

This is a Preliminary Official Statement "deemed final", complete with the exception of the specific information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission. The Town has authorized distribution of this Preliminary Official Statement to prospective purchasers and others. Upon the sale of the Bonds described herein, the Town will deliver a final Official Statement within seven (7) business days following such sale.

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 3, 2016

NEW ISSUE
SERIAL BONDS

RATING: (See "RATING" herein)

In the opinion of DeCotiis, FitzPatrick & Cole, LLP, Bond Counsel, assuming continuing compliance by the Town of West New York (the "Town") with certain covenants described herein, under current law, interest on the Bonds is not includable in gross income for federal income tax purposes and is not an item of tax preference under Section 57 of the Internal Revenue Code of 1986, as amended ("Code"), for purposes of computing the federal alternative minimum tax; however, interest on the Bonds held by corporate taxpayers is included in the relevant income computation for calculation of the federal alternative minimum tax as a result of the inclusion of interest on the Bonds in "adjusted current earnings". No opinion is expressed regarding other federal tax consequences arising with respect to the Bonds. Further, in the opinion of Bond Counsel, under current law interest on the Bonds and any gain on the sale thereof are not includable as gross income under the New Jersey Gross Income Tax Act. See "TAX MATTERS" herein.

\$5,047,000 GENERAL OBLIGATION BONDS, SERIES 2016

**TOWN OF WEST NEW YORK
IN THE COUNTY OF HUDSON, NEW JERSEY
(NON-CALLABLE) (NOT BANK-QUALIFIED)**

Dated: Date of Delivery

Due: November 1, as shown inside front cover hereof

The \$5,047,000 General Obligation Bonds, Series 2016 (the "Bonds") are general obligations of the Town of West New York, in the County of Hudson, New Jersey (the "Town"), and are secured by a pledge of the full faith and credit of the Town for payment of the principal thereof and interest thereon. The Bonds are payable, if not paid from other sources, from ad valorem taxes which may be assessed upon all the taxable property within the Town without limitation as to rate or amount.

The Bonds shall be issued in the form of one certificate for each maturity in the aggregate principal amount of such maturity of the Bonds and will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"), which will maintain a book-entry system for recording ownership interests of DTC Participants. Individual purchases of the beneficial ownership interests in the Bonds may be made in book-entry form only on the records of DTC and its Participants and only in the principal amount of \$1,000 or any integral multiple thereof with a minimum of \$5,000 required. Beneficial Owners of the Bonds will not receive certificates representing their interests in the Bonds. As long as Cede & Co. is the registered owner, as nominee of DTC, references in this Official Statement to the registered owners shall mean Cede & Co., and not the Beneficial Owners of the Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein.

Principal on the Bonds is payable on November 1, in each of the years set forth on the inside front cover hereof. Interest on the Bonds will be paid semiannually on the 1st day of May and November in each year until maturity, commencing on May 1, 2017. As long as DTC or its nominee Cede & Co. is the registered owner of the Bonds, payment of the principal and interest on the Bonds will be made by the Town directly to DTC or its nominee Cede & Co. Interest on the Bonds will be credited to the participants of DTC as listed on the records of DTC as of each next preceding April 15th and October 15th ("Record Dates") for the payment of interest on the Bonds.

The Bonds are not subject to redemption prior to maturity. See "THE BONDS –Redemption" herein.

The Bonds are offered when, as and if issued and delivered to the purchaser, subject to prior sale, to withdrawal or modification of the offer without notice and to approval of legality by the law firm of DeCotiis, FitzPatrick & Cole, LLP, Teaneck, New Jersey, and certain other conditions described herein. Certain legal matters will be passed upon for the Town by its Counsel, Donald Scarinci, Esq., Lyndhurst, New Jersey. NW Financial Group, LLC, Hoboken, New Jersey served as financial advisor to the Town in connection with the issuance of the Bonds. It is expected that the Bonds will be available for delivery to DTC on or about November 1, 2016.

**SEALED OR ELECTRONIC (VIA PARITY) SUBMISSIONS FOR THE BONDS
WILL BE RECEIVED BY THE CHIEF FINANCIAL OFFICER
OF THE TOWN OF WEST NEW YORK, NEW JERSEY 07093
UNTIL 11:00 A.M. ON OCTOBER 11, 2016**

MATURITY SCHEDULE, INTEREST RATES AND YIELDS

<u>Year</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP*</u>
2017	\$370,000			954685
2018	375,000			954685
2019	385,000			954685
2020	395,000			954685
2021	400,000			954685
2022	410,000			954685
2023	425,000			954685
2024	435,000			954685
2025	445,000			954685
2026	455,000			954685
2027	465,000			954685
2028	487,000			954685

* CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein are provided by Standard & Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. The CUSIP numbers listed above are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds and the Town does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

**TOWN OF WEST NEW YORK
HUDSON COUNTY, NEW JERSEY**

MAYOR

Felix E. Roque, M.D.

TOWN COUNCIL

Susan M. Colacurio
Gabriel Rodriguez
Cosmo Cirillo
Margarita Guzman

TOWN CLERK

Carmela Riccie

BUSINESS ADMINISTRATOR

James Cryan

ACTING CHIEF FINANCIAL OFFICER

Judy Tutela, CPA, RMA, CMFO

TOWN ATTORNEY

Donald Scarinci, Esq.
Lyndhurst, New Jersey

TOWN AUDITOR

Lerch, Vinci & Higgins, LLP
Fair Lawn, New Jersey

FINANCIAL ADVISOR

NW Financial Group, LLC
Hoboken, New Jersey

BOND COUNSEL

DeCotiis, FitzPatrick & Cole, LLP
Teaneck, New Jersey

No broker, dealer, salesperson or other person has been authorized by the Town to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Town. The information contained herein has been obtained from the Town, DTC and other sources which are believed to be reliable; however, such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation or warranty of the Town. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in any of the information herein since the date hereof, or the date as of which such information is given, if earlier.

References in this Official Statement to laws, rules, regulations, ordinances, resolutions, agreements, reports and documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein, and copies of which may be inspected at the offices of the Town during normal business hours.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended by the Town from time to time (collectively, the "Official Statement"), may be treated as a "Final Official Statement" with respect to the Bonds described herein that is deemed final as of the date hereof (or of any such supplement or amendment) by the Town.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representation other than as contained in this Official Statement. If given or made, such other information or representation must not be relied upon as having been authorized by the Town or the Underwriter. This Official Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used in whole or in part for any other purpose.

DeCotiis, Fitzpatrick & Cole, LLP, has not participated in the preparation of the financial statements or statistical information contained in this official statement, nor has it verified the accuracy, completeness, or fairness thereof, and accordingly, express no opinion with respect thereto.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TOWN AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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OFFICIAL STATEMENT

OF THE

**TOWN OF WEST NEW YORK
IN THE COUNTY OF HUDSON, NEW JERSEY**

\$5,047,000 GENERAL OBLIGATION BONDS, SERIES 2016

INTRODUCTION

This Official Statement (the "Official Statement") which includes the cover page and the appendices attached hereto, has been prepared by the Town of West New York (the "Town"), in the County of Hudson (the "County"), State of New Jersey (the "State"), to provide certain information in connection with the sale and issuance by the Town of its \$5,047,000 General Obligation Bonds, Series 2016 (the "Bonds") dated the date of delivery thereof.

This Official Statement is "deemed final", as of its date, within the meaning of Rule 15c2-12 promulgated by the Securities and Exchange Commission ("Rule 15c2-12").

THE BONDS

General Description

The Bonds are dated their date of delivery, and will mature on November 1 in the years and in the principal amounts and will bear interest from their date, payable on each May 1 and November 1 (each, an "Interest Payment Date") in each year until maturity, commencing May 1, 2017, at the rates shown on the inside front cover page hereof. The Bonds are issuable as fully registered book-entry only bonds in the form of one certificate for each year of maturity of the Bonds and in the aggregate principal amount of such maturity.

The Bonds may be purchased in book-entry only form in the amount of any integral multiple of \$1,000 with a minimum purchase of \$5,000 required, through book-entries made on the books and records of The Depository Trust Company, New York, New York ("DTC"), and its participants. So long as DTC or its nominee, Cede & Co. (or any successor or assign), is the registered owner for the Bonds, payments of the principal of and interest on the Bonds will be made by the Town directly to Cede & Co. (or any successor or assign), as nominee for DTC. Interest on the Bonds will be credited to the participants of DTC as listed on the records of DTC as of the close of business on April 15 and October 15 (the "Record Dates" for the payment of interest on the Bonds). See "Book-Entry Only System" herein.

Redemption

The Bonds are not subject to redemption prior to their stated maturities.

BOOK-ENTRY ONLY SYSTEM

The description which follows of the procedures and recordkeeping with respect to beneficial ownership interest in the Bonds, payment of principal and interest and other payments on the Bonds to Direct and Indirect Participants (defined below) or Beneficial Owners (defined below), confirmation and transfer of beneficial ownership interests in the Bonds and other related transactions by and between DTC, Direct Participants and Beneficial Owners, is based on certain information furnished by DTC to the Town. Accordingly, the Town does not make any representations as to the completeness or accuracy of such information.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of each series of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of the Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Town and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Town as Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Town as Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, note certificates will be printed and delivered.

The Town may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

NEITHER THE TOWN NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, OR THE INDIRECT PARTICIPANTS, OR BENEFICIAL OWNERS.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE BONDHOLDERS OR REGISTERED OWNERS OF THE BONDS (OTHER THAN UNDER THE CAPTION "TAX MATTERS") SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS.

Discontinuation of Book-Entry Only System

If the Town, in its sole discretion, determines that DTC is not capable of discharging its duties, or if DTC discontinues providing its services with respect to the Bonds at any time, the Town will attempt to locate another qualified securities depository. If the Town fails to find such securities depository, or if the Town determines, in its sole discretion, that it is in the best interest of the Town or that the interest of the Beneficial Owners might be adversely affected if the book-entry only system of transfer is continued (the Town undertakes no obligation to make an investigation to determine the occurrence of any events that would permit it to make such determination) the Town shall notify DTC of the termination of the book-entry only system.

In the event that the book-entry only system for the Bonds is discontinued, upon receipt of the Bond certificates from DTC and the Participant information, the Town will authenticate (or cause to be authenticated) and deliver definitive Bonds to the holders thereof, and the principal of and interest on the Bonds will be payable and the Bonds may thereafter be transferred or exchanged in the manner described in the bond certificates so provided.

AUTHORIZATION AND PURPOSE OF THE BONDS

Authorization of the Bonds

The Bonds have been authorized and are issued pursuant to the laws of the State, including the Local Bond Law, Chapter 2 of Title 40A of the New Jersey Statutes, as amended (the "Local Bond Law"), the various bond ordinances of the Town, as set forth below, and a resolution adopted by the Board of Commissioners of the Town on September 15, 2016 (the "Resolution").

The Bonds are being issued to (i) currently refund \$5,047,000 aggregate principal amount of the Town's outstanding Bond Anticipation Notes maturing November 11, 2016 and issued through the Hudson County Improvement Authority and (ii) pay costs and expenses incidental to the issuance of the delivery of the Bonds.

<u>Ordinance No.</u>	<u>Description</u>	<u>Amount</u>
17/10 as amended by 2/16	Various Capital Improvements	1,690,000
3/13	Various Capital Improvements	1,958,000
16/13	Road Improvement Projects	744,000
7/14	Road Improvement Projects	275,000
8/14	Various Capital Improvements	<u>380,000</u>
		<u>\$ 5,047,000</u>

SECURITY AND SOURCE OF PAYMENT

The Bonds are general obligations of the Town, and the Town has pledged its full faith and credit for the payment of the principal of and the interest on the Bonds. The Bonds are direct obligations of the Town and, to the extent that other monies are not available, the Town is required by law to levy ad valorem taxes upon all the real property taxable within the Town for the payment of the principal of and interest on the Bonds without limitation as to rate or amount.

NO DEFAULT

The Town has never defaulted in the payment of any bonds or notes, nor are any payments of principal of or interest on the Town's indebtedness past due.

CERTAIN STATUTORY PROVISIONS FOR THE PROTECTION OF GENERAL OBLIGATION DEBT

Local Bond Law (N.J.S.A. 40A:2-1 et seq.)

The Local Bond Law governs the issuance of bonds and notes to finance certain municipal capital expenditures. Among its provisions are requirements that bonds must mature within the statutory period of usefulness of the projects bonded and that bonds be retired in serial installments. A 5% cash down payment is generally required to be appropriated for the financing of expenditures for municipal purposes for which bonds are authorized. All bonds and notes issued by the Town are general full faith and credit obligations.

The Local Fiscal Affairs Law (N.J.S.A. 40A:5-1 et seq.)

This law regulates the non-budgetary financial activities of local governments. An annual, independent audit of the local unit's accounts for the previous year must be performed by a licensed Registered Municipal Accountant. The audit, conforming to the Division of Local Government Services "Requirements of Audit," includes recommendations for improvement of the local unit's financial procedures and must be filed with the Director within six months after the close of the fiscal year. A synopsis of the audit report, together with all recommendations made, must be published in a local newspaper within 30 days of its completion.

The chief financial officer of every local unit must file annually with the Director a verified statement of financial condition of the local unit and all constituent boards, agencies or commissions.

The annual audit report is filed with the Town Clerk and is available for review during business hours.

Debt Limits

The authorized bonded indebtedness of a municipality in the State of New Jersey is limited by statute, subject to the exceptions noted below, to an amount equal to 3-1/2% of its equalized valuation basis. The equalized valuation basis of the municipality is set by statute as the average for the last three years of the equalized value of all taxable real property and improvements and certain class II railroad property within its boundaries as annually determined by the State Board of Taxation.

Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit.

Exceptions to Debt Limits-Extensions of Credit

The debt limit of the Town may be exceeded with the approval of the Local Finance Board, in the Division of Local Government Services, Department of Community Affairs, State of New Jersey, a State regulatory agency (the "Board"). If all or any part of a proposed debt authorization would exceed its debt limit, the Town must apply to the Board for an extension of credit. If the Board determines that a proposed debt authorization would not materially impair the ability of the Town to meet its obligations or to provide essential services, or makes other statutory determinations, approval is granted. In addition to the aforesaid, debt in excess of the debt limit may be issued without the approval of the Board to fund certain bonds and notes for self-liquidating purposes and, in each fiscal year, in an amount not exceeding two-thirds of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of obligations issued for utility or assessment purposes).

Short-Term Financing

The Town may issue bond anticipation notes to temporarily finance capital improvements. Bond anticipation notes, which are general obligations of the Town, may be issued for a period not exceeding one year. Generally, bond anticipation notes may not be outstanding longer than 10 years. Additionally, beginning in the third year, the amount of outstanding notes that may be renewed is decreased by not less than the minimum amount required for the first year principal payment of bonds in anticipation of which such notes are issued.

MUNICIPAL BUDGET

Pursuant to the Local Budget Law (N.J.S.A. 40A:4-1 et seq.) the Town is required to have a balanced budget in which debt service is included in full for each fiscal year.

The Local Budget Law (N.J.S.A. 40A:4-1 et seq.)

The foundation of the New Jersey local finance system is the annual cash basis budget. The Town must adopt an operating budget in the form required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Items of revenue and appropriation are regulated by law and must be certified by the Director of the Division (the "Director") prior to final adoption of the budget. The Local Budget Law

requires each local unit to appropriate sufficient funds for payment of current debt service and the Director is required to review the adequacy of such appropriations, among others, for certification.

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the review functions focusing on anticipated revenues serve to protect the solvency of all local units. Local budgets, by law and regulation, must be in balance on a "cash basis". No budget or amendment thereof shall be adopted unless the Director shall have previously certified his approval thereof (N.J.S.A. 40A:4-10).

The principal sources of Town revenues are real estate taxes and miscellaneous revenues.

In any year, the municipality may authorize, by resolution, the issuance of tax anticipation notes which may be issued in anticipation of the collection of taxes for such year. Tax anticipation notes are limited in amount by law and must be paid off in full by a municipality within one hundred and twenty (120) days after the close of the fiscal year.

Real Estate Taxes

The general principle that revenue cannot be anticipated in a budget in excess of that realized in the preceding year applies to delinquent property taxes. N.J.S.A. 40A:4-29 delineates anticipation of delinquent tax collections: "The maximum which may be anticipated is the sum produced by the multiplication of the amount of delinquent taxes unpaid and owing to the local unit on the first day of the current fiscal year by the percentage of collection of delinquent taxes for the year immediately preceding the current fiscal year."

Section 41 of the Local Budget Law provides with regard to current taxes that: "Receipts from the collection of taxes levied or to be levied in the municipality, or in the case of a county for general county purposes and payable in the fiscal year, shall be anticipated in an amount which is not in excess of the percentage of taxes levied and payable during the next preceding fiscal year which was received in cash by the last day of such preceding fiscal year."

The provision requires that an additional amount (the "reserve for uncollected taxes") be added to the tax levy required to balance the budget so that when the percentage of the prior year's tax collection is applied to the combined total, the product will at least be equal to the tax levy required to balance the budget. The reserve requirement is calculated as follows:

Levy Required to Balance Budget

Prior Year's Percentage of Current = Total Taxes to be Levied
Tax Collections (or lesser %)

Miscellaneous Revenues

Section 26 of the Local Budget Law provides: "no miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing, to the local unit." The exception to this is the inclusion of categorical grants-in-aid contracts for their face amount with an offsetting appropriation. The fiscal years for such grants rarely coincide with the municipality's calendar fiscal year.

Limitations on Municipal Appropriations and Tax Levy

A provision of law known as the New Jersey "Cap Law" (N.J.S.A. 40A:4-45.1 et seq.) imposes limitations on increases in municipal appropriations subject to various exceptions. The payment of debt service is an exception from this limitation. The Cap formula is somewhat complex, but basically, it permits a municipality to increase its overall appropriations by the lesser of 2.5% or the "cost-of-living adjustment". The cost-of-living adjustment is the rate of annual percentage increase, rounded to the nearest one-half percent, in the Implicit Price Deflator for State and Local Government purchases of goods and services computed by the U.S. Department of Commerce. Exceptions to the limitations imposed by the Cap Law also exist for other things including capital expenditures; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services

agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law. Counties are also prohibited from increasing their tax levies by more than the lesser of 2.5% or the cost-of-living adjustment subject to certain exceptions. Municipalities by ordinance approved by a majority of the full membership of the governing body may increase appropriations up to 3.5% over the prior year's appropriation and counties by resolution approved by a majority of the full membership of the governing body may increase the tax levy up to 3.5% over the prior years' tax levy in years when the cost-of-living adjustment is 2.5% or less.

Additionally, P.L 2007, c. 62, effective April 3, 2007, imposed a 4% cap on the tax levy of a municipality, county, fire district, or solid waste collection district, with certain exclusions and allowing waivers by the Local Finance Board, and on July 13, 2010, P.L. 2010, c. 44 was approved, effective for budget years following enactment, reducing the tax levy cap to 2% and limiting the exclusions to amounts required to be raised by taxation for capital expenditures, including debt service as defined by law, certain pension contributions and health care costs in excess of 2% and extraordinary costs directly related to a declared emergency. Voter approval may be requested to increase the amount to be raised by taxation by more than the allowable adjusted tax levy.

Neither the tax levy limitation nor the "Cap Law" limits the obligation of the Town to levy *ad valorem* taxes upon all taxable real property within the Town to pay debt service on its bonds or notes.

Deferral of Current Expense

Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. With minor exceptions, however, such appropriations must be included in full in the following year's budget. When such appropriations exceed 3% of the adopted operating budget, consent of the Director must be obtained.

The exceptions are certain enumerated quasi-capital projects such as ice, snow and flood damage to streets, roads and bridges, which may be amortized over three years, and tax map preparation, revaluation of real property, codification of ordinances, master plan preparations and contractually required severance liabilities, which may be amortized over five years.

Budget Transfers

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between major appropriation accounts are prohibited until the last two months of the year and, although sub-accounts within an appropriation are not subject to the same year-end transfer restriction, they are subject to internal review and approval by the governing body.

Fiscal Year

The Town's fiscal year is the calendar year. Chapter 75 of the Pamphlet Laws of 1991 of New Jersey required municipalities with populations in excess of 35,000 or which received Municipal Revitalization Aid from the State in 1990 or 1991 to change their fiscal year from the calendar year to the State fiscal year (July 1 to June 30), unless an exemption is granted. Municipalities not meeting the criteria for a mandatory change have the option to choose to change to the State fiscal year. The Town was previously a fiscal year community. The Town transitioned from a fiscal year back to a calendar year with the 2010 transition year for the period July 1, 2010 to December 31, 2010.

Budget Process

Primary responsibility for the Town's budget process lies with the Board of Commissioners. As prescribed by the Local Budget Law, adoption should occur by the end of March, however, extensions may be granted by the Division to any local governmental unit. In the first quarter in which the budget formulation is taking place, the Town operates under a temporary budget which may not exceed 26.25% of the previous fiscal year's adopted budget. In addition to the temporary budget, the Town may approve emergency temporary appropriations for any purpose for which appropriations may lawfully be made.

TAX MATTERS

The Town has covenanted to comply with any continuing requirements that may be necessary to preserve the exclusion from gross income for purposes of federal income taxation of interest on the Bonds under the Internal Revenue Code of 1986, as amended ("Code"). Failure to comply with certain requirements of the Code could cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. In the opinion of DeCotiis, FitzPatrick & Cole, LLP, Bond Counsel, to be delivered at the time of original issuance of the Bonds, assuming continuing compliance by the Town with certain covenants described herein, under current law, interest on the Bonds is not includable in gross income for federal income tax purposes and is not an item of tax preference under Section 57 of the Code for purposes of computing the federal alternative minimum tax; however, interest on the Bonds held by corporate taxpayers is included in the relevant income computation for calculation of the federal alternative minimum tax as a result of the inclusion of interest on the Bonds in "adjusted current earnings" (see discussion below). No opinion is expressed regarding other federal tax consequences or other federal taxes arising with respect to the Bonds.

The Code imposes certain significant ongoing requirements that must be met after the issuance and delivery of the Bonds in order to assure that the interest on the Bonds will be and remain excludable from gross income for federal income tax purposes. These requirements include, but are not limited to, requirements relating to use and expenditure of proceeds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on investments of gross proceeds of the Bonds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Bonds to become subject to federal income taxation retroactive to their date of issuance, regardless of the date on which such noncompliance occurs or is discovered. The Town has covenanted that it shall do and perform all acts permitted by law that are necessary or desirable to assure that interest on the Bonds will be and will remain excluded from gross income for federal income tax purposes. The Town will deliver its Arbitrage and Tax Certificate concurrently with the issuance of the Bonds, which will contain provisions relating to compliance with the requirements of the Code, including certain covenants in that regard by the Town. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Town in connection with the Bonds, and Bond Counsel has assumed compliance by the Town with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

In the opinion of Bond Counsel, under current law interest on the Bonds and any gain on the sale thereof are not includable as gross income under the New Jersey Gross Income Tax Act.

