TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY
NEW JERSEY

FINANCIAL STATEMENTS
AND
SUPPLEMENTARY DATA
AND INFORMATION

FOR THE FISCAL YEARS
ENDED JUNE 30, 2006 and 2005

WITH
REPORT OF INDEPENDENT AUDITORS

HODULIK & MORRISON, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS
HIGHLAND PARK, N.J.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

TABLE OF CONTENTS

		PAGE(S)
PART I		1
Independent Auditor's Report		2 - 3
FINANCIAL STATEMENTS		4
A	Current Fund - Comparative Balance Sheet Statutory Basis - June 30, 2006 and June 30, 2005	5
A- 1	Current Fund - Comparative Statement of Operations and Change in Fund Balance - Statutory Basis	6 - 7
A- 2	Current Fund - Statement of Revenues - Statutory Basis	8 - 9
A- 3	Current Fund - Statement of Expenditures - Statutory Basis	10 - 17
B	Trust Fund - Comparative Balance Sheet - Statutory Basis - June 30, 2006 and June 30, 2005	18
B- 1	Trust Assessment Fund - Statement of Fund Balance - Statutory Basis	19
C	General Capital Fund - Comparative Balance Sheet - Statutory Basis - June 30, 2006 and June 30, 2005	20
C- 1	General Capital Fund - Statement of Fund Balance - Statutory Basis	21
D	Sewer Utility Fund - Comparative Balance Sheet - Statutory Basis - June 30, 2006 and June 30, 2005	22
D- 1	Sewer Utility Operating Fund - Comparative Statement of Operations and Change in Fund Balance - Statutory Basis	23
D- 2	Sewer Utility Capital Fund - Statement of Fund Balance - Statutory Basis	24
D- 3	Sewer Utility Operating Fund - Statement of Revenues - Statutory Basis	25
D- 4	Sewer Utility Operating Fund - Statement of Expenditures - Statutory Basis	26
E	Senior Citizens Housing Utility Fund - Comparative Balance Sheet - Statutory Basis - June 30, 2006 and June 30, 2005	27
E- 1	Senior Citizens Housing Utility Operating Fund - Comparative Statement of Operations and Change in Fund Balance - Statutory Basis	28
E- 2	Senior Citizens Housing Utility Capital Fund - Statement of Fund Balance - Statutory Basis	29
E- 3	Senior Citizens Housing Utility Operating Fund - Statement of Revenues - Statutory Basis	30
E- 4	Senior Citizens Housing Utility Operating Fund - Statement of Expenditures - Statutory Basis	31
F	Statement of Governmental Fixed Assets - Statutory Basis - June 30, 2006 and June 30, 2005	32

		PAGE(S)
General Capital Fund		96
C- 2	Schedule of Cash and Investments - Treasurer	97
C- 3	Analysis of General Capital Cash and Investments	98
C- 4	Schedule of Various Grants, Loans and Other Receivables	99
C- 5	Schedule of Deferred Charges to Future Taxation - Funded	100
C- 6	Schedule of Deferred Charges to Future Taxation - Unfunded	101
C- 7	Schedule of Capital Improvement Fund	102
C- 8	Schedule of Contributions - Off-Site Improvements	102
C- 9	Schedule of Improvement Authorizations	103
C-10	Schedule of General Serial Bonds	104
C-11	Schedule of Community Foundation	105
C-12	Schedule of Due to/from Current Fund	105
C-13	Schedule of Reserves Revolving Fund - Housing Rehab	106
C-14	Schedule of Preliminary Expenses - General Capital Fund	106
C-15	Schedule of Due to/from Grant Fund	107
C-16	Schedule of Reserves Developer's Tree Contributions	107
C-17	Schedule of Bonds and Notes Authorized but not Issued	108
Sewer Utility Fund		109
D- 5	Schedule of Sewer Utility Cash and Investments - Treasurer	110
D- 6	Schedule of Cash - Collector	111
D- 7	Analysis of Sewer Utility Capital Cash and Investments	112
D- 8	Schedule of Sewer Charges Receivable	113
D- 9	Schedule of Fixed Capital	114
D-10	Schedule of Fixed Capital Authorized and Uncompleted	115
D-11	Schedule of SFY 2005 Appropriation Reserves	115
D-12	Schedule of Accrued Interest on Bonds and Notes	116
D-13	Schedule of Prepaid Sewer Charges	117
D-14	Schedule of Sewer Overpayments	117
D-15	Schedule of Improvement Authorizations	118
D-16	Schedule of Deferred Reserve for Amortization	118
D-17	Schedule of Due from Current Fund	119
D-18	Schedule of Capital Improvement Fund	119
D-19	Schedule of Reserve for Amortization	120
D-20	Schedule of Due from Sewer Capital	120
D-21	Schedule of Due to Sewer Utility Operating Fund	120
D-22	Schedule of General Serial Bonds	121
D-23	Schedule of Bonds and Notes Authorized but not Issued	121
Senior Citizens Housing Utility Fund		122
E- 5	Schedule of Cash and Investments	123
E- 6	Analysis of Senior Housing Utility Capital Cash and Investments	124
E- 7	Schedule of 2005 Appropriation Reserves for the Year Ended June 30, 2006	125
E- 8	Schedule of Accrued Interest on Bonds	126

TOWNSHIP OF PISCATAWAY

MIDDLESEX COUNTY, NEW JERSEY

PART I

INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS

HODULIK & MORRISON, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS
PUBLIC SCHOOL ACCOUNTANTS
1102 RARITAN AVENUE, P.O. BOX 1450
HIGHLAND PARK, NJ 08904
(732) 393-1000
(732) 393-1196 (FAX)

ANDREW G. HODULIK, CPA, RMA, PSA
ROBERT S. MORRISON, CPA, RMA, PSA

JO ANN BOOS, CPA, PSA

MEMBERS OF:
AMERICAN INSTITUTE OF CPA'S
NEW JERSEY SOCIETY OF CPA'S
REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Council
Township of Piscataway
County of Middlesex, New Jersey

We have audited the accompanying balance sheets – statutory basis of the various funds of the Township of Piscataway, County of Middlesex, New Jersey, as of June 30, 2006 and 2005 and the related statements of operations and changes in fund balance – statutory basis for the years then ended and the related statements of revenues – statutory basis and statements of expenditures – statutory basis of the various funds for the year ended June 30, 2006. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as discussed in the following paragraphs, we conducted our audit 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, these financial statements were prepared in conformity with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, United States of America, that demonstrate compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. These prescribed principles 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. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in accordance with accounting principles generally accepted in the United States of America.

FINANCIAL STATEMENTS

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
JUNE 30, 2006 AND 2005

ASSETS		BALANCE JUNE 30, 2006	BALANCE JUNE 30, 2005
Cash and Investments - Treasurer	A-4	$ 11,430,799.74	$ 12,413,863.97
Cash - Change Fund	A	535.00	535.00
Due from State of N.J. per Ch. 20, P.L. 1976	A-6	168,494.52	186,311.83
		11,599,829.26	12,600,710.80
Receivables With Offsetting Reserves:			
Taxes Receivable	A-7	1,336,668.50	1,291,692.83
Tax Title Liens	A-7	289,223.93	276,906.44
Property Acquired for Taxes (At Assessed Valuation)	A-7	2,617,401.04	2,617,401.04
Revenue Accounts Receivable	A-9	90,580.49	82,369.35
Interfunds Receivable	A-12	564,960.50	199,619.27
		4,898,834.46	4,467,988.93
Deferred Charges:			
Special Emergency - (40A:4-55)	A-8	25,000.00	40,000.00
Total Regular Fund		16,523,663.72	17,108,699.73
State and Federal Grant Fund:			
Grants Receivable	A-15	781,144.11	1,246,902.29
Interfunds Receivable	A-16		237,338.90
Total State and Federal Grant Fund		781,144.11	1,484,241.19
		$ 17,304,807.83	$ 18,592,940.92

LIABILITIES, RESERVES AND FUND BALANCE		BALANCE JUNE 30, 2006	BALANCE JUNE 30, 2005
Liabilities:			
Appropriation Reserves	A-3,A-10	$ 2,387,271.33	$ 1,983,176.63
Reserve for Encumbrances	A-3,A-10	1,389,606.78	1,471,723.89
Prepaid Taxes	A-7		126,474.56
Various Payables	A-11	175,353.81	214,621.21
Various Reserves	A-11	2,785,853.66	3,583,730.84
Tax Overpayments	A-14	122,836.07	34,710.08
Interfunds Payable	A-12	763.68	446,554.88
		6,861,685.33	7,860,992.09
Reserve for Receivables	Reserve	4,898,834.46	4,467,988.93
Fund Balance	A-1	4,763,143.93	4,779,718.71
Total Regular Fund		16,523,663.72	17,108,699.73
State and Federal Grant Fund:			
Reserve for State and Federal Grants:			
Appropriated	A-17	685,588.32	1,402,475.78
Interfunds Payable	A-16	28,409.29	
Reserve for Encumbrances	A-17	67,146.50	81,765.41
Total State and Federal Grant Fund		781,144.11	1,484,241.19
		$ 17,304,807.83	$ 18,592,940.92

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - STATUTORY BASIS
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005

REVENUE AND OTHER INCOME REALIZED	REF.	SFY 2006	SFY 2005
Fund Balance Utilized	A-1, A-2	$ 4,556,000.00	$ 4,550,000.00
Miscellaneous Revenues Anticipated	A-2	13,769,952.75	14,113,743.09
Receipts from Delinquent Taxes	A-2	1,293,204.02	1,628,795.77
Non-Budget Revenue	A-2	373,521.88	673,677.74
Receipts from Current Taxes	A-7	114,000,639.27	108,638,098.93
Other Credits to Income:			
Unexpended Balances of Approp. Reserves	A-10	1,685,698.31	1,284,081.05
Unexpended Balances of Accounts Payable	A-11	379,050.39	425,802.00
Third Party Billing			0.40
Interfunds:			
Sewer Operating Fund			22,328.23
Trust Other Fund			24,684.70
Grants Cancelled	A-12	0.64	224,550.00
Tax Overpayments Cancelled			0.04
Total Revenues		136,058,067.26	131,585,761.95
EXPENDITURES AND OTHER CHARGES			
Budget Appropriations and Emergency Appropriations			
Within "CAP"			
Operations:			
Salaries and Wages	A-3	17,496,349.00	16,818,644.53
Other Expenses	A-3	5,952,793.29	5,035,559.97
Deferred Charges and Statutory Expend.	A-3	809,668.06	1,039,979.31
Appropriations Excluded from "CAP"			
Operations:			
Salaries and Wages	A-3	566,619.00	501,674.00
Other Expenses	A-3	11,632,523.77	11,007,154.63
Capital Improvements	A-3	1,020,000.00	700,000.00
Municipal Debt Service	A-3	3,780,491.06	3,742,727.23
Deferred Charges and Statutory Expend.	A-3	15,000.00	15,000.00
Special District Taxes	A-13	2,180,690.50	2,149,478.00
County Tax	A-13	14,151,099.13	14,602,294.94
County Open Space Fund	A-13	1,558,398.81	1,391,179.66
Due County for Added Taxes	A-13	86,395.92	86,169.31
Local District School Taxes	A-13	70,894,042.00	69,767,428.00
Reserve for Tax Appeals	A-11	939,436.29	714,641.86
Interfunds:			
Interfunds Advanced - Net	A-12	365,341.23	83,916.68
Payroll			22,844.46
Grants Receivable Cancelled			202,500.00
Refund Prior Years Revenue	A-4	69,793.98	7,501.24
Total Expenditures		131,518,642.04	127,888,693.82
Excess in Revenue		4,539,425.22	3,697,068.13

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - STATUTORY BASIS
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005

REVENUE AND OTHER INCOME REALIZED	REF.	SFY 2006	SFY 2005
Excess in Revenue (brought forward)		4,539,425.22	3,697,068.13
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute Deferred Charges to Budgets of Succeeding Years			40,000.00
Statutory Excess to Fund Balance		4,539,425.22	3,737,068.13
FUND BALANCE			
Balance - July 1	A	4,779,718.71	5,592,650.58
		9,319,143.93	9,329,718.71
Decreased by:			
Utilization as Anticipated Revenue	A-1	4,556,000.00	4,550,000.00
Balance - June 30	A	$ 4,763,143.93	$ 4,779,718.71

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - STATUTORY BASIS
FOR THE YEAR ENDED JUNE 30, 2006

	REF.	ANTICIPATED 2006 BUDGET	APPROP. N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	A-1	$ 4,556,000.00	$	$ 4,556,000.00	$
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-9	43,000.00		53,670.00	10,670.00
Other	A-9	50,000.00		95,511.00	45,511.00
Fees and Permits	A-9	225,000.00		400,113.76	175,113.76
Fines and Costs:					
Municipal Court	A-9	730,000.00		896,395.06	166,395.06
Interest and Costs on Taxes	A-5	280,000.00		333,329.37	53,329.37
Interest on Investments and Deposits	A-9	600,000.00		1,517,166.19	917,166.19
Cable Television Franchise Fees	A-9	106,000.00		111,179.00	5,179.00
Reserve for PCTV	A-11	55,000.00		55,000.00	
Hotel and Motel Tax	A-9	220,000.00		295,742.40	75,742.40
Library Fines and Fees	A-9	36,000.00		36,000.00	
Legislative Initiative Municipal Block Grant	A-9	206,047.00		206,047.00	
Extraordinary Aid NJSA 52:2D11.35	A-9	750,000.00		750,000.00	
Consolidated Municipal Property Tax Relief Aid	A-9	3,469,812.00		3,469,812.00	
Energy Receipts Taxes	A-9	3,934,765.00		3,934,765.00	
Supplemental Energy Receipts Taxes	A-9	211,494.00		211,494.00	
Municipal Homeland Security Assistance Aid	A-9	140,000.00		140,000.00	
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):					
Uniform Construction Code Fees	A-9	725,000.00		805,570.00	80,570.00
Garden State Trust	A-9	1.00			(1.00)
Uniform Fire Safety Act	A-9	69,643.76		67,904.77	(1,738.99)
Public and Private Revenues Offset with Approps.:					
Aggressive Driver Grant	A-12	12,000.00		12,000.00	
Alcohol Education Rehabilitation Fund	A-12		1,414.85	1,414.85	
Body Armor Replacement Fund	A-12		8,199.06	8,199.06	
Clean Communities Program	A-12		43,523.88	43,523.88	
Click It or Ticket	A-12		4,000.00	4,000.00	
Cops in Shop Grant	A-12	3,400.00	3,600.00	7,000.00	
Drunk Driving Enforcement Grant	A-12	7,736.01		7,736.01	
DDEF - DWI Middlesex County	A-12	2,100.00		2,100.00	
Enhanced 9-1-1 Grant	A-12		48,201.00	48,201.00	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - STATUTORY BASIS
FOR THE YEAR ENDED JUNE 30, 2006

	REF.	ANTICIPATED 2006 BUDGET	APPROP. N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Public and Private Revenues Offset with Approps. (cont'd.):					
Info-Link Regional Library Grant	A-12		1,774.00	1,774.00	
Juvenile Accountability Incentive Block Grant	A-12	8,667.00		8,667.00	
Karma Grant	A-12		930.00	930.00	
Library Mini Grant	A-12		1,500.00	1,500.00	
Middlesex County Cultural Heritage Grant	A-12		1,500.00	1,500.00	
Multi Jurisdictional Task Force	A-12		3,000.00	3,000.00	
Municipal Alliance Activities Program	A-12		45,987.00	45,987.00	
Municipal TDM Grant	A-12		7,500.00	7,500.00	
NFL Youth Grant	A-12	5,000.00		5,000.00	
Pandemic Influenza Grant	A-12		1,708.00	1,708.00	
Police Traffic Record Grant	A-12		10,500.00	10,500.00	
Public Archives & Records Infrastructure Support (PARIS)	A-12		39,500.00	39,500.00	
Public Health for BioTerrorism	A-12		3,000.00	3,000.00	
Public Health Priority Funding	A-12		34,011.00	34,011.00	
Recycling Tonnage Grant	A-12		25,121.40	25,121.40	
Safe and Secure Communities Program	A-12		60,000.00	60,000.00	
Tobacco Age of Sale	A-12	1,380.00		1,380.00	
You Drink, You Drive, You Lose	A-12		5,000.00	5,000.00	
Total Miscellaneous Revenues	A-1	11,892,045.77	349,970.19	13,769,952.75	1,527,936.79
Receipts from Delinquent Taxes	A-1,A-7	1,200,000.00		1,293,204.02	93,204.02
Subtotal General Revenues		17,648,045.77	349,970.19	19,619,156.77	1,621,140.81
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	A-7	25,578,448.14		27,432,140.37	1,853,692.23
Budget Totals		43,226,493.91	349,970.19	47,051,297.14	$ 3,474,833.04
Non-Budget Revenues	A-1,A-9			373,521.88	
		$ 43,226,493.91	$ 349,970.19	$ 47,424,819.02	
	Ref.	A-3	A-3		

( ) Denotes Deficit

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2006

	2006 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED: PAID OR CHARGED	EXPENDED: ENCUMBERED	EXPENDED: RESERVED	UNEXPENDED BALANCE CANCELLED
OPERATIONS WITHIN "CAPS"						
General Government:						
Township Council	$ 63,226.00	$ 63,072.62	$ 63,072.62	$	$	$
Salaries and Wages	7,150.00	7,150.00	4,403.79	80.00	2,666.21	
Other Expenses						
Township Clerk	135,144.00	135,550.05	135,550.05			
Salaries and Wages	17,459.00	17,459.00	13,930.41	1,309.00	2,219.59	
Other Expenses						
Elections	4,000.00	4,000.00	1,274.19		2,725.81	
Salaries and Wages	22,300.00	22,300.00	15,762.13		6,537.87	
Other Expenses						
Administration:						
Dept. of Administration	345,852.00	345,852.00	274,879.72		70,972.28	
Salaries and Wages	101,615.00	101,615.00	56,153.23	5,169.49	40,292.28	
Other Expenses						
Division of Personnel	84,289.00	84,313.81	84,313.81			
Salaries and Wages	36,570.00	36,570.00	22,603.87	10,992.95	2,973.18	
Other Expenses						
Computer Center	119,495.00	120,759.92	120,759.92			
Salaries and Wages	274,718.80	274,718.80	235,618.92	13,728.27	25,371.61	
Other Expenses						
Division of Purchasing	48,802.00	50,298.28	50,298.28			
Salaries and Wages						
Other Expenses:	58,000.00	58,000.00	45,110.97	12,146.23	742.80	
Postage (All Depts.)	10,000.00	10,000.00	3,408.46	5,291.82	1,299.72	
Duplicating (All Depts.)	27,805.00	27,805.00	23,712.76	2,643.50	1,448.74	
Miscellaneous Other Expenses						
Municipal Land Use (N.J.S.A. 40:55 D-1):						
Planning Board	6,008.00	4,736.54	4,736.54			
Salaries and Wages	65,947.00	65,947.00	48,958.56	3,792.00	13,196.44	
Other Expenses						
Zoning Board	6,008.00	4,735.46	4,735.46			
Salaries and Wages	62,793.50	62,793.50	46,761.25	4,620.00	11,412.25	
Other Expenses						
Celebration of Public Events	4,000.00	4,000.00	4,000.00			
Other Expenses						

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2006

	2006 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED: PAID OR CHARGED	EXPENDED: ENCUMBERED	EXPENDED: RESERVED	UNEXPENDED BALANCE CANCELLED
Administration (cont'd):						
Cable TV Studio						
Salaries and Wages	168,277.00	154,865.99	114,865.99		40,000.00	
Other Expenses	21,465.00	21,465.00	6,993.77	9,316.96	5,154.27	
Finance and Revenue						
Department of Finance						
Salaries and Wages	264,780.00	268,992.50	268,992.50			
Other Expenses	25,350.00	25,350.00	7,319.54	697.06	17,333.40	
Annual Audit	58,000.00	58,000.00		58,000.00		
Division of Assessment						
Salaries and Wages	200,313.00	184,436.19	174,436.19		10,000.00	
Other Expenses	90,030.00	90,030.00	66,192.74	2,695.81	21,141.45	
Division of Revenue						
Salaries and Wages	162,687.00	119,687.00	81,121.69		38,565.31	
Other Expenses	28,475.00	28,475.00	23,664.74	1,347.00	3,463.26	
Insurance						
Other Insurance Premiums	15,000.00	15,000.00	250.00		14,750.00	
Municipal Court						
Salaries and Wages	450,139.00	450,139.00	392,385.14		57,753.86	
Other Expenses	30,143.00	30,143.00	17,817.04	5,609.00	6,716.96	
Public Defender (P.L. 1997, Ch. 256)						
Salaries and Wages	23,425.00	23,425.00	23,368.32		56.68	
Law						
Department of Law						
Salaries and Wages	59,599.00	59,454.41	59,454.41			
Other Expenses	343,000.00	378,000.00	319,598.99	58,274.26	126.75	
Municipal Prosecutor						
Salaries and Wages	43,438.00	43,332.55	43,332.55			
PUBLIC SAFETY:						
Joint Fire Board						
Salaries and Wages	1,221.00	98.75	98.75			
Uniform Fire Safety Act (P.L. 1983 C. 383)						
Salaries and Wages	200,246.00	200,246.00	180,493.29		19,752.71	
Other Expenses	14,460.00	14,460.00	8,962.72	5,378.23	119.05	
Animal Control						
Other Expenses	1,950.00	1,950.00			1,950.00	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2006

