

**CITY OF NEWARK SINGLE AUDIT
SINGLE AUDIT REPORTING PACKAGE**

2014

CITY OF NEWARK
CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

A
Sheet #1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
<u>Regular Fund</u>			
Cash	A-4	\$ 60,585,295.08	\$ 55,514,884.88
Cash - Deposit with State of New Jersey	A-6	9,223,480.08	9,786,237.89
Sub-Total		<u>69,808,775.16</u>	<u>65,301,122.77</u>
Cash - Change Fund	A-7	2,440.00	2,440.00
		<u>69,811,215.16</u>	<u>65,303,562.77</u>
Receivables with Full Reserves:			
Petty Cash Fund	A-8	3,051.50	2,800.00
Delinquent Property Taxes Receivable	A-9	2,506,590.24	22,453,733.16
Tax Title Liens Receivable	A-10	37,188,531.04	29,045,983.50
Property Acquired for Taxes - Assessed Valuations	A-11	131,612,758.28	131,612,758.28
Sales Contracts Receivable	A-12	12,554,477.53	12,554,477.53
Revenue Accounts Receivable	A-13	2,089,713.98	
Delinquent Tax Abatement Accounts Receivable	A-14	157,640.40	2,295,793.09
Protested Checks	A-15	3,609,540.45	2,628,278.17
Deposit with County Registrar	A-16	2,231.35	2,231.35
Due from Housing for Senior Citizens	A-16	14,905.96	14,905.96
Due from East Orange-Passaic Valley	A-16	90,118.00	90,118.00
Due from Payroll Transfer Account	A-17		267,888.38
Interfunds Receivable	A-18	18,716,526.22	180,802.00
		<u>208,546,084.95</u>	<u>201,149,769.42</u>
Deferred Charges:			
Hurricane Sandy	A-19	3,900,000.00	5,200,000.00
Liability Payout	A-19	2,800,000.00	4,200,000.00
Revaluation	A-19		800,000.00
Overexpenditure of Appropriation	A-41	273,208.73	
Expenditures Without an Appropriation	A-41	404,480.16	
Deficit in Operations	A-41	49,528,884.78	30,121,208.59
		<u>335,263,873.78</u>	<u>306,774,540.78</u>
<u>Federal and State Grant Funds</u>			
Cash	A-4	26,239,483.42	24,031,601.32
Interfunds Receivable	A-20	121,468.70	482.00
Payroll Transfer Account	A-21		515,274.25
Grants Paid Authorized by Commitment Letters	A-22	314,342.10	355,266.02
Federal, State and Other Grants Receivable	A-23	145,400,760.14	153,185,259.55
State Law Enforcement Grants	A-24	102.97	102.97
Accounts Receivable	A-25	47,875.41	47,875.41
Unallocated Disbursements	A-36	238,855.33	
		<u>172,362,888.07</u>	<u>178,135,861.52</u>
		<u>\$507,626,761.85</u>	<u>\$484,910,402.30</u>

CITY OF NEWARK
CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

A
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance Dec. 31, 2014</u>	<u>Balance Dec. 31, 2013</u>
<u>Regular Fund</u>			
Expenditure Reserves:			
Appropriation Reserves	A-3,26	\$ 3,440,913.38	\$ 4,130,734.55
Encumbrances and Commitments Payable	A-3,26	29,931,369.39	31,354,651.53
Commitments Payable	A-27	838,120.60	513,984.57
Reserve for Void Check Pending Distribution	A-28	84,629.67	84,629.67
Reserve for Election Workers' Payable	A-29	1,627.72	86,227.72
Due to State of New Jersey Senior Citizens	A-30	189,590.86	152,535.00
Due to State of New Jersey and Public Assistance Trust Fund	A-31	219,797.00	212,487.00
Interfunds Payable	A-32	14,182,404.32	808,376.76
Due to Special Improvement Districts	A-33	1,432,539.57	812,497.48
Due to State of New Jersey - Uniform Construction Fund	A-34	328,496.63	571,798.63
Accounts Payable - Due to Library	A-35	25,000.00	25,000.00
Accounts Payable - State Aid Credits	A-35	720,974.69	
Reserve for Judgments	A-35	1,954.31	1,954.31
Due to Redflex Traffic Systems	A-35	199,410.00	248,948.00
Due to Parking Authority for Municipal Court Fees	A-35	191,939.84	149,979.07
Due to State Waste Water Fund	A-35	25,000.00	25,000.00
Police Overtime	A-35	217,722.05	185,375.50
Tax Overpayments	A-37	677,221.20	588,706.06
Reserve for Hurricane Sandy	A-38	143,562.34	1,736,121.09
Prepaid Taxes	A-39	1,651,445.99	1,839,389.66
Prepaid Tax Abatements	A-39	90,514.82	106,666.77
Prepaid Improvement Taxes Receivable	A-40	48,773.66	57,897.36
Reserve for Master Plan	A-42	232,079.39	275,656.89
County Taxes Payable	A-43	521,701.40	1,892,153.74
Tax Anticipation Notes Payable	A-45	64,973,000.00	49,950,000.00
		120,369,788.83	95,810,771.36
Emergency Notes Payable - Revaluation - 2009	A-46		800,000.00
Emergency Notes Payable - Liability Payout	A-46	2,765,000.00	4,161,000.00
Emergency Notes Payable - Hurricane Sandy	A-46	3,583,000.00	4,853,000.00
Reserve for Other Receivables	Reserve	208,546,084.95	201,149,769.42
		335,263,873.78	306,774,540.78
<u>Federal and State Grant Funds</u>			
Appropriation Reserve - State Law Enforcement Grant	A-47	227,443.76	227,443.76
Reserve for Federal, State and Other Grants	A-48	151,902,692.53	166,113,697.53
Interfunds Payable	A-49	13,094,866.53	376,831.23
Unallocated Receipts	A-50		282,406.09
Deferred Credits:			
Reserve for Elderly Nutrition	A-51	2,340,572.01	2,350,787.79
Reserve for Safe Housing	A-52	579,833.28	1,579,833.28
Unappropriated Grants	A-53	2,659,797.88	5,989,941.27
Due to Federal Funds	A-54	724,718.06	724,718.06
UEZ Loan Repayment	A-55	832,964.02	490,202.51
		172,362,888.07	178,135,861.52
		<u>\$507,626,761.85</u>	<u>\$484,910,402.30</u>

See accompanying notes to financial statements.

CITY OF NEWARK
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGES IN FUND BALANCE - REGULATORY BASIS

A-1
Sheet #1

	<u>Ref.</u>	<u>Year 2014</u>	<u>Year 2013</u>
<u>Revenue and Other Income</u>			
Surplus Anticipated		\$	\$ 11,411,387.66
Miscellaneous Revenue Anticipated	A-2	390,551,863.04	413,041,813.93
Receipts from Delinquent Taxes	A-2	20,873,024.43	9,166,110.21
Receipts from Current Taxes	A-2	376,813,047.93	348,817,914.76
Nonbudget Revenue	A-2	1,732,081.57	2,236,479.45
Other Credits to Income:			
Due from Payroll Transfer Account Liquidated	A-17	267,888.38	
Appropriation Reserves Cancelled	A-26	521,320.61	3,857,621.76
Interfunds Payable Stale Dated Balance Sheet Items	A-32	335,103.76	
Interfunds Payable Adjustments	A-32	1,689,828.41	
Cancellation of Tax Overpayments	A-37	1,856,137.16	1,913,461.58
	<u>Sheet #2</u>	<u>\$ 794,640,295.29</u>	<u>\$ 790,444,789.35</u>
 <u>Expenditures</u>			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages		\$ 246,576,863.80	\$ 244,699,293.79
Other Expenses		237,502,206.49	263,469,903.18
Debt Service		47,781,815.23	52,059,767.70
Deferred Charges and Statutory Expenditures		68,329,535.55	68,396,405.79
Judgments			450,000.00
Capital Improvements		100,000.00	100,000.00
	A-3	<u>600,290,421.07</u>	<u>629,175,370.46</u>
Prior Year Refund	A-4	239,783.31	458,939.17
Bank Reconciliation Items	A-4	7,167,529.19	
Reserve for Petty Cash Fund	A-8	251.50	1,100.00
Reserve for Protested Check	A-15	981,262.28	810,761.45
Due from East Orange-Passaic Valley Established			26,726.00
Due from Payroll Transfer Account Established			28,915.06
Interfunds Receivable Adjustments	A-18	4,226,327.14	
Interfunds Receivable Established	A-18	18,538,944.62	176,130.52
Prior Year Senior Citizen Deduction Disallowed	A-30	33,750.00	1,803.41
Interfunds Payable Adjustments	A-32	701,343.11	
Interfunds Payable Stale Dated Balance Sheet Items	A-32	39,691.57	
Interfunds Protested Checks Cancelled	A-32	452,682.24	
Special District Taxes	A-33	4,882,403.03	3,870,357.00
State Tax Appeals on Delinquent Taxes			259,582.81
County Tax	A-43	67,813,075.02	74,907,034.81
County Share of Added and Omitted Taxes	A-43	521,701.40	1,892,153.75
Local School District Tax	A-44	111,170,927.00	108,957,123.50
	<u>Sheet #2</u>	<u>\$ 817,060,092.48</u>	<u>\$ 820,565,997.94</u>

CITY OF NEWARK
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGES IN FUND BALANCE - REGULATORY BASIS

A-1
Sheet #2

	<u>Ref.</u>	<u>Year 2014</u>	<u>Year 2013</u>
Revenue and Other Income	Sheet #1	\$ 794,640,295.29	\$ 790,444,789.35
Total Expenditures	Sheet #1	<u>817,060,092.48</u>	<u>820,565,997.94</u>
Deficit in Revenue		<u>(22,419,797.19)</u>	<u>(30,121,208.59)</u>
Deficit in Operations	A-41	<u>\$ (22,419,797.19)</u>	<u>\$ (30,121,208.59)</u>

See accompanying notes to financial statements.

CITY OF NEWARK
CURRENT FUND

STATEMENT OF REVENUE - REGULATORY BASIS

A-2
Sheet #1

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Miscellaneous Revenues - Local Revenues:				
Licenses:				
Alcoholic Beverages	A-13	\$ 912,238.00	\$ 905,748.00	\$ (6,490.00)
Other	A-13	1,291,547.00	1,547,173.14	255,626.14
Other:				
City Clerk	A-13	13,520.00	12,280.00	(1,240.00)
Bureau of Vital Statistics	A-13	778,573.00	753,340.95	(25,232.05)
Tax Searches	A-13	2,792.00	6,440.00	3,648.00
Miscellaneous Fees and Permits	A-13	632,618.00	1,465,589.96	832,971.96
Fox Lance Limited Dividend Receipts	A-14	15,172,226.00	17,619,324.37	2,447,098.37
Port Newark Lease - Port Authority of New York and New Jersey	A-13	84,744,312.00	84,744,312.00	
Police Identification	A-13	4,769.00	4,080.00	(689.00)
Bureau of Sidewalks	A-13	515,718.00	478,027.99	(37,690.01)
Fines and Costs:				
Municipal Court	A-13	13,565,141.00	11,869,556.10	(1,695,584.90)
Interest and Costs on Taxes	A-4	4,080,691.00	5,608,065.35	1,527,374.35
Interest on Investments and Deposits	A-13	90,325.00	101,218.08	10,893.08
Rents - City-Owned Property	A-13	467,911.00	805,817.69	337,906.69
Total Local Revenues		<u>122,272,381.00</u>	<u>125,920,973.63</u>	<u>3,648,592.63</u>
Miscellaneous Revenues - State Aid Without Offsetting				
Appropriations:				
Consolidated Municipal Property Tax Relief Act	A-13	35,455,629.00	35,190,453.98	(265,175.02)
Energy Receipts Tax (P.L. 1997, Chapters 162 and 167)	A-13	65,834,488.00	65,398,410.28	(436,077.72)
Transitional Aid	A-13	10,000,000.00	10,000,000.00	
Total State Aid Without Offsetting Appropriations		<u>111,290,117.00</u>	<u>110,588,864.26</u>	<u>(701,252.74)</u>
Miscellaneous Revenues - Dedicated Uniform Construction				
Code Fees Offset with Appropriations:				
Uniform Construction Code Fees	A-13	4,768,342.00	4,673,626.00	(94,716.00)
Miscellaneous Revenues - Special Items of General Revenue				
Anticipated with Prior Written Consent of Director of Local				
Government Services - Additional Revenues Offset with				
Appropriations:				
Local District School Debt Service:				
State Aid - Building Allowance for School	A-13	5,448,045.00	5,448,045.00	
Miscellaneous Revenues - Special Items of General Revenue				
Anticipated with Prior Written Consent of Director of Local				
Government Services - Public and Private Revenues Offset				
with Appropriations:				
New Jersey Department of Health and Human Services:				
Sexually Transmitted Diseases Program		89,113.00	89,113.00	
Bio-Terrorism Preparedness Grant		242,138.00	242,138.00	
Women, Infants and Children		1,627,900.00	1,627,900.00	
Childhood Lead Poisoning		487,780.00	487,780.00	
Bio-Terrorism Preparedness Grant		25,000.00	25,000.00	
Immunization Program		276,250.00	276,250.00	
Immunization Program		313,749.00	313,749.00	
Sandy SSBG Lead Screening Program		228,000.00	228,000.00	
United States Environmental Protection Agency:				
Hazardous Discharge Site Remediation		140,235.00	140,235.00	
New Jersey Environmental Protection Agency:				
Municipal Tonnage Grant 2007		272,037.17	272,037.17	
Municipal Tonnage Grant 2011		228,379.64	228,379.64	
State of New Jersey Office of Homeland Security and Preparedness:				
Urban Areas Security Initiative Grant		1,575,460.00	1,575,460.00	
Urban Areas Security Initiative Grant		12,500.00	12,500.00	
New Jersey Department of Transportation:				
Various Streets (10 Locations MA-14-2014)		1,354,440.00	1,354,440.00	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF REVENUE - REGULATORY BASIS

A-2
Sheet #2

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Miscellaneous Revenues - Special Items of General Revenue				
Anticipated with Prior Written Consent of Director of Local				
Government Services - Public and Private Revenues Offset				
with Appropriations:				
New Jersey Department of Agriculture:				
Summer Food Program - SunUp		\$ 1,659,273.94	\$ 1,659,273.94	\$
Summer Food Program - SunUp		80,284.79	80,284.79	
State of New Jersey Division of Highway Traffic Safety:				
Drunk Driving - 2011		13,912.54	13,912.54	
Drunk Driving - 2012		21,059.29	21,059.29	
State of New Jersey Department of Law and Public Safety:				
Body Armor Grant		126,081.60	126,081.60	
United States Department of Health and Human Services:				
HIV Emergency Relief Program		9,167,999.00	9,167,999.00	
HIV Emergency Relief Program		3,682,015.00	3,682,015.00	
Homeless HRSA Program - Additional Funding		53,371.00	53,371.00	
Homeless HRSA Program		2,573,488.00	2,573,488.00	
TANF/GA/SNAP/Workforce Learning Link Grant		1,416,659.00	1,416,659.00	
WIA - Dislocated Worker Programs, WIA Adults, Needy Families		5,290,778.00	5,290,778.00	
United States Department of Justice:				
Edward Byrne Memorial Justice Assistance Grant		471,820.00	471,820.00	
United States Department of Housing and Urban Development:				
HOME Investment Partnership		1,799,805.00	1,799,805.00	
United States Department of Homeland Security:				
Staffing for Adequate Fire and Emergency Responses (SAFER)		5,614,464.00	5,614,464.00	
Post Security Gate 2011		297,000.00	297,000.00	
New Jersey Board of Public Utilities:				
Local Audit Energy Program		25,182.00	25,182.00	
North Jersey Transportation Planning Authority Inc.:				
FY 2013 Subregional Transportation Planning Grant		68,942.00	68,942.00	
Local Safety Program (Broad and South Streets)		962,380.00	962,380.00	
Local Safety Program (Broad and Tichenor Streets)		1,282,897.00	1,282,897.00	
HESS Corporation:				
Ironbound Stadium Reconstruction		5,000,000.00	5,000,000.00	
County of Essex - Department of Citizen Services:				
Truancy Alternative Program - 2014		66,480.00	66,480.00	
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Total Special Items of General Revenue Anticipated with				
Prior Written Consent of Director of Local Government				
Services - Public and Private Revenues Offset with				
Appropriations	A-23	46,546,873.97	46,546,873.97	
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Miscellaneous Revenues - Special Items of General Revenue				
Anticipated with Prior Written Consent of Director of Local				
Government Services - Other Special Items:				
Revenue from New Taxes - Hotel Taxes:				
Hotel Taxes	A-13	6,264,323.00	5,168,993.97	(1,095,329.03)
Payroll Taxes	A-13	41,892,000.00	34,034,645.13	(7,857,354.87)
Parking Lot Revenues	A-13	20,669,184.00	15,271,393.45	(5,397,790.55)
Car Rental Tax	A-13	13,400,000.00	13,400,000.00	
General Capital Surplus	A-13	337,041.00	337,041.00	
Ticket Tax and Facility Fee	A-13	1,700,000.00	363,189.44	(1,336,810.56)
Water Utility Operating Fund:				
Reimbursement for Administrative, In-Kind and Operating				
Expenses	A-13	4,000,000.00	4,000,000.00	
Sewer Utility Operating Fund:				
Reimbursement for Administrative, In-Kind and Operating				
Expenses	A-13	1,000,000.00	1,000,000.00	
Franchise - Cable Fees	A-13	740,085.00	906,468.79	166,383.79
Additional Delinquent Tax Collections		6,500,000.00		(6,500,000.00)
Uniform Fire Safety Act (Ch. 383, P.L. 1983):				
Registration Fees	A-13	164,532.00	164,532.00	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF REVENUE - REGULATORY BASIS

A-2
Sheet #3

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Miscellaneous Revenues - Special Items of General Revenue				
Anticipated with Prior Written Consent of Director of Local				
Government Services - Other Special Items:				
Host Municipality Fees	A-13	\$ 5,270,765.00	\$ 5,506,335.62	\$ 235,570.62
Fire Safety Fees	A-13	1,200,000.00	1,434,325.09	234,325.09
Military Park Garage - Excess Profit	A-13	242,169.00	90,024.37	(152,144.63)
Essex County Improvement Authority	A-13	2,016,800.00	2,016,800.00	
Reserve for Police Overtime Reimbursements	A-35	185,000.00	185,000.00	
Reserve for Election Poll Workers	A-29	84,600.00	84,600.00	
Payment in-Lieu of Taxes PVSC	A-13	815,341.00	919,641.86	104,300.86
Easement Rights	A-13	45,058.00	27,261.87	(17,796.13)
Other Miscellaneous Revenues	A-13	1,815,990.00	4,507,838.65	2,691,848.65
Special Events - City Services	A-13	55,428.00	139,521.89	84,093.89
Certificate of Code Enforcement	A-13	286,135.00	290,796.04	4,661.04
Due from Animal Control Fund	A-18	4,903.00	3,220.40	(1,682.60)
Due from Grant Trust Other Fund		175,300.00		(175,300.00)
Reimbursement of Debt Service	A-13	458,394.00	562,228.03	103,834.03
Additional Cancellations of 2013 Appropriations:				
Appropriation Reserves (Not Health Insurance Appropriations)	A-26	6,000,000.00	6,000,000.00	
Sale of City-Owned Property - 2014	A-13	5,000,000.00	658,129.00	(4,341,871.00)
Sale of City-Owned Property - 2013		621,567.00		(621,567.00)
Information Fees	A-13	57,518.00	301,493.58	243,975.58
Devils Annual Rent		2,500,000.00		(2,500,000.00)
Total Special Items of General Revenue Anticipated with Prior Written Consent of Local Government Services - Other Special Items		<u>123,502,133.00</u>	<u>97,373,480.18</u>	<u>(26,128,652.82)</u>
Total Miscellaneous Revenue	A-1	413,827,891.97	390,551,863.04	(23,276,028.93)
Receipts from Delinquent Taxes	A-2 (Sheet #4)	<u>13,761,516.00</u>	<u>20,873,024.43</u>	<u>7,111,508.43</u>
Sub-Total General Revenue		<u>427,589,407.97</u>	<u>411,424,887.47</u>	<u>(16,164,520.50)</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserves for				
Uncollected Taxes	A-9	196,588,808.20		
Addition to Local District School Tax	A-9	5,315,955.00		
Minimum Library Tax	A-9	4,645,089.19		
	A-2 (Sheet #4)	<u>206,549,852.39</u>	<u>209,075,152.87</u>	<u>2,525,300.48</u>
Total General Revenue		634,139,260.36	620,500,040.34	(13,639,220.02)
Nonbudget Revenue	A-2 (Sheet #4)		<u>1,732,081.57</u>	<u>1,732,081.57</u>
Total		<u>\$ 634,139,260.36</u>	<u>\$ 622,232,121.91</u>	<u>\$ (11,907,138.45)</u>
	<u>Reference</u>	<u>A-3</u>		