The opinions of Bond Counsel are limited to and based upon the laws and judicial decisions of the State and the federal laws and judicial decisions of the United States of America as of the date of the opinions, and are subject to any amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for their opinions or to any laws or judicial decisions hereafter enacted or rendered. Bond Counsel assumes no obligation to update its opinions after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. Bond Counsel expresses no opinion on the effect of any action taken after the date of the opinions or not taken in reliance upon an opinion of other counsel on the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Alternative Minimum Tax. Section 55 of the Code provides that an alternative minimum tax is imposed on corporations at a rate of 20 percent. For purposes of the corporate alternative minimum tax, the Code includes and increase adjustment for the computation of the alternative minimum tax consisting generally of seventy-five percent of the amount by which "adjusted current earnings" exceed alternative minimum taxable income (computed without regard to this adjustment and the alternative tax net operating loss deduction). Thus, to the extent interest on the Bonds is a component of a corporate holder's "adjusted current earnings", a portion of that interest may be subject to an alternative minimum tax.

Bank Qualification. The Bonds **will not** be designated as qualified under Section 265 of the Code by the Town for an exemption from the denial of deduction for interest paid by the financial institutions to purchase or to carry tax exempt obligations.

Branch Profits Tax. Section 884 of the Code imposes on foreign corporations a branch profits tax equal to 30 percent of the "dividend equivalent amount" for the taxable year, unless modified, reduced or eliminated by income tax treaty in certain instances. Interest on the Bonds received or accrued by a foreign corporation subject to the branch profits tax may be included in computing the "dividend equivalent amount" of such corporation for purposes of the branch profits tax.

S Corporation Tax. Section 1375 of the Code imposes a tax on the "excess net passive income" of certain S corporations with passive investment income in excess of 25 percent of gross receipts for a taxable year. The U.S. Department of Treasury has issued regulations indicating that interest on tax-exempt bonds, such as the Bonds, held by an S corporation would be included in the calculation of excess net passive income.

Other Federal Tax Consequences. Owners of the Bonds should be aware that the ownership of tax-exempt obligations may result in other collateral federal income tax consequences to certain taxpayers, including property and casualty insurance companies, individual recipients of Social Security and Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or to carry tax-exempt obligations. Owners of the Bonds should consult their own tax advisors as to the applicability and the effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on S corporations, as well as the applicability and the effect of any other federal income tax consequences.

Possible Government Action. Legislation affecting municipal bonds is regularly under consideration by the United States Congress. In addition, the Internal Revenue Service ("IRS") has established an expanded audit program for tax-exempt obligations. There can be no assurance that legislation enacted or proposed or an audit initiated or concluded by the IRS after the issue date of the Bonds involving either the Bonds or other tax-exempt bonds will not have an adverse effect on the tax-exempt status or market price of the Bonds.

ALL POTENTIAL PURCHASERS OF THE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE.

LITIGATION

To the knowledge of the Town Attorney, there is no litigation of any nature now pending or threatened that seeks to restrain or enjoin the issuance or the delivery of the Bonds, the levy or the collection of any taxes to pay the principal of or the interest on the Bonds or in any manner questioning the authority or the proceedings for the issuance of the Bonds or for the levy or the collection of the taxes, affecting the validity of the Bonds or the levy or the collection of taxes or contesting the corporate existence or the boundaries of the Town or the title of any of the present officers of the Town to their respective offices.

Additionally, there is at present no single action pending or threatened against the Town which would impose an undue financial burden on the Town. In New Jersey's courts of general jurisdiction, unliquidated money damages are pleaded generally without specifying a dollar amount. The Town is a party-defendant in certain law suits, none of a kind unusual for a Town of its size, and none of which, in the opinion of the Town Attorney, would adversely impair the Town's ability to pay its bondholders. All of the Town's tort actions are being defended by either an insurance company or insurance underwriters. Pending municipal real estate tax appeals are limited in number. The Town

would fund the ultimate liability arising from tax appeals from amounts currently reserved, succeeding years' budgets or fund balance. Such resolution would not in any way endanger the Town's ability to pay its bondholders.

THE FEDERAL BANKRUPTCY ACT

The undertakings of the Town should be considered with reference to Chapter IX of the Bankruptcy Act, 11 U.S.C. Section 901 *et seq.*, as amended by Public Law 95-598, approved November 6, 1978, and as further amended on November 3, 1988, by an Act to Amend the Bankruptcy Law to Provide for Special Revenue Bonds, and for Other Purposes, and on October 22, 1994, by the Bankruptcy Reform Act of 1994, and by other bankruptcy laws affecting creditor's rights and municipalities in general. Chapter IX permits a state or any political subdivision, public agency, or instrumentality that is insolvent or unable to meet its debts to file a petition in a bankruptcy court for the ultimate purpose of effecting a plan to adjust its debts. Chapter IX directs such a petitioner to file with the Bankruptcy Court a list of the petitioner's creditors; provides that a petition filed under this chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner, with the exception that such petition does not operate as a stay of application of pledged special revenues to the payment of indebtedness secured by such revenues; grants priority to administrative and operational expenses and to debts owed for services or material, up to \$4,000 per individual or corporation, actually provided within ninety (90) days of the filing of the petition; directs a petitioner to file a plan for the adjustment of its debts; provides that any securities issued under a reorganization plan will be exempt from the securities laws and, therefore, exempt from registration requirements; permits the petitioner, during bankruptcy proceedings, to continue to pay pre-petition debt without prior court approval; and provides that the plan must be accepted by a class of creditors, in writing, by or on behalf of creditors holding at least two-thirds in amount and more than one-half in number of the allowed claims of such class held by creditors. A plan shall not be approved by the Bankruptcy Court unless it is in the best interests of creditors and is feasible.

Reference should also be made to N.J.S.A. 52:27-40 thru 52:27-45.11, which provides that any county, municipality, or other political subdivision of the State has the power to file a petition with any Bankruptcy Court, provided the approval of the municipal finance commission has been obtained, and such petition has been authorized by ordinance of the governing body of the political subdivision. The powers of the municipal finance commission have been vested in the Local Finance Board. The Bankruptcy Act specifically provides that Chapter IX does not limit or impair the power of a state to control, by legislation or otherwise, the procedures that a municipality must follow in order to take advantage of the provisions of the Bankruptcy Act. However, the Bankruptcy Act does provide that a municipality must obtain any regulatory or electoral approval necessary under constitutional, statutory, or charter provisions, for actions taken under the reorganization plan.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters incident to the authorization, sale, issuance and delivery of the Bonds are subject to the approval of DeCotiis, FitzPatrick & Cole, LLP, Teaneck, New Jersey, Bond Counsel to the Town, whose approving legal opinion will be substantially in the form provided in Appendix C. Certain legal matters will be passed on for the Town by its Counsel, Donald Scarinci, Esq., Lyndhurst, New Jersey.

CONTINUING DISCLOSURE

The Town has covenanted for the benefit of the holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Town by no later than nine (9) months after the end of each fiscal year, commencing with the fiscal year ending December 31, 2016 (the "Annual Report"), and has covenanted for the benefit of the holders and beneficial owners of the Bonds to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of material events will be provided to the Municipal Securities Rulemaking Board (the "MSRB") and will be in an electronic format as prescribed by the MSRB and shall be accompanied by such identifying information as is prescribed by the MSRB. The specific nature of the information to be contained in the Annual Report or the event notices is set forth in "APPENDIX D - Form of Continuing Disclosure Certificate." These covenants have been made in order to assist the Underwriter in complying with

S.E.C. Rule 15c2-12(b)(5) (the "Rule").

The Town previously failed to file its annual financial information and operating data for fiscal years ending December 31, 2010 to 2013, as required by various continuing disclosure undertakings entered into by the Town in accordance with the Rule. In addition, certain of the Town's prior bond issues had various credit enhancement features that have experienced rating downgrades. In certain instances, the Town did not promptly file notice of these credit enhancement downgrades along with other underlying rating changes of the Town. Such annual financial information and operating data and notices of material events and late filings have been filed with the MSRB's Electronic Municipal Market Access System ("EMMA") as of the date of this Official Statement. The Town has engaged NW Financial Group, LLC to assist the Town in complying with its various continuing disclosure undertakings.

FINANCIAL ADVISOR

NW Financial Group, LLC, Hoboken, New Jersey, has served as financial advisor to the Town with respect to the issuance of the Bonds ("Financial Advisor"). The Financial Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement and the appendices hereto. The Financial Advisor is an independent firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

UNDERWRITING

The Bonds have been purchased by _____ at a purchase price of \$_____.

RATING

S&P Global Ratings ("S&P") has assigned their rating of "A+" to the Bonds.

An explanation of the significance of such rating may be obtained from S&P at 55 Water Street, New York 10041. The rating is not a recommendation to buy, sell or hold the Bonds and there is no assurance that such rating will continue for any given period of time or that the rating will not be revised downward or withdrawn entirely by S&P if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating by S&P may have an adverse effect on the market price of the Bonds.

PREPARATION OF OFFICIAL STATEMENT

The Town hereby states that the descriptions and statements herein, including financial statements, are true and correct in all material respects and it will confirm to the purchaser of the Bonds, by certificate signed by the Chief Financial Officer, that to his knowledge such descriptions and statements, as of the date of this Official Statement, are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading.

The firm of Lerch, Vinci & Higgins, LLP, Fair Lawn, New Jersey, Certified Public Accountants and Registered Municipal Accountants, assisted in the preparation of information contained in this Official Statement, and takes responsibility for the financial statements to the extent specified in the Independent Auditors' Report.

All other information has been obtained from sources which Lerch, Vinci & Higgins, LLP, considers to be reliable but it makes no warranty, guarantee or other representation with respect to the accuracy and completeness of such information.

DeCotiis, FitzPatrick & Cole, LLP, Teaneck, New Jersey has not participated in the preparation of the financial or statistical information contained in this Official Statement, nor have they verified the accuracy, completeness or fairness thereof and, accordingly, expresses no opinion with respect thereto.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement including information additional to that contained herein may be directed to Judy Tutela, CPA, RMA, CMFO, Acting Chief Financial Officer, Town of West New York 428-60th Street, West New York, New Jersey, 07093, telephone 201-295-5280 extension 1007 or NW Financial Group, LLC, 2 Hudson Place, Hoboken, New Jersey, 07030 (201) 656-0115.

MISCELLANEOUS

All quotations from summaries and explanations of the provisions of the laws of the State herein do not purport to be complete and are qualified in their entirety by reference to the official compilation thereof.

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there have been no changes in the affairs in the Town, the County of Hudson, the State or any of their agencies or authorities, since the date hereof.

This Official Statement has been duly executed and delivered on behalf of the Town by the Chief Financial Officer.

TOWN OF WEST NEW YORK IN THE COUNTY
OF HUDSON, NEW JERSEY

By: _____
Judy Tutela, CPA, RMA, CMFO
Acting Chief Financial Officer

Dated: October __, 2016

APPENDIX A
CERTAIN INFORMATION OF THE
TOWN OF WEST NEW YORK

GENERAL INFORMATION CONCERNING
THE TOWN OF WEST NEW YORK
COUNTY OF HUDSON, NEW JERSEY

General Information

West New York, New Jersey (the “Town”), was incorporated as a municipality in 1898 by act of the New Jersey Legislature. The Town comprises approximately one square mile in Hudson County. The Town is located on the west bank of the Hudson River directly across from New York City. It is approximately a twelve minute bus trip to Mid-Manhattan. It is readily accessible to the Lincoln and Holland Tunnels and the George Washington Bridge. Because of its accessibility to New York City, it contains several luxury high rise apartments. It is the shopping hub of central and northern Hudson County.

Municipal Government

Governmental operation is by a Board of Commissioners consisting of five members elected to a four year concurrent term by the voters of the Town. All the executive, administrative, judicial, and legislative powers of the Town are vested in the Board of Commissioners, of which powers are distributed into five departments as follows: Department of Public Affairs, Department of Revenue and Finance, Department of Public Safety, Department of Public Works, and Department of Parks and Public Property.

The Board of Commissioners by majority vote designates one commissioner to be director of each respective department and determines the powers and duties to be performed by each department and prescribes the powers and duties of all Town officers and employees. The Mayor of the Town is chosen by the Board of Commissioners from among their number to preside at all meetings of the Board. The Mayor has no power to veto any measure of the Board. The Town presently employs approximately 420 persons.

The Township officials include the following individuals:

Felix E. Roque, M.D.	Mayor
Cosmo A. Cirillo	Commissioner
Susan Colacurcio	Commissioner
Margarita Guzman	Commissioner
Gabriel Rodriguez	Commissioner
Jamie Cryan	Town Administrator
Carmela Riccie	Town Clerk
Judy Tutela, CPA, RMA, CMFO	Acting Chief Financial Officer

The School System

The West New York Board of Education (the “District”) consists of nine members elected by the voters of the District. The District voted to change to a Type II district in 2012. Accordingly, prior to 2012, obligations of the Town were issued to finance improvements to the Town’s school system and repayment of such obligations is secured by a levy of ad valorem

taxes upon all real property taxable within the Town without limitation as to rate or amount. All authorizations of debt in a Type II school district require an approving referendum of the voters in the school district. The Town currently has \$2,235,000 of outstanding bonds associated with school system capital improvements issued on behalf of the District from the period in which the District was a Type I.

Land Use

The Town’s total area of 1.10 square miles is divided into five sections. The total land area consists of 1,251 nontaxable public properties and 6,875 taxable properties. Of the taxable properties 4,454 are residential, 418 consist of apartments, 729 are commercial, 102 are industrial, and 1,172 are vacant land (the bulk of the vacant land properties are condominiums where the improvements are exempt from taxation). Roseland Property Corporation and K. Hovnanian Companies have developed, and are continuing additional development of a large number of residential units in the Hudson River waterfront area of the Town.

Commerce

The principal commercial and shopping areas stretch along Bergenline Avenue, the primary thoroughfare running generally in a north-south direction. In addition to other benefits to encourage employment and shopping within the district, shoppers can take advantage of a reduced 3 ½ % sales tax. The district contains over 300 retail stores and restaurants and is the longest commercial avenue in the state running completely through West New York and into surrounding cities. The route is also used for many local parades such as the annual Memorial Day parade and various ethnic parades.

Public Transportation

The Town is connected to New York and New Jersey via a variety of train and bus routes. The NJ Transit has bus services available to Manhattan, the George Washington Bridge Bus Terminal and many communities in New Jersey. Easy access to main train terminals including those located at Newark and Hoboken is also available.

The Hudson-Bergen Light Rail connects the surrounding cities with quick, affordable, and safe travel within walking distance of many neighborhoods and businesses.

DEMOGRAPHIC INFORMATION

Resident Population¹

	1970	1980	1990	2000	2010
West New York	40,627	39,194	38,125	45,768	49,708
County of Hudson	609,266	556,972	553,099	608,975	634,266
State of New Jersey	7,168,164	7,364,823	7,747,750	8,414,350	8,791,894

¹ U.S. Census Bureau, 2010 Census, and 2014 American Community Survey

Employment Information²

	Labor Force	Employment	Unemployment	Unemployment Rate
West New York	28,400	26,900	1,500	5.3%
County of Hudson	362,300	343,200	19,100	5.3%
State of New Jersey	4,543,800	4,288,800	255,000	5.6%

Median Household Income¹

	Total Households	Median Household Income
West New York	19,034	\$45,412
County of Hudson	246,135	58,973
State of New Jersey	3,188,498	72,062

New Privately Owned Residential Housing Units Authorized to be Built³

Year	Total Units	Single-Family Units	Single-Family Value	Two-Family Units	Two-Family Value	3-or-4-Family Units	3-or-4-Family Value	5-or-More Family Units	5-or-More Family Value
2015	385	-	\$ -	0	\$ -	6	\$ 507,167	379	\$ 32,571,385
2014	58	-	\$ -	2	\$ 212,500	-	\$ -	56	\$ 3,460,225
2013	104	-	-	-	-	9	771,500	95	5,681,000
2012	135	-	-	8	220,050	6	326,771	121	8,279,153
2011	261	-	-	2	4,500	-	-	259	26,801,082

² NJ Dept. of Labor and Workforce Development, 2015

³ U.S. Census Bureau, Manufacturing and Construction Division, 2015

Largest Taxpayers⁴

Taxpayer	2015 Assessed Valuation
The Landings Holding Co, LLC	\$ 36,940,000
Riverwalk A. Association	35,124,000
Riviera	33,167,600
Riverbend Bldg Co, LLC	23,443,300
Versailles Apt Corp	22,100,000
North Hudson Sewerage Authority	21,800,000
Parkview Towers	18,822,600
Excel Properties Urban Renewal	16,783,000
Overlook Terrace Urban Renewal	16,783,000
Riverbend Bldg Co, LLC	12,765,000
	<u>\$ 237,728,500</u>

Largest Private Employers⁵

Address	Employer Name	Business Type	Number of Employees
5301 Broadway	North Hudson Community Action Corp	Social Services	525
635 59 th Street	Jaclyn Inc.	Apparel	100

⁴ Town of West New York, Office of the Tax Collector, 2015

⁵ Hudson County Economic Development Corporation, January 2015

TOWN INDEBTEDNESS AND DEBT LIMITS

Schedule of Annual Debt Service For General Bonded Debt Issued and Outstanding For the Year Ended December 31, 2015⁶

Calendar Year	General		School		Loans		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2016	\$ 3,818,000	\$ 810,582	\$ 170,000	\$ 100,000	\$ 139,599	\$ 18,663	\$ 5,056,844
2017	3,015,000	657,969	210,000	91,500	133,409	15,857	4,123,735
2018	2,350,000	548,543	220,000	81,000	127,007	13,266	3,339,816
2019	2,415,000	458,680	225,000	72,200	129,558	10,713	3,311,151
2020	1,245,000	391,793	235,000	63,200	100,243	8,268	2,043,504
2021-2025	7,030,000	1,246,628	1,345,000	166,400	239,499	23,227	10,050,754
2026-2030	3,050,000	196,770			67,941	5,904	3,320,615
2031-2033	-	-	-	-	30,634	1,081	31,715
Total	\$ 22,923,000	\$ 4,310,965	\$ 2,405,000	\$ 574,300	\$ 967,890	\$ 96,979	\$ 31,278,134

Municipal Qualified Bond Coverage⁷

	December 31, <u>2015</u>	December 31, <u>2014</u>	December 31, <u>2013</u>	December 31, <u>2012</u>	December 31, <u>2011</u>
Qualified Revenues:					
Energy Receipt Tax:	\$ 4,616,914	\$ 4,035,652	\$ 4,452,454	\$ 4,296,985	\$ 4,101,073
Consolidated Municipal Property Tax Relief Act:	<u>2,193,465</u>	<u>2,774,727</u>	<u>2,357,925</u>	<u>2,513,394</u>	<u>2,774,727</u>
Total Qualified Revenues:	<u>\$ 6,810,379</u>	<u>\$ 6,810,379</u>	<u>\$ 6,810,379</u>	<u>\$ 6,810,379</u>	<u>\$ 6,875,800</u>
Debt Service:					
General Improvement Bonds:	<u>1,909,495</u>	<u>2,549,780</u>	<u>1,943,930</u>	<u>1,828,900</u>	<u>1,879,775</u>
Total Debt Service:	<u>\$ 1,909,495</u>	<u>\$ 2,549,780</u>	<u>\$ 1,943,930</u>	<u>\$ 1,828,900</u>	<u>\$ 1,879,775</u>
Coverage Ratio:	3.56	2.67	3.50	3.72	3.66

⁶ Town of West New York, Annual Financial Statements

⁷ Town of West New York, Annual Financial Statements

Municipal Debt Statement
For the Year Ending December 31, 2015⁸

<u>Gross Debt</u>	<u>Outstanding</u>
<u>Municipal Debt</u>	
Issued and Outstanding	
General Capital Bonds	\$ 22,923,000
Notes	11,776,000
Loan Payable - Green Trust	967,890
Total Issued and Outstanding	<u>35,666,890</u>
Authorized but Not Issued	2,815,502
Total Municipal Debt	<u>38,482,392</u>
 <u>Type I Local School District Debt (Obligation of Municipality)</u>	
Issued and Outstanding	
Bonds	2,405,000
Authorized but Not Issued	333,000
Total Type I Local School District Debt	<u>2,738,000</u>
 <u>Miscellaneous Debt Required to be Included in Gross Debt⁹</u>	
Debt Guarantees	14,924,496
 <u>Total Gross Debt</u>	 <u>56,144,888</u>
Less:	
Applicable Deductions	17,276,151
Type I School District Bonds	2,738,000
Total Deductions	<u>20,014,151</u>
 <u>Total Statutory Net Debt</u>	 <u>\$ 36,130,737</u>
 <u>Statutory Net Debt</u>	
Average Equalized Valuation of Real Property for 2012-2014	2,354,781,754
Net Debt Percentage (Statutory Limit – 3.5%)	1.534%

⁸ Town of West New York, Annual Debt Statement

⁹ Includes Hudson County Improvement Authority and West New York Parking Authority Guarantees

Direct and Overlapping Debt
For the Year Ending December 31, 2015¹⁰

	Gross Debt	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Hudson County General Obligation Debt	\$ 1,244,155,190	4.30%	\$ 53,498,673
North Hudson Regional Fire and Rescue	29,230,000	25.52%	7,459,496
North Hudson Sewerage Authority	428,530,977	26.0%	111,418,054
West New York Parking Authority	7,465,000	100%	7,465,000
West New York School District	-	100%	-
Subtotal Overlapping Debt	<u>1,709,381,167</u>		<u>179,841,223</u>
Town of West New York Direct Debt			
Municipal Issued and Outstanding	38,482,392	100%	38,482,392
School Issued and Outstanding	<u>2,738,000</u>	100%	<u>2,738,000</u>
	<u>\$ 41,220,392</u>		<u>41,220,392</u>
Total Direct and Overlapping Debt			<u>\$ 221,061,615</u>

TAX LEVY AND TAX COLLECTION

General Tax Rate¹¹
(Per \$100 of Assessed Valuation)