	2006 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED: PAID OR CHARGED	EXPENDED: ENCUMBERED	EXPENDED: RESERVED	UNEXPENDED BALANCE CANCELLED
PUBLIC SAFETY (CONT'D):						
Division of Schools Crossing Guards						
Salaries and Wages	319,300.00	319,300.00	253,890.58		65,409.42	
Other Expenses	1,960.00	1,960.00	1,794.11	165.89		
Division of Police						
Salaries and Wages	9,256,224.00	9,256,224.00	9,000,397.48		255,826.52	
Other Expenses	437,908.00	437,908.00	338,507.60	44,780.79	54,619.61	
First Aid Organization - Contribution	80,000.00	80,000.00	72,000.00	6,498.00	1,502.00	
PUBLIC WORKS:						
Department of Public Works						
Salaries and Wages	313,652.00	211,275.38	211,275.38			
Other Expenses	43,755.00	63,755.00	29,495.70	25,516.67	8,742.63	
Division of Engineering						
Salaries and Wages	472,884.00	464,384.00	456,591.09		7,792.91	
Other Expenses	96,341.74	104,841.74	51,738.30	38,605.26	14,498.18	
Division of Planning						
Salaries and Wages	457,907.00	472,550.85	469,550.85		3,000.00	
Other Expenses	47,201.00	47,201.00	8,043.90	275.00	38,882.10	
Public Building and Grounds						
Salaries and Wages	274,030.00	234,230.00	223,095.32		11,134.68	
Other Expenses	162,202.00	162,202.00	105,479.10	48,367.32	8,355.58	
Division of Property Maintenance						
Salaries and Wages	413,814.00	427,014.00	417,578.80		9,435.20	
Other Expenses	488,260.00	488,260.00	315,893.56	117,408.97	54,957.47	
Division of Streets						
Salaries and Wages	667,734.00	617,734.00	600,590.13		17,143.87	
Other Expenses	79,650.00	79,650.00	52,505.70	22,084.93	5,059.37	
Snow Removal						
Salaries and Wages	90,000.00	90,000.00	90,000.00			
Other Expenses	256,250.00	256,250.00	179,547.42	67,533.81	9,168.77	
All Utilities	1,396,510.00	1,396,510.00	1,014,314.68	253,779.67	128,415.65	
Division of Parks						
Salaries and Wages	664,718.00	664,718.00	656,135.10		8,582.90	
Other Expenses	186,200.00	208,200.00	83,920.26	101,427.45	22,852.29	
Shade Tree		-				
Other Expenses	30,000.00	30,000.00		5,835.00	24,165.00	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2006

	2006 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED ENCUMBERED	EXPENDED RESERVED	UNEXPENDED BALANCE CANCELLED
PUBLIC WORKS(CONT'D):						
Division of Sanitation - Sewer System		-				
Other Expenses	36,600.00	36,600.00	30,547.19	5,177.40	875.41	
Solid Waste Collection		-				
Salaries and Wages	549,738.00	563,938.00	552,311.02		11,626.98	
Other Expenses	18,020.00	18,020.00	8,957.14	2,116.24	6,946.62	
Recycling Program		-				
Other Expenses	148,100.00	148,100.00	107,305.14	9,181.17	31,613.69	
Municipal Services Act	30,000.00	30,000.00	20,947.28	2,526.19	6,526.53	
HEALTH AND WELFARE:						
Department of Health						
Salaries and Wages	458,650.00	458,650.00	445,825.70		12,824.30	
Other Expenses	24,865.00	37,865.00	9,878.27	26,372.76	1,613.97	
Division of Public Assistance						
Salaries and Wages	5,600.00	5,600.00	5,588.30		11.70	
Office on Aging						
Salaries and Wages	371,993.00	401,993.00	392,109.80		9,883.20	
Other Expenses	96,625.00	96,625.00	68,946.08	25,487.30	2,191.62	
Aid to American Cancer Society	500.00	500.00			500.00	
Aid to Heart Fund	500.00	500.00			500.00	
Kiddie Keepwell Contribution	7,500.00	7,500.00			7,500.00	
RECREATION AND EDUCATION						
Department of Recreation						
Salaries and Wages	438,137.00	438,137.00	410,165.74		27,971.26	
Other Expenses	300,810.00	300,810.00	201,148.10	49,409.89	50,252.01	
Youth Center						
Salaries and Wages	118,304.00	118,304.00	112,565.83		5,738.17	
Other Expenses	43,540.00	43,540.00	30,455.72	8,234.49	4,849.79	
Unfunded Severance Liability	100,000.00	462,776.00	462,776.00			
Salary Adjustment						
Salaries and Wages	263,000.00					

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2006

	2006 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED: PAID OR CHARGED	EXPENDED: ENCUMBERED	EXPENDED: RESERVED	UNEXPENDED BALANCE CANCELLED
Uniform Construction Code						
Division of Inspections						
Salaries and Wages	426,941.00	426,941.00	411,502.22		15,438.78	
Other Expenses	27,904.25	27,904.25	16,068.18	1,723.62	10,112.45	
Boards and Commissions						
Salaries and Wages	8,050.00	7,359.70	7,359.70			
Other Expenses	34,084.00	34,084.00	19,774.77	4,810.39	9,498.84	
Total Operations Within "CAPS"	23,449,142.29	23,449,142.29	20,995,970.55	1,068,409.79	1,384,761.95	
Contingent						
Total Operations Including Contingent Within "CAPS"	23,449,142.29	23,449,142.29	20,995,970.55	1,068,409.79	1,384,761.95	
DETAIL:						
Salaries and Wages	17,957,625.00	17,496,349.00	16,794,702.46		701,646.54	
Other Expenses (Including Contingent)	5,491,517.29	5,952,793.29	4,201,268.09	1,068,409.79	683,115.41	
STATUTORY EXPENDITURES:						
Contribution to:						
Social Security System (O.A.S.I.)	804,668.06	804,668.06	766,064.79		38,603.27	
State Unemployment Insurance	5,000.00	5,000.00	5,000.00			
Total Deferred Charges and Statutory Expenditures Municipal Within "CAPS"	809,668.06	809,668.06	771,064.79		38,603.27	
Total General Appropriations for Municipal Purposes Within "CAPS"	24,258,810.35	24,258,810.35	21,767,035.34	1,068,409.79	1,423,365.22	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2006

	2006 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED: PAID OR CHARGED	EXPENDED: ENCUMBERED	EXPENDED: RESERVED	UNEXPENDED BALANCE CANCELLED
OPERATIONS EXCLUDED FROM "CAPS"						
911 Emergency Telecommunication Services						
Salaries and Wages	544,275.00	544,275.00	483,683.36		60,591.64	
Other Expenses	126,866.50	126,866.50	65,310.32	3,007.28	58,548.90	
Division of Emergency Management						
Salaries and Wages	22,344.00	22,344.00	20,247.17		2,096.83	
Other Expenses	19,750.00	19,750.00	6,030.90	7,629.60	6,089.50	
Maintenance of Free Public Library (NJSA 40:54-8)	2,777,966.00	2,777,966.00	2,576,417.31	112,691.41	88,857.28	
NJDES - Storm Water						
Other Expenses	156,475.00	156,475.00	9,000.00	91,750.00	55,725.00	
Insurance						
Group Insurance for Employees	5,543,615.00	5,543,615.00	5,038,705.23		504,909.77	
Other Insurance Premiums	794,457.07	794,457.07	699,262.21	14,287.36	80,907.50	
Workers' Compensation IBNR	10,000.00	10,000.00	10,000.00			
Police and Firemen's Retirement System	730,222.00	730,222.00	730,221.60		0.40	
Public Employees Retirement System	205,288.00	205,288.00	205,288.00			
MCIA Recycling Program	575,000.00	575,000.00	493,559.04	48,500.00	32,940.96	
MCUA Solid Waste Agreement	158,595.00	158,595.00	122,965.87	24,610.00	11,019.13	
Edison Animal Control Contract	39,390.00	39,390.00	27,426.00	6,688.00	5,276.00	
Middlesex County Nursing Services	28,846.00	28,846.00	17,902.00	9,472.00	1,472.00	
UNDNJ Agreements	25,800.00	25,800.00	6,868.80		18,931.20	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
Matching Funds for Grants	49,037.00	36,540.00			36,540.00	
Aggressive Driver	12,000.00	12,000.00	12,000.00			
Alcohol Education Rehab Program		1,414.85	1,414.85			
Body Armor Replacement Grant		8,199.06	8,199.06			
Clean Communities Grant		43,523.88	43,523.88			
Click It or Ticket Grant		4,000.00	4,000.00			
COPS in Shop	3,400.00	7,000.00	7,000.00			
Drunk Driving Enforcement Fund	7,736.01	7,736.01	7,736.01			
Drunk Driving Enforcement Fund - DWI Middlesex County	2,100.00	2,100.00	2,100.00			
Enhanced 9-1-1 Grant		48,201.00	48,201.00			
Info-Link Library Grant		1,774.00	1,774.00			
Juvenile Accountability Incentive Block Grant						
Grant	8,667.00	8,667.00	8,667.00			
Match	963.00	963.00	963.00			
Karma Foundation Grant		930.00	930.00			

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2006

	2006 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED: PAID OR CHARGED	EXPENDED: ENCUMBERED	EXPENDED: RESERVED	UNEXPENDED BALANCE CANCELLED
PUBLIC AND PRIVATE PROGRAMS (CONT'D.)						
Middlesex County Cultural Heritage		1,500.00	1,500.00			
Mini Grant Library		1,500.00	1,500.00			
Grant		1,000.00	1,000.00			
Match		3,000.00	3,000.00			
Multi Jurisdictional Task Force		57,484.00	57,484.00			
Municipal Alliance Program		7,500.00	7,500.00			
Municipal TDM Award	5,000.00	5,000.00	5,000.00			
NFL Youth Grant		1,708.00	1,708.00			
Pandemic Influenza Grant		39,500.00	39,500.00			
Public Archives & Record Infrastructure Support (PARIS)		3,000.00	3,000.00			
Public Health for Bio Terrorism		34,011.00	34,011.00			
Public Health Priority Funding		25,121.40	25,121.40			
Recycling Tonnage Grant		60,000.00	60,000.00			
Safe & Secure Communities Program	1,380.00	1,380.00	1,380.00			
Tobacco Age of Sale Enforcement		10,500.00	10,500.00			
Traffic Records Grant		5,000.00	5,000.00			
You Drink, You Drive, You Lose						
Total Operations Excluded from "CAPS"	11,849,172.58	12,199,142.77	10,916,601.01	318,635.65	963,906.11	
DETAIL:						
Salaries and Wages	566,619.00	566,619.00	503,930.53		62,688.47	
Other Expenses	11,282,553.58	11,632,523.77	10,412,670.48	318,635.65	901,217.64	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	870,000.00	870,000.00	870,000.00			
Land Acquisition	150,000.00	150,000.00	147,438.66	2,561.34		
Total Capital Improvements Excl. from "CAPS"	1,020,000.00	1,020,000.00	1,017,438.66	2,561.34		

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2006

		2006 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED: PAID OR CHARGED	EXPENDED: ENCUMBERED	EXPENDED: RESERVED	UNEXPENDED BALANCE CANCELLED
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"							
Payment of Bond Principal		2,756,000.00	2,756,000.00	2,756,000.00			
Interest on Bonds		1,025,383.52	1,025,383.52	1,024,491.06			892.46
Total Municipal Debt Service - Excl. from "CAPS"		3,781,383.52	3,781,383.52	3,780,491.06			892.46
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"							
Deferred Charges Emergency Authorizations - 5 yrs		15,000.00	15,000.00	15,000.00			
Total Deferred Charges - Municipal Excluded from "CAPS"		15,000.00	15,000.00	15,000.00			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"		16,665,556.10	17,015,526.29	15,729,530.73	321,196.99	963,906.11	892.46
Subtotal General Appropriations		40,924,366.45	41,274,336.64	37,496,566.07	1,389,606.78	2,387,271.33	892.46
Reserve for Uncollected Taxes		2,302,127.46	2,302,127.46	2,302,127.46			
Total General Appropriations		$ 43,226,493.91	$ 43,576,464.10	$ 39,798,693.53	$ 1,389,606.78	$ 2,387,271.33	$ 892.46
	REF.	A-2		A-1	A,A-1	A,A-1	A-1
Adopted Budget	A-2		$ 43,226,493.91				
Approp. by N.J.S.A. 40A:4-87	A-2		349,970.19				
			$ 43,576,464.10				
Disbursed	A- 4			$ 35,745,076.87			
Reserve for Uncollected Taxes	A- 7			2,302,127.46			
Emergency Approp. 40A:4-47	A- 8			15,000.00			
Reserve Accumulated Sick	A-11			462,776.00			
Due to Capital	A-12			870,000.00			
Due to State and Federal Grants Fund	A-12			403,713.20			
				$ 39,798,693.53			

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
JUNE 30, 2006 AND 2005

ASSETS	REF.	BALANCE JUNE 30,2006	BALANCE JUNE 30,2005
Assessment Trust Fund:			
Cash and Investments - Treasurer	B- 3	$ 889.80	$ 889.80
Total Assessment Trust Fund		889.80	889.80
Animal Control Fund:			
Cash and Investments - Treasurer	B- 3	21,382.41	13,806.68
Due from Current Fund	B- 3		1,300.00
Total Animal Control Fund		21,382.41	15,106.68
Self-Insurance Trust Fund:			
Cash and Investments - Treasurer	B- 3	522,000.30	470,153.30
Total Trust-Other Fund		522,000.30	470,153.30
Other Trust Funds:			
Cash and Investments - Treasurer	B- 3	5,484,570.57	4,707,579.12
State and Federal Grants Receivable	B- 3	349,853.94	28,623.14
Total Escrow Trust Fund		5,834,424.51	4,736,202.26
Public Assistance Fund:			
Cash and Investments - Treasurer	B- 3	331.39	1,814.03
Total Public Assistance Fund		331.39	1,814.03
		$ 6,379,028.41	$ 5,224,166.07

LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE JUNE 30,2006	BALANCE JUNE 30,2005
Assessment Trust Fund:			
Fund Balance	B- 1	$ 889.80	$ 889.80
Total Assessment Trust Fund		889.80	889.80
Animal Control Fund:			
Due to State of New Jersey	B- 3	106.20	241.20
Reserve for Animal Control Expenditures	B- 3	21,276.21	14,865.48
Total Animal Control Fund		21,382.41	15,106.68
Self-Insurance Trust Fund:			
Reserve for Self Insurance	B- 3	431,068.55	379,221.55
Reserve for Metlars House (Self Insurance)	B- 3	90,931.75	90,931.75
Total Trust-Other Fund		522,000.30	470,153.30
Other Trust Funds:			
Payroll Liabilities	B- 3	156,559.94	161,669.51
Unemployment Insurance Trust Fund	B- 3	55,229.55	100,950.17
Due to Current Fund	B- 3		199,619.27
Reserve for CDBG	B- 3	255,892.68	27,716.34
Miscellaneous Deposits	B- 3	1,174,052.56	1,084,588.35
Affordable Housing	B- 3	220,200.67	
Schedule of Escrows	B- 4	3,972,489.11	3,161,658.62
Total Escrow Trust Fund		5,834,424.51	4,736,202.26
Public Assistance Fund:			
Reserve for Public Assistance	B- 3	331.39	1,814.03
Total Public Assistance Fund		331.39	1,814.03
		$ 6,379,028.41	$ 5,224,166.07

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

TRUST ASSESSMENT FUND
STATEMENT OF FUND BALANCE - STATUTORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	REF.	
Balance - June 30, 2005	B	$889.80
Balance - June 30, 2006	B	$889.80

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
BALANCE SHEET - STATUTORY BASIS
JUNE 30, 2006 AND JUNE 30, 2005

	REF.	BALANCE JUNE 30,2006	BALANCE JUNE 30,2005
ASSETS			
Cash, Cash Equivalents and Investments	C- 2	$ 58,868.64	$ 6,494,200.52
Federal and State Grants Receivable	C- 4	1,060,000.00	686,250.00
Deferred Charges to Future Taxation:			
Funded	C- 5	23,814,000.00	26,570,000.00
Unfunded	C- 6	23,832,170.00	10,178,695.00
Due to Current Fund	C-12		207,915.98
		$ 48,765,038.64	$ 44,137,061.50
LIABILITIES, RESERVES AND FUND BALANCE			
General Serial Bonds	C-10	$ 23,814,000.00	$ 26,570,000.00
Reserve for Preliminary Expenses	C-14	919,250.00	4,000.00
Due to Current Fund	C-12	536,551.21	
Improvement Authorizations:			
Funded	C- 9	1,288,772.53	1,551,182.05
Unfunded	C- 9	9,699,472.27	6,489,521.77
Reserve for Encumbrances	C- 9	10,336,027.78	8,415,725.65
Capital Improvement Fund	C- 7	87,238.00	
Reserve Revolving Fund - Housing Rehab	C-13	571,852.63	532,179.54
Reserve for Grant Receivables	C- 4	930,000.00	
Contributions - Tree Contributions	C-16	4,204.84	25,500.00
Contributions - Off-Site Improvements	C- 8	151,265.75	23,459.25
Fund Balance	C- 1	426,403.63	525,493.24
		$ 48,765,038.64	$ 44,137,061.50
Bonds & Notes Authorized but not Issued	C-17	$ 23,832,170.00	$ 10,178,695.00

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - STATUTORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	REF.		
Balance - June 30, 2005	C	$	525,493.24
Increased by:			
Cancelation of Improv. Balances	C-9		146,910.39
			672,403.63
Decreased by:			
Improvement Authorizations	C- 9		246,000.00
Balance - June 30, 2006	C	$	426,403.63

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
JUNE 30, 2006 AND 2005

ASSETS	REF.	BALANCE JUNE 30, 2006	BALANCE JUNE 30, 2005
Operating Fund:			
Cash and Investments - Treasurer	D- 5	$ 1,675,506.06	$ 1,858,080.62
Change Fund - Collector	D	100.00	100.00
Due from Sewer Capital	D-20	144,208.34	4,208.34
Due from Current Fund	D-17	763.68	
		1,820,578.08	1,862,388.96
Receivables and Inventory With Offsetting Reserves:			
Sewer Charges Receivable	D-8	173,364.70	142,270.12
		173,364.70	142,270.12
Total Operating Fund		1,993,942.78	2,004,659.08
Capital Fund:			
Cash and Investments - Treasurer	D- 5	2,382.16	522,607.21
Fixed Capital	D- 9	11,612,561.49	11,574,561.49
Fixed Capital Authorized and Uncompleted	D-10	4,685,000.00	2,223,000.00
Total Capital Fund		16,299,943.65	14,320,168.70
		$ 18,293,886.43	$ 16,324,827.78

LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE JUNE 30, 2006	BALANCE JUNE 30, 2005
Operating Fund:			
Appropriation Reserves	D-4,D-11	$ 574,519.83	$ 764,092.48
Reserve for Encumbrances	D-4,D-11	93,138.08	140,042.77
Accounts Payable	D-11	16,200.00	63,647.13
Accrued Interest Payable	D-12	3,687.50	3,947.92
Sewer Overpayments	D-14	6,554.08	2,325.14
Prepaid Sewer Charges	D-13	13,506.05	25,988.96
		707,605.54	1,000,044.40
Reserve for Receivables	Reserve	173,364.70	142,270.12
Fund Balance	D-1	1,112,972.54	862,344.56
Total Operating Fund		1,993,942.78	2,004,659.08
Capital Fund:			
Reserve for Encumbrances	D-15	1,045,934.99	868,834.96
Improvement Authorizations:			
Funded	D-15	54,822.87	53,002.54
Unfunded	D-15	1,918,008.02	282,153.43
Due to Sewer Operating	D-21	144,208.34	4,208.34
Serial Bonds Payable	D-22	330,000.00	355,000.00
Capital Improvement Fund	D-18	1,036.00	101,036.00
Reserve for Amortization	D-19	11,881,561.49	11,818,561.49
Deferred Reserve for Amortization	D-16	894,500.00	807,500.00
Fund Balance	D- 2	29,871.94	29,871.94
Total Capital Fund		16,299,943.65	14,320,168.70
		$ 18,293,886.43	$ 16,324,827.78

There were Bonds and Notes Authorized but Not Issued on June 30, 2006 in the amount of $3,191,500.00. (Exhibit D-23)

Note: See Notes to Financial Statements

Exhibit - D-1

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - STATUTORY BASIS
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005

REVENUE AND OTHER INCOME		SFY 2006	SFY 2005
Fund Balance Utilized	D- 3	$ 759,178.00	$ 1,015,248.00
Sewer Charges	D- 3	5,547,797.26	5,444,615.61
Connection Fees	D- 3	462,997.50	417,011.13
Interest on Investments	D- 3	120,122.61	82,372.82
Interest on Delinquent Accounts	D- 3	19,932.33	20,152.28
Other Credits to Income:			
Miscellaneous Revenue	D- 3	3,960.00	420.00
Unexpend. Balance of Appropriation Reserves Lapsed and Reserve for Encumb. Canceled	D-11	774,735.86	559,916.45
Total Revenues		7,688,723.56	7,539,736.29
EXPENDITURES			
Budget and Emergency Appropriations:			
Operating	D- 4	$ 6,502,584.24	$ 6,471,523.00
Capital Improvements	D- 4	25,000.00	23,000.00
Debt Service	D- 4	36,583.34	37,364.58
Deferred Charges and Statutory Expend.	D- 4	114,750.00	146,100.00
Miscellaneous Expenditures			4,560.00
Total Expenditures		6,678,917.58	6,682,547.58
Excess/(Deficit) in Revenues		1,009,805.98	857,188.71
FUND BALANCE			
Balance - July 1	D	862,344.56	1,020,403.85
		1,872,150.54	1,877,592.56
Decreased by:			
Utilized as Anticipated Revenue	D- 1	759,178.00	1,015,248.00
Balance - June 30	D	$ 1,112,972.54	$ 862,344.56

Note: See Notes to Financial Statements

Exhibit D-2

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - STATUTORY BASIS
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005

	REF		
Balance June 30, 2005	D	$	29,871.94
Balance June 30, 2006	D	$	29,871.94

Note: See Notes to Financial Statements

Exhibit D-3

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - STATUTORY BASIS
FOR THE YEAR ENDED JUNE 30, 2006

