520.00
2021-2025	290,000.00	56,950.00	346,950.00
2026-2028	176,000.00	11,310.00	187,310.00
	<u>\$ 711,000.00</u>	<u>\$ 161,060.00</u>	<u>\$ 872,060.00</u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 2: Long-Term Debt (Cont'd)

Net Pension Liability

The State of New Jersey Public Employees' Retirement System's (PERS) net pension liability was calculated to be \$11,204,470 at December 31, 2015. The State of New Jersey Police and Firemen's Retirement System's (PFRS) net pension liability was calculated to be \$20,326,971 at December 31, 2015. See Note 5 for further information on the PERS and PFRS.

Note 3: Fund Balances Appropriated

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

Current Fund	\$ 1,100,500
Water Utility Operating Fund	74,941
Parking Utility Operating Fund	44,513
	<u>\$ 1,219,954</u>

Note 4: Local School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Town of Dover has elected not to defer school taxes.

Note 5: Pension Plans

Town employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employee's Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Benefits Provided

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

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Town contributions to PERS amounted to \$429,118 for 2015.

The employee contribution rate was 6.92% effective July 1, 2014 and increased to 7.06% effective July 1, 2015. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities and Pension Expense

At June 30, 2015, the Town's liability was \$11,204,470 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014 which was rolled forward to June 30, 2015. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2015, the Town's proportion was 0.0499%, which was a decrease of 0.001% from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the Town recognized actual pension expense in the amount of \$429,118.

Actuarial Assumptions

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

Inflation Rate	3.04%
Salary Increases:	
2012-2021	2.15 – 4.40% based on age
Thereafter	3.15 – 5.40% based on age
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback one year for females) are used to value disabled retirees.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.90% at June 30, 2015) 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 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. 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' target asset allocation as of June 30, 2015 are summarized in the following table:

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return (Cont'd)

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

Discount Rate

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

The following presents the Town's proportionate share of the collective net pension liability as of June 30, 2015 calculated using the discount rate as disclosed below, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate
(Cont'd)

	June 30, 2015		
	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
Town's proportionate share of the Net Pension Liability	\$ 13,925,785	\$ 11,204,470	\$ 8,922,939

Pension Plan Fiduciary Net Position

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

B. Police and Firemen's Retirement System (PFRS)

Plan Description

The State of New Jersey, State of New Jersey Police and Firemen's Retirement System (PFRS), is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the PFRS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

Benefits Provided

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

The following represents the membership tiers for PFRS:

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

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

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Contributions

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing members. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual amounts over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of the assets.

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 legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. The June 30, 2015 State special funding situation net pension liability amount is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The fiscal year ending June 30, 2015 State special funding situation pension expense is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2015. The pension expense is deemed to be a State administrative expense due to the special funding situation. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific funded amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer.

Town contributions to PFRS amounted to \$991,972 for the year ended December 31, 2015. During the fiscal year ended June 30, 2015, the State of New Jersey contributed \$92,794 to the PFRS for normal pension benefits on behalf of the Town, which is less than the contractually required contribution of \$222,354.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Pension Liabilities and Pension Expense

At June 30, 2015, the Town's liability for its proportionate share of the net pension liability was \$20,326,971. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014 which was rolled forward to June 30, 2015. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2015, the Town's proportion was 0.122%, which was an increase of 0.005% from its proportion measured as of June 30, 2014.

Additionally, the State's proportionate share of the net pension liability attributable to the Town is \$1,782,607 as of June 30, 2015. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014 which was rolled forward to June 30, 2015. The State's proportionate share of the net pension liability associated with the Town was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2015, the State's proportion was 0.122%, which was an increase of 0.005% from its proportion measured as of June 30, 2014 which is the same proportion as the Town's.

Town's Proportionate Share of the Net Pension Liability	\$ 20,326,971
State's Proportionate Share of the Net Pension Liability Associated with the Town	<u>1,782,607</u>
Total Net Pension Liability	<u><u>\$ 22,109,578</u></u>

For the year ended December 31, 2015, the Town recognized total pension expense of \$991,972.

Actuarial Assumptions

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

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

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Actuarial Assumptions (Cont'd)

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

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.90% at June 30, 2015) 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 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. 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 PFRS' target asset allocation as of June 30, 2015 are summarized in the following table:

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

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Discount Rate – PFRS

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 contributions from employers and the nonemployer contributing entity will be made based on the average of the last five years of contributions. Based on those assumptions, the pension 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 pension 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 Total Net Pension Liability (including the State's proportionate share of the net pension liability attributable to the Town) to Changes in the Discount Rate

The following presents the total net pension liability (including the State's proportionate share of the net pension liability attributable to the Town) as of June 30, 2015 calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2015		
	1% Decrease (4.79%)	Current Discount Rate (5.79%)	1% Increase (6.79%)
Town's proportionate share of the NPL and the State's proportionate share of the Net Pension Liability associated with the Town	\$ 29,147,444	\$ 22,109,578	\$ 16,370,828

Pension

Plan Fiduciary Net Position - PFRS

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

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 5: Pension Plans (Cont'd)

C. Defined Contribution Retirement Program (DCRP) (cont'd)

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the Town recognized pension expense of \$4,500 for the year ended December 31, 2015. Employee contributions to DCRP amounted to \$14,325 for the year ended December 31, 2015.

Note 6: Accrued Sick and Vacation Benefits

The Town has permitted employees to accrue unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$1,236,573.26. However, it is expected that the cost of such unpaid compensation would be included in the Town's budget operating expenditures in the year in which it is used. This amount is partially funded in the Reserve for Accumulated Absences of \$40,262.99 on the Trust Funds balance sheet at December 31, 2015.

Note 7: Supplemental Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1.

A ten-day grace period is usually granted before the taxes are considered delinquent and the imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the prior year may be placed in lien at a tax sale held after April 1 and through December 31. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

Comparative Schedule of Tax Rate Information

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Tax Rate</u>	\$ 2.055	\$ 2.034	\$ 1.987
<u>Apportionment of Tax Rate</u>			
Municipal	0.949	0.919	0.883
County	0.220	0.235	0.230
Local School	0.886	0.880	0.874
<u>Assessed Valuations</u>			
2015	<u>\$ 1,464,460,900.00</u>		
2014		<u>\$ 1,471,331,200.00</u>	
2013			<u>\$ 1,478,210,300.00</u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 7: Supplemental Tax Information (Cont'd)

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2015	\$ 30,095,611	\$ 29,198,346	97.01%
2014	29,942,138	29,210,212	97.55%
2013	29,394,612	28,538,789	97.08%

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding decreases in budgeted expenditures.

Note 8: Cash and Cash Equivalents

Cash and cash equivalents include change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Town classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 40, *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures*, requires disclosure of the level of custodial credit risk assumed by the Town in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Town ensures that any deposit or investments matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Town limits its investments to those authorized in its cash management plan which are permitted under state statutes as detailed on the following pages.

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 insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 8: Cash and Cash Equivalents (Cont'd)

Deposits (Cont'd)

The market value of the collateral must equal 5% of the average daily balance of public funds; and in addition

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

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

Investments

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (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 that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund; or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in statute; and

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 8: Cash and Cash Equivalents (Cont'd)

Investments (Cont'd)

- (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2015, cash and cash equivalents of the Town of Dover consisted of the following:

<u>Fund</u>	<u>Cash on Hand</u>	<u>Checking Accounts</u>	<u>Totals</u>
Current	\$ 645.00	\$ 3,399,006.12	\$ 3,399,651.12
Animal Control		37,652.40	37,652.40
Other Trust		1,319,509.54	1,319,509.54
General Capital		4,412,118.00	4,412,118.00
Water Utility Operating	100.00	911,702.92	911,802.92
Water Utility Capital		2,362,822.97	2,362,822.97
Parking Utility Operating		140,564.45	140,564.45
Parking Utility Capital		422,127.10	422,127.10
	<u>\$ 745.00</u>	<u>\$13,005,503.50</u>	<u>\$13,006,248.50</u>

The carrying amount of the Town's cash and cash equivalents at year end was \$13,006,248.50 and the bank balance was \$13,390,344.68.

Note 9: Post-Retirement Medical/Dental Benefits

The Town of Dover provides post-retirement benefits, as follows, to Town employees who meet the following criteria:

Upon retirement, full time employees with twenty-five (25) years in the state Pension Plan at age fifty-five (55) or with twenty (20) years in the state Pension Plan at age sixty (60) will receive full hospitalization, medical and prescription benefits which will cover the retiring employees and their families. Those hired on or after February 2009 are not eligible for retiree benefits.

Funding Policy

The Town is not required to nor does it contribute the annual required contribution (ARC) per N.J.S.A. 40A:4-1 et. seq. There is currently no provision under State statute for the Town to accrue funds, create a trust or issue debt to finance their other post employment benefit ("OPEB") liability.

Currently, there are no contribution requirements of plan members.

The Town's portion of post retirement benefits is funded on a pay-as-you-go basis from the Current Fund operating budget. As of December 31, 2014, there were 110 participants receiving retiree benefits, and 83 active participants of whom 6 are eligible to retire as of the valuation date. The average age of the active population is 49 and the average age of the retiree population is 71.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 9: Post-Retirement Medical/Dental Benefits (Cont'd)

The Town accounts for certain post-employment health care benefits provided in accordance with Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Employers that participate in *single-employer* or *agent multiple-employer defined benefit* OPEB plans (sole and agent employers) are required to measure and disclose an amount for annual OPEB cost on the accrual basis of accounting. Annual OPEB cost is equal to the employer's annual required contribution to the plan (ARC), with certain adjustments if the employer has a net OPEB obligation for past under- or over contributions.

The ARC is defined as the employer's required contributions for the year, calculated in accordance with certain parameters, and includes (a) the normal cost for the year and (b) a component for amortization of the total unfunded actuarial accrued liabilities (or funding excess) of the plan over a period not to exceed thirty years. If the methods and assumptions used in determining a plan's funding requirements meet the parameters, the same methods and assumptions are required for financial reporting by both a plan and its participating employer(s). However, if a plan's method of financing does not meet the parameters (for example, the plan is financed on a pay-as-you-go basis), the parameters nevertheless apply for financial reporting purposes.

The Town as a sole employer should recognize OPEB expense in an amount equal to annual OPEB cost. Net OPEB obligations, if any, should be displayed as liabilities (or assets) in the financial statements.

Plan Description

The provisions of Chapter 88, P.L. 1974, along with any Town approved ordinances and resolutions, provide the authority for the Town to offer the post-employment health care benefits as detailed below.

The Town provides medical, prescription drug, and dental to retirees and their covered dependents that meet the appropriate requirements. The Town provides Medicare Part B reimbursement to Policemen's Benevolent Association and Superior Officer Association retirees and their covered dependents after 25 years of service. All active employees who retire from the Town and meet the eligibility criteria will receive these benefits. As of February 1, 2009, new hires are no longer eligible for lifetime post employment health care benefits. As of December 31, 2014, the valuation date, approximately 110 retirees and surviving spouses, and 83 active members meet the eligibility requirements put forth in P.L. 1992, c 126. The Town sponsors and participates in a single-employer defined benefit OPEB plan. The OPEB plan is administered by the Town and does not issue a stand-alone financial statement.

Employees are eligible to receive postretirement health benefits through the Town health plan by meeting either of the following criteria:

- Retires after 25 years or more of service in the state Pension Plan, or
- Retires at age 60 or older with at least 20 years of service in the state Pension Plan, or
- Retires at age 55 or older with at least 25 years of service in the state Pension Plan

The Town subsidizes 100% of the cost of coverage for current retirees meeting the requirements outlined above and for future retirees who have at least 25 years of service as of 5/21/10, the Town will reimburse 100% of eligible Policemen's Benevolent Association and Superior Officer Association retiree's Medicare Part B premiums.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 9: Post-Retirement Medical/Dental Benefits (Cont'd)

Annual OPEB Cost and Net OPEB Obligation

The Town's annual OPEB cost is calculated based on the annual required contribution (ARC) of the employer. The Town engaged an actuary to calculate the ARC and related information per the provisions of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial accrued liabilities over a period not to exceed 30 years, with an assumption that payroll increases by 4% per year.