CITY OF NEWARK
CURRENT FUND

STATEMENT OF REVENUE - REGULATORY BASIS

A-2
Sheet #4

	<u>Ref.</u>		
<u>Analysis of Miscellaneous Revenue</u>			
<u>Allocation of Current Tax Collection:</u>			
Collection of 2014 Taxes in 2014	A-9	\$374,633,795.77	
Collection of 2014 Taxes in 2013	A-9	1,897,287.02	
Senior Citizens' Allowed	A-9	<u>281,965.14</u>	
	A-1		\$376,813,047.93
<u>Allocated to:</u>			
Special District Taxes	A-33	4,882,403.03	
County Tax	A-43	68,334,776.42	
Local School District Tax	A-43	<u>111,170,927.00</u>	
			<u>184,388,106.45</u>
Support of Municipal Budget Appropriation			<u>192,424,941.48</u>
Plus: Appropriation Reserve for Uncollected Taxes	A-3		<u>16,650,211.39</u>
Realized for Support of Municipal Budget Appropriations	A-2 (Sheet #3)		<u>\$209,075,152.87</u>
<u>Receipts from Delinquent Taxes:</u>			
Taxes Receivable - Collected	A-9		\$ 13,424,130.95
Tax Title Lien Collection	A-10		<u>7,448,893.48</u>
Realized on Budget Revenue	A-1,2 (Sheet #3)		<u>\$ 20,873,024.43</u>
<u>Miscellaneous Revenue Not Anticipated:</u>			
Trade Waste		\$ 37,860.00	
Soil Erosion Permit Fees		19,880.00	
Copying Fees		256.95	
Water Permit Little FA		99,515.16	
Food Handlers Fees		20,660.00	
Administrative Fee for Senior Citizens and Vets		6,375.42	
Delinquent Special Improvement Districts		197,469.85	
Nonrefundable Deposits		13,125.00	
Premium on Sale of Emergency Notes		20,000.00	
Auction Proceeds		5,071.40	
Reimbursement of Fringe Benefits		<u>1,311,867.79</u>	
	A-1,2 (Sheet #3),4		<u>\$ 1,732,081.57</u>

See accompanying notes to financial statements.

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #1

<u>Appropriations</u>	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended Balance Cancelled</u>	<u>Over- expended</u>
	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u> <u>Reserved</u>		
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>OFFICE OF THE MAYOR AND AGENCIES</u>						
Mayor's Office:						
Salaries and Wages:						
Personnel Services	\$ 2,529,319.00	\$ 2,529,319.00	\$ 2,462,700.27	\$	\$ 66,618.73	\$
Other Pay	100,000.00	100,000.00	67,500.00		31,600.00	
Total Salaries and Wages	<u>2,629,319.00</u>	<u>2,629,319.00</u>	<u>2,530,200.27</u>	<u>900.00</u>	<u>98,218.73</u>	
Other Expenses:						
Service by Contract or Agreement	154,500.00	154,500.00	63,252.82	12,953.33	78,293.85	
Materials and Supplies	28,000.00	28,000.00	20,961.40	1,175.91	5,862.69	
Total Other Expenses	<u>182,500.00</u>	<u>182,500.00</u>	<u>84,214.22</u>	<u>14,129.24</u>	<u>84,156.54</u>	
Municipal Court:						
Salaries and Wages:						
Personnel Services	4,824,745.00	4,824,745.00	4,728,496.72		96,248.28	
Other Pay	404,000.00	404,000.00	395,845.91		3,259.67	
Total Salaries and Wages	<u>5,228,745.00</u>	<u>5,228,745.00</u>	<u>5,124,342.63</u>	<u>4,894.42</u>	<u>99,507.95</u>	
Other Expenses:						
Service by Contract or Agreement	787,550.00	787,550.00	447,356.10	264,855.45	75,338.45	
Materials and Supplies	94,000.00	94,000.00	59,080.63	24,243.07	10,676.30	
Equipment	100,000.00	100,000.00	1,408.00	97,686.93	905.07	
Total Other Expenses	<u>981,550.00</u>	<u>981,550.00</u>	<u>507,844.73</u>	<u>386,785.45</u>	<u>86,919.82</u>	
Aid to Newark Museum (N.J.S.A. 40:23-6.22)	<u>4,250,000.00</u>	<u>4,250,000.00</u>	<u>4,250,000.00</u>			
Affirmative Action:						
Salaries and Wages:						
Personnel Services	229,088.00	229,088.00	229,086.21		1.79	
Other Pay	5,000.00	5,000.00	2,112.00		2,646.00	
Total Salaries and Wages	<u>234,088.00</u>	<u>234,088.00</u>	<u>231,198.21</u>	<u>242.00</u>	<u>2,647.79</u>	
Other Expenses:						
Service by Contract or Agreement	<u>1,000.00</u>	<u>1,000.00</u>			<u>1,000.00</u>	
Newark Works:						
Salaries and Wages:						
Personnel Services	176,525.00	176,525.00	176,509.30		15.70	
Other Pay	13,352.00	13,352.00	13,352.00			
Total Salaries and Wages	<u>189,877.00</u>	<u>189,877.00</u>	<u>189,861.30</u>		<u>15.70</u>	
Other Expenses:						
Service by Contract or Agreement	<u>1,345,000.00</u>	<u>1,345,000.00</u>	<u>1,344,759.98</u>		<u>240.02</u>	
Total - Office of the Mayor and Agencies	<u>15,042,079.00</u>	<u>15,042,079.00</u>	<u>14,262,421.34</u>	<u>400,914.69</u>	<u>372,706.55</u>	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #2

Appropriations	Appropriations		Expended			Unexpended Balance Cancelled	Over- expended
	Budget	Modified Budget	Paid or Charged	Encumbered	Reserved		
APPROPRIATIONS WITHIN "CAPS"							
<u>CITY CLERK AND MUNICIPAL COUNCIL</u>							
Office of the City Clerk:							
Salaries and Wages:							
Personnel Services	\$ 3,307,499.00	\$ 3,307,499.00	\$ 3,420,025.72	\$	\$	\$	\$ 112,526.72
Other Pay	200,500.00	200,500.00	200,052.39			447.61	
Total Salaries and Wages	<u>3,507,999.00</u>	<u>3,507,999.00</u>	<u>3,620,078.11</u>			<u>447.61</u>	<u>112,526.72</u>
Other Expenses:							
Service by Contract or Agreement	2,009,839.00	2,009,839.00	704,567.70	1,133,253.68	78,992.66	93,024.96	
Materials and Supplies	138,080.00	138,080.00	71,704.67	48,012.59	18,362.74		
Equipment	8,000.00	8,000.00		7,875.58	124.42		
Total Other Expenses	<u>2,155,919.00</u>	<u>2,155,919.00</u>	<u>776,272.37</u>	<u>1,189,141.85</u>	<u>97,479.82</u>	<u>93,024.96</u>	
Municipal Council:							
Salaries and Wages:							
Personnel Services	3,233,280.00	3,233,280.00	3,393,962.01				160,682.01
Other Pay	55,000.00	55,000.00	55,000.00				
Total Salaries and Wages	<u>3,288,280.00</u>	<u>3,288,280.00</u>	<u>3,448,962.01</u>				<u>160,682.01</u>
Other Expenses:							
Service by Contract or Agreement	183,100.00	183,100.00	82,887.11	10,118.46		90,094.43	
Materials and Supplies	39,000.00	39,000.00	12,342.56			26,657.44	
Total Other Expenses	<u>222,100.00</u>	<u>222,100.00</u>	<u>95,229.67</u>	<u>10,118.46</u>		<u>116,751.87</u>	
Elections - Primary and General:							
Miscellaneous	<u>170,000.00</u>	<u>170,000.00</u>	<u>137,193.10</u>			<u>32,806.90</u>	
Elections - Municipal Elections:							
Miscellaneous	<u>1,650,000.00</u>	<u>1,650,000.00</u>	<u>860,937.59</u>		<u>728.91</u>	<u>788,333.50</u>	
Total - City Clerk and Municipal Council	<u>10,994,298.00</u>	<u>10,994,298.00</u>	<u>8,938,672.85</u>	<u>1,199,260.31</u>	<u>98,208.73</u>	<u>1,031,364.84</u>	<u>273,208.73</u>
<u>DEPARTMENT OF ADMINISTRATION</u>							
Office of the Business Administrator							
Salaries and Wages:							
Personnel Services	1,233,628.00	1,233,628.00	1,201,333.00			32,295.00	
Other Pay	8,000.00	8,000.00				8,000.00	
Total Salaries and Wages	<u>1,241,628.00</u>	<u>1,241,628.00</u>	<u>1,201,333.00</u>			<u>40,295.00</u>	
Other Expenses:							
Service by Contract or Agreement	333,667.00	333,667.00	102,079.81	43,499.32	8,000.00	180,087.87	
Materials and Supplies	22,500.00	22,500.00	2,793.99	1,380.44		18,325.57	
Total Other Expenses	<u>356,167.00</u>	<u>356,167.00</u>	<u>104,873.80</u>	<u>44,879.76</u>	<u>8,000.00</u>	<u>198,413.44</u>	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #3

Appropriations	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled	Over-expended
	Budget	Modified Budget		Encumbered	Reserved		
<u>APPROPRIATIONS WITHIN "CAPS"</u>							
<u>DEPARTMENT OF ADMINISTRATION</u>							
Division of Budget:							
Salaries and Wages:							
Personnel Services	\$ 1,564,958.00	\$ 1,564,958.00	\$ 1,550,133.97	\$	\$	\$ 14,824.03	\$
Other Pay	47,725.00	47,725.00	43,593.02			4,131.98	
Total Salaries and Wages	<u>1,612,683.00</u>	<u>1,612,683.00</u>	<u>1,593,726.99</u>			<u>18,956.01</u>	
Other Expenses:							
Service by Contract or Agreement	3,701,980.00	3,701,980.00	2,334,473.02	955,655.27		411,851.71	
Materials and Supplies	774,000.00	774,000.00	545,573.74	228,425.82		0.44	
Equipment	263,680.00	263,680.00	151,738.43	111,941.57			
Total Other Expenses	<u>4,739,660.00</u>	<u>4,739,660.00</u>	<u>3,031,785.19</u>	<u>1,296,022.66</u>		<u>411,852.15</u>	
Division of Central Purchase:							
Salaries and Wages:							
Personnel Services	567,281.00	567,281.00	543,674.57			23,606.43	
Other Pay	12,650.00	12,650.00	7,850.79			4,799.21	
Total Salaries and Wages	<u>579,931.00</u>	<u>579,931.00</u>	<u>551,525.36</u>			<u>28,405.64</u>	
Other Expenses:							
Service by Contract or Agreement	15,800.00	15,800.00	5,570.28	10,229.72			
Materials and Supplies	5,500.00	5,500.00	1,882.03	2,738.68		879.29	
Total Other Expenses	<u>21,300.00</u>	<u>21,300.00</u>	<u>7,452.31</u>	<u>12,968.40</u>		<u>879.29</u>	
Division of Personnel:							
Salaries and Wages:							
Personnel Services	928,008.00	928,008.00	904,992.76			23,015.24	
Other Pay	23,000.00	23,000.00	21,075.32			1,924.68	
Total Salaries and Wages	<u>951,008.00</u>	<u>951,008.00</u>	<u>926,068.08</u>			<u>24,939.92</u>	
Other Expenses:							
Service by Contract or Agreement	147,576.00	147,576.00	33,420.85	114,155.15			
Materials and Supplies	11,000.00	11,000.00	1,886.40	9,113.00		0.60	
Total Other Expenses	<u>158,576.00</u>	<u>158,576.00</u>	<u>35,307.25</u>	<u>123,268.15</u>		<u>0.60</u>	
Office of Emergency Management:							
Salaries and Wages:							
Personnel Services	310,352.00	310,352.00	308,111.34			2,240.66	
Other Pay	5,000.00	5,000.00	4,714.38			285.62	
Total Salaries and Wages	<u>315,352.00</u>	<u>315,352.00</u>	<u>312,825.72</u>			<u>2,526.28</u>	
Other Expenses:							
Service by Contract or Agreement	8,550.00	8,550.00	3,401.88			5,148.12	
Materials and Supplies	15,600.00	15,600.00	10,304.39	5,294.66		0.95	
Total Other Expenses	<u>24,150.00</u>	<u>24,150.00</u>	<u>13,706.27</u>	<u>5,294.66</u>		<u>5,149.07</u>	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #4

<u>Appropriations</u>	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Cancelled</u>	<u>Over- expended</u>
	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>		
<u>APPROPRIATIONS WITHIN "CAPS"</u>							
<u>DEPARTMENT OF ADMINISTRATION</u>							
Communications							
Salaries and Wages:							
Personnel Services	\$ 351,780.00	\$ 351,780.00	\$ 347,269.54	\$	\$	\$ 4,510.46	\$
Other Pay	15,000.00	15,000.00	6,596.61			8,403.39	
Total Salaries and Wages	<u>366,780.00</u>	<u>366,780.00</u>	<u>353,866.15</u>			<u>12,913.85</u>	
Other Expenses:							
Service by Contract or Agreement	75,820.00	75,820.00	8,693.25			67,126.75	
Materials and Supplies	40,700.00	40,700.00	11,059.00			29,641.00	
Total Other Expenses	<u>116,520.00</u>	<u>116,520.00</u>	<u>19,752.25</u>			<u>96,767.75</u>	
Division of Office Services:							
Salaries and Wages:							
Personnel Services	375,138.00	375,138.00	362,517.41			12,620.59	
Other Pay	2,000.00	2,000.00	1,170.34			829.66	
Total Salaries and Wages	<u>377,138.00</u>	<u>377,138.00</u>	<u>363,687.75</u>			<u>13,450.25</u>	
Other Expenses:							
Service by Contract or Agreement	7,125,000.00	7,125,000.00	5,984,469.42	731,421.08		409,109.50	
Materials and Supplies	146,500.00	146,500.00	137,619.99	7,932.00		948.01	
Equipment	35,000.00	35,000.00	19,655.18	15,317.00		27.82	
Total Other Expenses	<u>7,306,500.00</u>	<u>7,306,500.00</u>	<u>6,141,744.59</u>	<u>754,670.08</u>		<u>410,085.33</u>	
Total - Department of Administration	<u>18,167,393.00</u>	<u>18,167,393.00</u>	<u>14,657,654.71</u>	<u>2,237,103.71</u>	<u>8,000.00</u>	<u>1,264,634.58</u>	
<u>DEPARTMENT OF LAW</u>							
Corporation Counsel's Office							
Salaries and Wages:							
Personnel Services	3,023,120.00	3,023,120.00	2,884,584.96		32,705.92	105,829.12	
Other Pay	34,500.00	34,500.00	30,900.00		300.00	3,300.00	
Total Salaries and Wages	<u>3,057,620.00</u>	<u>3,057,620.00</u>	<u>2,915,484.96</u>		<u>33,005.92</u>	<u>109,129.12</u>	
Other Expenses							
Service by Contract or Agreement	2,305,500.00	2,305,500.00	1,286,659.51	915,645.12		103,195.37	
Materials and Supplies	59,000.00	59,000.00	23,015.95	26,791.12		9,192.93	
Total Other Expenses	<u>2,364,500.00</u>	<u>2,364,500.00</u>	<u>1,309,675.46</u>	<u>942,436.24</u>		<u>112,388.30</u>	
Total - Department of Law	<u>5,422,120.00</u>	<u>5,422,120.00</u>	<u>4,225,160.42</u>	<u>942,436.24</u>	<u>33,005.92</u>	<u>221,517.42</u>	
<u>DEPARTMENT OF FINANCE</u>							
Director's Office							
Salaries and Wages:							
Personnel Services	469,640.00	469,640.00	461,440.62			8,199.38	
Other Pay	2,500.00	2,500.00	952.85			1,547.15	
Total Salaries and Wages	<u>472,140.00</u>	<u>472,140.00</u>	<u>462,393.47</u>			<u>9,746.53</u>	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #5

Appropriations	Appropriations		Expended		Unexpended Balance Cancelled	Over- expended
	Budget	Modified Budget	Paid or Charged	Encumbered Reserved		
APPROPRIATIONS WITHIN "CAPS"						
DEPARTMENT OF FINANCE						
Director's Office:						
Other Expenses:						
Service by Contract or Agreement	\$ 281,200.00	\$ 281,200.00	\$ 99,159.48	\$ 5,825.90	\$ 176,214.62	\$
Materials and Supplies	14,500.00	14,500.00	873.05	666.08	12,960.87	
Total Other Expenses	<u>295,700.00</u>	<u>295,700.00</u>	<u>100,032.53</u>	<u>6,491.98</u>	<u>189,175.49</u>	
Division of Accounts and Control:						
Salaries and Wages:						
Personnel Services	1,000,550.00	1,000,550.00	961,118.84		39,431.16	
Other Pay	20,000.00	20,000.00	13,504.61	5,158.89	1,336.50	
Total Salaries and Wages	<u>1,020,550.00</u>	<u>1,020,550.00</u>	<u>974,623.45</u>	<u>5,158.89</u>	<u>40,767.66</u>	
Other Expenses:						
Service by Contract or Agreement	3,000.00	3,000.00	321.64		2,678.36	
Materials and Supplies	3,000.00	3,000.00	681.06		2,318.94	
Total Other Expenses	<u>6,000.00</u>	<u>6,000.00</u>	<u>1,002.70</u>		<u>4,997.30</u>	
Division of Revenue Collection:						
Salaries and Wages:						
Personnel Services	1,287,748.00	1,287,748.00	1,186,424.74		101,323.26	
Other Pay	20,000.00	20,000.00	16,961.09	872.75	2,166.16	
Total Salaries and Wages	<u>1,307,748.00</u>	<u>1,307,748.00</u>	<u>1,203,385.83</u>	<u>872.75</u>	<u>103,489.42</u>	
Other Expenses:						
Service by Contract or Agreement	270,975.00	270,975.00	166,478.35	55,550.33	48,946.32	
Materials and Supplies	6,400.00	6,400.00	3,033.54	893.48	2,472.98	
Total Other Expenses	<u>277,375.00</u>	<u>277,375.00</u>	<u>169,511.89</u>	<u>56,443.81</u>	<u>51,419.30</u>	
Division of Treasury:						
Salaries and Wages:						
Personnel Services	391,196.00	391,196.00	390,933.28		262.72	
Other Pay	4,500.00	4,500.00	2,050.09		2,449.91	
Total Salaries and Wages	<u>395,696.00</u>	<u>395,696.00</u>	<u>392,983.37</u>		<u>2,712.63</u>	
Other Expenses:						
Service by Contract or Agreement	70,250.00	70,250.00	53,046.40	1,375.00	15,828.60	
Materials and Supplies	1,500.00	1,500.00	679.50		820.50	
Total Other Expenses	<u>71,750.00</u>	<u>71,750.00</u>	<u>53,725.90</u>	<u>1,375.00</u>	<u>16,649.10</u>	
Office of Tax Abatement and Special Taxes:						
Salaries and Wages:						
Personnel Services	704,128.00	704,128.00	686,747.70		17,380.30	
Other Pay	1,000.00	1,000.00	455.53		544.47	
Total Salaries and Wages	<u>705,128.00</u>	<u>705,128.00</u>	<u>687,203.23</u>		<u>17,924.77</u>	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #6