	REF.	2006 BUDGET	REALIZED	EXCESS OR (DEFICIT)
Fund Balance	D- 1	$ 759,178.00	$ 759,178.00	$
Sewer Service Charges	D- 1	5,440,000.00	5,547,797.26	107,797.26
Sewer Connection Fees	D- 1	400,000.00	462,997.50	62,997.50
Interest on Investments	D- 1	80,000.00	120,122.61	40,122.61
Interest on Delinquencies	D- 1		19,932.33	19,932.33
		$ 6,679,178.00	$ 6,910,027.70	$ 230,849.70

	Ref.	
		D- 4

Analysis of Realized Revenues:

Sewer Service Charges:		
Prepaids Applied	D-13	25,988.96
Overpayments Applied	D-14	911.59
Collected	D- 8	5,520,896.71
	D- 1	$ 5,547,797.26
Connection Fees:		
Received by Collector		462,997.50
	D-1,D-6	$ 462,997.50
Interest on Delinquent Accounts:		
Collected		$ 19,932.33
	D-1,D-6	$ 19,932.33
Interest on Investments:		
Collected		$ 120,122.61
	D-1,D-5	$ 120,122.61
Miscellaneous Revenue:		
Received by Collector	D-6	$ 300.00
Collected	D-5	3,660.00
	D-1	$ 3,960.00

Note: See Notes to Financial Statements

Exhibit D-4

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - STATUTORY BASIS
FOR THE YEAR ENDED JUNE 30, 2006

	2006 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED ENCUMBERED	RESERVED	UNEXPENDED BALANCE CANCELLED
Operating:						
Salaries and Wages	$ 1,468,484.00	$ 1,468,484.00	$ 1,461,311.76	$	$ 7,172.24	$
Other Expenses	1,434,100.24	1,434,100.24	915,850.97	93,138.08	425,111.19	
Middlesex County Utilities Authority Service Charges - Contractual	3,600,000.00	3,600,000.00	3,457,763.60		142,236.40	
Capital Improvements:						
Capital Improvement Fund	25,000.00	25,000.00	25,000.00			
Debt Service:						
Payment on Bond Principle	25,000.00	25,000.00	25,000.00			
Interest on Bonds	11,843.76	11,843.76	11,583.34			260.42
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Social Security System (O.A.S.I.)	114,750.00	114,750.00	114,750.00			
Total Water & Sewer Utility Appropriations	$ 6,679,178.00	$ 6,679,178.00	$ 6,011,259.67	$ 93,138.08	$ 574,519.83	$ 260.42
Ref.	D- 3		D-1	D,D-1	D,D-1	

	Ref.	
Cash Disbursements	D- 5	$ 4,829,436.86
Due to Current Fund	D-17	1,145,239.47
Due to Sewer Capital	D-20	25,000.00
Accrued Interest	D-12	11,583.34
		$ 6,011,259.67

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY FUND
COMPARATIVE BALANCE SHEET - STATUTORY BASIS
JUNE 30, 2006 AND 2005

ASSETS	REF.	BALANCE JUNE 30, 2006	BALANCE JUNE 30, 2005
Operating Fund:			
Cash and Investments - Treasurer	E- 5	$ 770,092.96	$ 780,886.84
Interfunds Receivable	E-15		755.84
		770,092.96	781,642.68
Deferred Charges:			
Emergency Appropriation	E-17		18,000.00
			18,000.00
Total Operating Fund		770,092.96	799,642.68
Capital Fund:			
Cash and Investments - Treasurer	E- 5	326,463.49	349,782.08
Fixed Capital	E-19	10,127,052.26	10,098,252.26
Fixed Capital Authorized and Uncomplete	E-20	224,000.00	144,000.00
Total Capital Fund		10,677,515.75	10,592,034.34
		$ 11,447,608.71	$ 11,391,677.02

LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE JUNE 30, 2006	BALANCE JUNE 30, 2005
Operating Fund:			
Appropriation Reserves	E-4,E-7	$ 16,935.99	$ 67,101.56
Reserve for Encumbrances	E-4,E-7	71,451.07	141,507.89
Accounts Payable	E-13	3,700.00	5,257.73
Accruend Interest on Bonds	E- 8	30,324.84	31,749.84
Security Deposits	E- 9	97,789.42	96,421.34
		220,201.32	342,038.36
Fund Balance	E- 1	549,891.64	457,604.32
Total Operating Fund		770,092.96	799,642.68
Capital Fund:			
Interfunds Payable	E-16		755.84
Serial Bonds Payable	E-12	1,840,000.00	1,935,000.00
Improvement Authorizations:			
Funded	E-11	75,125.75	70,333.90
Reserve for:			
Encumbrances	E-11		12,054.60
Capital Improvement Fund	E-14	249,560.00	264,860.00
Amortization	E-10	8,287,052.26	8,163,252.26
Deferred Amortizaton	E-18	224,000.00	144,000.00
Fund Balance	E- 2	1,777.74	1,777.74
Total Capital Fund		10,677,515.75	10,592,034.34
		$ 11,447,608.71	$ 11,391,677.02

There were no Bonds and Notes Authorized but not Issued at June 30, 2006.

Note: See Notes to Financial Statements

Exhibit - E-1

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZEN HOUSING UTILITYOPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - STATUTORY BASIS
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005

REVENUE AND OTHER INCOME		SFY 2006	SFY 2005
Fund Balance Utilized	E-1, E-3	$ 90,000.00	$ 88,690.00
Rental Income	E-3	1,100,248.12	1,075,293.23
Interest on Investments	E-3	44,556.83	22,841.94
Other Credits to Income:			
Non-Budget Revenue	E-3	12,014.89	6,958.00
Accured Interest			1,425.00
Accounts Payable Cancelled	E-13	1,757.73	
Emergency Funded by Ordinance	E-17	28,800.00	
Unexpend. Balance of Appropriation Reserves Lapsed and Reserve for Encumb. Canceled	E-7	72,243.51	33,260.67
Total Revenues		1,349,621.08	1,228,468.84
EXPENDITURES			
Budget and Emergency Appropiations:			
Operating	E-4	$ 846,879.00	$ 804,130.00
Capital Improvements	E-4	122,300.00	144,000.00
Debt Service	E-4	177,233.76	181,566.26
Deferred Charges and Statutory Expend.	E-4	2,921.00	3,060.00
HVAC	E-4	18,000.00	18,000.00
Total Expenditures		1,167,333.76	1,150,756.26
Excess/(Deficit) in Revenues		182,287.32	77,712.58
Add: Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Years			18,000.00
Statutory Excess to Fund Balance		182,287.32	95,712.58
FUND BALANCE			
Balance - July 1	E	457,604.32	450,581.74
		639,891.64	546,294.32
Decreased by: Utilized as Anticipated Revenue	E-1	90,000.00	88,690.00
Balance - June 30	E	$ 549,891.64	$ 457,604.32

Note: See Notes to Financial Statements

Exhibit - E-2

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - STATUTORY BASIS
FOR THE FISCAL YEARS ENDED JUNE 30, 2006 AND 2005

	REF.	
Balance - June 30, 2005	E	$ 1,777.74
Balance - June 30, 2006	E	$ 1,777.74

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
STATEMENT OF REVENUES - STATUTORY BASIS
FOR THE YEAR ENDED JUNE 30, 2006

	REF.	2006 BUDGET	REALIZED	EXCESS OR (DEFICIT)
Fund Balance	E-1	$ 90,000.00	$ 90,000.00	$
Rental Income	E-1,E-3	1,050,000.00	1,100,248.12	50,248.12
Interest on Investments	E-1,E-3		44,556.83	44,556.83
		1,140,000.00	1,234,804.95	94,804.95
Non-Budget Revenues	E-1,E-3		12,014.89	12,014.89
		$ 1,140,000.00	$ 1,246,819.84	$ 106,819.84

	Ref.	E-4	
Analysis of Realized Revenues:			
Analysis of Rental Income:			
Rental Income			$ 1,057,958.42
Surcharge for Utilities:			
Electric		27,056.88	
Gas		9,175.34	
Aircondition Surcharge		4,755.58	
Water		1,302.10	
			42,289.90
	E-3,E-5		$ 1,100,248.32
Analysis of Non-Budget Revenues:			
Room Rental			3,000.00
Laundromat Income			5,585.39
Returned Check Fee			80.00
Budget Refunds			3,349.50
	E-3,E-5		$ 12,014.89
Analysis of Interest on Investments:			
Senior Citizen Capital fund	E-15		$ 9,393.36
Senior Citizen Operating Fund	E-5		35,163.47
	E-3		$ 44,556.83

Note: See Notes to Financial Statements

Exhibit - E-4

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - STATUTORY BASIS
FOR THE YEAR ENDED JUNE 30, 2006

	2006 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED: PAID OR CHARGED	EXPENDED: ENCUMBERED	RESERVED	UNEXPENDED BALANCE CANCELLED
Operating:						
Salaries and Wages	$ 39,062.62	$ 39,062.62	$ 39,062.62	$	$	$
Other Expenses	807,816.38	807,816.38	719,429.32	71,451.07	16,935.99	
Debt Service:						
Payment on Bond Principle	95,000.00	95,000.00	95,000.00			
Interest on Bonds	83,700.00	83,700.00	82,233.76			1,466.24
Deferred Charges and Statutory Expenditures:						
Emergency Authorizations	18,000.00	18,000.00	18,000.00			
Statutory Expenditures:						
Social Security System (O.A.S.I.)	2,921.00	2,921.00	2,921.00			
Capital Improvements:						
Capital Improvement Fund	17,500.00	17,500.00	17,500.00			
Common Area Renovations	76,000.00	76,000.00	76,000.00			
HVAC (Emergency Appropriation)		28,800.00	28,800.00			
Total Senior Citizen Housing Appropriations	$ 1,140,000.00	$ 1,168,800.00	$ 1,078,946.70	$ 71,451.07	$ 16,935.99	$ 1,466.24
Ref.	E-3		E-1	E,E-1	E,E-1	

	Ref.	
2006 Budget	E-3	$ 1,140,000.00
Emergency Appropriation	E-17	28,800.00
		$ 1,168,800.00

	Ref.	
Cash Disbursements	E-5	$ 885,212.94
Accrued Interest on Bonds	E-8	82,233.76
Due to Senior Citizen Housing Capital Fund - Capital Improvement Fund	E-15	93,500.00
Deferred Charges	E-17	18,000.00
		$ 1,078,946.70

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

STATEMENT OF GOVERNMENTAL FIXED ASSETS
STATUTORY BASIS
JUNE 30, 2006 AND JUNE 30, 2005

	BALANCE June 30, 2006	BALANCE June 30, 2005
Governmental Fixed Assets:		
Land	25,510,000.00	25,262,500.00
Buildings and Improvements	17,135,100.00	17,343,000.00
Machinery and Equipments	15,914,305.00	14,480,192.00
Total Governmental Fixed Assets	$ 58,559,405.00	$ 57,085,692.00
Investment in Governmental Fixed Assets	$ 58,559,405.00	$ 57,085,692.00

Nots: See Notes to Financial Statements

Note 1: FORM OF GOVERNMENT

The Township is managed under a Mayor-Council form of government authorized under Plan F of the "Faulkner Act of 1950". This form of government adopted in 1967 by Township voters provides for the direct election of the Mayor and seven Council members for four-year terms. This form of government provides for the administrative function of government under the Mayor, supported by a Business Administrator and various department heads and for the legislative function under the Township Council.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Except as noted below, the financial statements of the Township of Piscataway include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Piscataway, as required by the provisions of N.J.S.A. 40A: 5-5. Accordingly, the financial statements of the Township of Piscataway do not include the operations of the municipal library, first aid organizations, fire districts or local school district.

B. Description of Funds

The accounting policies of the Township of Piscataway conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 Township of Piscataway accounts for its financial transactions through the following separate funds:

Current Fund - resources and expenditures for governmental operations of a general nature, including fiscal activity of Federal and State Grant Programs, except as otherwise noted.

Trust Fund - The records of receipts, custodianship and disbursement of monies in accordance with the purpose for which each reserve was created. Pursuant to the provisions of N.J.S.A. 40A: 4-39, the financial transactions of the following funds and accounts are also reported within the Trust Fund:

Animal Control Trust Fund
Unemployment Compensation Insurance Trust Fund
Dedicated Law Enforcement Trust Fund
Workmen's Compensation Self-Insurance Fund
Developer's Escrow Fund
Disposal of Forfeited Property (P.L. 1985, Ch. 135)

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

C. Basis of Accounting and Measurement Focus (Cont'd.)

Expenditures - For purposes of financial reporting, expenditures are recorded as "paid or charged" or "appropriation reserves". Paid or charged refers to the Township "budgetary" basis of accounting. Generally, these expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Reserves for unliquidated encumbrances at the close of the year are reported as a cash liability. Encumbrances do not constitute expenditures under GAAP. Appropriation reserves refer to unexpended appropriation balances at the close of the year. Appropriation reserves are automatically created and recorded as a cash liability, except for amounts, which may be cancelled by the governing body. Appropriation reserves are available until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred and not recorded in the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Generally, unexpended balances of budget appropriations are not recorded as expenditures under GAAP.

For the purposes of calculating the results of Current Fund operations, the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories of overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the balance sheet of the affected Fund. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance. The status of deferred charges at June 30, 2006 is set forth in Note 7.

New Jersey statutes require municipalities to provide annual funding to Free Public Libraries through the Current Fund Budget. Amounts paid on behalf of the Free Public Library or transferred to the custody of the Library's management are recorded as budgetary expenditures of the Township, notwithstanding the fact that the Library is recognized as a separate entity for financial reporting purposes. Under GAAP, the Library would be recognized, as a "component unit" of the Township, and discrete reporting of the Library's financial position and operating results would be incorporated in the Township's financial statements.

Compensated Absences - The Township has adopted a written policy which sets forth the terms under which an employee may accumulate earned, but unused, vacation and sick leave, establishes the limits on such accumulations and specifies the conditions under which the right to receive payment for such accumulations vests with the employee. The Township records expenditures for payments of earned and unused vacation and sick leave in the accounting period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise (Sewer Utility and Senior Citizens Housing Utility) fund on a full accrual basis.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

C. Basis of Accounting and Measurement Focus (Cont'd.)

Fixed Capital - Sewer Utility and Senior Citizens Housing Utility - Capital acquisitions, including utility infrastructure costs of the Utilities are recorded at cost upon purchase or project completion in the Fixed Capital Account of the Utilities. Fixed Capital accounts are adjusted for dispositions or abandonment. The accounts include Moveable Fixed Assets of the Utilities but are not specifically identified and are considered as duplicated in the Fixed Asset Group of Accounts. The condition is considered as insignificant on its effect on the financial statements taken as a whole. Utility improvements that may have been constructed by developers and transferred to the Township are not recorded as additions to Fixed Capital. Fixed Capital of the Utilities is offset by accumulations in Amortization Reserve Accounts. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utilities represent charges to operations for the costs of acquisitions of property, equipment and improvement and costs funded from sources other than bonded debt of the
utilities.

The utilities do not record depreciation on fixed assets. GAAP does not require the establishment of a reserve for amortization for utility fixed assets, but does require the recognition of depreciation of these assets as an operating expense of the utility.

Disclosures About Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and cash equivalents and short-term investments - The carrying amount approximates fair value because of the short maturity of those investments.

Long-term debt - The Township's long-term debt is stated at face value. The debt is not traded and it is not practicable to determine its fair value without incurring excessive cost. Additional information pertinent to the Township's long-term debt is disclosed in Note 3 to the financial statements.

Recent Accounting Standards

GASB issued Statement No. 45, "Accounting and Financial Reporting by Employers for Post-employment Benefits" in August 2004. The statement addresses how state and local governments should account for and report their costs and obligation related to post-employment healthcare and other non-pension benefits.

GASB issued Statement No. 46, "Net Assets Restricted by Enabling Legislation" in December 2004. The statement is to help governments determine when net assets have been restricted to a particular use by the passage of enabling legislation and to specify how those net assets should be reported in the financial statements when there are charges in the circumstances surrounding such legislation.

GASB issued Statement No. 47, "Accounting for Termination Benefits" in June 2005. The statement requires employers to disclose a description of the termination benefit arrangement, the cost of the termination benefits (required in the period in which the employer becomes obligated if that information is not otherwise identifiable from information displayed on the face of the financial statements), and significant methods and assumptions used to determine termination benefit liabilities.

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION - JUNE 30, 2006 AND 2005

The Local Bond Law, Chapter 40A:2 et seq, governs the issuance of bonds to finance municipal capital expenditures. The Township's debt is summarized as follows:

A. SUMMARY OF MUNICIPAL DEBT - YEAR ENDED JUNE 30, 2006 & JUNE 30, 2005

	SFY 2006	SFY 2005
Issued:		
General:		
Bonds and Notes	$ 23,814,000.00	$ 26,570,000.00
Sewer Utility:		
Bonds and Notes	330,000.00	355,000.00
Senior Citizens Housing Utility:		
Bonds and Notes	1,840,000.00	1,935,000.00
Net Debt Issued	$ 25,984,000.00	$ 28,860,000.00
Authorized But Not Issued:		
General:		
Bonds and Notes	23,832,170.00	10,178,695.00
Sewer Utility:		
Bonds and Notes	816,500.00	816,500.00
Senior Citizens Housing Utility:		
Bonds and Notes		
Total Authorized But Not Issued	24,648,670.00	10,995,195.00
Net Bonds and Notes Issued and Authorized but not Issued	$ 50,632,670.00	$ 39,855,195.00

Summarized below are the Township's individual bond issues which are outstanding at June 30, 2006 and 2005

	SFY 2006	SFY 2005
General Debt:		
$4,615,000, General Improvement Bonds of 1990, due in annual installments of $350,000 to $406,000 through December 15, 2005, interest at 6.45%		$ 406,000.00
$6,165,000, General Improvement Bonds of 2000, due in annual installments of $540,000 to $750,000 through April 1, 2011, interest at 4.375% to 4.500%	$ 3,190,000.00	3,890,000.00

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTD)

B. Summary of Statutory Debt Condition - Annual Debt Statement 2006 and 2005

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

2006	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 41,897,000.00	$ 41,897,000.00	-
Sewer Utility Debt	3,521,500.00	3,521,500.00	-
Senior Citizen Housing Utility Debt	1,840,000.00	1,840,000.00	-
General Debt	47,646,170.00		47,646,170.00
	$ 94,904,670.00	$ 47,258,500.00	$ 47,646,170.00

Net Debt $47,646,170 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended $5,038,270,505.00 = 0.95%.

Average Equalized Valuation Basis

2003 Equalized Value of Real Property	4,391,047,452.00
2004 Equalized Value of Real Property	4,942,132,295.00
2005 Equalized Value of Real Property	5,781,631,768.00
Average Equalized Valuation	$5,038,270,505.00

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

2005	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 35,352,000.00	$ 35,352,000.00	-
Sewer Utility Debt	1,171,500.00	1,171,500.00	-
Senior Citizen Housing Utility Debt	1,935,000.00	1,935,000.00	-
General Debt	36,748,695.00		36,748,695.00
	$ 75,207,195.00	$ 38,458,500.00	$ 36,748,695.00

Net Debt $36,745,695 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended $4,409,545,283.67 = 0.83%.

Average Equalized Valuation Basis

2002 Equalized Value of Real Property	3,895,456,104.00
2003 Equalized Value of Real Property	4,391,047,452.00
2004 Equalized Value of Real Property	4,942,132,295.00
Average Equalized Valuation	$4,409,545,283.67

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

B. SUMMARY OF STATUTORY DEBT CONDITION
ANNUAL DEBT STATEMENT (CONT'D.)

	2006		2005	
Calculation of "Self-Liquidating Purpose" Senior Citizen Housing Utility Per N.J.S.A. 40A:2-45				
Cash Receipts from Fees, Rents or Other Charges for Year		$1,277,377.57		$1,195,208.17
Deductions:				
Operating and Maintenance Cost	849,800.00		807,190.00	
Debt Service per Housing Account	177,233.76		181,566.26	
Total Deductions		1,027,033.76		988,756.26
		$250,343.81		$206,451.91

Calculation of "Self-Liquidating Purpose"
Senior Citizen Housing Utility Per N.J.S.A. 40A:2-45 (Cont'd.)

The difference between the excess in revenues for debt statement purposes and the excess in revenues on a cash basis for the Senior Citizen Housing Utility Fund is as follows:

Excess in Revenues - Cash Basis (E-1)	$182,287.32	$77,712.58
Add: Capital Improvement	122,300.00	144,000.00
Deferred Charges	18,000.00	18,000.00
	322,587.32	239,712.58
Less: Reserves Lapsed	72,243.51	33,260.67
Excess in Revenue per Debt Statement	$250,343.81	$206,451.91

Note 4: DEFERRED COMPENSATION TRUST FUND

The Township of Piscataway, County of Middlesex Deferred Compensation Plan was established pursuant to section 457 of the Internal Revenue Code and P.L. 1977, C. 381; P.L. 1978, C. 39; P.L. 1980, C. 78; and P.L. 1997, C. 116 of the Statutes of New Jersey. The Plan is an arrangement whereby a public employer may establish a plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations. The Township of Piscataway, County of Middlesex has engaged a private contractor to administer the plan.

Note 5: ASSESSMENT AND COLLECTION OF PROPERTY TAXES

A taxable valuation of real property is prepared by the Tax Assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. The County Board of Taxation establishes tax rates to reflect the levy necessary for municipal, local school district, special district and county taxes.

The provisions of P.L. 1994, C. 72 changed the procedures for State fiscal year billing originally established in P.L. 1991, C. 75. Chapter 72 moves the billing calculation back on a calendar year basis, which permits tax levies to be proved more readily than before.