Fiscal Year	2015	2014	2013	2012	2011
Tax Rate:					
County	\$ 1.449	\$ 1.296	\$ 1.347	\$ 1.327	\$ 1.343
County Open Space	0.014	0.013	0.006	0.027	0.015
School	1.670	1.654	1.595	1.576	1.586
Municipal	<u>4.029</u>	<u>3.729</u>	<u>3.702</u>	<u>3.530</u>	<u>3.554</u>
Total General Tax Rate	\$ 7.162	\$ 6.692	\$ 6.650	\$ 6.460	\$ 6.498

¹⁰ Town of West New York, Annual Financial Statements

¹¹ State of New Jersey: Dept. of Community Affairs

Trend of Net Assessed Valuations by Classifications of Real Estate¹²

Classification	2016	2015	2014	2013	2012
Residential	\$447,003,785	\$ 446,946,485	\$ 446,312,150	\$ 447,106,249	\$ 449,139,450
Commercial	196,058,431	200,195,200	202,793,200	205,264,900	213,285,061
Industrial	24,137,000	25,275,800	25,856,600	27,075,000	27,616,900
Apartments	199,743,400	196,793,200	193,166,300	192,706,696	186,567,035
Vacant/Undeveloped	<u>34,678,800</u>	<u>34,344,200</u>	<u>35,154,300</u>	<u>41,515,300</u>	<u>42,259,800</u>
Total	<u>901,621,416</u>	<u>903,554,885</u>	<u>903,282,550</u>	<u>913,668,145</u>	<u>918,868,246</u>
Personal Property	1,003,318	1,018,305	951,243	763,604	579,692
Other	-	-	-	-	-
Total Assessed Valuation	<u>\$902,624,734</u>	<u>\$ 904,573,190</u>	<u>\$ 904,233,793</u>	<u>\$ 914,431,749</u>	<u>\$ 919,447,938</u>

Table of Equalized Valuations¹²

Year	Assessed Value of Real Property	Assessed Value of Real and Personal Property	Total Tax Rate Per \$100,00 or Assessed Valuation	Equalized Valuation	Percentage of Assessed Valuation of Real Property to Equalized Valuation
2016	\$ 901,621,416	\$ 902,624,734	N/A	\$ 2,499,329,095	36.62%
2015	903,554,885	904,573,190	7.162	2,469,241,687	37.12%
2014	903,282,550	904,233,793	6.692	2,175,836,941	42.23%
2013	913,668,145	914,431,749	6.650	2,306,413,968	40.31%
2012	918,868,246	919,447,938	6.460	2,450,399,993	38.18%

¹² State of New Jersey: Dept. of Community Affairs

Tax Levy and Tax Collection¹³

Year	Tax Levy	Cash Collection	Percentage
December 31, 2015	\$ 65,103,071	\$ 64,338,616	99.82%
December 31, 2014	60,810,505	60,337,765	99.22%
December 31, 2013	60,938,113	60,602,950	99.44%
December 31, 2012	59,712,549	58,809,661	98.49%
December 31, 2011	61,334,608	60,121,949	98.02%

Delinquent Taxes and Tax Title Liens¹⁴

Year	Tax Title Liens	Delinquent Taxes	Total Delinquent	% of Tax Levy
December 31, 2015	\$ 334,069	\$ 44,367	\$ 378,436	0.58%
December 31, 2014	335,456	45,927	381,383	0.63%
December 31, 2013	297,075	26,473	323,548	0.53%
December 31, 2012	368,341	29,016	397,357	0.67%
December 31, 2011	278,822	312,529	591,351	0.96%

¹³ Town of West New York, Audited Financial Statements

**CURRENT FUND - BALANCE SHEET
AS OF DECEMBER 31, 2015 AND 2014¹⁴**

ASSETS	<u>2015</u>	<u>2014</u>
Regular Fund		
Cash	\$ 15,838,412	\$ 16,685,497
Cash - Change Funds	500	500
Prepaid Debt Service	<u>1,780,378</u>	<u>1,717,078</u>
	<u>17,619,290</u>	<u>18,403,075</u>
Receivables and Other Assets With Full Reserves		
Delinquent Property Taxes Receivable	44,367	45,927
Tax Title Liens	334,069	335,456
Revenue Accounts Receivable	188,830	192,028
Due from Other Trust Fund	<u>44,971</u>	<u>217,133</u>
	<u>612,237</u>	<u>790,544</u>
Deferred Charges		
Special Emergency Authorizations	<u>92,000</u>	<u>193,000</u>
	<u>92,000</u>	<u>193,000</u>
 Total Regular Fund	 <u>18,323,527</u>	 <u>19,386,619</u>
Federal and State Grant Fund		
Cash - Treasurer	2,220,257	1,876,958
Federal and State Grant Receivables	493,272	507,161
Due from Current Fund	55,239	95,662
Due from Community Development Block Grant Fund		100,000
Due from Other Trust Fund	<u>-</u>	<u>1,822</u>
 Total Federal and State Grant Fund	 <u>2,768,768</u>	 <u>2,581,603</u>
 Total Assets	 <u>\$ 21,092,295</u>	 <u>\$ 21,968,222</u>

¹⁴ Town of West New York, Audited Financial Statements

**CURRENT FUND - BALANCE SHEET
AS OF DECEMBER 31, 2015 AND 2014¹⁵
(Continued)**

	<u>2015</u>	<u>2014</u>
LIABILITIES, RESERVES AND FUND BALANCE		
Regular Fund		
Appropriation Reserves	\$ 4,698,226	\$ 5,478,096
Due to North Hudson Sewerage Authority	1,067,550	906,943
Encumbrances Payable	1,573,119	561,673
Accounts Payable	695,130	
Prepaid Taxes and PILOTS	519,501	909,411
Tax and PILOT Overpayments	598,166	347,273
County Taxes Payable	65,646	58,996
Due to Federal and State Grant Fund	55,239	95,662
Due to Animal Control Fund	1,802	5,641
Due to Community Development Block Grant Fund	117,629	157,947
Due to General Capital Fund	57,828	823,253
Reserve for Payment of Special Emergency Note	92,000	
Reserve for Tax Appeals	242,395	125,000
Reserve for Master Tax Plan	142,967	143,505
Reserve for Retro Pay		1,010,414
Due to State of New Jersey for Senior Citizens' and Veterans' Deductions	53,755	55,255
Special Emergency Notes Payable	<u>92,000</u>	<u>138,000</u>
	10,072,953	10,817,069
Reserve for Receivables and Other Assets	612,237	790,544
Fund Balance	<u>7,638,337</u>	<u>7,779,006</u>
Total Regular Fund	<u>18,323,527</u>	<u>19,386,619</u>
Federal and State Grant Fund		
Reserve for Federal and State Grants - Appropriated	1,991,300	1,842,020
Reserve for Federal and State Grants - Unappropriated	1,349	67,043
Due to Grantor	297	4,335
Due to Community Development Block Grant Fund	94,883	
Due to Other Trust Fund	12,734	
Due to General Capital Fund	<u>668,205</u>	<u>668,205</u>
Total Federal and State Grant Fund	<u>2,768,768</u>	<u>2,581,603</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 21,092,295</u>	<u>\$ 21,968,222</u>

¹⁵ Town of West New York, Audited Financial Statements

**CURRENT FUND -
STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE
AS OF DECEMBER 31, 2015 AND 2014¹⁶**

	<u>2015</u>	<u>2014</u>
REVENUES AND OTHER INCOME		
Fund Balance Utilized	\$ 5,573,266	\$ 4,900,000
Miscellaneous Revenue Anticipated	34,882,798	36,240,160
Receipts from Delinquent Taxes	79,710	48,750
Receipts from Current Taxes	64,338,616	60,337,765
Non-Budget Revenue	413,734	509,104
Other Credits to Income		
Unexpended Balances of Appropriation Reserves	2,835,088	1,594,506
Appropriation Reserves Cancelled by Resolution	1,000,000	
Interfunds Liquidated	172,162	
Statutory Excess - Animal Control Fund	3,839	
Cancellation of Appropriated Grant Reserves	5,893	
Cancellation of Miscellaneous Reserves		29,897
Cancellation of Other Trust Reserves	-	<u>34,341</u>
 Total Revenues and Other Income	 <u>109,305,106</u>	 <u>103,694,523</u>
 EXPENDITURES		
Budget Appropriations		
Operations Within "CAPS"		
Salaries and Wages	23,303,583	23,166,630
Other Expenses	25,434,872	23,359,469
Operations Excluded from "CAPS"		
Salaries and Wages	93,653	87,149
Other Expenses	15,323,265	15,138,961
Capital Improvements	116,000	141,000
Municipal Debt Service	6,251,156	6,821,490
Local School District Purposes	238,375	219,500
Statutory Expenditures and Deferred Charges	<u>4,952,924</u>	<u>4,929,694</u>
 Total Budget Expenditures	 <u>75,713,828</u>	 <u>73,863,893</u>

¹⁶ Town of West New York, Audited Financial Statements

**CURRENT FUND -
STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE
AS OF DECEMBER 31, 2015 AND 2014¹⁷
(Continued)**

	<u>2015</u>	<u>2014</u>
EXPENDITURES (Continued)		
County Taxes	\$ 13,172,621	\$ 11,768,909
Open Space Preservation	123,462	108,792
Local District School Tax	14,860,598	14,714,906
Refund of Prior Year Revenue		24,187
Cancellation of Other Trust Balance Sheet Accounts - Net		21,563
Cancellation of Due from Board of Education		24,366
Prior Year Senior Citizen/Veterans Deductions Disallowed	2,000	9,500
Interfunds Advanced	<u>-</u>	<u>49,501</u>
 Total Expenditures	 <u>103,872,509</u>	 <u>100,585,617</u>
 Excess in Revenue	 5,432,597	 3,108,906
 Fund Balance, January 1	 <u>7,779,006</u>	 <u>9,570,100</u>
	13,211,603	12,679,006
Utilization as Anticipated Revenue	<u>5,573,266</u>	<u>4,900,000</u>
 Fund Balance, December 31	 <u>\$ 7,638,337</u>	 <u>\$ 7,779,006</u>

¹⁷ Town of West New York, Audited Financial Statements

APPENDIX B
INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
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DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SACO, CPA
SHERYL M. NICOLOSI, CPA
ROBERT AMPONSAH, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Board of Commissioners
Town of West New York
West New York, New Jersey

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Town of West New York, as of December 31, 2015 and 2014, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the Current Fund for the year ended December 31, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to

design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Town of West New York on the basis of the financial accounting and reporting principles and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the financial reporting requirements of the State of New Jersey for municipal government entities.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and account group of the Town of West New York as of December 31, 2015 and 2014, and the results of operations and changes in fund balance – regulatory basis of such funds for the years then ended and the respective revenues – regulatory basis and expenditures – regulatory basis of the Current Fund for the year ended December 31, 2015 in accordance with the financial accounting and reporting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 28, 2016 on our consideration of the Town of West New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Town of West New York's internal control over financial reporting and compliance.

By/s/

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Registered Municipal Accountants

Fair Lawn, New Jersey
July 28, 2016

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - CURRENT FUND
AS OF DECEMBER 31, 2015 AND 2014

ASSETS	<u>2015</u>	<u>2014</u>
Regular Fund		
Cash	\$ 15,838,412	\$ 16,685,497
Cash - Change Funds	500	500
Prepaid Debt Service	<u>1,780,378</u>	<u>1,717,078</u>
	<u>17,619,290</u>	<u>18,403,075</u>
Receivables and Other Assets With Full Reserves		
Delinquent Property Taxes Receivable	44,367	45,927
Tax Title Liens	334,069	335,456
Revenue Accounts Receivable	188,830	192,028
Due from Other Trust Fund	<u>44,971</u>	<u>217,133</u>
	<u>612,237</u>	<u>790,544</u>
Deferred Charges		
Special Emergency Authorizations	<u>92,000</u>	<u>193,000</u>
	<u>92,000</u>	<u>193,000</u>
Total Regular Fund	<u>18,323,527</u>	<u>19,386,619</u>
Federal and State Grant Fund		
Cash - Treasurer	2,220,257	1,876,958
Federal and State Grant Receivables	493,272	507,161
Due from Current Fund	55,239	95,662
Due from Community Development Block Grant Fund		100,000
Due from Other Trust Fund	<u>-</u>	<u>1,822</u>
Total Federal and State Grant Fund	<u>2,768,768</u>	<u>2,581,603</u>
Total Assets	<u>\$ 21,092,295</u>	<u>\$ 21,968,222</u>

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - CURRENT FUND
AS OF DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
LIABILITIES, RESERVES AND FUND BALANCE		
Regular Fund		
Appropriation Reserves	\$ 4,698,226	\$ 5,478,096
Due to North Hudson Sewerage Authority	1,067,550	906,943
Encumbrances Payable	1,573,119	561,673
Accounts Payable	695,130	
Prepaid Taxes and PILOTS	519,501	909,411
Tax and PILOT Overpayments	598,166	347,273
County Taxes Payable	65,646	58,996
Due to Federal and State Grant Fund	55,239	95,662
Due to Animal Control Fund	1,802	5,641
Due to Community Development Block Grant Fund	117,629	157,947
Due to General Capital Fund	57,828	823,253
Reserve for Payment of Special Emergency Note	92,000	
Reserve for Tax Appeals	242,395	125,000
Reserve for Master Tax Plan	142,967	143,505
Reserve for Retro Pay		1,010,414
Due to State of New Jersey for Senior Citizens' and Veterans' Deductions	53,755	55,255
Special Emergency Notes Payable	<u>92,000</u>	<u>138,000</u>
	10,072,953	10,817,069
Reserve for Receivables and Other Assets	612,237	790,544
Fund Balance	<u>7,638,337</u>	<u>7,779,006</u>
Total Regular Fund	<u>18,323,527</u>	<u>19,386,619</u>
Federal and State Grant Fund		
Reserve for Federal and State Grants - Appropriated	1,991,300	1,842,020
Reserve for Federal and State Grants - Unappropriated	1,349	67,043
Due to Grantor	297	4,335
Due to Community Development Block Grant Fund	94,883	
Due to Other Trust Fund	12,734	
Due to General Capital Fund	<u>668,205</u>	<u>668,205</u>
Total Federal and State Grant Fund	<u>2,768,768</u>	<u>2,581,603</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 21,092,295</u>	<u>\$ 21,968,222</u>

The Accompanying Notes are an Integral Part of These Financial Statements

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS - CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
REVENUES AND OTHER INCOME		
Fund Balance Utilized	\$ 5,573,266	\$ 4,900,000
Miscellaneous Revenue Anticipated	34,882,798	36,240,160
Receipts from Delinquent Taxes	79,710	48,750
Receipts from Current Taxes	64,338,616	60,337,765
Non-Budget Revenue	413,734	509,104
Other Credits to Income		
Unexpended Balances of Appropriation Reserves	2,835,088	1,594,506
Appropriation Reserves Cancelled by Resolution	1,000,000	
Interfunds Liquidated	172,162	
Statutory Excess - Animal Control Fund	3,839	
Cancellation of Appropriated Grant Reserves	5,893	
Cancellation of Miscellaneous Reserves		29,897
Cancellation of Other Trust Reserves	-	34,341
	<u>109,305,106</u>	<u>103,694,523</u>
EXPENDITURES		
Budget Appropriations		
Operations Within "CAPS"		
Salaries and Wages	23,303,583	23,166,630
Other Expenses	25,434,872	23,359,469
Operations Excluded from "CAPS"		
Salaries and Wages	93,653	87,149
Other Expenses	15,323,265	15,138,961
Capital Improvements	116,000	141,000
Municipal Debt Service	6,251,156	6,821,490
Local School District Purposes	238,375	219,500
Statutory Expenditures and Deferred Charges	<u>4,952,924</u>	<u>4,929,694</u>
	<u>75,713,828</u>	<u>73,863,893</u>

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS - CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
EXPENDITURES (Continued)		
County Taxes	\$ 13,172,621	\$ 11,768,909
Open Space Preservation	123,462	108,792
Local District School Tax	14,860,598	14,714,906
Refund of Prior Year Revenue		24,187
Cancellation of Other Trust Balance Sheet Accounts - Net		21,563
Cancellation of Due from Board of Education		24,366
Prior Year Senior Citizen/Veterans Deductions Disallowed	2,000	9,500
Interfunds Advanced	<u>-</u>	<u>49,501</u>
 Total Expenditures	 <u>103,872,509</u>	 <u>100,585,617</u>
 Excess in Revenue	 5,432,597	 3,108,906
 Fund Balance, January 1	 <u>7,779,006</u>	 <u>9,570,100</u>
	13,211,603	12,679,006
Utilization as Anticipated Revenue	<u>5,573,266</u>	<u>4,900,000</u>
Fund Balance, December 31	<u>\$ 7,638,337</u>	<u>\$ 7,779,006</u>

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>		<u>2014</u>	
	<u>Budget After</u> <u>Modifications</u>	<u>Realized</u>	<u>Budget After</u> <u>Modifications</u>	<u>Realized</u>
SURPLUS ANTICIPATED				
Surplus Anticipated	\$ 5,573,266	<u>5,573,266</u>	\$ 4,900,000	<u>4,900,000</u>
MISCELLANEOUS REVENUES				
Licenses				
Alcoholic Beverages	104,400	107,040	112,500	104,400
Other	151,143	134,446	146,500	151,143
Fees and Permits	65,664	55,980	64,600	65,664
Fines and Costs				
Municipal Court	2,331,318	2,218,669	2,270,000	2,331,318
Interest and Costs on Taxes	322,891	366,546	600,000	322,891
Interest on Investments and Deposits	5,415	6,316	4,000	5,415
Payment in Lieu of Taxes				
Overlook Terrace, Parkview, Housing Authority and Waterfront	20,320,565	20,845,107	21,838,977	21,634,648
Cable T.V. Franchise Tax	449,451	449,451	427,077	427,077
Pool Membership Fees	130,094	145,981	96,800	130,094
EMT Service Fees	750,455	566,150	783,000	750,455
Consolidated Municipal Property Tax Relief Aid	2,193,465	2,193,465	2,774,727	2,774,727
Energy Receipts Tax	4,616,914	4,616,914	4,035,652	4,035,652
Uniform Construction Code Fees (N.J.S.A.40A:4-36)				
Uniform Construction Code Fees	832,712	976,356	900,000	832,712
Interlocal Agreements				
Reimbursement for Health Services				
Weehawken	15,000	15,000	15,000	15,000
Guttenberg	14,210	20,921	15,000	8,290
Secaucus	20,000	20,000	20,000	20,000
Bayonne	35,000		35,000	35,000
Union City	35,000	35,000		
Harrison	35,000	35,000	35,000	35,000
North Bergen			35,000	35,000
West New York Board of Education				
Reimbursement for Recreation Services	887,100	887,143	1,012,000	981,551
Reimbursement for Police Security	515,568	493,984	498,000	503,638
Reimbursement for Fuel	100,000	100,000	72,100	100,000

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>		<u>2014</u>	
	<u>Budget After</u> <u>Modifications</u>	<u>Realized</u>	<u>Budget After</u> <u>Modifications</u>	<u>Realized</u>
Municipal Alliance on Alcoholism and Drug Abuse	\$ 42,493	\$ 42,493	\$ 66,540	\$ 66,540
Summer Food Program	95,303	95,303	120,000	120,000
Recycling Tonnage Grant	16,470	16,470		
Drive Sober or Get Pulled Over	7,400	7,400	4,400	4,400
Drive Sober or Get Pulled Over -Labor Day Crackdown	5,000	5,000	5,000	5,000
Drive Sober or Get Pulled Over -Year End Crackdown	5,000	5,000		
Drive Sober or Get Pulled Over -Holiday Crackdown			7,500	7,500
Pedestrian Safety, Education & Enforcement Grant	16,000	16,000		
Click it or Ticket	4,000	4,000	8,000	8,000
Body Armor Fund	9,340	9,340	9,104	9,104
Clean Communities Program	70,325	70,325	57,761	57,761
Safe and Secure Communities Grant			63,300	63,300
Edward Byrne Memorial Justice Assistance Grant (JAG)			19,626	19,626
Recreational Opportunities (ROID)			20,000	20,000
Reserve for Alcohol Education and Rehabilitation			5,893	5,893
Reserve for Drunk Driving Enforcement Fund			8,228	8,228
Reserve for Enforcing Underage Drinking	296	296		
Reserve for Body Armor Grant	3,717	3,717	14,500	14,500
Reserve for Recycling Tonnage	63,030	63,030	16,470	16,470
Formula One Race Contractual Revenue			250,000	250,000
Towing Admin Fees	34,230	22,720	20,000	34,230
Reserve for Payment of Debt	109,127	109,127	109,127	109,127
UEZ Reserve - Other Trust Fund	123,108	123,108	120,806	120,806
	<u>34,536,204</u>	<u>34,882,798</u>	<u>36,717,188</u>	<u>36,240,160</u>
Total Miscellaneous Revenues				
	<u>34,536,204</u>	<u>34,882,798</u>	<u>36,717,188</u>	<u>36,240,160</u>
RECEIPTS FROM DELINQUENT TAXES	<u>66,666</u>	<u>79,710</u>	<u>174,400</u>	<u>48,750</u>
AMOUNT TO BE RAISED BY TAXES FOR SUPPORT OF MUNICIPAL BUDGET:				
Local Tax for Municipal Purposes	35,632,248	36,251,231	33,007,590	33,903,720
Addition to Local District School Tax	241,750	241,750	242,500	242,500
Minimum Library Tax	811,454	811,454	721,438	721,438
	<u>36,685,452</u>	<u>37,304,435</u>	<u>33,971,528</u>	<u>34,867,658</u>
TOTAL AMOUNT TO BE RAISED BY TAXES BY FOR SUPPORT OF MUNICIPAL BUDGET				
	<u>36,685,452</u>	<u>37,304,435</u>	<u>33,971,528</u>	<u>34,867,658</u>
Total General Revenues	<u>\$ 76,861,588</u>	<u>\$ 77,840,209</u>	<u>\$ 75,763,116</u>	<u>\$ 76,056,568</u>

