

# City of Orange Township Calendar Year Best Practices Inventory

Pursuant to LFN 2017-14 Dated August 1, 2017

# Important Points and Changes From Previous Years

- Number of questions in the inventory has been reduced from 41 in 2015, to 30 in 2016, to 25 in 2017.
- Responses **MUST BE CERTIFIED**.
- Best Practice Responses are subject to random **AUDITING** by the Division of Local Government.
- The municipality is permitted a cure period from August to the due date of the Best Practices (October 2017).

Question 1 – NJSA requires public employers to file with PERC a copy of all contracts negotiated with public employee representatives. Has your municipality filed all current contracts with PERC?  
[In 2015 #41; 2016 not asked]

- Answer -- YES – By email dated 9/21/17 from City Attorney to [Contracts@PERC.state.nj.us](mailto:Contracts@PERC.state.nj.us)

Question 2 – Has your municipality adopted a written vehicle use policy prohibiting personal use of municipal vehicles (except for commuting), and providing that employees authorized to use such vehicles for commuting to/from work have a fringe benefit value added to the gross income reported on the employee's W-2 (unless exempt by the IRS)? [In 2015 #3; In 2016 #2]

- Answer YES -- Previous policy did not include the income tax piece. New policy adopted by Resolution 322-2017; Ordinance 65-2017; see also Section 23:1-7.9.

Question 3 –Does your municipality have an established written policy requiring its Tax Assessor to notify the Chief Financial Officer and the Governing Body of all tax appeals upon filing, but no later than June 1<sup>st</sup> of each year?[ In 2015 – not asked; In 2016 #3]

- Answer - YES. Policy was adopted this year by Resolution 327-2017.

Question 4 – Does your municipality maintain an up to date website containing at minimum the following: past three years adopted budgets; the current year’s proposed and adopted budgets; most recent annual financial statements and audits; bids and RFPs; meeting dates; minutes and agendas of Governing Body; Planning Board, Board of Adjustment and commissions? [In 2015 #5; In 2016 #4.

- Answer – YES.

Question 5 – A Director’s Ratio of lower than 85% generally indicates lack of uniformity in assessments and indicates a need for revaluation. NJAC 18:12A-1.14. If your Ratio is less than 85% have you awarded a contract to update tax maps and earmarked funds for hiring professionals?

- Answer – NA. The City of Orange Township currently has a Director’s Ratio of 87.91%.

Question 6 – Have all of your ELECTED officials filed their Financial Disclosure Form in 2017 that covers the 2016 calendar year? [In 2015 #10; In 2016 #7]

- Answer – YES. All elected officials have filed as of the filing date of this Best Practices Survey.
- All appointed officials have not.



Question 7 – Does your municipality have 1) an established documented process requiring department heads to submit notice of outside employment, and 2) a documented process to determine whether or not a conflict of interest exists? [In 2015 not asked; In 2016 #8]

- Answer – YES. Adopted pursuant to Resolution # 325-2017; Ordinance 64-2017; see also Section 23:1-2.4; 23:1-2.13 and 23:1-3.15 as amended.

Question 8 – Municipalities should at least annually assess the authority or authorities they created and publicly discuss their findings and conclusions. Findings and conclusions should address whether the Authority 1) continues to serve the public interest and 2) are more efficient than other alternative in providing services and financing public facilities. Within the past year 1) has the above discussion appeared as a listed agenda item on a Governing Body meeting and 2) do findings and conclusions appear in the minutes? In 2015 #11; In 2016 - #9]

- Answer – YES. While it has been less formalized than the LFB suggests, the Orange Housing Authority has appeared before the City Council in both 2016 and 2017. In 2017 OHA representatives appeared to discuss their work and City Council members stated on the record their continued support for the work the OHA is doing. See Minutes for March 7<sup>th</sup>, 2017 City Council meeting. Going forward we have formalized the process and have adopted Resolution 328-2017.

Question 9 – Have all Audit Findings from the 2015 Audit been 1) identified in the Corrective Action Plan and 2) addressed such that they are not repeated in the 2016 Audit? [In 2015 #15; In 2016 #10]

- Answer – NO. All 2015 Audit findings were identified in a Corrective Action Plan but several 2015 Audit Comments were repeated in 2016.