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include economic assumptions; benefit assumptions and demographic assumptions. Economic assumptions include the discount and health care cost trend rates. Benefit assumptions encompass the initial per capita costs rates for medical coverage. Finally, demographic assumptions include probabilities concerning retirement, mortality, termination without being eligible for benefits, disability, participation rates and coverage levels were based on those used to value the New Jersey State Health Benefits Program. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

In the 2014 actuarial valuation, the projected unit credit cost method was used. Under this method, the present value of benefits was allocated uniformly over an employee's expected working lifetime.

The actuarial assumptions per the 2014 valuation include a 2.50% anticipated rate of return on investments. For medical benefits, the initial rate utilized is 9.0% or 8.0% (depending on medical plan) and decreases to a 5.0% long-term trend rate for all medical benefits after 10 years. For prescription drug benefits, the initial trend rate is 10.0%, decreasing to a 5.0% long-term trend rate after 10 years. For Medicare Part B reimbursements, the trend rate is 5.0%.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 9: Post-Retirement Medical/Dental (Cont'd)

Annual OPEB Cost per Actuarial Valuation

The December 31, 2015 actuarial valuation report was not available as of the date of this report. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contribution to the plan and the Town's obligation to the Plan at December 31, 2013, 2014 and 2015:

Benefit Obligations and Normal Cost

	Valuation December 31,		
	2013	2014	2015
Actuarial accrued liability (AAL)	N/A	\$ 75,924,567	N/A
Unfunded actuarial accrued liability (UAAL)	N/A	75,924,567	N/A
Normal cost at beginning of year	N/A	1,285,510	N/A
Amortization factor based on 30 years	N/A	4,661,126	N/A
Annual covered payroll	N/A	N/A	N/A
UAAL as a percentage of covered payroll	N/A	N/A	N/A

Level Dollar Amortization

Calculation of ARC under Projected Unit Credit Cost Method

ARC normal cost with interest to end of year	N/A	1,285,510	N/A
(UAAL) over 30 years with interest at year end	N/A	4,661,126	N/A
Annual Required Contribution (ARC)		5,946,636	
Interest on net OPEB obligation			
Adjustment to ARC			
Annual OPEB cost (expense)		5,946,636	
Pay as you go benefits			
Net OPEB expense at June 30,:			
2013, 2014 and 2015, respectively		5,946,636	
Prior year	N/A	N/A	N/A
Net OPEB obligation June 30,:			
2013, 2014 and 2015, respectively	N/A	N/A	N/A
Unfunded actuarial accrued liability (December 31, 2013)	N/A	N/A	N/A
Unfunded actuarial accrued liability (December 31, 2014)		N/A	N/A
Projected unfunded actuarial accrued liability (December 31, 2015)		\$ 75,924,567	N/A

Since it has fewer than 200 plan members, the Town follows the three year rotation cycle. The tables above and below indicates N/A in the year when the valuation report was not available.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 10: Risk Management

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

Property, Liability and Workers' Compensation

The Town of Dover is a member of the Morris County Municipal Joint Insurance Fund. This fund is both an insured and self-administered group of municipalities established for the purpose of providing certain low-cost insurance coverage for member municipalities in order to keep local property taxes at a minimum.

The following coverages are offered by these funds to its members:

- a.) Workers' Compensation and Employers' Liability
- b.) Liability Other Than Motor Vehicles
- c.) Property Damage Other Than Motor Vehicles
- d.) Motor Vehicle
- e.) Public Officials' Liability Coverage
- f.) Environmental Coverage

The Municipal Excess Liability Joint Insurance Fund also offers Public Officials' Liability Coverage.

Members of the Morris County Municipal Joint Insurance Fund are also members of the Municipal Excess Liability Joint Insurance Fund which provides excess insurance for each of the coverages noted above, except for excess property coverage which is purchased by the Morris County Municipal Joint Insurance Fund from a commercial carrier.

As a member of the Fund, the Town could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. The members may either receive payment or offset their subsequent year assessments with their respective share of the distribution.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 10: Risk Management (Cont'd)

Selected, summarized financial information for the Morris County Municipal Joint Insurance Fund as of December 31, 2015 is as follows:

	Morris County Municipal Joint Insurance Fund
Total Assets	\$ 24,775,454
Net Position	\$ 8,631,831
Total Revenue	\$ 17,342,912
Total Expenses	\$ 17,891,105
Change in Net Position for the Year Ended December 31, 2015	\$ (548,193)
Members Dividends	\$ -0-

Financial statements for the Funds are available at the offices of the Fund's Executive Director:

PERMA Risk Management Services
9 Campus Drive, Suite 216
Parsippany, NJ 07054
(201) 881-7632

The Town of Dover is also a member of the North Jersey Municipal Employee Benefits Fund. This fund is both an insured and self-administered group of municipalities established for the purpose of providing certain employee benefits for member municipalities in order to keep local property taxes at a minimum.

The following health benefit coverages are offered by this fund to its members:

- a.) Medical
- b.) Prescription
- c.) Dental

As a member of this Fund, the Town could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

This Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. The members may either receive payment or offset their subsequent year assessments with their respective share of the distribution.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 10: Risk Management (Cont'd)

The December 31, 2015 audit report for North Jersey Municipal Employee Benefits Fund is as follows:

	<u>North Jersey Municipal Employee Benefits Fund</u>
Total Assets	\$ 19,233,128
Total Net Position	\$ 16,145,533
Total Revenue	\$ 41,651,823
Total Expenses	\$ 38,677,078
Change in Net Position for the Year Ended December 31, 2015	\$ 1,774,562
Members Dividends	\$ 1,200,183

Financial statements for the Fund are available at the offices of the Fund's Executive Director:

PERMA Risk Management Services
9 Campus Drive, Suite 216
Parsippany, NJ 07054
(201) 881-7632

New Jersey Unemployment Compensation Insurance

The Town has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Town is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Town is billed quarterly for amounts due to the State.

The following is a summary of the Town and employees' contributions, interest earned, reimbursements to the State for benefits paid and the ending balance of the Town's expendable trust fund for the current and previous two years:

Year	Town Contributions	Interest Earned	Employee Contributions	Amount Reimbursed	Ending Balance
2015	\$ 16,019.00	\$ -0-	\$ 25,906.69	\$ 35,453.84	\$ 44,366.46
2014	5,740.00	-0-	15,921.50	14,982.15	37,894.61
2013	5,740.00	-0-	30,978.30	36,204.98	31,215.26

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 11: Contingencies

The Town is periodically involved in lawsuits arising in the normal course of business, including claims for disputes over contract awards. In the opinion of management, the ultimate outcome of these lawsuits will not have a material adverse effect on the Town's financial position as of December 31, 2015.

The City of Jersey City and the Jersey City Municipal Utilities Authority (the "plaintiffs") are currently members of the Rockaway Valley Regional Sewerage Authority ("RVRSA"), as is the Town as well as a number of Morris County municipalities. A lawsuit was filed in a prior year by the City of Jersey claiming that they have 1) no obligation to contribute to the RVRSA's capital costs; 2) that the 1984 settlement agreement among the parties is void or in the alternative that it be reformed to decrease the plaintiffs' share of the costs and 3) damages for what plaintiffs contend was an incorrect assessment of capital costs. A motion for partial summary judgement was granted to the member municipalities of the RVRSA finding that Jersey City's obligation to pay for operating costs, maintenance, and repairs must continue. However, the City of Jersey City has added another claim to its lawsuit asserting that the terms of the 1971/1984 agreements should be interpreted to mean that the City of Jersey City's obligation to make payments should end now or in the very near future. The parties to this lawsuit are currently in mediation with respect to the amended lawsuit. If the lawsuit is successful and the City of Jersey City is successful in its lawsuit, the contributions by the Town to the RVRSA would increase significantly. However, an estimate of the impact on future RVRSA contributions to be paid by the Town cannot be determined at this point.

The municipality has been advised that a number of tax appeals have been filed. Potential refunds on tax appeals could be as much as \$120,000. A reserve for pending tax appeals in the amount of \$120,000 has been recorded as a liability as of December 31, 2015.

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Town as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Town officials expect such amounts, if any, to be immaterial.

Note 12: Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at December 31, 2015:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 11,998.60	\$ 197,933.54
Federal and State Grant Fund	197,575.54	
Animal Control Fund		11,998.60
Other Trust Funds	358.00	
Water Utility Operating Fund	940.28	
Water Utility Capital Fund		940.28
	<u>\$ 210,872.42</u>	<u>\$ 210,872.42</u>

There was interfund activity throughout the year in the Town of Dover. A majority of the interfund activity was the forwarding of funds from utilities and trusts to cover expenses in the Current Fund, which subsequently returned those advances prior to year end. Bank interest earned in the General Capital Fund and the Other Trust Funds were also turned over to the Current Fund prior to the end of the year. The interfund receivable between the Current Fund and the Federal and State Grant Fund is comprised of the excess of grant revenue received in the Current Fund and due to the Federal and State Grant Fund.

The interfund receivable in the Other Trust Funds is due to trust receipts collected in the Current Fund.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 12: Interfund Receivables and Payables (Cont'd)

The interfund receivable in the Water Utility Operating Fund is due to accrued interest on bonds due from the Water Utility Capital Fund.

Note 13: Deferred Charges to be Raised in Succeeding Years

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

	<u>Balance</u> <u>Dec. 31, 2015</u>	<u>Required</u> <u>2016 Budget</u> <u>Appropriation</u>	<u>Balance Deferred</u> <u>to Succeeding</u> <u>Years' Budgets</u>
Current Fund:			
Special Emergency Authorization - Hurricane Sandy	\$ 30,000.00	\$ 15,000.00	\$ 15,000.00
Special Emergency Authorization - Hurricane Irene	25,000.00	25,000.00	
Special Emergency Authorization - Library Damage	44,641.63	14,880.54	29,761.09
Special Emergency Authorization - Reassessment	200,000.00	40,000.00	160,000.00
	<u>\$ 299,641.63</u>	<u>\$ 94,880.54</u>	<u>\$ 204,761.09</u>

The amounts appropriated in the 2016 budget is not less than the amount required by statute.

Note 14: Economic Dependency

The Town receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Town's programs and activities.

Note 15: Deferred Compensation

The Town offers its employees a choice of two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, which are administered by the entities noted below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are Nationwide Retirement Solution and Transamerica Life Insurance.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Note 16: Fixed Assets

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

	Balance December 31, 2014	Additions	Deletions	Balance December 31, 2015
Land	\$ 4,105,200			\$ 4,105,200
Buildings	2,326,500			2,326,500
Machinery and Equipment	8,310,094	\$ 528,571	\$ 311,538	8,527,127
	<u>\$ 14,741,794</u>	<u>\$ 528,571</u>	<u>\$ 311,538</u>	<u>\$ 14,958,827</u>
	Balance December 31, 2013	Additions	Deletions	Balance December 31, 2014
Land	\$ 4,105,200			\$ 4,105,200
Buildings	2,326,500			2,326,500
Machinery and Equipment	8,281,019	\$ 183,667	\$ 154,592	8,310,094
	<u>\$ 14,712,719</u>	<u>\$ 183,667</u>	<u>\$ 154,592</u>	<u>\$ 14,741,794</u>

TOWN OF DOVER

SUPPLEMENTARY DATA

TOWN OF DOVER
OFFICIALS IN OFFICE AND SURETY BONDS
YEAR ENDED DECEMBER 31, 2015

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
James P. Dodd	Mayor		
Thomas MacDonald	Alderman		
Christine Noriega	Alderman		
Carolyn Blackman	Alderman		
Michael Picciallo	Alderman		
Robert Rutan	Alderman		
Steven Toth	Alderman		
Cindy Romaine	Alderman		
James Visioli	Alderman		
Donald Travisano	Administrator		
Margaret Verga	Town Clerk; Assessment Search Officer	\$ 1,000,000.00	MELJIF
Kelly N. Toohy	Chief Financial Officer; Treasurer	1,000,000.00	MELJIF
Andrea Coroneos	Tax Collector	1,000,000.00	MELJIF
Maria Acuria	Principal Water Cashier	(A)	
Gerard Smith	Magistrate	(A)	
Sonia Barria	Court Administrator	(A)	
Timothy Downs	Town Attorney		
Luis Acevedo	Water Superintendent (through 5/11/2015)/Department of Public Works Director	(A)	
Robert Kinsey	Water Superintendent (from 5/11/2015)	(A)	
Andrew Dujack	Water President/Water Commissioner	(A)	
Aldo Cicchetti	Water Commissioner	(A)	

(A) There is a Faithful Performance Blanket Position Bond for \$50,000 with MCMJIF and \$950,000 with MELJIF for employees not separately bonded and \$1,000,000 with MELJIF for those separately bonded.