2015 STATEMENT OF EXPENDITURES
CURRENT FUND

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TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Appropriated</u>		<u>Expended</u>		Unexpended
OPERATIONS - WITHIN "CAPS"	Budget	Budget After	Paid or	Reserved	Balance
GENERAL GOVERNMENT	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
Department of Public Affairs					
Director's Office					
Salaries and Wages	\$ 180,000	\$ 166,000	\$ 159,028	\$ 6,972	
Other Expenses	49,000	70,290	67,189	3,101	
Town Clerk					
Salaries and Wages	338,800	345,040	329,563	15,477	
Other Expenses					
Legal Advertising and Publications	15,000	500		500	
Miscellaneous Other Expenses	20,000	32,550	29,835	2,715	
Codifications of Ordinances	6,000	500		500	
Elections					
Salaries and Wages	25,000				
Other Expenses	164,000	138,000	126,127	11,873	
Community Development					
Salaries and Wages	184,900	183,900	176,432	7,468	
Other Expenses	100	5		5	
Board of Health					
Salaries and Wages	594,235	594,235	417,440	176,795	
Other Expenses	50,860	50,860	539	50,321	
Blood Borne Pathogens	5,000	5,000	5,000		
N Hudson Comm. Action Local Share	25,000	25,000	25,000		
Prosecutor					
Salaries and Wages	50,000	500		500	
Other Expenses	8,195	65,570	60,105	5,465	
Public Relations					
Other Expenses	200,000	120,000	106,249	13,751	
Rent Control Board					
Salaries and Wages	127,500	120,910	115,432	5,478	
Other Expenses	7,100	40,855	19,114	21,741	
Town Funding Program					
Other Expenses	133,000	117,000	87,830	29,170	

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

OPERATIONS - WITHIN "CAPS" GENERAL GOVERNMENT	<u>Appropriated</u>		<u>Expended</u>		Unexpended Balance <u>Cancelled</u>
	<u>Budget</u>	Budget After <u>Modification</u>	Paid or <u>Charged</u>	<u>Reserved</u>	
Housing Inspection					
Salaries and Wages	\$ 132,300	\$ 138,950	\$ 133,343	\$ 5,607	
Other Expenses	800	830	760	70	
Tenants Relations					
Other Expenses	143,920	93,920	71,591	22,329	
Law Department					
Salaries and Wages	50,000	15,000	14,296	704	
Other Expenses	750,000	750,000	675,492	74,508	
Supervised Play Activity					
Salaries and Wages	783,700	1,012,425	963,403	49,022	
Other Expenses	245,000	296,540	271,827	24,713	
Senior Citizens Coordinator of Events					
Salaries and Wages	141,300	147,800	141,557	6,243	
Other Expenses	50,000	36,000	31,449	4,551	
Administrative Offices					
Salaries and Wages	293,500	289,500	269,704	19,796	
Other Expenses	8,000	5,000	3,111	1,889	
Insurance/Personnel Department					
Salaries and Wages	35,000	35,195	33,783	1,412	
Other Expenses	5,510	2,610	1,757	853	
Zoning Board					
Other Expenses	8,000	27,065	24,807	2,258	
Planning Board					
Salaries and Wages	48,200	50,730	48,689	2,041	
Other Expenses	21,000	21,000	9,643	11,357	
North Hudson Regional Council of Mayors					
Town Share	44,128	44,128	30,582	13,546	

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Appropriated</u>		<u>Expended</u>		Unexpended
OPERATIONS - WITHIN "CAPS"	Budget	Budget After	Paid or	Reserved	Balance
GENERAL GOVERNMENT	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
North Hudson Regional Council of Mayors Aid Task Force					
Town Share	\$ 11,193	\$ 14,268	\$ 9,652	\$ 4,616	
Urban Enterprise Zone					
Other Expenses	8,000	2,000		2,000	
Department of Revenue and Finance					
Director's Office					
Salaries and Wages	44,000	29,000	28,338	662	
Other Expenses	33,000	36,795	33,727	3,068	
Treasurer's Office					
Salaries and Wages	594,125	575,625	551,420	24,205	
Other Expenses					
Annual Audit	120,000	120,000	77,388	42,612	
Miscellaneous Other Expenses	354,630	354,630	266,819	87,811	
Payroll Service Fee	42,000	16,000		16,000	
Assessment of Taxes					
Salaries and Wages	303,675	317,690	304,928	12,762	
Other Expenses	24,000	22,815	19,098	3,717	
Collection of Taxes					
Salaries and Wages	283,500	298,585	287,422	11,163	
Other Expenses	29,000	39,960	36,625	3,335	
Insurance					
General Liability Insurance	1,410,000	1,410,000	1,267,413	142,587	
Workers Compensation Insurance	970,000	970,000	819,458	150,542	
Employee Group Health	11,864,212	11,674,212	10,457,473	1,216,739	
Unemployment Insurance	165,000	99,900		99,900	
Health Waiver	25,000	10,000		10,000	
Purchasing Agent					
Salaries and Wages	180,000	167,790	161,269	6,521	
Other Expenses	12,000	12,895	11,819	1,076	
DEPARTMENT OF PUBLIC SAFETY					
Director's Office					
Salaries and Wages	398,800	405,250	389,126	16,124	
Other Expenses	135,000	52,000	38,417	13,583	
Police					
Salaries and Wages	13,018,693	13,259,003	13,202,563	56,440	
Other Expenses	525,000	490,000	430,722	59,278	
Public Safety Mechanics					
Salaries and Wages	237,000	249,750	240,697	9,053	
Juvenile Aid					
Other Expenses	4,000	500	-	500	

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

	<u>Appropriated</u>		<u>Expended</u>		Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT (Continued)					
DEPARTMENT OF PUBLIC SAFETY (Continued)					
Uniform Fire Safety					
Salaries and Wages	\$ 169,000	\$ 149,280	\$ 136,768	\$ 12,512	
Ambulance Squad					
Salaries and Wages	790,000	754,000	725,071	28,929	
Other Expenses	155,000	158,220	145,470	12,750	
Office of Emergency Management					
Other Expenses	9,000	41,075	37,648	3,427	
Department of Public Works					
Director's Office					
Salaries and Wages	190,000	157,000	146,155	10,845	
Other Expenses	17,500	37,600	34,293	3,307	
Streets and Sewers					
Salaries and Wages	1,770,000	1,700,000	1,622,950	77,050	
Other Expenses	280,000	444,450	408,776	35,674	
Snow Removal	40,000	148,840	136,433	12,407	
Street Lighting					
Other Expenses	675,000	634,100	530,619	103,481	
Fire Hydrant Rental					
Other Expenses	225,500	225,500	206,676	18,824	
Recycling					
Other Expenses	412,500	332,500	66,147	266,353	
Garbage and Trash					
Salaries and Wages	74,000	64,000	60,407	3,593	
Other Expenses					
Contractual	3,501,600	3,097,174	2,832,078	265,096	
Miscellaneous Other Expenses	215,000	316,120	253,109	63,011	
Engineering Services and Costs					
Other Expenses	825,000	638,600	455,134	183,466	

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Appropriated</u>		<u>Expended</u>		Unexpended
	<u>Budget</u>	Budget After	Paid or	<u>Reserved</u>	Balance
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT (Continued)					
DEPARTMENT OF PUBLIC SAFETY (Continued)					
Department of Parks and Public Property					
Director's Office					
Salaries and Wages	\$ 105,200	\$ 63,200	\$ 58,336	\$ 4,864	
Other Expenses	9,000	26,565	23,802	2,763	
Divisions of Parks					
Salaries and Wages	495,000	416,000	399,498	16,502	
Other Expenses	85,000	170,850	156,453	14,397	
Celebration of Public Events Anniversary or Holiday					
Other Expenses	46,500	32,500	29,900	2,600	
Public Buildings and Ground Maintenance					
Salaries and Wages	210,000	212,985	209,667	3,318	
Other Expenses	140,000	217,450	199,320	18,130	
Light and Power					
Other Expenses	500,000	525,000	438,825	86,175	
Centralized Postage					
Other Expenses	60,000	67,500	61,750	5,750	
Fuel					
Other Expenses	400,000	333,000	208,322	124,678	
Telephone					
Other Expenses	220,000	198,000	135,573	62,427	
Water					
Other Expenses	145,000	85,000	46,470	38,530	
Sewerage					
Other Expenses	155,000	75,000	28,076	46,924	
Signal Bureau					
Other Expenses	20,000	20,000	15,091	4,909	

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
UNIFORM CONSTRUCTION CODE					
CODE ENFORCEMENT AND ADMINISTRATION					
Uniform Construction Code Enforcement Functions					
Construction Code Official					
Salaries and Wages	\$ 405,000	\$ 533,115	\$ 509,879	\$ 23,236	
Other Expenses	50,000	79,155	72,433	6,722	
UNCLASSIFIED					
Municipal Court					
Salaries and Wages	795,200	851,125	716,192	134,933	
Other Expenses	80,000	80,225	73,538	6,687	
Reserve for Tax Appeals	125,000	125,000	125,000		
Public Defender					
Other Expenses	<u>27,605</u>	<u>51,250</u>	<u>46,975</u>	<u>4,275</u>	<u>-</u>
Total Operations Within "CAPS"	<u>49,158,481</u>	<u>48,733,455</u>	<u>44,437,884</u>	<u>4,295,571</u>	<u>\$ -</u>
Contingent	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Total Operations Including Contingent Within "CAPS"	<u>49,163,481</u>	<u>48,738,455</u>	<u>44,437,884</u>	<u>4,300,571</u>	<u>-</u>
Detail:					
Salaries and Wages	23,047,628	23,303,583	22,553,356	750,227	-
Other Expenses (Including Contingent)	<u>26,115,853</u>	<u>25,434,872</u>	<u>21,884,529</u>	<u>3,550,343</u>	<u>-</u>
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
DEFERRED CHARGES:					
Prior Year Bills	12,277	416,703	416,703	-	
STATUTORY CHARGES					
Contribution to:					
Public Employees Retirement System	775,587	775,587	771,253	4,334	
PERS Adjustments	13,498	13,498	13,498		
Police and Fireman's Pension Fund	2,650,541	2,650,541	2,650,541		
Social Security System (O.A.S.I.)	<u>975,000</u>	<u>995,595</u>	<u>991,895</u>	<u>3,700</u>	<u>-</u>
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	<u>4,426,903</u>	<u>4,851,924</u>	<u>4,843,890</u>	<u>8,034</u>	<u>-</u>
Total General Appropriations for Municipal Purposes Within "CAPS"	<u>53,590,384</u>	<u>53,590,379</u>	<u>49,281,774</u>	<u>4,308,605</u>	<u>-</u>

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Appropriated</u>		<u>Expended</u>		Unexpended
	<u>Budget</u>	Budget After <u>Modification</u>	Paid or <u>Charged</u>	<u>Reserved</u>	Balance <u>Cancelled</u>
OPERATIONS - EXCLUDED FROM "CAPS"					
Maintenance of Free Public Library	\$ 811,454	\$ 811,454	\$ 544,449	\$ 267,005	
Employee Group Insurance	385,788	385,788	385,788		
Interlocal Municipal Service Agreements					
Reimbursements for Health Services					
Board of Health - Weehawken					
Salaries and Wages	15,000	15,000	15,000		
Board of Health - Guttenberg					
Salaries and Wages	14,210	14,210	14,210		
Board of Health - Secaucus					
Salaries and Wages	20,000	20,000	20,000		
Board of Health- Union City					
Salaries and Wages	8,333	8,333	8,333		
Other Expenses	26,667	26,667	26,667		
Board of Health- Bayonne					
Salaries and Wages	8,333	8,333	8,333		
Other Expenses	26,667	26,667	26,667		
Board of Health- Harrison					
Salaries and Wages	8,333	8,333	8,333		
Other Expenses	26,667	26,667	26,667		
Board of Health - Chapter 226 Nursing Services					
Salaries and Wages	19,444	19,444	19,444		
Contribution to North Hudson Regional Fire	13,696,912	13,696,912	13,574,296	122,616	
Public and Private Programs Offset by Revenues					
Summer Food Program	95,303	95,303	95,303		
Clean Communities Program		70,325	70,325		
Municipal Alliance	42,493	42,493	42,493		
Municipal Alliance-Local Match	10,736	10,736	10,736		
Click It or Ticket	4,400	4,400	4,400		
Drive Sober Get Pulled Over - Labor Day		5,000	5,000		

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Appropriated</u>	<u>Expended</u>		Unexpended
	Budget After	Paid or		Balance
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>	<u>Reserved</u>
				<u>Cancelled</u>
OPERATIONS - EXCLUDED FROM "CAPS" (Continued)				
Public and Private Programs Offset by Revenues				
(Continued)				
Drive Sober Or Get Pulled Over - Year End Crackdown		\$ 5,000	\$ 5,000	
Body Armor Fund		9,340	9,340	
Pedestrian Safety Grant		16,000	16,000	
Click It or Ticket	\$ 4,000	4,000	4,000	
Drive Sober Or Get Pulled Over - 2015		3,000	3,000	
Body Armor Grant - Reserve	3,717	3,717	3,717	
Recycling Tonnage - Reserve	79,500	79,500	79,500	
Enforcing Underage Drinking-Reserve	296	296	296	-
	<u>15,308,253</u>	<u>15,416,918</u>	<u>15,027,297</u>	<u>\$ 389,621</u>
Total Operations - Excluded from "CAPS"	<u>\$15,308,253</u>	<u>15,416,918</u>	<u>15,027,297</u>	<u>\$ 389,621</u>
Detail:				
Salaries and Wages	93,653	93,653	93,653	-
Other Expenses	15,214,600	15,323,265	14,933,644	389,621
	<u>15,214,600</u>	<u>15,323,265</u>	<u>14,933,644</u>	<u>389,621</u>
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"				
Capital Improvement Fund	116,000	116,000	116,000	-
	<u>116,000</u>	<u>116,000</u>	<u>116,000</u>	<u>-</u>
Total Capital Improvement Excluded from "CAPS"	<u>116,000</u>	<u>116,000</u>	<u>116,000</u>	<u>-</u>
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"				
Payment of Bond Principal	3,820,000	3,820,000	3,820,000	
Payment of Note Principal	70,000	70,000	70,000	
Interest on Bonds	987,045	987,045	987,045	
Interest on Notes	53,670	53,670	53,500	\$ 170
Green Trust Loan Program				
Loan Repayments for Principal and Interest	158,262	158,267	158,262	5
Casino Reinvestment Development Authority				
North Hudson Regional Fire Debt Service	1,060,951	1,060,951	1,060,876	75
HCIA Loan Payment	123,108	123,108	101,473	21,635
	<u>6,273,036</u>	<u>6,273,041</u>	<u>6,251,156</u>	<u>-</u>
Total Municipal Debt Service Excluded from "CAPS"	<u>6,273,036</u>	<u>6,273,041</u>	<u>6,251,156</u>	<u>21,885</u>

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Appropriated</u>	<u>Expended</u>	<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>
			<u>Reserved</u>
			<u>Balance Cancelled</u>
OPERATIONS - EXCLUDED FROM "CAPS" (Continued)			
Deferred Charges - Municipal - Excluded from "CAPS"			
Deferred Charges			
Special Emergency Authorizations	\$ 101,000	\$ 101,000	\$ 101,000
			-
Total Deferred Charges - Municipal - Excluded from "CAPS"	<u>101,000</u>	<u>101,000</u>	<u>101,000</u>
			-
Judgements			
Total Operations - Excluded from "CAPS"	<u>21,798,289</u>	<u>21,906,959</u>	<u>21,495,453</u>
			\$ 389,621
			<u>\$ 21,885</u>
For Local School District Purposes - Excluded from "CAPS"			
Type I School District Debt Service			
Payment of Bond Principal	135,000	135,000	135,000
Interest on School Bonds	<u>106,750</u>	<u>106,750</u>	<u>103,375</u>
			-
Total Type I School District Debt Service	<u>241,750</u>	<u>241,750</u>	<u>238,375</u>
			-
Total General Appropriations	75,630,423	75,739,088	71,015,602
			4,698,226
			25,260
Reserve for Uncollected Taxes	<u>1,122,500</u>	<u>1,122,500</u>	<u>1,122,500</u>
			-
Total General Appropriations	<u>\$76,752,923</u>	<u>\$76,861,588</u>	<u>\$72,138,102</u>
			\$ 4,698,226
			<u>\$ 25,260</u>
Budget as Adopted		\$76,752,923	
Added Per N.J.S.A. 40A:4-87		<u>108,665</u>	
		<u>\$76,861,588</u>	

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2014 STATEMENT OF EXPENDITURES
CURRENT FUND

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TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

OPERATIONS - WITHIN "CAPS" GENERAL GOVERNMENT	<u>Appropriated</u>		<u>Expended</u>		Unexpended Balance <u>Cancelled</u>
	<u>Budget</u>	Budget After <u>Modification</u>	Paid or <u>Charged</u>	<u>Reserved</u>	
Department of Public Affairs					
Director's Office					
Salaries and Wages	\$ 205,000	\$ 148,544	\$ 137,362	\$ 11,182	
Other Expenses	49,000	75,700	60,470	15,230	
Town Clerk					
Salaries and Wages	275,200	262,941	245,961	16,980	
Other Expenses					
Legal Advertising and Publications	15,000	15,000	6,553	8,447	
Miscellaneous Other Expenses	20,000	30,275	27,375	2,900	
Codifications of Ordinances	6,000	6,000		6,000	
Elections					
Salaries and Wages	25,000	1,098		1,098	
Other Expenses	54,000	34,096	27,006	7,090	
Community Development					
Salaries and Wages	110,900	99,105	94,619	4,486	
Other Expenses	100	100		100	
Board of Health					
Salaries and Wages	540,200	517,981	406,817	111,164	
Other Expenses	50,860	43,554		43,554	
Blood Borne Pathogens	5,000	5,000		5,000	
Prosecutor					
Salaries and Wages	50,000	6,165		6,165	
Other Expenses	8,195	8,195	2,507	5,688	
Public Relations					
Other Expenses	65,000	129,020	114,018	15,002	
Rent Control Board					
Salaries and Wages	119,400	114,740	108,948	5,792	
Other Expenses	7,100	7,100	4,997	2,103	
Town Funding Program					
Other Expenses	58,550	58,550	47,619	10,931	

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

OPERATIONS - WITHIN "CAPS" GENERAL GOVERNMENT	<u>Appropriated</u>		<u>Expended</u>		Unexpended Balance <u>Cancelled</u>
	<u>Budget</u>	Budget After <u>Modification</u>	Paid or <u>Charged</u>	<u>Reserved</u>	
Housing Inspection					
Salaries and Wages	\$ 127,700	\$ 142,367	\$ 126,702	\$ 15,665	
Other Expenses	800	800		800	
Tenants Relations					
Other Expenses	33,920	33,920	23,280	10,640	
Law Department					
Salaries and Wages	125,000	125,000	123,350	1,650	
Other Expenses	600,000	732,507	657,507	75,000	
Supervised Play Activity					
Salaries and Wages	814,600	950,931	913,324	37,607	
Other Expenses	225,000	240,000	187,841	52,159	
Senior Citizens Coordinator of Events					
Salaries and Wages	156,200	149,080	141,855	7,225	
Other Expenses	47,000	53,021	49,522	3,499	
Administrative Offices					
Salaries and Wages	122,000	139,181	138,941	240	
Other Expenses	7,500	7,500	6,425	1,075	
Insurance/Personnel Department					
Salaries and Wages	35,600	36,341	34,726	1,615	
Other Expenses	5,510	5,510	5,010	500	
Zoning Board					
Other Expenses	8,000	8,000	5,524	2,476	
Planning Board					
Salaries and Wages	47,300	47,300	45,393	1,907	
Other Expenses	21,000	21,000	15,649	5,351	
North Hudson Regional Council of Mayors					
Town Share	39,100	39,100	39,100		

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

OPERATIONS - WITHIN "CAPS" GENERAL GOVERNMENT	<u>Appropriated</u>		<u>Expended</u>		Unexpended Balance <u>Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
North Hudson Regional Council of Mayors Aid Task Force Town Share	\$ 11,193	\$ 11,193	\$ 11,193		
Urban Enterprise Zone Other Expenses	8,000	8,000		\$ 8,000	
Department of Revenue and Finance					
Director's Office					
Salaries and Wages	46,000	47,052	44,500	2,552	
Other Expenses	33,000	33,000	27,212	5,788	
Treasurer's Office					
Salaries and Wages	506,500	550,200	517,751	32,449	
Other Expenses					
Annual Audit	120,000	120,000	97,930	22,070	
Miscellaneous Other Expenses	354,630	354,630	168,634	185,996	
Payroll Service Fee	42,000	42,000		42,000	
Assessment of Taxes					
Salaries and Wages	290,000	298,151	290,067	8,084	
Other Expenses	24,000	24,000	2,245	21,755	
Collection of Taxes					
Salaries and Wages	250,300	254,835	242,842	11,993	
Other Expenses	29,000	29,000	24,691	4,309	
Insurance					
General Liability Insurance	880,000	1,171,500	852,000	319,500	
Workers Compensation Insurance	730,000	730,000	650,000	80,000	
Employee Group Health	11,913,199	11,788,699	10,245,921	892,778	\$ 650,000
Unemployment Insurance	215,000	215,000		215,000	
Health Waiver	25,000	25,000		25,000	
Purchasing Agent					
Salaries and Wages	165,850	166,574	158,497	8,077	
Other Expenses	12,000	12,000	8,463	3,537	
DEPARTMENT OF PUBLIC SAFETY					
Director's Office					
Salaries and Wages	379,500	395,314	378,300	17,014	
Other Expenses	135,000	135,000	45,340	89,660	
Police					
Salaries and Wages	13,598,291	13,598,291	12,993,415	604,876	
Other Expenses	525,000	525,000	348,460	176,540	
Public Safety Mechanics					
Salaries and Wages	193,600	193,600	165,964	27,636	
Juvenile Aid					
Other Expenses	4,000	4,000		4,000	

**TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Appropriated</u>		<u>Expended</u>		Unexpended Balance <u>Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS" GENERAL GOVERNMENT (Continued) DEPARTMENT OF PUBLIC SAFETY (Continued)					
Uniform Fire Safety Salaries and Wages	\$ 121,100	\$ 136,667	\$ 130,902	\$ 5,765	
Ambulance Squad Salaries and Wages Other Expenses	800,000 155,000	768,591 155,000	732,283 151,562	36,308 3,438	
Office of Emergency Management Other Expenses	9,000	9,000	6,134	2,866	
Department of Public Works Director's Office Salaries and Wages Other Expenses	201,700 17,500	162,662 33,895	149,314 32,395	13,348 1,500	
Streets and Sewers Salaries and Wages Other Expenses Snow Removal	1,692,294 280,000 40,000	1,749,177 328,476 40,000	1,690,111 317,042 10,720	59,066 11,434 29,280	
Street Lighting Other Expenses	655,000	652,974	594,282	58,692	
Fire Hydrant Rental Other Expenses	225,500	225,500	206,676	18,824	
Recycling Other Expenses	375,000	291,865	194,865	97,000	
Garbage and Trash Salaries and Wages Other Expenses Contractual Miscellaneous Other Expenses	93,300 3,456,000 214,000	64,649 2,754,237 359,544	60,114 2,291,003 345,544	4,535 463,234 14,000	
Engineering Services and Costs Other Expenses	325,000	325,000	325,000	0	

