

**Summary of 2020 audit report of the City of Orange Township
as required by N.J.S. 40A:5-7**

December 31, 2020

We suggest the following:

- The City should implement procedures so that all salaries are paid in accordance with either ordinance or collective bargaining agreement as well as to ensure that health benefit deductions are made in accordance with Chapter 78 provisions.
- The City should provide greater oversight over the Off-Duty Police account and maintain a subsidiary ledger that is accurate. Off-duty police officers should not be assigned, where appropriate, prior to the collection of advance payments from vendors. Amounts paid should be at the correct rate and for hours worked.
- A review should be made of all grants to establish their availability and collectability. Funds should be expended, related receivables collected, or grants should be cancelled.
- The City should perform timely reconciliations of its bank and general ledger accounts in order to minimize the amount of interfunds at the end of the year.
- The City should implement procedures to ensure compliance with Local Public Contracts Law.
- All PILOT agreements should be reviewed to ensure that the appropriate amount due to the County is remitted.
- The City should request additional information from Suez Water to improve the financial reporting of the City.

The attached summary was prepared from the Report of Audit of the City of Orange Township, County of Essex for the year 2020, filed by David Gannon, Registered Municipal Accountant of the firm of PKF O'Connor Davies, LLP and is published in compliance with N.J.S.A. 40A:5-7. The Report is on file at the City Clerk's Office and may be inspected by any interested person.

City Clerk