All bonds were examined and were properly executed.

TOWN OF DOVER

COUNTY OF MORRIS

2015

CURRENT FUND

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 3,929,219.39
Increased by Receipts:		
Tax Collector		\$ 30,833,637.25
Revenue Accounts Receivable		3,419,470.18
Sewer Rents Receivable		1,773,951.25
Prepaid Sewer Rents		1,617.80
Miscellaneous Revenue Not Anticipated		446,106.58
Interest on Investments and Deposits		19,480.66
Due to/from:		
State of N.J. - Veterans' and Senior Citizens' Deductions		72,809.59
Police Outside Services		186,446.46
Dover Housing Authority		68,776.56
Federal and State Grant Fund:		
Unappropriated Grant Reserves		36,133.50
Grant Funds Receivable		681,581.51
Animal Control Fund:		
Settlement of Prior Year Interfund		8,649.80
General Capital Fund:		
Interest Earned		4,643.23
Recycling Trust Fund:		
Reserve for Recycling		4,247.00
Appropriation Refunds		922,324.05
Due to State of N.J.:		
Marriage License Fees		4,295.00
Building Fees		18,353.00
Reserve for:		
Maintenance of Free Public Library		7,940.00
		38,510,463.42
		42,439,682.81

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF CASH - TREASURER
(Continued)

Ref.

Decreased by Disbursements:			
2015 Budget Appropriations	\$	19,221,194.32	
2014 Appropriation Reserves		664,309.77	
County Taxes		3,216,444.46	
Local School District Taxes		14,054,967.98	
Due to State of N.J.:			
Marriage Licenses		4,185.00	
Building Fees		18,794.00	
Due to/from:			
Dover Housing Authority		68,776.56	
Police Outside Services		193,757.63	
Federal and State Grant Fund:			
Appropriated Grant Reserves Expenditures		656,474.59	
Other Trust Funds- Reserve for Tax Sale Premiums		427,200.00	
Recycling Trust Fund:			
Reserve for Recycling		4,173.00	
Reserve for:			
Third Party Liens		389,852.92	
Reassessments		93,400.00	
Maintenance of Free Public Library		27,146.46	
		<hr/>	<hr/>
			\$ 39,040,676.69
Balance December 31, 2015	A		<hr/> <hr/> \$ 3,399,006.12

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2015

Increased by Receipts:	
Taxes Receivable	\$ 29,457,965.87
2016 Prepaid Taxes	320,631.88
Tax Overpayments	1,468.38
Interest and Costs on Taxes	171,758.96
Tax Sale Premiums	427,200.00
Third Party Liens Redeemed	447,955.41
Miscellaneous Revenue	6,656.75
	<hr style="width: 100%; border: 0.5px solid black;"/>
	30,833,637.25
Decreased by:	
Payments to Treasurer	\$ 30,833,637.25
	<hr style="width: 100%; border: 0.5px solid black;"/>

FEDERAL AND STATE GRANT FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2015

NOT APPLICABLE

TOWN OF DOVER
CURRENT FUND
TAX COLLECTOR - SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance	2015 Levy	Collections		Overpayments Applied	State of NJ	Cancelled	Transferred to Tax Title Liens	Balance Dec. 31, 2015
	Dec. 31, 2014		2014	2015		Veterans' and Senior Citizens' Deductions			
2013	\$ 4,253.60			\$ 2,766.95			\$ 1,486.65		
2014	458,995.11			456,033.76			2,961.35		
	463,248.71			458,800.71			4,448.00		
2015		\$ 30,095,610.54	\$ 130,031.73	28,999,165.16	\$ 1,131.49	\$ 68,017.81	305,013.03	\$ 31,327.21	\$ 560,924.11
	\$ 463,248.71	\$ 30,095,610.54	\$ 130,031.73	\$ 29,457,965.87	\$ 1,131.49	\$ 68,017.81	\$ 309,461.03	\$ 31,327.21	\$ 560,924.11
Ref.	A								A

Tax Yield:

General Property Tax	\$ 30,094,680.63
Added Taxes (54:4-63.1 et seq.)	929.91
	<u>\$ 30,095,610.54</u>

Tax Levy:

Local School District Taxes	\$ 12,970,285.00
County Taxes	\$ 3,214,681.17
Due County for Added and Omitted Taxes	102.48
	<u>3,214,783.65</u>
	16,185,068.65
Local Tax for Municipal Purposes	13,467,996.93
Municipal Library Tax	431,652.21
Add: Additional Tax Levied	10,892.75
	<u>13,910,541.89</u>
	<u>\$ 30,095,610.54</u>

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 299,132.39
Increased by:		
2015 Taxes Transferred		31,327.21
		<u>330,459.60</u>
Decreased by:		
Cancelled	\$ 5,500.98	
Transferred to Foreclosed Property	<u>32,744.01</u>	
		<u>38,244.99</u>
Balance December 31, 2015	A	<u>\$ 292,214.61</u>

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2014	Accrued In 2015	Received Treasurer	Balance Dec. 31, 2015
Alcoholic Beverages Licenses		\$ 41,840.00	\$ 41,840.00	
Other Licenses		53,525.00	53,525.00	
Fees and Permits		159,349.49	159,349.49	
Municipal Court:				
Fines and Costs	\$ 28,421.11	464,873.50	448,802.90	\$ 44,491.71
Energy Receipts Taxes		1,052,310.00	1,052,310.00	
In Lieu of Taxes - Mill Pond Towers				
Senior Citizens Apartments		181,232.00	181,232.00	
Fire Prevention Inspection Fees		30,023.50	30,023.50	
Consolidated Municipal Property Tax				
Relief Aid		212,312.00	212,312.00	
Construction Code Official:				
Fees and Permits		233,177.00	233,177.00	
Municipal Alliance Donation -				
Borough of Victory Gardens		1,000.00	1,000.00	
Water Utility Operating Fund:				
Fund Balance Anticipated		125,000.00	125,000.00	
Parking Utility Operating Fund:				
Fund Balance Anticipated		50,000.00	50,000.00	
Interlocal Services -				
Municipal Court & Fire		413,595.50	413,595.50	
Cell Tower Rental		199,202.84	199,202.84	
Uniform Fire Safety Act		37,164.78	37,164.78	
Cable TV Franchise Fee		180,935.17	180,935.17	
	<u>\$ 28,421.11</u>	<u>\$ 3,435,540.78</u>	<u>\$ 3,419,470.18</u>	<u>\$ 44,491.71</u>

Ref.

A

A

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF SEWER RENTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2014	A	\$ 29,307.57
Increased by:		
Sewer Rents Levied		1,775,050.80
		<u>1,804,358.37</u>
Decreased by:		
Sewer Collections	\$ 1,773,951.25	
Overpayments Applied	<u>2,016.50</u>	
		<u>1,775,967.75</u>
Balance December 31, 2015	A	<u><u>\$ 28,390.62</u></u>

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF 2014 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2015

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Mayor and Board of Aldermen:				
Salaries and Wages	\$ 26.00	\$ 26.00		\$ 26.00
Other Expenses	3,115.58	3,115.58	\$ 2,928.80	186.78
Administrative and Executive:				
Salaries and Wages	50,552.45	43,552.45	30,202.60	13,349.85
Other Expenses	55,319.71	55,319.71	47,550.59	7,769.12
Town Clerk:				
Other Expenses	5,470.83	5,470.83	589.81	4,881.02
Financial Administration:				
Salaries and Wages	311.35	311.35		311.35
Other Expenses	2,244.88	4,244.88	3,349.60	895.28
Annual Audit	5,479.00	5,479.00	5,479.00	
Assessment of Taxes:				
Salaries and Wages	6.20	6.20		6.20
Other Expenses	12,858.97	12,858.97	4,885.61	7,973.36
Collection of Taxes:				
Salaries and Wages	433.71	433.71		433.71
Other Expenses	4,666.56	4,666.56		4,666.56
Legal Services and Costs:				
Other Expenses	52,860.20	52,860.20	37,130.72	15,729.48
Municipal Prosecutor:				
Salaries and Wages	6,500.28	6,500.28		6,500.28
Engineering Services and Costs:				
Other Expenses	21,154.92	21,154.92	14,121.58	7,033.34
Municipal Land Use Law:				
Planning Board:				
Other Expenses	796.93	796.93	100.00	696.93
Board of Adjustment:				
Other Expenses	4,122.68	4,122.68	823.75	3,298.93
Code Enforcement:				
Salaries and Wages	52,110.93	2,110.93		2,110.93
Other Expenses	5,108.50	5,108.50	1,411.28	3,697.22
Police:				
Salaries and Wages	27,792.85	27,292.85	20,237.12	7,055.73
Other Expenses	23,395.76	30,895.76	21,787.03	9,108.73
Shared Services Dispatching				
Other Expenses	6.78	6.78		6.78

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF 2014 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2015
(Continued)

	Balance Dec. 31, 2014	Balance After Modification	Paid or Charged	Balance Lapsed
Office of Emergency Management:				
Salaries and Wages	\$ 3,240.00	\$ 3,240.00		\$ 3,240.00
Other Expenses	916.17	916.17		916.17
Public Defender:				
Other Expenses	4,838.50	4,838.50	\$ 4,738.50	100.00
Uniform Fire Safety Act:				
Other Expenses	1,201.00	1,201.00		1,201.00
Fire:				
Salaries and Wages	11,177.17	10,177.17	2,958.64	7,218.53
Other Expenses	44,202.34	45,202.34	41,887.69	3,314.65
Municipal Court:				
Salaries and Wages	32,437.15	32,437.15	1,182.27	31,254.88
Other Expenses	6,136.98	6,136.98	6,136.98	
Board of Health:				
Salaries and Wages	4,200.04	4,200.04		4,200.04
Other Expenses	26,472.54	26,472.54	15,986.90	10,485.64
Solid Waste and Recycling:				
Salaries and Wages	6,359.16	6,359.16	334.88	6,024.28
Other Expenses	53,560.04	88,560.04	88,313.42	246.62
Shade Trees:				
Other Expenses	7,648.25	7,648.25		7,648.25
Senior Citizen Transportation:				
Salaries and Wages	1,994.87	1,994.87		1,994.87
Other Expenses	3,853.20	3,853.20	824.64	3,028.56
Recreation Department:				
Salaries and Wages	7,023.92	7,023.92		7,023.92
Other Expenses	21,703.91	21,703.91	7,162.38	14,541.53
Historic Preservation:				
Other Expenses	4,533.25	4,533.25	220.64	4,312.61
Division of Streets and Roads:				
Salaries and Wages	93,586.71	5,786.71	2,049.89	3,736.82
Other Expenses	24,045.31	24,045.31	10,671.73	13,373.58
Division of Sewer Maintenance:				
Salaries and Wages	1,374.80	1,374.80	77.10	1,297.70
Other Expenses	5,541.22	5,541.22		5,541.22
Buildings and Grounds Maintenance Division:				
Salaries and Wages	1,465.14	1,465.14	659.21	805.93
Other Expenses	6,923.46	6,923.46	5,026.63	1,896.83
Snow and Ice Removal:				
Salaries and Wages	7,303.41	7,303.41	7,303.41	
Other Expenses	12,259.33	12,259.33	12,259.33	

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF 2014 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2015
(Continued)

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
State Uniform Construction Code:				
Salaries and Wages	\$ 9,670.88	\$ 4,670.88		\$ 4,670.88
Other Expenses	1,394.97	1,394.97	\$ 574.05	820.92
Unclassified:				
Utility Expenses & Bulk Purchases	165,118.26	165,118.26	118,852.51	46,265.75
Accumulated Absence	5.40	100,005.40	100,005.40	
Contribution to:				
Public Employees' Retirement System	0.27	0.27		0.27
Social Security System	34,663.20	34,663.20		34,663.20
Police and Fire Retirement System	43.90	43.90		43.90
Insurance:				
General Liability	7,083.75	7,083.75	4,875.00	2,208.75
Employee Group Health	115,006.78	115,006.78		115,006.78
Workers' Compensation	683.60	683.60		683.60
Health Benefit Waiver	10,146.74	10,146.74		10,146.74
Maintenance of Free Public Library (Ch. 82 and 541, P.L. 1985):				
Other Expenses	36,162.59	41,962.59	41,611.08	351.51
	<u>\$ 1,108,313.28</u>	<u>\$ 1,108,313.28</u>	<u>\$ 664,309.77</u>	<u>\$ 444,003.51</u>