The formulae used to calculate tax bills under P.L. 1994, C. 72 are as follows:

The third and fourth installments, for municipal purposes, would equal one-half of an estimated annual tax levy, plus the balance of the full tax levied during the current tax year for school, county and special district purposes. The balance of the full tax for non-municipal purposes is calculated by subtracting amounts due on a preliminary basis from the full tax requirement for the tax year. The first and second installments, for municipal purposes, will be calculated on a percentage of the previous years billing necessary to bill the amount required to collect the full tax levy, plus the non-municipal portion, which represents the amount payable to each taxing district for the period of January 1 through June 30.

Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% to 18% of the amount delinquent. If taxes remain delinquent on or after April 1 of the succeeding fiscal year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property, and allows the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish property taxes as a lien on real estate as of the first day of the fiscal year of the municipality, even though the full amount due is not known.

As County, School and Special District tax requirements are certified to the County Board of Taxation on a calendar year basis and within a time frame which precludes the certification of a municipal purpose tax certification for the calendar year, the conversion to a fiscal year has necessitated that tax bills be prepared and mailed by the Tax Collector twice annually. The law requires tax bills for the first and second installments to be delivered on or before October 1 of the pre-tax year, and bills for the third and fourth installments to be delivered on or before June 14. The statutory requirement to deliver tax bills for the first and second installments by October 1 of the pre-tax year requires that these bills utilize assessed valuations from the pre-tax year. As a result, tax bills for the third and fourth installments will also include adjustments to reflect the results of changes in assessed valuations from the pre-tax year to the current tax year.

Note 10: DEPOSITS AND INVESTMENTS

State statutes set forth deposit requirements and investments that may be purchased by local units and the Township deposits and invests its funds pursuant to its policies and an adopted cash management plan.

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund. New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits to protect deposits from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five (5) percent of the average daily balance of collected public funds; or if the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent, to secure the deposits of governmental units.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less that $25,000,000. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

At June 30, 2006 and 2005, the cash and cash equivalents and investments of the Township on deposit and on-hand consisted of the following:

	2006	2005
Cash (Demand Accts.)	$19,546,320.13	$27,584,665.70
Change Funds (On-Hand)	635.00	535.00
Total	$19,546,955.13	$27,585,200.70

Based upon GASB criteria, the Township considers change funds, cash in banks, investments in certificates of deposit and State of New Jersey Cash Management Fund as cash and cash equivalents. At year-end, the carrying amount of the Township's deposits was $19,546,955.13 and the bank balance was $27,072,957.52. Of the bank balance, $202,605.55 was covered by Federal depository insurance and $26,870,351.97 was covered under the provisions of NJGUDPA.

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned. The government does not have a specific deposit policy for custodial risk other than those policies that adhere to the requirements of statute. As of June 30, 2006, based upon the insured balances provided by the FDIC and NJGUDPA coverage, no amount of the Township's bank balance was exposed to custodial risk.

Note 11: PENSION AND RETIREMENT PLANS

Employees of the Township of Piscataway are enrolled in one of two cost sharing multiple-employer public employee retirement systems: the Public Employees Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS). The Division of Pensions in the Department of the Treasury, State of New Jersey, administers the PERS and PFRS plans. The plans are funded annually based on the projected benefit method with aggregate level normal cost and frozen initial unfunded accrued liability. The plans, which cover public employees throughout the state, do not maintain separate records for each reporting unit and, accordingly, the actuarial data for the employees of the Township who are members of the plans are not available. The contributions in SFY 2006 and 2005 were $750,623.89 and $634,068.33 for PERS and $953,593.27 and $883,683.21 for PFRS, respectively, which represents contributions from the employees that are remitted on a quarterly basis. For SFY 2006 and SFY 2005, the Township contributed amounts of $205,288.00 and $76,312.80 for PERS and $730,221.60 and $369,552.40 for PFRS.

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 for TPAF and PFRS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pension and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

Note 12: POST-RETIREMENT HEALTH BENEFITS

The Township of Piscataway provides its retirees with health benefits, which are fully funded by the Township. These benefits are negotiated for through each bargaining unit's contract. In order to receive fully paid health benefits, retirees must have been enrolled in the Public Employees Retirement Fund for 25 years. Retirees receive the same type of health insurance coverage that they were receiving prior to retirement. There are approximately 154 retirees enrolled in health benefits programs, which are fully funded by the Township. The annual costs are determined by the provider, per approved schedules in accordance with the insured individual's age and plan status. This represents billings to the Township on an experience basis. The amount paid by the Township for retirees health benefits was $2,040,828 and $2,004,341 for 2006 and 2005 respectively.

Note 13: RISK MANAGEMENT

The Township, together with other governmental units, is a member of the Central Jersey Joint Insurance Fund (the Fund). The Fund, which is organized and operated pursuant to the regulatory authority of the Departments of Insurance and Community Affairs, State of New Jersey, provides for a pooling of risks, subject to established limits and deductibles. Payments to the Fund are calculated by the Fund's governing board based upon actuarial and budgetary requirements. Each participant is the Fund is jointly and severably obligated for any deficiency in the amount available to pay all claims. The Joint Insurance fund insures against property damage, general liability, auto liability, equipment liability, public official liability, law enforcement liability and workers compensation. While additional assessments or premiums can be levied by the Fund to assure payment of the Fund's obligations, no such additional premiums have been necessary as of June 30, 2006. The Fund will be self-sustaining through member premiums, reported as an expenditure in the Township's financial statements. The Fund contracts for excess liability insurance for property damage, general liability, auto liability, equipment liability, public official liability, law enforcement liability and workers' compensation. The Township continues to carry commercial insurance for other risks of loss, principally employee health insurance.

Note 13: RISK MANAGEMENT (CONT'D):

Self-Insurance – Worker's Compensation (Cont'd)

2005

Cash Reserve June 30,2004	Township Appropriation	Refunds, Subrogation & Interest Earnings	Claims & Fees Paid	Cash Reserve June 30,2005
$58,359.32	$105,000.00	$305,615.18	$89,752.95	$379,221.55

The following is an analysis of changes in the estimated reserve requirement for claims reported for all program years as at June 30, 2005:

Estimated Reserve Requirement June 30,2004	Estimated Reserves For Prior Period Adjustment	Net Claims/ Fees Paid	Estimated Reserve Requirement June 30,2005
$820,286.52	$12,589.80	$89,752.95	$743,123.37

New Jersey Unemployment Compensation Insurance – The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township 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 District is billed quarterly for amounts due to the State. Following is a summary of Township appropriations, interest earning and remittances to the State for the current and prior year:

State Fiscal Year	Township Appropriation	Employee Contribution	Interest Earnings	Amounts Reimbursed	Ending Balance
2006	$5,000.00	-0-	$2,906.53	$53,627.15	$55,229.55
2005	105,000.00	-0-	916.86	106,297.83	100,950.17
2004	30,000.00	-0-	708.04	67,359.35	60,330.85
2003	-0-	-0-	1,843.73	55,576.00	96,982.16
2002	-0-	-0-	4,114.24	41,347.00	150,714.43

Note 16: SUBSEQUENT EVENTS

During the period subsequent to the balance sheet date, through the date of the auditor's report, the Township has issued bonds and authorized capital improvement projects, which provide for the issuance of bonds and notes to finance the costs thereof, as follows:

SFY 2007 Bonds

General Improvement Bonds	$15,500,000.00
Sewer Utility Bonds	2,146,500.00

SFY 2007 Programs/Projects:

Project	Total	Bond/Notes Authorized
Acquisition of Land	$320,000	$ 304,000
Various Capital Improvements	8,520,000	8,156,500
Various Capital Improvements	2,260,000	2,147,000
Senior Housing	130,000	
Various Capital Improvements Sewer Utility	1,700,000	1,700,000
	$12,930,000	$12,307,500

TOWNSHIP OF PISCATAWAY

MIDDLESEX COUNTY, NEW JERSEY

PART II - SUPPLEMENTARY DATA AND SCHEDULES

SINGLE AUDIT SECTION

SUPPLEMENTAL FINANCIAL STATEMENTS

SUPPLEMENTARY DATA

GENERAL COMMENTS AND RECOMMENDATIONS

SINGLE AUDIT SECTION

HODULIK & MORRISON, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS
PUBLIC SCHOOL ACCOUNTANTS
1102 RARITAN AVENUE, P.O. BOX 1450
HIGHLAND PARK, NJ 08904
(732) 393-1000
(732) 393-1196 (FAX)

ANDREW G. HODULIK, CPA, RMA, PSA
ROBERT S. MORRISON, CPA, RMA, PSA

JO ANN BOOS, CPA , PSA

MEMBERS OF:
AMERICAN INSTITUTE OF CPA'S
NEW JERSEY SOCIETY OF CPA'S
REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and Members
of the Township Council
Township of Piscataway
County of Middlesex, New Jersey

We have audited the financial statements of the Township of Piscataway as of and for the year ended June 30, 2006, and have issued our report thereon dated April 19, 2007. Our report was qualified because of the departure from accounting principles generally accepted in the United States of America as disclosed in Note 2. We conducted our audit 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 audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Piscataway's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Township's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. These reportable conditions are described within the General Comment section of the Report of Audit.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

HODULIK & MORRISON, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS
PUBLIC SCHOOL ACCOUNTANTS
1102 RARITAN AVENUE, P.O. BOX 1450
HIGHLAND PARK, NJ 08904
(732) 393-1000
(732) 393-1196 (FAX)

ANDREW G. HODULIK, CPA, RMA, PSA
ROBERT S. MORRISON, CPA, RMA, PSA

JO ANN BOOS, CPA , PSA

MEMBERS OF:
AMERICAN INSTITUTE OF CPA'S
NEW JERSEY SOCIETY OF CPA'S
REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04

Honorable Mayor and Members
of the Township Council
Township of Piscataway
County of Middlesex, New Jersey

Compliance

We have audited the compliance of the Township of Piscataway with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that are applicable to each of its major state programs for the year June 30, 2006. The Township of Piscataway's major state programs are identified in the "Summary of Auditor's Results Section" of the accompanying schedule of findings and questioned costs. Compliance with the requirement of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Township of Piscataway's management. Our responsibility is to express an opinion on the Township of Piscataway's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and New Jersey OMB Circular 04-04. Those standards and circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Township of Piscataway's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Township of Piscataway's compliance with those requirements.

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS

AND STATE FINANCIAL ASSISTANCE

Township of Piscataway
County of Middlesex

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2006

Federal Funding Department	CFDA Number	Total Award		Grant Year	2006 Cash Receipts	2006 Cancelled	2006 Expenditures	Cumulative Disbursements/ Cancelled Expenditures
Department of Housing and Urban Development:								
Community Development Block Grants	14.228	$406,408.86		SFY 05	$906.80		$19,020.24	$397,712.76
Community Development Block Grants	14.228	373,358.00		SFY 06	51,220.40		126,161.42	126,161.42
Department of Justice:								
Homeland Security		80,000.00		SFY 05			79,178.00	79,178.00
Bullet Proof Vest Partnership	16.607	5,500.00		SFY 04	5,500.00		3,143.62	5,500.00
Multi Jurisdictional Task Force	16.579	16,126.83		SFY 05				6,626.83
Multi Jurisdictional Task Force	16.579	3,000.00		SFY 06	3,000.00		3,000.00	3,000.00
Department of Law and Public Safety								
COPS in Shop	20.605	3,600.00		SFY 05		$200.00	800.00	3,600.00
COPS in Shop	20.605	7,000.00		SFY 06	3,400.00		2,800.00	2,800.00
Juvenile Accountability Grant	16.523	12,854.00		SFY 04			904.00	12,854.00
Juvenile Accountability Grant	16.523	9,630.00	(1)	SFY 06			5,097.35	5,097.35
					$64,027.20	$200.00	$240,104.63	$642,530.36

(1) Includes match of $963.00

Township of Piscataway
County of Middlesex

Schedule of Expenditures of State Financial Assistance

Year Ended June 30, 2006

State Funding Department or Division	State Account Number	Total Award	Grant Year	2006 Cash Receipts	2006 Cancelled	2006 Expenditures	Cumulative Disbursements/ Cancelled Expenditures
Department of Law & Public Safety, Division of Highway Traffic Safety:							
Aggressive Driver Enforcement Fund	066-1160-100-127	$12,000.00	SFY 06	$12,000.00		$12,000.00	$12,000.00
Child Passenger Safety Education Grant	SO04-20-01-01	6,600.00	SFY 05	2,909.93		1,861.37	6,209.93
Body Armor Replacement Fund	066-1020-718-001	8,710.67	SFY 05			8,503.72	8,503.72
Body Armor Replacement Fund	066-1020-718-001	8,199.06	SFY 06	8,199.06		1,665.00	1,665.00
Click it or Ticket it	OP05-45-04-02	4,000.00	SFY 06	4,000.00		4,000.00	4,000.00
Drunk Driving Enforcement Fund	6400-100-078-6400	7,660.03	SFY 05			2,216.76	4,734.89
Drunk Driving Enforcement Fund	6400-100-078-6400	7,736.01	SFY 06	7,736.01		1,990.15	1,990.15
State Local Preparedness Grant	066-1020-100-354	15,000.00	SFY 04				14,851.28
State Local Preparedness Grant	066-1020-100-354	50,000.00	SFY 05			50,000.00	50,000.00
You Drink, You Drive, You Lose	066-1160-100-125	5,000.00	SFY 06	5,000.00		5,000.00	5,000.00
Safe and Secure Communities Program	066-1020-100-232	60,000.00	SFY 06	60,000.00		60,000.00	60,000.00
Department of Environmental Protection:							
Clean Communities Grant	042-4900-765-005	11,061.77	SFY 03			3,478.70	11,061.77
Clean Communities Grant	042-4900-765-005	40,275.64	SFY 04			1,000.00	40,275.64
Clean Communities Grant	042-4900-765-005	83,282.86	SFY 05			45,140.27	45,140.27
Clean Communities Grant	042-4900-765-005	43,523.88	SFY 06	43,523.88			
Recycling Tonnage Grant	042-4900-752-001	94,573.69	SFY 02				94,292.44
Recycling Tonnage Grant	042-4900-752-001	28,790.34	SFY 04				28,040.34
Recycling Tonnage Grant	042-4900-752-001	36,088.87	SFY 05				
Recycling Tonnage Grant	042-4900-752-001	25,121.40	SFY 06	25,121.40			
Department of State Library:							
Infolink - Regional Library Organization	N/A	1,774.00	SFY 06	1,774.00		1,774.00	1,774.00
Library Enhancement Grant	2005-0915	2,250.00	SFY 05		0.64	2.00	2,250.00
Mini Grant Library	N/A	2,500.00 (1)	SFY 06	1,125.00		1,653.00	1,653.00
Middlesex County Downtown and Business District Improvement							
Middlesex Cty Economic Development	N/A	68,630.00	SFY 05			13,286.68	19,800.33
Office of Information Technology							
Enhanced 911 Grant	082-2034-100-050	48,201.00	SFY 06	48,201.00		48,201.00	48,201.00
National Recreation and Park Association							
NFL Youth Grant	2005NFL	5,000.00	SFY 06	5,000.00		5,000.00	5,000.00

Township of Piscataway
County of Middlesex

Schedule of Expenditures of State Financial Assistance

Year Ended June 30, 2006

State Funding Department or Division	State Account Number	Total Award	Grant Year	2006 Cash Receipts	2006 Cancelled	2006 Expenditures	Cumulative Disbursements/ Cancelled Expenditures
Department of Community Affairs:							
Karma Foundation	N/A	930.00	SFY 06	930.00		918.55	918.55
Statewide Livable Communities Columbus Park	N/A	200,000.00	SFY 05			3,921.68	3,921.68
Middlesex Cty Cultural Heritage Grant	N/A	2,800.00	SFY 05	350.00		751.03	2,800.00
Middlesex Cty Cultural Heritage Grant	N/A	1,500.00	SFY 06	1,500.00		1,500.00	1,500.00
National Recreation Park Association Tennis	050205 USTA	1,000.00	SFY 05			380.00	1,000.00
Domestic Violence Program	022-8030-100-093	5,460.00	SFY 03			967.35	4,484.98
Domestic Violence Program	022-8030-100-093	5,000.00	SFY 05			1,127.20	4,987.20
Department of Health and Senior Services:							
Public Health Priority Funding	046-4230-100-307	31,290.00	SFY 05	10,085.00		16,365.00	31,230.00
Public Health Priority Funding	046-4230-100-307	34,011.00	SFY 06	22,674.00		15,986.00	15,986.00
Public Health for Bio Terrorism	046-4230-100-360	3,000.00	SFY 05			2,737.00	2,737.00
Public Health for Bio Terrorism	046-4230-100-360	3,000.00	SFY 06	3,000.00			
Tobacco Age of Sale	046-4240-100-130	1,380.00	SFY 06	840.00		1,380.00	1,380.00
Department of Transportation:							
NJDOT - Ethel Road Project	N/A	180,000.00	SFY 98		968.41	2,993.02	169,819.78
NJDOT - Centenial Ave.	N/A	250,000.00	SFY 01			296.39	247,805.47
NJDOT - North Randolphville Road	N/A	225,000.00	SFY 02				166,620.51
NJDOT - Kermit Sirois Bikeway Extension	N/A	175,000.00	SFY 03			34,397.31	139,572.92
NJDOT - Grant Plainfield Ave.	N/A	520,000.00	SFY 04			251,850.16	266,562.60
Smart Future Grant	N/A	75,000.00	SFY 05				7,118.23
Transportation Enhancement Grant	N/A	200,000.00	SFY 05				18,981.94
NJDOT - New Market Dam	N/A	331,805.00	SFY 01	331,805.00			331,805.00
Bikeway Extension Grant	03-480-078-6320-AG9-6010	175,000.00	SFY 03	175,000.00			175,000.00
NJDOT - Metlars House Project	N/A	197,024.00	SFY 04			54,050.00	59,250.00
County Offices on Alcoholism, Drug Abuse and Addiction Services:							
Municipal Alliance Program	082-2000-100-044	103,471.00	SFY 05	44,368.65		49,280.87	103,471.00
Municipal Alliance Program	082-2000-100-044	57,484.00	SFY 06	13,555.61		16,823.48	16,823.48
Department of Treasury							
Building Construction - Community Center	N/A	600,000.00	SFY 05			361,000.00	361,000.00
Economic Development Authority:							
Hazardous Discharge Grant	N/A	140,570.00	SFY 02				86,844.66
				$828,698.54	$969.05	$1,083,497.69	$2,688,064.76

(1) Includes match of $1,000.00

TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
JUNE 30, 2006

NOTE 1: GENERAL

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Township of Piscataway. The Township is defined in Note 1(A) to the financial statements. Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies in is included on the schedule of federal financial assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedule of expenditures of state financial assistance is presented using the basis of accounting as described in Note 2 to the Township's financial statements.

NOTE 3: RELATIONSHIP TO GENERAL FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's financial statements.

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related state financial reports, where required.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30. 2006

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal Control over financial reporting:

1) Material weakness(es) identified? ____ Yes X No

2) Reportable condition's) identified that are not considered to be material weaknesses? X Yes ____ No

Noncompliance material to financial statements noted? ____ Yes X No

Federal Awards - Not Applicable

Internal Control over major programs:

1) Material weakness(es) identified? ____ Yes ____ No

2) Reportable condition's) identified that are not considered to be material weaknesses? ____ Yes ____ No

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

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

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster

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

Auditee qualified as low-risk auditee? ____ Yes ____ No

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

Section II - Financial Statement Findings

Reportable Conditions:

2006-01 Segregation of Duties

Conditions exist whereby the same individual may collect, record and/or deposit/turnover or may have access to cash receipts collections and functions in the following offices/departments: Municipal Court, Police Department, Municipal Clerk's Office, Cable TV, Recreation Department, Engineering Department, Planning & Zoning Department, Inspection Fees Office, Registrar of Vital Statistics and Health Department.

2006-02 Supervisory Reviews and Approvals -Tax/Sewer Utility Collectors Office

Conditions exist whereby tax and sewer utility transaction postings, entries and error corrections may not be reviewed and approved prior to recording/ posting by the Collector of Revenue.