Question 10 – Does your municipality 1) have an official designated to monitor exemptions granted pursuant to the Long Term Tax Exemption Law NJSA 40A:20-1 and the Five Year Exemptions pursuant to NJSA 40A:21-1 PILOT Agreement payments and 2) have in place a documented process for ensuring compliance with the terms of each PILOT Agreement? [In 2015 not asked; In 2016 #11]

- Answer – YES. See Ordinance 67–2017; see also written administrative policy and job descriptions.

Question 11 – Has your municipality received its completed audit for 2016 within the statutory timeframe, and confirmed that your auditor has filed a certified duplicate copy of the audit report with the Division of Local Government? [In 2015 #18; In 2016 #12]

- Answer – NO. The Audit was not completed within the statutory timeframe.

Question 12 – Did your municipality file its electronic Annual Debt Statement for the preceding fiscal year with the Division of Local Government no later than January 31st? [In 2015 #20; in 2016 #13]

- Answer – YES. The Annual Debt Statement was filed on January 19, 2017.

Question 13 - Has your municipality evaluated its outstanding bond anticipation notes and developed a strategy to move toward permanent financing? [ In 2015 not asked; In 2016 #15]

- Answer – YES. We are now preparing for a bond sale to move notes into permanent financing.



Question 14 –NJSA 40A:11-25 Prequalification Regulations. Is your municipality following the process set forth in NJSA 40A:11-25, including seeking Director approval prior to implementing and enforcing prequalification regulations? [In 2015 not asked; In 2016 #18]

- Answer – NA. We have not used prequalification regulation procurement processes.

Question 15 – Is your municipality providing the public with its introduced User-Friendly Budget at least one week prior to the date of the public hearing on adopting the annual budget? [In 2015 not asked; In 2016 #19]

- Answer – YES.

Question 16 – Did your municipality introduce and adopt its current year budget no later than the dates provided by law or as extended by the Director in Local Finance Notice 2016-20? [In 2015 #33; In 2016 #21.

- Answer – NO. Although we had the earliest introduced and adopted budget in years it still missed the Director's date by over a week.

Question 17 – Does your municipality exclude from healthcare coverage part-time elected and appointed officials (defined by the Division of Local Government to be less than 35 per week)? [In 2015 #35; In 2016 #22]

- Answer –No. Our code defines “part time” as twenty hours or less. Not, as the Division defines it – which is less than 35 hours per week. The Affordable Care Act (ACA) says employees working more than 32 hours per week are to receive healthcare coverage. We objected to this question. No part time (less than 32 hours under the ACA) employees (excluding elected officials) receive healthcare coverage.

Question 18 – Is your municipality collecting the Chapter 78 health care benefit contributions for all officers and employees? [In 2015 not asked; In 2016 #23]

- Answer – YES.

Question 19 – Payments for waivers of Healthcare coverage. Does your municipality 1) refrain from paying waiver payments in excess of the statutory maximum; 2) deduct employee healthcare contribution obligations from the total premium cost when calculating the waiver payments; and 3) refrain from incorporating healthcare waiver payments in any labor agreement? [In 2015 not asked; In 2016 #24]

- Answer – YES.

Question 20 –Does your municipality refrain from paying overtime to employees classified as exempt under the FLSA? [In 2015 #4; In 2016 #25]

- Answer – YES.

Question 21 – For any employees covered by a collective bargaining agreement, has your municipality instituted a policy to not compensate said employees for sick leave accumulated after a certain date? [In 2015 not asked; In 2016 #26]

- Answer – YES. See Resolution 323-2017; Ordinance # 63-2017



Question 22 – Has your municipality instituted a written policy to not compensate non-union employees for sick leave accumulated after a certain date? [In 2015 not asked; In 2016 #26]

- Answer – Yes. See Resolution 323-2017; Ordinance # 63-2017.

Question 23 – Has your municipality adopted an ordinance, resolution, regulation or written policy eliminating longevity awards, bonuses or payments for non-union employees? [In 2015 #48; In 2016 #27]

- Answer – YES. See Municipal Code – 23:1-6.14.

Question 24 – For any employees covered by a collective bargaining agreement, has your municipality eliminated all longevity awards, bonuses, or payments for employees hired on or after a specified date, and refrained from increasing any longevity awards, bonuses or payments for employees hired before a specified date?[In 2015 #49; In 2016 #29]

- Answer – YES. See contracts and MOAs; see also Municipal Code - 23:1-6.14.

Question 25 – Has your municipality adopted or updated an employee personnel manual/handbook by resolution or ordinance within the last five years? [In 2015 #50; In 2016 #30]

- Answer – YES. Multiple times. See Municipal Code Section 23-1 et seq.