<u>Analysis of Balance December 31, 2014:</u>	<u>Ref.</u>	
Unencumbered	A	\$ 822,458.75
Encumbered	A	<u>285,854.53</u>
		<u>\$ 1,108,313.28</u>

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE/(PREPAID)

	<u>Ref.</u>		
Balance December 31, 2014	A	\$	995,178.74
Increased by:			
Levy - Calendar Year 2015			12,970,285.00
			13,965,463.74
Decreased by:			
Payments to Local School District			14,054,967.98
			14,054,967.98
Balance (Prepaid) December 31, 2015	A	\$	(89,504.24)

TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

	Balance Dec. 31, 2014	2015 Budget Revenue Realized	Cash Received	Transfer from Unappropriated Reserves	Cancelled	Balance Dec. 31, 2015
Municipal Alliance on Alcoholism and Drug Abuse:						
2014	\$ 21,361.00		\$ 7,400.00		\$ 13,961.00	
2015		\$ 23,361.00				\$ 23,361.00
Municipal Alliance - Boy Scout						
2014-County of Morris	2,000.00		2,000.00			
Small Cities:						
Harding Avenue Area - 2009	94,930.00				94,930.00	
Roadway Improvements - Princeton Ave - 2013	20,000.00		20,000.00			
Roadway Improvements - Fairview/Baker/Peguann	400,000.00		400,000.00			
Housing Rehabilitation - 2015		150,000.00				150,000.00
Reserve for Housing Rehabilitation - 2015		49,500.00				49,500.00
Clean Communities Grant - 2015		27,052.81		\$ 27,052.81		
Recycling Tonnage Grant - 2015		15,843.96		15,843.96		
Bulletproof Vest Program		4,800.41				4,800.41
Body Armor Replacement Fund:						
2014		3,030.54		3,030.54		
2015		3,278.41		3,278.41		

TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
(Continued)

	<u>Balance Dec. 31, 2014</u>	<u>2015 Budget Revenue Realized</u>	<u>Cash Received</u>	<u>Transfer from Unappropriated Reserves</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2015</u>
FEMA Grant - Staffing for Adequate Fire and Emergency Response	\$ 116,271.00		\$ 96,077.10			\$ 20,193.90
Hazard Mitigation Grant - 2014	140,000.00					140,000.00
NJ Department of Transportation:						
2011 - Orchard Street	7,600.00				\$ 7,600.00	
2014- Safe Corridor	49,140.55				49,140.55	
2015- Safe Corridor		\$ 54,854.41	54,854.41			
2014 - Grace St	135,000.00		101,250.00			33,750.00
2015 - Thompson Ave / Legion Place		120,000.00				120,000.00
	<u>\$ 986,302.55</u>	<u>\$ 451,721.54</u>	<u>\$ 681,581.51</u>	<u>\$ 49,205.72</u>	<u>\$ 165,631.55</u>	<u>\$ 541,605.31</u>

Ref.

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TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Transferred</u> <u>from</u> <u>2015 Budget</u>	<u>Cash</u> <u>Disbursed</u>	<u>Encumbered</u>	<u>Unexpended</u> <u>Balance</u> <u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Municipal Alliance on Alcoholism and Drug Abuse:						
2014 (State)	\$ 22,197.76		\$ 8,236.76		\$ 13,961.00	
2014 (Local Matching)	5,452.50		1,962.25		3,490.25	
2015 (State)		\$ 23,361.00				\$ 23,361.00
2015 (Local Matching)		5,840.25				5,840.25
Small Cities:						
Housing Rehabilitation - 2010	125.00			\$ 125.00		
Roadway Improvements - Princeton Avenue - 2013	13,142.59		13,142.59			
Roadway Improvements - Fairview/Baker/Peguann - 2014	399,888.44		391,543.44	8,345.00		
Housing Rehabilitation - 2015		150,000.00	43.71			149,956.29
Reserve for Housing Rehabilitation	91,713.93	49,500.00				141,213.93
Alcohol Education and Rehabilitation:						
2013	1,132.97					1,132.97
2014	686.07					686.07
Clean Communities Program:						
2013	10,432.08					10,432.08
2014	22,255.03					22,255.03
2015		27,052.81				27,052.81
Public Health Priority Funding:						
2007	157.48		157.48			
2009	16.95		16.95			

TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
(Continued)

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Transferred</u> <u>from</u> <u>2015 Budget</u>	<u>Cash</u> <u>Disbursed</u>	<u>Encumbered</u>	<u>Unexpended</u> <u>Balance</u> <u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Hepatitis B Grant:						
2004	\$ 402.21					\$ 402.21
2005	1,132.00					1,132.00
2006	686.00					686.00
Body Armor Replacement Program:						
2010	570.33		\$ 570.33			
2012	3,311.85		1,010.07			2,301.78
2013	3,126.99					3,126.99
2014		\$ 3,030.54				3,030.54
2015		3,278.41				3,278.41
Bulletproof Vest Program:						
2009	579.32		579.32			
2011	1,732.58		1,732.58			
2014	2,946.00		2,946.00			
2015		4,800.41				4,800.41
Recycling Tonnage Grant:						
2014	3,157.21		3,157.21			
2015		15,843.96	13,995.26	\$ 1,848.70		
Drunk Driving Enforcement Fund Grant:						
2013	12,088.15					12,088.15

TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
(Continued)

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Transferred</u> <u>from</u> <u>2015 Budget</u>	<u>Cash</u> <u>Disbursed</u>	<u>Encumbered</u>	<u>Unexpended</u> <u>Balance</u> <u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
NJ Department of Transportation:						
2013 - Safe Corridor	\$ 1,086.95		\$ 1,086.95			
2013 - Central Avenue	26,166.92		26,166.92			
2014 - Safe Corridor	49,140.55				\$ 49,140.55	
2014 - Grace Street	135,000.00		135,000.00			
2015 - Safe Corridor		\$ 54,854.41	9,743.05			\$ 45,111.36
2015 - Thompson Ave / Legion Place		120,000.00				120,000.00
NJ Department of Environmental Protection						
Community Forestry Management Plan-Green Communities	3,000.00			\$ 3,000.00		
FEMA Grant - Staffing for Adequate Fire and Emergency Response	47,055.31		45,288.72			1,766.59
Hazard Mitigation Grant	140,000.00		95.00			139,905.00
Local Acadia Lodge No. 20 - Hurricane Irene Relief	500.00					500.00
	<u>\$ 998,883.17</u>	<u>\$ 457,561.79</u>	<u>\$ 656,474.59</u>	<u>\$ 13,318.70</u>	<u>\$ 66,591.80</u>	<u>\$ 720,059.87</u>
<u>Ref.</u>				A		A
<u>Balance December 31, 2014:</u>						
Appropriated Reserves	A \$ 965,688.35					
Encumbrances Payable	A 33,194.82					
	<u>\$ 998,883.17</u>					

TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

	Balance Dec. 31, 2014	Cash Received	Revenue Realized	Balance Dec. 31, 2015
Alcohol Education and Rehabilitation Funds		\$ 1,001.87		\$ 1,001.87
Body Armor	\$ 3,030.54	3,278.41	\$ 6,308.95	
Recycling Tonnage Grant	15,843.96		15,843.96	
Bulletproof Vest Program		4,800.41		4,800.41
Clean Communities Grant		27,052.81	27,052.81	
	<u>\$ 18,874.50</u>	<u>\$ 36,133.50</u>	<u>\$ 49,205.72</u>	<u>\$ 5,802.28</u>

Ref. A

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TOWN OF DOVER

COUNTY OF MORRIS

2015

TRUST FUNDS

TOWN OF DOVER
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2014	B	\$ 32,512.80	\$ 1,090,332.65
Increased by Receipts:			
Dog License Fees		10,848.40	
Cat License Fees		1,731.00	
Replacement Tags - Cat Licenses		4.00	
Replacement Tags - Dog Licenses		12.00	
Miscellaneous Revenue- Dog and Cat Penalties		1,675.00	
State Registration Fees		1,506.60	
Other Deposits			287,753.70
Fire Penalty Fees			3,212.50
Forfeited Assets Trust Deposits			271.37
Tax Sale Premiums:			
Receipts			427,200.00
Recycling Deposits:			
Receipts			4,225.10
Settlement of Prior Year Interfund			4,173.00
Recreation			68,451.50
Historic Preservation			2,676.00
Unemployment Insurance Contributions:			
Employee			41,925.69
Accumulated Absences			100,005.40
		<u>15,777.00</u>	<u>939,894.26</u>
		<u>48,289.80</u>	<u>2,030,226.91</u>

TOWN OF DOVER
TRUST FUNDS
SCHEDULE OF CASH - TREASURER
(Continued)

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Decreased by Disbursements:			
Administrative Expenses		\$ 481.00	
State of N.J. - Board of Health		1,506.60	
Due to Current Fund - Animal Control Fund:			
Settlement of Prior Year Interfund		8,649.80	
Historic Preservation			\$ 3,136.00
Forfeited Assets Trust			11,572.16
Accumulated Absences			60,018.75
Other Deposits			256,415.28
Fire Penalty Fees			3,943.13
Tax Sale Premiums:			
Returned			250,700.00
Unemployment Insurance			35,453.84
Recreation			82,601.45
Recycling Trust Expenses			2,629.76
Recycling Trust - Settlement of Prior Year Interfund			4,247.00
		<u>10,637.40</u>	<u>710,717.37</u>
Balance December 31, 2015	B	<u>\$ 37,652.40</u>	<u>\$ 1,319,509.54</u>

TOWN OF DOVER
ASSESSMENT TRUST FUND
ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2015

NOT APPLICABLE

TOWN OF DOVER
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2014	B	\$ 23,857.60
Increased by:		
Dog License Fees Collected		\$ 10,848.40
Cat License Fees Collected		1,731.00
Replacement Tags - Cat Licenses		4.00
Replacement Tags - Dog Licenses		12.00
Miscellaneous Revenue- Dog and Cat Penalties		1,675.00
		14,270.40
		38,128.00
Decreased by:		
Expenditures Under R.S.4:19-15.11		481.00
Statutory Excess Due Current Fund		11,998.60
		12,479.60
Balance December 31, 2015	B	\$ 25,648.40

License Fees Collected

<u>Year</u>	<u>Amount</u>
2013	\$ 13,660.40
2014	11,988.00
	\$ 25,648.40
Maximum Allowable Reserve	\$ 25,648.40

TOWN OF DOVER

COUNTY OF MORRIS

2015

GENERAL CAPITAL FUND

TOWN OF DOVER
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2014	C	\$ 1,199,248.90
Increased by:		
Due Current Fund:		
Interest Earned	\$ 4,643.23	
Budget Appropriations:		
Capital Improvement Fund	250,000.00	
Bond Anticipation Notes Issued	4,807,000.00	
Ordinance Refunds	43,774.51	
	5,105,417.74	5,105,417.74
		6,304,666.64
Decreased by:		
Improvement Authorization Expenditures	1,887,885.41	
Due to Parking Utility Capital Fund	20.00	
Due to Current Fund:		
Interest Earned	4,643.23	
	1,892,548.64	1,892,548.64
Balance December 31, 2015	C	\$ 4,412,118.00