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

NONE

CURRENT FUND

Exhibit A-4

CURRENT FUND
SCHEDULE OF CASH

	Ref.			
Cash Balance June 30, 2005	A		$	12,413,863.97
Increased by Cash Receipts				
Collector	A-5	114,778,261.13		
Due from State of State of NJ - Ch. 20	A-6	453,191.57		
Revenue Accounts Receivable	A-9	12,936,781.11		
Miscell. Revenue Not Anticipated	A-9	373,521.88		
Various Payables	A-11	363,023.00		
Various Reserves	A-11	729,536.03		
Interfunds Receivable	A-12	2,538,810.61		
Total Cash Receipts				132,173,125.33
				144,586,989.30
Decreased by Disbursements				
Refund of Prior Year Revenue	A-1	69,793.98		
SFY 2006 Appropriations	A-3	35,745,076.87		
SFY 2005 Approp. Reserves	A-10	1,374,854.30		
Various Payables	A-11	417,587.92		
Various Reserves	A-11	2,240,629.67		
Interfunds Payable	A-12	4,178,813.33		
County Tax	A-13	15,795,893.86		
Fire District Tax	A-13	2,180,690.50		
Local School District Tax	A-13	70,894,042.00		
Tax Overpayments	A-14	258,807.13		
Total Cash Disbursements				133,156,189.56
Cash Balance June 30, 2006	A		$	11,430,799.74

SCHEDULE OF DUE FROM STATE OF NEW JERSEY -
FOR ALLOWABLE DEDUCTIONS PER CHAPTER 20, P.L. 1976
CURRENT FUND

	REF.		
Balance - June 30, 2005	A		$ 186,311.83
Increased by:			
Allowable Deductions per Tax Billings	A- 6	441,328.25	
2006 Sr. Citizens and Vet. Ded. Allowed by Collector	A- 6	14,000.00	
			455,328.25
			641,640.08
Decreased by:			
Collected	A- 4	453,191.57	
2006 Sr. Citizens and Vet. Ded. Disallowed by Collector	A- 6	19,953.99	
			473,145.56
Balance - June 30, 2006	A		$ 168,494.52

Analysis of Sr. Citizens & Veterans Deductions Allowed - 2006 Taxes

Per Tax Billings	A- 6	$ 441,328.25
Allowed (Disallowed) by Tax Collector (Net)	A- 6	(5,953.99)
	A-7	$ 435,374.26

CURRENT FUND
SCHEDULE OF PROPERTY TAXES RECEIVABLE AND LEVY ANALYSIS

	Ref.	Total	SFY 06 Prepaid	SFY 06 Current	SFY 05 Delinquent	Arrears	Tax Liens	Property Acquired for Taxes
Balance 6/30/05		$ 4,059,525.75	$ (126,474.56)	$ -	$ 1,268,267.62	$ 23,425.21	$ 276,906.44	$ 2,617,401.04
Billings / Levy:								
Original Levy	A- 7	114,709,930.54		114,709,930.54				
Added & Omitted	A- 7	606,133.90		606,133.90				
Added by Assessor		3,685.27			3,685.27			
Canceled Taxes		(602,609.09)		(592,596.90)	(2,174.08)		(7,838.11)	
Transfers		-						
Tax Lien		-		(20,155.60)			20,155.60	
Revenue								
Sr.Citizens & Vets								
Original Levy	A- 6	(441,328.25)		(441,328.25)				
Allowed/Disallowed	A- 6	5,953.99		5,953.99				
Cash Receipts	A- 5	(114,073,533.50)		(112,780,329.48)	(1,269,778.81)	(23,425.21)		
Transferred to Overpayments	A-14	(24,465.14)		(24,465.14)				
Prepaid Applied	A- 7	-	126,474.56	(126,474.56)				
Balance 6/30/06		$ 4,243,293.47	$ -	$ 1,336,668.50	$ -	$ -	$ 289,223.93	$ 2,617,401.04
	Ref.		A	A, A-7	A	A	A	A

Analysis of SFY 2006 Property Tax Levy:

Tax Yield:		
General Purpose Tax		$ 114,709,930.54
Added Taxes		606,133.90
	A-7	$ 115,316,064.44

Tax Levy:	Ref.	
Local School District Tax	A-13	$ 70,894,042.00
County Tax	A-13	14,151,099.13
County Open Space	A-13	1,558,398.81
Due County - Added & Omitted	A-13	86,395.92
Special District Taxes	A-13	2,180,690.50
		88,870,626.36
Local Tax for Municipal Purposes	A- 2	25,578,448.14
Add: Additional Tax Levied		866,989.94
		$ 115,316,064.44

Current Taxes Realized:	Ref.	
Sr. Citizens & Vets	A- 6	$ 435,374.26
Cash Receipts	A- 7	112,804,794.62
Prepayments	A- 7	126,474.56
Excess Non-Municipal Billings	A-11	633,995.83
Subtotal	A- 1	114,000,639.27
Res. For Uncoll. Tax	A- 3	2,302,127.46
		116,302,766.73
Allocated to School and County		(88,870,626.36)
	A- 2	$ 27,432,140.37

Delinquent Taxes Realized:		
SFY 05 Collections		$ 1,269,778.81
Arrears Collections		23,425.21
	A-1, A-2	$ 1,293,204.02

CURRENT FUND
SCHEDULE OF NONBUDGET REVENUES & VARIOUS ACCOUNTS RECEIVABLES

		6/30/05	Accrued/ Adjustments	Cash Receipts	6/30/06
Revenue Accounts Receivable:					
Licenses - Other			$ 95,511.00	$ (95,511.00)	$ -
Alcoholic Beverage License			53,670.00	(53,670.00)	-
Fees and Permits			400,113.76	(400,113.76)	-
Fines and Costs - Municipal Court		$ 82,369.35	904,606.20	(896,395.06)	90,580.49
Construction Code Fees			805,570.00	(805,570.00)	-
Interest on Investments and Deposits			1,517,166.19	(1,517,166.19)	-
Hotel and Motel Tax			295,742.40	(295,742.40)	-
Library Fines			36,000.00	(36,000.00)	-
State Aid			8,712,118.00	(8,712,118.00)	-
Cable TV Franchise Fees			111,179.00	(111,179.00)	-
Property Rentals				-	-
Reserve Trust Fund				-	-
Pool Fees				-	-
Uniform Fire Safety Act			67,904.77	(67,904.77)	
	A-2	82,369.35	12,999,581.32	(12,991,370.18)	90,580.49
Non - Budget Revenue:					
Administrative Fees Outside Jobs			98,499.02	(98,499.02)	-
Bad Check Fee/Bank error			804.00	(804.00)	-
Bid Specifications			7,125.00	(7,125.00)	-
Delinquent Fees			3,360.00	(3,360.00)	-
DMV Inspection Fines			15,474.13	(15,474.13)	-
Fireworks			13,350.00	(13,350.00)	-
Flu Shots			4,589.14	(4,589.14)	-
Grants cancelled			252.22	(252.22)	-
Housing Inspections			17,944.00	(17,944.00)	-
In Lieu of Taxes			8,501.20	(8,501.20)	-
Insurance Refund - Administration			14,764.14	(14,764.14)	-
IRS Refund			5,344.20	(5,344.20)	-
Meter Refund			3,894.00	(3,894.00)	-
Miscellaneous			47,374.68	(47,374.68)	-
Miscellaneous Refunds			27,250.35	(27,250.35)	-
Outstanding Checks Canceled			24,240.77	(24,240.77)	-
Photo Copies			25,400.30	(25,400.30)	-
Picnic			1,315.00	(1,315.00)	-
Restitutions			9,303.00	(9,303.00)	-
Scrap Metal			24,234.90	(24,234.90)	-
Senior Citizen/Veterans Administration Fees			9,063.83	(9,063.83)	-
Swimming Pool			1,006.00	(1,006.00)	-
Tax Search			70.00	(70.00)	-
Theatre Tickets			10,362.00	(10,362.00)	-
	A-1, A-2	-	373,521.88	(373,521.88)	-
Total.....		$ 82,369.35	$ 13,373,103.20	$ (13,364,892.06)	$ 90,580.49
	Ref.	A	Reserve		A

Analysis of Miscellaneous Revenues:

Account Receivable Collections	A-4	$ 12,936,781.11
Interest on Investments-General Capital Fund	A-12	54,589.07
Subtotal		12,991,370.18
Non-Budget Revenue	A-4	373,521.88
		$ 13,364,892.06

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2005
FOR THE YEAR ENDED JUNE 30, 2006

	BALANCE JUNE 30, 2005	ENCUMBERED JUNE 30, 2005	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS"					
General Government					
Township Council					
Other Expenses	$ 4,578.09	$ 537.00	$ 5,115.09	$ 5,053.10	$ 61.99
Township Clerk					
Salaries and Wages	3,686.39		3,686.39		3,686.39
Other Expenses	1,122.98	50.00	1,172.98	809.24	363.74
Elections					
Other Expenses	61,673.01		61,673.01	51,265.87	10,407.14
Administration					
Department of Administration					
Salaries and Wages	184.66		184.66		184.66
Other Expenses	9,603.48	16,981.00	26,584.48	23,679.17	2,905.31
Division of Personnel					
Salaries and Wages	27.58		27.58		27.58
Other Expenses	17,465.61	4,020.00	21,485.61	6,060.00	15,425.61
Computer Center					
Salaries and Wages	710.44		710.44		710.44
Other Expenses	19,237.35	24,826.86	44,064.21	22,341.98	21,722.23
Division of Purchasing					
Salaries and Wages	88.69		88.69		88.69
Other Expenses:					
Postage (All Departments)	29,855.05		29,855.05		29,855.05
Duplicating (All Departments)	4,815.98	5,296.00	10,111.98	4,030.70	6,081.28
Miscellaneous Other Expenses	3,882.37	277.01	4,159.38	140.53	4,018.85
Municipal Land Use (N.J.S.A. 40:55 D-1):					
Planning Board					
Salaries and Wages				(384.17)	384.17
Other Expenses	16,555.09	774.51	17,329.60	4,449.01	12,880.59
Zoning Board					
Other Expenses	14,922.06	142.00	15,064.06	250.50	14,813.56

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2005
FOR THE YEAR ENDED JUNE 30, 2006

	BALANCE JUNE 30, 2005	ENCUMBERED JUNE 30, 2005	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
Celebration of Public Events					
Other Expenses	1,071.31	8,064.00	9,135.31	8,064.00	1,071.31
Cable TV Studio					
Salaries and Wages	3,311.92		3,311.92		3,311.92
Other Expenses	9,292.41	2,390.42	11,682.83	2,384.02	9,298.81
Finance and Revenue					
Department of Finance					
Salaries and Wages	1,516.69		1,516.69	142.97	1,373.72
Other Expenses	7,988.60	5,236.35	13,224.95	5,227.61	7,997.34
Annual Audit		50,000.00	50,000.00	50,000.00	
Division of Assessment					
Salaries and Wages	8,237.01		8,237.01		8,237.01
Other Expenses	6,589.06	4,760.42	11,349.48	9,367.23	1,982.25
Division of Revenue					
Salaries and Wages	13,192.94		13,192.94		13,192.94
Other Expenses	1,351.84	300.36	1,652.20	712.36	939.84
Insurance					
Other Insurance Premium	11,441.00		11,441.00		11,441.00
Municipal Court					
Salaries and Wages	3,208.05		3,208.05	866.51	2,341.54
Other Expenses	4,685.83	4,160.30	8,846.13	4,576.15	4,269.98
Law					
Department of Law					
Other Expenses	22,009.96	5,888.43	27,898.39	27,898.39	
Public Safety					
Uniform Fire Safety Act					
Salaries and Wages	258.61		258.61		258.61
Other Expenses	27.33	7,252.27	7,279.60	6,865.02	414.58
Animal Control					
Other Expense	3,300.00		3,300.00		3,300.00

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2005
FOR THE YEAR ENDED JUNE 30, 2006

	BALANCE JUNE 30, 2005	ENCUMBERED JUNE 30, 2005	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
Division of Schools Crossing Guards					
Salaries and Wages	5,940.71		5,940.71	119.44	5,821.27
Other Expenses	0.50	1,064.00	1,064.50	1,064.00	0.50
Division of Police					
Salaries and Wages	42,875.13		42,875.13	2,712.80	40,162.33
Other Expenses	20,120.05	80,994.08	101,114.13	67,736.20	33,377.93
Public Works					
Department of Public Works					
Salaries and Wages	94,226.59		94,226.59		94,226.59
Other Expenses	24,442.48	7,849.72	32,292.20	8,273.38	24,018.82
Division of Engineering					
Salaries and Wages	17,189.48		17,189.48		17,189.48
Other Expenses	29,269.50	25,240.77	54,510.27	32,160.77	22,349.50
Division of Planning					
Salaries and Wages	994.17		994.17		994.17
Other Expenses	24,096.32	2,104.94	26,201.26	5,092.96	21,108.30
Public Buildings and Grounds					
Salaries and Wages	20,295.10		20,295.10	8,216.46	12,078.64
Other Expenses	35,131.28	32,354.26	67,485.54	31,672.04	35,813.50
Division of Property Maintenance					
Salaries and Wages	21,709.12		21,709.12	6,209.62	15,499.50
Other Expenses	86,441.97	165,858.87	252,300.84	168,954.26	83,346.58
Division of Streets					
Salaries and Wages	93,652.09		93,652.09	10,739.57	82,912.52
Other Expenses	79,259.66	52,760.98	132,020.64	52,459.97	79,560.67
Snow Removal					
Salaries and Wages		20,414.21	20,414.21	20,414.21	
Other Expenses	158,788.21	296,804.62	455,592.83	356,724.66	98,868.17
All Utilities					
Division of Parks					
Salaries and Wages	25,163.78		25,163.78	11,395.00	13,768.78
Other Expenses	36,191.65	79,842.67	116,034.32	79,729.42	36,304.90

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2005
FOR THE YEAR ENDED JUNE 30, 2006

	BALANCE JUNE 30, 2005	ENCUMBERED JUNE 30, 2005	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
Shade Trees					
Other Expenses	30,000.00		30,000.00	30,000.00	
Division of Sanitation - Sewer System					
Other Expenses	11,220.35	3,787.58	15,007.93	3,787.58	11,220.35
Solid Waste Collection					
Salaries and Wages	24,882.59		24,882.59	10,416.75	14,465.84
Other Expenses	7,703.16	3,094.58	10,797.74	3,094.58	7,703.16
Recycling Program					
Salaries and Wages	25,004.78	90,698.78	115,703.56	96,000.20	19,703.36
Other Expenses	30,000.00		30,000.00	23,773.06	6,226.94
Municipal Services Act					
Health and Welfare					
Department of Health					
Salaries and Wages	11,053.36		11,053.36	463.15	10,590.21
Other Expenses	5,663.16	6,567.95	12,231.11	6,454.17	5,776.94
Division of Public Assistance					
Salaries and Wages	14.00		14.00		14.00
Other Expenses					
Office on Aging					
Salaries and Wages	1,633.00		1,633.00	1,633.00	
Other Expenses	25,576.46	28,435.56	54,012.02	25,985.91	28,026.11
Aid to American Cancer Society	500.00		500.00		500.00
Kiddie Keep Well - Contribution					
Kiddie Keep Well - Contribution					
Recreation and Education					
Department of Recreation					
Salaries and Wages	9,920.77		9,920.77	8,062.97	1,857.80
Other Expenses	40,293.46	25,170.73	65,464.19	28,682.05	36,782.14
Swimming Pool					
Other Expenses	8,320.03		8,320.03		8,320.03
Youth Center					
Salaries and Wages	1,007.54		1,007.54	652.68	354.86
Other Expenses	2,849.55	17,861.83	20,711.38	17,772.40	2,938.98

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2005
FOR THE YEAR ENDED JUNE 30, 2006

	BALANCE JUNE 30, 2005	ENCUMBERED JUNE 30, 2005	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
Uniform Construction Code					
Division of Inspections					
Salaries and Wages	3,389.30		3,389.30	1,120.16	2,269.14
Other Expenses	15,384.03	3,056.55	18,440.58	3,034.46	15,406.12
Boards and Commissions					
Other Expenses	12,838.28	3,173.31	16,011.59	4,164.61	11,846.98
Total Operations Within "CAPS"	1,368,933.00	1,088,092.92	2,457,025.92	1,362,572.68	1,094,453.24
Total Operation Including Contingent	1,368,933.00	1,088,092.92	2,457,025.92	1,362,572.68	1,094,453.24
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
STATUTORY EXPENDITURES:					
Contribution to:					
Social Security System	45,496.74		45,496.74	7,053.73	38,443.01
Consolidated Police & Firemen's Pension Fund	10,000.00		10,000.00	6,936.34	3,063.66
Total Deferred Charges and Statutory Expenditures Within "CAPS"	55,496.74		55,496.74	13,990.07	41,506.67
Total General Appropriations Within "CAPS"	1,424,429.74	1,088,092.92	2,512,522.66	1,376,562.75	1,135,959.91

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2005
FOR THE YEAR ENDED JUNE 30, 2006

	BALANCE JUNE 30, 2005	ENCUMBERED JUNE 30, 2005	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
OPERATIONS EXCLUDED FROM "CAPS"					
Maintenance of Free Public Library	12,419.63	173,334.48	185,754.11	175,351.81	10,402.30
9-1-1 Emergency Telecommunications Services					
Salaries and Wages	1,759.13		1,759.13	1,424.67	334.46
Other Expenses	27,539.39	192.39	27,731.78	2,094.71	25,637.07
Division of Emergency Management					
Salaries and Wages	5,167.98		5,167.98		5,167.98
Other Expenses	2,051.90	14,980.55	17,032.45	14,898.06	2,134.39
Insurance					
Group Insurance for Employees	191,977.30		191,977.30	3,210.00	188,767.30
Other Insurance Premiums	147,962.14	9,185.61	157,147.75	9,185.61	147,962.14
Police & Firemen's Retirement System	447.60		447.60	447.60	
Public Employees Retirement System	0.20		0.20	0.20	
MCIA Recycling Program	40,977.62	172,036.52	213,014.14	172,125.38	40,888.76
MCUA Solid Waste Agreement		13,901.42	13,901.42	13,901.42	
Edison Animal Control Contract	13,800.00		13,800.00		13,800.00
Middlesex County Nursing Services	9,040.00		9,040.00		9,040.00
UNDMJ Agreements	367.00		367.00		367.00
Public and Private Programs Offset by Revenues					
Matching Fund for Grants	18,303.00		18,303.00		18,303.00
Total Operations - Excluded from "CAPS"	471,812.89	383,630.97	855,443.86	392,639.46	462,804.40
Capital Improvements - Excluded from "CAPS"					
Land Acquisition	86,934.00		86,934.00		86,934.00
Total Capital Improvements - Excluded from Caps	86,934.00		86,934.00		86,934.00
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	558,746.89	383,630.97	942,377.86	392,639.46	549,738.40
Total General Appropriations	$ 1,983,176.63	$ 1,471,723.89	$ 3,454,900.52	$ 1,769,202.21	$ 1,685,698.31
	REF A	A			A-1

	REF	
Cash Disbursed	A-4	$ 1,374,854.30
Transfer to Accounts Payable	A-11	394,347.91
		$ 1,769,202.21

CURRENT FUND
SCHEDULE OF CHANGES IN VARIOUS ACCOUNTS PAYABLES & RESERVES

	6/30/05	Transfer from/(to) Budget	Cash Receipts	Cash Disbursements	Adjustments	6/30/06
Accounts Payable:						
Vendor Accounts Payable	$ 188,061.21	$ 394,347.91		$ (73,606.92)	$ (379,050.39)	$ 129,751.81
State of New Jersey 3rd Party Fees	26,560.00		363,023.00	(343,981.00)		45,602.00
Subtotal	214,621.21	394,347.91	363,023.00	(417,587.92)	(379,050.39)	175,353.81
Reserve for:						
Tax Appeals Pending	1,628,503.00			(1,067,939.29)	939,436.29	1,500,000.00
FEMA - Hurricane Floyd	34,183.12					34,183.12
Lien Redemption	509.53		310,900.08	(277,914.27)		33,495.34
PCTV	59,096.89	(55,000.00)	18,136.00			22,232.89
Library State Aid	61,629.00		61,841.00	(61,629.00)		61,841.00
Third Party Inspections	141,259.35		217,406.00	(218,534.00)		140,131.35
Sale of Municipal Assets	185,395.19		1.00			185,396.19
Tree Replacement	48,251.35					48,251.35
Unfunded Severance Liability	629,679.33	462,776.00		(614,613.11)		477,842.22
Fire Districts	0.25					0.25
Snow Reimbursement	73,103.29		110,301.95			183,405.24
FEMA - 911 Tragedy	4,604.81					4,604.81
Demolition	7,084.73					7,084.73
Police Equipment			10,950.00			10,950.00
Non-Municipal Excess Billing SFY 05	710,431.00				(633,995.83)	76,435.17
Subtotal	3,583,730.84	407,776.00	729,536.03	(2,240,629.67)	305,440.46	2,785,853.66
Total	$ 3,798,352.05	$ 802,123.91	$ 1,092,559.03	$ (2,658,217.59)	$ (73,609.93)	$ 2,961,207.47
Ref.	A		A-4	A-4		A

	Ref.	
Appropriation Reserves	A-10	$ 394,347.91
Appropriation	A-3	462,776.00
Realized as Revenue	A-2	(55,000.00)
		$ 802,123.91

	Ref.	
Fund Balance	A-1	$ 560,385.90
Reserve for Taxes	A-7	(633,995.83)
		$ (73,609.93)

Exhibit A-12

CURRENT FUND
STATEMENT OF INTERFUNDS RECEIVABLE/ PAYABLE

	6/30/05	Cash Receipts	Cash Disbursements	Budget Revenues	Budget Appropriations	Adjustments	6/30/06
Interfunds							
Animal Control Fund	1,300.00		$ (1,300.00)				$ -
General Capital Fund	207,915.98	$ 94,982.50	(1,654,860.62)		$ 870,000.00	(54,589.07)	(536,551.21)
Sewer Operating Fund		1,146,003.15	(1,145,239.47)				763.68
Grant Fund	237,338.90	852,411.38	(1,131,618.93)	(390,253.20)	403,713.20	(0.64)	(28,409.29)
Trust - Other Fund	(199,619.27)	445,413.58	(245,794.31)				-
Total	$ 246,935.61	$ 2,538,810.61	$ (4,178,813.33)	$ (390,253.20)	$ 1,273,713.20	$ (54,589.71)	$ (564,196.82)
	Ref.	A-4	A-4	A-2	A-3		

	Ref.		
Receivables	A	$ (199,619.27)	$ (564,960.50)
Payables	A	446,554.88	763.68
		$ 246,935.61	$ (564,196.82)

Interest Due from General Capital	A-9	$ (54,589.07)
Grants Appropriated Cancelled	A-1	(0.64)
		$ (54,589.71)

Exhibit A-13

CURRENT FUND
SCHEDULE OF TAXES PAYABLE

	06/30/05	Taxes Levied	Cash Disbursements	06/30/06
County - General	-	14,151,099.13	(14,151,099.13)	-
County - Open Space	-	1,558,398.81	(1,558,398.81)	-
County - Added & Omitted	-	86,395.92	(86,395.92)	-
Local School District Taxes	-	70,894,042.00	(70,894,042.00)	-
Fire District Taxes	-	2,180,690.50	(2,180,690.50)	-
Total	-	88,870,626.36	(88,870,626.36)	-
Ref.	A	A-1,A-7	A-4	A

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
GRANT FUND

BUDGET YEAR	GRANTS	BALANCE JUNE 30, 2005	SFY 2006 BUDGET REVENUE REALIZED	CHP 159	CANCELLED	COLLECTED	BALANCE JUNE 30, 2006
SFY 2001	NJDOT - New Market Dam Rehab.	$ 331,805.00	$	$	$	$ 331,805.00	$ -
SFY 2002	Hazardous Discharge Grant	80,974.65					80,974.65
SFY 2003							
	History Grant	500.00					500.00
	Bike Way Extension	175,000.00				175,000.00	-
SFY 2004							
	Bullet Proof Vest Partnership	5,500.00				5,500.00	-
	DCA Smart Growth	28,287.00				(31,713.00)	60,000.00
	Juvenile Accountability Grant	3,997.99				3,997.99	-
	Middlesex County Business District Improvements	51,472.50					51,472.50
	NJDOT - Metlars House Project	39,641.00					39,641.00
	NJDOT - Metlars House Project	157,383.00				31,713.00	125,670.00
	State Local Preparedness Grant	15,000.00					15,000.00
	Urban Forestry Grant	6,162.50					6,162.50
SFY 2005							
	Child Passenger Safety	3,320.00				2,909.93	410.07
	Click It or Ticket	4,000.00				4,000.00	-
	Cops in Shop Grant	3,600.00			3,600.00		-
	Domestic Violence Program	5,000.00					5,000.00
	Middlesex County Cultural Heritage Grant	350.00				350.00	-
	Municipal Alliance Activities Program	44,368.65				44,368.65	-
	Municipal Stormwater Regulation	5,155.00					5,155.00
	Public Health Priority Funding	10,085.00				10,085.00	-
	Recycling Enhancement Grant	25,000.00					25,000.00
	Statewide Local Domestic Preparedness Equipment	50,000.00					50,000.00
	Stelton Road Streetscape Improvements	200,000.00					200,000.00
	Tobacco Age of Sale	300.00				300.00	-
SFY 2006							
	Aggressive Driver		12,000.00			12,000.00	-
	Alcohol Education Rehab Program			1,414.85		1,414.85	-
	Body Armor Replacement Grant			8,199.06		8,199.06	-
	Clean Communities Grant			43,523.88		43,523.88	-
	Click It or Ticket Grant			4,000.00		4,000.00	-
	COPS in Shop		3,400.00	3,600.00		3,400.00	3,600.00
	Drunk Driving Enforcement Fund		7,736.01			7,736.01	-
	Drunk Driving Enforcement Fund - DWI Middlesex County		2,100.00			2,100.00	-
	Enhanced 9-1-1 Grant			48,201.00		48,201.00	-
	Info-Link Library Grant			1,774.00		1,774.00	-
	Juvenile Accountability Incentive Block Grant		8,667.00				8,667.00
	Karma Foundation Grant			930.00		930.00	-

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
GRANT FUND

BUDGET YEAR	GRANTS	BALANCE JUNE 30, 2005	SFY 2006 BUDGET REVENUE REALIZED	CHP 159	CANCELLED	COLLECTED	BALANCE JUNE 30, 2006
SFY 2006							
	Middlesex County Cultural Heritage			1,500.00		1,500.00	-
	Mini Grant Library			1,500.00		1,125.00	375.00
	Multi Jurisdictional Task Force			3,000.00		3,000.00	-
	Municipal Alliance Program			45,987.00		13,555.61	32,431.39
	Municipal TDM Award			7,500.00			7,500.00
	NFL Youth Grant		5,000.00			5,000.00	-
	Pandemic Influenza Grant			1,708.00			1,708.00
	Public Archives & Record Infrastructure Support (PARIS)			39,500.00			39,500.00
	Public Health for Bio Terrorism			3,000.00		3,000.00	-
	Public Health Priority Funding			34,011.00		22,674.00	11,337.00
	Recycling Tonnage Grant			25,121.40		25,121.40	-
	Safe & Secure Communities Program			60,000.00		60,000.00	-
	Tobacco Age of Sale Enforcement		1,380.00			840.00	540.00
	Traffic Records Grant			10,500.00			10,500.00
	You Drink, You Drive, You Lose			5,000.00		5,000.00	-
		$ $1,246,902.29	$ $40,283.01	$ $349,970.19	$ $3,600.00	$ $852,411.38	$ $781,144.11
	Ref.	A			A-16	A-16	A
Total Revenue Realized	A-16		$ 390,253.20				

Exhibit A-16

GRANT FUND
STATEMENT OF INTERFUNDS RECEIVABLE/ PAYABLE

		6/30/05	Budget Revenues	Budget Appropriations	Adjustments	6/30/06
Interfunds						
Current Fund		($237,338.90)	$ 390,253.20	$ (403,713.20)	$ 279,208.19	$ 28,409.29
Total.....		($237,338.90)	$ 390,253.20	$ (403,713.20)	$ 279,208.19	$ 28,409.29
	Ref.	A	A-15	A-17		A
Cash Receipts	A-15				$ (852,411.38)	
Grants Receivable Cancelled	A-15				(3,600.00)	
Grants Appropriated Cancelled	A-17				3,600.64	
Cash Disbursements	A-17				1,131,618.93	
					$ 279,208.19	

SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED
GRANT FUND

BUDGET YEAR/PROGRAM	BALANCE JUNE 30,2005	ENC JUNE 30 2005	TOTAL TRANSFERRED FROM FY 2006 BUDGET	CH 159	PAID OR CHARGED	CANCELLED	ENC JUNE 30 2006	BALANCE JUNE 30 2006
SFY 2001								
Public Relations Beautification	$ 455.95	$ 699.00	$	$	$ 654.00	$	$	$ 500.95
SFY 2002								
Recycling Tonnage Grant	281.25							281.25
Hazardous Discharge Grant	53,725.34							53,725.34
SFY 2003								
Clean Communities Program	3,336.19	142.51			3,478.70			-
Domestic Violence Program	1,942.37				967.35			975.02
Drunk Driving Enforcement Fund		541.53						541.53
History Grant	3,000.00							3,000.00
NJDOT Grant - Park Avenue		1,660.46			528.00		1,132.46	-
SFY 2004								
Bullet Proof Vest Partnership	3,143.62				3,143.62			-
Clean Communities Program		1,000.00			1,000.00			-
Juvenile Accountability		904.00			904.00			-
NJDOT: Mellars House Project	22,613.00	11,828.00			34,441.00			-
NJDOT: Mellars House Project	157,383.00				19,609.00		6,628.00	131,146.00
Recycling Tonnage Grant		750.00					750.00	-
State and Local All Hazards Emergency	1,518.72							1,518.72
State Local Cooperative Housing	3,500.00							3,500.00
State Local Preparedness Grant	148.72							148.72
Urban Forestry Grant	17,125.00							17,125.00
Walmart Safe Neighborhood Heroes	485.60	215.00					215.00	485.60
SFY 2005								
Alcohol Education Rehabilitation Fund	3,265.82							3,265.82
Body Armor Replacement Fund	8,710.67				8,503.72			206.95
Child Passenger Safety	2,251.44				1,861.37			390.07
Clean Communities Program	43,307.89	39,974.97			45,140.27			38,142.59
Community Center Building Construction	600,000.00				600,000.00			-
Cops in Shop Grant	1,000.00				800.00	200.00		-
Domestic Violence Program	1,140.00				1,127.20			12.80
Drunk Driving Enforcement Grant	5,141.90				5,141.90			-
Homeland Security Pass Through Grant	80,000.00				79,178.00			822.00
Library Enhancement Grant	2.64				2.00	0.64		-
Middlesex County Cultural Heritage Grant	751.03				751.03			-
Multi Jurisdictional Task Force	6,501.83				(2,998.17)		9,500.00	-
Municipal Alliance Activities Program	34,627.93	14,652.94			49,280.87			-
Municipal Stormwater Regulation	20,619.00							20,619.00
National Recreation Park Association Tennis		380.00			380.00			-
Public Health for BioTerrorism	263.00	2,737.00			2,737.00			263.00
Public Health Priority Funding	10,145.00	6,280.00			16,365.00			60.00

SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED
GRANT FUND

BUDGET YEAR/PROGRAM	BALANCE JUNE 30,2005	ENC JUNE 30 2005	TOTAL TRANSFERRED FROM FY 2006 BUDGET	CH 159	PAID OR CHARGED	CANCELLED	ENC JUNE 30 2006	BALANCE JUNE 30 2006
SFY 2005								
Recycling Enhancement Grant	25,000.00							25,000.00
Recycling Tonnage Grant	36,088.87							36,088.87
Sports Illustrated Sportstown	5,000.00							5,000.00
Statewide Liveable Communities Columbus Park	200,000.00				3,921.68			196,078.32
Statewide Local Domestic Preparedness Equipment	50,000.00				50,000.00			-
SFY 2006								
Aggressive Driver			12,000.00		12,000.00			-
Alcohol Education Rehab Program				1,414.85				1,414.85
Body Armor Replacement Grant				8,199.06	1,665.00			6,534.06
Clean Communities Grant				43,523.88				43,523.88
Click It or Ticket Grant			3,400.00	4,000.00	4,000.00			-
COPS in Shop			7,736.01	3,600.00	2,800.00	3,400.00		800.00
Drunk Driving Enforcement Fund			2,100.00		(934.99)		108.00	8,563.00
DDEF - DWI Middlesex County					2,100.00			-
Enhanced 9-1-1 Grant				48,201.00	48,201.00			-
Info-Link Library Grant				1,774.00	1,774.00			-
Juvenile Accountability Incentive Block Grant			8,667.00		4,134.35		363.00	4,169.65
Grant			963.00		963.00			-
Match				930.00	918.55			11.45
Karma Foundation Grant				1,500.00	1,500.00			-
Middlesex County Cultural Heritage								
Mini Grant Library				1,500.00	653.00			847.00
Grant				1,000.00	1,000.00			-
Match				3,000.00	3,000.00			-
Multi Jurisdictional Task Force				57,484.00	16,823.48		3,499.04	37,161.48
Municipal Alliance Program				7,500.00	7,238.00			262.00
Municipal TDM Award			5,000.00		5,000.00			-
NFL Youth Grant				1,708.00				1,708.00
Pandemic Influenza Grant				39,500.00			39,500.00	-
Public Archives & Record Infrastructure Support (PARIS)				3,000.00				3,000.00
Public Health for Bio Terrorism				34,011.00	15,986.00		4,451.00	13,574.00
Public Health Priority Funding				25,121.40				25,121.40
Recycling Tonnage Grant				60,000.00	60,000.00			-
Safe & Secure Communities Program			1,380.00		1,380.00			-
Tobacco Age of Sale Enforcement				10,500.00	9,500.00		1,000.00	-
Traffic Records Grant				5,000.00	5,000.00			-
You Drink, You Drive, You Lose								
	$ 1,402,475.78	$ 81,765.41	$ 41,246.01	$ 362,467.19	$ 1,131,618.93	$ 3,600.64	$ 67,146.50	$ 685,588.32
Ref.	A	A			A-16	A-16	A	A
Total Budgeted Appropriations A-16			$ 403,713.20					

TRUST FUND

ANALYSIS OF TRUST ASSESSMENT CASH AND INVESTMENTS

	BALANCE JUNE 30. 2005	BALANCE JUNE 30. 2006
Fund Balance	$ 889.80	$ 889.80
	$ 889.80	$ 889.80
Ref.	B	B

Exhibit B-4

SCHEDULE OF ESCROW FUND DEPOSITS AND RESERVES
TRUST OTHER FUNDS

Purpose	Balance 06/30/05	Increases	Decreases	Balance 06/30/06
1. Engineering Fees	$ 1,500.00	$	$	$ 1,500.00
2. Engineering & Inspections Fees (over $5,000)	374,461.91	119,989.01	133,238.77	361,212.15
3. YB Developers $5,000	136,607.53	51,187.17	87,344.90	100,449.80
4. Performance Bonds (over $10,000)	227,216.58		3,484.00	223,732.58
5. CB Planning Board (over $5,000)	184,520.53	87,061.50	81,330.61	190,251.42
6. CB Planning Board (under $5,000)	170,395.37	101,197.24	60,116.88	211,475.73
7. CB Developers Interest	18,136.79	11,476.58	28,628.40	984.97
8. CB Operating	-			-
9. CB Performance (under $5,000)	203,307.29	33,928.49	25,591.11	211,644.67
10. YB Developers	1,845,512.62	1,064,367.74	238,642.57	2,671,237.79
	$ 3,161,658.62	$ 1,469,207.73	$ 658,377.24	$ 3,972,489.11
Ref.	B	B- 3	B- 3	B

GENERAL CAPITAL FUND

SCHEDULE OF CASH AND INVESTMENTS - TREASURER
GENERAL CAPITAL FUND

	REF.		
Balance - June 30, 2005	C		$ 6,494,200.52
Increased by Receipts:			
State and Federal Grant Receivable	C - 4	556,250.00	
Contributions - Off-Site Improvements	C - 8	144,997.50	
Community Foundation	C-11	680,000.00	
Due to Current Fund - Interest Earned	C-12	108,769.13	
Due to Current Fund	C-12	1,654,860.62	
Reserves for CDBG - Housing Rehab	C-13	39,673.09	
Grant Fund	C-15	600,000.00	
			3,784,550.34
			10,278,750.86
Decreased by Disbursements:			
Improvement Authorizations	C - 9	9,779,657.00	
Due to Current Fund - Interest Disbursed	C-12	54,180.06	
Preliminary Expenses	C-14	364,750.00	
Developer's Tree Contribution	C-16	21,295.16	
			10,219,882.22
Balance - June 30, 2006	C		$ 58,868.64

ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS
GENERAL CAPITAL FUND

	BALANCE JUNE 30, 2005	RECEIPTS: SERIAL BONDS	RECEIPTS: MISCEL-LANEOUS	DISBURSEMENTS: IMPROV. AUTHOR.	DISBURSEMENTS: MISCEL-LANEOUS	TRANSFERS: FROM	TRANSFERS: TO	BALANCE JUNE 30, 2006
Fund Balance	$ 525,493.24					$ 246,000.00	$ 146,910.39	426,403.63
Capital Improvement Fund	-					824,025.00	911,263.00	87,238.00
Contributions - Off-Site Improvements	23,459.25		144,997.50			58,996.00	41,805.00	151,265.75
Contributions - Tree Contributions	25,500.00				21,295.16			4,204.84
Federal & State Grants Receivable	(686,250.00)		556,250.00			1,030,000.00	100,000.00	(1,060,000.00)
Revolving Fund - Housing Rehab	532,179.54		39,673.09					571,852.63
Reserve for Preliminary Expenses	4,000.00				364,750.00		1,280,000.00	919,250.00
Due from Grant Fund	-		600,000.00			600,000.00		-
Due to Current Fund	(207,915.98)		1,763,629.75		54,180.06	1,024,543.79	59,561.29	536,551.21
Due from Community Foundation			680,000.00			680,000.00		-
Reserve for Grant Receivables							930,000.00	930,000.00
Reserve for Encumbrances	8,415,725.65					8,415,725.65	10,336,027.78	10,336,027.78
ORD. NO. — IMPROVEMENT AUTHORIZATIONS								
90-38 Housing Rehab Program	120,557.25					120,557.25		-
98-1 Various Improvements	18,966.77			17,875.00		22,890.65	65,490.32	43,691.44
99-26 Various Improvements	4,120.58			6,759.28		23,569.58	26,208.28	-
01-01 Various Improvements	2,733.00			3,784.07		25,285.03	29,069.10	2,733.00
01-30 Various Improvements	-					108,543.14	108,543.14	-
01-31 Various Park Improvements	5,466.85			7,227.57			1,760.72	-
01-32 Various Improvements	84,947.51			104,360.18		80,591.67	186,435.82	86,431.48
02-25 Various Capital Improvements	29,996.16			(50,955.47)	(5,017.50)	322,014.74	332,322.67	96,277.06
02-24 Various Park Improvements	-					968.80	968.80	-
02-18 Various Capital Improvements	512.34					9,532.03	9,532.03	512.34
03-10 Acquisition of Land	-			668.25		32,190.70	32,858.95	-
03-32 Master Plan				32,626.00		6,374.00	39,000.00	-
03-39 Various Capital Improvements	293,642.46			850,104.93		214,367.44	1,432,017.38	661,187.47
04-04 Various Capital Improvements	-			5,235.96		8,191.50	13,427.46	-
04-05 Various Capital Improvements	127,845.40			274,379.25		36,184.90	227,850.15	45,131.40
04-15 Purchase of Land	41,805.00					41,805.00		-
04-51 Various Capital Equipments	122,385.30			31,280.28		74,623.98	33,915.00	50,396.04
04-52 Various Capital Projects	(3,689,173.23)			5,165,592.13		5,419,441.68	5,090,687.53	(9,183,519.51)
05-11 Various Capital Projects	494,930.00			235,803.15		247,402.98	44,000.00	55,723.87
05-13 Various Capital Projects	203,273.43			1,055,771.86		524,377.70	1,483,582.06	106,705.93
05-41, 06-14 Various Capital Improvements				802,628.17		13,817,346.84	11,240,500.00	(3,379,475.01)
05-26 Purchase of Land				17,996.00			17,996.00	-
05-30 Various Capital Improvements				179,680.32		7,319.68	187,000.00	-
06-04 Various Capital Improvements				1,038,840.07		3,120,863.14	2,590,000.00	(1,569,703.21)
06-21 Demolition of Structures					5,017.50	55,000.00	200,000.00	139,982.50
	$ 6,494,200.52	$ -	$ 3,784,550.34	$ 9,779,657.00	$ 440,225.22	$ 37,198,732.87	$ 37,198,732.87	$ 58,868.64
Ref.	C							C

SCHEDULE OF VARIOUS GRANTS, LOANS AND OTHER RECEIVABLES

		Balance June 30, 2005	Increases	Decreases	Balance June 30, 2006
Receivables:					
State of NJ DOT - Municipal Road Program		$118,750.00		$56,250.00	$62,500.00
State of NJ DOT - Plainfield Ave.		500,000.00		500,000.00	-
State of NJ DOT - Mtn. Ave.		67,500.00			67,500.00
NJ D.O.T. Grant - West 4th street			330,000.00		330,000.00
State of NJ - Green Acres: - Halper			600,000.00		600,000.00
Homeland Security Grant			50,000.00	50,000.00	-
Emergency Preparedness Grant			50,000.00	50,000.00	-
		$686,250.00	$1,030,000.00	$656,250.00	1,060,000.00
	Ref.	C			C
Reserve for Grants Receivable	C		$930,000.00		
Improvement Authorizations	C-9		100,000.00		
			$1,030,000.00		
Cash Receipts	C-2			$556,250.00	
Due to Current Fund	C-12			100,000.00	
				$656,250.00	

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

ORD. NUMBER	IMPROVEMENT DESCRIPTION	BALANCE JUNE 30,2005	SFY 2006 AUTHORIZATON	IMPROV. AUTHOR. BALANCE CANCELED	BALANCE JUNE 30,2006	ANALYSIS OF BALANCE JUNE 30,2006 EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
99-26	Various Improvements	3,000.00		3,000.00	-		-
04-52	Various Capital Improvements	9,612,225.00	617,500.00		10,229,725.00	9,183,519.51	1,046,205.49
05-11	Various Capital Projects	563,470.00			563,470.00		563,470.00
05-41	Various Capital Improvements		10,578,475.00		10,578,475.00	3,379,475.01	7,198,999.99
06-04	Various Capital Improvements		2,460,500.00		2,460,500.00	1,569,703.21	890,796.79
		$ 10,178,695.00	$ 13,656,475.00	$ 3,000.00	$ 23,832,170.00	$ 14,132,697.73	$ 9,699,472.27
	Ref.	C	C- 9	C- 9	C		

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
GENERAL CAPITAL FUND

ORD. NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE - JUNE 30,2005 FUNDED	BALANCE - JUNE 30,2005 UNFUNDED	2006 AUTHOR.	ENCUM-BRANCES PAYABLE JUNE 30,2005	ENCUM-BRANCES PAYABLE JUNE 30,2006	CANCELED	PAID OR CHARGED	BALANCE - JUNE 30,2006 FUNDED	BALANCE - JUNE 30,2006 UNFUNDED
89-27 & 90-38	Housing Rehabilitation Program	Various	$ 669,150.00	$ 120,557.25		$ -			$ 120,557.25		-	
98-1	Various Improvements	01/06/00	1,075,000.00	18,966.77			65,490.32	17,107.09	5,783.56	17,875.00	43,691.44	
99-26 02-26	Various Improvements	12/21/99	1,810,500.00	4,120.58	3,000.00		23,208.28		23,569.58	6,759.28	-	
01-01	Various Improvements	01/23/01	3,191,800.00	2,733.00			29,069.10	25,285.03		3,784.07	2,733.00	
01-30,02-27	Various Improvements	12/18/01					108,543.14	108,543.14			-	
01-31	Various Park Improvements	12/18/01		5,466.85			1,760.72			7,227.57	(0.00)	
01-32,02-28	Various Improvements	12/18/01		84,947.51			186,435.82	80,591.67		104,360.18	86,431.48	
02-25/03-23	Various Capital Improvements	12/03/02	1,250,000.00	29,996.16			243,378.91	228,053.48		(50,955.47)	96,277.06	
02-24	Various Park Improvements	12/17/02	1,500,000.00				968.80	968.80			-	
02-18	Various Capital Improvements	11/26/02	237,000.00	512.34			9,532.03	9,532.03			512.34	
03-10/04-29	Acquisition of Land	03/04/03	275,000.00				32,858.95	32,190.70		668.25	-	
03-32	Master Plan	9/2/2003-03/18/04	75,000.00				39,000.00	6,374.00		32,626.00	-	
03-39	Various Capital Improvements	11/06/03		293,642.46			1,432,017.38	214,367.44		850,104.93	661,187.47	
04-04	Various Capital Improvements	01/06/04					13,427.46	8,191.50		5,235.96	-	
04-05	Various Capital Improvements	01/06/04		127,845.40			227,850.15	36,184.90		274,379.25	45,131.40	
04-15	Purchase of Land Block1601 W. 4th	02/17/04		41,805.00					41,805.00		-	
04-51	Various Capital Equipments	12/21/04	179,500.00	122,385.30			33,915.00	33,360.98	41,263.00	31,280.28	50,396.04	
04-52, 05-40	Various Capital Projects	12/21/2004, 11/29/05	10,229,725.00		5,923,051.77	650,000.00	4,440,687.53	4,801,941.68		5,165,592.13		1,046,205.49
05-11	Various Capital Projects	03/15/05	1,218,000.00	494,930.00	563,470.00		44,000.00	247,402.98		235,803.15	55,723.87	563,470.00
05-13	Various Capital Projects	05/03/05	2,786,000.00	203,273.43			1,483,582.06	524,377.70		1,055,771.86	106,705.93	
05-41, 06-14	Various Capital Improvements	3/17/2006, 11/29/05	11,240,500.00			11,240,500.00		3,238,871.84		802,628.17		7,198,999.99
05-26	Purchase of Land	09/20/05	17,996.00			17,996.00				17,996.00	-	
05-30	Various Capital Improvements	10/04/05	187,000.00			187,000.00		7,319.68		179,680.32		
06-04	Various Capital Improvements	01/03/06	2,590,000.00			2,590,000.00		660,363.14		1,038,840.07		890,796.79
06-21	Demolition of Structures	04/25/06	200,000.00			200,000.00		55,000.00		5,017.50	139,982.50	
				$ 1,551,182.05	$ 6,489,521.77	$ 14,885,496.00	$ 8,415,725.65	$ 10,336,027.78	$ 232,978.39	$ 9,784,674.50	$ 1,288,772.53	$ 9,699,472.27
				C	C		C	C			C	C

	Ref.				
Capital Fund Balance	C-1	$ 246,000.00	$ 146,910.39	9,779,657.00	
Cash Disbursements	C-2	100,000.00			
Federal Grant Receivable	C-4	13,656,475.00	3,000.00		
Deferred Charges to Future Taxation - Unfunded	C-6	824,025.00	41,263.00		
Capital Improvement Fund	C-7	58,996.00	41,805.00		
Contributions - Off-Site Improvements	C-8			5,017.50	
Due to Current Fund	C-12				
		$ 14,885,496.00	$ 232,978.39	$ 9,784,674.50	

Exhibit - C-10

SCHEDULE OF GENERAL SERIAL BONDS
GENERAL CAPITAL FUND

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING JUNE 30, 2006		INTEREST RATE	BALANCE JUNE 30,2005	DECREASED	BALANCE JUNE 30,2006
General Improvements	12/15/90	$4,606,000.00				$ 406,000.00	$ 406,000.00	$ -
General Improvements	04/01/98	6,165,000.00	04/01/07	700,000.00	4.500%	3,890,000.00	700,000.00	3,190,000.00
			04/01/08	750,000.00	4.500%			
			04/01/09	660,000.00	4.500%			
			04/01/10-11	540,000.00	4.500%			
General Improvements Refunding Bonds,	08/01/01	2,370,500.00	08/01/06	490,000.00	4.500%	990,000.00	500,000.00	490,000.00
General Improvement Bonds	10/15/01	5,765,000.00	10/15/06	250,000.00	3.500%	5,015,000.00	250,000.00	4,765,000.00
			10/15/07	425,000.00	3.750%			
			10/15/08	425,000.00	3.875%			
			10/15/09-11	425,000.00	4.000%			
			10/15/12	500,000.00	4.000%			
			10/15/13	500,000.00	4.125%			
			10/15/14-15	500,000.00	4.250%			
			10/14/16	390,000.00	4.500%			
General Improvement Bonds	02/01/02	7,520,000.00	02/01/2007-09	400,000.00	4.125%	6,320,000.00	400,000.00	5,920,000.00
			02/01/10-11	500,000.00	4.125%			
			02/01/12	500,000.00	4.200%			
			02/01/13	600,000.00	4.200%			
			02/01/14	600,000.00	4.250%			
			02/01/15	700,000.00	4.300%			
			02/01/16	700,000.00	4.400%			
			02/01/17	620,000.00	4.500%			
General Improvement Bonds	03/01/04	9,659,000.00	9/1/06-07	600,000.00	3.125%	9,159,000.00	500,000.00	8,659,000.00
			9/1/08-9	700,000.00	3.125%			
			09/01/10	700,000.00	3.250%			
			9/1/11-12	800,000.00	3.250%			
			09/01/13	900,000.00	3.375%			
			09/01/14	900,000.00	3.500%			
			09/01/15	959,000.00	3.625%			
			09/01/16	1,000,000.00	3.750%			
Pension Bonds	04/14/04	790,000.00	03/01/07	395,000.00	4.200%	790,000.00		790,000.00
			03/01/08	395,000.00	4.650%			
						$ 26,570,000.00	$ 2,756,000.00	$ 23,814,000.00
						C	C-5	C

Exhibit - C-13

SCHEDULE OF RESERVES REVOLVING FUND - HOUSING REHAB

	REF.	
Balance - June 30, 2005	C	$ 532,179.54
Increased by:		
Cash Received	C-2	39,673.09
Balance - June 30, 2006	C	$ 571,852.63

Exhibit - C-14

SCHEDULE OF PRELIMINARY EXPENSES
GENERAL CAPITAL FUND

	REF.		
Balance June 30, 2005	C		$ 4,000.00
Increased by:			
Contributions Grant & Community Foundation	C- 11	680,000.00	
Due from Grant Fund	C- 15	600,000.00	
			1,280,000.00
			1,284,000.00
Decreased by:			
Cash Disbursed	C- 2		364,750.00
Balance June 30, 2006	C		$ 919,250.00

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

ORD. NO.	IMPROVEMENT DESCRIPTION	BALANCE JUNE 30, 2005	2006 AUTHORIZATIONS	CANCELLED	BALANCE JUNE 30, 2006
	General Improvements				
99-26, 02-26	Various Improvements	$ 3,000.00	$	$ 3,000.00	$
04-52,05-40	Various Capital Improvements	9,612,225.00	617,500.00		10,229,725.00
05-11	Various Capital Improvements	563,470.00			563,470.00
05-41, 06-14	Various Capital Improvements		10,578,475.00		10,578,475.00
06-04	Various Capital Improvements		2,460,500.00		2,460,500.00
		$ 10,178,695.00	$ 13,656,475.00	$ 3,000.00	$ 23,832,170.00
	Ref.	C			C

SEWER UTILITY FUND

Exhibit D-5

SCHEDULE OF SEWER UTILITY CASH AND INVESTMENTS
TREASURER

	REF.	OPERATING FUND		CAPITAL FUND	
Balance - June 30, 2005	D		$ 1,858,080.62		$ 522,607.21
Increased by Receipts:					
Interest on Investments	D- 3	120,122.61			
Miscellaneous Revenues	D- 3	3,660.00			
Collector	D- 6	6,024,978.26			
Due to Sewer Operating Fund	D-21			165,000.00	
			6,148,760.87		165,000.00
			8,006,841.49		687,607.21
Decreased by Disbursements:					
Accounts Payable	D	63,647.13			
SFY 2006 Budget	D- 4	4,829,436.86			
Appropriation Reserves	D-11	113,199.39			
Sewer Overpayment	D-14	2,205.14			
Improvement Authorizations	D-15			685,225.05	
Due to Current Fund	D-17	1,146,003.15			
Due to Sewer Capital Fund	D-20	165,000.00			
Accrued Interest	D-12	11,843.76			
			6,331,335.43		685,225.05
Balance - June 30, 2006	D		$ 1,675,506.06		$ 2,382.16

Exhibit D-7

ANALYSIS OF SEWER UTILITY CAPITAL
CASH AND INVESTMENTS

	BALANCE JUNE 30, 2005	BALANCE JUNE 30, 2006
Fund Balance	$ 29,871.94	$ 29,871.94
Capital Improvement Fund	101,036.00	1,036.00
Due (from)/to Sewer Operating Fund	4,208.34	144,208.34
Reserve for Encumbrances	868,834.96	1,045,934.99
Improvement Authorizations Funded	53,002.54	54,822.87
Improvement Authorizations Unfunded	282,153.43	1,918,008.02
Bonds and Notes Authorized Not Issued	(816,500.00)	(3,191,500.00)
	$ 522,607.21	$ 2,382.16
Ref.	D	D

SCHEDULE OF FIXED CAPITAL
SEWER UTILITY CAPITAL FUND

ORD NO.		BALANCE JUNE 30 2005	TRANSFER FROM FIXED CAPITAL AUTH. & UNCOMP	BALANCE JUNE 30 2006
	Arbor-New Market Sewers	$ 4,600,000.00		$ 4,600,000.00
63-1	Oakdale Pumping Station	29,302.00		29,302.00
64-1	Knollwood Area Sewers	160,240.00		160,240.00
64-2	Randolphville Road Sewer	8,353.00		8,353.00
65-1	Ambrose Brook Trunk Sewer	2,093,430.00		2,093,430.00
67-1	River Road Sewers	178,793.00		178,793.00
69-1	River Road Sewers	40,000.00		40,000.00
70-1	Sewer System Improvements	349,925.00		349,925.00
70-20	Purchase of Equipment	18,696.00		18,696.00
70-21	Sewer System Improvements	315,276.00		315,276.00
71-1	Park Avenue Sewer	25,000.00		25,000.00
73-1	Purchase of Equipment	32,384.00		32,384.00
72-1	Sewer System Improvements	1,443,500.00		1,443,500.00
77-2	Extension of Sewer System	100,000.00		100,000.00
77-58	Sanitary Sewer - Orris-Dunbar	10,000.00		10,000.00
76-20	Sanitary Sewer - Buena Vista Avenue	2,325.00		2,325.00
75-29	Sanitary Sewer - Stelton Road	88,180.00		88,180.00
77-18	Sanitary Sewer - River Road Area	172,150.00		172,150.00
77-64 &				-
80-48	Sanitary Sewer - Overbrook Road Area	508,506.00		508,506.00
78-17	Public Works Center	274,639.00		274,639.00
78-22	Public Works Equipment	20,000.00		20,000.00
80-40	Public Works Equipment	52,677.06		52,677.06
78-19	San. Sewer - Blue Ridge/Gates Avenue			-
	South Randolphville Road Area	199,398.16		199,398.16
76-63 &				-
81-33	Sanitary Sewer - Hillside Ave.	106,853.00		106,853.00
82-20	Sanitary Sewer - Sunset Lane & River			-
	Road and Fisher and Ludlow Avenues	232,825.00		232,825.00
82-48	Public Works Equipment	58,981.00		58,981.00
84-43	Public Works Equipment	33,000.00		33,000.00
84-11	Ethel Road Sanitary Sewer	227,656.22		227,656.22
90-26	Public Works Equipment	192,472.05		192,472.05
94-17	Sewer Utility Equipment		38,000.00	38,000.00
		$ 11,574,561.49	$ 38,000.00	$ 11,612,561.49
	REF.	D	D-10	D

Exhibit D-10

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
SEWER UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE JUNE 30, 2005	AUTHORIZED SFY 2006	TRANSFER TO FIXED CAPITAL	BALANCE JUNE 30, 2006
89-25 & 89-52	Gramercy Drive and River Road Sanitary Sewer	03/16/89	$ 600,000.00	$ 600,000.00			$ 600,000.00
94-17	Sewer Utility Equipment	05/03/94	38,000.00	38,000.00		38,000.00	-
98-21	Reduction of I & I	12/15/98	230,000.00	230,000.00			230,000.00
03-40	Various Sewer Improvements	11/06/03	400,000.00	400,000.00			400,000.00
04-10	Various Sewer Projects	02/17/04	495,000.00	495,000.00			495,000.00
05-10	Various Sewer Projects	04/05/05	460,000.00	460,000.00			460,000.00
05-42	Freedom Avenue Improvements	11/29/05	1,100,000.00		1,100,000.00		1,100,000.00
06-05	Various Sewer Projects	01/03/06	1,400,000.00		1,400,000.00		1,400,000.00
				$ 2,223,000.00	$ 2,500,000.00	$ 38,000.00	$ 4,685,000.00
			Ref.	D	D-15,D-16	D-9	D

Exhibit D-11

SCHEDULE OF SFY 2005 APPROPRIATION RESERVES
SEWER UTILITY OPERATING FUND

		BALANCE JUNE 30, 2005		BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCED LAPSED
		APPROPRIATION RESERVES	RESERVE FOR ENCUMBRANCES			
Operations:						
Salaries and Wages		$ 13,132.10	$	$ 13,132.10	$ 13,132.10	$
Other Expenses		144,336.89	140,042.77	284,379.66	116,267.29	168,112.37
MCUA Service Charges		606,623.49		606,623.49		606,623.49
Total Operations		$ 764,092.48	$ 140,042.77	$ 904,135.25	$ 129,399.39	$ 774,735.86
	REF.	D	D			D-1
Disbursed	D-5				$ 113,199.39	
Transfer to Accounts Payable	D				16,200.00	
					$ 129,399.39	

Exhibit D-13

SCHEDULE OF PREPAID SEWER CHARGES
SEWER UTILITY OPERATING FUND

	Ref.	
Balance - June 30, 2005	D	$ 25,988.96
Increased by:		
Collections	D- 6	13,506.05
		39,495.01
Decreased by:		
Prepaids Applied	D-3,D-8	25,988.96
Balance - June 30, 2006	D	$ 13,506.05

Exhibit D-14

SCHEDULE OF SEWER OVERPAYMENTS
SEWER UTILITY OPERATING FUND

	Ref.		
Balance - June 30, 2005	D		$ 2,325.14
Increased by:			
Cash Receipts	D- 6		7,345.67
			9,670.81
Decreased by:			
Cash Payments	D-5	2,205.14	
Applied to Sewer Charges Receivable	D-3,D-8	911.59	
			3,116.73
Balance - June 30, 2006	D		$ 6,554.08

Exhibit D-15

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SEWER UTILITY CAPITAL FUND

ORD. NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE - JUNE 30,2005 FUNDED	BALANCE - JUNE 30,2005 UNFUNDED	2006 AUTHORIZATIONS CAPITAL IMPROV. FUND	2006 AUTHORIZATIONS DEFERRED CHARGES UNFUNDED	ENCUM-BRANCES PAYABLE JUNE 30,2005	PAID OR CHARGED	ENCUM-BRANCES PAYABLE JUNE 30,2006	BALANCE - JUNE 30,2006 FUNDED	BALANCE - JUNE 30,2006 UNFUNDED
89-52	River Road Sanitary Sewer	05/16/89	$ 600,000.00	$ 1,082.39		$ -	$ -			$ 1,082.39	$ -	
98-21	Reduction of I & I	12/15/98	230,000.00	29,416.49				57,993.43	55,014.49	32,395.43	-	
2-19	Replacement of Trunk Line	11/26/02	300,000.00					178,047.00	175,047.00	3,000.00	-	
3-40	Various Sewer Improvements	11/06/03	400,000.00	22,503.66				274,746.79	108,816.22	188,434.23	-	
4-10	Various Sewer Projects	02/17/04	495,000.00		64,753.43			116,047.74	101,622.11	79,179.06		-
5-10	Various Sewer Projects	04/05/05	460,000.00		217,400.00			242,000.00	239,072.66	13,044.75		207,282.59
5-42	Freedom Avenue Improvements	11/29/05	1,100,000.00			55,000.00	1,045,000.00		177.13		54,822.87	1,045,000.00
6-05	Various Sewer Projects	01/03/06	1,400,000.00			70,000.00	1,330,000.00		5,475.44	728,799.13		665,725.43
				$ 53,002.54	$ 282,153.43	$ 125,000.00	$ 2,375,000.00	$ 868,834.96	$ 685,225.05	$ 1,045,934.99	$ 54,822.87	$ 1,918,008.02
			Ref.	D	D	D-18	D-10	D	D-5	D	D	D

Exhibit D-16

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

ORD. NUMBER	IMPROVEMENT DESCRIPTION	DATE	BALANCE JUNE 30, 2005	AUTHORIZED SFY 2006	TRANSFER TO RESERVE FOR AMORTIZATION	BALANCE JUNE 30, 2006
89-25 & 89-52	Gramercy Drive and River Road Sanitary Sewers	05/16/89	$ 600,000.00			$ 600,000.00
94-17	Sewer Utility Equipment	05/03/94	38,000.00		38,000.00	
98-21	Reduction of I & I	12/15/98	11,000.00			11,000.00
03-40	Var. Sewer Improvements	11/06/03	20,000.00			20,000.00
04-10	Var. Sewer Projects	02/17/04	58,000.00			58,000.00
05-10	Var. Sewer Projects	04/05/05	80,500.00			80,500.00
05-42	Freedom Avenue Improvements	11/29/05		55,000.00		55,000.00
06-05	Various Sewer Projects	01/03/06		70,000.00		70,000.00
			$ 807,500.00	$ 125,000.00	$ 38,000.00	$ 894,500.00
		Ref.	D	D-10	D-19	D

Exhibit D-19

SCHEDULE OF RESERVE FOR AMORTIZATION
SEWER UTILITY CAPITAL FUND

	REF.		
Balance - June 30, 2005	D		$ 11,818,561.49
Increased by:			
Serial Bonds	D- 22	25,000.00	
Transfer from Deferred Reserve for Amort.	D-16	38,000.00	
			63,000.00
Balance - June 30, 2006	D		$ 11,881,561.49

Exhibit D-20

SCHEDULE OF DUE FROM SEWER CAPITAL
SEWER UTILITY OPERATING FUND

	REF.	
Balance - June 30, 2005	D	$ 4,208.34
Increased by:		
Interfunds Returned	D- 5	165,000.00
		169,208.34
Decreased by:		
2006 Budget Appropriation	D- 4	25,000.00
Balance - June 30, 2006	D	$ 144,208.34

Exhibit D-21

SCHEDULE OF DUE TO SEWER UTILITY OPERATING FUND
SEWER UTILITY CAPITAL FUND

	REF.	
Balance - June 30, 2005	D	$ 4,208.34
Increased by:		
Interfunds Advanced	D- 5	165,000.00
		169,208.34
Decreased by:		
2006 Budget Appropriation - Capital Improvement Fund	D-18	25,000.00
Balance - June 30, 2006	D	$ 144,208.34

Exhibit D-22

SCHEDULE OF GENERAL SERIAL BONDS

ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING - JUNE 30, 2006 DATE	AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2005	DECREASE	BALANCE JUNE 30, 2006
Sewer Improvements	3/1/04	$ 380,000.00	3/1/2007-2010	$ 25,000.00	3.125%			
			3/1/2011-2013	30,000.00	3.250%			
			3/1/14	30,000.00	3.375%			
			3/1/15	30,000.00	3.500%			
			3/1/16	40,000.00	3.625%			
			3/1/17	40,000.00	3.750%			
						355,000.00	25,000.00	330,000.00
						$ 355,000.00	$ 25,000.00	$ 330,000.00
				Ref.		C	D-19	D

Exhibit D-23

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE JUNE 30, 2005	BONDS AUTHORIZED	BALANCE JUNE 30, 2006
4-10	Various Sewer Projects	$ 437,000.00		$ 437,000.00
5-10	Various Sewer Projects	379,500.00		379,500.00
5-42	Freedom Avenue Improvements		1,045,000.00	1,045,000.00
6-05	Various Sewer Projects		1,330,000.00	1,330,000.00
		$ 816,500.00	$ 2,375,000.00	$ 3,191,500.00
				Footnote D

SENIOR CITIZENS HOUSING UTILITY FUND

Exhibit E-5

SCHEDULE OF CASH AND INVESTMENTS
SENIOR CITIZEN HOUSING FUND

	REF.	OPERATING FUND		CAPITAL FUND	
Balance - June 30, 2005	E		$780,886.84		$349,782.08
Increased by Receipts:					
Rental Income	E- 3	1,100,248.12			
Interest on Investments	E- 3	35,163.47			
Miscellaneous Revenues	E- 3	12,014.89			
Security Deposits	E- 9	14,019.91			
Interfunds Received	E-15,E-16	3,067.90		95,812.06	
Emergency Funded by Ordinance	E-17	28,800.00			
			1,193,314.29		95,812.06
			1,974,201.13		445,594.14
Decreased by Disbursements:					
Budget Appropriations	E- 4	885,212.94			
Appropriation Reserves	E- 7	132,665.94			
Accrued Interest	E- 8	83,658.76			
Security Deposits	E- 9	12,651.83			
Improvement Authorizations					
Emergency Funded by Ordinance	E-11			28,800.00	
Improvement Authorizations	E-11			87,262.75	
Accounts Payable	E-13	3,500.00			
Interfunds Disbursed	E-15,E-16	86,418.70		3,067.90	
			1,204,108.17		119,130.65
Balance - June 30, 2006	E		$770,092.96		$326,463.49

Exhibit E-7

SCHEDULE OF 2005 APPROPRIATION RESERVES
FOR THE YEAR ENDED JUNE 30, 2006
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	BALANCE JUNE 30, 2005		BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCED LAPSED
	APPROPRIATION RESERVES	RESERVE FOR ENCUMBRANCES			
Operations:					
Salaries and Wages	$ 2.00	$	$ 2.00	$	$ 2.00
Other Expenses	24,798.00	73,615.46	98,413.46	74,814.96	23,598.50
Capital Improvements:					
Common Area Renovations	41,451.56	67,892.43	109,343.99	61,550.98	47,793.01
HVAC	850.00		850.00		850.00
	$ 67,101.56	$ 141,507.89	$ 208,609.45	$ 136,365.94	$ 72,243.51
REF.	E	E			E-1

	REF.	
Cash Disbursements	E-5	$ 132,665.94
Accounts Payable	E-13	3,700.00
		$ 136,365.94

Exhibit E-9

SCHEDULE OF SECURITY DEPOSITS
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	REF.	
Balance - June 30, 2005	E	$96,421.34
Increased by:		
Deposits Received	E- 5	14,019.91
		110,441.25
Decreased by:		
Deposits Refunded	E- 5	12,651.83
Balance - June 30, 2006	E	$97,789.42

Exhibit E-10

SCHEDULE OF RESERVE FOR AMORTIZATION
SENIOR CITIZEN HOUSING UTILITY CAPITAL FUND

	REF.		
Balance - June 30, 2005	E		$8,163,252.26
Increased by:			
Bonds Paid by Budget Appropriation	E-12	95,000.00	
Transfer from Deferred Reserve for Amortization	E-18	28,800.00	
			123,800.00
Balance - June 30, 2006	E		$8,287,052.26

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SENIOR HOUSING UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE - JUNE 30,2005 FUNDED	BALANCE - JUNE 30,2005 UNFUNDED	2006 AUTHORIZATIONS CAP. IMPROV. FUND	ENCUMBRANCES 6/30/05	PAID OR CHARGED	BALANCE - JUNE 30, 2006 FUNDED	BALANCE - JUNE 30, 2006 UNFUNDED
	General Improvements:									
89-58	Design and Construction of a Senior Citizen Complex	11/21/89	$ 11,300,000.00	$ 400.00					$ 400.00	
04-51	Replacement of Trunk Lane	12/21/04	144,000.00	69,933.90			12,054.60	24,651.75	57,336.75	
05-43	Various Capital Projects	11/29/05	80,000.00			80,000.00		62,611.00	17,389.00	
06-22	HVAC system	04/25/06	28,800.00			28,800.00		28,800.00	-	
				$ 70,333.90	$ -	$ 108,800.00	$ 12,054.60	$ 116,062.75	$ 75,125.75	$ -
			Ref.	E	E	E-14	E		E	E
	Cash Disbursements		E-5					$ 87,262.75		
	Improvement Authorization to Fund Emergency Appropriation		E-5					28,800.00		
								$ 116,062.75		

SCHEDULE OF GENERAL SERIAL BONDS

ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING - JUNE 30, 2006 DATE	AMOUNT	INTEREST RATE	BALANCE June 30, 2005	DECREASE	BALANCE June 30, 2006
Senior Citizen Housing Utility Refunding Bonds 2002	08/01/02	$ 2,204,500.00	08/15/06	$ 100,000.00	4.50%	$ 1,935,000.00	$ 95,000.00	$ 1,840,000.00
			08/15/07	110,000.00	3.50%			
			08/15/08	105,000.00	3.75%			
			08/15/09	105,000.00	3.875%			
			08/15/10	130,000.00	4.00%			
			08/15/11	125,000.00	4.00%			
			08/15/12	125,000.00	4.10%			
			08/15/13	120,000.00	4.20%			
			08/15/14	145,000.00	4.30%			
			08/15/15	140,000.00	4.40%			
			08/15/16	135,000.00	5.00%			
			08/15/17	160,000.00	5.00%			
			08/15/18	160,000.00	5.00%			
			08/15/19	180,000.00	5.00%			
						$ 1,935,000.00	$ 95,000.00	$ 1,840,000.00
				Ref.		E	E- 10	E

Exhibit - E-15

SCHEDULE OF DUE FROM SENIOR CITIZENS HOUSING CAPITAL FUND
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	Ref.		
Balance - June 30, 2005	E		$ 755.84
Increased by:			
Cash Disbursements	E- 5	86,418.70	
Interest Earned	E- 3	9,393.36	
			95,812.06
			96,567.90
Decreased by:			
Cash Receipts	E- 5	$ 3,067.90	
2006 Budget Appropriation	E- 4	93,500.00	
			96,567.90

Exhibit - E-16

SCHEDULE OF DUE TO SENIOR CITIZEN HOUSING UTILITY OPERATING FUND
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

	Ref.		
Balance - June 30, 2005	E		$ 755.84
Increased by:			
Cash Receipts	E- 5	86,418.70	
Interest Earned	E- 5	9,393.36	
			95,812.06
			96,567.90
Decreased by:			
Cash Disbursements	E- 5	$ 3,067.90	
2006 Budget Appropriation	E-14	93,500.00	
			96,567.90

Exhibit E-19

SCHEDULE OF FIXED CAPITAL
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

ORD NO.		DATE	AMOUNT	BALANCE JUNE 30, 2005	TRANSFER FROM FIXED CAP AUTH AND UNCOMP	BALANCE JUNE 30, 2006
89-58	Design and Construction of a Senior Citizen Complex	11/21/89	$ 10,098,252.26	$ 10,098,252.26		$ 10,098,252.26
06-22	HVAC System	04/25/06	28,800.00		28,800.00	28,800.00
				$ 10,098,252.26	$ 28,800.00	$ 10,127,052.26
		REF.		E	E-20	E

Exhibit E-20

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETE
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE JUNE 30, 2005	AUTHORIZED SFY 2006	TRANSFER TO FIXED CAPITAL	BALANCE JUNE 30, 2006
04-51	Replacement of Trunk Line	12/21/04	$ 144,000.00	$ 144,000.00			$ 144,000.00
05-43	Various Capital Improvements	11/29/05	80,000.00		80,000.00		80,000.00
06-22	HVAC System	04/25/06	28,800.00		28,800.00	28,800.00	
				$ 144,000.00	$ 108,800.00	$ 28,800.00	$ 224,000.00
			REF.	E	E-18	E-19	E

SUPPLEMENTARY DATA

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

COMBINED BALANCE SHEET
FOR THE FISCAL YEAR ENDING JUNE 30, 2006

	CURRENT FUND	TRUST FUND	GENERAL CAPITAL FUND	SEWER UTILITY FUND	SENIOR HOUSING UTILITY	GOVERNMENTAL FIXED ASSETS	MEMORANDUM ONLY TOTALS JUNE 30, 2006	MEMORANDUM ONLY TOTALS JUNE 30, 2005
ASSETS								
Cash and Investments	$ 11,431,334.74	$ 6,029,174.47	$ 58,868.64	$ 1,677,988.22	$ 1,096,556.45	$	$ 20,293,922.52	$ 27,614,299.17
Accounts Receivable							2,190,998.05	1,961,775.43
State and Federal Grants Receivable	781,144.11	349,853.94	1,060,000.00				168,494.52	186,311.83
Due from State of New Jersey	168,494.52							
Taxes, Assessments, Liens & Utility Charges	1,625,892.43						1,625,892.43	1,568,599.27
Sewer Charges Receivable				173,364.70			173,364.70	142,270.12
Interfund Loans	564,960.50			144,972.02			709,932.52	651,138.33
Other Accounts Receivable	90,580.49						90,580.49	82,369.35
Property Acquired For Taxes at Assessed Valuation	2,617,401.04						2,617,401.04	2,617,401.04
Fixed Assets - General						58,559,405.00	58,559,405.00	57,085,692.00
Fixed Capital - Utility				11,612,561.49	10,127,052.26		21,739,613.75	21,672,813.75
Fixed Capital - Authorized and Uncompleted - Utility				4,685,000.00	224,000.00		4,909,000.00	2,223,000.00
Deferred Charges to Revenue of Succeeding Years	25,000.00						25,000.00	58,000.00
Deferred Charges to Future Taxation: General Capital Fund			47,646,170.00				47,646,170.00	36,748,695.00
	$ 17,304,807.83	$ 6,379,028.41	$ 48,765,038.64	$ 18,293,886.43	$ 11,447,608.71	$ 58,559,405.00	$ 160,749,775.02	$ 152,612,365.29
LIABILITIES, RESERVES AND FUND BALANCE								
Bonds and Notes Payable	$	$	$ 23,814,000.00	$ 330,000.00	$ 1,840,000.00	$	$ 25,984,000.00	$ 28,860,000.00
Prepaid Taxes, Assessments, Utility Charges and Licenses				13,506.05			13,506.05	152,463.52
Tax, Assessment, Lien, License and Utility Charge Overpayments	122,836.07			6,554.08			129,390.15	37,035.22
Appropriation Reserves	3,072,859.65			574,519.83	16,935.99		3,664,315.47	2,814,370.67
Reserves for Encumbrances/ Accounts Payable	1,632,107.09		10,336,027.78	1,155,273.07	75,151.07		13,198,559.01	11,200,560.03
Other Liabilities		156,666.14	2,663,811.22	3,687.50	128,114.26		2,952,279.12	508,651.02
Amounts Pledged to Specific Purposes	2,785,853.66	2,248,983.36		1,036.00	249,560.00		5,285,433.02	7,637,329.08
Interfund Loans	29,172.97		536,551.21	144,208.34			709,932.52	651,138.33
Investments in General Fixed Assets						58,559,405.00	58,559,405.00	57,085,692.00
Escrow Funds		3,972,489.11					3,972,489.11	3,161,658.62
Improvement Authorization			10,988,244.80	1,972,830.89	75,125.75		13,036,201.44	8,446,193.69
Reserve for Amortization of Costs of Fixed Capital Acquired or Authorized				12,776,061.49	8,511,052.26		21,287,113.75	20,789,313.75
Reserve for Certain Assets Acquired or Receivables & Inventories	4,898,834.46			173,364.70			5,072,199.16	4,610,259.05
Fund Balance	4,763,143.93	889.80	426,403.63	1,142,844.48	551,669.38		6,884,951.22	6,657,700.31
	$ 17,304,807.83	$ 6,379,028.41	$ 48,765,038.64	$ 18,293,886.43	$ 11,447,608.71	$ 58,559,405.00	$ 160,749,775.02	$ 152,612,365.29

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - CURRENT FUND

REVENUE AND OTHER INCOME REALIZED	STATE FISCAL YEAR 2006 AMOUNT	%	STATE FISCAL YEAR 2005 AMOUNT	%
Fund Balance Utilized	$ 4,556,000.00	3.35	$ 4,550,000.00	3.46
Miscellaneous - From Other than Local Property Tax Levies	16,208,223.97	11.91	16,768,867.25	12.74
Collection of Delinquent Taxes and Tax Title Liens	1,293,204.02	0.95	1,628,795.77	1.24
Collections of Current Tax Levy	114,000,639.27	83.79	108,638,098.93	82.56
Total Income	$ 136,058,067.26	100.00	$ 131,585,761.95	100.00
EXPENDITURES				
Budget Expenditures				
Municipal Purposes	$ 41,273,444.18	31.38	$ 38,860,739.67	30.39
Special District Taxes	2,180,690.50	1.66	2,149,478.00	1.68
County Taxes	15,795,893.86	12.01	14,688,464.25	11.49
Local School Taxes	70,894,042.00	53.90	69,767,428.00	54.55
Other Expenditures	1,374,571.50	1.05	2,422,583.90	1.89
Total Expenditures	131,518,642.04	100.00	127,888,693.82	100.00
Less: Expenditures to be Raised by Future Taxes			40,000.00	
Total Adjusted Expenditures	131,518,642.04		127,848,693.82	
Excess in Revenue	4,539,425.22		3,737,068.13	
Fund Balance - Beginning	4,779,718.71		5,592,650.58	
	9,319,143.93		9,329,718.71	
Less: Util. as Anticipated Revenue	4,556,000.00		4,550,000.00	
Fund Balance - Ending	$ 4,763,143.93		$ 4,779,718.71	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE -
SENIOR CITIZENS HOUSING UTILITY FUND

REVENUE AND OTHER INCOME REALIZED	STATE FISCAL YEAR 2006 AMOUNT	%	STATE FISCAL YEAR 2005 AMOUNT	%
Fund Balance	$ 90,000.00	6.67	$ 88,690.00	7.22
Rental Income	1,100,248.12	81.52	1,075,293.23	87.53
Miscellaneous - From Other than Rental Income	159,372.96	11.81	64,485.61	5.25
Total Income	$ 1,349,621.08	100.00	$ 1,228,468.84	100.00
EXPENDITURES				
Budget Expenditures				
Operating	$ 846,879.00	72.55	$ 804,130.00	69.88
Capital Improvements	122,300.00	10.48	144,000.00	12.51
Debt Service	177,233.76	15.18	181,566.26	15.78
Statutory Expenditures	20,921.00	1.79	21,060.00	1.83
Total Expenditures	1,167,333.76	100.00	1,150,756.26	100.00
Add: Expenditures Included Above which are by Statute Deferred Charges to Budgets of Succeeding Years			18,000.00	
Excess in Revenue	182,287.32		95,712.58	
Fund Balance - Beginning	457,604.32		450,581.74	
	639,891.64		546,294.32	
Less: Util. As Anticip. Revenue	90,000.00		88,690.00	
Fund Balance - Ending	$ 549,891.64		$ 457,604.32	

TOWNSHIP OF PISCATAWAY

STATISTICAL DATA

DELINQUENT TAXES AND TAX TITLE LIENS

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens, in relation to the tax levies of the last three years.

JUNE 30	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2006 SFY	$289,223.93	$1,336,668.50	$1,625,892.43	1.41%
2005 SFY	276,906.44	1,291,692.83	1,568,599.27	1.42%
2004 SFY	303,313.76	1,654,552.39	1,957,866.15	1.89%
2003 SFY	272,351.61	1,669,487.27	1,941,838.88	1.97%
2002 SFY	242,722.50	1,331,225.27	1,573,947.77	1.72%

COMPARISON OF SEWER UTILITY LEVIES

YEAR	LEVY	CASH COLLECTIONS
2006 SFY	$ 5,578,892	$ 5,547,797
2005 SFY	5,432,909	5,443,182
2004 SFY	5,586,147	5,663,924
2003 SFY	5,259,334	5,186,632
2002 SFY	4,962,454	4,945,514

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office as at June 30, 2006:

NAME	TITLE	AMOUNT OF BOND
Brian C. Wahler	Mayor	
James F. Huben	Council President	
Steven D. Cahn	Council Member	
Mildred S. Scott	Council Member	
Mark Hardenburg	Council Member	
Kenneth R. Armwood	Council Member	
Loretta Keimel	Council Member	
James W. Stewart	Council Member	
Lyn Evers	Business Administrator	
Daniel Mensah Lamptey	Director of Finance, Chief Financial Officer	400,000.00 (A)
Ann Nolan	Township Clerk	
James F. Clarkin III, Esq.	Director of Law - Attorney	
Anne M. Triano	Collector of Revenue	
Stephen L. Ritz	Magistrate	
Debra Hamrah	Court Administrator	
Lisa E. Stephens	Tax Assessor	

The municipal court employees were covered under a blanket bond in the amount of $75,000 by the Selective Insurance Company of America.

All other employees were covered under a blanket bond in the amount of $75,000 by the Selective Insurance Company of America.

All of the bonds were examined and found to be properly executed for items tested.

(A) Fidelity & Deposit Company of Maryland

TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX, NEW JERSEY
FISCAL YEAR ENDED JUNE 30, 2006

GENERAL COMMENTS

An audit of the financial accounts and transactions of the Township of Piscataway, County of Middlesex, New Jersey, for the fiscal year ended June 30, 2006, has been completed. The General Comments are herewith set forth:

Scope of Audit

The audit covered the financial transactions of the Finance Department and the other various offices and departments collecting fees within the Township of Piscataway, County of Middlesex, New Jersey.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. Cash on hand was counted and cash and investment balances were reconciled with independent certifications obtained directly from the depositories. Revenues and receipts were established and verified as to source and amount insofar as the records permitted.

REPORTABLE CONDITIONS

Segregation of Duties - Other Offices/Departments Collecting Municipal Fees

Conditions exist whereby the same individual may collect, record and/or deposit/turnover or may have access to cash receipts collections and functions in the following offices / departments: Municipal Court, Police Department, Municipal Clerk's Office, Cable TV, Recreation Department, Engineering Department, Planning & Zoning Department, Inspection Fees Office, Registrar of Vital Statistics, and Health Department.

This condition may be the result of multiple tasks assigned and performed by the same individual within the respective office/department.

Supervisory Reviews and Approvals - Tax/Sewer Utility Collector's Office

Conditions exist whereby tax and sewer utility transaction postings, entries and error corrections may not be reviewed and approved prior to recording/posting by the Collector of Revenue.

GENERAL COMMENTS

OTHER MATTERS

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

The examination of expenditures revealed that no individual payments, contracts or agreements in excess of $21,000 "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement.

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A: 11-5. The minutes also indicate the awarding of "Open-End Contracts" pursuant to N.J.A.C. 5:34-4.9.

Any interpretation as to possible violation of N.J.A.C. 40A: 11-4 would be in the province of the Township solicitor.

On June 22, 2005, the Local Public Contracts Law was amended, effective for periods beginning on July 1, 2005. The amendments address the bid threshold (Section 7, N.J.S.A. 40A: 11-3), thereby increasing the amount to $21,000 under which a contract may be awarded without public advertising. Furthermore, if the Township's Purchasing Agent is "Qualified" the Board may increase the bid threshold to $29,000.00.

We suggest that the Township review the amendments to the Local Public Contracts Law and determine the impact of the comprehensive amendments with regard to the Township, including an analysis of the effect of requiring the position of a "Qualified" Purchasing Agent on a cost benefit or other alternate approach.

Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body, on January 3, 2006, adopted the following resolution authorizing interest to be charged on delinquent taxes; assessments and sewer service charges:

> BE IT RESOLVED, by the Township Council of Piscataway Township, New Jersey that:
>
> WHEREAS, Delinquent taxes and sewer service charges shall bear interest at the rate of 8% per annum for the first $1,500 and 18% per annum on any delinquent amount in excess of $1,500; and
>
> BE IT FURTHER RESOLVED that unpaid assessments shall bear interest at the rate of 8% per annum; and
>
> BE IT RESOLVED that no interest shall be charged by the Township of Piscataway if the payment of installment for taxes, sewer service charges or assessments is made within ten (10) calendar days after the date upon which such installment is payable; and

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Interfund Balances

The following interfund balances appear in the balance sheets of the Township's financial statements of the year ended June 30, 2006:

Fund	Receivables	Payables
Current Fund	$564,960.50	$763.68
Grant Fund		28,409.29
General Capital Fund		536,551.21
Sewer Utility Fund	144,972.02	
Sewer Capital Fund	0.00	144,208.34
Total	$709,932.52	$709,932.52

These Interfund balances are not an indication that the respective fund cannot meet its obligation. The Interfund amounts are reflective of year-end closing journals and adjustments. The balances resulted from the time lag between the dates that (1) Interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Transfers are used to (1) move revenues from the funds New Jersey Statute or budget requires to collect to fund the appropriation and the statute or budget to expend them.

Investment of Idle Funds

The Chief Financial Officer had the greater portion of the idle funds of the Township invested in interest-bearing investments or accounts during SFY 2006. Earnings from the investments are shown as revenue in the various funds of the Township for SFY 2006.

All deposits and investments held by the Township were directly confirmed as of June 30, 2006 and December 31, 2006.

The Township adopted a formal Cash Management Plan for depositing and investing of Township funds for SFY 2006 in accordance with 40A: 5-14 on January 3, 2006.

Purchase Order System and Encumbrance System

The Township utilized a purchase order system for most of its expenditures in connection with its budgetary accounting system during the year under review. The accounting is processed on a data processing system for budgetary control. Operation of the encumbrance system appeared to be generally good with timely entries made. Prior years' outstanding encumbrances were reviewed at the close of the year, and adjustments and cancellations were made where appropriate to reflect actual commitments outstanding for budgetary control.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Condition of Records - Tax Office

During SFY 2006, the Tax Collector utilized its monthly financial tax office reporting system. These reports are intended to be all-inclusive, summarizing all tax office transactions on a monthly basis for posting/recording within the Township general ledger financial accounting system.

For the year ended June 30, 2006 it was noted that at the end of the fiscal year the system was in proof with financial reports issued for the period.

Utility Funds

During the audit of the Sewer Utility Fund and the Senior Housing Utility Fund it was noted that the fixed capital and fixed capital authorized and uncompleted was not updated in the general ledger for improvement authorizations authorized during the year.

We suggest that all improvement authorizations authorized by the governing body be posted to the general ledger for fixed capital and fixed capital authorized and uncompleted.

Other Compliance Matters:

COMPLIANCE with N.J.A.C 5:30:

The Local Finance Board, State of New Jersey, adopted the following requirements, previously identified as "technical accounting directives", as codified in the New Jersey Administration Code as follows:

N.J.A.C. 5:30-5.2 - Encumbrance Systems: This directive requires the development and implementation of accounting systems, which can reflect the commitment of funds at the point of commitment. The Township of Piscataway is in compliance with this directive.

N.J.A.C. 5:30-5.6 – Accounting for Governmental Fixed Assets: This directive requires the development and implementation of accounting systems which assign values to covered assets and can track additions, retirements and transfers of inventoried assets. Our review indicated that the Township of Piscataway has established a Fixed Asset Accounting System.

N.J.A.C. 5:30 – 5.7 – General Ledger Accounting System: This directive requires the establishment and maintenance of a general ledger for, at least, the Current Fund. The Township is in compliance with this directive.

Compliance with Local Finance Notices

In accordance with Local Finance Notice No. CFO-10, Uniform Construction Code, expenditure records were tested for compliance with N.J.A.C. 5:23.17(c)2, and not exceptions were noted for those items tested.

The Township of Piscataway, County of Middlesex, prepared and filed a corrective action plan for the SFY 2005, pursuant to Local Finance Board Notice Number 92-15.

RECOMMENDATIONS

We recommended the following:

That all amounts due to the various agencies from the Municipal Court be remitted by the 15th day of the month subsequent to collection.

* * * * * * * * * * * *

During the course of our audit we received the complete cooperation of the various officials of the Township, and the courtesies extended to us were greatly appreciated.

Should any questions arise as to our comments or recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to contact us.

Very truly yours,

HODULIK & MORRISON, P.A.

Andrew G. Hodulik, CPA, RMA
No. 406