Appropriations	Appropriations		Expended			Unexpended Balance Cancelled	Over- expended
	Budget	Modified Budget	Paid or Charged	Encumbered	Reserved		
APPROPRIATIONS WITHIN "CAPS"							
DEPARTMENT OF FINANCE							
Office of Tax Abatement and Special Taxes:							
Other Expenses:							
Service by Contract or Agreement	\$ 15,000.00	\$ 15,000.00	\$	\$	\$	\$ 15,000.00	\$
Materials and Supplies	4,000.00	4,000.00	3,508.11	490.00		1.89	
Total Other Expenses	<u>19,000.00</u>	<u>19,000.00</u>	<u>3,508.11</u>	<u>490.00</u>		<u>15,001.89</u>	
Employees' Retirement System:							
Salaries and Wages:							
Personnel Services	166,040.00	166,040.00	164,743.39			1,296.61	
Other Pay	2,000.00	2,000.00	1,324.43			675.57	
Total Salaries and Wages	<u>168,040.00</u>	<u>168,040.00</u>	<u>166,067.82</u>			<u>1,972.18</u>	
Other Expenses:							
Service by Contract or Agreement	80,000.00	80,000.00	55,321.00	21,679.00		3,000.00	
Materials and Supplies	400.00	400.00				400.00	
Total Other Expenses	<u>80,400.00</u>	<u>80,400.00</u>	<u>55,321.00</u>	<u>21,679.00</u>		<u>3,400.00</u>	
Office of Assessment:							
Salaries and Wages:							
Personnel Services	746,185.00	746,185.00	732,943.18			13,241.82	
Other Pay	15,000.00	15,000.00	11,731.50			3,268.50	
Total Salaries and Wages	<u>761,185.00</u>	<u>761,185.00</u>	<u>744,674.68</u>			<u>16,510.32</u>	
Other Expenses:							
Service by Contract or Agreement	36,000.00	36,000.00	4,592.95	13,552.42		17,854.63	
Materials and Supplies	12,800.00	12,800.00	8,436.00	56.00		4,308.00	
Equipment							
Total Other Expenses	<u>48,800.00</u>	<u>48,800.00</u>	<u>13,028.95</u>	<u>13,608.42</u>		<u>22,162.63</u>	
Total - Department of Finance	<u>5,629,512.00</u>	<u>5,629,512.00</u>	<u>5,027,462.93</u>	<u>100,088.21</u>	<u>6,031.64</u>	<u>495,929.22</u>	
DEPARTMENT OF POLICE							
Director's Office:							
Salaries and Wages:							
Personnel Services	106,987,995.00	105,987,995.00	104,178,287.09		215,231.86	1,594,476.05	
Other Pay	17,460,000.00	18,460,000.00	17,514,296.68		439,436.67	506,266.65	
Total Salaries and Wages	<u>124,447,995.00</u>	<u>124,447,995.00</u>	<u>121,692,583.77</u>		<u>654,668.53</u>	<u>2,100,742.70</u>	
Other Expenses							
Service by Contract or Agreement	4,480,613.00	4,480,613.00	1,839,465.20	1,175,019.44		1,466,128.36	
Materials and Supplies	518,300.00	518,300.00	315,139.13	101,705.32		101,455.55	
Equipment	10,000.00	10,000.00		10,000.00			
Total Other Expenses	<u>5,008,913.00</u>	<u>5,008,913.00</u>	<u>2,154,604.33</u>	<u>1,286,724.76</u>		<u>1,567,583.91</u>	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #7

Appropriations	Appropriations		Expended			Unexpended Balance Cancelled	Over- expended
	Budget	Modified Budget	Paid or Charged	Encumbered	Reserved		
<u>APPROPRIATIONS WITHIN "CAPS"</u>							
<u>DEPARTMENT OF POLICE</u>							
Taxicab Division:							
Salaries and Wages:							
Personnel Services	\$ 132,232.00	\$ 132,232.00	\$ 121,718.83			\$ 10,513.17	\$
Other Pay	6,500.00	6,500.00	1,050.00			5,450.00	
Total Salaries and Wages	<u>138,732.00</u>	<u>138,732.00</u>	<u>122,768.83</u>			<u>15,963.17</u>	
Other Expenses:							
Service by Contract or Agreement	3,600.00	3,600.00		2,450.00		1,150.00	
Materials and Supplies	6,800.00	6,800.00	2,328.80	2,922.55		1,548.65	
Equipment	10,000.00	10,000.00				10,000.00	
Total Other Expenses	<u>20,400.00</u>	<u>20,400.00</u>	<u>2,328.80</u>	<u>5,372.55</u>		<u>12,698.65</u>	
Board of Alcoholic Beverage Control:							
Salaries and Wages:							
Personnel Services	253,762.00	253,762.00	247,296.57			6,465.43	
Other Pay	73,500.00	73,500.00	51,974.90			21,525.10	
Total Salaries and Wages	<u>327,262.00</u>	<u>327,262.00</u>	<u>299,271.47</u>			<u>27,990.53</u>	
Total - Department of Police	<u>129,943,302.00</u>	<u>129,943,302.00</u>	<u>124,271,557.20</u>	<u>1,292,097.31</u>	<u>654,668.53</u>	<u>3,724,978.96</u>	
<u>DEPARTMENT OF FIRE</u>							
Director's Office:							
Salaries and Wages:							
Personnel Services	60,137,799.00	60,137,799.00	60,137,799.00				
Other Pay	8,331,090.00	8,331,090.00	8,242,767.29		5,108.15	83,214.56	
Total Salaries and Wages	<u>68,468,889.00</u>	<u>68,468,889.00</u>	<u>68,380,566.29</u>		<u>5,108.15</u>	<u>83,214.56</u>	
Other Expenses:							
Service by Contract or Agreement	263,157.00	263,157.00	225,723.96	29,798.48		7,634.56	
Materials and Supplies	222,300.00	222,300.00	158,845.25	51,227.97		12,226.78	
Equipment	185,750.00	185,750.00	124,489.96	53,154.00		8,106.04	
Miscellaneous	1,000.00	1,000.00				1,000.00	
Total Other Expenses	<u>672,207.00</u>	<u>672,207.00</u>	<u>509,059.17</u>	<u>134,180.45</u>		<u>28,967.38</u>	
Total - Department of Fire	<u>69,141,096.00</u>	<u>69,141,096.00</u>	<u>68,889,625.46</u>	<u>134,180.45</u>	<u>5,108.15</u>	<u>112,181.94</u>	
<u>DEPARTMENT OF ENGINEERING</u>							
Director's Office							
Salaries and Wages:							
Personnel Services	2,446,021.00	2,511,641.00	2,498,084.06		846.00	12,710.94	
Other Pay	191,000.00	191,000.00	131,118.96		8,695.07	51,185.97	
Total Salaries and Wages	<u>2,637,021.00</u>	<u>2,702,641.00</u>	<u>2,629,203.02</u>		<u>9,541.07</u>	<u>63,896.91</u>	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #8

Appropriations	Appropriations		Expended			Unexpended Balance Cancelled	Over- expended
	Budget	Modified Budget	Paid or Charged	Encumbered	Reserved		
APPROPRIATIONS WITHIN "CAPS"							
DEPARTMENT OF ENGINEERING							
Director's Office:							
Other Expenses:							
Service by Contract or Agreement	\$ 782,350.00	\$ 782,350.00	\$ 597,905.10	\$ 80,895.28		\$ 103,549.62	\$
Materials and Supplies	9,200.00	9,200.00	8,496.21			703.79	
Total Other Expenses	<u>791,550.00</u>	<u>791,550.00</u>	<u>606,401.31</u>	<u>80,895.28</u>		<u>104,253.41</u>	
Division of Traffic and Signal:							
Salaries and Wages:							
Personnel Services	1,503,634.00	1,503,634.00	1,503,634.00				
Other Pay	90,250.00	90,250.00	80,626.15		1,882.34	7,741.51	
Total Salaries and Wages	<u>1,593,884.00</u>	<u>1,593,884.00</u>	<u>1,584,260.15</u>		<u>1,882.34</u>	<u>7,741.51</u>	
Other Expenses:							
Service by Contract or Agreement	3,537,876.00	3,537,876.00	3,356,302.43	174,993.83		6,579.74	
Materials and Supplies	445,500.00	445,500.00	325,778.66	118,421.89		1,299.45	
Equipment	5,500.00	5,500.00		4,030.00		1,470.00	
Total Other Expenses	<u>3,988,876.00</u>	<u>3,988,876.00</u>	<u>3,682,081.09</u>	<u>297,445.72</u>		<u>9,349.19</u>	
Division of Motors:							
Salaries and Wages:							
Personnel Services	992,812.00	992,812.00	984,469.01			8,342.99	
Other Pay	192,800.00	192,800.00	179,052.39		4,974.02	8,773.59	
Total Salaries and Wages	<u>1,185,612.00</u>	<u>1,185,612.00</u>	<u>1,163,521.40</u>		<u>4,974.02</u>	<u>17,116.58</u>	
Other Expenses:							
Service by Contract or Agreement	2,038,409.00	2,038,409.00	1,974,113.72	63,125.36		1,169.92	
Materials and Supplies	4,003,500.00	4,003,500.00	3,182,047.32	764,211.80		57,240.88	
Equipment	40,000.00	40,000.00	34,814.20	5,043.75		142.05	
Total Other Expenses	<u>6,081,909.00</u>	<u>6,081,909.00</u>	<u>5,190,975.24</u>	<u>832,380.91</u>		<u>58,552.85</u>	
Division of Public Buildings:							
Salaries and Wages:							
Personnel Services	2,164,382.00	2,164,382.00	2,164,382.00				
Other Pay	180,000.00	180,000.00	178,090.94		105.44	1,803.62	
Total Salaries and Wages	<u>2,344,382.00</u>	<u>2,344,382.00</u>	<u>2,342,472.94</u>		<u>105.44</u>	<u>1,803.62</u>	
Other Expenses:							
Service by Contract or Agreement	15,068,213.00	15,068,213.00	14,031,283.86	854,220.44		182,708.70	
Materials and Supplies	353,000.00	353,000.00	197,225.49	133,310.81		22,463.70	
Total Other Expenses	<u>15,421,213.00</u>	<u>15,421,213.00</u>	<u>14,228,509.35</u>	<u>987,531.25</u>		<u>205,172.40</u>	
Total - Department of Engineering	<u>34,044,447.00</u>	<u>34,110,067.00</u>	<u>31,427,424.50</u>	<u>2,198,253.16</u>	<u>16,502.87</u>	<u>467,886.47</u>	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #9

Appropriations	Appropriations		Expended			Unexpended Balance Cancelled	Over- expended
	Budget	Modified Budget	Paid or Charged	Encumbered	Reserved		
<u>APPROPRIATIONS WITHIN "CAPS"</u>							
<u>DEPARTMENT OF HEALTH AND COMMUNITY WELLNESS</u>							
Director's Office:							
Salaries and Wages:							
Personnel Services	\$ 954,309.00	\$ 954,309.00	\$ 876,991.14		\$	\$ 77,317.86	\$
Other Pay	500.00	500.00	500.00				
Total Salaries and Wages	<u>954,809.00</u>	<u>954,809.00</u>	<u>877,491.14</u>			<u>77,317.86</u>	
Other Expenses:							
Service by Contract or Agreement	110,690.00	110,690.00	69,977.01	30,993.89		9,719.10	
Materials and Supplies	4,600.00	4,600.00	1,617.66	243.52		2,738.82	
Total Other Expenses	<u>115,290.00</u>	<u>115,290.00</u>	<u>71,594.67</u>	<u>31,237.41</u>		<u>12,457.92</u>	
Division of Medical Care Services:							
Salaries and Wages:							
Personnel Services	1,572,731.00	1,572,731.00	1,467,639.72		1,019.20	104,072.08	
Other Pay	31,115.00	31,115.00	17,995.93		1,307.04	11,812.03	
Total Salaries and Wages	<u>1,603,846.00</u>	<u>1,603,846.00</u>	<u>1,485,635.65</u>		<u>2,326.24</u>	<u>115,884.11</u>	
Other Expenses:							
Service by Contract or Agreement	1,145,832.00	1,145,832.00	840,317.62	269,654.64		35,859.74	
Materials and Supplies	112,656.00	112,656.00	44,569.77	27,403.43		40,682.80	
Total Other Expenses	<u>1,258,488.00</u>	<u>1,258,488.00</u>	<u>884,887.39</u>	<u>297,058.07</u>		<u>76,542.54</u>	
Division of Environmental Health:							
Salaries and Wages:							
Personnel Services	1,451,204.00	1,475,514.00	1,436,405.63			39,108.37	
Other Pay	111,505.00	111,505.00	87,596.39		5,479.00	18,429.61	
Total Salaries and Wages	<u>1,562,709.00</u>	<u>1,587,019.00</u>	<u>1,524,002.02</u>		<u>5,479.00</u>	<u>57,537.98</u>	
Other Expenses:							
Service by Contract or Agreement	70,568.00	70,568.00	53,953.97	15,416.35		1,197.68	
Materials and Supplies	14,750.00	14,750.00	8,621.91	5,987.70		140.39	
Miscellaneous	300.00	300.00	300.00				
Equipment	631,926.00	631,926.00	526,605.00	52,660.50		52,660.50	
Total Other Expenses	<u>717,544.00</u>	<u>717,544.00</u>	<u>589,480.88</u>	<u>74,064.55</u>		<u>53,998.57</u>	
Division of Health Planning:							
Salaries and Wages:							
Personnel Services	141,452.00	141,452.00	140,370.53			1,081.47	
Other Pay	650.00	650.00	92.06			557.94	
Total Salaries and Wages	<u>142,102.00</u>	<u>142,102.00</u>	<u>140,462.59</u>			<u>1,639.41</u>	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #10

Appropriations	Appropriations		Expended			Unexpended Balance Cancelled	Over- expended
	Budget	Modified Budget	Paid or Charged	Encumbered	Reserved		
APPROPRIATIONS WITHIN "CAPS"							
DEPARTMENT OF HEALTH AND COMMUNITY WELLNESS							
Division of Health Planning:							
Other Expenses:							
Service by Contract or Agreement	\$ 121,520.00	\$ 121,520.00	\$ 90,126.45	\$ 8,117.75	\$	\$ 23,275.80	\$
Materials and Supplies	4,900.00	4,900.00	315.00	3,996.65		588.35	
Total Other Expenses	<u>126,420.00</u>	<u>126,420.00</u>	<u>90,441.45</u>	<u>12,114.40</u>		<u>23,864.15</u>	
Division of Surveillance and Prevention:							
Salaries and Wages:							
Personnel Services	709,428.00	713,107.00	689,148.46			23,958.54	
Other Pay	17,554.00	17,554.00	15,279.83		158.00	2,116.17	
Total Salaries and Wages	<u>726,982.00</u>	<u>730,661.00</u>	<u>704,428.29</u>		<u>158.00</u>	<u>26,074.71</u>	
Other Expenses:							
Service by Contract or Agreement	58,050.00	58,050.00	37,440.71	8,133.75		12,475.54	
Materials and Supplies	36,270.00	36,270.00	474.45	35,493.95		301.60	
Total Other Expenses	<u>94,320.00</u>	<u>94,320.00</u>	<u>37,915.16</u>	<u>43,627.70</u>		<u>12,777.14</u>	
Division of Social Services:							
Salaries and Wages:							
Personnel Services	695,473.00	695,473.00	685,824.27		422.19	9,226.54	
Other Pay	3,000.00	3,000.00	1,231.36			1,768.64	
Total Salaries and Wages	<u>698,473.00</u>	<u>698,473.00</u>	<u>687,055.63</u>		<u>422.19</u>	<u>10,995.18</u>	
Other Expenses:							
Service by Contract or Agreement	435,611.00	435,611.00	342,428.59	76,076.64		17,105.77	
Materials and Supplies	8,350.00	8,350.00	4,873.61	1,593.42		1,882.97	
Miscellaneous	30,000.00	30,000.00	29,313.00	682.00		5.00	
Total Other Expenses	<u>473,961.00</u>	<u>473,961.00</u>	<u>376,615.20</u>	<u>78,352.06</u>		<u>18,993.74</u>	
Total - Department of Health and Community Wellness	<u>8,474,944.00</u>	<u>8,502,933.00</u>	<u>7,470,010.07</u>	<u>536,454.19</u>	<u>8,385.43</u>	<u>488,083.31</u>	
DEPARTMENT OF ECONOMIC AND HOUSING DEVELOPMENT							
Director's Office:							
Salaries and Wages:							
Personnel Services	423,004.00	423,004.00	419,312.19			3,691.81	
Other Expenses:							
Materials and Supplies	17,100.00	17,100.00	12,663.64			4,436.36	
Property Management:							
Salaries and Wages:							
Personnel Services	304,613.00	304,613.00	271,923.38			32,689.62	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #11

<u>Appropriations</u>	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Cancelled</u>	<u>Over- expended</u>
	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>		
<u>APPROPRIATIONS WITHIN "CAPS":</u>							
<u>DEPARTMENT OF ECONOMIC AND HOUSING DEVELOPMENT</u>							
Property Management:							
Other Expenses:							
Service by Contract or Agreement	\$ 165,000.00	\$ 165,000.00	\$ 82,822.16	\$ 24,590.49	\$	\$ 57,587.35	\$
Materials and Supplies	76,000.00	76,000.00	39,827.79			36,172.21	
Total Other Expenses	<u>241,000.00</u>	<u>241,000.00</u>	<u>122,649.95</u>	<u>24,590.49</u>		<u>93,759.56</u>	
Housing Assistance:							
Salaries and Wages:							
Personnel Services	129,686.00	129,686.00	125,153.00			4,533.00	
Office of Boards and Commissioners:							
Salaries and Wages:							
Personnel Services	439,594.00	439,594.00	410,640.70			28,953.30	
Other Pay	26,697.00	26,697.00	19,596.26			7,100.74	
Total Salaries and Wages	<u>466,291.00</u>	<u>466,291.00</u>	<u>430,236.96</u>			<u>36,054.04</u>	
Other Expenses:							
Service by Contract or Agreement	158,400.00	158,400.00	77,590.95	21,254.35		59,554.70	
Materials and Supplies	3,300.00	3,300.00	1,146.87	830.37		1,322.76	
Equipment	3,000.00	3,000.00				3,000.00	
Total Other Expenses	<u>164,700.00</u>	<u>164,700.00</u>	<u>78,737.82</u>	<u>22,084.72</u>		<u>63,877.46</u>	
City Planning:							
Salaries and Wages:							
Personnel Services	341,748.00	341,748.00	341,748.00				
Other Pay	3,000.00	3,000.00	618.62			2,381.38	
Total Salaries and Wages	<u>344,748.00</u>	<u>344,748.00</u>	<u>342,366.62</u>			<u>2,381.38</u>	
Other Expenses:							
Service by Contract or Agreement	137,000.00	137,000.00	48,154.31	13,171.48		75,674.21	
Materials and Supplies	4,400.00	4,400.00	2,959.90	250.39		1,189.71	
Total Other Expenses	<u>141,400.00</u>	<u>141,400.00</u>	<u>51,114.21</u>	<u>13,421.87</u>		<u>76,863.92</u>	
Central Planning Board:							
Salaries and Wages:							
Personnel Services	46,379.00	46,379.00	31,474.60			14,904.40	
Other Pay	34,839.00	34,839.00	8,690.59		735.26	25,413.15	
Total Salaries and Wages	<u>81,218.00</u>	<u>81,218.00</u>	<u>40,165.19</u>		<u>735.26</u>	<u>40,317.55</u>	
Board of Adjustment:							
Salaries and Wages:							
Personnel Services	37,424.00	37,424.00	24,354.17			13,069.83	
Other Pay	16,500.00	16,500.00	1,000.00			15,500.00	
Total Salaries and Wages	<u>53,924.00</u>	<u>53,924.00</u>	<u>25,354.17</u>			<u>28,569.83</u>	

**CITY OF NEWARK
CURRENT FUND**

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #12

Appropriations	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled	Over-expended
	Budget	Modified Budget		Encumbered	Reserved		
APPROPRIATIONS WITHIN "CAPS"							
DEPARTMENT OF ECONOMIC AND HOUSING DEVELOPMENT							
Rent Control Board:							
Salaries and Wages:							
Personnel Services	\$ 19,008.00	\$ 19,008.00	\$ 11,375.00	\$	\$	\$ 7,633.00	\$
Total - Department of Economic and Housing Development	2,386,692.00	2,386,692.00	1,931,052.13	60,097.08	735.26	394,807.53	
DEPARTMENT OF NEIGHBORHOOD AND RECREATIONAL SERVICES							
Director's Office							
Salaries and Wages:							
Personnel Services	362,154.00	362,154.00	326,729.35			35,424.65	
Other Pay	2,269.00	2,269.00	1,505.11			763.89	
Total Salaries and Wages	364,423.00	364,423.00	328,234.46			36,188.54	
Other Expenses:							
Service by Contract or Agreement	600.00	600.00	119.97			480.03	
Materials and Supplies	850.00	850.00	270.66			579.34	
Miscellaneous	2,000.00	2,000.00				2,000.00	
Total Other Expenses	3,450.00	3,450.00	390.63			3,059.37	
Inspections and Enforcement:							
Salaries and Wages:							
Personnel Services	1,149,789.00	1,183,649.00	1,098,666.70			84,982.30	
Other Pay	87,600.00	87,600.00	72,519.49			15,080.51	
Total Salaries and Wages	1,237,389.00	1,271,249.00	1,171,186.19			100,062.81	
Other Expenses:							
Service by Contract or Agreement	2,000.00	2,000.00	1,200.00			800.00	
Materials and Supplies	8,500.00	8,500.00	6,593.75			1,906.25	
Total Other Expenses	10,500.00	10,500.00	7,793.75			2,706.25	
Sanitation:							
Salaries and Wages:							
Personnel Services	6,292,013.00	6,292,013.00	6,035,350.93			256,662.07	
Other Pay	1,005,688.00	945,688.00	899,283.73			46,404.27	
Total Salaries and Wages	7,297,701.00	7,237,701.00	6,934,634.66			303,066.34	
Other Expenses:							
Service by Contract or Agreement	17,075,970.00	17,075,970.00	13,929,756.49	1,515,550.42	49,676.00	1,580,987.09	
Materials and Supplies	1,098,450.00	1,098,450.00	516,241.34	568,931.57		13,277.09	
Total Other Expenses	18,174,420.00	18,174,420.00	14,445,997.83	2,084,481.99	49,676.00	1,594,264.18	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #13

<u>Appropriations</u>	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Cancelled</u>	<u>Over- expended</u>
	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>		
<u>APPROPRIATIONS WITHIN "CAPS"</u>							
<u>DEPARTMENT OF NEIGHBORHOOD AND RECREATIONAL SERVICES</u>							
Parks and Grounds:							
Salaries and Wages:							
Personnel Services	\$ 925,319.00	\$ 925,319.00	\$ 818,598.60	\$	\$	\$ 106,720.40	\$
Other Pay	80,000.00	80,000.00	62,001.33			17,998.67	
Total Salaries and Wages	<u>1,005,319.00</u>	<u>1,005,319.00</u>	<u>880,599.93</u>			<u>124,719.07</u>	
Other Expenses:							
Service by Contract or Agreement	434,900.00	434,900.00	282,704.97	64,071.36		88,123.67	
Materials and Supplies	25,750.00	25,750.00	15,857.47	5,546.47		4,346.06	
Total Other Expenses	<u>460,650.00</u>	<u>460,650.00</u>	<u>298,562.44</u>	<u>69,617.83</u>		<u>92,469.73</u>	
Recreation and Cultural Affairs:							
Salaries and Wages:							
Personnel Services	1,324,148.00	1,324,148.00	1,315,450.00			8,698.00	
Other Pay	480,000.00	540,000.00	537,797.76			2,202.24	
Total Salaries and Wages	<u>1,804,148.00</u>	<u>1,864,148.00</u>	<u>1,853,247.76</u>			<u>10,900.24</u>	
Other Expenses:							
Service by Contract or Agreement	443,750.00	443,750.00	368,571.59	69,506.31		5,672.10	
Materials and Supplies	147,525.00	147,525.00	83,037.91	48,707.65	874.87	14,904.57	
Equipment	19,000.00	19,000.00	13,022.30	4,723.22		1,254.48	
Total Other Expenses	<u>610,275.00</u>	<u>610,275.00</u>	<u>464,631.80</u>	<u>122,937.18</u>	<u>874.87</u>	<u>21,831.15</u>	
Demolition							
Salaries and Wages:							
Personnel Services	1,222,447.00	1,222,447.00	1,196,188.81			26,258.19	
Other Pay	92,198.00	92,198.00	88,873.41			3,324.59	
Total Salaries and Wages	<u>1,314,645.00</u>	<u>1,314,645.00</u>	<u>1,285,062.22</u>			<u>29,582.78</u>	
Other Expenses:							
Service by Contract or Agreement	1,390,000.00	1,390,000.00	874,825.75	98,418.37		416,755.88	
Materials and Supplies	6,500.00	6,500.00	2,122.17	4,077.84		299.99	
Total Other Expenses	<u>1,396,500.00</u>	<u>1,396,500.00</u>	<u>876,947.92</u>	<u>102,496.21</u>		<u>417,055.87</u>	
Total - Department of Neighborhood and Recreational Services	<u>33,679,420.00</u>	<u>33,713,280.00</u>	<u>28,547,289.59</u>	<u>2,379,533.21</u>	<u>50,550.87</u>	<u>2,735,906.33</u>	
<u>UNCLASSIFIED</u>							
Salaries and Wages:							
Salary and Wage Personnel Adjustment Program	500,000.00	372,531.00	188,182.59		184,348.41		
Other Expenses:							
Health Maintenance Organization	37,772,700.00	37,772,700.00	33,581,180.35	4,191,519.65			
City Basic (Hospital/Medical/Surgical)	15,868,665.00	15,868,665.00	15,287,221.37	581,443.63			
Prescription Insurance	18,812,650.00	18,812,650.00	14,520,173.96	4,292,476.04			

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #14

<u>Appropriations</u>	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Cancelled</u>	<u>Over- expended</u>
	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>		
<u>APPROPRIATIONS WITHIN "CAPS"</u>							
<u>UNCLASSIFIED</u>							
Other Expenses:							
Dental Insurance	\$ 1,921,610.00	\$ 1,921,610.00	\$ 1,709,833.32	\$ 211,776.68	\$	\$	\$
Life Insurance	126,400.00	126,400.00	70,770.20	55,629.80			
General Liability Insurance	3,200,000.00	3,200,000.00	3,200,000.00				
Workmen's Compensation Insurance	8,000,000.00	8,000,000.00	7,577,677.50	32,323.50		389,999.00	
Grant Program - Disallowed Cost	200,000.00	200,000.00			200,000.00		
Flexible Spending Account	38,000.00	38,000.00	38,000.00				
Medical Services	365,000.00	365,000.00	216,022.65	148,892.99		84.36	
Home Ownership Program	40,000.00	40,000.00	15,000.00	10,000.00		15,000.00	
E.A.P. (5040)	56,300.00	56,300.00	31,328.72	24,971.28			
COBRA	5,700.00	5,700.00				5,700.00	
Cash Benefit Waiver	20,000.00	20,000.00				20,000.00	
Enterprise Business Solutions - Implementation	1,390,000.00	1,390,000.00	1,168,480.00	172,110.00		49,410.00	
Settlement - Devils	2,700,000.00	2,700,000.00			200,000.00	2,500,000.00	
Essex Vicinage Case Project	50,000.00	50,000.00	35,024.83			14,975.17	
Bank Fees	500,000.00	500,000.00			500,000.00		
Emergency Medical Services	4,350,000.00	4,350,000.00		4,350,000.00			
Credit Card Fees	960,000.00	960,000.00			960,000.00		
H&L Maintenance	150,000.00	150,000.00	150,000.00				
Rackspace	20,000.00	20,000.00	13,278.20	3,983.46		2,738.34	
Accrued Compensatory Time	1,400,000.00	1,400,000.00	1,289,478.72			110,521.28	
Prior Year Bills	1,824,018.00	1,824,018.00	1,699,421.65	16,686.17		107,910.18	
Retiree Medical Reimbursement - Aetna	2,000,000.00	2,000,000.00	958,051.20	1,041,948.80			
Wellness Program	219,720.00	219,720.00			219,720.00		
Youth Community Solutions	1,000,000.00	1,000,000.00		932,486.00		67,514.00	
Total Other Expenses	<u>102,990,763.00</u>	<u>102,990,763.00</u>	<u>81,560,942.67</u>	<u>16,066,248.00</u>	<u>2,079,720.00</u>	<u>3,283,852.33</u>	
Total - Unclassified	<u>103,490,763.00</u>	<u>103,363,294.00</u>	<u>81,749,125.26</u>	<u>16,066,248.00</u>	<u>2,264,068.41</u>	<u>3,283,852.33</u>	
Total Operations - Within "CAPS"	<u>436,416,066.00</u>	<u>436,416,066.00</u>	<u>391,397,456.46</u>	<u>27,546,666.56</u>	<u>3,151,302.23</u>	<u>14,593,849.48</u>	<u>273,208.73</u>
Detail:							
Salaries and Wages	250,589,750.00	250,589,750.00	245,935,249.90		914,822.63	4,012,886.20	273,208.73
Other Expenses (Including Contingent)	185,826,316.00	185,826,316.00	145,462,206.56	27,546,666.56	2,236,479.60	10,580,963.28	
Total - Detail	<u>436,416,066.00</u>	<u>436,416,066.00</u>	<u>391,397,456.46</u>	<u>27,546,666.56</u>	<u>3,151,302.23</u>	<u>14,593,849.48</u>	<u>273,208.73</u>
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>							
Deferred Charges:							
Overexpenditure of Trusts	76,305.00	76,305.00	76,305.00				
Deficit in Operations	3,012,121.00	3,012,121.00	3,012,121.00				
Total - Deferred Charges	<u>3,088,426.00</u>	<u>3,088,426.00</u>	<u>3,088,426.00</u>				

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #15

<u>Appropriations</u>	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Cancelled</u>	<u>Over- expended</u>
	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>		
<u>APPROPRIATIONS WITHIN "CAPS"</u>							
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>							
Statutory Expenditures:							
Contribution to:							
Employee's Retirement System - City	\$ 400,000.00	\$ 400,000.00	\$ 268,333.00	\$ 131,667.00	\$	\$	\$
Social Security System (OASI)	8,136,000.00	8,136,000.00	7,684,972.97		100,000.00	351,027.03	
Consolidated Police and Firemen's Pension Fund	523,000.00	523,000.00	67,457.86			455,542.14	
Police and Firemen's Retirement System of N.J.	44,582,318.00	44,582,318.00	44,392,706.85		189,611.15		
Public Employees' Retirement System - State	9,212,745.00	9,212,745.00	6,855,428.04	1,829,557.68		527,759.28	
Pension - Various Divisions	400,000.00	400,000.00	221,375.00			178,625.00	
Total - Statutory Expenditures	<u>63,254,063.00</u>	<u>63,254,063.00</u>	<u>59,490,273.72</u>	<u>1,961,224.68</u>	<u>289,611.15</u>	<u>1,512,953.45</u>	
Total - Deferred Charges and Statutory Expenditures	<u>66,342,489.00</u>	<u>66,342,489.00</u>	<u>62,578,699.72</u>	<u>1,961,224.68</u>	<u>289,611.15</u>	<u>1,512,953.45</u>	
Total General Appropriations Within "CAPS"	<u>502,758,555.00</u>	<u>502,758,555.00</u>	<u>453,976,156.18</u>	<u>29,507,891.24</u>	<u>3,440,913.38</u>	<u>16,106,802.93</u>	<u>273,208.73</u>
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>							
Maintenance of Free Public Library	10,080,901.00	10,080,901.00	9,657,422.82	423,478.15		0.03	
Refund of Tax Appeals	1,700,000.00	1,700,000.00	1,697,609.83			2,390.17	
Business Personal Property Replacement Aid:							
School Portion	1,099,995.00	1,099,995.00	1,099,995.00				
City Basic (Hospital/Medical/Surgical)	<u>1,939,535.00</u>	<u>1,939,535.00</u>	<u>1,939,535.00</u>				
Total Other Operations	<u>14,820,431.00</u>	<u>14,820,431.00</u>	<u>14,394,562.65</u>	<u>423,478.15</u>		<u>2,390.20</u>	
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u>							
New Jersey Department of Health and Senior Services:							
Immunization Program	276,250.00	276,250.00	276,250.00				
Women, Infants and Children	1,627,900.00	1,627,900.00	1,627,900.00				
Sexually Transmitted Diseases Program	89,113.00	89,113.00	89,113.00				
Childhood Lead Poisoning Prevention	22,000.00	487,780.00	487,780.00				
Bioterrorism Preparedness Grant	242,138.00	242,138.00	242,138.00				
Bioterrorism Preparedness Grant	25,000.00	25,000.00	25,000.00				
SANDY SSBG Lead Screening Program		228,000.00	228,000.00				
Immunization Program		313,749.00	313,749.00				
United States Environmental Protection Program:							
Municipal Tonnage Grant - 2007		272,037.17	272,037.17				
Municipal Tonnage Grant - 2011		228,379.64	228,379.64				
Hazardous Discharge Site Remediation	140,235.00	140,235.00	140,235.00				
State of New Jersey Office of Homeland Security and Preparedness:							
Urban Areas Security Initiative Grant	1,575,460.00	1,575,460.00	1,575,460.00				
Urban Areas Security Initiative Grant	12,500.00	12,500.00	12,500.00				
New Jersey Department of Transportation:							
Various Streets		1,354,440.00	1,354,440.00				

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #16

<u>Appropriations</u>	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Cancelled</u>	<u>Over- expended</u>
	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>		
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>							
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u>							
New Jersey Department of Agriculture:							
Summer Food Service Program - Sun-Up	\$ 1,659,273.94	\$ 1,659,273.94	\$ 1,659,273.94				
Summer Food Service Program - Sun-Up	80,284.79	80,284.79	80,284.79				
State of New Jersey Department of Law and Public Safety:							
Body Armor Grant	126,081.60	126,081.60	126,081.60				
New Jersey Department of Labor and Workforce Development:							
WIA - Dislocated Worker Programs, WIA Adults, Needy Families	5,290,778.00	5,290,778.00	5,290,778.00				
TANF/GA/SNAP/Workforce Learning Link	1,416,659.00	1,416,659.00	1,416,659.00				
United States Department of Justice:							
Edward Byrne Memorial Justice Assistance Grant (JAG)	471,820.00	471,820.00	471,820.00				
North Jersey Transportation Planning Authority Inc.:							
Local Safety Program (Broad Street and South Street)	962,380.00	962,380.00	962,380.00				
Local Safety Program (Broad Street and Tichenor Street)	1,282,897.00	1,282,897.00	1,282,897.00				
FY 2013 Subregional Transportation Grant		68,942.00	68,942.00				
County of Essex - Department of Citizen Services:							
Division of Aging:							
Truancy Alternative Program		66,480.00	66,480.00				
New Jersey Board of Public Utilities:							
Local Audit Energy Program	25,182.00	25,182.00	25,182.00				
United States Department of Housing and Urban Development:							
HOME Investment Partnership	1,799,805.00	1,799,805.00	1,799,805.00				
United States Department of Health and Human Services:							
HIV Emergency Relief Program	9,167,999.00	9,167,999.00	9,167,999.00				
HIV Emergency Relief Program	3,682,015.00	3,682,015.00	3,682,015.00				
Homeless HRSA Program	2,293,563.00	2,573,488.00	2,573,488.00				
Homeless HRSA Program - Additional Funding	53,371.00	53,371.00	53,371.00				
United States Department of Homeland Security:							
Staffing for Adequate Fire and Emergency Response	5,614,464.00	5,614,464.00	5,614,464.00				
Port Security Grant 2011	297,000.00	297,000.00	297,000.00				
HESS Corporation:							
Ironbound Stadium Reconstruction	5,000,000.00	5,000,000.00	5,000,000.00				
State of New Jersey Division of Highway Traffic Safety:							
Drunk Driving - 2011	13,912.54	13,912.54	13,912.54				
Drunk Driving - 2013	21,059.29	21,059.29	21,059.29				
Matching Funds:							
Matching Funds:							
HOT Shots/Prisoner Re-Entry	150,333.00	150,333.00	150,333.00				
COPS Grant	741,606.00	741,606.00	741,606.00				
Total Public and Private Programs Offset by Revenues	44,161,080.16	47,438,812.97	47,438,812.97				
Total Operations - Excluded from "CAPS"	58,981,511.16	62,259,243.97	61,833,375.62	423,478.15		2,390.20	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #17

<u>Appropriations</u>	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Cancelled</u>	<u>Over- expended</u>
	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>		
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>							
Detail:							
Other Expenses	\$ 58,981,511.16	\$ 62,259,243.97	\$ 61,833,375.62	\$ 423,478.15	\$	\$ 2,390.20	\$
<u>CAPITAL IMPROVEMENTS</u>							
Down Payments on Improvements:							
Capital Improvement Fund	100,000.00	100,000.00	100,000.00				
Total Capital Improvements	100,000.00	100,000.00	100,000.00				
<u>MUNICIPAL DEBT SERVICE</u>							
Payment of Qualified Bond - Principal	14,715,000.00	14,715,000.00	14,715,000.00				
Payment of Qualified Bond - Interest	9,553,000.00	9,553,000.00	9,552,295.21			704.79	
Interest on Notes - Tax Anticipation	699,000.00	699,000.00	116,666.67			582,333.33	
Payment of Notes	3,020,000.00	3,020,000.00	3,020,000.00				
Interest on Bond Anticipation Notes	1,085,000.00	1,085,000.00	786,104.51			298,895.49	
Special Emergency Notes - Interest	207,000.00	207,000.00				207,000.00	
Demolition Bond Loan II	126,250.00	126,250.00	126,250.00				
Capital Lease Obligations Approved Prior to July 1, 2007:							
Principal	1,685,000.00	1,685,000.00	1,685,000.00				
Interest	819,661.00	819,661.00	819,279.84			381.16	
Capital Lease Obligations Approved After July 1, 2007:							
Principal	2,235,000.00	2,235,000.00	2,235,000.00				
Interest	3,962,339.00	3,962,339.00	3,962,339.00				
Total Municipal Debt Service	38,107,250.00	38,107,250.00	37,017,935.23			1,089,314.77	
<u>DEFERRED CHARGES - MUNICIPAL</u>							
Deferred Charges:							
Special Emergency Authorizations - 5 Years (N.J.S.A. 40A:4-55)	3,500,000.00	3,500,000.00	3,500,000.00				
Total Deferred Charges - Municipal	3,500,000.00	3,500,000.00	3,500,000.00				
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	100,688,761.16	103,966,493.97	102,451,310.85	423,478.15		1,091,704.97	
<u>FOR LOCAL DISTRICT SCHOOL PURPOSES</u>							
Type 1 District School Debt Service:							
Principal on New Issue - Qualified - State for Type II School	7,685,000.00	7,685,000.00	7,685,000.00				
Interest on New Issue - Qualified - State for Type II School	3,079,000.00	3,079,000.00	3,078,880.00			120.00	
Total Municipal Appropriations for Local School District Purposes	10,764,000.00	10,764,000.00	10,763,880.00			120.00	

CITY OF NEWARK
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #18

Appropriations	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled	Over-expended
	Budget	Modified Budget		Encumbered	Reserved		
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>							
Sub-Total General Appropriations	\$614,211,316.16	\$617,489,048.97	\$567,191,347.03	\$29,931,369.39	\$3,440,913.38	\$17,198,627.90	\$273,208.73
Reserve for Uncollected Taxes	16,650,211.39	16,650,211.39	16,650,211.39				
Total General Appropriations	<u>\$630,861,527.55</u>	<u>\$634,139,260.36</u>	<u>\$583,841,558.42</u>	<u>\$29,931,369.39</u>	<u>\$3,440,913.38</u>	<u>\$17,198,627.90</u>	<u>\$273,208.73</u>