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Appropriated</u>		<u>Expended</u>		Unexpended Balance <u>Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT (Continued)					
DEPARTMENT OF PUBLIC SAFETY (Continued)					
Department of Parks and Public Property					
Director's Office					
Salaries and Wages	\$ 87,900	\$ 87,900	\$ 84,398	\$ 3,502	
Other Expenses	9,000	16,354	15,854	500	
Divisions of Parks					
Salaries and Wages	571,706	571,706	254,427	317,279	
Other Expenses	85,000	97,097	91,072	6,025	
Celebration of Public Events Anniversary or Holiday					
Other Expenses	46,500	46,500	14,143	32,357	
Public Buildings and Ground Maintenance					
Salaries and Wages	138,650	175,327	171,624	3,703	
Other Expenses	140,000	144,284	136,584	7,700	
Light and Power					
Other Expenses	475,000	475,000	277,017	197,983	
Centralized Postage					
Other Expenses	57,750	62,299	57,299	5,000	
Fuel					
Other Expenses	350,000	388,179	349,754	38,425	
Telephone					
Other Expenses	210,000	210,000	148,641	61,359	
Water					
Other Expenses	141,593	141,593	57,568	84,025	
Sewerage					
Other Expenses	152,103	152,103	99,919	52,184	
Signal Bureau					
Other Expenses	19,700	30,994	28,994	2,000	

**TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Appropriated</u>		<u>Expended</u>		Unexpended
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>
UNIFORM CONSTRUCTION CODE					
CODE ENFORCEMENT AND ADMINISTRATION					
Uniform Construction Code Enforcement Functions					
Construction Code Official					
Salaries and Wages	\$ 352,300	\$ 361,060	\$ 357,952	\$ 3,108	
Other Expenses	50,000	50,000	37,788	12,212	
UNCLASSIFIED					
Municipal Court					
Salaries and Wages	844,100	844,100	772,328	71,772	
Other Expenses	80,000	80,000	57,603	22,397	
Reserve for Tax Appeals	125,000	125,000	125,000		
Public Defender					
Other Expenses	<u>27,605</u>	<u>27,605</u>	<u>-</u>	<u>27,605</u>	<u>-</u>
Total Operations Within "CAPS"	<u>47,196,099</u>	<u>47,171,099</u>	<u>41,447,738</u>	<u>5,073,361</u>	<u>\$ 650,000</u>
Contingent	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Total Operations Including Contingent Within "CAPS"	<u>47,201,099</u>	<u>47,176,099</u>	<u>41,447,738</u>	<u>5,078,361</u>	<u>650,000</u>
Detail:					
Salaries and Wages	23,087,191	23,166,630	21,712,787	1,453,843	-
Other Expenses (Including Contingent)	<u>24,113,908</u>	<u>24,009,469</u>	<u>19,734,951</u>	<u>3,624,518</u>	<u>650,000</u>
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
DEFERRED CHARGES:					
Emergency Authorizations	415,000	415,000	415,000		
Prior Year Bills	23,901	23,901	21,849		2,052
STATUTORY CHARGES					
Contribution to:					
Public Employees Retirement System	775,262	775,262	775,262		
Police and Fireman's Pension Fund	2,401,424	2,401,424	2,400,660	764	
Social Security System (O.A.S.I.)	<u>975,000</u>	<u>975,000</u>	<u>945,261</u>	<u>29,739</u>	<u>-</u>
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	<u>4,590,587</u>	<u>4,590,587</u>	<u>4,558,032</u>	<u>30,503</u>	<u>2,052</u>
Total General Appropriations for Municipal Purposes Within "CAPS"	<u>51,791,686</u>	<u>51,766,686</u>	<u>46,005,770</u>	<u>5,108,864</u>	<u>652,052</u>

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Appropriated</u>		<u>Expended</u>		Unexpended
	<u>Budget</u>	Budget After <u>Modification</u>	Paid or <u>Charged</u>	<u>Reserved</u>	Balance <u>Cancelled</u>
OPERATIONS - EXCLUDED FROM "CAPS"					
Maintenance of Free Public Library	\$ 721,438	\$ 721,438	\$ 509,196	\$ 212,242	
Employee Group Insurance	208,019	208,019	208,019		
Declared State of Emergency costs for Snow Removal	185,000	185,000	150,000	35,000	
Interlocal Municipal Service Agreements					
Reimbursements for Health Services					
Board of Health - Weehawken					
Salaries and Wages	15,000	15,000	15,000		
Board of Health - Guttenberg					
Salaries and Wages	15,000	15,000	15,000		
Board of Health - Secaucus					
Salaries and Wages	20,000	20,000	20,000		
Board of Health- North Bergen					
Salaries and Wages	8,333	8,333	8,333		
Other Expenses	26,667	26,667	26,667		
Board of Health- Bayonne					
Salaries and Wages	8,333	8,333	8,333		
Other Expenses	26,667	26,667	26,667		
Board of Health- Harrison					
Salaries and Wages	8,333	8,333	8,333		
Other Expenses	26,667	26,667	26,667		
Board of Health - Chapter 226 Nursing Services					
Salaries and Wages	12,150	12,150	12,150		
Contribution to North Hudson Regional Fire	13,490,000	13,490,000	13,368,010	121,990	
Public and Private Programs Offset by Revenues					
Summer Food Program	120,000	120,000	120,000		
Clean Communities Program		57,761	57,761		
Municipal Alliance	66,540	66,540	66,540		
Municipal Alliance-Local Match	22,181	22,181	22,181		
Drive Sober Get Pulled Over - 2013	4,400	4,400	4,400		
Safe and Secure	60,000	60,000	60,000		
Recreational Opportunities Individual Disabilities (ROID)	20,000	20,000	20,000		
ROID - Local Match	4,000	4,000	4,000		
Click or Ticket 2013	4,000	4,000	4,000		

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Appropriated</u>		<u>Expended</u>	
	Budget	Budget After	Paid or	Unexpended
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>	<u>Balance</u>
			<u>Reserved</u>	<u>Cancelled</u>
OPERATIONS - EXCLUDED FROM "CAPS" (Continued)				
Public and Private Programs Offset by Revenues				
(Continued)				
Drive Sober Or Get Pulled Over - Holiday Crackdown		\$ 7,500	\$ 7,500	
Edward Byrne Memorial Justice Assistance Grant (JAG)		19,626	19,626	
Body Armor Fund		9,104	9,104	
Safe & Secure Communities Grant		3,300	3,300	
Click It or Ticket 2014		4,000	4,000	
Drive Sober Or Get Pulled Over		5,000	5,000	
Click or Ticket - Local Match	\$ 2,000	2,000	2,000	
Alcohol Education and Rehab - Reserve	5,893	5,893	5,893	
Body Armor Grant - Reserve	14,500	14,500	14,500	
Drunk Driving Enforcement - Reserve	8,228	8,228	8,228	
Recycling Tonnage - Reserve	16,470	16,470	16,470	-
	<u>16,470</u>	<u>16,470</u>	<u>16,470</u>	<u>-</u>
 Total Operations - Excluded from "CAPS"	 <u>\$15,119,819</u>	 <u>15,226,110</u>	 <u>14,856,878</u>	 <u>\$ 369,232</u>
			<u>-</u>	<u>-</u>
Detail:				
Salaries and Wages	87,149	87,149	87,149	-
Other Expenses	15,032,670	15,138,961	14,769,729	369,232
	<u>15,032,670</u>	<u>15,138,961</u>	<u>14,769,729</u>	<u>369,232</u>
 CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"				
Capital Improvement Fund	116,000	141,000	141,000	-
	<u>116,000</u>	<u>141,000</u>	<u>141,000</u>	<u>-</u>
 Total Capital Improvement Excluded from "CAPS"	 <u>116,000</u>	 <u>141,000</u>	 <u>141,000</u>	 <u>-</u>
			<u>-</u>	<u>-</u>
 MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"				
Payment of Bond Principal	4,240,000	4,240,000	4,240,000	
Payment of Note Principal	70,000	70,000	70,000	
Interest on Bonds	1,172,261	1,172,261	1,172,261	
Interest on Notes	93,275	93,275	48,110	\$ 45,165
Green Trust Loan Program				
Loan Repayments for Principal and Interest	154,254	154,254	154,254	
Casino Reinvestment Development Authority	29,366	29,366	29,366	
North Hudson Regional Fire Debt Service	1,035,198	1,035,198	1,035,198	
HCIA Loan Payment	120,806	120,806	72,301	-
	<u>120,806</u>	<u>120,806</u>	<u>72,301</u>	<u>-</u>
 Total Municipal Debt Service Excluded from "CAPS"	 <u>6,915,160</u>	 <u>6,915,160</u>	 <u>6,821,490</u>	 <u>-</u>
			<u>-</u>	<u>93,670</u>

TOWN OF WEST NEW YORK
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Appropriated</u>	<u>Expended</u>	<u>Unexpended</u>	
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>	<u>Reserved</u>
				<u>Cancelled</u>
OPERATIONS - EXCLUDED FROM "CAPS" (Continued)				
Deferred Charges - Municipal - Excluded from "CAPS"				
Deferred Charges				
Emergency Authorizations	\$ 100,000	\$ 100,000	\$ 100,000	
Special Emergency Authorizations	<u>101,000</u>	<u>101,000</u>	<u>101,000</u>	-
Total Deferred Charges - Municipal - Excluded from "CAPS"	<u>201,000</u>	<u>201,000</u>	<u>201,000</u>	-
Judgements	<u>148,160</u>	<u>148,160</u>	<u>140,159</u>	-
Total Operations - Excluded from "CAPS"	<u>22,500,139</u>	<u>22,631,430</u>	<u>22,160,527</u>	<u>\$ 369,232</u>
For Local School District Purposes - Excluded from "CAPS"				
Type I School District Debt Service				
Payment of Bond Principal	110,000	110,000	110,000	
Interest on School Bonds	<u>132,500</u>	<u>132,500</u>	<u>109,500</u>	-
Total Type I School District Debt Service	<u>242,500</u>	<u>242,500</u>	<u>219,500</u>	-
Total General Appropriations	74,534,325	74,640,616	68,385,797	5,478,096
Reserve for Uncollected Taxes	<u>1,122,500</u>	<u>1,122,500</u>	<u>1,122,500</u>	-
Total General Appropriations	<u>\$75,656,825</u>	<u>\$75,763,116</u>	<u>\$69,508,297</u>	<u>\$ 5,478,096</u>
Budget as Adopted		\$75,656,825		
Added Per N.J.S.A. 40A:4-87		<u>106,291</u>		
		<u>\$75,763,116</u>		

**TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUND
AS OF DECEMBER 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
ASSETS		
ANIMAL CONTROL FUND		
Cash	\$ 180	\$ 30
Due from Other Trust Fund	4,363	1,684
Due from State of New Jersey	54	71
Due from Current Fund	<u>1,802</u>	<u>5,641</u>
	<u>6,399</u>	<u>7,426</u>
OTHER TRUST FUND		
Cash	9,896,377	8,005,429
Due from General Capital Fund	151,779	151,779
Due from Federal and State Grant Fund	12,734	
Other Accounts Receivable	<u>91,091</u>	<u>-</u>
	<u>10,151,981</u>	<u>8,157,208</u>
COMMUNITY DEVELOPMENT BLOCK GRANT FUND		
Cash	5,660	15,124
Due from Current Fund	117,629	157,947
Due from Federal and State Grant Fund	94,883	
Due from County of Hudson Community Development Block Grant	<u>500,010</u>	<u>482,515</u>
	<u>718,182</u>	<u>655,586</u>
Total Assets	<u>\$ 10,876,562</u>	<u>\$ 8,820,220</u>

**TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUND
AS OF DECEMBER 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
LIABILITIES AND RESERVES		
ANIMAL CONTROL FUND		
Reserve for Animal Control Expenditures	\$ 6,399	\$ 7,426
	<u>6,399</u>	<u>7,426</u>
OTHER TRUST FUND		
Various Trust Reserves	3,944,165	3,427,766
Due to Current Fund	44,971	217,133
Due to Federal and State Grant Fund		1,822
Due to Animal Control Fund	4,363	1,684
Due to Third Party Lienholders	6,073,677	4,373,462
Due to State of New Jersey - Unemployment	<u>84,805</u>	<u>135,341</u>
	<u>10,151,981</u>	<u>8,157,208</u>
COMMUNITY DEVELOPMENT BLOCK GRANT FUND		
Reserve for Community Development Block Grant	500,010	202,738
Due to State and Federal Grant Fund		100,000
Due to General Capital Fund	<u>218,172</u>	<u>352,848</u>
	<u>718,182</u>	<u>655,586</u>
Total Liabilities and Reserves	<u>\$ 10,876,562</u>	<u>\$ 8,820,220</u>

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - GENERAL CAPITAL FUND
AS OF DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash	\$ 4,794,317	\$ 430,621
Deferred Charges to Future Taxation - Funded	26,295,890	30,387,737
Deferred Charges to Future Taxation - Unfunded	14,924,502	9,461,873
Grants Receivable	2,428,196	3,035,825
Due from Community Development Block Grant Fund	218,172	352,848
Due from Current Fund	57,828	823,253
Due from Federal and State Grant Fund	<u>668,205</u>	<u>668,205</u>
 Total Assets	 <u>\$ 49,387,110</u>	 <u>\$ 45,160,362</u>
 LIABILITIES, RESERVES AND FUND BALANCE		
General Serial Bonds	22,923,000	26,743,000
School Serial Bonds	2,405,000	2,540,000
State of New Jersey - Green Acres Loans Payable	967,890	1,104,737
Bond Anticipation Notes Payable	11,776,000	5,212,000
Contracts Payable	866,312	2,905,728
Due to Other Trust Fund	151,779	151,779
Capital Improvement Fund	168,520	162,715
Reserve for Payment of Debt	821,655	930,782
Improvement Authorizations		
Funded	1,418,774	1,139,207
Unfunded	7,592,525	4,078,380
Fund Balance	<u>295,655</u>	<u>192,034</u>
 Total Liabilities, Reserves and Fund Balance	 <u>\$ 49,387,110</u>	 <u>\$ 45,160,362</u>

There were bonds and notes authorized but not issued on December 31, 2015 and 2014 of \$3,148,502 and \$4,249,873 respectively.

TOWN OF WEST NEW YORK
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - REGULATORY BASIS
GENERAL CAPITAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Balance, January 1	\$ 192,034	\$ 104,401
Increased by:		
Premium on Bond Anticipation Notes	103,621	17,015
Improvement Authorizations Cancelled	<u>-</u>	<u>119,734</u>
	<u>103,621</u>	<u>136,749</u>
Decreased by:		
Cancellation of Due From Board of Education		45,346
Cancellation of Due from Depository	<u>-</u>	<u>3,770</u>
	<u>-</u>	<u>49,116</u>
Balance, December 31	<u>\$ 295,655</u>	<u>\$ 192,034</u>

TOWN OF WEST NEW YORK
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL FIXED ASSETS ACCOUNT GROUP
AS OF DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
General Fixed Assets:		
Land	\$ 4,575,676	\$ 2,095,513
Buildings	2,408,050	2,408,050
Building Improvements	11,687,401	11,687,401
Machinery and Equipment	1,366,419	1,366,419
Vehicles	<u>4,878,339</u>	<u>4,573,004</u>
 Total General Fixed Assets	 <u>\$ 24,915,885</u>	 <u>\$ 22,130,387</u>
 Investment in General Fixed Assets	 <u>\$ 24,915,885</u>	 <u>\$ 22,130,387</u>

NOTES TO FINANCIAL STATEMENTS

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of West New York (the "Town") was incorporated in 1898 and operates under an elected Commission form of government. The Commission members are elected at-large in nonpartisan elections to serve four-year terms of office on a concurrent basis. Each Commissioner is assigned to have one of five departments. The Commission selects one of its members to serve as Mayor. The Mayor is the Chief Executive Officer of the Town and as such presides over all public meetings and makes appointments to various boards. The Commission exercises all legislative powers including final adoption of the municipal budget and bond ordinances and confirmation of the Mayor's appointments, and all executive authority which is not specifically provided to the Mayor, by state law. A Town Administrator is appointed by the Commission and is responsible for the implementation of the policies of the Commission, for the administration of all Town affairs and for the day to day operations of the Town. The Town Administrator is the Chief Administrative Officer for the Town. The Town's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the Town is financially accountable. The Town is financially accountable for an organization if the Town appoints a voting majority of the organization's governing board and (1) the Town is able to significantly influence the programs or services performed or provided by the organization; or (2) the Town is legally entitled to or can otherwise access the organization's resources; the Town is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Town is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Town in that the Town approves the budget, the issuance of debt or the levying of taxes. The Town is not includable in any other reporting entity as a component unit.

The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Town do not include the municipal library, housing authority and parking authority which are considered component units under GAAP. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

B. Description of Regulatory Basis of Accounting

The financial statements of the Town of West New York have been prepared on a basis of accounting in conformity with accounting principles and practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a regulatory basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Town accounts for its financial transactions through separate funds, which differ from the fund structure required by GAAP.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. (GAAP). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements

The Town uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Town functions or activities. The Town also uses an account group, which is designed to provide accountability for certain assets that are not recorded in those Funds.

The Town has the following funds and account group:

Current Fund – This fund is used to account for the revenues and expenditures for governmental operations of a general nature and the assets and liabilities related to such activities, including Federal and State grants not accounted for in another fund.

Trust Funds - These funds are used to account for assets held by the government in a trustee capacity. Funds held by the Town as an agent for individuals, private organizations, or other governments are recorded in the Trust Funds.

Animal Control Fund - This fund is used to account for fees collected from dog and cat licenses and expenditures which are regulated by NJS 4:19-15.11.

Other Trust Fund - This fund is established to account for the assets and resources, which are held by the Town as a trustee or agent for individuals, private organizations, other governments and/or other funds. These funds include dedicated fees/proceeds collected, developer deposits, payroll related deposits and funds deposited with the Town as collateral.

Community Development Block Grant Fund - This fund is used to account for grant proceeds, program income and related expenditures for Federal Block grant entitlements.

General Capital Fund – This fund is used to account for the receipt and disbursement of funds used and related financial transactions related to the acquisition or improvement of general capital facilities and other capital assets, other than those acquired in the Current Fund.

General Fixed Assets Account Group - This account group is used to account for all general fixed assets of the Town. The Town's infrastructure is not reported in the account group.

Comparative Data - Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

Reclassifications - Certain reclassifications may have been made to the December 31, 2014 balances to conform to the December 31, 2015 presentation.

Financial Statements – Regulatory Basis

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

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the accounting principles and practices prescribed by the Division in accordance with the regulatory basis of accounting. Measurement focus indicates the type of resources being measured. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Town of West New York follows a modified accrual basis of accounting. Under this method of accounting, revenues, except State/Federal Aid, are recognized when received and expenditures are recorded when incurred. The accounting principles and practices prescribed or permitted for municipalities by the Division (“regulatory basis of accounting”) differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Investments are reported at cost and are limited by N.J.S.A. 40A:5-15.1 et seq. GAAP requires that all investments be reported at fair value.

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires inventories to be recorded as assets in proprietary-type funds.

Property Tax Revenues/Receivables - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one-quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. A penalty of up to 6% of the delinquency may be imposed on a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the fiscal year in which the charges become delinquent. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of December 31, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Town. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April first in the year following the calendar year levy when the same became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing the property on a standard tax sale. The Town also has the option when unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears on the 11th day of the eleventh month in the fiscal year when the taxes or lien became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing property on an accelerated tax sale, provided that the sale is conducted and completed no earlier than in the last month of the fiscal year. The Town may institute annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the tax receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both levied and available), reduced by an allowance for doubtful accounts.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Miscellaneous Revenues/Receivables - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Town's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both measurable and available).

Grant and Similar Award Revenues/Receivables - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Town's budget. GAAP requires such revenues to be recognized as soon as all eligibility requirements imposed by the grantor or provider have been met.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve for interfunds and, therefore, does not recognize income in the year liquidated.

Prepaid Items – The town has been allotted and has realized certain state aid that is pledged to the payment of certain debt service in the subsequent calendar year which were issued pursuant to the Municipal Qualified Bond Act. These debt service payments reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items in the current fund, except for prepaid debt service, are offset by a reserve, created by a charge to operations. GAAP does not require the establishment of a reserve for prepaid items.

Deferred Charges – Certain expenditures and other items are required to be deferred to budgets of succeeding years. GAAP requires expenditures and certain other items generally to be recognized when incurred, if measurable.

Appropriation Reserves – Appropriation reserves are recorded as liabilities and are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

Expenditures – Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless cancelled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, as well as expenditures related to compensated absences and claims and judgements, which are recognized when due.

Encumbrances - Contractual orders outstanding at December 31, are reported as expenditures and liabilities through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures or liabilities under GAAP.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations are recorded as a long-term obligation in the government-wide financial statements.

Incurred But Not Reported (IBNR) Reserves and Claims Payable - The Town has not created a reserve for any potential unreported self-insurance losses which have taken place but in which the Town has not received notices or report of losses (i.e. IBNR). Additionally, the Town has not recorded a liability for those claims filed, but which have not been paid (i.e. claims payable). GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining potential claims are recorded as a long-term obligation in the government-wide financial statements.

Tax Appeals and Other Contingent Losses - Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. GAAP requires such amounts to be recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

General Fixed Assets - In accordance with NJAC 5:30-5.6, Accounting for Governmental Fixed Assets, the Town of West New York has developed a fixed assets accounting and reporting system. Fixed assets are defined by the Town as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two years.

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

General Fixed Assets purchased after June 30, 2008 are stated as cost. Donated fixed assets are recorded at estimated fair market value at the date of donation.

General Fixed Assets purchased prior to June 30, 2008 are stated as follows:

Land and Buildings	Assessed Value
Building Improvements	Estimated Historical Cost
Machinery and Equipment	Estimated Historical Cost
Vehicles	Estimated Historical Cost

No depreciation has been provided for in the financial statements.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

General Fixed Assets (Continued)

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and put into operation for general fixed assets.

GAAP requires that capital assets be recorded in proprietary-type funds as well as the government-wide financial statement at historical or estimated historical cost if actual historical cost is not available. In addition, GAAP requires depreciation on capital assets to be recorded in proprietary-type funds as well as in the government-wide financial statements.