TOWN OF DOVER
GENERAL CAPITAL FUND
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2014	Receipts			Disbursements		Transfers		Balance/ (Deficit) Dec. 31, 2015	
		Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
Fund Balance	\$ 27,207.03								\$ 27,207.03	
Capital Improvement Fund		\$ 250,000.00					\$ 150,000.00		100,000.00	
Downpayments on Improvements Due to Current Fund	792.20			\$ 4,643.23		\$ 4,643.23			792.20	
Due to Parking Utility Capital Fund	20.00					20.00				
Encumbrances Payable	151,701.03						151,701.03	\$ 1,415,273.30	1,415,273.30	
Reserve to Pay Debt Service	2,750.56								2,750.56	
<u>Improvement Authorizations:</u>										
Ord. No.	Improvement Description									
31-99; 11-01; 20-03	Various General Improvements	235.00							235.00	
26-02	Various General Improvements	3,279.80			\$ 1,649.96				1,629.84	
30-04	Various General Improvements	12,282.84							12,282.84	
37-05	Certain General Improvements	14,000.00							14,000.00	
17-06; 18-07	Various General Improvements	28,024.87			1,136.00		36,347.39	950.00	(8,508.52)	
14-09	Various General Improvements	82,621.50			6,790.58		2,015.00		73,815.92	
16-10	Various General Improvements	10,729.36			192.41			192.41	10,729.36	
05-11	Acquisition of Police and Fire Equipment	27,223.67					3,699.80		23,523.87	
18-11	Various General Improvements	36,538.71			34,890.08		35,236.13	20,160.10	(13,427.40)	
9-12	Various General Improvements	9,743.37			125,015.82		4,201.51	124,114.93	4,640.97	
12-13	Various General Improvements	711,055.38		39,309.51	750,364.89					
13-13	Various General Improvements	40,156.00			32,634.46		7,521.54			
16-13	Recreation Field and Park Improvements	(14,604.35)	\$ 57,000.00					6,283.59	48,679.24	
15-14	Various General Improvements and Equipment Purchases	55,491.93	1,900,000.00	645.00	897,005.98		493,502.52		565,628.43	
13-15	Various General Improvements and Equipment Purchases		2,850,000.00	3,820.00	38,205.23		832,749.41	150,000.00	2,132,865.36	
		<u>\$ 1,199,248.90</u>	<u>\$ 250,000.00</u>	<u>\$ 4,807,000.00</u>	<u>\$ 48,417.74</u>	<u>\$ 1,887,885.41</u>	<u>\$ 4,663.23</u>	<u>\$ 1,716,974.33</u>	<u>\$ 1,716,974.33</u>	<u>\$ 4,412,118.00</u>

TOWN OF DOVER
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	Balance Dec. 31, 2014	2015 Authorizations	Balance Dec. 31, 2015	Analysis of Balance Dec. 31, 2015	
					Bond Anticipation Notes	Unexpended Improvement Authorizations
30-04	Various General Improvements	\$ 449.00		\$ 449.00		\$ 449.00
14-09	Various General Improvements	479.00		479.00		479.00
16-13	Recreation Field and Park Improvements	57,000.00		57,000.00	\$ 57,000.00	
15-14	Various General Improvements and Equipment Purchases	1,900,000.00		1,900,000.00	1,900,000.00	
13-15	Various General Improvements and Equipment Purchases		\$ 2,850,000.00	2,850,000.00	2,850,000.00	
		<u>\$ 1,957,928.00</u>	<u>\$ 2,850,000.00</u>	<u>\$ 4,807,928.00</u>	<u>\$ 4,807,000.00</u>	<u>\$ 928.00</u>
<u>Ref.</u>		C		C		
			Improvement Authorizations - Unfunded			\$ 2,748,101.03
			Less: Unexpended Proceeds of Bond Anticipation Notes Issued:			
			Ord.# 16-13	\$ 48,679.24		
			Ord.# 15-14	565,628.43		
			Ord.# 14-15	<u>2,132,865.36</u>		
						<u>2,747,173.03</u>
						<u>\$ 928.00</u>

TOWN OF DOVER
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2014		2015 Authorizations		Paid or Charged	Ordinance Refunds	Prior Year Encumbrances Returned	Balance Dec. 31, 2015	
		Date	Amount	Funded	Unfunded	Deferred Charges to Future Taxation Unfunded	Capital Improvement Fund				Funded	Unfunded
31-99;		10/26/99										
11-01;		06/12/01									\$ 235.00	
20-03	Various General Improvements	06/10/03	\$ 1,086,798.08	\$ 235.00								
26-02;		09/10/02						\$ 1,649.96			1,629.84	
24-05	Various General Improvements	08/09/05	2,000,500.00	3,279.80							12,282.84	\$ 449.00
30-04	Various General Improvements	11/09/04	711,646.80	12,282.84	\$ 449.00							
17-06;		07/25/06										
33-06	Various Improvements	12/12/06	1,435,598.00					37,483.39			4,541.48	
18-07	Various General Improvements	06/26/07	599,900.00	42,024.87				8,805.58		\$ 950.00	74,765.92	479.00
14-09	Various General Improvements	08/25/09	978,820.00	82,621.50	479.00			192.41		192.41	10,729.36	
16-10	Various General Improvements	09/14/10	742,100.00	10,729.36								
05-11	Acquisition of Police and Fire Equipment	04/12/11	190,000.00	3,699.80				3,699.80				
18-11	Various General Improvements	09/13/11	712,000.00	60,062.58				70,126.21		20,160.10	10,096.47	
9-12	Various General Improvements	07/24/12	1,440,000.00	9,743.37				129,217.33		124,114.93	4,640.97	
12-13	Various General Improvements	07/31/13	1,000,000.00	711,055.38				750,364.89	\$ 39,309.51			
13-13	Various General Improvements	07/31/13	424,000.00	40,156.00				40,156.00				
16-13	Recreation Field and Park Improvements	09/24/13	85,000.00		42,395.65							42,395.65
15-14	Various General Improvements and Equipment Purchases	07/22/14	2,057,812.11	55,491.93	1,900,000.00			1,390,508.50	645.00	6,283.59		571,912.02
13-15	Various General Improvements and Equipment Purchases	09/22/15	3,000,000.00			\$ 2,850,000.00	\$ 150,000.00	870,954.64	3,820.00			2,132,865.36
				<u>\$ 1,031,382.43</u>	<u>\$ 1,943,323.65</u>	<u>\$ 2,850,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ 3,303,158.71</u>	<u>\$ 43,774.51</u>	<u>\$ 151,701.03</u>	<u>\$ 118,921.88</u>	<u>\$ 2,748,101.03</u>
<u>Ref.</u>				C	C			Cash Disbursed	\$ 1,887,885.41			
								Encumbrances Payable	<u>1,415,273.30</u>			
									<u>\$ 3,303,158.71</u>			

TOWN OF DOVER
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

Increased by:		
Current Fund Budget Appropriation	\$	250,000.00
Decreased by:		
Appropriated to Finance Improvement Authorizations	\$	150,000.00
Balance December 31, 2015	C	\$ 100,000.00

GENERAL CAPITAL FUND
SCHEDULE OF DOWN PAYMENTS ON IMPROVEMENTS

	<u>Ref.</u>	
Balance December 31, 2014	C	\$ 792.20
Balance December 31, 2015	C	\$ 792.20

TOWN OF DOVER
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2015

Ord. No.	Improvement Description	Date of			Interest Rate	Issued	Balance Dec. 31, 2015
		Issue of Original Note	Issue	Maturity			
16-2013	Recreation Field and Park Improvements	12/04/15	12/04/15	08/04/16	0.63%	\$ 57,000.00	\$ 57,000.00
15-2014	Various General Improvements and Equipment Purchases	12/04/15	12/04/15	08/04/16	0.63%	1,900,000.00	1,900,000.00
13-2015	Various General Improvements and Equipment Purchases	12/04/15	12/04/15	08/04/16	0.63%	2,850,000.00	2,850,000.00
						<u>\$ 4,807,000.00</u>	<u>\$ 4,807,000.00</u>
					<u>Ref.</u>		C

TOWN OF DOVER
GENERAL CAPITAL FUND
SCHEDULE OF MORRIS COUNTY IMPROVEMENT AUTHORITY LEASE PAYABLE
YEAR ENDED DECEMBER 31, 2015

NOT APPLICABLE

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

Ord. No.	Improvement Description	Balance Dec. 31, 2014	2015 Authorizations	Bond Anticipation Notes Issued	Balance Dec. 31, 2015
30-04	Various General Improvements	\$ 449.00			\$ 449.00
14-09	Various General Improvements	479.00			479.00
16-13	Recreation Field and Park Improvements	57,000.00		\$ 57,000.00	
15-14	Various General Improvements and Equipment Purchases	1,900,000.00		1,900,000.00	
13-15	Various General Improvements and Equipment Purchases		\$ 2,850,000.00	2,850,000.00	
		<u>\$ 1,957,928.00</u>	<u>\$ 2,850,000.00</u>	<u>\$ 4,807,000.00</u>	<u>\$ 928.00</u>

TOWN OF DOVER

COUNTY OF MORRIS

2015

WATER UTILITY FUND

TOWN OF DOVER
WATER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2014	D	\$ 385,306.81	\$ 1,118,553.83
Increased by Receipts:			
Collector		\$ 3,129,579.81	
2015 Appropriation Refunds		42,420.79	
New Jersey Environmental Infrastructure Trust Loan			\$ 33,195.00
Bond Anticipation Note Issued			1,592,000.00
Bond Anticipation Note Premium			370.00
Capital Improvement Fund			25,000.00
Due Water Utility Capital:			
Interfund Returned		4,626.80	
Interest on Investments - Treasurer		740.08	
		<u>3,177,367.48</u>	<u>4,626.80</u>
		3,562,674.29	1,655,191.80
			<u>2,773,745.63</u>
Decreased by Disbursements:			
2015 Appropriation Expenditures		2,348,439.14	
2014 Appropriation Reserves		87,322.55	
Interest on Bonds		90,209.68	
Due Water Utility Operating Fund			4,626.80
Water Utility Operating Fund Balance:			
Payment to Current Fund		125,000.00	
Improvement Authorizations Expenditures			406,295.86
		<u>2,650,971.37</u>	<u>410,922.66</u>
Balance December 31, 2015	D	<u>\$ 911,702.92</u>	<u>\$ 2,362,822.97</u>

TOWN OF DOVER
WATER UTILITY OPERATING FUND
SCHEDULE OF CASH - WATER COLLECTOR
YEAR ENDED DECEMBER 31, 2015

Increased by:

Consumer Accounts Receivable	\$ 3,081,517.31	
Overpayments	32,577.00	
Prepaid Water Rents	13,984.91	
Miscellaneous Revenue Anticipated	<u>1,500.59</u>	
		<u>\$ 3,129,579.81</u>

Decreased by:

Disbursed to Treasurer		<u><u>\$ 3,129,579.81</u></u>
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TOWN OF DOVER
WATER UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2014	Receipts		Disbursements		Transfers		Balance/ (Deficit) Dec. 31, 2015	
		Bond Proceeds	Miscellaneous	Miscellaneous	Improvement Authorizations	From	To		
Fund Balance	\$ 11,775.27		\$ 370.00					\$ 12,145.27	
Capital Improvement Fund	56,773.48		25,000.00					81,773.48	
Due Water Utility Operating Fund			4,626.80	\$ 4,626.80			\$ 940.28	940.28	
Receivable State of New Jersey - Department of Transportation Route 46	(97,491.57)							(97,491.57)	
Reserve for Receivables	97,491.57							97,491.57	
Reserve for Encumbrances Payable							190,754.00	190,754.00	
NJ Environmental Infrastructure Trust Receivable	(33,195.00)		33,195.00						
<u>Ord.</u>									
<u>No.</u>	<u>General Improvements</u>								
10-01	Various Improvements for the Water Department		(714.28)					(714.28)	
18-03	Various Improvements for the Water Department		457,634.69					457,634.69	
24-08	Various Improvements for the Water Department		7,500.00					7,500.00	
03-09	Various Improvements for the Water Department		160,613.13		\$ 1,377.50			159,235.63	
03-11	Various Improvements for the Water Department		(46,081.00)					(46,081.00)	
10-12	Various Improvements for the Water Department		76,680.15					76,680.15	
11-13	Various Improvements for the Water Department		428,002.35		156,984.03	\$ 14,986.97		256,031.35	
16-14	Various Improvements for the Water Department		(434.96)	\$ 92,000.00		91,565.04			
14-15	Various Improvements for the Water Department				247,934.33	85,142.27		1,166,923.40	
			<u>1,500,000.00</u>						
		<u>\$ 1,118,553.83</u>	<u>\$ 1,592,000.00</u>	<u>\$ 63,191.80</u>	<u>\$ 4,626.80</u>	<u>\$ 406,295.86</u>	<u>\$ 191,694.28</u>	<u>\$ 191,694.28</u>	<u>\$ 2,362,822.97</u>

TOWN OF DOVER
WATER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 52,343.54
Increased by:		
Water Rents Levied		<u>3,122,035.96</u>
		3,174,379.50
Decreased by:		
Collections	\$ 3,081,517.31	
Prepaid Rents Applied	<u>2,330.63</u>	
		<u>3,083,847.94</u>
Balance December 31, 2015	D	<u><u>\$ 90,531.56</u></u>