Reference	Below	Below	A	A	Reserve	A-41
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	<u>Ref.</u>		
Adopted Budget	A-2	\$630,861,527.55	\$
Added by N.J.S. 40A:4-87	A-2	3,277,732.81	
Reserve for Uncollected Taxes	A-2		16,650,211.39
Cash Disbursements	A-4		511,629,651.42
Cash Disbursements - Cash Match	A-4		891,939.00
Deferred Charges	A-19		3,500,000.00
Interfunds Payable	A-32		1,610,761.64
Deficit in Operations	A-41		3,012,121.00
State and Federal Appropriations	A-23		46,546,873.97
	Above	<u>\$634,139,260.36</u>	<u>\$583,841,558.42</u>

CITY OF NEWARK
TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

B
Sheet #1

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
<u>Assessment Fund</u>			
Cash	B-2	\$ 16,676.29	\$ 7,254.03
Interfunds Receivable	B-4	278,732.29	288,154.55
Assessments Receivable	B-5	95,853.75	95,853.75
Assessment Liens	B-6	710,569.47	710,569.47
Assessment Lien Interest and Costs	B-6	59,946.17	59,946.17
		<u>1,161,777.97</u>	<u>1,161,777.97</u>
 <u>Animal Control Trust Fund</u>			
Cash	B-2	<u>28,019.20</u>	<u>25,557.80</u>
 <u>Other Funds</u>			
Cash - Checking	B-2	8,681,630.67	15,988,915.11
Cash - Money Market	B-3	22,231,851.23	22,231,851.23
Total Cash		<u>30,913,481.90</u>	<u>38,220,766.34</u>
Interfunds Receivable	B-4	3,695,077.88	265,060.80
Accounts Receivable	B-7		20,151.07
Protested Checks	B-8		427,139.24
Overpayments Receivable	B-9		19,539.47
		<u>34,608,559.78</u>	<u>38,952,656.92</u>
 <u>Insurance Fund</u>			
Cash	B-2	14,284,278.57	13,268,349.61
Interfunds Receivable	B-4	350,353.91	678,495.15
Protested Checks	B-8		305.00
		<u>14,634,632.48</u>	<u>13,947,149.76</u>
 <u>Grant Fund</u>			
Cash	B-2	3,246,618.02	4,342,048.85
Cash - Money Market Fund	B-3	8,173,941.61	8,130,896.71
Interfunds Receivable	B-4	299,211.15	
Protested Checks	B-8		25,238.00
Accounts Receivable	B-11	120,000.00	120,000.00
Grant Expenditures with Commitment Letters	B-12	749,159.10	75,800.61
		<u>12,588,929.88</u>	<u>12,693,984.17</u>
 <u>Payroll Agency Fund</u>			
Cash	B-2	11,504,531.85	7,888,913.25
Interfunds Receivable	B-4	218,893.61	219,255.21
Protested Checks	B-8		7,920.00
		<u>11,723,425.46</u>	<u>8,116,088.46</u>
		<u>\$ 74,745,344.77</u>	<u>\$ 74,897,215.08</u>

CITY OF NEWARK
TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

B
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
<u>Assessment Fund</u>			
Overpayments	B-14	\$ 5,348.50	\$ 5,348.50
Assessment Paid in Advance	B-15	1,029.00	1,029.00
Reserve for Assessments and Liens	B-16	806,423.22	806,423.22
Reserve for Assessment Lien Interest and Costs	B-16	59,946.17	59,946.17
Fund Balance	B-1	<u>289,031.08</u>	<u>289,031.08</u>
		<u>1,161,777.97</u>	<u>1,161,777.97</u>
<u>Animal Control Trust Fund</u>			
Interfunds Payable	B-4	1,921.08	4,671.48
Due to State of New Jersey	B-18	6,438.72	6,416.32
Reserve for Animal Control Expenditures	B-19	<u>19,659.40</u>	<u>14,470.00</u>
		<u>28,019.20</u>	<u>25,557.80</u>
<u>Other Funds</u>			
Reserve for Unidentified Receipts	B-21		1,735,327.73
Interfunds Payable	B-4	29,192.57	29,342.57
Reserve for Gilbert Media Escrow	B-13	84,121.44	83,911.41
Reserve for Salary Increases	B-10	5,070.59	5,070.59
Reserve for Void Checks Pending Distribution	B-20	4,980.59	4,980.59
Reserve for Other Funds	B-21	34,461,240.06	37,070,068.44
Vouchers Payable	B-22	23,954.53	23,954.53
Reserve for Inactive Grants	B-22		0.20
Fund Balance	B-1	<u>34,608,559.78</u>	<u>38,952,656.92</u>
<u>Insurance Fund</u>			
Interfunds Payable	B-4	5,347.85	
Reserve for:			
Workmen's Compensation Fund	B-23	2,743,944.91	1,614,153.65
State Unemployment Fund	B-23	2,673,192.97	2,792,298.05
Liability Fund	B-23	<u>9,212,146.75</u>	<u>9,540,698.06</u>
		<u>14,634,632.48</u>	<u>13,947,149.76</u>
<u>Grant Fund</u>			
Interfunds Payable	B-4	121,468.70	
Reserve for Municipal Tonnage Grant	B-24	3,150,060.36	3,142,203.62
Reserve for Balanced Housing Grant	B-25	4,974,599.49	4,851,798.80
Reserve for Demolition Liens	B-26	502,632.34	502,632.34
Reserve for Community Development Block Grant	B-27	728,464.34	1,104,289.16
Reserve for Urban Development	B-28	2,203,064.52	2,203,064.52
Reserve for Community Economic Development Trust	B-29	161,884.16	143,239.76
Reserve for Revolving Development Trust Fund	B-29	<u>746,755.97</u>	<u>746,755.97</u>
		<u>12,588,929.88</u>	<u>12,693,984.17</u>
<u>Payroll Agency Fund</u>			
Interfunds Payable	B-4	60,635.54	54,097.49
Reserve for Homestead Rebate	B-31	2,210.08	2,210.08
Payroll Deductions Payable	B-32	11,657,778.10	8,059,634.06
Reserve for Impress		2,801.74	
Vouchers Payable	B-17		146.83
		<u>11,723,425.46</u>	<u>8,116,088.46</u>
		<u>\$ 74,745,344.77</u>	<u>\$ 74,897,215.08</u>

CITY OF NEWARK
TRUST FUND

STATEMENT OF TRUST FUND BALANCE - REGULATORY BASIS

B-1

	<u>Ref.</u>	<u>Assessment Trust Fund</u>	<u>Other Trust Fund</u>
Balance December 31, 2013	B	\$289,031.08	\$0.86
Decreased by:			
Cash Disbursements	B-16	_____	0.86
Balance December 31, 2014	B	\$289,031.08	\$ -

See accompanying notes to financial statements.

CITY OF NEWARK
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Cash	C-2	\$ 22,611,086.47	\$ 19,122,914.89
Investment in Notes Receivable	C-3		800,000.00
Sub-Total	C-4	22,611,086.47	19,922,914.89
Interfunds Receivable	C-5	1,428,536.65	104,877.15
Due from Essex County Improvement Authority:			
Lease Purchase Agreements	C-6	21,700,000.00	24,173,539.25
Public Safety Communication Center	C-7	434,636.54	434,636.54
Deferred Charges - Cost of Bond/Note Issue	C-8	254,184.15	237,837.83
Due from State of New Jersey for Demolition Bond	C-9	2,500,000.00	2,500,000.00
Deferred Charge - Newark Housing Authority - Guarantee	C-10	62,020,000.00	63,340,000.00
Deferred Charges to Future Taxation - Funded	C-11	284,347,035.25	306,872,035.25
Deferred Charges to Future Taxation - Unfunded	C-12	116,862,488.89	110,623,379.89
		\$ 512,157,967.95	\$ 528,209,220.80
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-13	\$ 220,140,035.25	\$ 234,855,035.25
School Serial Bonds	C-14	62,332,000.00	70,017,000.00
State Trust Loan Payable	C-15	1,875,000.00	2,000,000.00
Bond Anticipation Notes Payable - Municipal	C-16	67,989,000.00	58,764,000.00
Capital Improvement Fund	C-17	1,575,543.58	1,475,543.58
Reserve for Refunds	C-18		335,103.76
Due to Current Fund	C-18		24,000.00
Newark Housing Authority Bond - Guaranteed by Newark	C-19	62,020,000.00	63,340,000.00
Reserve for Improvement Funded by Essex County Improvement Authority:			
Funded - On File	C-20	21,700,000.00	24,173,539.25
Improvement Authorizations:			
Encumbered	C-21	9,652,962.92	9,934,439.10
Encumbered - School	C-21	4,004.48	
Funded	C-21	15,222,694.17	7,545,031.96
Funded - School	C-21	7,878,495.93	7,878,495.93
Unfunded	C-21	36,217,829.14	42,121,587.26
Unfunded - School	C-21	5,436,653.85	5,436,653.85
Fund Balance	C-1	113,748.63	308,790.86
		\$ 512,157,967.95	\$ 528,209,220.80
Bonds and Notes Authorized but Not Issued:			
General	C-22	\$ 35,147,488.89	\$ 38,133,379.89
School	C-22	13,726,000.00	13,726,000.00
		\$ 48,873,488.89	\$ 51,859,379.89

CITY OF NEWARK
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

C-1

	<u>Ref.</u>		
Balance December 31, 2013	C		\$ 308,790.86
Increased by:			
Premium on Sale of Notes	C-2	\$ 141,998.77	
Premium Applied to Reduce Deferred Charges - Unfunded	C-12	<u>360,891.00</u>	
			<u>502,889.77</u>
			811,680.63
Decreased by:			
Disbursed to Current Fund as a Revenue	C-2	337,041.00	
Premium Applied to Reduce Notes Payable	C-16	<u>360,891.00</u>	
			<u>697,932.00</u>
Balance December 31, 2014	C		<u>\$ 113,748.63</u>

See accompanying notes to financial statements.

CITY OF NEWARK
WATER UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

D
Sheet #1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
<u>Operating Section</u>			
Cash	D-5	\$ 5,656,372.68	\$ 11,302,235.35
Consumers' Accounts Receivable	D-7	11,482,089.37	11,320,302.90
Sundry Accounts Receivable	D-8	326,459.17	317,285.13
Delinquent Water Rents Receivable	D-9	3,667.28	11,612.24
Water Liens Receivable	D-10	1,785,537.64	1,492,361.19
Protested Checks	D-11	73,649.22	83,288.84
Petty Cash	D-12	950.00	950.00
Inventory	D-13	607,957.81	607,957.81
Interfunds Receivable	D-14	9,659,493.43	
New Jersey Easement Receivable	D-15	86,000.00	86,000.00
		<u>29,682,176.60</u>	<u>25,221,993.46</u>
<u>Capital Section</u>			
Cash	D-5	144,824.49	686,623.19
Interfunds Receivable	D-14	2,634.69	15,134.69
Due from State of New Jersey	D-16	968,018.74	968,018.74
Due from State of New Jersey - Waste Water Trust Fund	D-17	922,942.00	922,942.00
Due from State of New Jersey - Waste Water Trust Fund - ARRA Forgiveness	D-17	2,673,200.00	2,673,200.00
Deferred Charges - Capitalization of Interest	D-18	998,918.96	1,146,906.96
Cost of Bond Issue	D-19		57,362.80
Fixed Capital	D-20	149,748,384.24	146,252,307.30
Fixed Capital Authorized and Uncompleted	D-21	173,873,436.24	173,873,436.24
		<u>329,332,359.36</u>	<u>326,595,931.92</u>
		<u>\$359,014,535.96</u>	<u>\$351,817,925.38</u>

CITY OF NEWARK
WATER UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

D
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
<u>Operating Section</u>			
Appropriation Reserves:			
Unencumbered	D-4,22	\$ 2,609,499.18	\$ 874,412.89
Encumbered	D-4,22	3,536,521.54	4,282,291.88
Accounts Payable	D-23	4,629,191.33	2,901,809.78
Belleville Flood Control	D-24	994.03	994.03
Accrued Interest on Bonds	D-25	158,100.23	173,721.92
Water Rent Overpayments	D-26	85,080.50	61,438.63
Interfunds Payable	D-27		37,378.39
Reserve for Water Easement	D-28	236,000.00	236,000.00
		<u>11,255,386.81</u>	<u>8,568,047.52</u>
Reserve for Receivables:			
Consumers' Accounts Receivable		11,482,089.37	11,320,302.90
Sundry Accounts		326,459.17	317,285.13
Delinquent Water Rents Receivable		3,667.28	11,612.24
Inventory		1,785,537.64	1,492,361.19
Petty Cash		950.00	950.00
Protested Checks		73,649.22	83,288.84
Water Liens		607,957.81	607,957.81
	Reserve	<u>14,280,310.49</u>	<u>13,833,758.11</u>
Fund Balance	D-1	<u>4,146,479.30</u>	<u>2,820,187.83</u>
		<u>29,682,176.60</u>	<u>25,221,993.46</u>
<u>Capital Fund</u>			
Interfunds Payable	D-27	1,544,982.87	
State Water Supply Loan Payable	D-29	10,460,000.00	10,940,000.00
State Water Supply Bond Loan Payable	D-30	14,396,186.85	15,419,068.26
Improvement Authorizations:			
Encumbered	D-31	1,721,196.36	4,067,136.01
Funded	D-31	7,872,623.50	7,880,123.50
Unfunded	D-31	28,730,763.69	28,448,002.74
Capital Improvement Fund	D-32	1.87	1.87
Reserve for Refunds	D-33		85,965.67
Due to General Capital Fund	D-34	46,000.00	46,000.00
Reserve for Deferred Amortization	D-35	30,576,667.50	30,576,667.50
Reserve for Amortization	D-36	209,580,203.02	202,744,232.67
Reserve for Due from State of New Jersey	D-37	968,018.74	968,018.74
Reserve for Amortization - Revaluation of Watershed	D-38	5,780,431.33	5,780,431.33
Serial Bonds Payable	D-39	17,602,000.00	19,587,000.00
Fund Balance	D-2	53,283.63	53,283.63
		<u>329,332,359.36</u>	<u>326,595,931.92</u>
		<u>\$359,014,535.96</u>	<u>\$351,817,925.38</u>
Bonds and Notes Authorized but Not Issued	D-40	<u>\$ 36,179,250.74</u>	<u>\$ 36,179,250.74</u>

CITY OF NEWARK
WATER UTILITY FUND

COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGES IN FUND BALANCE
OPERATING SECTION - REGULATORY BASIS

D-1

	<u>Ref.</u>	<u>Year 2014</u>	<u>Year 2013</u>
<u>Revenue and Other Income</u>			
Operating Surplus Anticipated	D-3	\$ 854,000.00	\$
Water Rents	D-3	46,316,460.94	45,890,706.01
Miscellaneous Water Rents	D-3	18,750.00	
East Orange Settlement	D-3	883,556.60	
Other Credits to Income:			
Nonbudget Revenue	D-3	1,053,700.51	740,939.29
Refund of Prior Years Expenditures	D-5	178.88	
Cancellation of Due to Trust Other Fund	D-27	36,799.99	
Unexpended Balance of Appropriation			
Reserves	D-22	1,026,950.76	3,328,074.27
Reserve for Protested Checks	D-11	9,639.62	67,908.66
Interfunds Settled	D-14	85,965.67	
		<u>50,286,002.97</u>	<u>50,027,628.23</u>
<u>Expenditures</u>			
Operating		39,140,613.00	37,289,694.43
Debt Service		2,967,316.00	4,934,448.92
Deferred Charges and Statutory Expenditures		4,670,607.48	1,093,331.00
Capital Improvements		1,099,134.10	3,814,512.37
	D-4	<u>47,877,670.58</u>	<u>47,131,986.72</u>
Prior Year Refunds	D-5	120,466.49	75,453.68
Interfunds Advanced	D-14	107,574.43	
		<u>48,105,711.50</u>	<u>47,207,440.40</u>
Statutory Excess to Operating Fund Balance		2,180,291.47	2,820,187.83
<u>Fund Balance</u>			
Balance January 1	D	2,820,187.83	
		<u>5,000,479.30</u>	<u>2,820,187.83</u>
Decreased by:			
Utilized as Anticipated Revenue	D-3	<u>(854,000.00)</u>	
Balance December 31	D	<u>\$ 4,146,479.30</u>	<u>\$ 2,820,187.83</u>

See accompanying notes to financial statements.

CITY OF NEWARK
WATER UTILITY FUND

STATEMENT OF CAPITAL FUND BALANCE
CAPITAL SECTION - REGULATORY BASIS

D-2

	<u>Ref.</u>	
Balance December 31, 2013	D	<u>\$53,283.63</u>
Balance December 31, 2014	D	<u>\$53,283.63</u>

See accompanying notes to financial statements.

CITY OF NEWARK
WATER UTILITY FUND

STATEMENT OF REVENUE - REGULATORY BASIS

D-3

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Operating Surplus Anticipated	D-1	\$ 854,000.00	\$ 854,000.00	\$
Rents	D-1	45,661,116.00	46,316,460.94	655,344.94
Additional Water Rents	D-5	740,921.00	18,750.00	(722,171.00)
East Orange Settlement	D-5	883,556.00	883,556.60	0.60
		<u>48,139,593.00</u>	<u>48,072,767.54</u>	<u>(66,825.46)</u>
Nonbudget Revenue	D-1, Below		<u>1,053,700.51</u>	<u>1,053,700.51</u>
	D-4	<u>\$48,139,593.00</u>	<u>\$49,126,468.05</u>	<u>\$ 986,875.05</u>
<u>Nonbudget Revenue</u>				
Other Water Rents			\$ 1,045,267.19	
Interest on Investments			488.26	
	D-5		<u>1,045,755.45</u>	
Water Arrears	D-11		<u>7,945.06</u>	
	Above		<u>\$ 1,053,700.51</u>	

See accompanying notes to financial statements.

CITY OF NEWARK
WATER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

D-4
Sheet #1

<u>Appropriations</u>	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Cancelled</u>
	<u>Adopted Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Director's Office:						
Salaries and Wages:						
Personnel Services	\$ 425,131.00	\$ 425,131.00	\$ 380,895.48		\$ 44,235.52	\$
Other Pay	1,000.00	1,000.00			1,000.00	
Total Salaries and Wages	<u>426,131.00</u>	<u>426,131.00</u>	<u>380,895.48</u>		<u>45,235.52</u>	
Other Expenses:						
Service by Contract or Agreement	1,050.00	1,050.00			1,050.00	
Materials and Supplies	2,000.00	2,000.00			2,000.00	
Total Other Expenses	<u>3,050.00</u>	<u>3,050.00</u>			<u>3,050.00</u>	
Operating:						
Water Billing and Customer Service:						
Salaries and Wages:						
Personnel Services	1,097,874.00	1,097,874.00	895,996.95		201,877.05	
Other Pay	25,600.00	25,600.00	11,741.39		13,858.61	
Total Salaries and Wages	<u>1,123,474.00</u>	<u>1,123,474.00</u>	<u>907,738.34</u>		<u>215,735.66</u>	
Other Expenses:						
Service by Contract or Agreement	739,220.00	739,220.00	449,491.00	181,353.62	108,375.38	
Materials and Supplies	46,980.00	46,980.00	16,170.27	4,880.55	25,929.18	
Total Other Expenses	<u>786,200.00</u>	<u>786,200.00</u>	<u>465,661.27</u>	<u>186,234.17</u>	<u>134,304.56</u>	
Division of Water Supply:						
Salaries and Wages:						
Personnel Services	6,246,052.00	5,964,677.00	4,950,665.30		1,014,011.70	
Other Pay	263,500.00	313,500.00	255,484.78		58,015.22	
Total Salaries and Wages	<u>6,509,552.00</u>	<u>6,278,177.00</u>	<u>5,206,150.08</u>		<u>1,072,026.92</u>	

CITY OF NEWARK
WATER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

D-4
Sheet #2

<u>Appropriations</u>	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Cancelled</u>
	<u>Adopted Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Operating:						
Division of Water Supply:						
Other Expenses:						
Service by Contract or Agreement	\$ 6,622,594.00	\$ 6,740,969.00	\$ 5,932,936.08	\$ 670,087.27	\$ 137,945.65	\$
Materials and Supplies	1,707,638.00	1,820,638.00	1,268,755.08	345,713.17	206,169.75	
Miscellaneous	3,191,309.00	3,191,309.00	3,022,314.71	50,000.00	118,994.29	
Equipment	55,000.00	55,000.00			55,000.00	
Total Other Expenses	<u>11,576,541.00</u>	<u>11,807,916.00</u>	<u>10,224,005.87</u>	<u>1,065,800.44</u>	<u>518,109.69</u>	
Wanaque-Ramapo Maintenance and Operations:						
Contract for Newark Share	10,361,235.00	10,361,235.00	10,361,235.00			
Workmen's Compensation Insurance	287,618.00	287,618.00	287,618.00			
Medical, Dental, Prescription and Life	2,649,119.00	2,649,119.00	1,645,833.27	1,003,285.73		
General Liability, Auto, Property	603,248.00	603,248.00	603,248.00			
Wanaque South	4,564,445.00	4,564,445.00	4,564,445.00			
	<u>18,465,665.00</u>	<u>18,465,665.00</u>	<u>17,462,379.27</u>	<u>1,003,285.73</u>		
Unclassified:						
Salary and Wages and Personnel Adjustment Program	<u>250,000.00</u>	<u>250,000.00</u>	<u>79,174.39</u>		<u>170,825.61</u>	
Total Operating	<u>39,140,613.00</u>	<u>39,140,613.00</u>	<u>34,726,004.70</u>	<u>2,255,320.34</u>	<u>2,159,287.96</u>	
Capital Outlay:						
Service by Contract or Agreement	2,041,000.00	2,041,000.00	1,036,070.30	1,004,929.70		
Equipment	926,316.00	926,316.00	604,858.00	276,271.50	45,186.50	
	<u>2,967,316.00</u>	<u>2,967,316.00</u>	<u>1,640,928.30</u>	<u>1,281,201.20</u>	<u>45,186.50</u>	

CITY OF NEWARK
WATER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

D-4
Sheet #3

<u>Appropriations</u>	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Cancelled</u>
	<u>Adopted Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Debt Service:						
Qualified Bonds - Water:						
Principal	\$ 1,985,000.00	\$ 1,985,000.00	\$ 1,985,000.00	\$	\$	\$
Interest	845,000.00	845,000.00	829,107.07			15,892.93
NJEIT - Principal	1,503,000.00	1,503,000.00	1,502,881.41			118.59
NJEIT - Interest	595,000.00	595,000.00	353,619.00			241,381.00
Total Debt Service	<u>4,928,000.00</u>	<u>4,928,000.00</u>	<u>4,670,607.48</u>			<u>257,392.52</u>
Deferred Charges:						
Prior Year Bills	<u>33,664.00</u>	<u>33,664.00</u>	<u>29,134.10</u>			<u>4,529.90</u>
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	300,000.00	300,000.00			300,000.00	
Social Security System (OASI)	415,000.00	415,000.00	414,975.28		24.72	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	250,000.00	250,000.00	250,000.00			
Noncontributory Pensions	55,000.00	55,000.00			55,000.00	
Public Employees' Retirement System - State	<u>50,000.00</u>	<u>50,000.00</u>			<u>50,000.00</u>	
Total Deferred Charges and Statutory Expenditures	<u>1,103,664.00</u>	<u>1,103,664.00</u>	<u>694,109.38</u>		<u>405,024.72</u>	<u>4,529.90</u>
Total Water Utility Appropriations	<u>\$48,139,593.00</u>	<u>\$48,139,593.00</u>	<u>\$41,731,649.86</u>	<u>\$3,536,521.54</u>	<u>\$ 2,609,499.18</u>	<u>\$ 261,922.42</u>
	<u>Reference</u>	<u>D-3</u>	<u>Below</u>	<u>D</u>	<u>D</u>	<u>Reserve</u>
	<u>Ref.</u>					
Adopted Budget	Above	\$48,139,593.00	\$			
Cancellation	Above	(261,922.42)				
Cash Disbursed	D-5		40,902,542.79			
Accrued Interest on Bonds	D-25		829,107.07			
	D-1, Above	<u>\$47,877,670.58</u>	<u>\$41,731,649.86</u>			

CITY OF NEWARK
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

E
Sheet #1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
<u>Operating Fund</u>			
Cash	E-4	\$ 2,984,809.96	\$ 2,957,199.30
Due from Current Fund	E-10	1,471,525.63	
Due from Sewer Capital Fund	E-10	145,972.17	145,971.40
		<u>4,602,307.76</u>	<u>3,103,170.70</u>
 <u>Assets with Full Reserves:</u>			
Consumer Accounts Receivable	E-6	10,938,466.32	9,527,231.30
Sewer Liens Receivable	E-7	3,595,179.62	3,167,456.34
Delinquent Sewer Rents Receivable	E-8	11,908.97	11,908.97
Sewer Connection - Arrears	E-9	4,940.00	4,940.00
		<u>14,551,494.91</u>	<u>12,711,536.61</u>
 <u>Deferred Charges:</u>			
Deficit in Operations	E-13	1,594,778.89	
		<u>20,748,581.56</u>	<u>15,814,707.31</u>
 <u>Capital Fund</u>			
Cash	E-4	1,435,578.69	610,645.99
Due from State of New Jersey	E-11	26,805,440.00	19,851,073.00
State Grant Receivable	E-12	1,397,959.91	1,397,959.91
Fixed Capital	E-14	2,562,087.24	2,009,661.82
Fixed Capital Authorized and Uncompleted	E-15	166,547,206.00	166,547,206.00
		<u>198,748,271.84</u>	<u>190,416,546.72</u>
		<u>\$ 219,496,853.40</u>	<u>\$ 206,231,254.03</u>

CITY OF NEWARK
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

E
Sheet #2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2014</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	E-3,16	\$ 1,352,819.51	\$ 1,304,038.09
Appropriation Reserves	E-3,16	1,120,830.37	976,225.77
Due to Tax Collector (Current Fund)	E-17		7.67
Commitments Payable	E-18	651,782.33	620,478.30
Sewer Rent Overpayments	E-19	169,771.78	154,946.69
Accrued Payroll	E-20		28,737.10
Due to Trust - Other Funds	E-23	4,848.00	4,848.00
Due to Payroll Fund	E-23		3,184.23
Due to Water Operating Fund	E-23	2,897,034.66	
		<u>6,197,086.65</u>	<u>3,092,465.85</u>
Reserve for Receivables		14,551,494.91	12,711,536.61
Fund Balance	E-1		10,704.85
		<u>20,748,581.56</u>	<u>15,814,707.31</u>
<u>Capital Fund</u>			
New Jersey Environmental Infrastructure			
Trust Loan Payable:			
Trust Loan	E-27	26,065,000.00	25,227,025.95
Fund Loan	E-27	48,777,796.30	44,473,143.16
Vouchers Payable	E-21		0.77
Improvement Authorizations:			
Funded	E-22	16,753,547.45	13,398,296.82
Unfunded	E-22	31,103,040.96	44,427,206.75
Encumbrances	E-22	9,782,210.55	9,093,277.75
Due to Current Fund	E-23	4,261,832.16	
Due to Water Capital Fund	E-23	2,634.69	2,634.69
Due to Sewer Operating Fund	E-23	145,972.17	145,971.40
Reserve for State Grant:			
Sewer Improvement	E-24	1,058,870.62	1,137,500.72
Reserve for Amortization	E-25	2,562,087.24	2,009,661.82
Deferred Reserve for Amortization	E-26	58,235,279.70	50,501,826.89
		<u>198,748,271.84</u>	<u>190,416,546.72</u>
		<u>\$ 219,496,853.40</u>	<u>\$ 206,231,254.03</u>
Bonds and Notes Authorized but Not Issued	E-29	<u>\$ 33,469,130.00</u>	<u>\$ 46,345,210.00</u>

See accompanying notes to financial statements.

CITY OF NEWARK
SEWER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

E-3
Sheet #1

<u>Appropriations</u>	<u>Ref.</u>	<u>Adopted Budget</u>	<u>Expended</u>			<u>Unexpended Balance Cancelled</u>
			<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>Operating</u>						
<u>Sewer Supply:</u>						
Salaries and Wages:						
Personnel Service		\$ 563,110.00	\$ 245,777.99	\$	\$ 317,332.01	\$
Other Pay		33,200.00	25,532.54		7,667.46	
Total - Salaries and Wages		<u>596,310.00</u>	<u>271,310.53</u>		<u>324,999.47</u>	
Other Expenses:						
Service by Contract or Agreement		2,516,418.00	1,838,094.83	591,582.72	86,740.45	
Materials and Supplies		40,000.00	11,779.74	16,316.40	11,903.86	
Total - Other Expenses		<u>2,556,418.00</u>	<u>1,849,874.57</u>	<u>607,899.12</u>	<u>98,644.31</u>	
<u>Billings and Customer Service:</u>						
Salaries and Wages:						
Personnel Services		523,750.00	496,363.38		27,386.62	
Other Pay		16,400.00	730.67		15,669.33	
Total - Salaries and Wages		<u>540,150.00</u>	<u>497,094.05</u>		<u>43,055.95</u>	
Other Expenses:						
Service by Contract or Agreement		243,840.00	147,305.60	79,527.50	17,006.90	
Materials and Supplies		12,500.00	5,079.28	4,431.86	2,988.86	
Total - Other Expenses		<u>256,340.00</u>	<u>152,384.88</u>	<u>83,959.36</u>	<u>19,995.76</u>	
<u>Unclassified:</u>						
Passaic Valley Sewer Maintenance		39,867,861.00	39,652,123.52		215,737.48	
Joint Meeting Sewer Maintenance		2,080,122.00	1,913,069.60		167,052.40	
General Liability Insurance		100,000.00	100,000.00			
Hospital/Medical/Surgical Insurance		881,697.00	263,863.21	616,488.79	1,345.00	
Workmen's Compensation		52,088.00	52,088.00			
		<u>42,981,768.00</u>	<u>41,981,144.33</u>	<u>616,488.79</u>	<u>384,134.88</u>	
Total Operating Expenditures	E-1	<u>46,930,986.00</u>	<u>44,751,808.36</u>	<u>1,308,347.27</u>	<u>870,830.37</u>	

CITY OF NEWARK
SEWER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

E-3
Sheet #2

<u>Appropriations</u>	<u>Ref.</u>	<u>Adopted Budget</u>	<u>Expended</u>			<u>Unexpended Balance Cancelled</u>
			<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Capital Outlay:						
Service by Contract or Agreement	E-1	<u>\$ 500,000.00</u>	<u>\$ 455,527.76</u>	<u>\$ 44,472.24</u>	\$	\$
Debt Service:						
Sewer Utility State Loans:						
Principal - Trust Loan		5,755,000.00	5,651,980.81			103,019.19
Interest - Trust Loan		<u>1,329,000.00</u>	<u>453,984.96</u>			<u>875,015.04</u>
Total Debt Service	E-1	<u>7,084,000.00</u>	<u>6,105,965.77</u>			<u>978,034.23</u>
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System		200,000.00			200,000.00	
Social Security System (OASI)		56,000.00	56,000.00			
Unemployment Compensation Insurance		250,000.00	250,000.00			
Employees' Retirement System - City		<u>50,000.00</u>			<u>50,000.00</u>	
	E-1	<u>556,000.00</u>	<u>306,000.00</u>		<u>250,000.00</u>	
Deferred Charges:						
Prior Year Bills - Medicare Reimbursement	E-1	<u>4,721.00</u>	<u>4,720.50</u>			<u>0.50</u>
Total Sewer Utility Appropriations		<u>\$55,075,707.00</u>	<u>\$51,624,022.39</u>	<u>\$1,352,819.51</u>	<u>\$1,120,830.37</u>	<u>\$978,034.73</u>
<u>Reference</u>		<u>E-2</u>	<u>E-4</u>	<u>E</u>	<u>E</u>	

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Municipal Council
City of Newark
City Hall
Newark, New Jersey 07102

Report on the Financial Statements

We have audited the financial statements - regulatory basis of the various funds and account groups of the City of Newark, as of and for the year then ended December 31, 2014 and the related notes to the financial statements, as listed in the foregoing table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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 - regulatory basis have been prepared in conformity with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to demonstrate compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey. The effects on the financial statements - regulatory basis 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 - regulatory basis referred to in the first paragraph, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2014 and 2013, and the results of its operations for the years then ended.

Basis for Qualified Opinion

We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the City of Newark's cash balances of the various funds, for the year ended December 31, 2013 because of the way the bank reconciliations are prepared and the lack of oversight over the bank reconciliation function. Consequently, we are unable to determine whether any adjustments to these amounts were necessary.

Unmodified Opinion on 2014 and Qualified Opinion on 2013

In our opinion, except for the possible effects on the December 31, 2013 financial statements - regulatory basis of the matters discussed in the Basis for Qualified Opinion, the financial statements - regulatory basis referred to in the first paragraph present fairly, in all material respects, the financial position of the various funds of the City of Newark at December 31, 2014 and the results of operations and changes in fund balance, where applicable, of such funds in accordance with accounting principles on the basis of financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements - regulatory basis that collectively comprise the City's financial statements - regulatory basis. The supplementary schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements - regulatory basis.

The supplementary schedules 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 - regulatory basis. Such information has been subjected to the auditing procedures applied in the audit of the financial statements - regulatory basis and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements - regulatory basis or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules are fairly stated, in all material respects, in relation to the financial statements - regulatory basis taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2015, on our consideration of the City of Newark's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Newark's internal control over financial reporting and compliance.



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS



JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey
June 26, 2015

CITY OF NEWARK
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Schedule A
Sheet #1

<u>Department or Division</u>	<u>Programs</u>	<u>Catalog Number</u>	<u>2014 Cash Received</u>	<u>2014 Program Expenditures</u>	<u>2014 Total Expenditures</u>
U.S. Department of Agriculture:					
Pass-Through:					
State of New Jersey Department of Agriculture:					
2014	WIC	10.557	\$ 967,092.00	\$ 1,356,708.55	\$ 1,356,708.55
2006	WIC	10.557	16,500.00	-	-
2011	WIC	10.557	63,161.00	-	-
2012	WIC	10.557	45,136.00	-	1,532,389.00
2013	WIC	10.557	206,058.00	17,232.85	1,492,270.09
	Total Women, Infants and Children Program		<u>1,297,947.00</u>	<u>1,373,941.40</u>	<u>4,381,367.64</u>
2014	SunUp Administration	10.559	44,055.76	86,936.84	86,936.84
2014	SunUp Operational	10.559	523,484.04	453,422.90	453,422.90
2012	SunUp Operational	10.559	-	3,130.00	401,842.57
	Total SunUp		<u>567,539.80</u>	<u>543,489.74</u>	<u>942,202.31</u>
	Total Department of Agriculture		<u>1,865,486.80</u>	<u>1,917,431.14</u>	<u>5,323,569.95</u>

CITY OF NEWARK
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Schedule A
Sheet #2

<u>Department or Division</u>	<u>Programs</u>	<u>Catalog Number</u>	<u>2014 Cash Received</u>	<u>2014 Program Expenditures</u>	<u>2014 Total Expenditures</u>
Direct:	U.S. Department of Housing and Urban Development:				
2009	Neighborhood Stabilization Program I	14.256	\$ 133,252.27	\$ 3,221.85	\$ 2,971,793.00
2013	Neighborhood Stabilization Program - NSP III	14.256	1,019,116.09	946,670.07	2,018,589.68
2010	Homeownership Stabilization	14.256		14,300.00	14,300.00
2010	Neighborhood Stabilization Program II	14.256	91,625.50	5,988.00	12,978,411.72
	Total Neighborhood Stabilization Program		<u>1,243,993.86</u>	<u>970,179.92</u>	<u>17,983,094.40</u>
2007	Rental Rehabilitation Program	14.856		64,929.48	536,640.96
	Total Rental Rehabilitation Program		<u>-</u>	<u>64,929.48</u>	<u>536,640.96</u>
2013	Advancing Safe and Healthy Homes Initiative	14.913		107,989.30	107,989.30
2011	Healthy Homes Production	14.913	381,504.88	373,213.62	925,974.95
	Total Healthy Homes		<u>381,504.88</u>	<u>481,202.92</u>	<u>1,033,964.25</u>
2013	Childhood Lead Poisoning	93.197	302,505.00	309,158.02	309,158.02
	Total Childhood Lead Poisoning		<u>302,505.00</u>	<u>309,158.02</u>	<u>309,158.02</u>
2014	Lead Poisoning Super Storm Sandy	14.900		183,357.25	183,357.25
2011	HUD Lead Hazard Reduction Program	14.900	894,455.03	1,181,767.97	2,713,353.11
2010	Getting the Lead Out	14.900		10,004.75	10,004.75
	Total Lead Hazard Control Program		<u>894,455.03</u>	<u>1,375,129.97</u>	<u>2,906,715.11</u>
2010	Housing Opportunities for People with Aids	14.241	151,917.23	2,355.50	6,300,069.48
2009	Housing Opportunities for People with Aids	14.241	344,661.50	566,039.58	4,889,589.91
2008	Housing Opportunities for People with Aids	14.241	241,989.08	31,588.50	30,741,713.62
2011	HOPWA	14.241	67,842.68	191,464.94	6,442,737.47
2013	HOPWA	14.241	3,350,283.05	2,439,860.23	6,824,008.99
2013	HOPWA	14.241	3,067,618.87	3,731,350.66	3,746,170.05
	Total Housing Opportunities for People with Aids		<u>7,224,312.41</u>	<u>6,962,659.41</u>	<u>58,944,289.52</u>
2009	Emergency Shelter Grant	14.231	-	24,715.11	337,064.19
2008	Emergency Shelter Grant	14.231	61,431.81	44,844.89	250,545.96
2007	Emergency Shelter Grant	14.231	42,667.45	7,550.00	1,602,326.13
2009	Emergency Shelter Grant	14.231		25,088.13	25,088.13
2010	Emergency Shelter Grant	14.231	23,274.34	57,639.33	57,639.33
2012	Emergency Shelter Grant	14.231	22,493.50	17,360.96	64,680.16
2013	Emergency Shelter Grant	14.231	295,367.88	199,513.90	199,513.90
2013	Emergency Shelter Grant	14.231	195,450.83	248,372.55	556,850.16
2000	HU-ESG	14.231	15,423.41	-	-
	Total Emergency Shelter Grant		<u>656,109.22</u>	<u>625,084.87</u>	<u>3,093,707.96</u>

CITY OF NEWARK
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Schedule A
Sheet #3

<u>Department or Division</u>	<u>Programs</u>	<u>Catalog Number</u>	<u>2014 Cash Received</u>	<u>2014 Program Expenditures</u>	<u>2014 Total Expenditures</u>
Direct:					
U.S. Department of Housing and Urban Development:					
2011	Home	14.239	\$ 390,998.40	\$ 413,105.84	\$ 445,413.92
2010	Home	14.239	766,119.73	772,815.58	2,126,291.47
2009	Home	14.239		481,900.35	3,959,661.40
2009	Home Investment Partnership Act Program	14.239		(481,847.48)	(401,565.06)
2009	Home Investment	14.239	518,069.60		166,210.10
2008	Home - HUD	14.239	6,288.98	1,306.83	3,232,238.98
2007	Home Investment Partnership	14.239	30,893.06	3,867.40	26,574,452.22
2007	Home	14.239		4,606.25	3,009,766.48
2014	Home Investment Partnership Plan	14.239	51,643.00		-
2004	Home Investment Partnership Act	14.239	100,000.19	100,000.19	100,000.19
2001	Home Program	14.239	23,131.05	23,131.05	1,510,410.39
2013	2012 Home Investment Partnership	14.239	1,033,481.78	1,209,838.98	1,231,967.23
	Total Home Investment Partnership		<u>2,920,625.79</u>	<u>2,528,724.99</u>	<u>41,954,847.32</u>
2014	Community Development Block Grant Program	14.218	6,141,156.84	5,772,091.41	18,076,143.38
	Total Community Development Block Grant Program		<u>6,141,156.84</u>	<u>5,772,091.41</u>	<u>18,076,143.38</u>
	Total U.S. Department of Housing and Urban Development		<u>13,623,506.19</u>	<u>19,089,160.99</u>	<u>144,838,560.92</u>
U.S. Department of Health and Human Services:					
2014	Homeless Healthcare Project (HRSA)	93.527	1,363,200.17	2,326,794.88	2,326,794.88
2013	Homeless Healthcare (HRSA)	93.224	592,870.53	423,884.63	1,966,697.35
2012	Homeless (HRSA)	93.224		6,600.00	1,641,919.04
	Total Homeless Healthcare Project		<u>1,956,070.70</u>	<u>2,757,279.51</u>	<u>5,935,411.27</u>
2014	HIV Emergency Relief	93.914	5,609,744.57	6,003,020.53	6,003,020.53
2014	HIV Emergency Relief Special Care	93.914	189,618.80	220,006.85	220,006.85
2013	HIV Emergency Relief	93.914	9,165,318.86	6,533,998.20	6,533,998.20
2013	Ryan White Special Care Clinic	93.914	168,291.85	130,397.67	-
2012	HIV 11/12	93.914		48,056.00	13,805,189.76
	Total HIV Emergency Relief Formula Grant		<u>15,132,974.08</u>	<u>12,935,479.25</u>	<u>26,562,215.34</u>

CITY OF NEWARK
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Schedule A
Sheet #4

<u>Department or Division</u>	<u>Programs</u>	<u>Catalog Number</u>	<u>2014 Cash Received</u>	<u>2014 Program Expenditures</u>	<u>2014 Total Expenditures</u>
Direct:					
U.S. Department of Health and Human Services:					
2010	ARRA Facility Investment PRG (Pass-Through from CFWB) Total Health Investment ARRA	93.703	\$ 196,847.63 <u>196,847.63</u>	\$ 116,516.70 <u>116,516.70</u>	\$ 313,364.33 <u>313,364.33</u>
2011	FEMA 2010	97.044	399,993.55	498,025.00	498,025.00
2014	2013 SAFER	97.044		261,614.11	261,614.11
2011	SAFER	97.044	2,000,423.47	944,316.06	6,655,520.35
2013	Personal Protection Equipment Grant	97.044		244,250.00	244,250.00
2013	SAFER	97.044		1,621,096.97	1,621,096.97
	Total Assistant to Firefighters Grant		<u>2,400,417.02</u>	<u>3,569,302.14</u>	<u>9,280,506.43</u>
Pass-Through:					
State of N.J. Department of Health and Human Services:					
2006	Bio-Terrorism	93.889		15,300.00	-
2013	Bio-Terrorism	93.889	272,338.00	187,440.34	286,969.90
2014	Bio-Terrorism	93.889	22,139.00	25,000.00	25,000.00
2014	Bio-Terrorism	93.889		73,456.52	73,456.52
	Total Bio-Terrorism		<u>294,477.00</u>	<u>301,196.86</u>	<u>385,426.42</u>
2010	Metropolitan MED Response SYS	97.071		(2,661.00)	318,429.15
2011	MMRS	97.071	54,054.46		279,006.05
2012	MMRS	97.071	247,474.61	212,099.33	276,686.27
	Total Metropolitan MED Response		<u>301,529.07</u>	<u>209,438.33</u>	<u>874,121.47</u>
2014	Super Storm Sandy	93.526		21,992.27	368,472.19
	Total Hurricane Sandy		<u>-</u>	<u>21,992.27</u>	<u>368,472.19</u>
2014	Immunization	93.268	149,477.00	427,042.73	427,042.73
2012	Immunization	93.268		3,076.00	831,612.86
2013	Immunization Program	93.268	545,707.00	213,612.19	213,612.19
	Total Immunization		<u>695,184.00</u>	<u>643,730.92</u>	<u>1,472,267.78</u>
	Total Department of Health and Human Services		<u>20,977,499.50</u>	<u>20,554,935.98</u>	<u>45,191,785.23</u>

CITY OF NEWARK
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Schedule A
Sheet #5

<u>Department or Division</u>	<u>Programs</u>	<u>Catalog Number</u>	<u>2014 Cash Received</u>	<u>2014 Program Expenditures</u>	<u>2014 Total Expenditures</u>
U.S. Department of Labor:					
Pass-Through:					
State of N.J. Department of Labor:					
2014	WIA Dislocated Worker	17.278	\$ 76,383.00	\$ 99,474.43	\$ 99,474.43
2013	WIA Dislocated Worker	17.278	200,850.00	178,387.77	323,451.13
2013	WIA Dislocated Worker	17.278	295,740.00	294,234.71	834,298.99
2014	WIA YOUTH	17.259	327,075.00	376,858.36	376,858.36
2013	WIA YOUTH	17.259	724,231.00	697,965.74	1,025,702.41
2013	WIA YOUTH	17.259	762,781.00	746,268.75	2,087,147.99
2006	WIA Youth Program Summer	17.259		29.82	(744,099.87)
2014	WIA Adult	17.258	361,489.00	451,662.62	451,662.62
2013	WIA Adult	17.258	1,262,471.00	1,220,879.40	1,656,296.88
2013	WIA Adult	17.258	594,097.00	552,892.26	2,129,205.74
2006	WIA FY 2006 Audit Administration	17.258		(29.82)	(16,152.52)
2005	WIA FY 05 (WIA Adult)	17.258		378.47	1,174,878.82
	Total WIA		<u>4,605,117.00</u>	<u>4,619,002.51</u>	<u>9,398,724.98</u>
	Total Department of Labor		<u>4,605,117.00</u>	<u>4,619,002.51</u>	<u>9,398,724.98</u>
Direct:					
U.S. Department of Justice:					
1998	COPS Ahead	16.710		(194,178.99)	(194,178.99)
2013	COPS in Shops	16.710	16,640.00		
2012	COPS Hiring Program	16.710		1,499,585.41	5,454,598.59
2011	COPS Technology Grant	16.710	265,536.00	265,536.00	499,597.34
	Total COPS Universal Hiring Program		<u>282,176.00</u>	<u>1,570,942.42</u>	<u>5,760,016.94</u>
2013	COPS Grant - Cash Match	16.727	-	202,000.06	264,336.22
	Total COPS Grant - Cash Match		<u>-</u>	<u>202,000.06</u>	<u>264,336.22</u>
2008	Prisoner Re-Entry Program	16.812	5,349.13		1,959,255.29

CITY OF NEWARK
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Schedule A
Sheet #6

<u>Department or Division</u>	<u>Programs</u>	<u>Catalog Number</u>	<u>2014 Cash Received</u>	<u>2014 Program Expenditures</u>	<u>2014 Total Expenditures</u>
Direct:					
U.S. Department of Justice:					
2012	Newark Prisoner Re-Entry	16.812	\$ 125,278.28	\$ 44,149.85	\$ 425,267.65
	Total Prisoner Re-Entry Program		<u>130,627.41</u>	<u>44,149.85</u>	<u>2,384,522.94</u>
2012	Prisoner Care and MGMT Job Placement	16.753	31,891.97	4,391.97	89,579.80
	Total Prisoner Care and MGMT Job Placement		<u>31,891.97</u>	<u>4,391.97</u>	<u>89,579.80</u>
2012	Comprehensive Anti-Violence Program	16.738	-	262,918.79	413,294.64
	Total Comprehensive Anti-Violence Program		<u>-</u>	<u>262,918.79</u>	<u>413,294.64</u>
Pass-Through:					
State of N.J. Department of Justice:					
2014	2013-2016 Justice Assistance Grant (JAG)	16.738	-	193,473.21	193,473.21
2013	Justice Assistance Grant (JAG)	16.738	-	315,353.50	315,353.50
2011	JAG Grant	16.738	381,681.74	317,464.52	694,126.26
	Total JAG Grant ARRA		<u>381,681.74</u>	<u>826,291.23</u>	<u>1,202,952.97</u>
2011	N.J. Law Enforcement Technology Grant	16.738	315,328.20	15,051.75	15,051.75
2011	Justice Assistance	16.738	-	64,196.00	400,465.43
	Total Justice Assistance		<u>315,328.20</u>	<u>79,247.75</u>	<u>415,517.18</u>
	Total Department of Justice		<u>1,141,705.32</u>	<u>2,989,942.07</u>	<u>10,530,220.69</u>

CITY OF NEWARK
COUNTY OF ESSEX

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Schedule A
Sheet #7

<u>Department or Division</u>	<u>Programs</u>	<u>Catalog Number</u>	<u>2014 Cash Received</u>	<u>2014 Program Expenditures</u>	<u>2014 Total Expenditures</u>
Direct:					
U.S. Environmental Protection Agency:					
2012	Urban Areas Security Initiative Grant 2011-2014	97.067	\$ 1,149,466.85	\$ 723,979.55	\$ 1,899,590.52
2013	Urban Areas Security Initiative	97.067	934,741.47	853,241.47	2,352,071.17
2014	Urban Areas Security Initiative	97.067	70,982.65	237,007.12	237,007.12
	Total Urban Areas Security Initiative		<u>2,155,190.97</u>	<u>1,814,228.14</u>	<u>4,488,668.81</u>
2012	Haz Remed - McCarter Highway	66.818	4,423.25	4,427.00	10,232.24
2012	Hazardous Substance	66.818	23,864.18	27,417.58	27,417.58
2014	Hazardous Discharge Site - 441 Avenue P	66.818	140,235.00		
2012	Haz Remed - 704 Doremus Avenue	66.818	80,353.44	47,661.09	191,445.32
2012	Haz Remed - 411 Wilson Avenue	66.818	29,447.42	22,564.75	48,591.69
2011	Brownfield's Cleanup	66.818		7,278.97	26,120.77
2010	Brownfield's Cleanup Revolving Loan Fund - ARRA	66.818		9,971.50	115,158.50
	Total Brownfield's Assessment and Cleanup Co-Op		<u>278,323.29</u>	<u>119,320.89</u>	<u>418,966.10</u>
	Total Environmental Protection Agency		<u>2,433,514.26</u>	<u>1,933,549.03</u>	<u>4,907,634.91</u>
U.S. Department of Homeland Security:					
2014	2011 Port Security Grant	97.056		281,171.88	281,171.88
2012	Port Security Grant	97.056	213,404.86	(463,225.00)	149,987.26
	Total Port Security Grant		<u>213,404.86</u>	<u>(182,053.12)</u>	<u>449,909.14</u>
2012	Emergency Operations Center Grant	97.052	999,996.68	31,023.96	999,997.03
	Total Emergency Operations Center Grant		<u>999,996.68</u>	<u>31,023.96</u>	<u>999,997.03</u>
	Total U.S. Department of Homeland Security		<u>1,213,401.54</u>	<u>(151,029.16)</u>	<u>1,449,906.17</u>
Department of Transportation					
2014	Broad Street Streetscape - Phase 3	20.205		385,357.14	385,357.14
2010	Various Streets - 5 Locations	20.205	377,389.42		
	Total Department of Transportation		<u>377,389.42</u>	<u>385,357.14</u>	<u>385,357.14</u>
	Total Expenditures of Federal Awards		<u>\$ 52,378,776.87</u>	<u>\$ 51,338,349.70</u>	<u>\$ 222,025,759.99</u>

The accompanying notes are an integral part of this schedule.

SAMUEL KLEIN AND COMPANY

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REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL AND REPORT ON THE SCHEDULE OF EXPENDITURES REQUIRED BY OMB CIRCULAR A-133 AND NEW JERSEY STATE CIRCULAR LETTER 04-04 OMB

The Honorable Mayor and Members of the Municipal Council
City of Newark
City Hall
Newark, New Jersey 07102

Report on Compliance for Each Major Federal and State Program

We have audited the City of Newark, State of New Jersey's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Office of Management and Budget's State Grant Compliance Supplement that could have a direct and material effect on each of the City of Newark, State of New Jersey's major federal and state programs for the year ended December 31, 2014. The City of Newark's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each City of Newark's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the provisions of the New Jersey State Circular 04-04 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and OMB Circular A-133 and New Jersey OMB Circular 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the City of Newark's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of City of Newark's compliance.

Unmodified Opinion on Each of the Other Major Federal and State Programs

In our opinion, City of Newark, State of New Jersey, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal and state programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2014.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and New Jersey State Treasury Circular Letter 04-04 OMB and which are described in the accompanying Schedule of Findings and Questioned Costs as Findings #SA-2014-1 through #SA-2014-11. Our opinion on each major federal and state program is not modified with respect to these matters.

Report on Internal Control Over Compliance

Management of the City of Newark, State of New Jersey, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance referred to above. In planning and performing our audit of compliance, we considered the City of Newark, State of New Jersey's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey State Treasury Circular Letter 04-04 OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Newark's internal control over compliance.

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

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

Report on Schedule of Expenditures of Federal and State Awards Required by OMB Circular A-133 and New Jersey OMB 04-04

We have audited the regulatory basis financial statements of the various funds of the City of Newark, State of New Jersey, as of and for the years ended December 31, 2014 and December 31, 2013, and have issued our report thereon dated June 26, 2015, which contained an adverse opinion as a result of the City's policy to prepare its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our audit was conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise the City's financial statements. The accompanying Schedules of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*; and New Jersey State Treasury Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedules of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey State Treasury Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Accordingly, this report is not suitable for any other purpose.


SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
August 8, 2015

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**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**

The Honorable Mayor and Members
of the Municipal Council
City of Newark
City Hall
Newark, New Jersey 07102

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements - regulatory basis of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Newark, State of New Jersey, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City of Newark, State of New Jersey's basic financial statements and have issued our report thereon dated June 26, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements - regulatory basis, we considered the City of Newark, State of New Jersey'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 - regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the City of Newark, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Newark, State of New Jersey's internal control.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow Management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of comments and recommendations to be a material weakness as Item 2014-26.

A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of comments and recommendations to be significant deficiencies as Items 2014-04, 12, 27, 37-39 and 52.

Compliance and Other Matters

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

Purpose of this Report

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


SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS


JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey
June 26, 2015

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified - Regulatory Basis

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified not considered to be material weaknesses? Yes None Reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified not considered to be material weaknesses? Yes None Reported

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

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)? Yes No

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14-905	Lead-Based Paint Hazard Control in Privately-Owned Housing
14.239	Home Investment Partnership Program
14.218	Community Development Block Grant
17.258	Workforce Investment Act Adult Program
93.914	HIV Emergency Relief Formula Grant
14.241	Housing Opportunities for People with Aids
97.044	Assistance to Firefighter's Grant
17.259	Workforce Investment Act Youth Activities
17.278	Workforce Investment Act Dislocated Worker
16.710	Public Safety Partnership and Community Policing Grant
93.224	Consolidated Health Centers
97.067	Homeland Security Grant Program

Dollar threshold used to distinguish between Type A and Type B programs: \$1,540,150.50

Auditee qualified as low-risk auditee? Yes No

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section I - Summary of Auditor's Results (Continued)

State Awards

Internal control over major state programs:

Material weakness(es) identified?

Yes No

Significant deficiencies identified not considered to be material weaknesses?

Yes None Reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular 04-04 and listed in Section III of the Schedule?

Yes No

Identification of major state programs:

Account Number(s)

Name of State Program or Cluster

6320-480-078-6320
6300-480-078-6300
4220-100-046-5660
100-062-4545-313
4850-100-042-4850-125-VB78-6120
752-042-4900-004

Municipal Aid Formula and Discretionary Aid
Transportation Management Association
Temporary Assistance for Needy Families
General Assistance (SNAP)
N.J. Pequannock River Restoration
State Recycling County and Municipal Program Funding

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

\$300,000.00

Auditee qualified as low-risk auditee?

Yes No

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section II - Financial Statement Audit - Reported Findings Under *Government Auditing Standards*

Finding 2014-04:

The General Ledgers, as presented to us, were not in agreement with the Annual Unaudited Financial Statement as filed.

It is recommended that year end General Ledgers be in agreement with the Annual Unaudited Financial Statement filed.

Finding 2014-12:

The following conditions were noted in the records maintained on the System during the year 2014:

- a. The general ledgers were not in agreement with the various subsidiary ledgers and individual bank reconciliations.
- b. Budget Expenditure Reports for appropriations and appropriation reserves should be prepared monthly and proved to the general ledger. The current general ledger cannot be used to prove out the current budget appropriations and appropriation reserves. The general ledger should be able to tell the users what the available balance is and that amount should prove to the detailed subsidiary ledger on a monthly basis.
- c. The Federal and State Programs are controlled by a separate Budget Activity Report. This makes it difficult to be proven to the general ledger on a monthly basis in regards to Revenue, Receipts, Appropriations and Expenditures.

The Division of Local Government Services issued Technical Accounting Directive No. 85-3 "General Ledger Accounting System":

"The general ledger is the official permanent financial record of the local unit which provides a summary of all financial transactions as they have been recorded in the books of original entry utilizing a "double entry" accounting system. A general ledger accounting system supports the "fund" basis of accounting as required by the Division of Local Government Services. Accordingly, each fund must provide for the continuous identification of its assets liabilities, revenues, expenditures and fund balance. This is usually accomplished by providing a self-balancing set of accounts for each fund, through the use of a general ledger accounting system which will facilitate the preparation of the financial statements. The general ledger, together with the books of original entry, and supporting subsidiary ledgers, constitute the complete accounting system".

It is recommended that the City continue to improve the new general ledger accounting system.

Finding 2014-26:

There are Improvement Authorizations in the Capital Funds that were originally authorized in prior years. There has been no activity on these authorizations for several years. The City should review all Improvement Authorizations as to status and they should either be cancelled or reauthorized for new purposes.

It is recommended that all Improvement Authorizations be reviewed and either cancelled or reauthorized for new purposes.

**CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)**

**Section II - Financial Statement Audit - Reported Findings Under *Government Auditing Standards*
(Continued)**

Finding 2014-27:

There are several Deferred Charges - Unfunded in the General Capital Fund which have deficit cash balances that are over five (5) years old. These amounts should be included in the next bond sale or raised by subsequent budget appropriation.

It is recommended that all Deferred Charges - Unfunded be reviewed and action taken to include in the next bond sale or raised in subsequent budgets.

Finding 2014-37:

A detailed list for water and sewer connection - arrears, delinquent water and sewer rents receivable and water and sewer liens receivable were not available for audit review.

It is recommended that detailed lists for all water and sewer receivables be available for audit review.

Finding 2014-38:

Inventory in the Water Utility Fund has not changed in the past several years and the Sewer Utility Fund has no inventory recorded. An inventory should be conducted on an annual basis and properly recorded in the General Ledger.

It is recommended that inventories be performed on an annual basis for both the Water and Sewer Utility Funds.

Finding 2014-39:

The City's records indicate that a New Jersey Easement Receivable in the amount of \$86,000.00, and a Reserve for Water Easement in the amount of \$236,000.00 as reflected on Exhibits D-15 and D-28, have been on the records for the past five (5) years. It is essential that all receivables be collected on a timely basis. This receivable and reserve should be reviewed and a claim be submitted for reimbursement or be funded by other means or cancelled by resolution.

It is recommended that the New Jersey Easement Receivable and Reserve be reviewed and a claim be submitted for reimbursement or be funded by other means or cancelled by resolution.

Finding 2014-52:

The bank reconciliation prepared by the Municipal Court for the bail account has a miscellaneous reconciling item of \$39,132.92. This difference could not be identified and is needed to reconcile the bank account. Management is aware of this issue and has contacted State Representatives from the AOC to assist with the bank reconciliations.