Use of Estimates - The preparation of financial statements requires management of the Town to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of accrued revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Town and approved by the State Division of Local Government Services as per N.J.S.A. 40A:4 et seq.

The Town is not required to adopt budgets for the following funds:

Trust Funds
General Capital Fund

The governing body is required to introduce and approve the annual budget no later than February 10, of the fiscal year. The budget is required to be adopted no later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last two months of the fiscal year, the governing body may, by a 2/3 vote; amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the governing body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2015 and 2014 the Commissioners increased the original budget by \$108,665 and \$106,291. The increases were funded by additional aid allotted to the Town. In addition, the governing body approved several budget transfers during 2015 and 2014.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 3 CASH DEPOSITS AND INVESTMENTS

The Town considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as cash and cash equivalents.

A. Cash Deposits

The Town's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Town is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At December 31, 2015 and 2014, the book value of the Town's deposits were \$32,755,703 and \$27,014,159 and bank and brokerage firm balances of the Town's deposits amounted to \$32,160,924 and \$27,316,576, respectively. The Town's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2015</u>	<u>2014</u>
Insured	\$ 31,160,606	\$ 26,316,258
Uninsured and Uncollateralized	<u>1,000,318</u>	<u>1,000,318</u>
	<u>\$ 32,160,924</u>	<u>\$ 27,316,576</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Town does not have a formal policy for custodial credit risk. As of December 31, 2015 and 2014, the Town's bank balances of \$1,000,318 were exposed to custodial credit risk as follows:

<u>Depository Account</u>	<u>2015</u>	<u>2014</u>
Uninsured and Uncollateralized	<u>\$ 1,000,318</u>	<u>\$ 1,000,318</u>

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)

B. Investments

The Town is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the Town or bonds or other obligations of the school districts which are a part of the Town or school districts located within the Town, Local Government investment pools, and agreements for the repurchase of fully collateralized securities, if transacted in accordance with NJSA 40A:5-15.1 (8a-8e).

Interest Rate Risk – The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 40A:5-15.1). The Town does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The Town places no limit in the amount the Town may invest in any one issuer.

As of December 31, 2015 and 2014 the Town had no outstanding investments.

Interest earned in the General Capital Fund, Animal Control Fund and certain Other Trust Funds are assigned to the Current Fund in accordance with the regulatory basis of accounting.

NOTE 4 TAXES RECEIVABLE

Receivables at December 31, 2015 and 2014 consisted of the following:

2015

Property Taxes	\$ 44,367
Tax Title Liens	<u>334,069</u>
	<u>\$ 378,436</u>

2014

Property Taxes	\$ 45,927
Tax Title Liens	<u>335,456</u>
	<u>\$ 381,383</u>

In 2015 and 2014, the Town collected \$79,710 and \$48,750 from delinquent taxes, which represented 21% and 15%, respectively of the prior year delinquent taxes receivable balance.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 5 DUE TO/FROM OTHER FUNDS

As of December 31, interfund receivables and payables that resulted from various interfund transactions were as follows:

	<u>2015</u>		<u>2014</u>	
	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund:				
Regular	\$ 44,971	\$ 232,498	\$ 217,133	\$ 1,082,503
Federal and State Grant	55,239	775,822	197,484	668,205
Trust Fund:				
Animal Control	6,165		7,325	
Other Trust	164,513	49,334	151,779	220,639
Community Development Block Grant Fund	212,512	218,172	157,947	452,848
General Capital Fund	<u>944,205</u>	<u>151,779</u>	<u>1,844,306</u>	<u>151,779</u>
 Total	 <u>\$ 1,427,605</u>	 <u>\$ 1,427,605</u>	 <u>\$ 2,575,974</u>	 <u>\$ 2,575,974</u>

The above balances are the result of expenditures being paid by one fund on behalf of another.

The Town expects all interfund balances to be liquidated within one year.

NOTE 6 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Under the regulatory basis of accounting, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges are reported on the balance sheets of the following funds:

	<u>Balance December 31,</u>	<u>Subsequent Year Budget Appropriation</u>	<u>Balance</u>
<u>2015</u>			
Current Fund			
Special Emergency Authorizations (40A:4-53)	<u>\$ 92,000</u>	<u>\$ 92,000</u>	<u>\$ -</u>
 <u>2014</u>			
Current Fund			
Special Emergency Authorizations (40A:4-53)	<u>\$ 193,000</u>	<u>\$ 101,000</u>	<u>\$ 92,000</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 7 FUND BALANCES APPROPRIATED

Under the regulatory basis of accounting, fund balances in the Current Fund is comprised of cash surplus (fund balance) and non-cash surplus (fund balance). All or part of cash surplus as of December 31 may be anticipated in the subsequent year's budget. The non-cash surplus portion of fund balance may be utilized in the subsequent year's budget with the prior written consent of the Director of the Division of Local Government Services if certain guidelines are met as to its availability. Fund balances at December 31, which were appropriated and included as anticipated revenue in their own respective fund's budget for the succeeding year were as follows:

	2015		2014	
	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget (A)</u>	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget</u>
Current Fund				
Cash Surplus	\$ 5,857,959	\$ 4,900,000	\$ 6,006,928	\$ 5,573,266
Non-Cash Surplus	<u>1,780,378</u>	<u>-</u>	<u>1,772,078</u>	<u>-</u>
	<u>\$ 7,638,337</u>	<u>\$ 4,900,000</u>	<u>\$ 7,779,006</u>	<u>\$ 5,573,266</u>

(A) The above fund balance amount appropriated represents the surplus anticipated in the 2016 introduced municipal budget. The 2016 municipal budget has not been legally adopted as of the date of audit.

NOTE 8 FIXED ASSETS

General Fixed Assets

The following is a summary of changes in the general fixed assets account group for the years ended December 31, 2015 and 2014.

	<u>Balance December 31, 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, December 31, 2015</u>
<u>2015</u>				
Land	\$ 2,095,513	\$ 2,480,163		\$ 4,575,676
Buildings	2,408,050			2,408,050
Building Improvements	11,687,401			11,687,401
Machinery and Equipment	1,366,419			1,366,419
Vehicles	<u>4,573,004</u>	<u>305,335</u>	<u>-</u>	<u>4,878,339</u>
	<u>\$ 22,130,387</u>	<u>\$ 2,785,498</u>	<u>\$ -</u>	<u>\$ 24,915,885</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 8 FIXED ASSETS (Continued)

General Fixed Assets (Continued)

	Balance December 31, <u>2013</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2014</u>
<u>2014</u>				
Land	\$ 2,095,513			\$ 2,095,513
Buildings	2,408,050			2,408,050
Building Improvements	11,244,742	\$ 442,659		11,687,401
Machinery and Equipment	1,366,419			1,366,419
Vehicles	<u>4,238,714</u>	<u>334,290</u>	<u>-</u>	<u>4,573,004</u>
	<u>\$ 21,353,438</u>	<u>\$ 776,949</u>	<u>\$ -</u>	<u>\$ 22,130,387</u>

NOTE 9 MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes used to finance capital expenditures. General obligation bonds have been issued for general capital fund projects. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and four months or retired by the issuance of bonds.

The Town's debt is summarized as follows:

	<u>2015</u>	<u>2014</u>
Issued		
General		
Bonds, Notes and Loans	\$ 35,666,890	\$ 33,059,737
Less Funds Temporarily Held to Pay Bonds and Notes	<u>821,655</u>	<u>930,782</u>
Net Debt Issued	34,845,235	32,128,955
Authorized But Not Issued		
General		
Bonds and Notes	<u>2,815,502</u>	<u>3,916,873</u>
	<u>37,660,737</u>	<u>36,045,828</u>
Title I Local School District Debt		
Issued and Outstanding		
General Serial Bonds	2,405,000	2,540,000
Authorized But Not Issued	<u>333,000</u>	<u>333,000</u>
	<u>2,738,000</u>	<u>2,873,000</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 40,398,737</u>	<u>\$ 38,918,828</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 9 MUNICIPAL DEBT (Continued)

Statutory Net Debt

The statement of debt condition that follows is extracted from the Town's Annual Debt Statement and indicates a statutory net debt of 1.53% and 1.48% at December 31, 2015 and 2014, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2015</u>			
Local School District Debt - Type I	\$ 2,738,000	\$ 2,738,000	
Debt Guarantees	14,924,496	14,924,496	
General Debt	<u>38,482,392</u>	<u>2,351,655</u>	<u>\$ 36,130,737</u>
Total	<u>\$ 56,144,888</u>	<u>\$ 20,014,151</u>	<u>\$ 36,130,737</u>

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<u>2014</u>			
Local School District Debt - Type I	\$ 2,873,000	\$ 2,873,000	
Debt Guarantees	15,725,180	15,725,180	
General Debt	<u>36,976,610</u>	<u>3,100,782</u>	<u>\$ 33,875,828</u>
Total	<u>\$ 55,574,790</u>	<u>\$ 21,698,962</u>	<u>\$ 33,875,828</u>

Statutory Borrowing Power

The Town's remaining borrowing power under N.J.S. 40A:2-6, as amended, at December 31, was as follows:

	<u>2015</u>	<u>2014</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 82,417,361	\$ 80,225,470
Less: Net Debt	<u>36,130,737</u>	<u>33,875,828</u>
Remaining Borrowing Power	<u>\$ 46,286,624</u>	<u>\$ 46,349,642</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt

The Town's long-term debt consisted of the following at December 31:

General Obligation Bonds

The Town levies ad valorem taxes to pay debt service on general obligation bonds. General obligation bonds outstanding at December 31 are as follows:

<u>General Obligation Bonds</u>	<u>2015</u>	<u>2014</u>
\$5,350,000, 2003 Pension Refunding Bonds, due in annual installments of \$720,000 to \$810,000 through March 15, 2017, interest at 4.92%	\$ 1,530,000	\$ 2,170,000
\$8,100,000, 2006A Refunding Bonds, due in annual installments of \$1,175,000 to \$1,350,000 through April 15, 2019, interest at 4.00%	5,045,000	5,670,000
\$3,590,000, 2006C Refunding Bonds, due in annual installments of \$800,000 through April 15, 2015, interest at 5.18%		800,000
\$6,100,000, 2007 General Improvement Bonds, due in annual installments of \$335,000 to \$695,000 through April 15, 2025, interest at 4.00% to 5.50%	5,595,000	5,860,000
\$6,888,000, 2008 General Improvement Bonds, due in annual installments of \$1,088,000 through June 15, 2016, interest at 5.00%	1,088,000	2,088,000
\$3,910,000 2013 Series A Qualified General Obligation Bonds, due in annual installments of \$175,000 to \$330,000 through May 15, 2029, interest at 2.00% to 3.00%	3,575,000	3,745,000
\$6,725,000 2013 Series B Qualified General Obligation Bonds (Taxable), due in annual installments of \$325,000 to \$630,000 through May 15, 2028, interest at 3.50% to 5.00%	<u>6,090,000</u>	<u>6,410,000</u>
	<u>\$ 22,923,000</u>	<u>\$ 26,743,000</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

School Debt

The West New York Board of Education is a Type I School District. As such, the members of the Board of Education are appointed by the Mayor and school appropriations are set by a Board School Estimate. Bonds and notes authorized by the Board of School Estimate to finance capital expenditures are general obligations of the Town and are reported on the balance sheet of the Town's General Capital Fund.

School Bonds

	<u>2015</u>	<u>2014</u>
\$2,650,000, 2007 School Bonds, due in annual installments of \$170,000 to \$295,000 through April 1, 2025, interest at 4.00% to 5.00%	\$ 2,405,000	\$ 2,540,000

General Intergovernmental Loans Payable

The Town has entered into a loan agreement with the State under the New Jersey Green Trust Bond Act of 1983 for the financing relating to various improvements. The Town levies ad valorem taxes to pay debt service on general intergovernmental loans issued. General intergovernmental loans outstanding at December 31 are as follows:

Green Trust Loans

	<u>2015</u>	<u>2014</u>
\$289,313, 1997 Loan, due in Semi-Annual installments of \$8,731 to \$8,906 through January 8, 2017, interest at 2%	\$ 26,455	\$ 43,657
\$500,000, 2000 Loan, due in Semi-Annual installments of \$14,666 to \$15,724 through December 20, 2019, interest at 2%	121,515	150,412
\$475,000, 2001 Loan, due in Semi-Annual installments of \$13,370 to \$14,622 through September 6, 2020, interest at 2%	139,876	166,219
\$425,000, 2001 Loan, due in Semi-Annual installments of \$11,962 to \$13,083 through September 16, 2020, interest at 2%	125,151	148,722

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

General Intergovernmental Loans Payable (Continued)

Green Trust Loans

	<u>2015</u>	<u>2014</u>
\$675,000, 2006 Loan, due in Semi-Annual installments of \$17,029 to \$20,779 through February 9, 2026, interest at 2%	\$ 395,748	\$ 429,303
\$170,010, 2013 Loan, due in Semi-Annual installments of \$3,695 to \$5,233 through July 21, 2033, interest at 2%	<u>159,145</u>	<u>166,424</u>
	<u>\$ 967,890</u>	<u>\$ 1,104,737</u>

The Town's principal and interest for long-term debt issued and outstanding as of December 31, 2015 is as follows:

Calendar Year	General		School		Loans		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2016	\$ 3,818,000	\$ 810,582	\$ 170,000	\$ 100,000	\$ 139,599	\$ 18,663	\$ 5,056,844
2017	3,015,000	657,969	210,000	91,500	133,409	15,857	4,123,735
2018	2,350,000	548,543	220,000	81,000	127,007	13,266	3,339,816
2019	2,415,000	458,680	225,000	72,200	129,558	10,713	3,311,151
2020	1,245,000	391,793	235,000	63,200	100,243	8,268	2,043,504
2021-2025	7,030,000	1,246,628	1,345,000	166,400	239,499	23,227	10,050,754
2026-2030	3,050,000	196,770			67,941	5,904	3,320,615
2031-2033	-	-	-	-	30,634	1,081	31,715
Total	<u>\$ 22,923,000</u>	<u>\$ 4,310,965</u>	<u>\$ 2,405,000</u>	<u>\$ 574,300</u>	<u>\$ 967,890</u>	<u>\$ 96,979</u>	<u>\$ 31,278,134</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Debt Guarantees

Hudson County Improvement Authority – Lease Revenue Bonds North Hudson Regional Fire and Rescue (NHRFR)

In August, 2003, the Town guaranteed an amount not to exceed \$3,828,000 for its proportionate share of \$15,000,000 debt authorized by the HCIA in connection with the HCIA's financing of the costs of the public facilities as defined in that ordinance. On January 11, 2004 the HCIA issued Variable Rate Lease Revenue Bonds (federally taxable) in connection with this authorization. The Town's share in the debt service on these bonds is approximately 25.52%, which is proportionate to the Town's share in the contribution to create the NHRFR. These bonds are not considered as bonds payable of the Town, but rather a lease agreement between the Town (acting on behalf of the NHRFR) and the HCIA. Pursuant to the terms of the lease agreement, the town is required to make rental payments sufficient to pay for its proportionate share of the debt service on the HCIA Series 2003 Lease Revenue Bonds.

The 2004 Bonds had an interest rate of 3.01% (the "Initial Interest Rate") until January 1, 2007 (the "Initial Interest Rate Period"). At January 2007 a variable rate of 5.33% was issued for a one year period. Subsequent to year end the bond rate was fixed at rates ranging between 5.80% and 6.640%.

In January 2006, the Town guaranteed an amount not exceed \$2,194,720 for its proportionate share of \$8,600,000 debt authorized as Series A (tax-exempt) and Series B (taxable), and allocated each in accordance with each NHRFR participating municipality's proportionate share as defined above Pursuant to the terms of the lease agreement, the Town is required to make rental payments sufficient to pay for its proportionate share of the debt service on the HCIA Series 2006A and 2006B Lease Revenue Bonds, plus an administrative fee payable to the HCIA (one tenth of one percent of the outstanding principal on the Town's share of the bonds).

The HCIA, at the consent of the NHRFR, as lessee, issued the \$4,760,000 Lease Revenue Refunding Bonds, (North Hudson Regional Fire and Rescue Project Guaranteed Tax-Exempt Series) Series 2011A and to issue \$10,990,000 Lease Revenue Bonds, (North Hudson Regional Fire and Rescue Project Guaranteed Taxable Series) Series 2011B to call all of the outstanding \$7,010,000 Lease Revenue Bonds Series 1999A (Original Parties Tax Exempt Series) and \$15,070,000 Lease Revenue Bonds, Series 1999B (Original Parties Guaranteed Taxable Series). On October 18, 2011, the Town guaranteed an amount not to exceed \$1,214,752 and \$2,804,648, respectively for its proportionate share of the total \$15,750,000 2011A and 2011B Lease Revenue Bonds. Pursuant to the terms of the lease agreement, the Town is required to make rental payments sufficient to pay for its proportionate share of the debt service on the Series 2011A and Series 2011B.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Debt Guarantees (Continued)

Hudson County Improvement Authority – Lease Revenue Bonds North Hudson Regional Fire and Rescue (NHRFR) (Continued)

The Town’s proportionate share of the North Hudson Region Fire and Rescue Bonds are as follows:

	<u>2015</u>	<u>2014</u>
HCIA 2004 (Taxable) lease revenue bonds, originally issued on January 1, 2004 for \$3,828,000, maturing annually from January 2009 through 2024, bearing an initial rate of 3.01%. Following expiration of the Initial Interest Rate Period, and rates variable of 5.80% to 6.64%.	\$ 3,049,640	\$ 3,241,040
HCIA 2006A (tax-exempt) lease revenue bonds, originally issued on January 1, 2006 for \$1,143,296, maturing annually from January 1, 2008 through 2024, bearing interest rates of 4.0% to 5.0%.	713,284	777,084
HCIA 2006B (Taxable) lease revenue bonds, originally issued on January 1, 2006 for \$1,051,424, maturing annually from January 1, 2008 to 2015. At January 1, 2015 the issue requires term bond optional redemptions or sinking funds to 2020 and 2024. The bonds bears interest of 4.99% to 5.4%.	668,624	726,044
HCIA 2011A (tax-exempt) lease revenue bonds, originally issued on September 1, 2011 for \$1,214,752, maturing annually from September 1, 2012 to 2023. The bonds bears interest of 5.4% to 5.7%.	894,476	981,244
HCIA 2011B (Taxable) lease revenue bonds, originally issued on September 1, 2011 for \$2,804,648, maturing annually from September 1, 2012 to 2023. The bonds bears interest of 5.4% to 5.7%.	2,133,472	2,319,768
	<u>\$ 7,459,496</u>	<u>\$ 8,045,180</u>

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Debt Guarantees (Continued)

West New York Parking Authority

On October 4, 2006, the Town adopted a guaranty ordinance #17/06, in which the Town is guaranteeing an amount not to exceed \$9,000,000 in Guaranteed Revenue Bonds for the construction of parking decks. On October 19, 2006, the Parking Authority of the Town of West New York issued \$9,000,000 in Parking Revenue Bonds, Series 2006. As the Guarantor, the Town’s responsibility is limited to the extent of the amounts outstanding in the event of default.

The Town’s guarantee under the loan agreement is as follows:

	<u>2015</u>	<u>2014</u>
Parking Revenue Bonds, Series 2006 issued on October 19, 2006 for \$9,000,000, maturing annually beginning July 1, 2008 through 2024. The Bonds maturing on July 1, 2030 and 2036 are subject to mandatory sinking fund redemptions on July 1 from 2025 through 2036. Interest is paid semi-annually at interest rates ranging from 3.5% to 5%.	<u>\$ 7,465,000</u>	<u>\$ 7,680,000</u>

Hudson County Improvement Authority – Lease Financing Agreement

On June 15, 1997, the Town and the West New York Parking Authority (the “Authority”) entered into a lease financing agreement with the Hudson County Improvement Authority (HCIA). The Agreement is for the HCIA to provide \$6,400,000 of funding to be shared equally between the Town and the Authority; however, the Town has ultimate responsibility for all amounts due pursuant to the lease. The proceeds of the lease were received equally by the Town and Authority and both entities are responsible for their share of rental payments in connection with the lease.

The Town, as a participant in the Agreement, has received funding of \$4,200,000 from the HCIA for the renovations/rehabilitation of Bergenline Avenue from 48th Street through 68th Street, both east and west sides. In consideration for the funding received, the Town will lease the land to the HCIA and then in turn lease the entire completed improvements from the HCIA for a term to expire July 1, 2025.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Debt Guarantees (Continued)

Hudson County Improvement Authority – Lease Financing Agreement (Continued)

Upon the satisfaction of certain criteria, which must include the approval of the Town of West New York, the Authority can elect to purchase the facility from the HCIA. Under the terms of the agreement, it is estimated that the exercise date of the purchase option would be July 1, 2025, the expiration date of the original lease term. The Authority will receive significant credit for the value of net minimum lease payments made to such date to be applied toward the option purchase price. As such, this agreement has been recorded as a capital lease obligation.

The Town is the lessee of the improvements thereto, referred to as the Renovation of Bergenline Avenue, under a capital lease that expires July 1, 2025. The assets and liabilities under capital lease are recorded at the present value of the minimum lease payments.

The capital lease obligation for the years ended December 31, 2015 and 2014 were \$175,000 and \$165,000, respectively.

Minimum future lease payments under the capital lease as of December 31, 2015 for each of the next five years and in the aggregate are:

<u>Years Ended</u> <u>December 31,</u>	<u>Amount</u>
2016	\$ 286,750
2017	287,500
2018	287,750
2019	287,500
2020	286,750
2021-2024	<u>1,139,250</u>
Total	2,575,500
Less: Amounts representing Interest	<u>540,500</u>
Present value of Net Minimum Lease Payments	<u><u>\$ 2,035,000</u></u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Debt Guarantees (Continued)

Hudson County Improvement Authority – Lease Financing Agreement (Continued)

The initial interest rate on the capital lease was 5% and was based on the HCIA’s borrowing rate at the inception of the lease. The future minimum lease payments set forth above assumes a 5% interest rate. However, as of the date of the Agreement, the interest rate payable on the outstanding principal is reset weekly by the Remarketing Agent for the HCIA Pooled Loan Program. The average estimated interest rate for the years ended December 31, 2015 and 2014 was 2.0419% and 0.11314%, respectively.