TOWN OF DOVER
WATER UTILITY OPERATING FUND
SCHEDULE OF INVENTORY

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 68,481.34
Increased by:		
Adjustment to Listing Submitted by Water Superintendent		<u>5,812.92</u>
Balance December 31, 2015	D	<u>\$ 74,294.26</u>

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2014	Balance Dec. 31, 2015
Reservation Land	\$ 20,683.37	\$ 20,683.37
Reservation Structures	16,754.34	16,754.34
Springs and Wells	131,839.04	131,839.04
Collecting Reservoir	60,916.75	60,916.75
Chemical Treatment Plant	14,211.78	14,211.78
Clear Water Basin	250.00	250.00
Pumping Station Structures	89,258.84	89,258.84
Electrical Pumping Power Equipment	120,450.76	120,450.76
Miscellaneous Pumping Equipment	9,054.18	9,054.18
Transmission Mains and Accessories	370,999.29	370,999.29
Storage Reservoir Tank and Standpipe	437,430.51	437,430.51
Distribution Mains and Accessories	654,571.77	654,571.77
Meters, Meter Boxes and Vaults	299,534.67	299,534.67
Fire Hydrants	37,939.22	37,939.22
General Structures	40,710.14	40,710.14
General Equipment	1,439,837.46	1,439,837.46
Office Equipment	8,130.11	8,130.11
Miscellaneous Construction Expenses	36,862.09	36,862.09
Pumping Station Land	2,290.00	2,290.00
Communication Equipment	11,484.61	11,484.61
Transportation Equipment	157,011.79	157,011.79
Water Treatment Equipment	17,735.40	17,735.40
Services	32,036.65	32,036.65
Tools, Shop and Garage Equipment	3,861.10	3,861.10
Power Operated Equipment	13,702.96	13,702.96
Various Improvements to Water System	3,407,906.32	3,407,906.32
Improvement of Water Supply and Distribution System	130,000.00	130,000.00
	<u>\$ 7,565,463.15</u>	<u>\$ 7,565,463.15</u>
<u>Ref.</u>	D	D

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Improvement Description</u>	<u>Ordinance</u>		<u>Balance</u> <u>Dec. 31, 2014</u>	<u>2015</u> <u>Authorizations</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
	<u>No.</u>	<u>Date</u>			
Various Improvements for the Water Department	18-03	06/10/03	\$ 2,800,000.00		\$ 2,533,214.16
Various Improvements for the Water Department	24-08	08/12/08	150,000.00		150,000.00
Various Improvements for the Water Department	03-09	02/24/09	657,000.00		657,000.00
Various Improvements for the Water Department	03-11	03/14/11	275,000.00		275,000.00
Various Improvements for the Water Department	10-12	07/24/12	285,000.00		285,000.00
Various Improvements for the Water Department	11-13	07/23/13	500,000.00		500,000.00
Various Improvements for the Water Department	16-14	07/22/14	92,000.00		92,000.00
Various Improvements for the Water Department	14-15	08/22/15	1,500,000.00	\$ 1,500,000.00	1,500,000.00
			<u>\$ 4,492,214.16</u>	<u>\$ 1,500,000.00</u>	<u>\$ 5,992,214.16</u>
		<u>Ref.</u>			
			D		D

TOWN OF DOVER
WATER UTILITY OPERATING FUND
SCHEDULE OF 2014 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2015

	Balance Dec. 31, 2014	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 32,289.50	\$ 32,289.50	\$ 3,069.86	\$ 29,219.64
Other Expenses	149,539.96	149,539.96	84,252.69	65,287.27
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	469.88	469.88		469.88
	\$ 182,299.34	\$ 182,299.34	\$ 87,322.55	\$ 94,976.79

Ref.

Analysis of Balance December 31, 2014:

Unencumbered	D	\$ 173,943.08
Encumbered	D	8,356.26
		\$ 182,299.34

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Date	Ordinance		Balance Dec. 31, 2014		2015 Authorizations	Balance Dec. 31, 2015		
			Date	Amount	Funded	Unfunded	Deferred Charges to Future Revenue	Paid or Charged	Funded	Unfunded
18-03	Various Improvements for the Water Department	06/10/03	\$ 2,800,000.00		\$ 457,634.69			\$ 457,634.69		
24-08	Various Improvements for the Water Department	08/12/08	150,000.00		7,500.00	\$ 89,991.57		7,500.00	\$ 89,991.57	
03-09	Various Improvements for the Water Department	02/24/09	657,000.00		160,613.13	16,650.00	\$ 1,377.50	159,235.63	16,650.00	
10-12	Various Improvements for the Water Department	07/24/12	285,000.00		77,430.15			77,430.15		
11-13	Various Improvements for the Water Department	07/23/13	500,000.00		428,002.35		171,971.00	256,031.35		
16-14	Various Improvements for the Water Department	07/22/14	92,000.00			91,565.04	91,565.04			
14-15	Various Improvements for the Water Department	09/22/15	1,500,000.00				\$ 1,500,000.00	333,076.60	1,166,923.40	
					<u>\$ 1,131,180.32</u>	<u>\$ 198,206.61</u>	<u>\$ 1,500,000.00</u>	<u>\$ 597,990.14</u>	<u>\$ 957,831.82</u>	<u>\$ 1,273,564.97</u>
					<u>Ref.</u>	<u>D</u>	<u>D</u>		<u>D</u>	<u>D</u>
							Cash Disbursements	406,295.86		
							Encumbrances Payable	190,754.00		
							Due to Water Utility Operating Fund- Accrued Interest on Bonds	940.28		
								<u>\$ 597,990.14</u>		

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2014	D	\$ 56,773.48
Increased by:		
Budget Appropriation		<u>25,000.00</u>
Balance December 31, 2015	D	<u>\$ 81,773.48</u>

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ord. No.	Improvement Description	Date of Ordinance	Balance Dec. 31, 2014	New Jersey Infrastructure Trust Loans Paid by Operating Budget	Balance Dec. 31, 2015
18-03	Various Improvements for the Water Department	06/10/03	\$ 16,300.00		\$ 16,300.00
24-08	Various Improvements for the Water Department	08/12/08	60,008.43		60,008.43
03-09	Various Improvements for the Water Department	02/24/09	161,409.27	\$ 28,262.70	189,671.97
03-11	Various Improvements for the Water Department	03/14/11	40,607.91	10,733.34	51,341.25
10-12	Various Improvements for the Water Department	07/24/12	14,250.00		14,250.00
			<u>\$ 292,575.61</u>	<u>\$ 38,996.04</u>	<u>\$ 331,571.65</u>
		<u>Ref.</u>	D		D

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2015

Ord. No.	Improvement Description	Date of			Interest Rate	Issued	Balance Dec. 31, 2015
		Issue of Original Note	Issue	Maturity			
16-14	Various Improvements for the Water Department	12/4/2015	12/4/2015	8/4/2016	0.63%	\$ 92,000.00	\$ 92,000.00
14-15	Various Improvements for the Water Department	12/4/2015	12/4/2015	8/4/2016	0.63%	1,500,000.00	1,500,000.00
						<u>\$ 1,592,000.00</u>	<u>\$ 1,592,000.00</u>
					Ref.		D
					Issued for Cash	\$ 1,592,000.00	
						<u>\$ 1,592,000.00</u>	

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOAN

Ord. No.	Improvement Description	Balance Dec. 31, 2014	Matured	Balance Dec. 31, 2015
03-09	Various Improvements for the Water Department	<u>\$ 667,251.82</u>	<u>\$ 38,996.04</u>	<u>\$ 628,255.78</u>
		D		D

SCHEDULE OF PRINCIPAL PAYMENTS OUTSTANDING - FUND LOAN AGREEMENT - DECEMBER 31, 2015

Payment Number	Due Date	Principal	Balance of Loan
			\$ 325,678.03
12	2/1/16	\$ 7,754.23	317,923.80
13	8/1/16	15,508.47	302,415.33
14	2/1/17	7,754.23	294,661.10
15	8/1/17	15,508.47	279,152.63
16	2/1/18	7,754.23	271,398.40
17	8/1/18	15,508.47	255,889.93
18	2/1/19	7,754.23	248,135.70
19	8/1/19	15,508.47	232,627.23
20	2/1/20	7,754.23	224,873.00
21	8/1/20	15,508.47	209,364.53
22	2/1/21	7,754.23	201,610.30
23	8/1/21	15,508.47	186,101.83
24	2/1/22	7,754.23	178,347.60
25	8/1/22	15,508.47	162,839.13
26	2/1/23	7,754.23	155,084.90
27	8/1/23	15,508.47	139,576.43
28	2/1/24	7,754.23	131,822.20
29	8/1/24	15,508.47	116,313.73
30	2/1/25	7,754.23	108,559.50
31	8/1/25	15,508.47	93,051.03
32	2/1/26	7,754.23	85,296.80
33	8/1/26	15,508.47	69,788.33
34	2/1/27	7,754.23	62,034.10
35	8/1/27	15,508.47	46,525.63
36	2/1/28	7,754.23	38,771.40
37	8/1/28	15,508.47	23,262.93
38	2/1/29	7,754.23	15,508.70
39	8/1/29	15,508.70	
		<u>\$ 325,678.03</u>	

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOAN
(Continued)

SCHEDULE OF PRINCIPAL PAYMENTS OUTSTANDING - TRUST LOAN AGREEMENT - DECEMBER 31, 2015

Payment Number	Due Date	Interest	Principal	Balance of Loan
				\$ 125,000.00
12	2/1/16	\$ 2,550.00		125,000.00
13	8/1/16	2,550.00	\$ 5,000.00	120,000.00
14	2/1/17	2,425.00		120,000.00
15	8/1/17	2,425.00	5,000.00	115,000.00
16	2/1/18	2,300.00		115,000.00
17	8/1/18	2,300.00	5,000.00	110,000.00
18	2/1/19	2,175.00		110,000.00
19	8/1/19	2,175.00	10,000.00	100,000.00
20	2/1/20	1,975.00		100,000.00
21	8/1/20	1,975.00	10,000.00	90,000.00
22	2/1/21	1,725.00		90,000.00
23	8/1/21	1,725.00	10,000.00	80,000.00
24	2/1/22	1,575.00		80,000.00
25	8/1/22	1,575.00	10,000.00	70,000.00
26	2/1/23	1,375.00		70,000.00
27	8/1/23	1,375.00	10,000.00	60,000.00
28	2/1/24	1,175.00		60,000.00
29	8/1/24	1,175.00	10,000.00	50,000.00
30	2/1/25	975.00		50,000.00
31	8/1/25	975.00	10,000.00	40,000.00
32	2/1/26	775.00		40,000.00
33	8/1/26	775.00	10,000.00	30,000.00
34	2/1/27	600.00		30,000.00
35	8/1/27	600.00	10,000.00	20,000.00
36	2/1/28	400.00		20,000.00
37	8/1/28	400.00	10,000.00	10,000.00
38	2/1/29	200.00		10,000.00
39	8/1/29	200.00	10,000.00	
			<u>\$ 125,000.00</u>	

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOAN
(Continued)

SCHEDULE OF PRINCIPAL PAYMENTS OUTSTANDING - SUPPLEMENTAL TRUST LOAN AGREEMENT - DECEMBER 31, 2015

<u>Payment Number</u>	<u>Due Date</u>	<u>Principal</u>	<u>Balance of Loan</u>
			\$ 129,989.75
8	2/1/2016	\$ 2,708.11	127,281.64
9	8/1/2016	5,416.23	121,865.41
10	2/1/2017	2,708.11	119,157.30
11	8/1/2017	5,416.23	113,741.07
12	2/1/2018	2,708.11	111,032.96
13	8/1/2018	5,416.23	105,616.73
14	2/1/2019	2,708.11	102,908.62
15	8/1/2019	5,416.23	97,492.39
16	2/1/2020	2,708.11	94,784.28
17	8/1/2020	5,416.23	89,368.05
18	2/1/2021	2,708.11	86,659.94
19	8/1/2021	5,416.23	81,243.71
20	2/1/2022	2,708.11	78,535.60
21	8/1/2022	5,416.23	73,119.37
22	2/1/2023	2,708.11	70,411.26
23	8/1/2023	5,416.23	64,995.03
24	2/1/2024	2,708.11	62,286.92
25	8/1/2024	5,416.23	56,870.69
26	2/1/2025	2,708.11	54,162.58
27	8/1/2025	5,416.23	48,746.35
28	2/1/2026	2,708.11	46,038.24
29	8/1/2026	5,416.23	40,622.01
30	2/1/2027	2,708.11	37,913.90
31	8/1/2027	5,416.23	32,497.67
32	2/1/2028	2,708.11	29,789.56
33	8/1/2028	5,416.23	24,373.33
34	2/1/2029	2,708.11	21,665.22
35	8/1/2029	5,416.23	16,248.99
36	2/1/2030	2,708.11	13,540.88
37	8/1/2030	5,416.23	8,124.65
38	2/1/2031	2,708.11	5,416.54
39	8/1/2031	5,416.54	
		<u>\$ 129,989.75</u>	

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOAN
(Continued)

SCHEDULE OF PRINCIPAL PAYMENTS OUTSTANDING - SUPPLEMENTAL TRUST LOAN AGREEMENT - DECEMBER 31, 2015

Payment Number	Due Date	Interest	Principal	Balance of Loan
				\$ 47,588.00
4	8/1/2016	\$ 1,494.67	\$ 2,622.00	44,966.00
5	8/1/2017	1,212.68	2,638.00	42,328.00
6	8/1/2018	1,191.04	2,659.00	39,669.00
7	8/1/2019	1,161.78	2,688.00	36,981.00
8	8/1/2020	1,124.94	2,725.00	34,256.00
9	8/1/2021	1,080.52	2,770.00	31,486.00
10	8/1/2022	1,029.82	2,820.00	28,666.00
11	8/1/2023	974.26	2,876.00	25,790.00
12	8/1/2024	912.70	2,938.00	22,852.00
13	8/1/2025	845.70	3,005.00	19,847.00
14	8/1/2026	773.88	3,076.00	16,771.00
15	8/1/2027	697.58	3,153.00	13,618.00
16	8/1/2028	602.34	3,248.00	10,370.00
17	8/1/2029	501.64	3,349.00	7,021.00
18	8/1/2030	395.46	3,455.00	3,566.00
19	8/1/2031	283.86	3,566.00	
			<u>\$ 47,588.00</u>	

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Ord. Date	Improvement Description	Balance Dec. 31, 2014	2015 Authorizations	Bond Anticipation Notes Issued	Balance Dec. 31, 2015
10-01	05/08/01	Various Improvements for the Water Department	\$ 714.28			\$ 714.28
24-08	08/12/08	Various Improvements for the Water Department	89,991.57			89,991.57
03-09	02/24/09	Various Improvements for the Water Department	16,650.00			16,650.00
03-11	03/14/11	Various Improvements for the Water Department	46,081.00			46,081.00
10-12	07/24/12	Various Improvements for the Water Department	750.00			750.00
16-14	07/22/14	Various Improvements for the Water Department	92,000.00		\$ 92,000.00	
14-15	08/22/15	Various Improvements for the Water Department	_____	\$ 1,500,000.00	1,500,000.00	_____
			<u>\$ 246,186.85</u>	<u>\$ 1,500,000.00</u>	<u>\$ 1,592,000.00</u>	<u>\$ 154,186.85</u>

TOWN OF DOVER

COUNTY OF MORRIS

2015

PARKING UTILITY FUND

TOWN OF DOVER
PARKING UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2014	E	\$ 142,836.09	\$ 59,326.85
Increased by Receipts:			
Parking Meters		\$ 287,797.14	
Parking Decals		33,190.95	
Prepaid Parking Decals		7,674.00	
Interest		680.90	
Due General Capital:			
Settlement of Prior Year Interfund			\$ 20.00
Bond Anticipation Notes			397,685.00
Appropriation Refunds		2,290.67	
Budget Appropriation:			
Capital Improvement Fund			2,500.00
		<u>331,633.66</u>	<u>400,205.00</u>
		474,469.75	459,531.85
Decreased by Disbursements:			
2015 Appropriation Expenditures		250,402.26	
2014 Appropriation Reserves		12,258.04	
Interest on Bonds		21,245.00	
Improvement Authorizations			37,404.75
Due to Current Fund:			
Prior Year Fund Balance Anticipated as Current Fund Revenue		<u>50,000.00</u>	
		<u>333,905.30</u>	<u>37,404.75</u>
Balance December 31, 2015	E	<u>\$ 140,564.45</u>	<u>\$ 422,127.10</u>

TOWN OF DOVER
PARKING UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2015

NOT APPLICABLE

TOWN OF DOVER
 PARKING UTILITY CAPITAL FUND
 ANALYSIS OF CASH

	Balance / (Deficit) Dec. 31, 2014	Receipts			Disbursements	Transfers		Balance Dec. 31, 2015
		Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	From	To	
Capital Improvement Fund	\$ 12,668.23	\$ 2,500.00						\$ 15,168.23
Due General Capital Fund	(20.00)			\$ 20.00				
Fund Balance	4,795.86							4,795.86
Reserve for Encumbrances							\$ 22,435.80	22,435.80
<u>Ord.</u>								
<u>No.</u>								
<u>General Improvements</u>								
17-06; 33-06 Various Improvements	315.44							315.44
37-08 Various Improvements	2,256.59							2,256.59
04-11 Various Improvements	20,032.50							20,032.50
17-2014 Various Improvements	19,278.23		\$ 372,685.00		\$ 37,400.00			354,563.23
15-2015 New Vehicle			25,000.00		4.75	\$ 22,435.80		2,559.45
	<u>\$ 59,326.85</u>	<u>\$ 2,500.00</u>	<u>\$ 397,685.00</u>	<u>\$ 20.00</u>	<u>\$ 37,404.75</u>	<u>\$ 22,435.80</u>	<u>\$ 22,435.80</u>	<u>\$ 422,127.10</u>

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
Parking Authority Facilities	\$ 494,637.93	\$ 494,637.93
Parking Meters	<u>116,177.47</u>	<u>116,177.47</u>
	<u>\$ 610,815.40</u>	<u>\$ 610,815.40</u>
<u>Ref.</u>	E	E

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Improvement Description	Ordinance		Amount	Balance Dec. 31, 2014	2015 Authorization	Balance Dec. 31, 2015
	No.	Date				
Various Improvements	17-06;	07/25/06;	\$ 40,000.00			
	33-06	12/12/06	6,314.00	\$ 46,314.00		\$ 46,314.00
Various Improvements	37-08	12/15/08	370,714.00	370,714.00		370,714.00
Various Improvements	04-11	03/22/11	493,586.00	493,586.00		493,586.00
Various Improvements	17-14	07/22/14	392,300.00	392,300.00		392,300.00
Purchase of New Vehicle	15-15	08/22/15	25,000.00		\$ 25,000.00	25,000.00
				<u>\$ 1,302,914.00</u>	<u>\$ 25,000.00</u>	<u>\$ 1,327,914.00</u>
			<u>Ref.</u>	E		E

TOWN OF DOVER
PARKING UTILITY OPERATING FUND
SCHEDULE OF 2014 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2015

	Balance Dec. 31, 2014	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 2,002.19	\$ 2,002.19		\$ 2,002.19
Other Expenses	31,305.83	31,305.83	\$ 12,258.04	19,047.79
Statutory Expenditures:				
Contribution to:				
Social Security System	1,037.34	1,037.34		1,037.34
	<u>\$ 34,345.36</u>	<u>\$ 34,345.36</u>	<u>\$ 12,258.04</u>	<u>\$ 22,087.32</u>

Ref.

Analysis of Balance December 31, 2014:

Unencumbered	E	\$ 31,132.99
Encumbered	E	3,212.37
		<u>\$ 34,345.36</u>

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2014		2015 Authorizations Deferred Charges to Future Revenue	Paid or Charged	Balance Dec. 31, 2015	
		Date	Amount	Funded	Unfunded			Funded	Unfunded
17-06; 33-06	Various Improvements	07/25/06; 12/12/06	\$ 40,000.00 6,314.00	\$ 315.44				\$ 315.44	
37-08	Various Improvements	12/15/08	370,714.00	2,256.59				2,256.59	
04-11	Various Improvements	3/22/11	493,586.00	20,032.50				20,032.50	
17-14	Various Improvements	7/22/14	392,300.00	19,278.23	\$ 372,685.00		\$ 37,400.00		\$ 354,563.23
15-15	New Vehicle	8/22/15	25,000.00			\$ 25,000.00	22,440.55		2,559.45
				<u>\$ 41,882.76</u>	<u>\$ 372,685.00</u>	<u>\$ 25,000.00</u>	<u>\$ 59,840.55</u>	<u>\$ 22,604.53</u>	<u>\$ 357,122.68</u>
		<u>Ref.</u>		E	E			E	E
						Cash Disbursed	\$ 37,404.75		
						Encumbrance	22,435.80		
							<u>\$ 59,840.55</u>		

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2014	E	\$ 12,668.23
Increased by:		
2015 Budget Appropriation		<u>2,500.00</u>
Balance December 31, 2015	E	<u><u>\$ 15,168.23</u></u>

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR DEFERRED AMORTIZATION

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2014</u>	<u>Balance Dec. 31, 2015</u>
17-06; 33-06	Various Improvements	07/25/06; 12/12/06	\$ 46,314.00	\$ 46,314.00
37-08	Various Improvements	12/15/08	33,620.00	33,620.00
04-11	Various Improvements	03/22/11	24,680.00	24,680.00
17-14	Various Improvements	07/22/14	<u>19,615.00</u>	<u>19,615.00</u>
			<u>\$ 124,229.00</u>	<u>\$ 124,229.00</u>
		<u>Ref.</u>	E	E

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2015		Interest Rate	Balance Dec. 31, 2014	Matured	Balance Dec. 31, 2015
			Date	Amount				
Parking Utility Capital Bonds Series 2013A	09/12/13	\$ 791,000.00	09/15/16	\$ 45,000.00	2.000%	\$ 751,000.00	\$ 40,000.00	\$ 711,000.00
			09/15/17	45,000.00	2.000%			
			09/15/18	50,000.00	2.000%			
			09/15/19	50,000.00	2.250%			
			09/15/20	55,000.00	3.000%			
			09/15/21	55,000.00	3.000%			
			09/15/22	55,000.00	3.000%			
			09/15/23	60,000.00	3.250%			
			09/15/24	60,000.00	3.250%			
			09/15/25	60,000.00	3.250%			
			09/15/26	60,000.00	3.250%			
			09/15/27	60,000.00	3.250%			
			09/15/28	56,000.00	3.250%			
						\$ 751,000.00	\$ 40,000.00	\$ 711,000.00
					<u>Ref.</u>	E		E

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2015

Ordinance Number	Improvement Description	Date of			Interest Rate	Issued	Balance Dec. 31, 2015
		Original Issue	Issue	Maturity			
17-14	Various Improvements	12/04/15	12/04/15	08/04/16	0.63%	\$ 372,685.00	\$ 372,685.00
15-15	Purchase of New Vehicle	12/04/15	12/04/15	08/04/16	0.63%	25,000.00	25,000.00
						<u>\$ 397,685.00</u>	<u>\$ 397,685.00</u>
					<u>Ref.</u>		E

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2015

<u>Ord. No.</u>	<u>Ord. Date</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2014</u>	<u>2015 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>
17-2014	07/22/14	Various Improvements	\$ 372,685.00		\$ 372,685.00
15-2015	08/22/15	Purchase of New Vehicle		\$ 25,000.00	25,000.00
			<u>\$ 372,685.00</u>	<u>\$ 25,000.00</u>	<u>\$ 397,685.00</u>

TOWN OF DOVER

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2015

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

Name of Federal Agency or Department/ Pass Thru Agency	Federal Program/ State Program Account #	CFDA Number	Grant Award	Grant Period		Receipts	Expenditures	Cumulative Expenditures	Amount Paid to Subrecipients	
				From	To					
<u>U.S. Department of Housing and Urban Development</u>	State Administered CDBG Program: Small Cities Community Development Block Grant Program:									
(Passed Thru NJ Department of Community Affairs)	Grant Agreement #2015-02292-0154-000 Housing Rehabilitation State #100-022-8020-078-6120	14.228	\$ 150,000.00	01/01/15	12/31/16		\$ 43.71	\$ 43.71		
							43.71	43.71		
	Grant Agreement #2013-02292-0129-00 Princeton, Baker, Columbia, Lehigh, Yale, Harvard, and Rutgers Street State #2013-02292-0129-00	14.228	400,000.00	01/01/13	12/31/15	\$ 20,000.00	13,142.59	400,000.00		
						20,000.00	13,142.59	400,000.00		
	Grant Agreement #2014-02292-0168-00 Various Road improvements State #2014-02292-0168-00	14.228	400,000.00	01/01/14	12/31/16	400,000.00	391,543.44	391,655.00		
						400,000.00	391,543.44	391,655.00		
	Total U.S. Department of Housing and Urban Development						420,000.00	404,729.74	791,698.71	
<u>U.S. Department of Justice</u>	Bulletproof Vest Program State # N/A									
(Passed Thru NJ Department of Law and Public Safety)	2009	16.607	2,399.85	01/01/09	12/31/15		579.32	2,399.85		
	2011	16.607	1,732.58	01/01/11	12/31/15		1,732.58	1,732.58		
	2014	16.607	2,946.00	01/01/14	12/31/15		2,946.00	2,946.00		
	2015	16.607	4,800.41	01/01/15	12/31/16	4,800.41				
						4,800.41	5,257.90	7,078.43		
	Total U.S. Department of Justice						4,800.41	5,257.90	7,078.43	
<u>U.S. Department of Homeland Security</u>	Division of State Police Hazard and Mitigation Planning State # N/A									
		97.039	140,000.00	05/19/15	05/19/16		95.00	95.00		
							95.00	95.00		

TOWN OF DOVER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2015
(Continued)

Name of Federal Agency or Department/ Pass Thru Agency	Federal Program/ State Program Account #	CFDA Number	Grant Award	Grant Period		Receipts	Expenditures	Cumulative Expenditures	Expenditures
				From	To				
<u>U.S. Department of Homeland Security</u>									
FEMA	Staffing For Adequate Fire and Emergency Response Personnel State # N/A	97.083	\$ 120,601.00	11/01/12	09/30/16	\$ 96,077.09	\$ 45,288.72	\$ 118,834.41	
						96,077.09	45,288.72	118,834.41	
	Total U.S. Department of Homeland Security					96,077.09	45,383.72	118,929.41	
<u>U.S. Department of Transportation</u>									
(Passed Thru NJ Department of Transportation)	Highway Planning and Construction Cluster: Safe Corridors State #13-480-078-6320-6010	20.205	49,140.55	01/01/13	12/31/15		1,086.95	49,140.55	
							1,086.95	49,140.55	
	State #15-480-078-6320-6010	20.205	54,854.42	01/01/15	12/31/16	54,854.42	9,743.05	9,743.05	
						54,854.42	9,743.05	9,743.05	
	Central Avenue State # N/A	20.205	130,000.00	02/22/13	12/31/15		26,166.92	130,000.00	
							26,166.92	130,000.00	
	Grace Street State # N/A	20.205	135,000.00	05/07/14	12/31/15	101,250.00	135,000.00	135,000.00	
						101,250.00	135,000.00	135,000.00	
	Total U.S. Department of Transportation					156,104.42	171,996.92	323,883.60	
	Total Federal Awards					\$ 676,981.92	\$ 627,368.28	\$ 1,241,590.15	\$ -0-

N/A - Not Applicable/Available

SEE THE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

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

Name of State Agency or Department	State Program	Program Account #	Grant Award	Grant Period		Receipts	Expenditures	Cumulative Expenditures
				From	To			
<u>Department of Health and Senior Services</u>	Public Health Priority Funding	100-046-4220	\$ 10,856.00	01/01/07	12/31/15		\$ 157.48	\$ 10,856.00
		100-046-4220	11,388.00	01/01/09	12/31/15		16.95	11,388.00
							174.43	22,244.00
	Alcohol Education and Rehabilitation Funds	N/A	1,001.87	01/01/15	12/31/16	1,001.87		
						1,001.87		
	Total Department of Health and Senior Services					1,001.87	174.43	22,244.00
<u>Department of Environmental Protection</u>	Clean Communities Grant	765-042-4900-	23,732.10	01/01/13	12/31/16			13,300.02
		004-178910	27,052.81	01/01/15	12/31/16	\$ 27,052.81		13,300.02
							27,052.81	13,300.02
	Recycling Grant	752-042-4900-	15,501.21	01/01/13	12/31/15		3,157.21	15,501.21
		001-6020	15,843.96	01/01/14	12/31/16		13,995.26	13,995.26
							17,152.47	29,496.47
	Total Department of Environmental Protection					27,052.81	17,152.47	42,796.49
<u>Department of Treasury</u> Passed through the County of Morris	Governor's Council on Alcoholism/Drug Abuse: Municipal Alliance to Prevent Alcoholism/ Drug Abuse Alcoholism and Drug Abuse	100-082-2000-						
		044-6010	23,758.00	07/01/13	06/30/14	7,400.00		18,773.69
			23,361.00	07/01/14	06/30/15		8,236.76	9,400.00
						7,400.00	8,236.76	28,173.69
	Total Department of Treasury					7,400.00	8,236.76	28,173.69
<u>Department of Law and Public Safety</u>	Body Armor Replacement Fund	718-066-1020-						
		001-6120	4,717.53	01/01/10	12/31/15		570.33	4,717.53
			3,311.85	01/01/12	12/31/16		1,010.07	1,010.07
			3,278.41	01/01/15	12/31/16	3,278.41		5,727.60
						3,278.41	1,580.40	5,727.60
	Total Department of Law and Public Safety					3,278.41	1,580.40	5,727.60
Total State Awards						\$ 38,733.09	\$ 27,144.06	\$ 76,697.78

N/A - Not Applicable/Available

SEE THE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWN OF DOVER
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2015

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the "Schedules") include the federal and state grant activity of the Town of Dover under programs of the federal and state governments for the year ended December 31, 2015. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operation of the Town, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Town.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through identifying numbers are presented where available. The Town has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 4: NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOANS

The Town of Dover has the following loans outstanding as of December 31, 2015:

Water Utility Capital Fund:	
NJ Environmental Infrastructure Trust Loans	<u>\$ 628,255.78</u>

The projects which related to the loans are complete and there were no current year expenditures on the loans.

Independent Auditor's 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

The Honorable Mayor and Members
of the Board of Aldermen
Town of Dover
Dover, New Jersey

We have audited in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed or permitted 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 financial statements - *regulatory basis* - of the various funds of the Town of Dover, in the County of Morris (the "Town") as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements and have issued our report thereon dated May 30, 2016. These financial statements have been prepared in conformity with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

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

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

Our consideration of the 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.

The Honorable Mayor and Members
of the Board of Aldermen
Town of Dover
Page 2
May 30, 2016

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free of 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*.

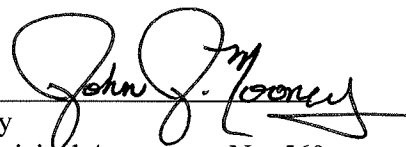
Purpose of this Report

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 Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mount Arlington, New Jersey
May 30, 2016

NISIVOCCIA LLP

NISIVOCCIA LLP



John J. Mooney
Registered Municipal Accountant No. 560
Certified Public Accountant

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

Summary of Auditors' Results:

- The Independent Auditors' Report expresses a unmodified opinion on the Town's financial statements, prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' 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*.
- No instances of noncompliance material to the financial statements of the Town which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Town was not subject to the single audit provisions of the Uniform Guidance and New Jersey OMB's Circular 15-08 for the year ended December 31, 2015 as both state and federal grant expenditures were less than the single audit thresholds of \$750,000 identified in the Uniform Guidance and NJOMB 15-08.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- Not Applicable – Grant expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- Not Applicable – Grant expenditures were below the single audit threshold.

TOWN OF DOVER
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

There were no prior year findings.

TOWN OF DOVER

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2015

TOWN OF DOVER
COMMENTS AND RECOMMENDATIONS

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

N.J.S.A. 40A:11-3 states:

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to Subsection b. of Section 9 of P.L. 1971, C.198 (N.J.S.A. 40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, C.198 (N.J.S.A. 40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L.1999, C.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, C.198 (N.J.S.A. 40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S.A. 40A: 11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective January 1, 2011 and thereafter the bid threshold in accordance with N.J.S.A. 40A:11-3 is \$17,500, and with a qualified purchasing agent the threshold may be up to \$36,000 through June 30, 2015 and \$40,000 thereafter.

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

TOWN OF DOVER
COMMENTS AND RECOMMENDATIONS
(Continued)

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

The minutes indicated that bids were requested by public advertising per N.J.S.A. 40A:11-4. The minutes also indicated that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services".

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

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 sewer transmission fees on or before the date when they would become delinquent.

On January 1, 2015, the governing body adopted a resolution authorizing interest to be charged on delinquent taxes and delinquent sewer transmission fees as follows:

8% per year on sums up to \$1,500.00 and 18% per year on the portion of tax and sewer transmission delinquencies in excess of \$1,500.00 to be calculated from the date the tax and sewer transmission fees were payable until the date of actual payment.

In addition, the governing body adopted a resolution authorizing penalties to be charged on delinquent taxes as follows:

"WHEREAS, Chapter 75 "Laws of 1991" authorizes the Governing Body to fix a 6% penalty to be charged to a taxpayer with a delinquency in excess of \$10,000.00, and who fails to pay said delinquency prior to year end closing, and

"WHEREAS, said penalty is to be calculated with interest included in the total delinquency."

It appears from tests of the Collectors' records that interest was collected in accordance with the foregoing resolutions.

Verification of Delinquent Taxes and Other Charges

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

Type	Number Mailed
Payment of 2015 and 2016 Taxes	20
Delinquent Taxes	20
Payment of 2015 and 2016 Water Rents	10
Payment of 2015 and 2016 Sewer Rents	10
Delinquent Water Rents	10
Delinquent Sewer Rents	10
Tax Title Liens	3

TOWN OF DOVER
COMMENTS AND RECOMMENDATIONS
(Continued)

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 6, 2015 and all eligible properties were included.

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

<u>Year</u>	<u>Number of Liens</u>
2015	26
2014	26
2013	26

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

Municipal Court

The Town of Dover is the host of a joint municipal court. The joint municipal court serves the Town of Dover, Borough of Rockaway, Township of Mine Hill, Mt. Arlington Borough, the Borough of Victory Gardens, and the Borough of Wharton. A summary of the transactions of the Municipal Court for the year 2015 is as follows:

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Cash</u> <u>Received</u>	<u>Cash</u> <u>Disbursed</u>	<u>Balance</u> <u>Dec. 31, 2015</u>
State of New Jersey	\$ 33,901.97	\$ 496,785.03	\$ 495,532.58	\$ 35,154.42
County	22,417.00	290,960.79	292,190.52	21,187.27
Municipality	64,402.03	890,071.68	880,194.40	74,279.31
Municipality - POAA	220.00	2,670.00	2,648.00	242.00
Conditional Discharge	436.00	4,320.00	4,311.00	445.00
Fish and Game		150.00	150.00	
Weights and Measures	1,150.00	68,356.00	61,656.00	7,850.00
Restitution	350.00	3,420.92	3,620.92	150.00
Local Park Commission	275.00	400.00	675.00	
Public Defender	950.00	15,266.26	14,306.26	1,910.00
Bail Account	29,160.00	179,265.37	190,227.37	18,198.00
	<u>\$ 153,262.00</u>	<u>\$ 1,951,666.05</u>	<u>\$ 1,945,512.05</u>	<u>\$ 159,416.00</u>

Accounting Procedures

We have found instances in the Sewer Utility Operating Fund where receipts were not being deposited within the forty-eight hour statutory guideline.

It is recommended that all receipts be deposited within 48 hours of collection for sewer rents.

Management's Response

The Sewer Collector will make every effort to deposit funds within forty-eight hours.

TOWN OF DOVER
COMMENTS AND RECOMMENDATIONS
(Continued)

Fixed Assets

It was found that assets which should have been recorded as deleted from the fixed assets records report were not removed.

It is recommended that all assets which should be deleted from the fixed assets records be removed.

Management's Response

The Town will ensure that all assets which should be deleted from the fixed assets report are removed going forward.

TOWN OF DOVER
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. All funds collected by the Sewer Collector are deposited within 48 hours of receipt.
2. All fixed assets which should be deleted from the fixed assets records be removed.