It is recommended that all reconciling items be reviewed, identified and corrected.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

Federal Awards

WIA - Adult

Finding #SA-2014-1:

Eligibility:

Condition:

A random sample of six (6) participants were tested for eligibility, for three (3) it could not be determined if training services were linked to employment opportunities and one (1) participant's file was missing the evaluation/assessment form.

Criteria:

All participant files should contain required documentation to be in compliance with the Grant Agreement and laws and regulations established by the State.

Cause:

Failure of management to implement procedures and controls to ensure files all have the required documentation for each participant.

Effect:

Failure to maintain proper documentation may result in withholding of grant funds.

Recommendation:

That management should verify that all participant files maintain a copy of all required documentation for eligibility.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs
(Continued)**

Federal Awards (Continued)

WIA - Youth

Finding #SA-2014-2:

Eligibility:

Condition:

A random sample of four (4) participants were tested for eligibility. Out of those four (4) participant files, we found that two (2) participants were classified as youth, but one (1) should have been WIA-Adult and one (1) should have been WIA-Dislocated Worker.

Criteria:

All participants should be placed in their correct classification to be in compliance with the Grant Agreement and laws and regulations established by the State.

Cause:

Failure of management to implement procedures and controls to ensure participants are being classified correctly.

Effect:

Failure to maintain proper participant classification may result in withholding of grant funds.

Recommendation:

That management should verify that all participants are being classified correctly.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs
(Continued)**

Federal Awards (Continued)

Housing Opportunities for Persons with AIDS (CFDA 14.241)

Finding #SA-2014-3:

Reporting:

Condition:

Budgeted amount per IDIS Report does not agree to budget per CAPER.

Criteria:

Budgeted amount for IDIS Report and CAPER should agree.

Cause:

Failure of management to implement procedures and controls to ensure reports reflect the proper budget amount.

Effect:

Failure of management to report the correct figures on the reports may result in withholding of grant funds.

Recommendation:

That the IDIS Report and CAPER should be reviewed accordingly, and that budgeted amounts agree per contract or grant agreement budget.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs
(Continued)**

Federal Awards (Continued)

Community Development Block Grant (CFDA 14.218)

Finding #SA-2014-4:

Subrecipient Monitoring:

Condition:

Fiscal monitoring was not performed for four (4) subrecipients examined, the programmatic monitoring was not performed for two (2) of the subrecipients and site monitoring reports were not provided for two (2) subrecipients.

Criteria:

Monitoring the subrecipient's use of Federal Awards through reporting, site visits, regular contact or other means provides reasonable assurance that the subrecipient administers Federal Awards in compliance with laws, regulations and the provision of contracts or grant agreements and that performance goals are achieved (24 CFR Section 570.503).

Cause:

Failure of management to implement procedures and controls to ensure fiscal and programmatic monitoring is performed for all subrecipients.

Effect:

The City, as a pass-through entity, is unable to determine subrecipient's compliance with laws, regulations and the provision of contracts or grant agreements.

Recommendation:

That management should implement procedures and controls regarding its in-house monitoring to ensure fiscal and programmatic monitoring is performed for all subrecipients.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs
(Continued)**

Federal Awards (Continued)

Community Development Block Grant (CFDA 14.218) (Continued)

Finding #SA-2014-5:

Subrecipient Monitoring:

Condition:

A final evaluation was not performed for four (4) subrecipients examined.

Criteria:

OMB Circular A-133 requires that subrecipients provide a final evaluation within ninety (90) days of the closing of the contract period.

Cause:

Failure of management to implement procedures and controls to ensure final evaluation for all subrecipients are in the files.

Effect:

The City, as a pass-through entity, is unable to determine subrecipient's compliance with laws, regulations and the provision of contracts or grant agreements.

Recommendation:

That management should establish policies and procedures to ensure that all files are available for review.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs
(Continued)**

Federal Awards (Continued)

Community Development Block Grant (CFDA 14.218) (Continued)

Finding #SA-2014-6:

Condition:

Of thirteen (13) vendors chosen, two (2) were not available for review.

Criteria:

CDBG is required to maintain all needed information for review.

Cause:

Failure of management to implement procedures and controls to ensure that needed documents are provided on time.

Effect:

Failure to maintain proper documentation may result in withholding of grant funds.

Recommendation:

That all needed documents be available for review.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs
(Continued)**

State Awards

SNAP

Finding #SA-2014-7:

Condition:

Management failed to comply with State Award requirements.

Management failed to obligate/expend a minimum of 75% of program funds by December 31, 2013.

As per the City Budget Activity Report, management obligated/expended 26% by December 31, 2013.

Management failed to fully obligate program funds by June 30, 2014 and liquidate program funds by December 31, 2014.

Management obligated 74% by June 30, 2014 and 99% by December 31, 2014.

Management exceeded the allowable amount of 12% of program funds on administration.

Management expended 26% of program funds on salary cost.

Criteria:

As per the Notice of Obligation, the program funds must be 75% obligated by December 31, 2013.

All funds must be fully obligated by June 30, 2014 and liquidated by December 31, 2014.

Finally, not more than 12% of the contracted amount of funds may be spent on administration.

Cause:

Failure of management to implement procedures and controls to ensure the correct amount of funds are obligated and expended by the required dates.

Effect:

Failure to comply with State Award requirements may result in withholding of grant funds.

Recommendation:

That management should establish policies and procedures to ensure the proper monitoring of funds.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs
(Continued)**

State Awards (Continued)

TANF

Finding #SA-2014-8:

Condition:

Management failed to comply with State Award requirements.

Management failed to obligate/ expend a minimum of 75% of program funds by December 31, 2013.

As per the City Budget Activity Report, management obligated/ expended 20% by December 31, 2013.

Management failed to fully obligate program funds by June 30, 2014 and liquidate program funds by December 31, 2014.

Management obligated 61% by June 30, 2014 and 94% by December 31, 2014.

Management exceeded the allowable amount of 12% of program funds on administration.

Management expended 22% of program funds on salaries.

Criteria:

As per the Notice of Obligation, the program funds must be 75% obligated by December 31, 2013.

All funds must be fully obligated by June 30, 2014 and liquidated by December 31, 2014.

Finally, not more than 12% of the contracted amount of funds may be spent on administration.

Cause:

Failure of management to implement procedures and controls to ensure the correct amount of funds are obligated and expended by the required dates.

Effect:

As a result, the New Jersey Department of Labor and Workforce Development rescinded the funds for State Fiscal Year 2014/Program Year 2013 by \$22,904.00.

Recommendation:

That management should establish policies and procedures to ensure the proper monitoring of funds.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs
(Continued)**

State Awards (Continued)

N.J. Pequannock River Restoration (RP09-074)

Finding #SA-2014-9:

Condition:

Management failed to provide documentation that the advance payment of \$250,000.00 was deposited into an interest-bearing account as specified in the grant agreement.

Criteria:

As per the grant agreement, *Section XXII: Interest on Advance Payments and Disallowed Cost*, the Grantee is required to deposit any advance payments received hereunder in an interest-bearing account.

Cause:

An interest-bearing account statement was not provided by management.

Effect:

Failure of management to provide an interest-bearing account statement may result in a withholding of grant funds.

Recommendation:

That management should establish policies and procedures to ensure all documents are available for review.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs
(Continued)**

State Awards (Continued)

N.J. Pequannock River Restoration (RP09-074) (Continued)

Finding #SA-2014-10:

Condition:

Management failed to provide the subcontractor agreement for USGS.

Criteria:

The Grantee shall be responsible for compliance by any subcontractor with the terms, conditions and requirements of the grant agreement.

Cause:

The subcontractor agreement for USGS' was not provided by management.

Effect:

Failure to make available the subcontractor agreement may result in withholding of grant funds.

Recommendation:

That management should establish policies and procedures to ensure all documents are available for review.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

**Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs
(Continued)**

State Awards (Continued)

Clean Communities

Finding #SA-2014-11:

Condition:

Of the eight (8) vendors chosen, six (6) were not made readily available for review.

Criteria:

Clean Communities is required to maintain and provide all needed information for review.

Cause:

Failure of management to implement procedures and controls to ensure the needed documents are provided on time.

Effect:

Failure to maintain proper documentation may result in withholding of grant funds.

Recommendation:

That all needed documents be made available for review.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014

Section IV - Schedule of Prior Year Audit Findings

Federal Awards

Community Development Block Grant (CFDA 14.218)

Finding #SA-2013-1:

Condition:

Of the fifteen (15) files chosen, eleven (11) were not available for review. We were therefore unable to determine whether the various expenditures complied with the program objectives.

Recommendation:

That all required supporting documentation be available for review.

Status:

Unresolved.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

Federal Awards (Continued)

Community Development Block Grant (CFDA 14.218) (Continued)

Finding #SA-2013-2:

Subrecipient Monitoring:

Condition:

The programmatic monitoring was performed for fifteen (15) of the subrecipients; the Site Monitoring Reports were not provided for five (5) subrecipients and Final Evaluation Reports were not provided for three (3) subrecipients.

Recommendation:

That management should implement procedures and controls regarding its in-house monitoring to ensure fiscal and programmatic monitoring is performed for all subrecipients.

Status:

Unresolved.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

Federal Awards (Continued)

Community Development Block Grant (CFDA 14.218) (Continued)

Finding #SA-2013-3:

Subrecipient Monitoring:

Condition:

Of fifteen (15) subrecipients tested, one (1) folder was not available for review. Only a final evaluation report was provided.

Recommendation:

That management should implement procedures and controls regarding its in-house monitoring to ensure all needed documentation is available for programmatic monitoring and is performed for all subrecipients.

Status:

Unresolved.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

Federal Awards (Continued)

Neighborhood Stabilization Program (CFDA 14.256)

NSP 1

Finding #SA-2013-4:

Reporting:

Condition:

We were unable to verify the Form HUD-60002 for NSP 1.

Recommendation:

That management should implement procedures and controls to ensure that all documents are maintained and available for review.

Status:

Unknown.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

Federal Awards (Continued)

Neighborhood Stabilization Program (CFDA 14.256) (Continued)

NSP 2

Finding #SA-2013-5:

Reporting:

Condition:

Of five (5) projects tested for environmental reviews, three (3) were not provided.

Recommendation:

That management should establish policies and procedures to ensure that reports are available.

Status:

Unknown.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

Federal Awards (Continued)

Neighborhood Stabilization Program (CFDA 14.256) (Continued)

Finding #SA-2013-6:

Reporting:

Condition:

Quarterly Reports were not available for review.

Recommendation:

That copies of Quarterly Reports be available for review.

Status:

Unknown.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

State Awards

**Transportation Management Association/Metropolitan Planning Organization
(State Number 480-078-6300)**

Finding #SA-2013-7:

Reporting:

Condition:

Supporting documentation for one (1) project was unavailable for the audit.

Recommendation:

That management should establish policies and procedures to ensure that supporting documentation is available.

Status:

Resolved.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

State Awards (Continued)

**Transportation Management Association/Metropolitan Planning Organization
(State Number 480-078-6300) (Continued)**

Finding #SA-2013-8:

Reporting:

Condition:

Management failed to provide financial records for one (1) contract in order to determine the amount and manner in which the matching share was provided.

Recommendation:

That management should establish policies and procedures to ensure that supporting documentation is available.

Status:

Resolved.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

State Awards (Continued)

Municipal Aid Formula and Discretionary Aid (State Number 763-020-2830)

Finding #SA-2013-9:

Reporting:

Condition:

We were unable to review the contract documents and cost reimbursement request for one (1) contract.

Recommendation:

That management should establish policies and procedures to ensure that all agreements are available.

Status:

Unresolved.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

State Awards (Continued)

Municipal Aid Formula and Discretionary Aid (State Number 763-020-2830)

Finding #SA-2013-10:

Reporting:

Condition:

We were unable to determine three (3) out of seven (7) projects for the amount and manner in which the matching share was provided.

Recommendation:

That management should establish policies and procedures to ensure that reports are available.

Status:

Resolved.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

Federal Awards (Continued)

Community Development Block Grant (CFDA 14.218)

Finding #SA-2012-3:

Subrecipient Monitoring:

Condition:

Fiscal monitoring was not performed for two (2) subrecipients examined, the programmatic monitoring was not performed for two (2) of the subrecipients and site monitoring reports were not provided for three (3) subrecipients.

Recommendation:

That management should implement procedures and controls regarding its in-house monitoring to ensure fiscal and programmatic monitoring is performed for all subrecipients.

Status:

Unresolved.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

Federal Awards (Continued)

Community Development Block Grant (CFDA 14.218) (Continued)

Finding #SA-2012-4:

Subrecipient Monitoring:

Condition:

A Final Evaluation was not performed for five (5) subrecipients examined.

Recommendation:

That management should establish policies and procedures to ensure all files are available for review.

Status:

Unresolved.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

State Awards

Neighborhood Stabilization Program (CFDA 14.256)

Finding #SA-2012-7:

Davis-Bacon Act:

Condition:

We could not verify if two (2) projects required to follow the Davis-Bacon Act were in compliance due to the unknown number of units for each project.

Recommendation:

That management should establish policies and procedures to ensure that compliance with the Davis-Bacon Act are adhered to.

Status:

Unknown.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

State Awards (Continued)

Neighborhood Stabilization Program (CFDA 14.256) (Continued)

Finding #SA-2012-8:

Special Testing:

Condition:

Of a sample of fifteen (15) projects selected, we could not verify if the Rehabilitation Compliance was completed, if applicable for fifteen (15) files. We were not provided with Environmental Reviews for three (3) of the fifteen (15) files.

Recommendation:

That management should establish policies and procedures to ensure that all reports are maintained.

Status:

Unknown.

CITY OF NEWARK
COUNTY OF ESSEX, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

Section IV - Schedule of Prior Year Audit Findings (Continued)

State Awards (Continued)

Transportation Management Association/Metropolitan Planning Organization

Finding #SA-2012-9:

Reporting:

Condition:

- With regard to three (3) vendor files examined, we were either not provided with or were missing supporting documentation.

Recommendation:

- That management should establish policies and procedures to ensure that Annual Reports are maintained.

Status:

Unresolved.

WIA-Adult

Finding # SA-2014-1:

Eligibility

Condition:

A random sample of six (6) participants were tested for eligibility, for three (3) it could not be determined if training services were linked to employment opportunities and one (1) participant's file was missing the evaluation/assessment form.

Recommendation:

That management should verify that all participant files maintain a copy of all required documentation for eligibility.

Corrective Action and Explanation:

The Agency of Newark Works will comply with the Auditor(s) recommendation and establish administrative internal control(s) to ensure all criteria documentation and form(s) are retained in participants(s) file(s).

Implementation Date: December 2015 and Ongoing

WIA- Youth

Finding # SA-2014-2:

Eligibility

Condition:

A random sample of six (4) participants were tested for eligibility. Out of those four (4) participant files, we found that two (2) participants were classified as youth, but one (1) should have been WIA-Adult and one (1) should have been WIA-Dislocated Worker.

Recommendation:

That management should verify that all participants are being classified correctly.

Corrective Action and Explanation:

The Agency of Newark Works will comply with the Auditors(s) recommendation and establish administrative internal control(s) to review participant(s) files(s) for the proper classification.

Implementation Date: December 2015 and Ongoing

Housing Opportunities for Persons with AIDS (CFDA 14:241)

Finding # SA-2014-3:

Reporting:

Condition:

Budgeted amount per IDIS Report does not agree to budget per CAPER.

Recommendation:

That the IDIS Report and CAPER should be reviewed accordingly, and that budgeted amounts agree per contract or grant agreement budget.

Corrective Action and Explanation:

The City of Newark Department of Administration will comply with the Auditor(s) recommendation and review all report(s) and ensure that budgeted amount(s) agrees with the IDIS report.

Implementation Date: December 2015 and Ongoing

Community Development Block Grant (CFDA 14,218)

Finding # SA-2014-4:

Subrecipient Monitoring

Conditions:

Fiscal monitoring was not performed for four (4) subrecipients examined, the programmatic monitoring was not performed for two (2) of the subrecipients and site monitoring reports were not provided for two (2) subrecipients.

Recommendation:

That management should implement procedures and controls regarding its in-house monitoring to ensure fiscal and programmatic monitoring is performed for all subrecipients.

Corrective Action and Explanation:

The City of Newark Department of Administration will comply with the Auditor(s) recommendation and establish administrative internal control(s) to ensure programmatic and site monitoring are done.

Implementation Date: Ongoing

Community Development Block Grant (CFDA 14,218)

Finding # SA-2014-5:

Subrecipient Monitoring

Conditions:

A final evaluation was not performed for four (4) subrecipients examined.

Recommendation:

That management should establish policies and procedures to ensure that all files are available for review.

Corrective Action and Explanation:

The City of Newark Department of Administration will comply with Auditor(s) recommendation and establish procedure(s) to ensure documentation is available.

Implementation Date: Ongoing

Finding # SA-2014-6:

Condition:

Of thirteen (13) vendors chosen, two (2) were not available for review.

Recommendation:

That all needed documents be available for review.

Corrective Action and Explanation:

The City of Newark will Department of Administration will comply with the Auditor(s) recommendation and secure documentation and submit to the Auditor(s) for review.

Implementation Date: December 2015

State Awards:

SNAP

Finding # SA-2014-7:

Condition:

Management failed to comply with State Award requirements.

Management failed to obligated/expend and minimum of 75% of program funds by December 31, 2013.

As per the City Budget Activity Report, management obligated/expended 26% by December 31, 2013.

Management fail to fully obligate program funds by June 30, 2014 and liquidate program funds by December 31, 2014.

Management obligated 74% program funds by June 30, 2014 and liquidate program funds by December 31, 2014.

Management exceeded the allowable amount of 12% of program funds on administration.

Management expended 28% of program funds on salary cost.

Recommendation:

That management should establish policies and procedures to endure the proper monitoring of funds.

Corrective Action and Explanation:

The Agency of Newark Works will comply with the Auditor(s) recommendation and discontinue the practice of not complying with the State Award requirements and expend all funds timely.

Implementation Date: December 2015 and Ongoing

State Awards:

TANF

Finding # SA-2014-8:

Condition:

Management failed to comply with State Award requirements.

Management failed to obligated/expend and minimum of 75% of program funds by December 31, 2013.

As per the City Budget Activity Report, management obligated/expended 20% by December 31, 2013.

Management failed to fully obligate program funds by June 30, 2014 and liquidate program funds by December 31, 2014

Management obligated 61% program funds by June 30, 2014 and 94% by December 31, 2014

Management exceeded the allowable amount of 12% of program funds on administration.

Management expended 22% of program funds on salary cost.

Recommendation:

That management should establish policies and procedures to endure the proper monitoring of funds.

Corrective Action and Explanation:

The Agency of Newark Works will comply with the Auditor(s) recommendation and discontinue the practice of not complying with the State Award requirements and expend all funds timely.

Implementation Date: December 2015 and Ongoing

State Awards:

N.J. Pequannock River Restoration (RP09-074)

Finding # SA-2014-9:

Condition:

Management failed to provide documentation that the advance payment of \$250,000.00 was deposited into an Interest-bearing account as specified in the grant agreement.

Recommendation:

The management should establish policies and procedures to ensure all documents are available for review.

Corrective Action and Explanation:

The Agency of Water & Sewer will comply with the Auditor(s) recommendation and will secure the documentation and submit to the Auditor(s) for review.

Implementation Date: December 2015

State Awards:

Finding # SA-2014-10:

Condition:

Management failed to provide the subcontractor agreement for USGS.

Recommendation:

That management should establish policies and procedures to ensure that all files are available for review.

Corrective Action and Explanation:

The Agency of Water & Sewer will comply with the Auditor(s) recommendation and will secure the documentation and submit to the Auditor(s) for review.

Implementation Date: December 2015

State Awards:

Clean Communities

Finding # SA-2014-11:

Condition:

Of the eight (8) vendors chosen six (6) were not made readily available for review.

Recommendation:

That all needed documents be made available for review.

Corrective Action and Explanation:

The City of Newark Department of Neighborhood and Recreational Services will comply with the Auditor(s) recommendation and secure the documentation for the vendor(s) and submit to the auditor(s) for review.

Implementation Date: December 2015