Changes in Long-Term Municipal Debt

The Town’s long-term capital debt activity for the years ended December 31, 2015 and 2014 were as follows:

	Balance, December 31, <u>2014</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2015</u>	Due Within <u>One Year</u>
<u>2015</u>					
General Capital Fund					
Serial Bonds Payable	\$ 26,743,000		\$ 3,820,000	\$ 22,923,000	\$ 3,818,000
School Bonds Payable	2,540,000		135,000	2,405,000	170,000
Intergovernmental Loans Payable	<u>1,104,737</u>	<u>-</u>	<u>136,847</u>	<u>967,890</u>	<u>139,599</u>
General Capital Fund Long-Term Liabilities	<u>\$ 30,387,737</u>	<u>\$ -</u>	<u>\$ 4,091,847</u>	<u>\$ 26,295,890</u>	<u>\$ 4,127,599</u>
	Balance, December 31, <u>2013</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2014</u>	Due Within <u>One Year</u>
<u>2014</u>					
General Capital Fund					
Serial Bonds Payable	\$ 30,983,000		\$ 4,240,000	\$ 26,743,000	\$ 3,820,000
School Bonds Payable	2,650,000		110,000	2,540,000	135,000
Intergovernmental Loans Payable	<u>1,264,066</u>	<u>-</u>	<u>159,329</u>	<u>1,104,737</u>	<u>136,847</u>
General Capital Fund Long-Term Liabilities	<u>\$ 34,897,066</u>	<u>\$ -</u>	<u>\$ 4,509,329</u>	<u>\$ 30,387,737</u>	<u>\$ 4,091,847</u>

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 9 MUNICIPAL DEBT (Continued)

B. Short-Term Debt

The Town's short-term debt activity for the years ended December 31, 2015 and 2014 was as follows:

Bond Anticipation Notes

<u>Purpose</u>	Rate (%)	Maturity Date	Balance, December 31, <u>2014</u>	Renewed/ Issued	Retired/ Redeemed	Balance, December 31, <u>2015</u>
<u>2015</u>						
<u>General Capital Fund</u>						
Various Capital Improvements	1.75	11/11/2016		\$ 7,953,000		\$ 7,953,000
Road Improvement Projects	1.75	11/11/2016		1,943,000		1,943,000
Acquisition of Vehicles	1.75	11/11/2016		190,000		190,000
Refunding Tax Appeals	1.75	11/11/2016		1,690,000		1,690,000
Various Capital Improvements	1.00	11/25/2015	\$ 4,193,000		\$ 4,193,000	
Road Improvement Projects	1.00	11/25/2015	<u>1,019,000</u>	-	<u>1,019,000</u>	-
			<u>\$ 5,212,000</u>	<u>\$ 11,776,000</u>	<u>\$ 5,212,000</u>	<u>\$ 11,776,000</u>
<u>Purpose</u>	Rate (%)	Maturity Date	Balance, December 31, <u>2013</u>	Renewed/ Issued	Retired/ Redeemed	Balance, December 31, <u>2014</u>
<u>2014</u>						
<u>General Capital Fund</u>						
Various Capital Improvements	1.00	11/25/2015		\$ 4,193,000		\$ 4,193,000
Road Improvement Projects	1.00	11/25/2015		1,019,000		1,019,000
Various Capital Improvements	1.00	12/10/2014	\$ 3,883,000		\$ 3,883,000	
Road Improvement Projects	1.00	12/10/2014	<u>744,000</u>	-	<u>744,000</u>	-
			<u>\$ 4,627,000</u>	<u>\$ 5,212,000</u>	<u>\$ 4,627,000</u>	<u>\$ 5,212,000</u>

The purpose of these short-term borrowings was to provide resources for capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq. The amounts issued for governmental activities are accounted for in the General Capital Fund.

State law requires that notes are to be issued for a period not exceeding one year and may be renewed from time to time for additional periods, none of which shall exceed one year. All bond anticipation notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes. In addition any note renewed beyond the third anniversary date of the original note, requires one legally payable installment to be paid.

**TOWN OF WEST NEW YORK
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 9 MUNICIPAL DEBT (Continued)

B. Short-Term Debt (Continued)

Bond Anticipation Notes (Continued)

In addition to the debt shown in the above schedule, municipalities may issue debt to finance special emergency appropriations. This debt which is not included in the Town's statutory debt limit calculation is reported in the Current Fund for the years 2015 and 2014 as follows:

Special Emergency Notes

Following the adoption of an ordinance or resolution for special emergency appropriations, the Town may borrow money and issue special emergency notes which may be renewed from time to time, but at least 1/5 of all such notes and the renewal thereof, shall mature and be paid in each year so that all notes have been paid by the end of the fifth year following the date of the special emergency resolution.

<u>Purpose</u>	<u>Rate</u> <u>(%)</u>	<u>Maturity</u> <u>Date</u>	<u>Balance,</u> <u>December 31,</u> <u>2014</u>	<u>Renewed/</u> <u>Issued</u>	<u>Retired/</u> <u>Redeemed</u>	<u>Balance,</u> <u>December 31,</u> <u>2015</u>
<u>2015</u>						
Superstorm Sandy	1.75	11/11/2016		\$ 92,000		\$ 92,000
Superstorm Sandy	1.00	11/25/2015	\$ 138,000	-	\$ 138,000	-
Total Special Emergency Notes			\$ 138,000	\$ 92,000	\$ 138,000	\$ 92,000

<u>Purpose</u>	<u>Rate</u> <u>(%)</u>	<u>Maturity</u> <u>Date</u>	<u>Balance,</u> <u>December 31,</u> <u>2013</u>	<u>Renewed/</u> <u>Issued</u>	<u>Retired/</u> <u>Redeemed</u>	<u>Balance,</u> <u>December 31,</u> <u>2014</u>
<u>2014</u>						
Superstorm Sandy	1.00	12/10/2014	\$ 184,000		\$ 184,000	
Superstorm Sandy	1.00	11/25/2015	-	\$ 138,000	-	\$ 138,000
Total Special Emergency Notes			\$ 184,000	\$ 138,000	\$ 184,000	\$ 138,000

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 10 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

As of December 31, the Town had the following commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Construction/ Other Commitment</u>	<u>Estimated Date of Acquisition/ Completion</u>
<u>2015</u>		
Improvements to 66th Street	\$ 174,219	2016
Improvements to Veterans Park	262,951	2016
Improvements to Washington Park	63,260	2016
Road Program	398,510	2016
Acquisition of Vehicles	212,157	2016
<u>2014</u>		
Improvements to 66th Street	\$ 232,360	2015
Environmental Remediation Project	182,723	2015
Improvements to Veterans Park	2,458,713	2015
Improvements to Washington Park	342,461	2015

NOTE 11 OTHER LONG-TERM LIABILITIES

A. Compensated Absences

Under the existing policies and labor agreements of the Town, employees are allowed to accumulate (with certain restrictions) unused vacation benefits, personal, sick leave and compensation time in lieu of overtime over the life of their working careers and to redeem such unused leave time in cash (with certain limitations) upon death, retirement or by extended absence immediately preceding retirement.

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$8,326,112 and \$7,682,147 at December 31, 2015 and 2014, respectively. These amounts which is are considered material to the financial statements, are not reported either as an expenditure or liability.

B. Deferred Pension Obligation

During the year ended December 31, 2009 the Town elected to contribute 50% of its normal and accrued liability components of the PFRS and PERS obligations and deferred the remaining 50% in accordance with P.L. 2009, c.19. The deferred amount totaled \$1,589,585 and will be paid back with interest over 15 years beginning in the 2012 year. The Town is permitted to payoff the deferred PFRS and PERS pension obligations at any time. It is estimated that the total deferred liability including accrued interest (at 7.90% effective July 1, 2012 and 8.25% prior to July 1, 2012) at December 31, 2015 and 2014 is \$886,445 and \$1,100,795, respectively.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 11 OTHER LONG-TERM LIABILITIES (Continued)

Changes in Other Long-Term Liabilities

Under the regulatory basis of accounting, certain other long-term liabilities which may be considered material to the financial statements are not reported either as an expenditure or a liability. However, under the regulatory basis of accounting, these other long-term liabilities and related information are required to be disclosed in the notes to the financial statements in conformity with the disclosure requirements of the Governmental Accounting Standards Board.

The Town's changes in other long-term liabilities for the years ended December 31, 2015 and 2014 were as follows:

	Balance, December 31, <u>2014</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2015</u>	Due Within <u>One Year</u>	
<u>2015</u>						
Compensated Absences	\$ 7,682,147	\$ 643,965		\$ 8,326,112	\$ 250,000	
Net Pension Liability - PERS	16,585,081	5,260,992	\$ 805,817	21,040,256		
Net Pension Liability - PFRS	40,641,097	17,188,878	2,690,833	55,139,142		
Deferred Pension Obligation	<u>1,100,795</u>	<u>-</u>	<u>214,350</u>	<u>886,445</u>	<u>215,133</u>	
Other Long-Term Liabilities	<u>\$ 66,009,120</u>	<u>\$ 23,093,835</u>	<u>\$ 3,711,000</u>	<u>\$ 85,391,955</u>	<u>\$ 465,133</u>	
	Balance, December 31, <u>2013</u>	Prior Period <u>Adjustment (A)</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2014</u>	Due Within <u>One Year</u>
<u>2014</u>						
Compensated Absences	\$ 8,089,334			\$ 407,187	\$ 7,682,147	\$ 250,000
Net Pension Liability - PERS		\$ 18,952,274		2,367,193	16,585,081	
Net Pension Liability - PFRS		40,738,122	\$ 2,384,491	2,481,516	40,641,097	
Deferred Pension Obligation	<u>1,310,824</u>	<u>-</u>	<u>-</u>	<u>210,029</u>	<u>1,100,795</u>	<u>214,350</u>
Other Long-Term Liabilities	<u>\$ 9,400,158</u>	<u>\$ 59,690,396</u>	<u>\$ 2,384,491</u>	<u>\$ 5,465,925</u>	<u>\$ 66,009,120</u>	<u>\$ 464,350</u>

(A) Represents the proportionate share of the Town's net pension liability of the state sponsored employer retirement systems resulting from the requirements of Governmental Accounting Standards Board's Statement No. 68 "Accounting and Financial Reporting for Pensions".

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees which includes those Town employees who are eligible for pension coverage.

Police and Firemen's Retirement System (PFRS) – established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after December 31, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership. PFRS is a cost-sharing multi-employer defined benefit pension plan.

Public Employees' Retirement System (PERS) – established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement healthcare for those eligible employees whose local employers elected to do so, to substantially all full-time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and, if applicable, 25 years for post-retirement healthcare coverage. PERS is a cost-sharing multi-employer defined benefit pension plan.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Town employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS and do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. DCRP is a defined contribution pension plan.

Other Pension Funds

The state established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The State also administers the Pensions Adjustment Fund (PAF). Prior to the adoption of pension reform legislation, P.L. 2011, C.78, it provided cost of living increases equal to 60 percent of the change in the average consumer price index, to eligible retirees in some State-sponsored pension systems which includes the CPFPPF. Cost-of-living increases provided under the State's pension adjustment program are currently suspended as a result of the reform legislation. This benefit is funded by the State as benefit allowances become payable.

The cost of living increase for PFRS and PERS are funded directly by each of the respective systems, but are currently suspended as a result of reform legislation.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS

Other Pension Funds (Continued)

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trust. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

Basis of Accounting

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits and refunds are recognized when due and payable in accordance with the terms of the retirement systems.

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290, or at www.state.nj/treasury/doinvest.

Funded Status and Funding Progress

As of July 1, 2013, the most recent actuarial valuation date, which was rolled forward to June 30, 2014, the aggregate funded ratio for all the State administered retirement systems, including CPFPF, PERS and PFRS is 62.8 percent with an unfunded actuarial accrued liability of \$51.0 billion. The CPFPF system is 65.4 percent funded with an unfunded actuarial accrued liability of \$ 1.7 billion. The aggregate funded ratio and unfunded accrued liability for the local PERS system is 52.08 percent and \$18.7 billion, respectively and the aggregate funded ratio and unfunded accrued liability for local PFRS is 62.4 percent and \$13.9 billion, respectively.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Funded Status and Funding Progress (Continued)

The funded status and funding progress of the retirement systems includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2013 actuarial valuations, the date of the most recent actuarial valuations, the projected unit credit was used as actuarial cost method, and the five year average of market value was used as asset valuation method for pension trust funds. The actuarial assumptions included (a) 7.90% for investment rate of return for all the retirement systems except CPFPPF (2.00%) and (b) changes to projected salary increases 2.15-5.40 percent based on age for PERS and 3.95-9.62 percent based on age for PFRS.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions based on 10.0% for PFRS, 5.50% for DCRP and 6.92% for fiscal year 2015 for PERS of employee's annual compensation.

Annual Pension Cost (APC)

Per the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employees*, for the year ended December 31, 2015 for CPFPPF, which is a cost sharing plan with special funding situations, the annual pension cost differs from the annual required contribution. For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, annual pension cost equals contributions made. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Annual Pension Cost (APC) (Continued)

During the years ended December 31, 2015, 2014 and 2013, the Town, was required to contribute for normal cost pension contributions, accrued liability pension contributions, deferred pension obligation contributions, and non-contributory life insurance premiums the following amounts which equaled the required contributions for each respective year:

Year Ended <u>December 31</u>	<u>PFRS</u>	<u>PERS</u>	<u>DCRP</u>
2015	\$ 2,481,516	\$ 730,262	
2014	2,400,660	775,262	
2013	2,591,859	807,389	\$ 15,334

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Public Employees Retirement System (PERS)

At December 31, 2015 and 2014, the Town had a liability of \$21,040,256 and \$16,585,081, respectively, for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2015 and 2014, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014 and 2013, respectively. The Town's proportionate share of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2015, the Town's proportionate share was 0.09373 percent, which was an increase of 0.00515 percent from its proportionate share measured as of June 30, 2014 of 0.08858 percent.

For the year ended December 31, 2015 and 2014, the pension system has determined the Town's pension expense to be \$1,248,559 and \$556,403, respectively, for PERS based on the actuarial valuation which is more than the actual contributions reported in the Town's financial statements of \$730,262 and \$775,262, respectively. At December 31, 2015 and 2014, the Town's deferred outflows of resources and deferred inflows of resources related to PERS pension which are not reported on the Town's financial statements are from the following sources:

	<u>2015</u>		<u>2014</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 501,947			
Changes of Assumptions	2,259,555		\$ 521,524	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		\$ 338,287		\$ 988,381
Changes in Proportion and Differences Between Town Contributions and Proportionate Share of Contributions	<u>817,461</u>	<u>1,394,315</u>	<u>-</u>	<u>1,708,349</u>
Total	<u>\$ 3,578,963</u>	<u>\$ 1,732,602</u>	<u>\$ 521,524</u>	<u>\$ 2,696,730</u>

**TOWN OF WEST NEW YORK
 NOTES TO THE FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

At December 31, 2015 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

Year Ending <u>December 31,</u>	<u>Total</u>
2016	\$ 303,561
2017	303,561
2018	303,561
2019	550,657
2020	385,021
Thereafter	<u>-</u>
	<u>\$ 1,846,361</u>

Actuarial Assumptions

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

<u>PERS</u>	<u>2015</u>	<u>2014</u>
Inflation Rate	3.04%	3.01%
Salary Increases:		
2012-2021	2.15-4.40%	2.15-4.40%
	Based on Age	Based on Age
Thereafter	3.15-5.40%	3.15-5.40%
	Based on Age	Based on Age
Investment Rate of Return	7.90%	7.90%
Mortality Rate Table	RP-2000	RP-2000

**TOWN OF WEST NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

The actuarial assumptions used in the July 1, 2014 and 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2015 and 2014 are summarized in the following table:

<u>Asset Class</u>	<u>2015</u>		<u>2014</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%	6.00%	0.80%
U.S. Treasuries	1.75%	1.64%		
Investment Grade Credit	10.00%	1.79%		
Core Bonds			1.00%	2.49%
Intermediate-Term Bonds			11.20%	2.26%
Mortgages	2.10%	1.62%	2.50%	2.17%
High Yield Bonds	2.00%	4.03%	5.50%	4.82%
Inflation-Indexed Bonds	1.50%	3.25%	2.50%	3.51%
Broad US Equities	27.25%	8.52%	25.90%	8.22%
Developed Foreign Equities	12.00%	6.88%	12.70%	8.12%
Emerging Market Equities	6.40%	10.00%	6.50%	9.91%
Private Equity	9.25%	12.41%	8.25%	13.02%
Hedge Funds/Absolute Return	12.00%	4.72%	12.25%	4.92%
Real Estate (Property)	2.00%	6.83%	3.20%	5.80%
Commodities	1.00%	5.32%	2.50%	5.35%
Global Debt ex US	3.50%	-0.40%		
REIT	4.25%	5.12%		

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Year</u>	<u>Discount Rate</u>
2015	4.90%
2014	5.39%

**TOWN OF WEST NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

Period of Projected Benefit Payments for which the Following Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2033
Municipal Bond Rate *	From July 1, 2033 and Thereafter

* The municipal bond return rate used is 3.80% and 4.29% as of June 30, 2015 and 2014, respectively. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the Town’s proportionate share of the PERS net pension liability as of December 31, 2015 calculated using the discount rate of 4.90%, as well as what the Town’s proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.90 percent) or 1-percentage-point higher (5.90 percent) than the current rate:

	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
Town's Proportionate Share of the PERS Net Pension Liability	<u>\$ 26,150,464</u>	<u>\$ 21,040,256</u>	<u>\$ 16,755,895</u>

The sensitivity analysis was based on the proportionate share of the Town’s net pension liability at December 31, 2015. A sensitivity analysis specific to the Town’s net pension liability was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**TOWN OF WEST NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Police and Firemen’s Retirement System (PFRS)

At December 31, 2015 and 2014, the Town had a liability of \$55,139,12 and \$40,641,097, respectively, for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2015 and 2014, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014 and 2013, respectively. The Town’s proportionate share of the net pension liability was based on a projection of the Town’s long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2015, the Town’s proportionate share was 0.33104 percent, which was an increase of 0.00795 percent from its proportionate share measured as of June 30, 2014 of 0.32309 percent.

For the years ended December 31, 2015 and 2014, the pension system has determined the Town pension expense to be \$5,331,926 and \$3,132,864, respectively, for PFRS based on the actuarial valuation which is more than the actual contributions reported in the Town’s financial statements of \$2,481,516 and \$2,400,660, respectively. At December 31, 2015 and 2014, the Town’s deferred outflows of resources and deferred inflows of resources related to PFRS pension which are not reported on the Town’s financial statements are from the following sources:

	2015		2014	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience		\$ 475,593		
Changes of Assumptions	\$ 10,180,055		\$ 1,525,805	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		959,648		\$ 4,147,287
Changes in Proportion and Differences Between Town Contributions and Proportionate Share of Contributions	<u>2,367,937</u>	<u>-</u>	<u>1,854,425</u>	<u>-</u>
Total	<u>\$ 12,547,992</u>	<u>\$ 1,435,241</u>	<u>\$ 3,380,230</u>	<u>\$ 4,147,287</u>

At December 31, 2015 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PFRS pension will be recognized in pension expense as follows:

Year Ending <u>December 31,</u>	<u>Total</u>
2016	\$ 2,217,830
2017	2,217,830
2018	2,217,830
2019	3,254,652
2020	1,204,609
Thereafter	<u>-</u>
	<u>\$ 11,112,751</u>

**TOWN OF WEST NEW YORK
 NOTES TO THE FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Police and Firemen’s Retirement System (PFRS) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

<u>PFRS</u>	<u>2015</u>	<u>2014</u>
Inflation Rate	3.04%	3.01%
Salary Increases:		
2012-2021	2.60-9.48%	3.95-8.62%
	Based on Age	Based on Age
Thereafter	3.60-10.48%	4.95-9.62%
	Based on Age	Based on Age
Investment Rate of Return	7.90%	7.90%
Mortality Rate Table	RP-2000	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale AA and one year using Scale BB.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013. The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2007 to June 30, 2010.

**TOWN OF WEST NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2015 and 2014 are summarized in the following table:

<u>Asset Class</u>	<u>2015</u>		<u>2014</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%	6.00%	0.80%
U.S. Treasuries	1.75%	1.64%		
Investment Grade Credit	10.00%	1.79%		
Core Bonds			1.00%	2.49%
Intermediate-Term Bonds			11.20%	2.26%
Mortgages	2.10%	1.62%	2.50%	2.17%
High Yield Bonds	2.00%	4.03%	5.50%	4.82%
Inflation-Indexed Bonds	1.50%	3.25%	2.50%	3.51%
Broad US Equities	27.25%	8.52%	25.90%	8.22%
Developed Foreign Equities	12.00%	6.88%	12.70%	8.12%
Emerging Market Equities	6.40%	10.00%	6.50%	9.91%
Private Equity	9.25%	12.41%	8.25%	13.02%
Hedge Funds/Absolute Return	12.00%	4.72%	12.25%	4.92%
Real Estate (Property)	2.00%	6.83%	3.20%	5.80%
Commodities	1.00%	5.32%	2.50%	5.35%
Global Debt ex US	3.50%	-0.40%		
REIT	4.25%	5.12%		

Discount Rate

The discount rate used to measure the total pension liabilities of the PFRS plan was as follows:

<u>Year</u>	<u>Discount Rate</u>
2015	5.79%
2014	6.32%

**TOWN OF WEST NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Police and Firemen’s Retirement System (PFRS) (Continued)

Discount Rate (Continued)

The following table represents the crossover period, if applicable, for the PFRS defined benefit plan:

Period of Projected Benefit Payments for which the Following Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2045
Municipal Bond Rate *	From July 1, 2045 and Thereafter

* The municipal bond return rate used is 3.80% and 4.29% as of June 30, 2015 and 2014, respectively. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the Town’s proportionate share of the PFRS net pension liability as of December 31, 2015 calculated using the discount rate of 5.79% , as well as what the Town’s proportionate share of the PFRS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.79 percent) or 1-percentage-point higher (6.79 percent) than the current rate:

	1% Decrease <u>(4.79%)</u>	Current Discount Rate <u>(5.79%)</u>	1% Increase <u>(6.79%)</u>
Town's Proportionate Share of the PFRS Net Pension Liability	<u>\$ 72,690,894</u>	<u>\$ 55,139,142</u>	<u>\$ 40,827,256</u>

The sensitivity analysis was based on the proportionate share of the Town’s net pension liability at December 31, 2015. A sensitivity analysis specific to the Town’s net pension liability was not provided by the pension system.

**TOWN OF WEST NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Special Funding Situation – PFRS

Under N.J.S.A. 43:16A-15, the Town is responsible for their own PFRS contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the Town by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Accordingly, the Town's proportionate share percentage determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PFRS under this legislation.

At December 31, 2015 and 2014, the State's proportionate share of the net pension liability attributable to the Town for the PFRS special funding situation is \$4,835,518 and \$4,376,363, respectively. For the years ended December 31, 2015 and 2014, the pension system has determined the State's proportionate share of the pension expense attributable to the Town for the PFRS special funding situation is \$603,161 and \$554,505, respectively, which is more than the actual contributions the State made on behalf of the Town of \$251,714 and \$181,719, respectively. The State's proportionate share attributable to the Town was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Town's financial statements.

Pension Plan Fiduciary Net Position

Detailed information about the PFRS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

NOTE 13 POST-RETIREMENT MEDICAL BENEFITS

Plan Description

The Town provides a post employment healthcare plan for its eligible retirees, spouses and dependents. The plan is a single-employer defined benefit healthcare plan administered by the Town. In accordance with Town ordinances, contracts and/or policies, the Town provides medical and prescription benefits to retirees and their covered eligible dependents. The Town pays the full cost for eligible retirees, spouses and dependents. All active employees who retire directly from the Town and meet the eligibility criteria may participate.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Funding Policy

The required contribution is funded on a pay-as-you-go basis. For the years 2015 and 2014, the Town contributed \$4,192,144 and \$4,516,000, respectively to the plan reflecting implicit rate subsidies.

Annual OPEB Cost and Net OPEB Obligation

The Town's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Town's annual OPEB cost for the year 2015 and 2014, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation to the plan.

	<u>2015</u>	<u>2014</u>
Annual Required Contribution	\$ 10,658,379	\$ 11,175,597
Interest on Net OPEB Obligation	1,608,811	1,289,469
Adjustment to Annual Required Contribution	<u>(2,194,831)</u>	<u>(852,563)</u>
Annual OPEB Cost (Expense)	10,072,359	11,612,503
Contributions Made	<u>(4,192,144)</u>	<u>(4,516,000)</u>
Increase in Net OPEB Obligation	5,880,215	7,096,503
Net OPEB Obligation - Beginning of Year	<u>35,751,360</u>	<u>28,654,857</u>
Net OPEB Obligation - End of Year	<u>\$ 41,631,575</u>	<u>\$ 35,751,360</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the years 2015, 2014 and 2013 were as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percentage of</u> <u>Annual OPEB</u> <u>Cost Contributed</u>	<u>Net</u> <u>OPEB</u> <u>Obligations</u>
2015	\$ 10,072,359	42%	\$ 41,631,575
2014	11,612,503	39%	35,751,360
2013	11,269,605	39%	28,654,857

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 13 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Funded Status and Funding Progress

As of December 31, 2014, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$121,785,247, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$121,785,247.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

In the December 31, 2014, actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expense) which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 7.5% of pre-Medicare medical benefits and 5% post-Medicare medical benefits. The unfunded actuarial liability is amortized as a level dollar amount using an open period of 30 years.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 14 RISK MANAGEMENT

Employee Group Health

The Town of West New York has established a group health and prescription insurance benefit plan for its active employees and eligible dependents. Claims dollars are funded by the Town and employee health contributions and are paid by the plan (Horizon BCBS – Medical and Express Scripts – Prescription). The Town has a Medicare Advantage plan with Horizon BCBS to cover all retired members; the Town assumes all cost to fund the Medicare Advantage plan. Total cost paid by the Town for Medical, Medicare Advantage Plan, Rx and Stop-Loss totals \$12,319,099 for plan year ending December 31, 2015. The plan has a re-insurance agreement with Optum in place to fund claims in excess of \$175,000 per person and a policy year maximum specific benefit of \$1,825,000. The re-insurance policy also contains an aggregate loss provision in the amount of \$12,354,444 for the policy year ending December 31, 2015. The Town experienced two members and three members respectively, that exceeded the specific attachment point of \$175,000 in the calendar years 2015 and 2014, respectively. The Town has not created a liability for loss reserves for claims incurred which were unpaid at December 31, 2015. In addition, the Town has not created a liability for reserves for any potential unreported losses which have taken place but in which the Town has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but is presumed to be material. A contingent liability exists with respect to reinsurance, which would become an actual liability in the even the reinsuring company might be unable to meet their obligations to the Town under existing reinsurance agreements.

Other Insurance Coverage

The Town of West New York is a member of the Public Entity Joint Insurance Fund (PEJIF). The joint insurance fund is an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The Fund is a risk sharing public entity pool. The PEJIF coverage amounts are on file with the Town.

The relationship between the Town and insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Town is contractually obligated to make all annual and supplementary contributions to the insurance fund, to report claims on a timely basis, to cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which the municipality was a member.

The fund provides its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the fund can be obtained by contacting the respective fund's Treasurer.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlement in excess of insurance coverage in any of the prior three years.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 14 RISK MANAGEMENT (Continued)

Other Insurance Coverage (Continued)

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

<u>Year Ended</u> <u>December 31</u>	<u>Town</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2015		\$ 34,484	\$ 106,910	\$ 150,733
2014	\$ 156,595	15,940	135,341	223,159
2013	120,000	31,151	156,702	186,770

NOTE 15 CONTINGENT LIABILITIES

The Town is a party defendant in some lawsuits, none of a kind unusual for a municipality of its size and scope of operation. In the opinion of the Town’s Attorney, the potential claims against the Town not covered by insurance policies would not materially affect the financial condition of the Town.

Pending Tax Appeals - Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2015 and 2014. Amounts claimed have not yet been determined. The Town is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of community Affairs, State of New Jersey, the Town does not recognize a liability, if any, until these cases have been adjudicated. The Town expects such amounts, if any, could be material. As of December 31, 2015 and 2014, the Town reserved \$242,395 and \$125,000, respectively in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years’ budget or from fund balance.

Federal and State Awards - The Town participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. As of December 31, 2015 and 2014, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Town believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Town.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 16 FEDERAL ARBITRAGE REGULATIONS

The Town is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At December 31, 2015 and 2014, the Town has not estimated its estimated arbitrage earnings due to the IRS, if any.

NOTE 17 RELATED PARTY TRANSACTIONS

North Hudson Sewerage Authority

In October, 1996, the West New York Municipal Utilities Authority (WNYMUA) was acquired by the Hoboken – Union City – Weehawken Sewerage Authority (HUCWSA), and together, these entities were consolidated to create the North Hudson Sewerage Authority (NHSA). The acquisition was executed through the issuance and sale of \$104,945,000 Sewer Revenue Bonds, Series 1996, issued by the NHSA on October 15, 1996. Upon delivery of the bonds on October 31, 1996, the NHSA acquired all of the existing wastewater collection and treatment facilities of the Town and the WNYMUA. On February 16, 2000, the WNYMUA was officially dissolved pursuant to N.J.S. 40A:5A-20, through Town ordinance 25/99. By virtue of this ordinance, the Town assumed all remaining assets and liabilities of the now defunct WNYMUA.

In connection with the creation of the NHSA, a service agreement between the Town (together with the Hudson County municipalities of Hoboken, Union City and Weehawken) and the NHSA was executed. This agreement supersedes a previous agreement between the Town and the WNYMUA. The related obligation of the Town with respect to the current service agreement pertains to service charges and annual charges, as described below.

Service Charges

The NHSA will charge (to users of its system) service charges, pursuant to the service agreement, with respect to all sewerage treated or disposed of by the NHSA and for all use and services of its system, in accordance with the New Jersey Sewerage Authorities Law, ch. 138, L. 1946, and in a manner consistent with the submission relied upon by the United States Environmental Protection Agency (EPA) and the New Jersey Department of Environmental Protection (NJDEP) in issuing a federal grant or in such other manner that the EPA and the NJDEP approve. Such service charges shall be established at rates estimated to be sufficient to provide for all amounts necessary to pay or provide for the expense of operation and maintenance of the NHSA's system and the principal and interest on any and all bonds as they become due, to maintain the amounts required to be held on deposit in the sinking fund and the bond reserve fund and to comply in all respects with the terms of provisions of the general bond resolution adopted by the NUCWSA on April 24, 1989, as amended and the New Jersey Sewerage Authorities Law, provided, however, that the NHSA may charge service charges which are less than sufficient to comply with the requirements referred to above if each of the municipalities gives its written consent to such lesser service charges.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 17 RELATED PARTY TRANSACTIONS (Continued)

Annual Charges

Annual charges are based upon application of a formula which is explained in the next two paragraphs. If, but only if, the application of the formula yields a positive dollar amount for any fiscal year during which the service agreement is in effect, the Town shall be obligated to pay to the NHSA its allocable share of such positive dollar amount as an annual charge. Such annual charges shall be the excess, if any of the amount determined by the items in the first paragraph following less the amount determined by the items in the second paragraph following to determine the excess, if any.

The sum of all of the amounts reasonably expected by the NHSA to be expended in the fiscal year of the NHSA (1) to pay or provide for the expenses of construction, acquisition, operation and maintenance of its system, as well as administrative and other expenses of the NHSA related to its system prior to placing the system in operation, and the principal of and interest on all bonds as the same become due; (2) to maintain such reserves or sinking funds as may be required by the terms of the contract of the NHSA or any bond resolution, or as may be deemed necessary by the NHSA; and (3) to comply in all respects with the terms of the general bond resolution adopted by the HUCWSA on April 24, 1989, as amended, and the New Jersey Sewerage Authorities Law.

The sum of the following amounts to the extent available to be used to pay or provide for the amounts described in the preceding paragraph: (1) service charges collected by the NHSA; (2) the proceeds of bonds received by or for account of the NHSA with respect to its system; (3) the proceeds of insurance awards received by or for account of the NHSA with respect to its system; (4) contributions received by or for account of the NHSA with respect to its system and not under any circumstances repayable by the NHSA until after the payment in full of all other obligations of the NHSA including its bonds, original or refunding or both, or (5) any other funds on hand or available therefore.

Annual charges, if any, are assessed to and payable by the Town in the same percentage as the most recent determination by the NHSA of the allocation of the annual flow among the municipalities. The most recent determination by the NHSA of the allocation of the annual flow is as follows: (i) Hoboken 31%, (ii) Union City 35%, (iii) Weehawken 8% and (iv) West New York 26%.

On or before January 1 of each fiscal year, the NHSA will make an estimate of the amount of the annual charges, if any, which will become payable by the Town for such fiscal year. On or before February 15 of each fiscal year, the Town will pay to the NHSA the amount of any annual charges not paid relating to any prior fiscal year. The Town will pay to the NHSA that part of the estimated amount of the annual charges for the current fiscal year in four equal installments on March 1, June 1, September 1, and November 1 of such fiscal year.

There was no annual charge due to the NHSA for the years ended December 31, 2015 and 2014.

NOTE 18 JOINT GOVERNED ORGANIZATION

North Hudson Regional Fire and Rescue

The North Hudson Regional Fire and Rescue was created pursuant to the second Amended and Restated Consolidated Municipal Services Agreement (Agreement) for the Formation of a Joint Meeting Pursuant to N.J.S.A. 40:8B-1 et seq.

**TOWN OF WEST NEW YORK
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2015 AND 2014**

NOTE 18 JOINT GOVERNED ORGANIZATION (Continued)

Background of the Agreement

On October 1, 1998, the Hudson County municipalities of North Bergen, Union City, Weehawken and West New York had formed the Agreement in order to form a joint meeting pursuant to the Consolidated Municipal Services Act, N.J.S.A. 40:8B-1 et seq. (the "Act"). The entity created by the formation of this joint meeting is known as the North Hudson Regional Fire and Rescue (NHRFR), which is a public body, corporate and politic, constituting a political subdivision of the State of New Jersey, having all powers and authorities permitted by the Act. The purpose of the NHRFR is to provide for the joint operation of fire protection, rescue and emergency services, and other related governmental services.

The Town adopted an ordinance on September 30, 1998, authorizing the sale, lease transfer, conveyance or other disposition of an improvement of real and personal property to the NHRFR, pursuant to New Jersey Statutes.

On December 30, 1998, the Town of Guttenberg, duly adopted a resolution approving it to officially enter into the Agreement, and Guttenberg was admitted to participate in the NHRFR.

The terms of the Agreement expires September 30, 2023, but may be subject to earlier termination pursuant to the Act. The operations of the NHRFR commenced on January 1, 1999. The NHRFR is governed by a five member management committee, consisting of one representative from each municipality, and this committee may appoint one or two executive director(s), and other such officers, employees and counsel as it deems necessary. A municipality's admission to or withdrawal from the NHRFR requires four votes from the management committee.

The annual contribution is based on each an allocation formula set for the original four participating municipalities and subsequent agreement with the Town of Guttenberg on the annual budgeted costs of North Hudson Regional Fire and Rescue. The Towns contribution was \$14,635,172 and \$14,403,208 for the years 2015 and 2014, respectively, including health insurance and debt service costs.

NOTE 19 ACCELERATED TAX SALE

Chapter 99 of the Public Laws and 1997 of the State of New Jersey, effective May 12, 1997, authorized any municipality to have an accelerated tax sale. An accelerated tax sale permits a municipality to have a tax sale when a property is in arrears after the 11th day of the 11th month of each fiscal year. In 2015 and 2014, the Town had an accelerated tax which resulted in the majority of delinquent taxes being sold to outside lien holders. As a result of the accelerated tax sales, the true collection rate which includes the proceeds of the accelerated tax sale was 98.82% and 99.22% for 2015 and 2014, respectively. The underlying tax collection rate was 97.10% and 97.67% for 2015 and 2014, respectively.

NOTE 20 SUBSEQUENT EVENTS

Debt Authorized

On April 21, 2016 the Town adopted a bond ordinance authorizing the issuance of \$1,900,000 in bonds or bond anticipation notes to fund certain capital projects. As of the date of this report the Town has not issued nor awarded the sale of said bonds or notes.

On May 19, 2016 the Town adopted a bond ordinance authorizing the issuance of \$1,616,629 in bonds or bond anticipation notes to fund certain capital projects. As of the date of this report the Town has not issued nor awarded the sale of said bonds or notes..

APPENDIX C

PROPOSED FORM OF BOND COUNSEL OPINION

*An opinion in substantially the following form
will be delivered at Closing, assuming no
material changes in facts or law*

_____, 2016

Board of Commissioners of the
Town of West New York in the
County of Hudson, New Jersey

Re: Town of West New York, in the County of Hudson, New Jersey
\$5,047,000 General Obligation Bonds, Series 2016

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by the Town of West New York, in the County of Hudson, New Jersey (the "Town"), of its General Obligation Bonds, Series 2016 in the aggregate principal amount of \$5,047,000 (the "2016 Bonds"). The 2016 Bonds are general obligations of the Town and the full faith, credit and taxing power of the Town is available to pay the principal of and interest on the 2016 Bonds. The 2016 Bonds are dated _____, 2016 and mature on November 1 in the years and in the principal amounts and bear interest at the rates, payable on May 1, 2017 and semiannually thereafter on the first day of May and November in each year until maturity, as follows:

Year	Principal Amount	Interest Rate
2017	\$370,000	
2018	\$375,000	
2019	\$385,000	
2020	\$395,000	
2021	\$400,000	
2022	\$410,000	
2023	\$425,000	
2024	\$435,000	
2025	\$445,000	
2026	\$455,000	
2027	\$465,000	
2028	\$487,000	

The 2016 Bonds will be initially issued in book-entry form only in the form of one certificate for the principal amount of 2016 Bonds maturing in each year, registered in the name of and held by Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the 2016 Bonds. DTC will be responsible for maintaining the book-entry system for recording the interests of its participants or the transfers of such interests among such participants. Such participants shall be responsible for maintaining records regarding the beneficial ownership interests in the 2016 Bonds on behalf of individual purchasers. Individual purchases of the 2016 Bonds may be made in the principal amount of \$5,000 or multiples of \$1,000 in excess thereof through book-entries on the books and records of DTC and its participants.

The 2016 Bonds are issued under the provisions of the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, effective January 1, 1962, and the acts amendatory thereof and supplemental thereto (the "Act"), Bond Ordinance Nos. 17/10 as amended by 2/16, 3/13, 16,13, 7/14 and 8/14 (collectively, the "Ordinances"), and a resolution adopted by the Board of Commissioners of the Town on September 15, 2016 (the "Resolution"). The 2016 Bonds are issued for the purpose of providing funds for the financing and refinancing of the capital improvements described in the Ordinances.

The 2016 Bonds are not subject to redemption prior.

In our capacity as Bond Counsel and as a basis for the opinions set forth below, we have examined the proceedings relating to the authorization and issuance of the 2016 Bonds, including (a) copies of the Resolution and the Ordinances; (b) such matters of law, including, *inter alia*, the Act and the Internal Revenue Code of 1986, as amended (the "Code"); and (c) such other agreements, proceedings, certificates, records, approvals, resolutions and documents as to various matters with respect to the issuance of the 2016 Bonds as we have deemed necessary. We have further assumed and relied upon the genuineness, accuracy and completeness of all of the documents and other instruments which we have examined. As to questions of fact material to our opinion, we have relied upon the proceedings and other certifications of public officials executed and furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that:

1. The 2016 Bonds have been duly authorized, issued, executed and sold by the Town; the Ordinances and the Resolution have been duly authorized and adopted by the Town; and the 2016 Bonds, the Ordinances and the Resolution are legal, valid and binding obligations of the Town enforceable in accordance with their respective terms.
2. The Town has covenanted to comply with any continuing requirements that may be necessary to preserve the exclusion from gross income for purposes of federal income

taxation of interest on the 2016 Bonds under the Code. Failure to comply with certain requirements of the Code could cause interest on the 2016 Bonds to be includable in gross income for federal income tax purposes retroactive to the date of issuance of the 2016 Bonds. In our opinion, assuming continuing compliance by the Town with its covenants, under current law, interest on the 2016 Bonds is not includable in gross income for federal income tax purposes and is not an item of tax preference under Section 57 of the Code for purposes of computing the alternative minimum tax; however, interest on the 2016 Bonds held by corporate taxpayers is included in the relevant income computation for calculation of the federal alternative minimum tax as a result of the inclusion of interest on the 2016 Bonds in “adjusted current earnings”.

3. Under current law, interest on the 2016 Bonds and any gain on the sale thereof are not includable as gross income under the New Jersey Gross Income Tax Act.

4. The power and obligation of the Town to pay the 2016 Bonds is unlimited, and the Town shall be required to levy *ad valorem* taxes upon all taxable real property within the Town for the payment of the principal of and interest on the 2016 Bonds without limitation as to rate or amount.

For purposes of this opinion, the enforceability (but not the validity) of the documents mentioned herein may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws now or hereafter enacted by any state or by the federal government affecting the enforcement of creditors’ rights generally, and by equitable principles, and the phrase “enforceable in accordance with their respective terms” shall not mean that specific performance would necessarily be available as a remedy in every situation.

Other than as set forth in Paragraphs 2 and 3 hereof, we express no opinion regarding other federal and state tax consequences arising with respect to the 2016 Bonds.

The opinions expressed herein are limited to and based upon the laws and judicial decisions of the State of New Jersey and the federal laws and judicial decisions of the United States of America as of the date hereof, and are subject to any amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for our opinions or to any laws or judicial decisions hereafter enacted or rendered.

We express no opinion herein as to the adequacy or accuracy of any official statement, private placement memorandum or other offering material pertaining to the offering of the 2016 Bonds.

DECOTIIS, FITZPATRICK & COLE, LLP

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Town of West New York, in the County of Hudson, New Jersey (the "Issuer") in connection with the issuance by the Issuer of \$5,047,000 principal amount of its General Obligation Bonds, Series 2016 (the "Bonds"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Bondholders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Bondholder" shall mean any person who is the registered owner of any Bond, including holders of beneficial interests in the Bonds.

"Dissemination Agent" shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" means the MSRB's Electronic Municipal Markets Access System.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of New Jersey.

Section 3. Provision of Annual Reports.

(a) Not later than nine (9) months after the end of the Issuer's fiscal year, beginning with the fiscal year ending December 31, 2016, the Issuer shall, or shall cause the Dissemination Agent to, provide to the MSRB, in an electronic format as prescribed by the MSRB and accompanied by such identifying information as is prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information which has been made available to the public on the MSRB's website or filed with the Securities and Exchange Commission; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b).

(b) Not later than fifteen (15) Business Days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send a notice to the MSRB in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall, if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided.

Section 4. Content of Annual Reports. The Issuer's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting standards (GAAS) as from time to time in effect, and as prescribed by the Division of Local Government Services in the Department of Community Affairs of the State pursuant to Chapter 5 of Title 40A of the New Jersey Statutes. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be provided pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements and the audited financial statements shall be provided in the same manner as the Annual Report when they become available.

(b) The financial information and operating data consisting of (a) information concerning the Issuer's debt, overlapping indebtedness, tax rate, levy and collection data, property valuation and fund balance of the type contained in the Official Statement dated _____, 2016, pertaining to the sale of the Bonds and (b) the Issuer's most recent adopted budget.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer will provide, in a timely manner not in excess of ten (10) business days after the occurrence of any of the following events, to the MSRB through EMMA, notice of any of the following events with respect to the Bonds (each, a “Listed Event”):

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers or their failure to perform.
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
7. Modifications to rights of holders of the Bonds, if material.
8. Bond calls, if material, and tender offers.
9. Defeasances.
10. Release, substitution or sale of property securing repayment of the Bonds, if material.
11. Rating changes.
12. Bankruptcy, insolvency, receivership or similar event of the Issuer.
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. Appointment of a successor or additional trustee, or the change of name of a trustee, if material.

(b) Upon the occurrence of a Listed Event, the Issuer shall promptly file, in a timely manner not in excess of ten (10) business days after the occurrence of the Listed Event, in an electronic format as prescribed by the MSRB and accompanied by such identifying information as is prescribed by the MSRB, a notice of such occurrence with the MSRB through EMMA. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Bondholders of affected Bonds pursuant to the Resolution.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bondholders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(b), and (ii) the Annual

Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Bondholder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default on the Bonds, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section 11 shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and the Bondholders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: October ____, 2016

TOWN OF WEST NEW YORK, IN THE
COUNTY OF HUDSON, NEW JERSEY

By: _____
Chief Financial Officer

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Town of West New York, in the County of Hudson, New Jersey

Name of Bond Issue: \$5,047,000 General Obligation Bonds, Series 2016.

Dated Date: _____, 2016

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(a) of the Continuing Disclosure Certificate dated _____, 2016. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

TOWN OF WEST NEW YORK, IN THE
COUNTY OF HUDSON, NEW JERSEY

By: _____

Name:

Title: