

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY
NEW JERSEY**

**FINANCIAL STATEMENTS
AND
SUPPLEMENTARY DATA
AND INFORMATION**

**FOR THE YEARS ENDED
DECEMBER 31, 2014 AND 2013**

HODULIK & MORRISON, P.A.

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS
HIGHLAND PARK, N.J.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

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MIDDLESEX COUNTY, NEW JERSEY**

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**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
Middlesex County, New Jersey

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and Governmental Fixed Assets of the Township of Piscataway, County of Middlesex, New Jersey, as of and for the years ended December 31, 2014 and 2013, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended and the related statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year ended December 31, 2014, and the related notes to the financial, which collectively comprise the basic financial statements of the Township as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

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

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

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

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 - regulatory basis are not intended to present financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. The effect on the financial statements of the differences between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the above paragraph in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" section, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial positions of the Township of Piscataway, County of Middlesex, New Jersey, as of December 31, 2014, the changes in its financial position, and, where applicable, its cash flows for the year then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

The Township of Piscataway did not perform the required update to the OPEB liability pursuant to GASB 45 – Other Post Retirement Benefits (OPEB) and N.J.A.C. 5:30-6.1 in the notes to financial statements, as of December 31, 2013. The amount that should have been reported could not reasonably be determined.

Unmodified Opinion on December 31, 2014 and Qualified Opinion on December 31, 2103 on Regulatory Basis of Accounting

In our opinion, except for the possible effects on the year December 31, 2013, financial statements of the matter discussed in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" section, the financial statements - regulatory basis referred to in the first paragraph present fairly, in all material respects, the financial position - regulatory basis of the various funds of the Township of Piscataway, County of Middlesex, State of New Jersey as of December 31, 2014 and the related statements of operations and changes in fund balance - regulatory basis for the years then ended and the related statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year ended December 31, 2014, on the basis of accounting described in Note 2.

Other Matters

Other Information

Our audit was made for the purpose of forming an opinion on the financial statements of the Township of Piscataway, County of Middlesex, New Jersey. The information included in Part III - Supplementary Schedules and Part IV - Supplementary Data, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements of the Township of Piscataway, County of Middlesex, New Jersey. The information included in Part II –the accompanying schedules of expenditures of federal awards, and the state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Government, and Non-Profit Organizations, New Jersey OMB Circular 04-04, Single Audit Policy for Recipients of State Grants and State Aid

and are also not a required part of the financial statements. The information included in Part II -- the accompanying schedule of federal awards, and the state financial assistance and the Part III - Supplementary Schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements - regulatory basis taken as a whole.

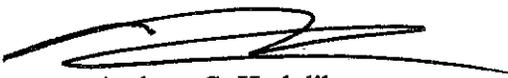
The schedules and information contained in Part IV - Supplementary Data have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued a report dated September 29, 2015 on our consideration of the Township of Piscataway's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township of Piscataway's internal control over financial reporting and compliance.

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
Certified Public Accountants
Registered Municipal Accountants
Public School Accountants



Andrew G. Hodulik
Registered Municipal Accountant
No. 406
Highland Park, New Jersey
September 29, 2015

FINANCIAL STATEMENTS

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

ASSETS	BALANCE DEC. 31, 2014	BALANCE DEC. 31, 2013	LIABILITIES, RESERVES AND FUND BALANCE	BALANCE DEC. 31, 2014	BALANCE DEC. 31, 2013
Cash and Investments - Treasurer	A-4 \$ 28,830,895.81	\$ 26,018,002.76	Liabilities:		
Cash - Change Fund	A 535.00	535.00	Appropriation Reserves	A-3, A-9 \$ 2,854,264.44	\$ 2,801,244.70
Due from State of N.J. per Ch. 20, P.L. 1976	A-6 195,478.78	180,691.07	Reserve for Encumbrances	A-3, A-9 3,518,093.19	4,149,416.86
			Prepaid Taxes	A-7 758,555.08	830,063.39
			Various Payables	A-10 3,750,792.07	3,507,160.56
			Various Reserves	A-10 3,749,801.30	4,669,218.38
			Tax Overpayments	A-14 627,252.50	1,922,817.47
			Interfunds Payable	A-12 67,154.77	
Receivables With Offsetting Reserves:					
Taxes Receivable	A-7 1,608,618.99	1,942,317.33		15,325,913.35	17,879,921.36
Tax Title Liens	A-7 596,653.18	574,136.57			
Property Acquired for Taxes (At Assessed Valuation)	A-7 2,592,900.00	2,592,900.00	Reserve for Receivables	Reserve 5,800,784.94	5,366,391.74
Revenue Accounts Receivable	A-8 105,997.07	257,037.84	Fund Balance	A-1 14,300,996.24	11,709,009.00
Interfunds Receivable	A-11 896,615.70				
Deferred Charges:					
Special Emergency	A-19 5,800,784.94	5,366,391.74			
Special Emergency: Hurricane Sandy	A-19 600,000.00	900,000.00			
Total Regular Fund	35,427,694.53	34,955,322.10	Total Regular Fund	35,427,694.53	34,955,322.10
State and Federal Grant Fund:			State and Federal Grant Fund:		
Cash and Investments - Treasurer	A-4 320,993.62	759,978.72	Reserve for State and Federal Grants:		
Grants Receivable	A-15 1,928,509.14	856,166.53	Appropriated	A-17 861,685.30	1,337,152.96
Interfund Receivable	A-16 67,154.77		Unappropriated	A-18 76,284.06	
			Reserve for Encumbrances	A-17 218,688.17	278,992.29
			Interfunds Payable	A-16 1,160,000.00	
Total State and Federal Grant Fund	2,316,657.53	1,616,145.25	Total State and Federal Grant Fund	2,316,657.53	1,616,145.25
Grand Total	\$ 37,744,352.06	\$ 36,571,467.35		\$ 37,744,352.06	\$ 36,571,467.35

Note: See Notes to Financial Statements

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>REF.</u>	<u>CY 2014</u>	<u>CY 2013</u>
Fund Balance Utilized	A-1, A-2	\$ 9,000,000.00	\$ 7,000,000.00
Miscellaneous Revenues Anticipated	A-2	13,109,902.18	13,029,974.83
Receipts from Delinquent Taxes	A-2	1,761,847.63	2,085,573.45
Non-Budget Revenue	A-2	1,467,298.81	757,297.39
Receipts from Current Taxes	A-7	157,879,217.17	151,702,193.63
Other Credits to Income:			
Unexpended Balances of Approp. Reserves	A-9	3,410,108.32	3,202,894.55
Accounts Payable Cancelled	A-10	1,403,902.56	
Added/Omitted Cancelled	A-7	200,651.75	
County Taxes Cancelled	A-13		0.02
Interfunds:			
Interfunds Returned - Net	A-11		
Tax Overpayments Cancelled			
Overpayments Cancelled	A-14	329,072.44	289,959.12
Prior Year Senior Citizen Deduction Allowed	A-6	22,100.01	27,750.00
		<hr/>	<hr/>
Total Revenues		188,584,100.87	178,095,642.99
 <u>EXPENDITURES AND OTHER CHARGES</u>			
Budget Appropriations and Emergency Appropriations Within "CAP"			
Operations:			
Salaries and Wages	A-3	18,929,790.00	18,460,799.00
Other Expenses	A-3	17,770,726.50	18,378,626.00
Deferred Charges and Statutory Expend.	A-3	4,296,974.64	4,299,588.80
Appropriations Excluded from "CAP"			
Operations:			
Salaries and Wages	A-3	789,314.00	685,611.00
Other Expenses	A-3	6,745,755.07	4,957,211.44
Capital Improvements	A-3	1,785,000.00	795,000.00
Municipal Debt Service	A-3	9,595,167.50	9,409,539.49
Deferred Charges and Statutory Expend.	A-3	2,737,554.12	2,958,460.00
Special District Taxes	A-13	3,624,374.00	3,575,349.00
County Tax	A-13	22,258,200.97	21,635,739.10
County Open Space Fund	A-13	1,810,052.00	1,837,118.40
Due County for Added Taxes	A-13	237,003.77	216,400.55
Local District School Taxes	A-13	86,224,785.00	84,111,763.00
Tax Overpayments			
Tax Appeals	A-7	2,032,788.06	2,119,080.35
Interfunds:			
Interfunds Advanced - Net	A-11	887,895.30	
Emergency Appropriation: Hurricane Sandy	A-19	1,090.89	
Refund Prior Years Revenue	A-4	3,195.93	13,154.02
		<hr/>	<hr/>
Total Expenditures		179,729,667.75	173,453,440.15
Excess in Revenue		8,854,433.12	4,642,202.84
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budgets of Succeeding Years		2,737,554.12	2,000,000.00
Statutory Excess to Fund Balance		11,591,987.24	6,642,202.84
 <u>FUND BALANCE</u>			
Balance - January 1	A	11,709,009.00	12,066,806.16
		<hr/>	<hr/>
		23,300,996.24	18,709,009.00
Decreased by:			
Utilization as Anticipated Revenue	A-1	9,000,000.00	7,000,000.00
Balance - December 31	A	\$ 14,300,996.24	\$ 11,709,009.00

Note: See Notes to Financial Statements

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

Exhibit A-2

**CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014**

		ANTICIPATED CY 2014 BUDGET	APPROP. N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
<u>REF.</u>					
Fund Balance Anticipated	A-1	\$ 9,000,000.00	\$	9,000,000.00	\$
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-8	50,000.00		52,900.00	2,900.00
Other	A-8	50,000.00		117,672.50	67,672.50
Fees and Permits	A-8	400,000.00		652,708.03	252,708.03
Fines and Costs:					
Municipal Court	A-8	900,000.00		1,694,053.12	794,053.12
Interest and Costs on Taxes	A-5	400,000.00		384,903.95	(15,096.05)
Interest on Investments and Deposits	A-8	35,000.00		66,405.98	31,405.98
Reserve for PCTV	A-10	14,000.00		14,000.00	-
Hotel and Motel Tax	A-8	150,000.00		723,182.28	573,182.28
Cable Franchise Fees	A-8	150,000.00		181,973.44	31,973.44
Library Fines and Fees	A-8	36,000.00		39,000.00	3,000.00
Consolidated Municipal Property Tax Relief Aid	A-8	477,967.00		477,967.00	-
Energy Receipts Taxes	A-8	5,380,612.00		5,380,612.34	0.34
Supplemental Energy Receipts Taxes	A-8			-	-
with Appropriations (N.J.S.A. 40A:4-36 and					
N.J.A.C. 5:23-4.17):					
Uniform Construction Code Fees	A-8	900,000.00		1,445,543.00	545,543.00
Uniform Fire Safety Act	A-8	68,000.00		72,074.99	4,074.99
Interlocal Services: Shared Services with Dunellen	A-8	100,000.00		101,166.68	1,166.68
Public and Private Revenues Offset with Approps.:					
American Library Association	A-12		2,768.26	2,768.26	-
Body Armor Fund	A-12		7,754.22	7,754.22	-
Clean Communities Program	A-12	-	83,476.45	83,476.45	-
Click It or Ticket	A-12	4,000.00		4,000.00	-
Community Development Block Grant	A-12		238,054.00	238,054.00	-
COPS in Shop Grant	A-12	2,800.00		2,800.00	-
Drunk Driving Enforcement Grant	A-12		6,256.02	6,256.02	-
Making The Future Grant: Library	A-12		1,640.00	1,640.00	-
Drive Sober or Pulled Over	A-12		7,500.00	7,500.00	-
Forestry Grant Project: RT Extension	A-12	19,500.00		19,500.00	-
Forestry Grant Project:	A-12	558,300.00		558,300.00	-
Friends of The Library	A-12		40,639.92	40,639.92	-
Middlesex County Cultural and Heritage Library	A-12	1,050.00		1,050.00	-
Multi-Jurisdictional Gang, Gun & Narcotics Task Force Program	A-12	6,000.00	6,000.00	12,000.00	-
Safe and Secure Communities Program	A-12	60,000.00		60,000.00	-
NJDOT - Hoes Lane West Grant	A-12		360,000.00	360,000.00	-
NJDOT - Lakeview Avenue Grant	A-12		300,000.00	300,000.00	-
Total Miscellaneous Revenues	A-1	<u>9,763,229.00</u>	<u>1,054,088.87</u>	<u>13,109,902.18</u>	<u>2,292,584.31</u>
Receipts from Delinquent Taxes	A-1,A-7	1,500,000.00		1,761,847.63	261,847.63
Subtotal General Revenues		<u>20,263,229.00</u>	<u>1,054,088.87</u>	<u>23,871,749.81</u>	<u>2,554,431.94</u>
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	A-7	<u>44,311,475.12</u>		<u>46,383,871.22</u>	<u>2,072,396.10</u>
Budget Totals		64,574,704.12	1,054,088.87	70,255,621.03	\$ 4,626,828.04
Non-Budget Revenues	A-1,A-8			1,467,298.81	
		<u>\$ 64,574,704.12</u>	<u>\$ 1,054,088.87</u>	<u>\$ 71,722,919.84</u>	
	<u>Ref.</u>	A-3	A-3		

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Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014

	CY 2014 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
	\$	\$	\$	\$	\$	\$
<u>OPERATIONS WITHIN "CAPS":</u>						
<u>General Government:</u>						
Township Council	70,000.00	69,049.32	69,049.32	-	3,308.47	-
Salaries and Wages	16,600.00	11,600.00	8,291.53	-	-	-
Other Expenses						
Township Clerk	232,761.00	217,761.00	205,297.20	-	12,463.80	-
Salaries and Wages	24,539.00	34,539.00	21,319.45	6,684.61	6,534.94	-
Other Expenses						
Elections	15,000.00	-	-	-	-	-
Salaries and Wages	10,300.00	10,300.00	9,077.95	-	1,222.05	-
Other Expenses						
<u>Administration:</u>						
Dept. of Administration						
Salaries and Wages	426,215.00	426,215.00	408,627.30	-	17,587.70	-
Other Expenses	131,955.00	131,955.00	70,532.92	1,817.49	59,604.59	-
Division of Personnel						
Salaries and Wages	108,719.00	110,808.69	110,808.69	-	-	-
Other Expenses	12,720.00	12,720.00	9,309.89	1,442.10	1,968.01	-
Computer Center						
Salaries and Wages	455,000.00	20,000.00	10,981.50	-	9,018.50	-
Other Expenses		435,000.00	245,438.84	96,021.25	93,539.91	-
Division of Purchasing						
Salaries and Wages	76,860.00	35,000.00	35,000.00	-	-	-
Other Expenses:	43,850.00	30,630.00	21,527.69	4,125.70	4,976.61	-
Postage (All Depts.)	65,000.00	65,000.00	58,003.24	1,086.43	5,910.33	-
Duplicating (All Depts.)	8,000.00	13,000.00	7,740.80	2,489.70	2,769.50	-
Miscellaneous Other Expenses						
Municipal Land Use (N.J.S.A. 40:55 D-1):						
Planning Board						
Salaries and Wages	54,000.00	7,064.04	7,064.04	-	0.00	-
Other Expenses	61,707.00	61,707.00	31,649.71	3,913.80	26,143.49	-
Zoning Board of Adjustment						
Salaries and Wages	54,000.00	7,243.08	7,243.08	-	0.00	-
Other Expenses	59,800.00	59,800.00	47,827.79	8,859.71	3,112.50	-

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014

	CY 2014 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	ENCUMBERED		
Administration (cont'd):							
Cable TV Studio							
Salaries and Wages	199,566.00	203,866.00	203,387.02	-	478.98		
Other Expenses	10,385.00	10,385.00	6,659.70	2,000.03	1,725.27		
Celebration of Public Events							
Other Expenses	14,000.00	14,000.00	4,000.00	-	10,000.00		
Finance and Revenue							
Department of Finance							
Salaries and Wages	269,537.00	269,537.00	262,888.62	-	6,648.38		
Other Expenses	68,950.00	68,950.00	20,467.08	3,460.58	45,022.34		
Annual Audit	70,000.00	70,000.00	-	70,000.00	-		
Division of Assessment							
Salaries and Wages	186,261.00	186,261.00	169,450.30	-	16,810.70		
Other Expenses	177,625.00	177,625.00	153,734.77	22,480.94	1,409.29		
Division of Revenue							
Salaries and Wages	114,210.00	114,210.00	80,790.45	-	33,419.55		
Other Expenses	36,800.00	41,800.00	40,834.85	469.01	496.14		
Insurance							
Liability Insurance	1,576,538.00	1,476,538.00	1,324,407.53	2,769.74	149,360.73		
Worker's Compensation Insurance	5,000.00	5,000.00	5,000.00	-	-		
Health Insurance Waiver	120,000.00	120,000.00	95,175.00	-	24,825.00		
Employee Group Insurance	7,053,584.50	7,053,584.50	6,092,355.40	961,229.10	(0.00)		
Municipal Court							
Salaries and Wages	425,224.00	400,224.00	394,668.38	-	5,555.62		
Other Expenses	31,400.00	26,400.00	19,192.03	576.71	6,631.26		
Public Defender (P.L. 1997, Ch. 256)							
Other Expenses	27,148.00	27,148.00	25,000.00	-	2,148.00		
Law							
Department of Law							
Other Expenses	450,000.00	495,000.00	381,254.55	71,705.37	42,040.08		
Municipal Prosecutor							
Salaries and Wages	42,000.00	37,220.00	37,220.00	-	-		
Other Expenses	12,000.00	25,000.00	12,535.46	3,684.54	8,780.00		
PUBLIC SAFETY:							
Uniform Fire Safety Act (P.L. 1983 C. 383)							
Salaries and Wages	243,698.00	243,698.00	228,979.55	-	14,718.45		
Other Expenses	13,614.00	13,614.00	11,670.31	1,793.96	149.73		
Animal Control							
Salaries and Wages	5,312.00	5,312.00	694.21	-	4,617.79		
Other Expenses	19,650.00	19,650.00	12,951.19	5,440.62	1,258.19		

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014

	CY 2014 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
				ENCUMBERED			
PUBLIC SAFETY (CONTD):							
Division of Schools Crossing Guards							
Salaries and Wages	310,000.00	280,000.00	256,302.94	-	-	23,697.06	
Other Expenses	1,524.00	1,524.00	1,508.00	-	-	16.00	
Division of Police							
Salaries and Wages	11,692,335.00	11,652,321.20	11,486,876.58	-	-	165,444.62	
Other Expenses	348,287.00	328,287.00	158,003.66	105,316.84	-	64,966.50	
First Aid Organization - Contribution	94,800.00	94,800.00	58,329.75	2,357.25	-	34,113.00	
Office of Emergency Management							
Salaries and Wages	119,262.00	30,306.98	30,306.98	-	-	(0.00)	
Other Expenses	10,050.00	10,050.00	7,187.26	-	-	2,862.74	
PUBLIC WORKS:							
Department of Public Works							
Salaries and Wages	187,151.00	187,151.00	167,150.10	-	-	20,000.90	
Other Expenses	44,950.00	44,950.00	35,898.15	1,056.32	-	7,995.53	
Division of Engineering							
Salaries and Wages	504,747.00	429,747.00	394,178.64	-	-	35,568.36	
Other Expenses	52,386.00	52,386.00	31,104.50	7,339.30	-	13,942.20	
Division of Community Development and Planning							
Salaries and Wages	427,279.00	431,379.00	430,952.86	-	-	426.14	
Other Expenses	72,210.00	82,210.00	49,299.69	19,056.18	-	13,854.13	
Public Building and Grounds							
Salaries and Wages	174,721.00	174,721.00	163,305.83	-	-	11,415.17	
Other Expenses	367,500.00	337,500.00	261,584.94	66,550.11	-	9,364.95	
Division of Property Maintenance TRAFFIC							
Salaries and Wages	179,196.00	179,196.00	164,623.06	-	-	14,572.94	
Other Expenses	93,600.00	93,600.00	42,755.04	17,918.86	-	32,926.10	
Division of Property Maintenance FLEET							
Salaries and Wages	365,985.00	379,485.00	371,452.52	-	-	8,032.48	
Other Expenses	395,100.00	380,100.00	260,078.18	96,171.55	-	23,850.27	
Division of Streets and Road Maintenance							
Salaries and Wages	648,206.00	648,206.00	596,617.31	-	-	51,588.69	
Other Expenses	54,500.00	54,500.00	14,621.60	8,120.75	-	31,757.65	
Snow Removal							
Salaries and Wages	153,000.00	21,466.69	21,466.69	-	-	0.00	
Other Expenses	263,500.00	263,500.00	245,115.08	18,383.92	-	1.00	
All Utilities	1,937,000.00	1,962,000.00	1,230,732.58	448,682.96	-	282,584.46	
Division of Parks							
Salaries and Wages	673,821.00	568,821.00	564,386.83	-	-	4,434.17	
Other Expenses	292,000.00	267,000.00	133,056.29	21,910.57	-	112,033.14	
Shade Tree							
Other Expenses	900.00	900.00	-	-	-	900.00	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014

	CY 2014 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	CANCELLED		
<u>PUBLIC WORKS(CONTD):</u>							
Division of Sanitation - Sewer System							
Other Expenses							
Solid Waste Collection	32,500.00	32,500.00	8,888.80			23,611.20	
Salaries and Wages	669,223.00	669,223.00	642,073.66			27,149.34	
Other Expenses	5,100.00	5,100.00		2,000.00		3,100.00	
Recycling Program							
Other Expenses	85,200.00	85,200.00	56,569.82	3,305.18		25,325.00	
Municipal Services Act	100,000.00	100,000.00				100,000.00	
Hurricane Sandy Cleanup/Repairs							
<u>HEALTH AND WELFARE:</u>							
Department of Health							
Salaries and Wages							
Other Expenses							
Division of Public Assistance							
Salaries and Wages							
Other Expenses	2,000.00	2,000.00	2,000.00				
Office on Aging							
Salaries and Wages	426,723.00	356,723.00	340,674.84			16,048.16	
Other Expenses	90,630.00	90,630.00	56,487.25	10,239.41		23,903.34	
Aid to American Cancer Society							
Aid to Heart Fund							
Kiddie Keepwell Contribution							
<u>RECREATION AND EDUCATION</u>							
Department of Recreation							
Salaries and Wages	314,774.00	314,774.00	283,314.24			31,459.76	
Other Expenses	234,131.00	234,131.00	186,789.73	17,115.26		30,226.01	
Accumulated Leave Compensation	300,000.00	806,000.00	806,000.00				
Salary Adjustment							
Salaries and Wages	15,000.00						
Reserve for Tax Appeals							
Other Expenses	1,500,000.00	1,700,000.00	1,700,000.00				

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

Exhibit A-3
Page 5 of 8

CURRENT FUND

**STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014**

	CY 2014 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
				ENCUMBERED			
<u>Uniform Construction Code</u>							
Division of Inspections							
Salaries and Wages	432,160.00	432,160.00	390,151.71	-	-	42,008.29	
Other Expenses	13,875.00	13,875.00	11,079.29	1,745.00	-	1,050.71	
Boards and Commissions							
Salaries and Wages	6,132.00	5,148.00	5,148.00	-	-	-	
Other Expenses	44,530.00	32,530.00	22,291.66	-	-	10,238.34	
Total Operations Within "CAPS"	36,835,516.50	36,700,516.50	32,656,471.40	2,119,320.85	-	1,924,724.25	
Contingent							
Total Operations Including Contingent Within "CAPS"	36,835,516.50	36,700,516.50	32,656,471.40	2,119,320.85	-	1,924,724.25	
DETAIL:							
Salaries and Wages	19,628,882.00	18,929,790.00	18,375,815.18	-	-	553,974.82	
Other Expenses (Including Contingent)	17,206,634.50	17,770,726.50	14,280,656.22	2,119,320.85	-	1,370,749.43	
STATUTORY EXPENDITURES:							
Contribution to:							
Social Security System (O.A.S.I.)	1,120,000.00	1,120,000.00	728,960.62	-	-	391,039.38	
Public Employees Retirement System	949,126.64	949,126.64	949,126.64	-	-	-	
Police and Firemen's Pension Fund	2,117,848.00	2,117,848.00	2,117,848.00	-	-	-	
State Unemployment Insurance	100,000.00	100,000.00	100,000.00	-	-	-	
Defined Contribution Retirement Program	10,000.00	10,000.00	6,544.13	-	-	3,455.87	
Total Deferred Charges and Statutory Expenditures Municipal Within "CAPS"	4,296,974.64	4,296,974.64	3,902,479.39	-	-	394,495.25	
Judgments							
Total General Appropriations for Municipal Purposes Within "CAPS"	41,132,491.14	40,997,491.14	36,558,950.79	2,119,320.85	-	2,319,219.50	

**TOWNSHIP OF PISCALAWAY
MIDDLESEX COUNTY, NEW JERSEY**
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014

	CY 2014 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED	RESERVED	UNEXPENDED BALANCE CANCELLED
OPERATIONS EXCLUDED FROM "CAPS"						
911 Emergency Telecommunication Services	789,314.00	789,314.00	783,701.51	-	5,612.49	-
Salaries and Wages	429,603.00	429,603.00	404,511.27	6,293.06	18,798.67	-
Other Expenses	2,855,338.20	2,855,338.20	2,385,833.11	461,608.03	7,897.06	-
Maintenance of Free Public Library (NJSA 40:54-8)						
NJDES - Storm Water						
Other Expenses	59,000.00	59,000.00	51,682.69	6,226.40	1,090.91	-
Supplemental Fire Services District Payment	18,425.00	18,425.00	18,425.00	-	-	-
MCIA Recycling Program	750,000.00	750,000.00	405,644.01	134,867.10	209,488.89	-
MCUA Solid Waste Agreement	400,000.00	400,000.00	145,008.25	54,991.75	200,000.00	-
Edison Animal Control Contract	60,000.00	60,000.00	50,276.40	8,890.00	833.60	-
UMDNJ Agreements	27,500.00	27,500.00	18,520.68	-	8,979.32	-
Middlesex County Health Department	390,150.00	390,150.00	390,150.00	-	-	-
PUBLIC AND PRIVATE PROGRAMS						
OFFSET BY REVENUES						
American Library Association		2,768.26	2,768.26			
Body Armor Fund Grant		7,754.22	7,754.22			
Clean Communities Grant		83,476.45	83,476.45			
Click It or Ticket Grant	4,000.00	4,000.00	4,000.00			
Cops In shop	2,800.00	2,800.00	2,800.00			
Community Development Block Grant-		238,054.00	238,054.00			
Drive Sober or Get Pulled Over		7,500.00	7,500.00			
Drunk Driving Enforcement		6,256.02	6,256.02			
Friends of Public Library		40,639.92	40,639.92			
Making the		1,640.00	1,640.00			
Middlesex County Cultural & Heritage	1,050.00	1,050.00	1,050.00			
Multi-Jurisdictional Gang, Gun & Narcotic Task Force Program	6,000.00	12,000.00	12,000.00			
Safe and Secure Communities Program	60,000.00	60,000.00	60,000.00			
NNL RT 18	19,500.00	19,500.00	19,500.00			
NNL RT 18	558,300.00	558,300.00	558,300.00			
NJDOT: William Street #3 Grant		300,000.00	300,000.00			
NJDOT: Hoes		360,000.00	360,000.00			
Matching Funds	50,000.00	50,000.00	-		50,000.00	
Total Operations Excluded from "CAPS"	6,480,980.20	7,535,069.07	6,359,491.79	672,876.34	502,700.94	-
DETAIL:						
Salaries and Wages	789,314.00	789,314.00	783,701.51		5,612.49	
Other Expenses	5,691,666.20	6,745,755.07	5,575,790.28	672,876.34	497,088.45	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014

	CY 2014 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>						
Down Payment on Improvements	900,000.00	900,000.00	900,000.00	-	-	-
4-Wheel Vehicles for Code Enforcement	150,000.00	150,000.00	117,656.00	-	32,344.00	-
Land Acquisition	600,000.00	600,000.00	9,104.00	590,896.00	-	-
Equipment PCIV		135,000.00	-	135,000.00	-	-
Computers : Code Enforcement		-	-	-	-	-
Total Capital Improvements Excl. from "CAPS"	<u>1,650,000.00</u>	<u>1,785,000.00</u>	<u>1,026,760.00</u>	<u>725,896.00</u>	<u>32,344.00</u>	<u>-</u>
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	7,845,000.00	7,845,000.00	7,845,000.00	-	-	-
Interest on Bonds	<u>2,069,608.87</u>	<u>2,069,608.87</u>	<u>1,750,167.50</u>	-	-	<u>319,441.37</u>
Total Municipal Debt Service - Excl. from "CAPS"	<u>9,914,608.87</u>	<u>9,914,608.87</u>	<u>9,595,167.50</u>	<u>-</u>	<u>-</u>	<u>319,441.37</u>
<u>DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"</u>						
Deferred Charges						
Emergency Authorizations	2,437,554.12	2,437,554.12	2,437,554.12	-	-	-
Emergency Authorizations - 5 yrs	<u>300,000.00</u>	<u>300,000.00</u>	<u>300,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Charges - Municipal Excluded from "CAPS"	<u>2,737,554.12</u>	<u>2,737,554.12</u>	<u>2,737,554.12</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>20,783,143.19</u>	<u>21,972,232.06</u>	<u>19,718,973.41</u>	<u>1,398,772.34</u>	<u>535,044.94</u>	<u>319,441.37</u>

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014

	CY 2014 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED ENCUMBERED	RESERVED	UNEXPENDED BALANCE CANCELLED
Subtotal General Appropriations	61,915,634.33	62,969,723.20	56,277,924.20	3,518,093.19	2,854,264.44	319,441.37
Reserve for Uncollected Taxes	<u>2,659,069.79</u>	<u>2,659,069.79</u>	<u>2,659,069.79</u>			
Total General Appropriations	<u>\$ 64,574,704.12</u>	<u>\$ 65,628,792.99</u>	<u>\$ 58,936,993.99</u>	<u>\$ 3,518,093.19</u>	<u>\$ 2,854,264.44</u>	<u>\$ 319,441.37</u>
Adopted Budget			A-1	A,A-1	A,A-1	A-1
Approp. by N.J.S.A. 40A-4-87	\$ 64,574,704.12	\$ 64,574,704.12				
		<u>1,054,088.87</u>				
	\$	<u>\$ 65,628,792.99</u>				
Disbursed						
Reserve for Uncollected Taxes			\$ 50,070,944.85			
Reserve for Tax Appeals			2,659,069.79			
Reserve for Library			1,700,000.00			
Emergency Authorization: Hurricane Sandy			(24,553.00)			
Emergency Authorization: Real Property Valua.			2,437,554.12			
Appropriation Reserve			300,000.00			
Due To Trust Fund: Snow			(10,200.00)			
Due To Trust Fund: National Night Out			(56,218.78)			
Due To Trust Fund: Severance			2,500.00			
Due To Trust Fund: Public Defender			831,000.00			
General Capital Fund - Capital Improvement Fund			25,000.00			
Due to Senior Housing Utility			900,000.00			
Due to Self Insurance Trust Fund			(128,271.00)			
Due to Public Assistance			5,000.00			
Due to Unemployment Trust			(2,000.00)			
Due Sewer Utility Operating			100,000.00			
Due to State and Federal Grants Fund			(1,578,570.86)			
			<u>1,705,738.87</u>			
			<u>\$ 58,936,993.99</u>			

Note: See Notes to Financial Statements

TOWNSHIP OF FISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

ASSETS	REF.	BALANCE DEC. 31, 2014	BALANCE DEC. 31, 2013	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE DEC. 31, 2014	BALANCE DEC. 31, 2013
Animal Control Fund:							
Cash and Investments - Treasurer	B-1	\$ 38,918.17	19,907.84	Due to State of New Jersey	B-1	\$ 38,955.37	24.80
Due from State of New Jersey	B-1	37.20		Reserve for Animal Control Expenditures	B-1		19,883.04
Total Animal Control Fund		<u>38,955.37</u>	<u>19,907.84</u>	Total Animal Control Fund		<u>38,955.37</u>	<u>19,907.84</u>
Self-Insurance Trust Fund:							
Cash and Investments - Treasurer	B-1	41,568.68	68,364.93	Self-Insurance Trust Fund:			
Total Trust-Other Fund		<u>41,568.68</u>	<u>68,364.93</u>	Reserve for Self Insurance	B-1	41,568.68	68,364.93
Other Trust Funds:				Total Trust-Other Fund		<u>41,568.68</u>	<u>68,364.93</u>
Cash and Investments - Treasurer	B-1	10,479,161.71	8,168,393.91	Other Trust Funds:			
State and Federal Grants Receivable	B-1			Payroll Liabilities	B-1	107,312.86	144,294.13
Interfund Receivable	B-1	6,000,000.00	8,707,795.94	Unemployment Insurance Trust Fund	B-1	437,521.63	380,328.61
Total Escrow Trust Fund		<u>16,479,161.71</u>	<u>16,876,189.85</u>	Miscellaneous Deposits	B-1	8,296,829.87	8,539,030.37
				Affordable Housing	B-1	393,969.04	315,835.43
				Interfund Payable	B-1	896,615.70	
				Recreation Trust	B-1	62,682.31	63,887.81
				Schedule of Escrows	B-2	6,284,230.30	7,432,813.50
				Total Escrow Trust Fund		<u>16,479,161.71</u>	<u>16,876,189.85</u>
Public Assistance Fund:							
Cash and Investments - Treasurer	B-1	8,411.35	6,411.35	Public Assistance Fund:			
Total Public Assistance Fund		<u>8,411.35</u>	<u>6,411.35</u>	Reserve for Public Assistance	B-1	8,411.35	6,411.35
Grand Total		<u>\$ 16,568,097.11</u>	<u>\$ 16,970,873.97</u>	Total Public Assistance Fund		<u>8,411.35</u>	<u>6,411.35</u>
				Grand Total		<u>\$ 16,568,097.11</u>	<u>\$ 16,970,873.97</u>

Note: See Notes to Financial Statements.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013**

	<u>REF.</u>	<u>BALANCE DEC. 31,2014</u>	<u>BALANCE DEC. 31,2013</u>
<u>ASSETS</u>			
Cash, Cash Equivalents and Investments	C- 2	\$ 717,605.94	\$ 615,993.04
Due from Grant Fund	C- 10	1,160,000.00	
Deferred Charges to Future Taxation:			
Funded	C- 4	47,958,000.00	47,703,000.00
Unfunded	C- 5	42,745,579.74	45,832,000.00
Total Assets		<u>\$ 92,581,185.68</u>	<u>\$ 94,150,993.04</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-9	\$ 47,958,000.00	\$ 47,703,000.00
Improvement Authorizations:			
Funded	C- 8	2,640,443.36	7,409,485.91
Unfunded	C- 8	24,958,218.93	19,994,805.65
Reserve for Encumbrances	C- 8	5,287,827.06	4,565,042.61
Capital Improvement Fund	C- 6	325,999.30	13,500.00
Contributions - Off-Site Improvements	C- 7	1,797,412.53	3,413,187.73
Reserve for Preliminary Expenses	C-11	2,396,044.49	457,402.90
Reserve for Debt Service	C-16	19,141.98	19,141.98
Contributions - Tree Contributions	C-12	8,300.00	8,300.00
Reserve: Stelton Streetscape	C-13	20,250.00	20,250.00
Reserve: Community Center	C-14	5,000.00	5,000.00
Reserve: Good Faith Deposit			190,000.00
Interfund: Sewer Capital Fund			1,200,000.00
Interfund: Other Trust Fund	C- 10	6,000,000.00	8,707,795.94
Fund Balance	C- 1	1,164,548.03	444,080.32
Total Liabilities, Reserves and Fund Balance		<u>\$ 92,581,185.68</u>	<u>\$ 94,150,993.04</u>
Bonds & Notes Authorized but not Issued	C-17	<u>\$ 42,745,579.74</u>	<u>\$ 45,832,000.00</u>

Note: See Notes to Financial Statements

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE PERIOD ENDED DECEMBER 31, 2014**

	<u>REF.</u>		
Balance - December 31, 2013	C		\$ 444,080.32
Increased by:			
Premium on Sale of Serial Bonds	C-10	\$ 215,000.00	
Reserve: Good Faith Deposit	C-16	190,000.00	
Improvement Authorization	C-8	1,162,017.71	
Reserve For Preliminary Expenses	C-11	<u>250.00</u>	
			<u>1,567,267.71</u>
			2,011,348.03
Decreased by:			
Down payment on Improvement	C-8		<u>846,800.00</u>
Balance - December 31, 2014	C		<u>\$ 1,164,548.03</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2014 AND 2013

ASSETS	REF.	BALANCE DEC. 31, 2014	BALANCE DEC. 31, 2013	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE DEC. 31, 2014	BALANCE DEC. 31, 2013
Operating Fund:							
Cash and Investments - Treasurer	D-5	\$ 3,875,928.59	\$ 5,664,080.11	Operating Fund:	D-4, D-11	\$ 963,554.08	\$ 1,488,160.29
Change Fund - Collector	D	100.00	100.00	Appropriation Reserves	D-4, D-11	76,028.82	282,324.30
Due from Sewer Capital Fund	D-22	1,500,000.00	250,000.00	Reserve for Encumbrances	D-12	32,601.56	34,497.40
				Accrued Interest Payable	D-13	20,114.70	13,838.99
				Prepaid Sewer Charges	D-14	5,893.72	4,594.78
				Sewer Overpayments	D-15	69,266.57	10,840.00
				Accounts Payable			
Receivables and Inventory With Offsetting Reserves:							
Sewer Charges Receivable	D-8	509,200.28	790,155.16			1,167,459.45	1,834,255.76
				Reserve for Receivables	Reserve	509,200.28	790,155.16
				Fund Balance	D-1	4,208,569.14	4,079,924.35
Total Operating Fund		5,885,228.87	6,704,335.27	Total Operating Fund		5,885,228.87	6,704,335.27
Capital Fund:				Capital Fund:			
Cash and Investments - Treasurer	D-5	3,906,953.51	271,607.82	Serial Bonds Payable	D-24	3,280,000.00	3,490,000.00
Fixed Capital	D-9	14,992,561.49	13,107,561.49	Reserve for Encumbrances	D-16	619,216.28	1,565,367.48
Fixed Capital Authorized and Uncompleted	D-10	12,045,000.00	11,030,000.00	Due to Sewer Operating Fund	D-23	1,500,000.00	250,000.00
Due from General Capital Fund	D-21		1,200,000.00	Improvement Authorizations:			
				Funded	D-16	3,775,414.47	855,664.19
				Unfunded	D-16	1,627,139.60	2,151,507.88
				Capital Improvement Fund	D-19	128,750.00	103,750.00
				Reserve for Amortization	D-20	16,188,554.68	14,767,439.79
Total Capital Fund		30,944,515.00	25,609,169.31	Deferred Reserve for Amortization	D-17	3,723,500.00	2,323,500.00
				Fund Balance	D-2	101,939.97	101,939.97
Grand Total		\$ 36,829,743.87	\$ 32,313,504.58	Total Capital Fund		30,944,515.00	25,609,169.31
				Grand Total		\$ 36,829,743.87	\$ 32,313,504.58

There were Bonds and Notes Authorized but Not Issued on December 31, 2014 in the amount of \$2,345,506.81 (Exhibit D-25).

Note: See Notes to Financial Statements

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

Exhibit - D-1

**SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE CALENDAR YEARS ENDED DECEMBER 31, 2014 AND 2013**

<u>REVENUE AND OTHER INCOME</u>		<u>CY 2014</u>	<u>CY 2013</u>
Fund Balance Utilized	D-1,D- 3	\$ 2,545,000.00	\$ 1,600,000.00
Sewer Charges	D- 3	9,867,162.47	9,185,897.03
Connection Fees	D- 3	216,560.00	841,445.30
Interest on Investments	D- 3	1,141.59	1,401.25
Interest on Delinquent Accounts	D- 3	78,865.98	101,985.22
Other Credits to Income:			
Miscellaneous Revenue	D- 3	317,108.49	55,562.80
Sewer Overpayment	D-14	14,799.51	
Accounts Payable Cancelled	D- 15	-	44,132.71
Unexpend. Balance of Appropriation Reserves			
Lapsed and Reserve for Encumb. Canceled	D-11	<u>1,551,110.91</u>	<u>151,057.91</u>
 Total Revenues		 <u>14,591,748.95</u>	 <u>11,981,482.22</u>
 <u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operating	D- 4	\$ 8,576,815.00	\$ 8,476,215.00
Capital Improvements	D- 4	1,525,000.00	525,000.00
Debt Service	D- 4	343,747.91	350,504.17
Deferred Charges and Statutory Expend.	D- 4	1,472,541.25	1,581,397.50
Refund of Revenue	D- 5	<u>24,770.96</u>	<u>24,770.96</u>
 Total Expenditures		 <u>11,918,104.16</u>	 <u>10,957,887.63</u>
 Excess/(Deficit) in Revenues		 2,673,644.79	 1,023,594.59
 <u>FUND BALANCE</u>			
Balance - January 1	D	<u>4,079,924.35</u>	<u>4,656,329.76</u>
		6,753,569.14	5,679,924.35
Decreased by:			
Utilized as Anticipated Revenue	D-1	<u>2,545,000.00</u>	<u>1,600,000.00</u>
Balance - December 31, 2014	D	<u>\$ 4,208,569.14</u>	<u>\$ 4,079,924.35</u>

Note: See Notes to Financial Statements

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

Exhibit D-2

**SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014**

	<u>REF</u>	
Balance December 31, 2013	D	\$ 101,939.97
Balance December 31, 2014	D	<u>\$ 101,939.97</u>

Note: See Notes to Financial Statements

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014**

	<u>REF.</u>	<u>CY 2014 BUDGET</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance	D- 1	\$ 2,545,000.00	\$ 2,545,000.00	\$ -
Sewer Service Charges	D- 1,D-3	9,050,000.00	9,867,162.47	817,162.47
Sewer Connection Fees & Permits	D- 1,D-3	300,000.00	216,560.00	(83,440.00)
Miscellaneous	D- 1,D-3	200.00	1,141.59	941.59
Interest on Delinquencies	D- 1,D-3	<u>34,800.00</u>	<u>78,865.98</u>	<u>44,065.98</u>
Total		\$ <u>11,930,000.00</u>	\$ <u>12,708,730.04</u>	\$ <u>778,730.04</u>

Ref. D-4

Analysis of Realized Revenues:

Sewer Service Charges:

Prepays Applied	D-13	\$ 13,838.99
Collected	D- 8	<u>9,853,323.48</u>
	D- 3	<u>\$ 9,867,162.47</u>

Connection Fees:

Received by Collector		<u>\$ 216,560.00</u>
	D-3,D-6	<u>\$ 216,560.00</u>

Interest on Delinquent Accounts:

Collected		<u>\$ 78,865.98</u>
	D-3,D-6	<u>\$ 78,865.98</u>

Interest on Investments:

Collected	D-5	<u>\$ 1,141.59</u>
	D-3	<u>\$ 1,141.59</u>

Miscellaneous Revenue:

Received by Collector	D-6	\$ 700.00
Collected	D-5	<u>316,408.49</u>
	D-1	<u>\$ 317,108.49</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	CY 2014 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED		
Operating:						
Salaries and Wages	\$ 1,458,865.00	\$ 1,458,865.00	\$ 1,276,627.86	\$ -	\$ 182,237.14	\$ -
Other Expenses	1,317,950.00	1,317,950.00	1,095,705.08	76,028.82	146,216.10	-
Middlesex County Utilities Authority						
Service Charges - Contractual	5,800,000.00	5,800,000.00	5,164,899.16	-	635,100.84	-
Capital Improvements:						
Down Payments on Improvements	25,000.00	25,000.00	25,000.00	-	-	-
Capital Outlay	1,500,000.00	1,500,000.00	1,500,000.00	-	-	-
Debt Service:						
Payment on Bond Principle	210,000.00	210,000.00	210,000.00	-	-	-
Interest on Bonds	145,643.75	145,643.75	133,747.91	-	-	11,895.84
Deferred Charges and Statutory Expenditures:						
Deferred Charges:						
Public Employees' Retirement System	129,426.36	129,426.36	129,426.36	-	-	-
Social Security System (O.A.S.I.)	132,000.00	132,000.00	132,000.00	-	-	-
Unfunded Bond Ordinances	1,211,114.89	1,211,114.89	1,211,114.89	-	-	-
Total Sewer Utility Appropriations	\$ 11,930,000.00	\$ 11,930,000.00	\$ 10,878,521.26	\$ 76,028.82	\$ 963,554.08	\$ 11,895.84
Ref.	D-3	D-3	D-1	D,D-1	D,D-1	
Cash Disbursements						
Due to Sewer Capital		\$ -	5,917,733.85			
Due to Current Fund			2,636,114.89			
Accrued Interest			2,190,924.61			
			133,747.91			
		\$ -	10,878,521.26			

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit E-1

SENIOR CITIZEN HOUSING UTILITY OPERATING FUND
 STATEMENT OF OPERATIONS AND
 CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

<u>REVENUE AND OTHER INCOME</u>		<u>CY 2014</u>	<u>CY 2013</u>
Fund Balance Utilized	E- 3	\$ 253,700.00	130,000.00
Rental Income	E- 3	1,515,600.71	1,407,129.52
Interest on Investments	E- 3	85.25	70.36
Other Credits to Income:			
Non-Budget Revenue	E- 3	12,219.70	15,511.42
Accounts Payable Canceled			90,576.07
Unexpend. Balance of Appropriation Reserves Lapsed	E- 7	<u>228,094.55</u>	<u>316,261.20</u>
 Total Revenues		 <u>2,009,700.21</u>	 <u>1,959,548.57</u>
 <u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operating	E- 4	\$ 1,199,672.89	1,154,309.00
Capital Improvements	E- 4	234,500.00	130,000.00
Debt Service	E- 4	214,256.11	167,295.00
Deferred Charges and Statutory Expend.	E- 4	5,271.00	5,271.00
Refund of Prior Year Revenue	E- 5	<u>899.00</u>	<u> </u>
 Total Expenditures		 <u>1,654,599.00</u>	 <u>1,456,875.00</u>
 Excess/(Deficit) in Revenues		 355,101.21	 502,673.57
 Statutory Excess to Fund Balance		 355,101.21	 502,673.57
 <u>FUND BALANCE</u>			
Balance - January 1	E	<u>555,500.12</u>	<u>182,826.55</u>
		910,601.33	685,500.12
Decreased by:			
Utilized as Anticipated Revenue	E- 1	<u>253,700.00</u>	<u>130,000.00</u>
Balance - December 31	E	<u>\$ 656,901.33</u>	<u>555,500.12</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND
 STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>REF.</u>	
Balance - December 31, 2013	E	\$ 2,177.74
Increased by:		
Premuim	E-5	<u>70,000.00</u>
Balance - December 31, 2014	E	<u>\$ 72,177.74</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>REF.</u>	CY 2014 <u>BUDGET</u>	<u>REALIZED</u>	EXCESS OR <u>(DEFICIT)</u>
Fund Balance	E-1	\$ 253,700.00	\$ 253,700.00	\$
Rental Income	E-1,E-3	1,400,000.00	1,515,600.71	115,600.71
Interest on Investments	E-1,E-3	<u> </u>	<u>85.25</u>	<u>85.25</u>
		<u>1,653,700.00</u>	<u>1,769,385.96</u>	<u>115,685.96</u>
Non-Budget Revenues	E-1,E-3	<u> </u>	<u>12,219.70</u>	<u>12,219.70</u>
		<u>\$ 1,653,700.00</u>	<u>\$ 1,781,605.66</u>	<u>\$ 127,905.66</u>

Ref. E-4

Analysis of Realized Revenues:

Analysis of Rental Income:

Rental Income	\$ 1,496,490.71
Surcharge for Utilities:	
Aircondition Surcharge	<u>19,110.00</u>
	E-3,E-5 \$ <u>1,515,600.71</u>

Analysis of Non-Budget Revenues:

Laundromat Income	\$ 8,032.05
Miscellaneous	90.30
Deposit Withheld	3,372.35
Late Fees	585.00
Replacement Key	50.00
Return Check Fees	<u>90.00</u>
	E-3,E-5 \$ <u>12,219.70</u>

Analysis of Interest on Investments:

Senior Citizen Operating Fund	E-5 <u>85.25</u>
	E-3 \$ <u>85.25</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2014

	CY 2014 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			RESERVED	UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED			
Operating:							
Salaries and Wages	\$ 37,000.00	\$ 37,000.00	\$ 37,000.00	\$ -	\$ -	\$ -	\$ -
Other Expenses	1,162,672.89	1,162,672.89	966,750.45	75,882.27	120,040.17		
Debt Service:							
Payment on Bond Principle	145,000.00	145,000.00	145,000.00				
Interest on Bonds	69,256.11	69,256.11	69,256.11				
Deferred Charges and Statutory Expenditures:							
Emergency Authorizations							
Statutory Expenditures:							
Social Security System (O.A.S.I.)	5,271.00	5,271.00	5,271.00				
Capital Improvements:							
Capital Improvement Fund	204,500.00	204,500.00	15,391.00	132,857.00	56,252.00		
Down Payments on Improvements	30,000.00	30,000.00	30,000.00				
Total Senior Citizen Housing Appropriations	\$ 1,653,700.00	\$ 1,653,700.00	\$ 1,268,668.56	\$ 208,739.27	\$ 176,292.17	\$ -	
2014 Budget							
Emergency Appropriation							
			\$ 1,653,700.00				
Cash Disbursements			\$ 1,199,412.45				
Accrued Interest on Bonds			69,256.11				
			\$ 1,268,668.56				

Ref. E-3 E-3 E-1 E,E-1 E,E-1 E,E-1
E-3 \$ 1,653,700.00
E-17
E-5
E-8

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit - F

STATEMENT OF GOVERNMENTAL FIXED ASSETS
REGULATORY BASIS
DECEMBER 31, 2014

	<u>BALANCE</u> <u>DEC. 31, 2014</u>	<u>BALANCE</u> <u>DEC. 31, 2013</u>
Governmental Fixed Assets:		
Land	\$ 26,106,700.00	\$ 26,106,700.00
Buildings and Improvements	17,027,000.00	17,027,000.00
Machinery and Equipments	<u>20,605,587.00</u>	<u>19,871,620.00</u>
 Total Governmental Fixed Assets	 <u>63,739,287.00</u>	 <u>63,005,320.00</u>
 Investments in Governmental Fixed Assets	 <u>63,739,287.00</u>	 <u>63,005,320.00</u>

Notes: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
THE YEAR ENDED DECEMBER 31, 2014 AND 2013

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.)

B. Description of Funds (Cont'd.)

General Capital Fund - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds and notes authorized for said purposes.

Sewer Utility Fund and Senior Citizens Housing Utility Fund - resources and expenditures for the operations and acquisition of capital facilities of the municipally owned Sewer Utility and Senior Citizens Housing Facility.

Governmental Fixed Assets - the Governmental Fixed Asset system is used to account for fixed assets used in governmental fund type operations for control purposes. Infrastructure assets such as roads, sidewalks, etc. are not capitalized. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available or any other reasonable basis, provided such basis is adequately disclosed in the financial statements. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on governmental fixed assets.

The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. GASB's Codification of Governmental Accounting and Financial Reporting Standards and subsequent GASB pronouncements are recognized as U.S. generally accepted accounting principles (GAAP) for state and local governments. GAAP provides for the issuance of entity-wide financial statements along with the presentation of separate fund financial statements that differ from the organization of funds prescribed under the regulatory basis of accounting utilized by the Township. The resultant presentation of financial position and results of operations in the form of financial statements is not intended to present the basic financial statement presentation.

C. Basis of Accounting and Measurement Focus

The basis of accounting as prescribed by the Division of Local Government Services for its operating funds is generally a modified cash basis for revenue recognition and a modified accrual basis for expenditures. The operating funds utilize a "current financial resources" measurement focus. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. The most significant is the reporting of entity-wide financial statements, which are not presented in the accounting principles prescribed by the Division. The more significant differences are as follows:

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

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

Revenues - Revenues are recorded as received in cash except for statutory reimbursements and grant funds, which are due from other governmental units. State and Federal grants, entitlements and shared revenues received for operating purposes are realized as revenues when anticipated in the Township budget. Receivables for property taxes and sewer utility consumer charges are recorded with offsetting reserves within the Current Fund and Sewer Utility Fund, respectively. Except for rental income receivable in the Senior Citizen Housing Utility, which is not recognized in the financial statements, other amounts that are due to the Township which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable, with the exception of Sewer Utility consumer charges and Senior Citizen Housing Utility rent, which should be recognized in the period they are earned and become measurable.

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 December 31, 2014 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.

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

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

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.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation established by the last revaluation program in 1975 and is fully reserved. Additions since 1975 are recorded on the basis of the latest assessed value. GAAP requires such property to be recorded in the statement of governmental fixed assets at the lower of cost or fair market value.

Self-Insurance Reserves - Charges to self-insurance reserves are recorded when payments of claims and related expenses are made. Increases to self-insurance reserves are recorded from budgetary appropriations in the accounting period in which budgetary expenditures are recorded. Earnings on investments and miscellaneous reimbursements are credited to reserves when received in cash. GAAP requires that liabilities for incurred claims be recorded as determined actuarially, and that operating transfers to self-insurance funds not exceed the amount determined.

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

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. Although the expenditure method of accounting for purchases of supplies is in accordance with GAAP, the cost of inventory on hand at the close of the year should be reported on the balance sheet with an offsetting reserve for conformity with GAAP.

Sale of Municipal Assets - Cash proceeds from the sale of Township owned property may be realized as revenue or reserved until utilized as an item of revenue in a subsequent year budget. The Township has reserved amounts of proceeds from property sales totaling \$381,475.06 at December 31, 2014 and \$230,194.70 at December 31, 2013. GAAP requires that revenue be recognized in the accounting period that the terms of the sales contracts become legally enforceable.

Governmental Fixed Assets - Property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. Property and equipment purchased by the Sewer Utility Fund and the Senior Housing Utility are recorded in their respective capital accounts at cost and are adjusted for dispositions and abandonment. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for amortization accounts in the Utility Funds represent charges to operations for the costs of acquisitions of property, equipment and improvements, and costs funded from sources other than bonded debt of the utility.

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

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

The utility does 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.

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. 72, "Fair Value Measurement and Application" in February 2015. This statement provides guidance for determining the fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value instruments.

GASB issued Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68" in June 2015. This Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

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

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

GASB issued Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans" in June 2015. This Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

GASB issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" in June 2015. This Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

GASB issued Statement No. 76, "The hierarchy of generally accepted accounting principles for state and local governments", in June 2015. This Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

GASB issued Statement No. 77, "Tax abatement disclosures" in August 2015. Financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time.

The Township does not prepare its financial statements in accordance with generally accepted accounting principles. The adoption of these new standards will not adversely affect the reporting on the Township's financial condition.

NOTES TO FINANCIAL STATEMENTS

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

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

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

Comparative Data - Comparative data for the prior year has been presented in order to provide an understanding of changes on the Township's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Governmental Fixed Assets – N.J.A.C. 5:30-5.6 established a mandate for fixed asset accounting by municipalities, effective December 31, 1985. The Township has complied with the mandate, formerly known as Technical Accounting Directive No. 85-2. Fixed assets used in governmental operations are accounted for in the reporting of Governmental Fixed Assets. Public domain (infrastructure) governmental fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available, except for land, which is valued at estimated market value. No depreciation is provided for in the financial statements. Expenditures for construction in progress are recorded in the Capital Funds until such time as construction is completed and put into operation. Fixed assets acquired through grants in aid or contributed capital is not accounted for separately.

Note 3: GOVERNMENTAL FIXED ASSETS

The Township's governmental fixed assets are reported as follows:

	<u>Balance</u> <u>Dec. 31, 2013</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Balance</u> <u>Dec. 31, 2014</u>
Governmental Fixed Assets			
Land	\$26,181,100.00	\$ -0-	\$26,181,100.00
Building and Improvements	17,110,200.00	-0-	17,110,200.00
Machinery and Equipment	<u>19,871,620.00</u>	<u>733,967.00</u>	<u>20,605,587.00</u>
Total Governmental Fixed Assets	<u>\$63,162,920.00</u>	<u>\$733,967.00</u>	<u>\$63,896,887.00</u>

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.

NOTES TO FINANCIAL STATEMENTS

Note 5: ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1, in each year and filed with the County Board of Taxation by January 10th of the following year. Upon the filing of certified adopted budgets by the Township, Local School District, County and Fire Districts, the tax rate is struck by the board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector on or before May 13th.

Tax bills are prepared and mailed by the Collector of Taxes of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one half of the prior year's tax. The preliminary payments are due and payable on February 1st and May 1st. The NJ Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers.

Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% to 18% of the amounts delinquent, and if a delinquency (including interest) is in excess of \$10,000.00 and remains in arrears after December 31, an additional flat penalty of 6% shall be charged against the delinquency. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

Note 6: FUND BALANCE APPROPRIATED

Fund balances at December 31, 2014 and December 31, 2013 were appropriated and included as anticipated revenue in their own respective funds for the "Fiscal Year" ending December 31, 2014 and December 31, 2013 as follows:

	<u>FUND BALANCE</u> <u>DECEMBER 31, 2014</u>	<u>UTILIZED IN</u> <u>SUCCEEDING</u> <u>BUDGET</u>
Current Fund	\$14,300,996.24	\$6,986,820.16
Sewer Utility Fund	4,208,569.14	1,757,926.84
Senior Citizens Utility Fund	656,901.33	319,181.00

	<u>FUND BALANCE</u> <u>DECEMBER 31, 2013</u>	<u>UTILIZED IN</u> <u>SUCCEEDING</u> <u>BUDGET</u>
Current Fund	\$11,709,009.00	\$9,000,000.00
Sewer Utility Fund	4,079,924.35	2,545,000.00
Senior Citizens Utility Fund	374,347.98	253,700.00

NOTES TO FINANCIAL STATEMENTS

Note 7: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2014 the following deferred charges are shown on the balance sheet of the various funds:

	Balance December 31, <u>2013</u>	Amount Raised in <u>2014</u>	Cash Received in <u>2014</u>	Amount in 2014 <u>Cancelled</u>	Balance December 31, <u>2014</u>
Current Fund:					
Revaluation of Real Property	\$ 900,000.00	(\$300,000.00)	\$ 0.00	\$ 0.00	\$600,000.00
Hurricane Sandy	<u>2,489,701.53</u>	<u>(2,437,554.12)</u>	<u>(51,056.52)</u>	<u>(1,090.89)</u>	<u>0.00</u>
Total	<u>\$3,389,701.53</u>	<u>(\$2,737,554.12)</u>	<u>(51,056.52)</u>	<u>(1,090.89)</u>	<u>\$600,000.00</u>

The Township has received the approval New Jersey Division of Local Governmental Services to apply the reimbursement received from FEMA through the Public Assistance Disaster Grant to the deferred charges for Hurricane Sandy to avoid the need to sell notes to fund the expenses.

Note 8: LEASES

The Township did not enter into operating lease agreements providing for facilities and equipment during CY 2014, and accordingly no future minimum annual rental payments disclosed.

Note 9: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION - DECEMBER 31, 2014

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 DECEMBER 31, 2014

	<u>CY 2014</u>	<u>CY 2013</u>
<u>Issued:</u>		
General:		
Bonds and Notes	\$ 47,958,000.00	\$ 47,703,000.00
Sewer Utility:		
Bonds and Notes	3,280,000.00	3,490,000.00
Senior Citizens Housing Utility:		
Bonds and Notes	<u>2,175,000.00</u>	<u>920,000.00</u>
Net Debt Issued	<u>\$ 53,413,000.00</u>	<u>\$ 52,113,000.00</u>
<u>Authorized But Not Issued:</u>		
General:		
Bonds and Notes	42,745,579.74	45,832,000.00
Sewer Utility:		
Bonds and Notes	2,345,506.81	3,556,621.70
Senior Citizens Housing Utility:		
Bonds and Notes	<u> </u>	<u>1,400,000.00</u>
Total Authorized But Not Issued	<u>45,091,086.55</u>	<u>50,788,621.70</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 98,504,086.55</u>	<u>\$ 102,901,621.70</u>

Summarized below are the Township's individual bond issues which are outstanding at December 31, 2014

	<u>CY 2014</u>	<u>CY 2013</u>
<u>General Debt:</u>		
\$15,500,000 General Obligation Refunding Bonds of 2007, due in annual installments of \$800,000 to \$1,600,000 through November 2019, interest at 3.500% to 6.000%.	\$ 7,800,000.00	\$ 9,200,000.00
\$17,710,000 General Improvement Bonds of 2009, due in annual installments of \$1,000,000 to \$1,960,000 through March 2021, interest at 3.000% to 4.000%.	11,810,000.00	13,210,000.00
\$2,290,000 Tax Appeal Bonds of 2009, due in annual installments of \$325,000 to \$340,000 through March 2016, interest at 3.000% to 3.250%.	665,000.00	990,000.00
\$4,564,000 General Improvement Bonds of 2011, due in annual installments of \$350,000 to \$564,000 through February 2021, interest at 2.000% to 4.000%.	\$ 3,439,000.00	\$ 3,839,000.00

Note 9: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

	<u>CY 2014</u>	<u>CY 2013</u>
\$2,610,000 Tax Appeal Refunding Bonds, Series A of 2011, due in annual installments of \$525,000 to \$510,000 through February 2016, interest at 2.000% to 4.000%.	1,035,000.00	1,560,000.00
\$7,820,000 Tax Appeal Refunding Bonds, Series B of 2011, due in annual installments of \$1,100,000 to \$1,220,000 through February 2018, interest at 2.000% to 4.000%.	4,520,000.00	5,620,000.00
\$6,050,000 General Improvement Refunding Bonds of 2011, due in annual installments of \$545,000 to \$975,000 through February 2017, interest at 3.000% to 4.000%.	3,320,000.00	4,405,000.00
\$3,595,000 General Improvement Refunding Bonds of 2012, due in annual installments of \$860,000 to \$960,000 through March 2017, interest at 3.000% to 4.000%.	2,735,000.00	3,595,000.00
\$5,884,000 General Improvement Refunding Bonds of 2012, due in annual installments of \$600,000 to \$1,034,000 through December 2019, interest at 2.000% to 3.000%.	4,534,000.00	5,284,000.00
\$8,100,000 General Improvement Bonds of 2014, due in annual installments of \$500,000 to \$1,000,000 through December 2024, interest at 2.000% to 3.000%.	<u>8,100,000.00</u>	
Total General Capital Debt	<u>\$ 47,958,000.00</u>	<u>\$ 47,703,000.00</u>
<u>Sewer Utility Debt:</u>		
\$380,000 Sewer Utility Bond Bonds of 2004, due in annual intallments of \$25,000 to \$40,000 through August 2017, interest at 3.125% to 3.750%.	\$ 110,000.00	\$ 140,000.00
\$2,146,000 Sewer Utility Bond Bonds of 2007, due in annual intallments of \$60,000 to \$120,000 through November 2033, interest at 3.500% to 6.000%.	1,700,000.00	1,770,000.00
\$1,200,000 Sewer Utility Bond Bonds of 2009, due in annual intallments of \$50,000 to \$100,000 through March 2025, interest at 3.000% to 4.500%.	920,000.00	980,000.00
\$700,000 Sewer Utility Bond Bonds of 2011, due in annual intallments of \$50,000 to \$100,000 through February 2021, interest at 2.000% to 4.000%.	<u>550,000.00</u>	<u>600,000.00</u>
Total Sewer Utility Debt	<u>\$ 3,280,000.00</u>	<u>\$ 3,490,000.00</u>
<u>Senior Citizen Housing Utility Debt:</u>		
\$2,204,500 Senior Citizen Housing Refunding Bonds of 2001, due in annual intallments of \$79,500 to \$180,000 through August 2019, interest at 3.5% to 5.0%.	\$ 775,000.00	\$ 920,000.00
\$8,100,000 General Improvement Bonds of 2014, due in annual installments of \$500,000 to \$1,000,000 through December 2024, interest at 2.000% to 3.000%.	<u>1,400,000.00</u>	
Total Sewer Utility Debt	<u>\$ 2,175,000.00</u>	<u>\$ 920,000.00</u>
Total Debt for Capital Projects outstanding at December 31	<u>\$ 53,413,000.00</u>	<u>\$ 52,113,000.00</u>

NOTES TO THE FINANCIAL STATEMENTS

Note 9: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTD)

B. Summary of Statutory Debt Condition - Annual Debt Statement 2014

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:

<u>2014</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 24,740,000.00	\$ 24,740,000.00	-
Sewer Utility Debt	5,625,506.81	5,625,506.81	-
Senior Citizen Housing Utility Debt	2,175,000.00	2,175,000.00	-
General Debt	90,703,579.74		90,703,579.74
	<u>\$ 123,244,086.55</u>	<u>\$ 32,540,506.81</u>	<u>\$ 90,703,579.74</u>

Net Debt \$90,703,579.74 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended 6,161,758,472.33 = 1.472%

Average Equalized Valuation Basis

2012 Equalized Value of Real Property	6,153,785,793.00
2013 Equalized Value of Real Property	6,030,554,734.00
2014 Equalized Value of Real Property	<u>6,300,934,890.00</u>
Average Equalized Valuation	<u>\$6,161,758,472.33</u>

<u>2013</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 27,280,000.00	\$ 27,280,000.00	-
Sewer Utility Debt	7,046,621.70	7,046,621.70	-
Senior Citizen Housing Utility Debt	2,320,000.00	2,320,000.00	-
General Debt	93,535,000.00		93,535,000.00
	<u>\$ 130,181,621.70</u>	<u>\$ 36,646,621.70</u>	<u>\$ 93,535,000.00</u>

Net Debt \$93,535,000.00 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$6,111,690,180.33 = 1.530%

Average Equalized Valuation Basis

2011 Equalized Value of Real Property	6,150,730,014.00
2012 Equalized Value of Real Property	6,153,785,793.00
2013 Equalized Value of Real Property	<u>6,030,554,734.00</u>
Average Equalized Valuation	<u>\$6,111,690,180.33</u>

Note 9: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

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

	<u>2014</u>	<u>2013</u>
Calculation of "Self-Liquidating Purpose" <u>Senior Citizen Housing Utility Per N.J.S.A. 40A:2-45</u>		
Cash Receipts from Fees, Rents or Other Charges for Year	\$1,781,605.66	\$1,643,287.37
Deductions:		
Operating and Maintenance Cost	1,204,943.89	1,159,580.00
Debt Service per Housing Account	<u>215,155.11</u>	<u>167,295.00</u>
Total Deductions	<u>1,420,099.00</u>	<u>1,326,875.00</u>
Excess/(Deficit) in Revenues	<u>\$361,506.66</u>	<u>\$316,412.37</u>
Calculation of "Self-Liquidating Purpose" <u>Senior Citizen Housing Utility Per N.J.S.A. 40A:2-45 (Cont'd.)</u>		
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)	\$355,101.21	\$502,673.57
Add: Capital Improvement	<u>234,500.00</u>	<u>130,000.00</u>
	589,601.21	632,673.57
Less: Reserves Lapsed/Accounts Payable Canceled	<u>228,094.55</u>	<u>316,261.20</u>
Excess in Revenue per Debt Statement	<u>\$361,506.66</u>	<u>\$316,412.37</u>

Note 10: INTERFUNDS

The following interfund balances remained on the balance sheet date at December 31, 2014:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$896,615.70	\$67,154.77
State and Federal Grant Fund	67,154.77	1,160,000.00
Other Trust Funds	6,000,000.00	896,615.70
General Capital Fund	1,160,000.00	6,000,000.00
Sewer Utility Operating Fund	1,500,000.00	0.00
Sewer Utility Capital Fund	0.00	1,500,000.00
Senior Citizen Housing Utility Operating Fund	30,884.09	0.00
Senior Citizen Housing Utility Capital Fund	<u>0.00</u>	<u>30,884.09</u>
 Total	 <u>\$9,654,654.56</u>	 <u>\$9,654,654.56</u>

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 required to collect to fund the appropriation and the statute or budget to expend them.

Note 11: 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.

NOTES TO FINANCIAL STATEMENTS

Note 11: DEPOSITS AND INVESTMENTS (CONT'D.)

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 than \$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.

The cash and cash equivalents and investments of the Township on deposit and on-hand consisted of the following at December 31, 2014 and December 31, 2013:

	<u>2014</u>	<u>2013</u>
Cash (Demand Accts.)	\$52,552,215.08	\$37,832,387.19
Investments (CD's)	0.00	0.00
NJ Cash Management Fund	751,608.40	751,174.93
Change Funds (On-Hand)	<u>635.00</u>	<u>635.00</u>
Total	<u>\$53,304,458.48</u>	<u>\$38,584,197.12</u>

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 for 2014, the carrying amount of the Township's deposits was \$45,922,203.94 and the bank balance was \$53,304,458.48. Of the bank balance, \$750,000.00 was covered by Federal depository insurance and \$51,802,215.08 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 December 31, 2014, based upon the insured balances provided by the FDIC and NJGUDPA coverage, no amount of the Township's bank balance was considered exposed to custodial risk.

Investments

New Jersey statutes establish the following securities as eligible for the investment of Township funds:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States;
2. Government money market mutual funds;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided such obligation bear a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Township or bonds or other obligations of school districts of which the Township is a part and within which the school district is located;
5. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase that are approved by the Division of Investment of the Department of Treasury for investment by local units;

Note 11: DEPOSITS AND INVESTMENTS (CONT'D.)

6. Local government investment pools;
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1997, c. 281 (C.52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities, if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3);
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is more than 30 days; and
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.19:9-41) and for which a master repurchase agreement providing for the custody and security of the collateral is executed.

New Jersey Cash Management Fund – All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other Than State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

As of December 31, 2014, the Township had \$751,608.40 on deposit with the New Jersey Cash Management Fund. Based upon the existing deposit and investment practices, the Township is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments nor is it exposed to foreign currency risks for its deposits and investments.

Note 12: 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 retirement systems' provide coverage to substantially all full time employees of the Township. The Division of Pensions, in the Department of Treasury, State of New Jersey, administers the PERS and PFRS plans. The Plans are funded annually based upon 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 employees of the Township who are members of the Plans are not available. The contributions for the years ended December 31, 2014 and 2013, exclusive of contributions from employees were \$1,078,553 and \$1,062,660 respectively for PERS, and \$2,117,848 and \$2,226,948, respectively 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 PERS and PFRS. These financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295

NOTES TO FINANCIAL STATEMENTS

Note 13: POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS & POST RETIREMENT HEALTH CARE 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 194 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 \$2,992,525 and \$2,967,142 for CY 2014 and CY 2013 respectively.

The contribution requirements of plan members and the participating agencies are established and may be amended by the MCJHIF Commissioners. The Township's annual postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the Township's annual OPEB cost for the year, any amounts contributed to the plan and the Township's net OPEB obligation. For 2014 and 2013, the Township's annual OPEB cost (expense) of \$6,456,200 was greater than the ARC of \$6,451,100.

	<u>2013 Total</u>	<u>2012 Total</u>
Net OPEB obligation – beginning of year	\$19,572,800	\$15,552,100
Annual required contribution (ARC)	6,451,100	6,225,400
Less: Contributions	<u>2,389,300</u>	<u>2,205,700</u>
Net OPEB obligation – end of year	<u>\$23,639,700</u>	<u>\$19,571,800</u>

The funded status of the plan for the Township as of January 1, 2013 and 2012, is as follows:

	<u>2013 Total</u>	<u>2012 Total</u>
Actuarial accrued liability (AAL)	\$85,931,300	\$78,625,900
Actuarial value of plan assets	<u>-0-</u>	<u>- 0 -</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$85,931,300</u>	<u>\$78,625,900</u>
Funded ratio (actuarial value of plan assets/AAL)	0.00%	0.00%
Covered payroll (active plan members)	\$16,873,000	\$17,506,964
UAAL as a percentage of covered payroll	509%	449.11%

Note 13: POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS & POST RETIREMENT HEALTH CARE BENEFITS (CONT'D.)

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

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

In the January 1, 2013 and 2012 actuarial valuation, the projected unit credit method was used. A rate of 4.00% was utilized as the discount rate and the amount of increase in the normal cost amount. The unfunded accrued liability is being amortized as a level dollar amount using an open period of thirty (30) years.

Note 14: 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. The Fund's governing board based upon actuarial and budgetary requirements calculates payments to the Fund. Each participant in the Fund is jointly and severally 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, and 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 December 31, 2014. 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.

At December 31, 2014, the Fund reported for all years combined, total assets of \$18,081,923.04, liabilities and reserves of \$13,729,120.77, which includes case reserves of \$8,057,406.86 and IBNR of \$5,064,453.00 and a fund balance for all years of \$4,352,802.27 and at December 31, 2013, the Fund reported for all years combined, total assets of \$17,612,966.87, liabilities and reserves of \$14,341,905.38, which includes case reserves of \$9,708,090.67 and IBNR of \$4,451,822.00 and a fund balance for all years of \$3,271,061.49.

Note 14: RISK MANAGEMENT (CONT'D.)

Self-Insurance – Worker’s Compensation

The Township maintains a self-insurance risk management program for claims relating to Worker’s Compensation for program periods beginning in 1985 and terminating with the state fiscal year ended June 30, 1998. The Township continued to engage an outside claims service bureau to serve as Fund Administrator. Reserves are established by the Administrator for estimated benefits and expenses for reported claims. The status of the Township’s self-insurance cash reserves, as compared to the reserve requirements established by the Fund Administrator for claims reported at the close of the year, is as follows:

	<u>Estimated Reserve Requirement For Reported Claims</u>	<u>Cash Reserves</u>
<u>CY 2014</u>		
Worker’s Compensation – Self-Insurance (All Program Years)	\$ <u>0.00</u>	\$ <u>41,568.68</u>
<u>CY 2013</u>		
Worker’s Compensation – Self-Insurance (All Program Years)	\$ <u>64,538.30</u>	\$ <u>68,364.93</u>

The Township has procured reinsurance coverage which limits the Township risk retention on a per occurrence and aggregate basis.

The following is an analysis of changes in cash reserves for the fiscal year ended December 31, 2014 and December 31, 2013:

<u>CY 2014</u>				
<u>Cash Reserve Dec. 31, 2013</u>	<u>Township Appropriation</u>	<u>Refunds, Subrogation & Interest Earnings</u>	<u>Claims & Fees Paid</u>	<u>Cash Reserve Dec. 31, 2014</u>
<u>\$68,364.93</u>	<u>\$5,000.00</u>	<u>\$31,796.25</u>	<u>\$ 0.00</u>	<u>\$41,568.68</u>

The following is an analysis of changes in the estimated reserve requirement for claims reported for all program years as at December 31, 2014:

<u>Estimated Reserve Requirement Dec. 31, 2013</u>	<u>Estimated Reserves For Prior Period Adjustment</u>	<u>Net Claims/ Fees Paid</u>	<u>Estimated Reserve Requirement Dec. 31, 2014</u>
<u>\$64,538.30</u>	<u>\$(64,538.30)</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>

Note 14: RISK MANAGEMENT (CONT'D):

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

CY 2013

<u>Cash</u> <u>Reserve</u> <u>Dec. 31, 2011</u>	<u>Township</u> <u>Appropriation</u>	<u>Refunds,</u> <u>Subrogation &</u> <u>Interest</u> <u>Earnings</u>	<u>Claims &</u> <u>Fees Paid</u>	<u>Cash</u> <u>Reserve</u> <u>Dec. 31, 2013</u>
<u>\$964,458.86</u>	<u>\$10,000.00</u>	<u>\$23,417.51</u>	<u>\$929,511.44</u>	<u>\$68,364.93</u>

The following is an analysis of changes in the estimated reserve requirement for claims reported for all program years as at December 31, 2013:

<u>Estimated</u> <u>Reserve</u> <u>Requirement</u> <u>Dec. 31, 2011</u>	<u>Estimated</u> <u>Reserves</u> <u>For Prior</u> <u>Period</u> <u>Adjustment</u>	<u>Net Claims/</u> <u>Fees Paid</u>	<u>Estimated</u> <u>Reserve</u> <u>Requirement</u> <u>Dec. 31, 2013</u>
<u>\$64,538.30</u>	<u>\$(929,511.44)</u>	<u>\$929,511.44</u>	<u>\$64,538.30</u>

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:

<u>Year</u>	<u>Township</u> <u>Appropriation</u>	<u>Employee</u> <u>Contribution</u>	<u>Overpayment</u> <u>Refund</u>	<u>Interest</u> <u>Earnings</u>	<u>Amounts</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
CY 2014	\$100,000.00	\$-0-	\$-0-	-0-	\$42,806.98	\$437,521.63
CY 2013	150,000.00	-0-	265,027.43	-0-	249,900.85	380,328.61
CY 2012	150,000.00	-0-	-0-	-0-	42,056.82	265,202.03

Note 15: CONTINGENT LIABILITIES

A. Supplemental and Retrospective Insurance Assessments

As a constituent member of the Central Jersey Joint Insurance Fund (the "CJJIF"), the Township of Piscataway, together with the other Members of the CJJIF, is jointly and severally responsible for the timely payment of Supplemental Assessments levied with the approval of the CJJIF Commissioners. At December 31, 2014, the CJJIF had outstanding Supplemental and Retrospective Assessments receivable in the amount of \$6,918,771.50, which were levied in Fund Years 2010, 2011, 2013 and 2014, and are due in ten equal annual installments consisting of:

<u>Year Levied</u>	<u>Supplemental Assessments</u>		
	<u>Original Levy</u>	<u>December 31, 2014 Balance</u>	<u>Final Installment</u>
2010	\$3,769,587	\$2,430,349	2021
2011	952,802	751,242	2022
2013	1,349,762	1,203,786	2023
2014	<u>824,241</u>	<u>730,811</u>	2024
Totals	<u>\$6,896,392</u>	<u>\$5,116,188</u>	

<u>Year Levied</u>	<u>Retrospective Assessments</u>	
	<u>Original Levy</u>	<u>December 31, 2014 Balance</u>
2014	1,626,407	1,967,431

The Supplemental Assessments were established as receivables from the constituent members in the same proportion as the original assessments for each Loss Year were levied. At December 31, 2014, it is estimated that Piscataway Township will be required to make additional payments to the CJJIF or forego dividend payments (if any should be declared) from 2014 through 2024 in the total amount of \$509,348 for its allocated share of the Supplemental Assessments.

The Retrospective Assessments were established as receivables from the constituent members based upon actuarial calculations, if projected actual claim losses exceed the amounts upon which annual assessments were based. At December 31, 2014 it was determined that Piscataway's actual claim loss exceeded exceed the amounts upon which annual assessments were based for Fund Year 2013 and 2014 in an aggregate amount of \$164,295.

B. Litigation Pending or Threatened

At December 31, 2014, the Township had litigation pending. The majority of this litigation involves claims against the Township relating to matters that traditionally would be covered through the procurement of workers' compensation and liability insurance policy coverages. As more fully described in Note 11, the Township has participated in a joint insurance fund since June 1998.

In regard to State Court Tax Appeals, those matters, as with all matters, are being vigorously defended and settled when prudent. The Township has addressed, in its Budget, and has implemented procedures in accordance with the applicable State finance and budget statutes and regulations to satisfy refunds and/or credits required by settlements and/or judgments for State Court Tax Appeals. It is expected that the settlements and/or judgments for these matters in the aggregate will result in significant reductions to assessed values and require refunds and/or credits that would be material to the Township's financial position.

NOTES TO FINANCIAL STATEMENTS

Note 16: ACCRUED SICK AND VACATION BENEFITS

The Township has permitted employees to accrue unused sick pay, which may be taken as time off when sick or paid at retirement. Accumulated unused sick days may be used at the time of retirement as salary extension for a time equal to the number of days of retirement, or the employee involved may request a cash payment from the Township for the accumulated days, at the employee's sole discretion. There is a limit of 240 days with some minor adjustments. Current Township policy and provisions of collective bargaining agreements generally limit accumulations to 5 days per calendar year. As of December 31, 2014 and December 31, 2013 it is estimated that the current cost of such unpaid sick pay would approximate \$6,716,729.67 and \$6,110,108. These amounts represent the current value of all accumulations, and are not intended to portray amounts that would be recorded under GAAP.

The Township has not discounted the total based upon a study of utilization by employees separating from service. Neither has it excluded the accumulations of any employees based upon the likelihood that the right to receive termination payments for such accumulations will vest with the employees. The amount that the valuation reported above would be reduced under either of the methodologies permitted under GAAP has not been determined.

The estimated value of accumulated unused vacation pay has not been calculated. Township policies generally require employees to utilize accrued vacation pay during the calendar year it accrues. With the written approval of the Business Administrator and Department Head, unused vacation benefits may be carried only until March 31st of the succeeding year.

Note 17: COMMITMENTS AND CONTINGENCIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2014, the Township does not believe that any material liabilities will result from such audits.

As at December 31, 2014 and through the date of this report, the Township had litigation pending, including property tax appeals and other matters. The Township estimates that potential claims against the Township not covered by insurance resulting from such litigation would not materially affect the financial statements of the Township.

Note 18: SUBSEQUENT EVENTS

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

The following Programs/Projects for CY 2014 have been authorized:

<u>Project</u>	<u>Total</u>	<u>Bond/Notes Authorized</u>
Baekeland Avenue Road Improvements	\$5,000,000.00	\$4,750,000.00

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY



PART II
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

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

JO ANN BOOS, CPA, PSA

**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**

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Township of Piscataway, County of Middlesex, New Jersey as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Township of Piscataway's basic financial statements and have issued our report thereon date September 29, 2015. Our report was modified because of the departure from accounting principles generally accepted in the United States of America as disclosed in Note 2 and was unqualified based upon the Other Comprehensive Basis of Accounting financial statement presentation.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township of Piscataway's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of Piscataway's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Piscataway's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

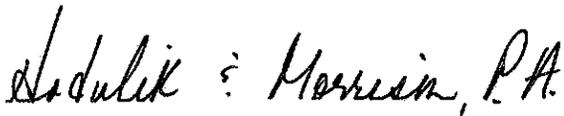
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Piscataway's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. However, we noted certain immaterial instances of noncompliance that we have reported to the management of the Township in the General Comments section of the Report of Audit.

We also noted other matters involving compliance and internal control over financial reporting that we have reported to management of the Township of Piscataway in the General Comments section of the Report of Audit.

Purpose of this Report

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



HODULIK & MORRISON, PA.
Certified Public Accountants
Registered Municipal Accountants
Public School Accountants

Highland Park, New Jersey
September 29, 2015

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 FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal Program

We have audited the Township of Piscataway, County of Middlesex, New Jersey compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" and New Jersey OMB Circular 04-04 that could have a direct and material effect on each of the Township of Piscataway's major federal and state programs for the year ended December 31, 2014. The Township of Piscataway's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

Opinion on Each Major Federal and State Program

In our opinion, the Township of Piscataway, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2014.

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and New Jersey OMB Circular 04-04. Accordingly, this report is not suitable for any other purposes.

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
Certified Public Accountants
Registered Municipal Accountants
Public School Accountants

Highland Park, New Jersey
September 29, 2015

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

TOWNSHIP OF PISCATAWAY
 COUNTY OF MIDDLESEX
SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE
 YEAR ENDED DECEMBER 31, 2014

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	GRANT YEAR	PROGRAM OR AWARD AMOUNT	RECEIPTS OR REVENUE RECOGNIZED	EXPENDITURES	CUMULATIVE DISBURSEMENT S / CANCELLED EXPENDITURES
Department of Housing and Urban Development							
Pass-Through Programs From:							
Middlesex County, New Jersey							
Community Development Block Grants	14.228	N/A	2011	242,560.00			242,560.00
Community Development Block Grants	14.228	N/A	2012	220,487.00		77,303.68	169,763.70
Community Development Block Grants	14.228	N/A	2013	255,805.00		255,805.00	255,805.00
Community Development Block Grants	14.228	N/A	2014	238,054.00		238,054.00	238,054.00
Total Department of Housing and Urban Development				956,906.00	-	571,162.68	906,182.70
Department of Justice Direct							
Multi Jurisdictional Task Force	16.579	N/A	2012	24,000.00		4,219.52	24,000.00
Multi Jurisdictional Task Force	16.579	N/A	2013	12,000.00		8,460.48	8,460.48
Multi Jurisdictional Task Force	16.579	N/A	2014	12,000.00			
Total Department of Justice				48,000.00	-	12,680.00	32,460.48
Department of Transportation National Highway Safety Administration							
Pass-Through Programs From:							
State of New Jersey, Department of Law and Public Safety							
COPS in Shop	20.601	066-1400-100-023-15	2014	2,800.00		2,800.00	2,800.00
Click It or Ticket	20.602	066-1160-100-113	2014	4,000.00		861.54	861.54
Drive Sober Or Get Pulled Over	20.601	066-1160-100-057	2012	8,800.00			6,800.00
Drive Sober Or Get Pulled Over	20.601	066-1160-100-057	2013	4,400.00		3,400.00	3,400.00
Drive Sober Or Get Pulled Over	20.601	066-1160-100-057	2014	7,500.00		6,200.00	6,200.00
Total Department of Transportation National Highway Safety Administration				27,500.00	-	13,261.54	20,061.54
TOTAL EXPENDITURES FOR FEDERAL AWARDS							
				\$ 1,576,206.00	\$ -	\$ 597,104.22	\$ 1,502,504.72

NOTE: See accompanying Notes to Schedules of Expenditures of Awards, also see paragraph on the accompanying schedules of federal awards and state financial assistance with respect to a partial disclaimer, included within the independent auditor's report.

The Township's federal grants are presented within the Township's overall financial statements on the modified accrual basis of accounting in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles.

TOWNSHIP OF PISCATAWAY
 COUNTY OF MIDDLESEX
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 YEAR ENDED DECEMBER 31, 2014

STATE FUNDING DEPARTMENT OR DIVISION	STATE ACCOUNT NUMBER	TOTAL AWARD	GRANT YEAR	CASH RECEIPTS	EXPENDITURE	CUMULATIVE DISBURSEMENTS/ CANCELED EXPENDITURES
<i>Department of Law & Public Safety, Division of Criminal Justice</i>						
Body Armor Replacement Fund	1020-718-001-2012	7,943.09	2012		72.90	72.90
Body Armor Replacement Fund	1020-718-001-2013	10,204.03	2013		10,204.03	18,074.12
Body Armor Replacement Fund	1020-718-001-2014	7,754.22	2014	7,754.22	3,776.22	3,776.22
Safe and Secure Communities Program	1020-100-232-2014	60,000.00	2014		60,000.00	120,000.00
		\$ 123,202.84		\$ 14,010.24	\$ 89,901.90	\$ 164,622.33
<i>Division of Highway Traffic Safety</i>						
Drunk Driving Enforcement Fund	1160-100-057-2011	10,607.63	2011		5,194.69	10,607.63
Drunk Driving Enforcement Fund	1160-100-057-2012	11,204.38	2012		6,693.44	8,130.74
Drunk Driving Enforcement Fund	1160-100-057-2013	9,233.47	2013		3,960.62	3,960.62
Drunk Driving Enforcement Fund	1160-100-057-2014	6,256.02	2014	6,256.02		
		\$ 123,202.84		\$ 14,010.24	\$ 89,901.90	\$ 164,622.33
<i>Department of Environmental Protection Solid Waste Administration</i>						
Clean Communities Grant	042-4900-765-004-2011	77,135.41	2011		6,645.13	75,062.65
Clean Communities Grant	042-4900-765-004-2012	75,847.45	2012		8,401.49	53,795.51
Clean Communities Grant	042-4900-765-004-2013	89,051.03	2013		30,546.54	54,367.72
Clean Communities Grant	042-4900-765-004-2014	83,476.45	2014	83,476.45		
Recycling Tonnage Grant	042-4900-752-001	145,189.10	2010		7,899.18	138,732.42
Recycling Tonnage Grant	042-4900-752-001	221,306.58	2011		40,693.56	191,741.60
Recycling Tonnage Grant	042-4900-752-001	106,724.03	2012		10,849.56	16,149.56
Recycling Tonnage Grant	042-4900-752-001	57,045.56	2013			57,045.56
Recycling Tonnage Grant	042-4910-100-224-15	76,284.06	2014			
<i>Division of Parks and Forestry</i>						
2013 Green Communities Grant	PF13-041	6,000.00	2013			
NNL Grant: Community Forestry	PF13-091	19,500.00	2014		13,800.00	13,800.00
NNL Grant: Community Forestry Rt 18 Project	PF13-091	558,300.00	2014		95,102.80	95,102.80
		\$ 1,515,859.87		\$ 83,476.45	\$ 213,938.26	\$ 695,797.82
<i>Department of State Library</i>						
Mini Grant Library	074-2541-100-006	1,500.00	2011			1,375.00
Mini Grant Library	074-2541-100-006	1,350.00	2013		300.00	1,350.00
Mini Grant Library	074-2541-100-006	1,050.00	2014		1,050.00	1,050.00
		xy			\$ 1,350.00	\$ 3,775.00
<i>Department of Transportation, State Highway Projects</i>						
NIDOT, Lakeview Avenue	078-6320-480-AK3-6010	300,000.00	CY-2014			
NIDOT, Hoos Lane West	078-6320-480-A13-6010	360,000.00	CY-2014	270,000.00	360,000.00	360,000.00
NIDOT, Metlacs House Project		19,936.50	CY-2004		150,146.50	150,146.50
		\$ 679,936.50		\$ 270,000.00	\$ 510,146.50	\$ 510,146.50
<i>Middlesex County Offices on Alcoholism, Drug Abuse and Addiction Services</i>						
Municipal Alliance Program*	082-2000-100-044	66,880.50	2013		33,866.62	88,165.22
		\$ 66,880.50		\$ -	\$ 33,866.62	\$ 88,165.22
				\$ 367,486.69	\$ 849,203.28	\$ 1,462,506.87

Foot Notes:

Grant Award/Amount Reflects Current Year Awards

NOTE: See accompanying Notes to Schedules of Expenditures of Awards, also see paragraph on the accompanying schedules of federal awards and state financial assistance with respect to a partial disclaimer, included within the independent auditor's report.

The Township's state grants are presented within the Township's overall financial statements on the modified accrual basis of accounting in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles.

* cludes a Match

TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2014

NOTE 1: GENERAL

The accompanying schedules of financial assistance present the activity of all federal awards of the Township of Piscataway. The Township is defined in Note 1(A) to the financial statements – regulatory basis. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies are included on the schedule of federal awards.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards is presented using the basis of accounting as described in Note 2 to the Township's financial statements – regulatory basis.

NOTE 3: RELATIONSHIP TO GENERAL FINANCIAL STATEMENTS

Unless specifically noted, the amounts reported in the accompanying schedules agree with amounts reported in the Township's financial statements – regulatory basis.

NOTE 4: RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Unless specifically noted, the 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 YEAR ENDED DECEMBER 31, 2014

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified - OCBOA

Internal Control over financial reporting:

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

2) Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X No

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal Control over major programs:

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

2) Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X No

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>14.228</u>	<u>Community Development Block Grants</u>

Dollar threshold used to distinguish between Type A and B programs: \$ 300,000.00

Auditee qualified as low-risk auditee? _____ Yes X No

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Section 1 - Summary of Auditor's Results (cont'd)

State Awards

Dollar threshold used to distinguish between Type A and B programs: \$300,000.00

Auditee qualified as low-risk auditee? _____ Yes X No

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

Internal Control over major programs:

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

2) Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X No

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04 _____ Yes X No

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>078-6320-480-AJ3-6010</u>	<u>NJDOT-Hoes Lane West</u>
_____	_____
_____	_____

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Section II - Financial Statement Findings

This section identifies significant deficiencies, material weaknesses, and instances of noncompliance related to the general-purpose financial statements that are required to be reported in accordance with Chapter 5.18 of *Governmental Auditing Standards*.

Significant Deficiency(s)/Material Weaknesses:

Current Fiscal Year - None

Material Non-Compliance(s):

Current Fiscal Year - None

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Section III - Federal Awards Findings and Questioned Costs

This section identifies significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal programs, as required by OMB Circular A-133.

Significant Deficiency(s)/Material Weaknesses:

Current Fiscal Year - None

Material Non-Compliance(s):

Current Fiscal Year - None

Section IV - State Awards Findings and Questioned Costs

This section identifies significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major state programs, as required by NJOMB Circular Letter

Significant Deficiency(s)/Material Weaknesses:

Current Fiscal Year - None

Material Non-Compliance(s):

Current Fiscal Year - None

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014

Section 1 – Summary of Prior Year Findings

FINDING
NUMBER

PRIOR YEAR FINDING

2013-01

Condition: The Township's single audit was not filed within the required time frame as required by OMB Circular A-133 and New Jersey OMB Circular 04-04, the single audit report is to be filed within nine months subsequent to the fiscal year end.

Auditor's Recommendation: Schedules of Federal Awards and State Financial Assistance be prepared and submitted timely for single audit.

Current Status: The above finding has been corrected in the current year.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY



PART III
SUPPLEMENTARY SCHEDULES

Current Fund

SCHEDULE OF CASH

	Ref.	CURRENT FUND	GRANT FUND
Cash Balance Dec 31, 2013.....	A	\$ 26,018,002.76	\$ 759,978.72
Increased by Cash Receipts			
Collector	A-5	160,927,541.98	
Due from State of NJ - Ch. 20	A-6	297,998.00	
Revenue Accounts Receivable	A-8	10,968,115.81	
Miscell. Revenue Not Anticipated	A-8	1,033,873.30	
Various Payables	A-10	148,746.00	
Various Reserves	A-10	598,816.36	
Interfunds Receivable	A-11	1,298,708.21	
Operations	A-1		
Interfunds Payable	A-16	16,144,122.38	880,198.00
Federal and State Grants Receivable	A-15		300,638.34
Deferred Charges: Hurricane Sandy	A-19	51,056.52	
Federal and State Grants Unappropriated	A-18		76,284.06
Total Cash Receipts.....		191,468,978.56	1,257,120.40
Decreased by Disbursements			
Refund of Prior Year Revenue	A-1	3,195.93	
CY 2014 Appropriations	A-3	50,070,944.85	
Operations	A-7	3,195.93	
CY 2013 Approp. Reserves	A-9	929,590.30	
Various Payables	A-10	379,363.59	
Various Reserves	A-10	3,179,680.44	
Interfunds Receivable	A-11	4,480,982.70	
Interfunds Payable	A-12	15,379,922.60	
County Tax	A-13	24,305,256.74	
Fire District Tax	A-13	3,624,374.00	
Local School District Tax	A-13	86,224,785.00	
Tax Overpayments	A-14	74,793.43	
Interfunds Returned	A-16		669,798.00
Federal and State Grants Appropriated	A-17		1,026,307.50
Total Cash Disbursements.....		188,656,085.51	1,696,105.50
Cash Balance December 31, 2014.....	A	\$ 28,830,895.81	\$ 320,993.62

**SCHEDULE OF COLLECTORS CASH
CURRENT FUND**

	<u>Ref.</u>	
Increased by Receipts:		
Interest and Cost on Taxes	A-2	384,903.95
Taxes Receivable - Current Year	A-7	156,436,413.86
Taxes Receivable - Delinquent	A-7	1,891,075.16
Taxes Receivable - Arrears	A-7	5,609.18
Taxes Receivable -Prepaid Taxes	A-7	758,555.08
Tax Title Liens Receivable	A-7	0.00
Non-Budget Revenue	A-8	15,110.26
Trust Fund: Premium	A-11	1,163,564.29
Miscellaneous Revenue	A-8	22,033.29
Tax Overpayment	A-14	<u>250,276.91</u>
		<u>\$ 160,927,541.98</u>
Decreased by:		
Deposited to Treasurer	A-4	<u>\$ 160,927,541.98</u>

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

	<u>REF.</u>		
Balance - December 31, 2013	A		\$ 180,691.07
Increased by:			
Allowable Deductions per			
Tax Billings	A- 6	314,250.00	
2014 Sr. Citizens and Vet.			
Ded. Allowed by Collector	A- 6	25,776.92	
2013 Sr. Citizens and Vet.			
Ded. Allowed by Collector	A- 6	<u>678.77</u>	
			<u>340,705.69</u>
			521,396.76
Decreased by:			
Collected	A- 4	297,998.00	
2014 Sr. Citizens and Vet.			
Ded. Disallowed by Collector	A- 6	5,141.20	
2013 Sr. Citizens and Vet.			
Ded. Disallowed by Collector	A- 6	<u>22,778.78</u>	
			<u>325,917.98</u>
Collected			
Balance - December 31, 2014	A		<u>\$ 195,478.78</u>
Analysis of Sr. Citizens & Veterans			
<u>Deductions Allowed - 2014 Taxes</u>			
Per Tax Billings	A- 6		\$ 314,250.00
Allowed (Disallowed) by Tax Collector Current Year	A- 6		20,635.72
Allowed (Disallowed) by Tax Collector Prior Year	A- 6, A-1		<u>-22,100.01</u>
Total	A-7		<u>\$ 312,785.71</u>

CURRENT FUND
SCHEDULE OF NONBUDGET REVENUES & VARIOUS ACCOUNTS RECEIVABLES

	December 31, 2013	Accrued/ Adjustments	Cash Receipts	December 31, 2014
Revenue Accounts Receivable:				
Licenses - Other	\$ -	\$ 52,900.00	\$ (52,900.00)	\$ -
Alcoholic Beverage License		117,672.50	(117,672.50)	-
Fees and Permits		652,708.03	(652,708.03)	-
Fines and Costs - Municipal Court	254,037.84	1,546,012.35	(1,694,053.12)	105,997.07
Construction Code Fees		1,445,543.00	(1,445,543.00)	-
Interest on Investments and Deposits		66,405.98	(66,405.98)	-
Cable Franchise Fees		181,973.44	(181,973.44)	-
Hotel and Motel Tax		723,182.28	(723,182.28)	-
Interlocal Services: Shared Services		101,166.68	(101,166.68)	-
Library Fines	3,000.00	36,000.00	(39,000.00)	-
State Aid: Energy Receipts Tax		5,380,612.34	(5,380,612.34)	-
State Aid: Consolidated Municipal Property Tax Relief Aid		477,967.00	(477,967.00)	-
Uniform Fire Safety Act		72,074.99	(72,074.99)	-
A-2	<u>257,037.84</u>	<u>10,854,218.59</u>	<u>(11,005,259.36)</u>	<u>105,997.07</u>
Non - Budget Revenue:				
Administrative Fees Outside Jobs		413,518.40	(413,518.40)	-
Abandoned Vehicles		26.00	(26.00)	-
Bid Specifications		150.00	(150.00)	-
Budget Refunds		839,340.09	(839,340.09)	-
Cost of Tax Sale		21,126.62	(21,126.62)	-
Credit Card Convenience Fees		14,334.44	(14,334.44)	-
Cultural Arts		435.00	(435.00)	-
Delinquent Fees		1,845.00	(1,845.00)	-
DMV Inspection Fees		1,750.00	(1,750.00)	-
Duplicate Bill		2.05	(2.05)	-
Fire Report		2,790.00	(2,790.00)	-
Flu Shots		1,000.00	(1,000.00)	-
Interpretation		1,750.00	(1,750.00)	-
Contributions In Lieu of Taxes		34,000.00	(34,000.00)	-
July 4th Fireworks		3,950.00	(3,950.00)	-
Insurance Traffic Signals		28,033.72	(28,033.72)	-
Medical Appointments		4,995.00	(4,995.00)	-
Miscellaneous		29,576.69	(29,576.69)	-
Central Jersey JIF Awards		3,000.00	(3,000.00)	-
Photo Copies		3,625.01	(3,625.01)	-
Police Report		2,112.25	(2,112.25)	-
Recycling Batteries		1,755.60	(1,755.60)	-
Recycling Bins		1,062.76	(1,062.76)	-
Rent Land		23,401.00	(23,401.00)	-
Restitutions		772.25	(772.25)	-
Returned Check Fees		1,015.00	(1,015.00)	-
Rent: Senior Center		6,200.00	(6,200.00)	-
Scrap Metal		13,728.73	(13,728.73)	-
Zoning & Planning Fees		700.00	(700.00)	-
Tax Search		70.20	(70.20)	-
Visitor's Fee		3.00	(3.00)	-
Violations - Code		11,230.00	(11,230.00)	-
A-1, A-2	<u>-</u>	<u>1,467,298.81</u>	<u>(1,467,298.81)</u>	<u>-</u>
Total	<u>\$ 257,037.84</u>	<u>\$ 12,321,517.40</u>	<u>\$ (12,472,558.17)</u>	<u>\$ 105,997.07</u>
	Ref.	A	Reserve	A
Analysis of Miscellaneous Revenues:				
Account Receivable Collections	A-4		\$ 10,968,115.81	
Grass Coupons	A-2, A-5		14,628.26	
Cost of Sale	A-2, A-5		21,126.62	
Return Check Fee	A-2, A-5		820.00	
Tax Search	A-2, A-5		70.20	
Copies	A-2, A-5		14.42	
Duplicate Bill	A-2, A-5		2.05	
Elevator Fees	A-2, A-5		482.00	
Subtotal			<u>11,005,259.36</u>	
Non-Budget Revenue	A-4		1,033,873.30	
Non-Budget Revenue	A-5		15,110.26	
Grant Fund	A-16		4,796.85	
Trust Fund	A-11		413,518.40	
			<u>\$ 12,472,558.17</u>	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATION RESERVES - CY 2013
FOR THE YEAR ENDED DECEMBER 31, 2014

	BALANCE DEC 31, 2013	ENCUMBERED DEC 31, 2013	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS"					
<u>General Government</u>					
Township Council					
Salaries and Wages	\$ 293.98	-	\$ -	-	-
Other Expenses	12,000.68	0.40	12,001.08	-	12,001.08
Township Clerk					
Salaries and Wages	26,040.09		-	-	-
Other Expenses	13,871.39	3,717.15	17,588.54	6,709.62	10,878.92
Elections					
Salaries and Wages	15,000.00		-	-	-
Other Expenses	9,894.74		9,894.74	9,894.74	-
<u>Administration</u>					
Department of Administration					
Salaries and Wages	103,978.09		115.58	115.58	0.00
Other Expenses	12,823.34	11,578.57	24,401.91	7,392.82	17,009.09
Division of Personnel					
Salaries and Wages	2,536.67		-	-	-
Other Expenses	4,046.65	830.00	4,876.65	720.00	4,156.65
Computer Center					
Other Expenses	42,944.95	73,458.07	96,403.02	22,843.97	73,559.05

MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATION RESERVES - CY-2013
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014

	<u>BALANCE</u> <u>DEC 31, 2013</u>	<u>ENCUMBERED</u> <u>DEC 31, 2013</u>	<u>BALANCE</u> <u>AFTER</u> <u>MODIFICATION</u>	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>LAPSED</u>
Operations Within "CAPS" (Cont'd)					
Division of Purchasing					
Salaries and Wages	3,697.72		-	-	-
Other Expenses:					
Postage (All Departments)	2,726.65	1,019.82	3,746.47	1,199.82	2,546.65
Duplicating (All Departments)	393.50		-	-	-
Miscellaneous Other Expenses	1,097.70		1,097.70	80.00	1,017.70
Municipal Land Use (N.J.S.A. 40:55 D-1):					
Planning Board					
Salaries and Wages	46,935.96		-	-	-
Other Expenses	8,171.90	796.27	8,968.17	796.27	8,171.90
Zoning Board					
Salaries and Wages	46,936.92		-	-	-
Other Expenses	3,088.15	7,034.83	10,122.98	5,799.87	4,323.11
Celebration of Public Events					
Other Expenses	10,000.00		10,000.00	-	10,000.00
Cable TV Studio					
Salaries and Wages	469.76		-	-	-
Other Expenses	1,201.19	1,077.58	2,278.77	738.17	1,540.60
<u>Finance and Revenue</u>					
Department of Finance					
Salaries and Wages	9,133.24		9,133.24	7,717.13	1,416.11
Other Expenses	17,583.80	2,332.49	19,916.29	6,399.19	13,517.10
Annual Audit		70,000.00	70,000.00	70,000.00	-
Division of Assessment					
Salaries and Wages	389.00		-	-	-
Other Expenses	15,176.05	30,880.17	46,056.22	14,424.79	31,631.43

MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATION RESERVES - CY-2013
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014

	BALANCE DEC 31, 2013	ENCUMBERED DEC 31, 2013	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
Division of Revenue					
Salaries and Wages	6,175.17				
Other Expenses	168.02	5,961.24	6,129.26	6,107.61	21.65
Insurance					
Liability Insurance	48,581.76	221,579.01	270,160.77		270,160.77
Workers' Compensation Insurance	5,000.00		5,000.00		5,000.00
Health Insurance Waiver	21,319.28		21,319.28	6,568.00	14,751.28
Employee Group Insurance	20.00	2,142,860.65	2,142,880.65	1,470,862.90	672,017.75
Municipal Court					
Salaries and Wages	10,253.94				
Other Expenses	17,695.86	507.38	18,203.24	631.88	17,571.36
Public Defender (P.L. 1997, Ch. 256)					
Other Expenses	27,148.00		27,148.00	12,000.00	15,148.00
<u>Law</u>					
Department of Law					
Other Expenses	4,773.40	33,207.89	52,981.29	31,006.75	21,974.54
Municipal Prosecutor					
Salaries and Wages	416.90		(21,226.10)	(22,000.00)	773.90
<u>Public Safety</u>					
Uniform Fire Safety Act					
Salaries and Wages	16,729.15				
Other Expenses	15.72	3,010.11	3,025.83	2,797.56	228.27
Animal Control					
Salaries and Wages	76,301.33				
Other Expenses	1,463.32	852.00	2,315.32	712.00	1,603.32

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

Exhibit - A-9
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**CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - CY-2013
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014**

	<u>BALANCE DEC 31, 2013</u>	<u>ENCUMBERED DEC 31, 2013</u>	<u>BALANCE AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>BALANCE LAPSED</u>
Operations Within "CAPS" (Cont'd)					
Division of Schools Crossing Guards					
Salaries and Wages	34,910.34		906.00	-	906.00
Other Expenses	906.00			-	
Division of Police					
Salaries and Wages	227,999.57		155,576.14	11,384.31	144,191.83
Other Expenses	30,443.03	24,545.22	49,988.25	26,156.54	23,831.71
First Aid Organization - Contribution	1,713.00	26,314.50	28,027.50	26,314.50	1,713.00
Division of Emergency Management Services					
Salaries and Wages	102,137.84		102,137.84	-	102,137.84
Other Expenses	327.36	967.85	1,295.21	447.82	847.39
<u>Public Works</u>					
Department of Public Works					
Salaries and Wages	6,118.36		423.20	423.20	-
Other Expenses	12,865.19	2,257.16	15,122.35	1,690.12	13,432.23
Division of Engineering					
Salaries and Wages	142,720.56				
Other Expenses	8,291.92	8,944.00	17,235.92	8,553.95	8,681.97
Division of Community Development and Planning					
Salaries and Wages	585.50				
Other Expenses	11,642.71	15,018.22	26,660.93	26,242.39	418.54
Public Buildings and Grounds					
Salaries and Wages	18,473.41		18,473.41	2,971.62	15,501.79
Other Expenses	11,134.23	69,555.01	80,689.24	58,681.00	22,008.24
Division of Property Maintenance					
Salaries and Wages	18,711.55		2,871.81	2,871.81	-
Other Expenses	12,025.78	21,025.72	33,051.50	11,098.79	21,952.71

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATION RESERVES - CY-2013
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014

	BALANCE DEC 31, 2013	ENCUMBERED DEC 31, 2013	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
Division of Fleet Maintenance					
Salaries and Wages	16,165.11		16,165.11	4,848.78	11,316.33
Other Expenses	94,024.27	97,329.78	191,354.05	72,259.33	119,094.72
Division of Streets					
Salaries and Wages	23,728.94		23,728.94	9,085.04	14,643.90
Other Expenses	12,417.88	7,810.46	20,228.34	3,161.88	17,066.46
Snow Removal					
Salaries and Wages	30,247.52		30,247.52	30,247.52	-
Other Expenses	7,951.85	84,661.02	92,612.87	92,612.87	-
All Utilities	67,841.64	709,563.00	852,798.14	434,417.58	418,380.56
Division of Parks					
Salaries and Wages	16,620.98		16,620.98	11,271.89	5,349.09
Other Expenses	80,918.77	28,164.58	74,083.35	28,297.98	45,785.37
Shade Trees					
Other Expenses	900.00		900.00	-	900.00
Division of Sanitation - Sewer System					
Other Expenses	32,500.00		32,500.00	-	32,500.00
Solid Waste Collection					
Salaries and Wages	38,759.85		38,759.85	12,190.92	26,568.93
Other Expenses	3,612.57	1,999.86	5,612.43	1,557.26	4,055.17
Recycling Program					
Other Expenses	68,511.61	2,818.12	71,329.73	1,999.62	69,330.11
Municipal Services Act	2,730.15		2,730.15	2,719.28	10.87

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATION RESERVES - CY-2013
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014

	BALANCE DEC 31, 2013	ENCUMBERED DEC 31, 2013	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
<u>Uniform Construction Code</u>					
<u>Health and Welfare</u>					
Office on Aging					
Salaries and Wages	51,252.90		6,871.52	4,372.56	2,498.96
Other Expenses	4,756.67	5,864.08	10,620.75	4,976.76	5,643.99
<u>Recreation and Education</u>					
Department of Recreation					
Salaries and Wages	879.79		537.40	537.40	-
Other Expenses	30,940.83	16,280.99	27,221.82	3,897.44	23,324.38
Accumulated Leave Compensation			707,531.73	707,531.73	-
Division of Inspections					
Salaries and Wages	12,813.03		-	-	-
Other Expenses	1,618.31	1,095.10	2,713.41	1,095.00	1,618.41
Boards and Commissions					
Salaries and Wages	555.00		-	-	-
Other Expenses	19,836.52	4.19	9,840.71	-	9,840.71
Total Operations Within "CAPS"	1,994,914.70	3,757,067.56	6,394,790.22	3,267,435.56	2,374,571.44
Total Operation Including Contingent	1,994,914.70	3,757,067.56	6,394,790.22	3,267,435.56	2,374,571.44

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATION RESERVES - CY-2013
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014

	BALANCE DEC 31, 2013	ENCUMBERED DEC 31, 2013	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
Deferred Charges and Statutory Expenditures - <u>Municipal Within "CAPS"</u>					
STATUTORY EXPENDITURES:					
Contribution to:					
Social Security System	349,994.09		349,994.09	-	349,994.09
Public Employees Retirement System				-	-
Defined Contribution Retirement Program	1,377.93		1,377.93	-	1,377.93
Total Deferred Charges and Statutory Expenditures Within "CAPS"	351,372.02	-	351,372.02	-	351,372.02
Total General Appropriations Within "CAPS"	2,346,286.72	3,757,067.56	6,746,162.24	3,267,435.56	2,725,943.46

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

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**CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - CY-2013
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014**

	<u>BALANCE DEC 31, 2013</u>	<u>ENCUMBERED DEC 31, 2013</u>	<u>BALANCE AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>BALANCE LAPSED</u>
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Maintenance of Free Public Library	184.79	107,272.62	107,457.41	106,862.77	594.64
9-1-1 Emergency Telecommunications Services					
Salaries and Wages	5,138.72		5,138.72	3,458.91	1,679.81
Other Expenses	25,222.76	3,076.33	28,299.09	5,003.69	23,295.40
Division of Emergency Management					
Salaries and Wages					
Other Expenses					
NJDES - Storm Water					
Other Expenses	9,195.00	17,412.80	26,607.80	19,262.80	7,345.00
MCLA Recycling Program	178,918.56	163,776.67	342,695.23	91,906.76	250,788.47
MCUA Solid Waste Agreement	175,000.00	85,225.85	260,225.85	5,523.45	254,702.40
Edison Animal Control Contract		8,962.10	8,962.10	5,342.30	3,619.80
Middlesex County Nursing Services					
UMDNJ Agreements	19,674.23		19,674.23	-	-
Middlesex County Health Department	38,250.00		38,250.00	-	38,250.00
Public and Private Programs Offset by Revenues					
Matching Fund for Grants	<u>25,279.87</u>		<u>25,279.87</u>	<u>-</u>	<u>25,279.87</u>
Total Operations - Excluded from "CAPS"	<u>476,863.93</u>	<u>385,726.37</u>	<u>862,590.30</u>	<u>237,360.68</u>	<u>625,229.62</u>
<u>Capital Improvements - Excluded from "CAPS"</u>					
Land Acquisition					
Uniform Code Enforcement Computers	27,228.24		27,228.24	6,989.00	20,239.24
Uniform Code Enforcement Trucks	<u>38,696.00</u>	<u>28,768.00</u>	<u>67,464.00</u>	<u>28,768.00</u>	<u>38,696.00</u>
Total Capital Improvements - Excluded from	<u>65,924.24</u>	<u>28,768.00</u>	<u>94,692.24</u>	<u>35,757.00</u>	<u>58,935.24</u>

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - CY-2013
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2014**

	<u>BALANCE</u> <u>DEC 31, 2013</u>	<u>ENCUMBERED</u> <u>DEC 31, 2013</u>	<u>BALANCE</u> <u>AFTER</u> <u>MODIFICATION</u>	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>LAPSED</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	542,788.17	414,494.37	957,282.54	273,117.68	684,164.86
Total General Appropriations	\$ 2,889,074.89	\$ 4,171,561.93	\$ 7,703,444.78	\$ 3,540,553.24	\$ 3,410,108.32

OPERATIONS EXCLUDED FROM "CAPS"

Total General Appropriations for Municipal Purposes Excluded from "CAPS"					
Total General Appropriations	\$ 2,889,074.89	\$ 4,171,561.93	\$ 7,703,444.78	\$ 3,540,553.24	\$ 3,410,108.32
	REF	752,783.22			A-1
Cash Disbursed	A-4			\$ 929,590.30	
Transfer to Accounts Payable	A-10			1,936,751.66	
Transfer to Accounts Payable	A-10			(58,600.00)	
Interfund Trust: Snow Reserves	A-11			39,079.55	
Interfund Trust Public Defender	A-11			(22,000.00)	
Severance Liability	A-11			707,531.73	
Interfund: Sewer Operating	A-12			(2,000.00)	
Appropriation	A-3			10,200.00	
				<u>\$ 3,540,553.24</u>	

**CURRENT FUND
SCHEDULE OF CHANGES IN VARIOUS ACCOUNTS PAYABLES & RESERVES**

	Dec. 31, 2013	Transfer from/(to) Budget	Cash Receipts	Cash Disbursements	Adjustments	Dec. 31, 2014
Accounts Payable:						
Vendor Accounts Payable.....	\$ 3,403,902.56	-		\$ (175,943.59)	\$ 474,249.10	\$ 3,702,208.07
State of New Jersey 3rd Party Fees			142,811.00	(196,680.00)		47,434.00
State Training Fees	101,303.00		5,925.00	(6,725.00)		950.00
Marriage License Fee	1,750.00					
Domestic Partnership Fee	200.00					
Burial Permit Fee	5.00		10.00	(15.00)		200.00
Subtotal	3,507,160.56	-	148,746.00	(379,363.59)	474,249.10	3,750,792.07
Reserve for:						
Library State Aid	24,553.00		24,359.00	(24,553.00)		24,359.00
PCTV	46,433.05		16,979.00	(14,000.00)		49,412.05
Sale of Municipal Assets	230,194.70		151,280.36			381,475.06
Tax Appeals Pending	2,484,072.81	1,700,000.00		(2,407,169.79)		1,776,903.02
Hurricane Sandy	1,503,688.05			(374,830.65)		1,128,857.40
Third Party Inspections			252,071.00	(215,116.00)		190,121.31
Electrical	153,166.31					
Plumbing						
Elevator	7,483.00		57,200.00	(60,554.00)		4,129.00
Certificate of Occupancy	119,932.80		7,680.00			127,612.80
Certificate of Continued Occupancy	8,580.00		3,700.00			12,280.00
Fire	91,114.66		85,547.00	(122,010.00)		54,651.66
Subtotal	4,669,218.38	1,700,000.00	598,816.36	(3,179,680.44)	(38,553.00)	3,749,801.30
Total	\$ 8,176,378.94	\$ 1,700,000.00	\$ 747,562.36	\$ (3,559,044.03)	\$ 435,696.10	\$ 7,500,593.37
	Ref A	A-3	A-4	A-4	A	
Account Payable Cancelled					(1,403,902.56)	
Appropriation	A-1				(24,553.00)	
Appropriation Reserves	A-3				(58,600.00)	
Appropriation Reserves	A-9				1,936,751.66	
					\$ 435,696.10	

**CURRENT FUND
STATEMENT OF INTERFUNDS RECEIVABLE**

	Cash Receipts	Collector Receipts	Cash Disbursements	Operations	Revenue Receivables	Appropriation Reserve	Budget Appropriation December 31 2014	Dec. 31, 2014
Interfunds								
Due from/(to) Other Trust Fund.....	1,298,708.21	1,163,564.29	(4,480,982.70)	8,720.40	(413,518.40)	724,611.28	802,281.22	(896,615.70)
Total.....	\$ 1,298,708.21	\$ 1,163,564.29	\$ (4,480,982.70)	\$ 8,720.40	\$ (413,518.40)	\$ 724,611.28	\$ 802,281.22	\$ (896,615.70)
Ref.	A-4	A-5	A-4	A-2	A-8	A-10	A-3	A

**CURRENT FUND
STATEMENT OF INTERFUNDS PAYABLE**

	Cash Receipts	Cash Disbursements	Reserves Revenues	Miscellaneous Revenue	Budget Appropriations	Appropriation Reserve	Dec. 31, 2014
Interfunds							
Due (to)/from Grant Fund	\$ (942,555.92)	\$ 880,198.00	\$ (1,705,738.87)	\$ (4,796.85)	\$ 1,705,738.87	\$	\$ (67,154.77)
General Capital Fund.....	(8,315,000.00)	9,215,000.00			(900,000.00)		-
Unemployment Trust Fund.....	(350,000.00)	450,000.00			(100,000.00)		-
Sewer Operating Fund.....	(5,950,000.00)	4,369,429.14			1,578,570.86	2,000.00	0.00
Senior Housing Operating Fund.....	(348,916.00)	220,645.00			128,271.00		-
Payroll Trust Fund.....	(109,616.74)	109,616.74					-
Public Assistance Trust Fund.....		2,000.00			(2,000.00)		-
Sewer Capital Fund.....	(100,000.00)	100,000.00					-
Self Insurance Trust Fund.....	(28,033.72)	33,033.72			(5,000.00)		-
Total.....	\$ (16,144,122.38)	\$ 15,379,922.60	\$ (1,705,738.87)	\$ (4,796.85)	\$ 2,405,580.73	\$ 2,000.00	\$ (67,154.77)
<u>Ref.</u>	A-4	A-4	A-2	A-8	A-3,A-10	A-9	A

**CURRENT FUND
SCHEDULE OF TAXES PAYABLE**

	Taxes Levied	Cash Disbursements
County - General.....	\$ 22,258,200.97	\$ (22,258,200.97)
County - Open Space.....	1,810,052.00	(1,810,052.00)
County - Added & Omitted.....	237,003.77	(237,003.77)
Local School District Taxes.....	86,224,785.00	(86,224,785.00)
Fire District Taxes.....	3,624,374.00	(3,624,374.00)
Total.....	<u>\$ 114,154,415.74</u>	<u>\$ (114,154,415.74)</u>
<u>Ref.</u>	A-1,A-7	A-4

**CURRENT FUND
SCHEDULE OF PROPERTY TAX OVERPAYMENTS**

		Total
	<u>Ref.</u>	
Balance - 12/31/2013.....	A	\$ 1,922,287.47
Applied to Taxes Receivable.....	A-7	(165,117.50)
Cash Receipts.....	A-5	250,276.91
Cash Payments - Refunds.....	A-4	(74,793.43)
Overpayments Cancelled.....	A-1	329,072.44
Balances Adjustments:.....		<u>(1,632,473.49)</u>
Balance - 12/31/2014.....	A	<u>\$ 629,252.40</u>

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
GRANT FUND

BUDGET YEAR	GRANTS	BALANCE DEC. 2013	CY 2013 BUDGET REVENUE REALIZED	COLLECTED	BALANCE DEC. 31, 2014
SFY 2002		\$ 80,974.65	\$	\$	80,974.65
SFY 2007	Hazardous Discharge Grant				
SFY 2008	Municipal Stormwater Grant	10,310.00			10,310.00
SFY 2009	Pedestrian/Bicycle Grant	20,000.00			20,000.00
SFY 2010	NJDOT - William Street	60,000.00			60,000.00
	NJDOT - Operation Safe Children and Roadways	30,000.00			30,000.00
CY-2011	Comshop	9,982.19			9,982.19
CY-2012	Historic Preservation Trust: Metliar, Knapp Bodine Grant	150,000.00			150,000.00
	Municipal Alliance on Alcoholism	52,994.69		52,994.69	0.00
	NJDOT: William Street Phase III	62,500.00			62,500.00
	Cops In Shop	2,400.00	2,800.00	2,800.00	2,400.00
	Drive Sober or Get Pulled Over	4,400.00			4,400.00
CY-2013	FEMA: Office of Emergency Management	5,000.00		5,000.00	-
	Drive Sober or Get Pulled Over 2012 Year End	2,800.00	7,500.00	8,000.00	13,500.00
	Community Development Block Grant - 2012	8,800.00		80,416.70	513,442.30
	Green Communities Grant	355,805.00	238,054.00		3,000.00
CY-2014	Make it Click	3,000.00	4,000.00	3,800.00	200.00
	Clean Communities Grant Program		83,476.45	83,476.45	-
	Middlesex County Cultural & Heritage Grant		1,050.00	1,050.00	-
	Multi-Jurisdictional Task Force		12,000.00	12,000.00	-
	Body Armor Grant		7,754.22	7,754.22	-
	Safe and Secure Grant		60,000.00	60,000.00	-
	American Library Association		2,768.26	2,768.26	-
	NNL Rt 18 Extension		19,500.00		19,500.00
	Rt 18 Project>NNL Grant		558,300.00		558,300.00
	NJDOT: Lakeview Ave Road		300,000.00		300,000.00
	NJDOT: Hoes Lane West Road		360,000.00	270,000.00	90,000.00
	Friends of Piscataway Library		40,639.92	40,639.92	-
	Making the Future Grant		1,640.00	1,640.00	-
	Drunk Driving Enforcement Grant		6,256.02	6,256.02	-
Totals		\$ 856,166.55	\$ 1,705,738.87	\$ 663,396.26	\$ 1,928,509.14
		A	A-16	A	A
	Due to Current Fund			\$ 332,757.92	
	Cash			300,638.34	
				\$ 633,396.26	

**GRANT FUND
STATEMENT OF INTERFUNDS RECEIVABLE/ PAYABLE**

Interfunds	Cash Receipts	Cash Disbursements	Budget Revenues	Budget Appropriations	Adjustments	Dec. 31, 2014
Other Trust Fund	\$ -	\$ -	\$ -	-	\$ -	-
General Capital Fund Due (to)	-	-	-	-	(1,160,000.00)	(1,160,000.00)
Current Fund Due (to)/from	(880,198.00)	669,798.00	(1,705,738.87)	1,705,738.87	277,554.77	67,154.77
Total.....	\$ (880,198.00)	\$ 669,798.00	\$ (1,705,738.87)	\$ 1,705,738.87	\$ (882,445.23)	\$ (1,092,845.23)
	<u>Ref.</u>	A-4	A-15	A-17	A	
		Grant Appropriation - Cancellation		A-17	4,796.85	
		Grant Appropriation		A-17	(60,000.00)	
		Grant Appropriation		A-17	(1,160,000.00)	
		Grant Receivable		A-15	<u>332,757.92</u>	
					<u>\$ (882,445.23)</u>	

SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED

BUDGET YEAR/PROGRAM	BALANCE DEC. 31 2012	ENC DEC 31 2013	TOTAL TRANSFERRED FROM CY 2014 BUDGET	CH 159	TRANSFER & CANCELLATIONS	PAID OR CHARGED	ENC DEC. 31 2014	BALANCE DEC. 31 2014
SFY 2002	\$ 31,516.34	\$	\$					
Hazardous Discharge Grant								
SFY 2004		19,936.50				19,936.50		31,516.34
NUDOT: Medans House Project								
SFY 2007								
Durham Park Bike Path	20,000.00							20,000.00
SFY 2008								
Pedestrian/Bicycle Grant	25,282.40							25,282.40
SFY 2009								
Alcohol Education Rehab Program	608.47							608.47
Alcohol Education Rehab Program	30,000.00							30,000.00
NU DOT - Safe Routes to School Program	500,000.00					500,000.00		30,000.00
NU DOT - William Street								
SFY 2010								
Alcohol Education Rehab Program	3,066.66							3,066.66
Comprehensive Stationhouse Adjustment Program (COMSHAP)	10,813.08							10,813.08
Recycling Tonnage Grant	14,175.86	180.00				7,899.18	6,446.65	10.05
USDOE - Energy Efficiency & Conversation Block Grant	7,245.00	2,470.73				2,470.73		7,245.00
CY-2011								
Clean Communities Grant - FY-2011	8,717.89					6,645.13	420.13	1,652.63
Drive Sober or Get Pulled Over								
Drunk Driving Enforcement Fund	5,194.69					5,194.69		-0.00
Historic Preservation Trust: Medlar, Knepp Bodine Grant		130,210.00				130,210.00		125.00
Middlesex County Cultural & Heritage - Library		125.00						
Multi-Jurisdictional Task Force Grant	5,050.00						5,050.00	
Multi-Jurisdictional Task Force Grant	2,211.32							
Municipal Court Alcohol And Education Rehab	53,008.54	17,250.00				40,693.56	29,564.98	2,211.32
Recycling Tonnage Grant								
CY-2012								
Multi-Jurisdictional Task Force	4,219.52					4,219.52		
Municipal Court Alcohol And Education Rehab	2,860.04							2,860.04
Clean Communities Grant	30,453.43					8,401.49		22,051.94
Body Armor Grant	72.90					72.90		
Recycling Tonnage Grant	101,424.03					10,849.56		90,574.47
Drunk Driving Enforcement	9,767.08					6,693.44		3,073.64
Click It or Ticket								
Community Development Block Grant	46,163.68	81,863.30				57,720.38	50,723.30	2,000.00
Drive Sober or Get Pulled Over	2,000.00							
CY-2013								
Middlesex County Cultural & Heritage Grant	300.00					300.00		
Multi-Jurisdictional Task Force	12,000.00					8,460.48	2,709.52	830.00
Clean Communities Grant Program	38,504.85	26,725.00				30,546.54	24,700.00	9,983.31
Cops In Shop								
Alcohol Education Rehab Program	738.85					10,204.03		738.85
Body Armor Grant	10,204.03							
Recycling Tonnage Grant	57,045.56							57,045.56
Municipal Alliance on Alcoholism	12,350.14					17,146.49	232.26	-0.00
Municipal Alliance on Alcoholism - Match	16,720.13	231.76				16,720.13		
Drunk Driving Enforcement Grant	9,233.47					3,960.62		5,272.85
Drive Sober or Get Pulled Over 2012 Year End	4,400.00					3,400.00		1,000.00
Community Development Block Grant - 2012	255,803.00							
Green Communities Grant	3,000.00							
Green Communities Grant Match	3,000.00							
CY 2014								
Middlesex County Cultural & Heritage-Library	1,050.00							1,500.00
Safe & Secure Grant	60,000.00					1,050.00		
Cops In Shop	2,800.00					60,000.00		
Multi-Jurisdictional Task Force	6,000.00			6,000.00		2,800.00	3,705.48	8,294.52
Click It or Ticket	4,000.00					861.54		3,138.46

**SCHEDULE OF STATE AND FEDERAL GRANTS
UNAPPROPRIATED
GRANT FUND**

<u>GRANT</u>	<u>RECEIVED IN CASH</u>	<u>BALANCE DEC. 31, 2014</u>
Recycling Tonnage	\$ 76,284.06	\$ 76,284.06
	<hr/>	<hr/>
Totals	\$ <u>76,284.06</u>	\$ <u>76,284.06</u>
<u>Ref.</u>	A-4	A

**DEFERRED CHARGES - EMERGENCY APPROPRIATION
CURRENT FUND**

	<u>BALANCE</u> <u>DEC 31, 2013</u>	<u>CASH</u> <u>RECEIPTS</u>	<u>CANCEL</u> <u>OPERATIONS</u>	<u>BUDGET</u> <u>APPROPR</u>	<u>BALANCE</u> <u>DEC 31, 2014</u>
Special Emergency:					
Revaluation of Real Property	\$ 900,000.00			\$ (300,000.00)	\$ 600,000.00
Hurricane Sandy	2,489,701.53	(51,056.52)	(1,090.89)	(2,437,554.12)	-
Total	\$ 3,389,701.53	\$ (51,056.52)	\$ (1,090.89)	\$ (2,737,554.12)	\$ 600,000.00
<u>Ref.</u>	A	A-4	A-1	A-3	A

Trust Fund

**TRUST FUNDS
SCHEDULE OF CASH AND RESERVE ACTIVITY**

	Balance Dec. 31, 2013	Cash.....	Balance Dec. 31, 2014
		Receipts Disbursements	
Animal Control:			
Due NJ - State License Fees..... \$	24.80 \$	2,211.60 \$	(2,273.60) \$
Animal Control Reserves.....	19,883.04	21,643.00	(2,570.67)
Total	19,907.84	23,854.60	(4,844.27)
Self Insurance Trust Fund			
Reserve for Self Insurance.....	68,364.93	5,000.00	(31,796.25)
Total	68,364.93	5,000.00	(31,796.25)
Other Trust Funds:			
State and Federal Grants Receivable.....			-
Due to/(from) Current Fund.....	-	6,839,216.93	(5,942,601.23)
Due to/Senior Housing Capital Fund	-		-
Due to/from Capital Fund.....	(8,707,795.94)	2,707,795.94	(6,000,000.00)
Due to Sewer Utility Operating Fund	-		-
Payroll Liabilities.....	144,294.13	39,902,413.43	(39,939,394.70)
Prepaid Payroll Expenditures.....	-		-
Unemployment Trust Fund.....	380,328.61	450,000.00	(392,806.98)
Reserve for CDBG.....	-		-
Reserve for Affordable Housing	315,835.43	82,419.21	(4,285.60)
Miscellaneous Deposits.....	8,539,030.37	6,636,304.90	(6,878,505.40)
Recreation Trust	63,887.81	12,824.00	(14,029.50)
Schedule of Escrows	7,432,813.50	1,085,503.01	(2,234,086.21)
Total	8,168,393.91	57,716,477.42	(55,405,709.62)
Public Assistance Trust Fund:			
Reserve for Public Assistance.....	6,411.35	2,000.00	8,411.35
Total	6,411.35	2,000.00	-
Total	\$ 8,263,078.03	\$ 57,747,332.02	\$ (55,442,350.14)

Ref.

B

B

Reserve for Animal Control
License Fees Collected:

Year

CY 2013	\$ 26,309.60
CY 2014	21,643.00
	<u>\$ 47,952.60</u>

Note: R.S. 4:19.11

" there shall be transferred from such special account to the general funds of the municipality any amount then in such special account which is in excess of the total amount paid into such special account during the last two fiscal years next preceding."

**SCHEDULE OF ESCROW FUND DEPOSITS AND RESERVES
TRUST OTHER FUNDS**

Purpose	Balance		Increases	Decreases	Balance	
	\$	Dec. 31, 2013			\$	Dec. 31, 2014
1. CB Engineering & Inspections Fees (over \$5,000)		1,022,048.50	131,589.12	172,442.85		981,194.77
2. CB Engineering & Inspections Fees (under \$5,000)		134,755.18	246,883.42	12,237.66		369,400.94
3. Performance Bonds (over \$10,000)		981,771.83	720.40			982,492.23
4. CB Planning Board (Under \$5,000)		186,405.28	131,600.00	147,531.46		170,473.82
5. CB Planning Board (Over \$5,000)		360,727.85	121,576.16	101,363.83		380,940.18
6. CB Developers Interest		9,461.75	7,396.41			16,858.16
7. CB Performance (under \$5,000)		197,041.60	26,641.79	18,196.78		205,486.61
8. CB Operations		229,809.00		229,809.00		-
9. CB Developers		4,310,792.51	417,595.71	1,552,504.63		3,175,883.59
10. CB Developers Fiber Optics			1,500.00			1,500.00
Total	\$	7,432,813.50	1,085,503.01	2,234,086.21	\$	6,284,230.30

Ref.

B

B-1

B-1

B

**SCHEDULE OF MISCELLANEOUS DEPOSITS
TRUST - OTHER FUND**

<u>Purpose</u>	<u>Balance Dec. 31, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance Dec. 31, 2014</u>
1. DARE Program	\$ 4,971.24	\$	\$	\$ 4,971.24
2. Dep. For Redemp. Of Tax Sale Certif.	7,194.05			7,194.05
3. Donations: Emergency Management	12,222.69	8,228.76	7,280.95	13,170.50
4. Escrow/Bond: Appraisal	-			-
5. Escrow/Bond: Curb Repair	28,500.00			28,500.00
6. Federal Forfeiture Funds	8,048.32	50,058.52	50,050.47	8,056.37
7. Forfeiture Funds	84,319.70	11,252.80	7,331.87	88,240.63
8. Future Improvement Deposits	226,786.52			226,786.52
9. Grading Bonds	11,000.00			11,000.00
10. Landscape Bonds	206,434.39	25,500.00	67,673.14	164,261.25
11. Local Seized Funds	2,494.11	362.72	362.72	2,494.11
12. Municipal Court - POAA	3,972.45	140.00		4,112.45
13. Municipal Court - Bail	1,200.00			1,200.00
14. Prem. Received at Tax Sale	2,042,100.00	724,700.00	1,521,800.00	1,245,000.00
15. Public Defender Fees	20,392.23	49,647.00	69,177.00	862.23
16. Public Relations Beautification Fund	18,074.10	4,330.00	888.68	21,515.42
17. Recapture Fees- Sale of Afford. Hsg.	3,000.00			3,000.00
18. Reserve for Domestic Violence	500.00	32,088.81		32,588.81
19. Reserve for Police Off-Duty Pay	-	2,252,109.44	2,252,109.44	-
20. Reserve for Recycling Project	9,733.13			9,733.13
21. Senior Citizens Trips	10,067.57	13,920.43	15,057.75	8,930.25
22. Seized Funds	5,651.01			5,651.01
23. Sick and Vacation Accrual	3,324,888.03	1,538,531.73	95,404.17	4,768,015.59
24. Snow Removal	1,314,067.17	42,860.77	566,626.00	790,301.94
25. Street Opening Bonds	240,724.35	31,090.00	6,795.00	265,019.35
26. Tax Lien Redemption	951,649.31	1,851,483.92	2,217,948.21	585,185.02
27. Youth Center Donations	1,040.00			1,040.00
Total	\$ 8,539,030.37	\$ 6,636,304.90	\$ 6,878,505.40	\$ 8,296,829.87
<u>Ref.</u>	<u>B</u>	<u>B- 1</u>	<u>B- 1</u>	<u>B</u>

General Capital Fund

**SCHEDULE OF CASH AND INVESTMENTS - TREASURER
GENERAL CAPITAL FUND**

	<u>REF.</u>		
Balance - December 31, 2013	C		\$ 615,993.04
Increased by Receipts:			
Contributions - Off-Site Improvements	C- 7	\$ 453,548.49	
Interfund: Receipts	C-10	<u>9,755,022.68</u>	
			<u>10,208,571.17</u>
			10,824,564.21
Decreased by Disbursements:			
Improvement Authorizations	C-8	6,068,730.23	
Interfund: Payments	C-10	3,907,795.94	
Preliminary Expenses	C-11	<u>130,432.10</u>	
			<u>10,106,958.27</u>
Balance - December 31, 2014	C		<u>\$ 717,605.94</u>

ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS
GENERAL CAPITAL FUND

	RECEIPTS			DISBURSEMENTS			TRANSFERS		BALANCE DEC. 31, 2014
	BALANCE DEC. 31, 2013	MISCEL- LANEOUS	IMPROV. AUTHOR.	MISCEL- LANEOUS	FROM	TO			
Fund Balance	\$ 444,080.32								
Capital Improvements Fund	13,500.00								1,164,548.03
Contributions - Off-Site Improvements	3,413,187.73	451,548.49							325,999.30
Contributions - Dec Contributions	8,300.00								1,797,412.53
Federal & State Grants Receivable									8,300.00
Revolving Fund - Honoring Schab									
Reserve for Good Faith Deposit	190,000.00								
Reserve for Preliminary Expenses	457,402.90			130,432.10					2,396,044.49
Reserve for Retention Shortage	20,250.00								20,250.00
Reserve for Community Center	3,000.00								5,000.00
Reserve for Debt Serv. Fee	13,141.98								19,141.98
Due to Current Fund		9,215,000.00							
Due to Trust Fund	8,707,795.94			2,707,795.94					6,000,000.00
Due to Grant Fund	1,200,000.00	540,022.68							(1,160,000.00)
Due from Street Utility Fund	8,000,000.00								
Reserve for Encumbrances	4,565,042.61				4,565,042.61				5,287,827.06
ORD. IMPROVEMENT NO. AUTHORIZATIONS									
99-1 Various Improvements	12,900.00				21,946.07				
01-01 Various Improvements	108,545.14				108,543.14				
01-50 Various Improvements	5,428.44				5,428.44				
01-52 Various Improvements	10,044.37				10,044.37				
02-18 Various Capital Improvements					213.80				213.80
02-24 Various Capital Improvements					260,886.55				90,027.53
02-25 Various Capital Improvements					32,190.70				32,190.70
03-10 Acquisition of Land	218,412.76								
03-52 Master Plan									
03-59 Various Capital Improvements	56,557.97		(1,032.00)		83,988.74				(0.00)
04-05 Various Capital Improvements	3,798.25				15,251.82				
04-51 Various Capital Equipments	1,150.00		27,100.00		1,150.00				
04-52 Various Capital Projects	894.61				23,878.07				894.61
05-11 Various Capital Projects	344,640.31								344,640.31
05-13 Various Capital Projects	112,724.51								
35-41, 06-1A Various Capital Improvements	3,703,800.34		12,245.00		123,343.00				(0.00)
06-04 Various Capital Improvements	299,101.54		701.93		269,539.61				0.00
06-21 Demolition of Structures	1,394.00		1,394.00						
06-26 William Street Improvements	277,826.75				277,826.75				
06-36 Various Capital Improvements	(3,021,672.62)	2,500,000.00			364,700.38				(564,084.23)
06-48 Various Capital Improvements	(430,586.62)	340,000.00			87,007.95				(186,305.62)
07-02 Various Capital Improvements	24,714.51				1,194.40				16,103.86
07-33 Various Capital Improvements	(277,028.38)	250,000.00	4,390.59		25,971.59				(31,818.97)
08-19 Land Acquisition	24,189.81								24,189.81
09-04 Various Capital Improvements	(228,714.20)		109,739.50		107,328.54				(338,484.70)
09-20 Digital Exp. Maps	49,296.20								49,296.20
09-40 Various Capital Improvements	(2,432,327.57)	2,000,000.00	5,697.00		50,122.71				(431,174.57)
10-01 Various Improvements	(1,305,426.46)		786,248.07		21,989.73				(1,399,971.26)
10-02 Tax Appeal Refunding									
10-20 Various Capital Improvements									
10-40 Various Capital Improvements									
11-01 Rehabilitation	416,535.09		254,608.27		192,165.24				207,686.33
11-04 Various Road Improvements - Annual	(1,425,000.00)	1,010,000.00	7,469.04		10,105.43				(415,000.00)
11-08 Various Road Improvements (\$300,000 - NDOT)	(2,096,772.32)	2,000,000.00	2,085.25		138,471.84				(835,537.77)
11-14 Various Capital Improvements	385,918.50		449,887.10		1,412.50				570,918.51
Renovations, Expansion and Improvements to Municipal Facilities	(2,423,680.85)		81,984.33		38,955.22				(2,424,512.59)
12-02 Various Roads	(1,561,139.28)		75,218.92		182,133.40				(1,402,954.71)
12-04 Various Capital Improvements	(1,663,315.01)		410,368.65		204,029.61				(3,264,542.09)
12-19 Various Capital Improvements	(38,141.72)		601,500.26		1,323,873.23				(1,954,084.60)
12-28 Various Road Rehabilitation & Improvements	(1,883,335.68)		308,304.90		407,218.81				(1,843,227.36)
13-06 Various Capital Improvements	(483,055.25)		365,678.00		234,919.05				(866,689.19)
13-07 Release of Various Roads (see 12-19)	250,000.00		121,314.60		713,232.50				(1,679,169.50)
13-26 Annual Roads	102,500.00		951,186.04		247,384.00				123,685.40
14-01 Annual Roads									(297,500.00)
14-20 School Street									(906,571.80)
14-21 Columbus Park									75,000.00
14-22 Various Capital Improvements									122,500.00
14-29 Total	\$ 615,995.04	\$ 18,308,571.17	\$ 4,925,730.23	\$ 13,253,228.04	\$ 16,408,784.45	\$ 16,408,784.45	\$ 16,408,784.45	\$ 717,605.94	

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	<u>REF.</u>	
Balance - December 31, 2013		\$ 47,703,000.00
Increased by:		
Serial Bonds	C-9	<u>8,100,000.00</u>
		55,803,000.00
Decreased by:		
2013 Budget Approp. to Pay Bonds	C-9	<u>7,845,000.00</u>
Balance - December 31, 2014	C	<u>\$ 47,958,000.00</u>

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

ORD. NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DEC. 31, 2013	2014 AUTHORIZATION	SERIAL BONDS ISSUED	CANCELED IMPROVEMENTS	BALANCE DEC. 31, 2014	ANALYSIS OF BALANCE DEC. 31, 2014	
							EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
04-52	Various Capital Improvements	\$ -		2,500,000.00		\$ -	\$ -	674,505.77
06-36	Various Capital Improvements	3,539,000.00		340,000.00		1,039,000.00	364,494.23	3,694.38
06-48	Various Capital Improvements	500,000.00		250,000.00	885,477.26	160,000.00	156,305.62	107,703.77
07-33	Various Capital Improvements	1,275,000.00		2,000,000.00		139,522.74	31,818.97	614,715.30
09-04	Various Capital Improvements	953,200.00		1,010,000.00		953,200.00	338,484.70	849,875.43
09-40	Various Capital Improvements	3,281,050.00		2,000,000.00		1,281,050.00	431,174.57	3,957,528.74
10-01	Various Improvements	5,357,500.00		1,010,000.00		5,357,500.00	1,399,971.26	
11-04	Various Improvements	1,425,000.00		2,000,000.00		415,000.00	415,000.00	
11-08	Various Improvements	2,850,000.00				850,000.00	8,855.57	841,144.43
11-21	Various Improvements	2,450,000.00				2,450,000.00	2,424,512.59	25,487.41
12-02	Various Road Improvements	1,757,500.00				1,757,500.00	1,402,934.71	354,565.29
12-04	Various Road & Engineering Projects	5,747,500.00				5,747,500.00	3,264,542.05	2,482,957.95
12-28	Various Capital Improvements	3,040,000.00				3,040,000.00	1,910,608.69	1,129,391.31
12-30	Various Road Rehabilitation	1,900,000.00				1,900,000.00	1,888,327.36	11,672.64
13-06	Various Capital Improvements	2,018,750.00				2,018,750.00	866,689.19	1,152,060.81
13-07	Various Capital Improvements (See 12-19)	3,040,000.00				3,040,000.00	1,679,169.50	1,360,830.50
13-26	Rehab of Various Road	4,750,000.00				4,750,000.00	-	4,750,000.00
13-27	Various Capital Improvements	1,947,500.00				1,947,500.00	297,500.00	1,650,000.00
14-01	Various Capital Improvements	-	1,140,000.00			1,140,000.00	906,971.80	233,028.20
14-20	Annual Road Improvements	-	1,425,000.00			1,425,000.00	-	1,425,000.00
14-21	Road Rehab & Improvements	-	2,327,500.00			2,327,500.00	-	2,327,500.00
14-22	Various Park Improvements	-	1,006,557.00			1,006,557.00	-	1,006,557.00
Total		\$ 45,832,000.00	\$ 5,899,057.00	\$ 8,100,000.00	\$ 885,477.26	\$ 42,745,579.74	\$ 17,787,360.81	\$ 24,958,218.93

Ref C C-8 C-10 C-8 C

**SCHEDULE OF CAPITAL IMPROVEMENT FUND
GENERAL CAPITAL FUND**

	<u>REF.</u>	
Balance - December 31, 2013		\$ 13,500.00
Increased by:		
CY 2013 Budget Appropriation	C-10	<u>900,000.00</u>
		913,500.00
Decreased by:		
Appropriation to Finance Improvement Authorizations	C- 8	<u>587,500.70</u>
Balance - December 31, 2014	C	<u><u>\$ 325,999.30</u></u>

SCHEDULE OF CONTRIBUTIONS - OFF-SITE IMPROVEMENTS

	<u>REF.</u>	
Balance - December 31, 2013		\$ 3,413,187.73
Increased by:		
Cash Receipts	C- 2	<u>453,548.49</u>
		3,866,736.22
Decreased by:		
Reserve for Preliminary Expenses	C-11	<u>2,069,323.69</u>
Balance - December 31, 2014	C	<u><u>\$ 1,797,412.53</u></u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
GENERAL CAPITAL FUND

ORD. NUMBER	IMPROVEMENT DESCRIPTION	DATE	BALANCE - DECEMBER 31, 2013		CY 2014 UTIL. ORZATIONS	ENCINA- BRANCHES PAYABLE DEC. 31, 2013	ENCINA- BRANCHES PAYABLE DEC. 31, 2014	CANCELED	PAID OR CHARGED	BALANCE - DEC. 31, 2014	
			FUNDED	UNFUNDED						FUNDED	UNFUNDED
01-01	Various Improvements (\$250,000 N/DOT)	01/23/01	3,191,800.00	12,900.00		11,046.07	11,046.07	12,900.00			
01-30/02-27	Various Improvements	12/18/01		108,543.14				108,543.14			
01-42/02-28	Various Improvements	12/18/01		5,428.44				5,428.44			
02-25/03-23	Various Capital Improvements (\$225,000 N/DOT)	12/03/02	1,250,000.00	218,412.76		90,027.53	90,027.53	170,859.10		47,553.66	
02-24	Various Park Improvements	12/17/02	1,500,000.00	-		213.80	213.80				
02-18	Various Capital Improvements	11/26/02	237,000.00	10,044.37		32,190.70	32,190.70	10,044.37			
03-10/04-29	Acquisition of Land	03/04/03		-							
03-32	Master Plan	05/18/04	75,000.00	-							
03-59	Various Capital Improvements (\$175,000 N/DOT)	11/06/03	4,825,000.00	56,597.57		26,898.77	26,898.77	57,889.57	(1,032.00)		
04-05	Various Capital Improvements	01/06/04	2,494,000.00	3,798.23		15,251.82	15,251.82	3,798.23			
04-51	Various Capital Equipments	12/21/04	179,500.00	1,150.00		27,100.00	27,100.00	1,150.00	27,100.00		
04-52/05-40	DOT	12/21/04	10,665,500.00	894.61		23,878.07	23,878.07			894.61	
05-11	Transportation Projects	02/15/05	1,218,000.00			10,620.49	10,620.49			344,640.31	
05-15	Various Capital Projects	03/15/05	2,786,000.00	112,724.51				112,724.51			
05-41, 06-14, 06-17	Security \$50,000 - Local Domestic Properties, \$330,000 - N/DOT \$600,000 - Green Acres	3/17/2006	11,240,500.00	370,580.24		209,182.54	196,857.54	370,580.34	12,245.00		
06-04	Various Capital Improvements	01/29/05	2,590,000.00	295,101.24				298,396.61	701.95		
06-21	Demolition of Structures	04/25/06	300,000.00	1,394.00					1,394.00		
06-26	Acquisition of Land	07/25/06	300,000.00	277,826.75							
06-36	Various Capital Improvements (\$270,000 N/DOT)	11/28/06	8,520,000.00	517,337.38		190,540.50	277,826.75	517,337.38	(331,538.27)		674,305.77
06-48	Various Capital Improvements	12/19/06	2,260,000.00	79,413.38		207,031.36	195,742.41	87,007.95	3,694.38		3,694.38
07-02	Various Capital Improvements	03/06/07	2,500,000.00	24,714.51		76,303.31	83,719.56	1,194.40		16,103.86	
07-33	Various Capital Improvements	12/18/07	5,850,000.00	997,371.62		25,971.59	25,971.59	885,477.26	4,390.59		107,703.77
08-10	Acquisition of Land on Highland Avenue	04/08/08	24,150.00	24,189.81						24,189.81	
08-19	Land Acquisition	05/05/08	30,000.00	(0.00)						(0.00)	
09-04	Various Capital Improvements	07/28/09	4,056,000.00	724,454.80		107,328.54	107,328.54		108,729.50		614,715.30
09-20	Digital Text Maps	11/24/09	200,000.00	49,296.20					49,296.20		
09-40	Various Capital Improvements	01/26/10	4,555,000.00	868,122.43		7,572.71	20,128.71		5,697.00		849,875.43
10-01	Various Improvements	03/15/11	7,850,000.00	415,335.09		694,693.00	22,985.73	768,248.07			3,957,528.74
11-01	Various Improvements	03/29/11	1,500,000.00	0.00		238,122.60	192,163.24	207,686.23			
11-04	Various Improvements	04/19/11	1,500,000.00	843,227.68		17,574.47	10,105.43	7,469.04			
11-08	Various Improvements	08/16/11	3,300,000.00	385,918.50		138,471.84	138,471.84	2,083.25			841,144.45
11-14	Various Improvements	12/06/11	6,195,700.00	26,319.15		486,239.61	1,412.50	449,887.10		370,918.51	
11-31	Various Road	02/24/12	3,200,000.00	396,360.74		215,585.87	38,955.22	55,403.85			25,487.41
12-03	Various Road	02/21/12	1,850,000.00	891,352.34		993,174.22	204,028.61	75,218.52		(0.00)	354,565.29
12-04/13-02	Various Park Parks (13-02, 12/20/13)	11/27/12	3,050,000.00	1,212,848.65				410,248.65			2,482,957.95
12-19	Various Capital Improvements (See 13-07)	12/04/12	3,200,000.00	3,000,888.28		7,806.52	1,323,873.23		556,500.26	0.00	1,129,391.31
12-20	Various Capital Improvements	12/18/12	2,000,000.00	16,694.32		395,218.81	32,819.59	308,394.90		0.00	11,672.64
12-30	Various Road Rehabilitation & Improvements	02/28/13	2,012,000.00	-		309,536.44	254,919.05	366,678.00		(0.00)	1,152,000.81
13-06	Various Capital Improvements	03/05/13	3,200,000.00	2,556,844.75		3,502.00	713,323.50	486,292.75			1,360,830.50
13-07	Various Capital Improvements (See 12-19)	11/26/13	5,000,000.00	250,000.00				121,314.60			4,750,000.00
13-28	Reaso of Various Road	12/03/13	2,050,000.00	102,500.00				152,416.00			1,650,000.00
13-27	Various Capital Improvements	01/28/14		1,947,500.00					951,186.04		253,028.20
14-01	Various Capital Improvements	11/25/14	1,500,000.00							75,000.00	1,425,000.00
14-09	Asseta Road Improvements	11/25/14	2,450,000.00							122,500.00	2,327,500.00
14-21	Road Rehab & Improvements	12/02/14	1,600,000.00							593,443.00	1,006,557.00
14-25	Various Park Improvements	12/02/14		846,800.00						659,531.71	
14-29	Acquisition of Various Equipments & Vehicles	12/16/14									
Total			\$7,409,485.91	\$19,959,803.65	\$7,846,800.00	\$4,565,042.61	\$2,047,827.06	\$2,047,494.97	\$4,882,149.85	\$2,640,443.36	\$24,938,218.93

Ref.

C-5	\$5,899,057.00
C-10	513,442.30
C-6	587,500.70
C-1	846,800.00
C-2	\$7,846,800.00
Total	\$19,959,803.65

Deferred Charges to Future Taxation - Unfunded	\$885,477.26
Interfund Grant Fund	\$1,162,017.71
Capital Improvement Fund	\$2,047,494.97
Capital Surplus	\$4,882,149.85
Cash Disbursements	\$1,006,557.00

SCHEDULE OF GENERAL SERIAL BONDS
GENERAL CAPITAL FUND

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING			INTEREST RATE	BALANCE DEC. 31, 2013	INCREASED	DECREASED	BALANCE DEC. 31, 2014
			DEC. 31, 2014							
General Improvement Bonds	11/01/07	\$ 15,500,000.00	11/01/15	1,500,000.00	3.500%	\$ 9,200,000.00		\$ 1,400,000.00	\$ 7,800,000.00	
			11/01/16	1,500,000.00	3.625%					
			11/01/17-19	1,600,000.00	3.750%					
General Improvement Bonds	03/15/09	17,710,000.00	03/15/15	1,450,000.00	3.250%	13,210,000.00		1,400,000.00	11,810,000.00	
			03/15/16	1,500,000.00	3.250%					
			03/15/17	1,600,000.00	4.000%					
			03/15/18	1,700,000.00	4.000%					
			03/15/19	1,700,000.00	5.000%					
			03/15/20	1,900,000.00	4.000%					
Tax Appeals	03/15/09	2,290,000.00	03/15/15	325,000.00	3.250%	990,000.00		325,000.00	665,000.00	
			03/15/16	340,000.00	3.250%					
General Improvement Bonds	1/27/11	4,564,000.00	2/1/15/8-1-15	425,000.00	3.000%	3,839,000.00		400,000.00	3,439,000.00	
			2/1/16/8-1-16	450,000.00	4.000%					
			2/1/17/8-1-17	475,000.00	4.000%					
			2/1/18/8-1-18	500,000.00	4.000%					
			2/1/19/8-1-19	500,000.00	4.000%					
			2/1/20/8-1-20	525,000.00	4.000%					
Tax Appeals Refunding Bonds-Series A	1/27/11	2,610,000.00	2/1/15/8-1-15	525,000.00	3.000%	1,560,000.00		525,000.00	1,035,000.00	
			2/1/16/8-1-16	510,000.00	4.000%					
Tax Appeals Refunding Bonds-Series B	1/27/11	7,820,000.00	2/1/15/8-1-15	1,100,000.00	3.000%	5,620,000.00		1,100,000.00	4,520,000.00	
			2/1/16/8-1-16	1,100,000.00	4.000%					
			2/1/17/8-1-17	1,100,000.00	4.000%					
			2/1/18/8-1-18	1,220,000.00	4.000%					

SCHEDULE OF GENERAL SERIAL BONDS
GENERAL CAPITAL FUND

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURETIES OF BONDS OUTSTANDING DEC. 31, 2014	INTEREST RATE	BALANCE DEC. 31, 2013	BALANCE DEC. 31, 2014	
						INCREASED	DECREASED
General Improvement Refunding Bonds	3/24/11	\$ 6,050,000.00	02/01/15 02/01/16 02/01/17	4.000% 4.000% 4.000%	\$ 4,405,000.00		\$ 3,320,000.00
	11/28/12	3,595,000.00	03/01/15	4.000%	3,595,000.00	860,000.00	2,735,000.00
			03/01/16 03/01/17	4.000% 4.000%			
General Improvement Bonds	12/28/12	5,884,000.00	12/15/15 12/15/16 12/15/17 12/15/18 12/15/19	3.000% 3.000% 2.000% 3.000% 3.000%	5,284,000.00	750,000.00	4,534,000.00
	1/15/14	8,100,000.00	01/15/15	2.000%		8,100,000.00	8,100,000.00
			01/15/16	2.000%			
			01/15/17	3.000%			
			01/15/18 01/15/19 01/15/20 01/15/21 01/15/22 01/15/23 01/15/24	3.000% 3.000% 3.000% 3.000% 3.000% 3.000% 3.000%			
Total				\$ 47,703,000.00	\$ 8,100,000.00	\$ 7,845,000.00	\$ 47,958,000.00

C-4

C-4

C-4

C

SCHEDULE OF INTERFUNDS PAYABLE

	REF.	Total	Due to Current Fund	Due from Grant Fund	Due to Trust Fund	Due from Sewer Utility Capital Fund
Balance - December 31, 2013	C	\$ 9,448,023.58	\$	\$	\$ 8,707,795.94	\$ 1,200,000.00
Increased by:						
Cash Received	C- 2	9,755,022.68	9,215,000.00	540,022.68		
		19,203,046.26	9,215,000.00	540,022.68	8,707,795.94	1,200,000.00
Decreased by:						
Cash Disbursed	C- 2	3,907,795.94			2,707,795.94	1,200,000.00
Premium On Sale of Bonds	C- 1	215,000.00	215,000.00			
Improvement Authorization	C- 8			1,700,022.68		
Deferred Charges Unfunded	C- 5	8,100,000.00	8,100,000.00			
Capital Improvement Fund	C- 6	900,000.00	900,000.00			
		13,122,795.94	9,215,000.00	1,700,022.68	2,707,795.94	1,200,000.00
Balance - December 31, 2014	C	\$ 6,080,250.32	\$ -	\$ (1,160,000.00)	\$ 6,000,000.00	\$ -

Exhibit - C-11

**SCHEDULE OF PRELIMINARY EXPENSES
GENERAL CAPITAL FUND**

	<u>REF.</u>	
Balance December 31, 2013	C	\$ 457,402.90
Increased by:		
Contributions - Off-Site Improvements	C-7	<u>2,069,323.69</u>
		2,526,726.59
Decreased by:		
Cash Disbursed	C- 2	\$ 130,432.10
Fund Balance	C- 1	<u>250.00</u>
		<u>130,682.10</u>
Balance December 31, 2014	C	<u>\$ 2,396,044.49</u>

Exhibit - C-12

SCHEDULE OF RESERVES DEVELOPER'S TREE CONTRIBUTIONS

	<u>REF.</u>	
Balance - December 31, 2013	C	\$ 8,300.00
Balance December 31, 2014	C	<u>\$ 8,300.00</u>

Exhibit - C-13

SCHEDULE OF STELTON STREETSSCAPE

	<u>REF.</u>	
Balance December 31, 2013	C	\$ 20,250.00
Balance December 31, 2014	C	<u>\$ 20,250.00</u>

Exhibit - C-14

SCHEDULE OF RESERVES COMMUNITY CENTER

	<u>REF.</u>	
Balance December 31, 2013	C	\$ 5,000.00
Balance December 31, 2014	C	<u>\$ 5,000.00</u>

Exhibit - C-15

SCHEDULE OF RESERVES FOR DEBT SERVICE

Balance December 31, 2013	C	\$ 19,141.98
Balance December 31, 2014	C	<u>\$ 19,141.98</u>

SCHEDULE OF RESERVE: GOOD FAITH DEPOSIT

	<u>REF.</u>	
Balance December 31, 2013	C	\$ 190,000.00
Decreased by:		
Fund Balance: Preimum on Sale of Bonds	C-1	<u>\$ 190,000.00</u>

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

ORD. NO.	IMPROVEMENT DESCRIPTION	BALANCE DEC. 31, 2013	2014 AUTHORIZATIONS	BONDS ISSUED	CANCEL IMPROVE.	BALANCE DEC. 31, 2014
<u>General Improvements</u>						
04-52,05-40	Various Capital Improvements	\$	\$	\$	\$	\$
06-36	Various Capital Improvements	3,539,000.00		2,500,000.00		1,039,000.00
06-48	Various Capital Improvements	500,000.00		340,000.00		160,000.00
07-33	Various Capital Improvements	1,275,000.00		250,000.00	885,477.26	139,522.74
09-04	Various Capital Improvements	953,200.00				953,200.00
09-40	Various Capital Improvements	3,281,050.00		2,000,000.00		1,281,050.00
10-01	Various Improvements	5,357,500.00				5,357,500.00
11-04	Various Improvements	1,425,000.00		1,010,000.00		415,000.00
11-08	Various Improvements	2,850,000.00		2,000,000.00		850,000.00
11-21	Various Improvements	2,450,000.00				2,450,000.00
12-02	Various Roads	1,757,500.00				1,757,500.00
12-04	Various Twp Roads	5,747,500.00				5,747,500.00
12-28	Various Capital Improvements	3,040,000.00				3,040,000.00
12-30	Various Road Rehabilitation & Improvements:	1,900,000.00				1,900,000.00
13-06	Various Capital Improvements	2,018,750.00				2,018,750.00
13-07	Various Capital Improvements (See 12-19)	3,040,000.00				3,040,000.00
13-26	Rehab of Various Road	4,750,000.00				4,750,000.00
13-27	Various Capital Improvements	1,947,500.00				1,947,500.00
14-01	Various Capital Improvements		1,140,000.00			1,140,000.00
14-20	Annual Road Improvements		1,425,000.00			1,425,000.00
14-21	Road Rehab & Improvements		2,327,500.00			2,327,500.00
14-22	Various Park Improvements		1,006,557.00			1,006,557.00
	Total	\$ 45,832,000.00	\$ 5,899,057.00	\$ 8,100,000.00	\$ 885,477.26	\$ 42,745,579.74

Ref.

C

Sewer Utility Fund

SCHEDULE OF SEWER UTILITY CASH AND INVESTMENTS
TREASURER

REF.	OPERATING FUND	CAPITAL FUND
	\$ 5,664,080.11	\$ 271,607.82
Balance - December 31, 2013		
Increased by Receipts:		
Interest on Investments	1,141.59	
Miscellaneous Revenues	316,408.49	
Collector	10,449,570.82	
Due from Current Fund	3,759,075.39	
Due from Capital		1,200,000.00
Due from Sewer Operating Fund		3,886,114.89
	<u>14,526,196.29</u>	<u>5,086,114.89</u>
	20,190,276.40	5,357,722.71
Decreased by Disbursements:		
FY 2014 Budget	5,917,733.85	
Appropriation Reserves	148,447.11	
Accrued Interest	135,643.75	
Sewer Overpayment	263,908.21	
Improvement Authorizations		1,450,769.20
Due from Current Fund	5,950,000.00	
Accounts Payable	12,500.00	
Due to Sewer Capital Fund	3,886,114.89	
	<u>16,314,347.81</u>	<u>1,450,769.20</u>
Balance - December 31, 2014	\$ <u>3,875,928.59</u>	\$ <u>3,906,953.51</u>

**SCHEDULE OF CASH - COLLECTOR
SEWER UTILITY FUND**

	<u>REF</u>		
Increased by:			
Sewer Service Charges	D- 8	\$	9,853,323.48
Interest on Delinquent Accounts	D- 3		78,865.98
Miscellaneous Revenue	D- 3		700.00
Connection Fees	D- 3		216,560.00
Prepaid Sewer Charges	D-13		20,114.70
Sewer Overpayments	D-15		<u>280,006.66</u>
			<u>\$ 10,449,570.82</u>
Decreased by:			
Payments to Treasurer	D- 5		<u>\$ 10,449,570.82</u>

**ANALYSIS OF SEWER UTILITY CAPITAL
CASH AND INVESTMENTS**

	BALANCE DEC. 31, <u>2014</u>	BALANCE DEC. 31, <u>2013</u>
Fund Balance	\$ 101,939.97	\$ 101,939.97
Capital Improvement Fund	128,750.00	103,750.00
Due (from)/to General Capital Fund	-	(1,200,000.00)
Due (from)/to Sewer Operating Fund	-	250,000.00
Reserve for Encumbrances	619,216.28	1,565,367.48
Improvement Authorizations Funded	3,325,886.19	855,664.19
Improvement Authorizations Unfunded	2,076,667.88	2,151,507.88
Bonds and Notes Authorized Not Issued	<u>(2,345,506.81)</u>	<u>(3,556,621.70)</u>
 Total	 <u>\$ 3,906,953.51</u>	 <u>\$ 271,607.82</u>
	<u>Ref.</u>	
	D	D

SCHEDULE OF SEWER CHARGES RECEIVABLE
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>	
Balance - December 31, 2013	D	\$ 790,155.16
Increased by:		
Sewer Charges Levied	Reserve	<u>9,586,207.59</u>
		10,376,362.75
Decreased by:		
Collection	D-3,D-6	\$ 9,853,323.48
Prepays Applied	D-13	<u>13,838.99</u>
		<u>9,867,162.47</u>
Balance - December 31, 2014	D	<u><u>\$ 509,200.28</u></u>

**SCHEDULE OF FIXED CAPITAL
SEWER UTILITY CAPITAL FUND**

<u>ORD NO.</u>	<u>BALANCE DEC. 31 2013</u>	<u>TRANSFER FROM FIXED CAPITAL AUTH. & UNCOMP</u>	<u>BALANCE DEC. 31 2014</u>
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
89-25 & Gramercy Drive and River			
89-52 Road Sanitary Sewer	600,000.00		600,000.00
98-21 Reduction of I & I		\$ 230,000.00	230,000.00
03-40 Various Sewer Improvements	400,000.00		400,000.00
04-10 Various Sewer Projects	495,000.00		495,000.00
05-10 Various Sewer Projects		460,000.00	460,000.00
07-34 Acquisition of Various Equipment		770,000.00	770,000.00
10-13 Acquisition of Various Vehicles		425,000.00	425,000.00
Total	<u>\$ 13,107,561.49</u>	<u>\$ 1,885,000.00</u>	<u>\$ 14,992,561.49</u>

REF.

D

D-10

D

**SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
SEWER UTILITY CAPITAL FUND**

ORD. NO.	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE DEC. 31, 2013	CY2014 AUTHORIZATIONS	TRANSFER TO FIXED CAPITAL	BALANCE DEC. 31, 2014
98-21	Reduction of I & I	12/15/98	\$ 230,000.00	\$ 230,000.00		230,000.00	-
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
06-49	Various Sewer Improvements	12/19/06	1,700,000.00	1,700,000.00			1,700,000.00
07-34	Acquisition of Various Equipment	12/22/07	770,000.00	770,000.00		770,000.00	-
09-05	Various Sewer Improvements	02/17/09	945,000.00	945,000.00			945,000.00
10-13	Acquisition of Various Vehicles	04/27/10	425,000.00	425,000.00		425,000.00	-
11-23	Construction & Rehab Sewer Facilities	12/20/11	2,000,000.00	2,000,000.00			2,000,000.00
13-04	Sewer Garbage Building	01/29/13	2,000,000.00	2,000,000.00			2,000,000.00
14-02	Various Sewer Improvements	01/28/14	1,400,000.00		1,400,000.00		1,400,000.00
14-23	Various Sewer Improvements Utility	12/02/14	1,500,000.00		1,500,000.00		1,500,000.00
Total				\$ 11,030,000.00	\$ 2,900,000.00	\$ 1,885,000.00	\$ 12,045,000.00

Ref. D D-16 D-9 D

**SCHEDULE OF CY 2014 APPROPRIATION RESERVES
SEWER UTILITY OPERATING FUND**

OPERATIONS:	BALANCE DECEMBER 31, 2013		BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCED LAPSED
	APPROPRIATION RESERVES	RESERVE FOR ENCUMBRANCES			
Salaries and Wages	\$ 244,284.87	\$	\$ 244,284.87	\$ 15,511.61	\$ 228,773.26
Other Expenses	60,152.34	134,234.16	194,386.50	114,364.07	80,022.43
Capital Outlay	410,502.00	89,498.00	500,000.00	89,498.00	410,502.00
Middlesex County Utilities Authority					
Service Charges - Contractual	773,221.08	58,592.14	831,813.22		831,813.22
Total Operations	\$ 1,488,160.29	\$ 282,324.30	\$ 1,770,484.59	\$ 219,373.68	\$ 1,551,110.91

D-1

Disbursed	\$ 148,447.11
Transfer to Accounts Payable	70,926.57
	\$ 219,373.68

**SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
SEWER UTILITY OPERATING FUND**

	<u>REF.</u>	
Balance - December 31, 2013	D	\$ 34,497.40
Increased by:		
Accrued Interest Charged to:		
CY 2014 Budget Appropriations	D-4	<u>133,747.91</u>
		168,245.31
Decreased by:		
Payment	D-5	<u>135,643.75</u>
Balance - December 31, 2014	D	<u>\$ 32,601.56</u>

Analysis of Balance - December 31, 2014:

<u>Principal Outstanding 12/31/14</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
30,000.00	3.500%	09/01/14	12/31/14	4 mos.	350.00
40,000.00	3.625%	09/01/14	12/31/14	4 mos.	483.33
40,000.00	3.750%	09/01/14	12/31/14	4 mos.	<u>500.00</u>
					1,333.33
70,000.00	3.500%	11/01/14	12/31/14	2 mos	408.33
70,000.00	3.625%	11/01/14	12/31/14	2 mos	422.92
80,000.00	3.750%	11/01/14	12/31/14	2 mos	500.00
80,000.00	3.750%	11/01/14	12/31/14	2 mos	500.00
80,000.00	3.750%	11/01/14	12/31/14	2 mos	500.00
80,000.00	4.000%	11/01/14	12/31/14	2 mos	533.33
90,000.00	4.000%	11/01/14	12/31/14	2 mos	600.00
90,000.00	4.000%	11/01/14	12/31/14	2 mos	600.00
90,000.00	4.000%	11/01/14	12/31/14	2 mos	600.00
100,000.00	4.000%	11/01/14	12/31/14	2 mos	666.67
100,000.00	4.000%	11/01/14	12/31/14	2 mos	666.67
100,000.00	4.000%	11/01/14	12/31/14	2 mos	666.67
100,000.00	4.125%	11/01/14	12/31/14	2 mos	687.50
110,000.00	4.125%	11/01/14	12/31/14	2 mos	756.25
110,000.00	4.125%	11/01/14	12/31/14	2 mos	756.25
110,000.00	4.125%	11/01/14	12/31/14	2 mos	756.25
120,000.00	4.125%	11/01/14	12/31/14	2 mos	825.00
120,000.00	4.250%	11/01/14	12/31/14	2 mos	<u>850.00</u>
					11,295.83

**SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
SEWER UTILITY OPERATING FUND**

Analysis of Balance - December 31, 2014:

<u>Principal Outstanding 12/31/14</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
70,000.00	3.250%	09/16/14	12/31/14	3.5 mos	663.54
70,000.00	3.250%	09/16/14	12/31/14	3.5 mos	663.54
70,000.00	4.000%	09/16/14	12/31/14	3.5 mos	816.67
80,000.00	4.000%	09/16/14	12/31/14	3.5 mos	933.33
80,000.00	5.000%	09/16/14	12/31/14	3.5 mos	1,166.67
80,000.00	4.000%	09/16/14	12/31/14	3.5 mos	933.33
90,000.00	4.000%	09/16/14	12/31/14	3.5 mos	1,050.00
90,000.00	4.125%	09/16/14	12/31/14	3.5 mos	1,082.81
90,000.00	4.250%	09/16/14	12/31/14	3.5 mos	1,115.63
100,000.00	4.375%	09/16/14	12/31/14	3.5 mos	1,276.04
100,000.00	4.500%	09/16/14	12/31/14	3.5 mos	<u>1,312.50</u>
					11,014.06
50,000.00	3.000%	08/01/14	12/31/14	5 mos	625.00
75,000.00	4.000%	08/01/14	12/31/14	5 mos	1,250.00
75,000.00	4.000%	08/01/14	12/31/14	5 mos	1,250.00
75,000.00	4.000%	08/01/14	12/31/14	5 mos	1,250.00
75,000.00	4.000%	08/01/14	12/31/14	5 mos	1,250.00
100,000.00	4.000%	08/01/14	12/31/14	5 mos	1,666.67
100,000.00	4.000%	08/01/14	12/31/14	5 mos	<u>1,666.67</u>
					<u>8,958.33</u>
<u>\$ 3,280,000.00</u>					<u>\$ 32,601.56</u>

Exhibit D-13

**SCHEDULE OF PREPAID SEWER CHARGES
SEWER UTILITY OPERATING FUND**

	<u>Ref.</u>	
Balance - December 31, 2013	D	\$ 13,838.99
Increased by:		
Collections	D- 6	<u>20,114.70</u>
		33,953.69
Decreased by:		
Prepays Applied	D-3,D-8	<u>13,838.99</u>
Balance - December 31, 2014	D	<u>\$ 20,114.70</u>

Exhibit D-14

**SCHEDULE OF SEWER OVERPAYMENTS
SEWER UTILITY OPERATING FUND**

	<u>Ref.</u>	
Balance - December 31, 2013	D	\$ 4,594.78
Increased by:		
Cash Receipts	D- 6	<u>\$ 280,006.66</u>
		284,601.44
Decreased by:		
Cash Payments	D-5	263,908.21
Overpayments Canceled to Fund Balance	D-1	<u>14,799.51</u>
		<u>278,707.72</u>
Balance -December 31, 2014	D	<u>\$ 5,893.72</u>

Exhibit D-15

**SCHEDULE OF ACCOUNTS PAYABLE
SEWER UTILITY OPERATING FUND**

	<u>Ref.</u>	
Balance - December 31, 2013	D	\$ 10,840.00
Increased by:		
Transferred from Appropriation Reserves	D-11	<u>70,926.57</u>
		81,766.57
Decreased by:		
Cash Payments	D- 5	<u>12,500.00</u>
Balance - December 31, 2014	D	<u>\$ 69,266.57</u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SEWER UTILITY CAPITAL FUND

ORD. NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE - DEC 31, 2013		CY 2014 AUTHORIZATIONS		ENCUMBRANCES PAYABLE DEC. 31, 2013	PAID OR CHARGED	ENCUMBRANCES PAYABLE DEC. 31, 2014	BALANCE - DEC. 31, 2014	
				FUNDED	UNFUNDED	2014 Budget	OTHER				FUND BALANCE	FUNDED
05-42	Freedom Avenue Improvements	11/29/05	1,100,000.00	-	136,882.76	-	-	480.61	10,250.00	480.61	-	126,632.76
06-05	Various Sewer Projects	01/03/06	1,400,000.00	-	-	-	-	49,684.90	-	49,684.90	-	-
06-49	Various Sewer Improvements	12/19/06	1,700,000.00	800,000.00	1,61,684.05	-	-	20,800.00	56,280.00	20,800.00	940,884.05	-
09-05	Various Sewer Improvements	02/17/09	945,000.00	-	320,008.74	-	-	106,430.87	11,569.50	106,430.87	255,418.74	-
11-23	Construction & Rehab Sewer Fac	12/20/11	2,000,000.00	-	1,352,952.33	-	-	98,120.87	1,363,770.14	4,902.20	32,425.49	-
13-04	Sewer Garage Building	01/29/13	2,000,000.00	55,664.19	-	-	-	16,471.70	8,899.56	92,154.26	-	1,500,506.84
14-02	Various Sewer Improvements	01/29/14	1,400,000.00	-	-	1,400,000.00	-	1,400,659.40	-	399.19	-	-
14-23	Various Improvements Sewer Utility	12/02/14	1,500,000.00	-	-	1,500,000.00	-	344,813.44	-	1,046,287.00	-	-
	Total			\$ 855,664.19	\$ 2,151,507.88	\$ 1,400,000.00	\$ 1,500,000.00	\$ 1,565,367.48	\$ 1,450,769.20	\$ 619,216.28	\$ 3,715,414.47	\$ 1,627,139.60
CY				D	D	D-10	D-23	D	D-5	D	D	D

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

ORD. NUMBER	IMPROVEMENT DESCRIPTION	DATE	BALANCE		CY 2014 AUTHORIZATIONS		BALANCE DEC. 31, 2014
			DEC. 31, 2013	AUTHORIZATIONS	DEC. 31, 2014		
98-21	Reduction of I & I	12/15/98	\$ 11,000.00	-	-	11,000.00	
05-10	Vac. 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	
07-54	Acquisition of Various Equipment	12/18/07	38,500.00	-	-	38,500.00	
09-05	Various Sewer Improvements	02/17/09	47,250.00	-	-	47,250.00	
10-13	Acquisition of Various Vehicles	04/27/10	21,250.00	-	-	21,250.00	
13-04	Sewer Garage Building	01/29/13	2,000,000.00	-	-	2,000,000.00	
14-02	Various Sewer Improvements	01/29/14	-	1,400,000.00	-	1,400,000.00	
	Total		\$ 2,323,500.00	\$ 1,400,000.00	\$ 3,723,500.00		
			D	D-23	D		

SCHEDULE OF DUE FROM CURRENT FUND
SEWER UTILITY OPERATING FUND

	<u>REF.</u>	
Increased by:		
Cash Disbursed	D- 5	<u>\$ 5,950,000.00</u>
Decreased by:		
Sewer Operating Approp paid by Current Fund	D- 4	\$ 2,190,924.61
Cash Received	D- 5	<u>3,759,075.39</u>
		<u>\$ 5,950,000.00</u>

SCHEDULE OF CAPITAL IMPROVEMENT FUND
SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance - December 31, 2013	D	\$ 103,750.00
Increased by:		
CY 2014 Budget Appropriation	D- 23	<u>25,000.00</u>
Balance - December 31, 2014	D	<u>\$ 128,750.00</u>

**SCHEDULE OF RESERVE FOR AMORTIZATION
SEWER UTILITY CAPITAL FUND**

	<u>REF.</u>		
Balance - December 31, 2013	D		\$ 14,767,439.79
Increased by:			
Serial Bonds	D- 24	\$ 210,000.00	
CY 2014 Budget Appropriations			
Unfunded Bond Ordinances	D-23	<u>1,211,114.89</u>	
			<u>1,421,114.89</u>
Balance - December 31, 2014	D		<u>\$ 16,188,554.68</u>

**SCHEDULE OF DUE FROM CAPITAL FUND
SEWER UTILITY CAPITAL FUND**

	<u>REF.</u>		
Balance - December 31, 2013	D		\$ 1,200,000.00
Decreased by:			
Cash Receipts	D- 5		<u>\$ 1,200,000.00</u>

**SCHEDULE OF DUE FROM/TO SEWER CAPITAL
SEWER UTILITY OPERATING FUND**

	<u>REF.</u>		
Balance - December 31, 2013	D		\$ 250,000.00
Increased by:			
Interfunds Returned	D- 5	<u>\$ 3,886,114.89</u>	
			<u>3,886,114.89</u>
			4,136,114.89
Decreased by:			
CY 2014 Budget Appropriation	D- 4		<u>2,636,114.89</u>
Balance - December 31, 2014	D		<u><u>\$ 1,500,000.00</u></u>

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

	<u>REF.</u>		
Balance - December 31, 2013	D		\$ 250,000.00
Increased by:			
Interfunds Returned	D- 5	<u>\$ 3,886,114.89</u>	
			<u>3,886,114.89</u>
			4,136,114.89
Decreased by:			
Deferred Reserve for Amortization	D-17	1,400,000.00	
Capital Improvement Fund	D-19	25,000.00	
CY 2014 Budget Appropriation - Unfunded Ordinances	D-20	<u>1,211,114.89</u>	
			<u>2,636,114.89</u>
Balance - December 31, 2014	D		<u><u>\$ 1,500,000.00</u></u>

SCHEDULE OF GENERAL SERIAL BONDS

ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DEC. 31, 2013	DECREASE	BALANCE DEC. 31, 2014
			OUTSTANDING - DEC. 31, 2014	AMOUNT				
Sewer Improvements	03/01/04	\$ 380,000.00	03/01/15	\$ 30,000.00	3.500%	\$ 140,000.00	\$ 30,000.00	\$ 110,000.00
			03/01/16	40,000.00	3.625%			
			03/01/17	40,000.00	3.750%			
Sewer Improvements	11/01/07	2,146,000.00	11/01/15	70,000.00	3.500%	1,770,000.00	70,000.00	1,700,000.00
			11/01/16	70,000.00	3.625%			
			11/1/2017-2019	80,000.00	3.750%			
			11/01/20	80,000.00	4.000%			
			11/1/2021-2023	90,000.00	4.000%			
			11/1/2024-2026	100,000.00	4.000%			
			11/01/27	100,000.00	4.125%			
			11/1/2028-2030	110,000.00	4.125%			
			11/01/31	120,000.00	4.125%			
			11/01/32	120,000.00	4.250%			
Sewer Improvements	03/15/09	1,200,000.00	3/15/2015-2016	70,000.00	3.250%	980,000.00	60,000.00	920,000.00
			03/15/17	70,000.00	4.000%			
			03/15/18	80,000.00	4.000%			
			03/15/19	80,000.00	5.000%			
			03/15/20	80,000.00	4.000%			
			03/15/21	90,000.00	4.000%			
			03/15/22	90,000.00	4.125%			
			03/15/23	90,000.00	4.250%			
			03/15/24	100,000.00	4.375%			
			03/15/25	100,000.00	4.500%			
Sewer Improvements	02/01/11	700,000.00	2/1/15	50,000	3.000%	600,000.00	50,000.00	550,000.00
			2/1/16	75,000	4.000%			
			2/1/17	75,000	4.000%			
			2/1/18	75,000	4.000%			
			2/1/19	75,000	4.000%			
			2/1/20	100,000	4.000%			
2/1/21	100,000	4.000%						
						\$ 3,490,000.00	\$ 210,000.00	\$ 3,280,000.00

Ref

D

D-20

D

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Exhibit D-25

<u>ORDINANCE</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE</u> <u>DEC. 31, 2013</u>	<u>FUNDED</u> <u>CY 2014 BUDGET</u> <u>APPROPRIATION</u>	<u>BALANCE</u> <u>DEC. 31, 2014</u>
05-42	Freedom Avenue Improvements	\$ 845,000.00	\$ -	\$ 845,000.00
09-05	Various Sewer Improvements	711,621.70	711,621.70	-
11-23	Construction & Rehab of Sewer Facilities	<u>2,000,000.00</u>	<u>499,493.19</u>	<u>1,500,506.81</u>
		<u>\$ 3,556,621.70</u>	<u>\$ 1,211,114.89</u>	<u>\$ 2,345,506.81</u>

Footnote D

Senior Citizens Housing Utility Fund

SCHEDULE OF CASH AND INVESTMENTS
SENIOR CITIZEN HOUSING FUND

REF.	OPERATING FUND	CAPITAL FUND
E	\$ 319,943.65	\$ 60,344.57
Increased by Receipts:		
E-3	Rental Income 1,515,600.71	
E-3	Interest on Investments 85.25	
E-3	Miscellaneous Revenues 12,219.70	
E-9	Security Deposits 21,520.87	
E-12	Serial Bonds	1,400,000.00
E-2	Fund Balance: Premium	70,000.00
E-13	Capital Improvement Fund	30,000.00
E-18	Due to Senior Housing Operating	-
	<u>2,390,711.53</u>	<u>1,500,000.00</u>
	2,710,655.18	1,560,344.57
Decreased by Disbursements:		
E-1	Refund of Prior Year Revenue 899.00	
E-4	Budget Appropriations 1,199,412.45	
E-7	Appropriation Reserves 124,677.61	
E-7	Accounts Payable 101,400.00	
E-8	Accrued Interest 64,145.00	
E-9	Security Deposits 22,219.27	
E-17	Due from Senior Housing Capital	841,285.00
E-11	Improvement Authorizations	43,685.45
	<u>1,512,753.33</u>	<u>884,970.45</u>
E	\$ 1,197,901.85	\$ 675,374.12

ANALYSIS OF SENIOR HOUSING UTILITY CAPITAL CASH AND INVESTMENTS

	BALANCE DEC. 31, 2013	RECEIPTS MISCELL- LANEOUS	DISB. MISCELLA- NEOUS	TRANSFERS		BALANCE DEC. 31, 2014
				FROM	TO	
Fund Balance	\$ 2,177.74	70,000.00				\$ 72,177.74
Capital Improvement Fund	154,035.75	30,000.00				184,035.75
Reserve for Encumbrance Payable	204,728.75			204,728.75	204,533.95	204,533.95
Due to Senior Housing Operating Serial Bonds	841,240.00	45.00	841,285.00		30,884.09	30,884.09
ORD. IMPROVEMENT NO. AUTHORIZATION						
06-50 Various Capital Projects	15,198.90		45.00			15,153.90
07-33 Various Capital Projects	7,909.15			29,252.45	29,252.45	7,909.15
10-14 S.H Building Improvements	(1,164,945.72)	1,400,000.00	12,756.36	206,165.59	175,476.30	191,608.63
	<u>\$ 60,344.57</u>	<u>\$ 1,500,045.00</u>	<u>\$ 854,086.36</u>	<u>\$ 440,146.79</u>	<u>\$ 440,146.79</u>	<u>\$ 706,303.21</u>

Ref.

E

E-13

E-11

E-11

E-11

E

SCHEDULE OF 2013 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2014
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	<u>BALANCE</u> <u>DECEMBER 31, 2013</u>	<u>BALANCE</u> <u>AFTER</u> <u>TRANSFERS</u>	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCED</u> <u>LAPSED</u>
Operations:				
Other Expenses	\$ 121,345.30	\$ 144,001.86	\$ 71,048.87	\$ 194,298.29
Capital Improvements:				
Capital Improvement Fund	<u>37,294.00</u>	<u>89,725.00</u>	<u>55,928.74</u>	<u>33,796.26</u>
	<u>\$ 158,639.30</u>	<u>\$ 196,432.86</u>	<u>\$ 126,977.61</u>	<u>\$ 228,094.55</u>
	E	E		E-1
Cash Disbursements			\$ 124,677.61	
Accounts Payable			<u>2,300.00</u>	
			<u>\$ 126,977.61</u>	
<u>Accounts Payable Analysis</u>				
Balance December 31, 2013			\$ 106,800.00	
Transfer from Appropriation Reserves			2,300.00	
Accounts Payable Cancelled				
Balance December 31, 2014			<u>\$ 7,700.00</u>	

**SCHEDULE OF ACCRUED INTEREST ON BONDS
SENIOR CITIZENS HOUSING UTILITY OPERATING FUND**

	REF.		
Balance - December 31, 2013	E		\$ 16,554.37
Increased by:			
Due from Senior Citizens Housing Capital Fund	E-17	30,884.09	
Interest on Bonds	E-4	<u>69,256.11</u>	
			<u>100,140.20</u>
			<u>116,694.57</u>
Decreased by:			
Disbursed	E-5	<u>64,145.00</u>	
			<u>64,145.00</u>
Balance - December 31, 2014	E		<u>\$ 52,549.57</u>

Analysis of Balance - December 31, 2014:

<u>Principal Outstanding December 31, 2014</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
140,000.00	4.400%	08/16/12	12/31/12	4 1/2 mos.	2,309.99
635,000.00	5.000%	08/16/12	12/31/12	4 1/2 mos.	11,906.25
<u>\$ 775,000.00</u>					<u>\$ 14,216.24</u>
100,000.00	2.00%	1/15/14	12/31/14	11 1/2 mos	1,916.66
100,000.00	2.00%	1/15/14	12/31/14	11 1/2 mos	1,916.67
125,000.00	3.00%	1/15/14	12/31/14	11 1/2 mos	3,593.75
125,000.00	3.00%	1/15/14	12/31/14	11 1/2 mos	3,593.75
150,000.00	3.00%	1/15/14	12/31/14	11 1/2 mos	4,312.50
150,000.00	3.00%	1/15/14	12/31/14	11 1/2 mos	4,312.50
150,000.00	3.00%	1/15/14	12/31/14	11 1/2 mos	4,312.50
150,000.00	3.00%	1/15/14	12/31/14	11 1/2 mos	4,312.50
175,000.00	3.00%	1/15/14	12/31/14	11 1/2 mos	5,031.25
175,000.00	3.00%	1/15/14	12/31/14	11 1/2 mos	5,031.25
<u>\$ 1,400,000.00</u>					<u>\$ 38,333.33</u>
<u>\$ 2,175,000.00</u>					<u>\$ 52,549.57</u>

Exhibit E-9

SCHEDULE OF SECURITY DEPOSITS
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	<u>REF.</u>	
Balance -December 31, 2013	E	\$ 127,257.00
Increased by:		
Deposits Received	E- 5	<u>21,520.87</u>
		148,777.87
Decreased by:		
Deposits Refunded	E- 5	<u>22,219.27</u>
Balance -December 31, 2014	E	<u><u>\$ 126,558.60</u></u>

Exhibit E-10

SCHEDULE OF RESERVE FOR AMORTIZATION
SENIOR CITIZEN HOUSING UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance -December 31, 2013	E	\$ 9,431,052.26
Increased by:		
Bonds Paid by Budget Appropriation	E-12	<u>145,000.00</u>
Balance -December 31, 2014	E	<u><u>\$ 9,576,052.26</u></u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SENIOR HOUSING UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2013		ENCUMB 12/31/13	PAID OR CHARGED	ENCUMB 12/31/14	BALANCE DECEMBER 31, 2014	
				FUNDED	UNFUNDED				FUNDED	UNFUNDED
	General Improvements:									
06-50	Various Capital Projects	12/19/06	\$ 130,000.00	\$ 15,198.90		29,252.45	\$ 45.00	29,252.45	\$ 15,153.90	
07-35	Various Capital Projects	12/18/07 4/27/2010	353,000.00	7,909.15					7,909.15	
10-14/12-18	Senior Housing Building Improve.	11/8/2012	1,000,000.00		235,054.28	175,476.30	\$ 43,640.45	175,281.50	\$ 191,608.63	
				\$ 23,108.05	\$ 235,054.28	\$ 204,728.75	\$ 43,685.45	\$ 204,533.95	\$ 23,063.05	\$ 191,608.63
			Ref	E	E	E		E	E	E
	Cash Disbursements						\$ 12,801.36			
	Due to Senr Housing Operating Fund						30,884.09			
							\$ 43,685.45			

SCHEDULE OF CAPITAL IMPROVEMENT FUND
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

	<u>Ref.</u>	
Balance - December 31, 2013	E	\$ 154,035.75
Increased by:		
CY 2014 Budget Appropriation	E-5	<u>30,000.00</u>
Balance - December 31, 2014	E	<u>\$ 184,035.75</u>

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORD.</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>BALANCE</u> <u>DEC. 31, 2013</u>	<u>BALANCE</u> <u>DEC. 31, 2014</u>
06-50	Various Capital Improvements	12/19/06	\$ 130,000.00	\$ 130,000.00
07-35	Various Capital Improvements	12/18/07	353,000.00	353,000.00
12-18	Building Improvements	11/08/12	400,000.00	400,000.00
			<u>\$ 883,000.00</u>	<u>\$ 883,000.00</u>
		Ref.	E	E

SCHEDULE OF FIXED CAPITAL
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

<u>ORD NO.</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>BALANCE DEC. 31, 2013</u>	<u>BALANCE DEC. 31, 2014</u>
89-58	Design and Construction of a Senior Citizen Complex	\$ 10,098,252.26	\$ 10,098,252.26	\$ 10,098,252.26
04-51	Replacement of Trunk Line	144,000.00	144,000.00	144,000.00
05-43	Various Capital Improvements	80,000.00	80,000.00	80,000.00
06-22	HVAC System	28,800.00	28,800.00	28,800.00
			<u>\$ 10,351,052.26</u>	<u>\$ 10,351,052.26</u>

REF. E E

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

<u>ORD. NO.</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>BALANCE DEC. 31, 2013</u>	<u>BALANCE DEC. 31, 2014</u>
06-50	Various Capital Improvements	12/19/06	\$ 130,000.00	\$ 130,000.00	\$ 130,000.00
07-35	Various Capital Improvements	12/18/07	353,000.00	353,000.00	353,000.00
10-14	Senior Housing Building Improve.	04/27/10	1,000,000.00	1,800,000.00	1,800,000.00
				<u>\$ 2,283,000.00</u>	<u>\$ 2,283,000.00</u>

REF. E E

Exhibit E-17

**SCHEDULE OF DUE FROM SENIOR HOUSING CAPITAL
SENIOR HOUSING UTILITY OPERATING FUND**

	<u>REF.</u>		
Balance - December 31, 2013	E	\$	841,240.00
Increased by:			
Cash Disbursements	E- 5	\$	45.00
Overexpenditure Accrued Interest	E-4		<u>30,884.09</u>
			30,929.09
			872,169.09
Decreased by:			
Cash Receipts	E- 5		<u>841,285.00</u>
Balance - December 31, 2014	E	\$	<u><u>30,884.09</u></u>

Exhibit E-18

**SCHEDULE OF DUE TO SENIOR HOUSING UTILITY OPERATING FUND
SENIOR HOUSING UTILITY CAPITAL FUND**

	<u>REF.</u>		
Balance - December 31, 2013	E	\$	841,240.00
Increased by:			
Cash Receipts	E- 5	\$	45.00
Charge Improvement Authorization Interest	E-17		<u>30,884.09</u>
			<u>30,929.09</u>
			872,169.09
Decreased by:			
Cash Disbursements	E- 5		<u>841,285.00</u>
Balance - December 31, 2014	E	\$	<u><u>30,884.09</u></u>

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**



**PART IV
SUPPLEMENTARY DATA**

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**COMBINED BALANCE SHEET
FOR THE YEAR ENDING DECEMBER 31, 2014**

	ASSETS					MEMORANDUM ONLY TOTALS		
	CURRENT FUND	TRUST FUND	GENERAL CAPITAL FUND	SEWER UTILITY FUND	SENIOR HOUSING UTILITY	GOVERNMENTAL FIXED ASSETS	DEC. 31, 2014	DEC. 31, 2013
Cash and Investments	\$ 29,152,424.43	\$ 10,568,059.91	\$ 717,605.94	\$ 7,782,982.10	\$ 1,904,160.06		\$ 50,125,232.44	\$ 41,973,663.70
Accounts Receivable	1,928,509.14						1,928,509.14	856,166.53
State and Federal Grants Receivable	195,478.78	37.20					195,515.98	180,691.07
Due from State of New Jersey								
Taxes, Assessments, Liens & Utility Charges	2,205,272.17						2,205,272.17	2,516,453.90
Sewer Charges Receivable				509,200.28			509,200.28	790,155.16
Interfund Loans	963,770.47		1,160,000.00	1,500,000.00	30,884.09		9,654,654.56	10,999,035.94
Other Accounts Receivable	105,997.07						105,997.07	257,037.84
Property Acquired For Taxes at Assessed Valuation	2,592,900.00						2,592,900.00	2,592,900.00
Prepaid Expenditures								
Fixed Assets - General						63,739,287.00	63,739,287.00	63,162,920.00
Fixed Capital - Utility				14,992,561.49	10,351,052.26		25,343,613.75	23,458,613.75
Fixed Capital - Authorized and Uncompleted - Utility				12,045,000.00	2,283,000.00		14,328,000.00	11,313,000.00
Deferred Charges to Revenue of Succeeding Years	600,000.00						600,000.00	3,389,701.53
Deferred Charges to Future Taxation:								
General Capital Fund			90,703,579.74				90,703,579.74	93,535,000.00
Total Assets	\$ 37,744,352.06	\$ 16,568,097.11	\$ 92,581,185.68	\$ 36,829,743.87	\$ 14,569,096.41	\$ 63,739,287.00	\$ 262,031,762.13	\$ 255,025,339.42

LIABILITIES, RESERVES AND FUND BALANCE

Bonds and Notes Payable	\$	\$	\$ 47,958,000.00	\$ 3,280,000.00	\$ 2,175,000.00	\$	\$ 53,413,000.00	\$ 52,113,000.00
Prepaid Taxes, Assessments, Utility Charges and Licenses	758,555.08			20,114.70			778,669.78	843,902.38
Utility Charge Overpayments	627,252.50			5,893.72			633,146.22	1,927,412.25
Appropriation Reserves	3,792,233.80			963,554.08	176,292.17		4,932,080.05	5,785,197.25
Reserves for Encumbrances/Accounts Payable	7,487,573.43	107,312.86	5,287,827.06	764,511.67	420,973.22		14,068,198.24	13,011,424.64
Other Liabilities				32,601.56	52,549.57		85,151.13	51,051.77
Amounts Pledged to Specific Purposes	3,749,801.30	9,279,938.25	4,572,148.30	128,750.00	310,594.35		18,041,232.20	18,574,785.28
Interfund Loans	1,227,154.77	896,615.70	6,000,000.00	1,500,000.00	30,884.09		9,654,654.56	10,999,035.94
Investments in General Fixed Assets		6,284,230.30				63,739,287.00	6,284,230.30	63,162,920.00
Escrow Funds			27,598,662.29	5,402,554.07	214,671.68		33,215,888.04	30,669,625.96
Improvement Authorization				19,912,054.68	10,459,052.26		30,371,106.94	25,404,992.05
Reserve for Amortization of Costs of Fixed Capital Acquired or Authorized				509,200.28			6,309,985.22	6,156,546.90
Reserve for Certain Assets Acquired or Receivables & Inventories	5,800,784.94			4,310,509.11	729,079.07		20,505,132.45	16,892,631.50
Fund Balance	14,300,996.24		1,164,548.03					
Total Liabilities, Reserves and Fund Balance	\$ 37,744,352.06	\$ 16,568,097.11	\$ 92,581,185.68	\$ 36,829,743.87	\$ 14,569,096.41	\$ 63,739,287.00	\$ 262,031,762.13	\$ 255,025,339.42

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

<u>REVENUE AND OTHER INCOME REALIZED</u>	CALENDAR YEAR 2014		CALENDAR YEAR 2013	
	AMOUNT	%	AMOUNT	%
Fund Balance Utilized	\$ 9,000,000.00	4.77	\$ 7,000,000.00	3.93
Miscellaneous - From Other than Local Property Tax Levies	19,943,036.07	10.58	17,307,875.91	9.72
Collection of Delinquent Taxes and Tax Title Liens	1,761,847.63	0.93	2,085,573.45	1.17
Collections of Current Tax Levy	157,879,217.17	83.72	151,702,193.63	85.18
Total Income	\$ 188,584,100.87	100.00	\$ 178,095,642.99	100.00
 <u>EXPENDITURES</u>				
Budget Expenditures				
Municipal Purposes	\$ 62,650,281.83	34.86	\$ 59,944,835.73	34.56
Special District Taxes	3,624,374.00	2.02	3,575,349.00	2.06
County Taxes	24,305,256.74	13.52	23,689,258.05	13.66
Local School Taxes	86,224,785.00	47.97	84,111,763.00	48.49
Other Expenditures	2,924,970.18	1.63	2,132,234.37	1.23
Total Expenditures	179,729,667.75	100.00	173,453,440.15	100.00
Less: Expenditures to be Raised by Future Taxes	2,737,554.12		2,000,000.00	
Total Adjusted Expenditures	176,992,113.63		171,453,440.15	
Excess in Revenue	11,591,987.24		6,642,202.84	
Fund Balance January 1	11,709,009.00		12,066,806.16	
	23,300,996.24		18,709,009.00	
Less: Util. as Anticipated Revenue	9,000,000.00		7,000,000.00	
Fund Balance December 31	\$ 14,300,996.24		\$ 11,709,009.00	

**COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - SEWER UTILITY FUND**

REVENUE AND OTHER INCOME REALIZED	CALENDAR YEAR 2014		CALENDAR YEAR 2013	
	AMOUNT	%	AMOUNT	%
Fund Balance Utilized	\$ 2,545,000.00	17.44	\$ 1,600,000.00	13.35
Collection of Sewer Service Charges	9,867,162.47	67.62	9,185,897.03	76.67
Miscellaneous - From Other than Sewer Service Charges	2,179,586.48	14.94	1,195,585.19	9.98
Total Income	\$ 14,591,748.95	100.00	\$ 11,981,482.22	100.00
 EXPENDITURES				
Budget Expenditures				
Operating	\$ 8,576,815.00	71.96	\$ 8,476,215.00	77.35
Capital Improvements	1,525,000.00	12.80	350,504.17	3.20
Debt Service	343,747.91	2.88	1,581,397.50	14.43
Deferred Charges & Statutory Expend.	1,472,541.25	12.36	525,000.00	4.79
Refund of Prior Years Revenue	-	-	24,770.96	0.23
Total Expenditures	11,918,104.16	100.00	10,957,887.63	100.00
Excess/(Deficit) in Revenue	2,673,644.79		1,023,594.59	
Fund Balance January 1	4,079,924.36		4,656,329.77	
	6,753,569.15		5,679,924.36	
Decreased by:				
Util. as Anticipated Revenue	2,545,000.00		1,600,000.00	
Fund Balance December 31	\$ 4,208,569.15		\$ 4,079,924.36	

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

<u>REVENUE AND OTHER INCOME REALIZED</u>	CALENDAR YEAR 2014		CALENDAR YEAR 2013	
	AMOUNT	%	AMOUNT	%
Fund Balance	\$ 253,700.00	12.62	\$ 130,000.00	6.63
Rental Income	1,515,600.71	75.41	1,407,129.52	71.81
Miscellaneous - From Other than Rental Income	240,399.50	11.96	422,419.05	21.56
Total Income	\$ 2,009,700.21	100.00	\$ 1,959,548.57	100.00
 <u>EXPENDITURES</u>				
Budget Expenditures				
Operating	\$ 1,199,672.89	72.51	\$ 1,154,309.00	79.23
Capital Improvements	234,500.00	14.17	130,000.00	8.92
Debt Service	214,256.11	12.95	167,295.00	11.48
Statutory Expenditures	5,271.00	0.32	5,271.00	0.36
Miscellaneous Expenditures	899.00	0.05		0.00
Total Expenditures	1,654,599.00	100.00	1,456,875.00	100.00
Excess in Revenue	355,101.21		502,673.57	
Fund Balance January 1	555,500.12		182,826.55	
	910,601.33		685,500.12	
Less: Util. As Anticip. Revenue	253,700.00		130,000.00	
Fund Balance December 31	\$ 656,901.33		\$ 555,500.12	

TOWNSHIP OF PISCATAWAY

STATISTICAL DATA

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Tax Rate:	<u>\$2.518</u>	<u>\$6.634</u>	<u>\$6.312</u>
Apportionment of Tax Rate:			
Municipal	<u>\$0.688</u>	<u>\$1.754</u>	<u>\$1.579</u>
Municipal Library	<u>\$0.032</u>	<u>\$0.091</u>	<u>\$0.091</u>
County	<u>\$0.363</u>	<u>\$0.963</u>	<u>\$0.882</u>
County Open Space	<u>\$0.030</u>	<u>\$0.082</u>	<u>\$0.081</u>
Local School	<u>\$1.405</u>	<u>\$3.744</u>	<u>\$3.679</u>
Assessed Valuation:			
2014	<u>\$6,140,922,792</u>		
2013		<u>\$2,246,969,198</u>	
2012			<u>\$2,244,782,882</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENT CASH COLLECTIONS</u>	<u>PERCENTAGE OF COLLECTION</u>
2014 CY	\$ 159,817,001	\$ 157,266,477	98.40%
2013 CY	154,087,435	151,702,194	98.45%
2012 CY	146,348,436	143,705,802	98.19%
2011 CY	142,687,554	140,353,536	98.36%
2010 TY	69,749,806	68,202,465	97.78%
2010 SFY	137,570,420	134,585,096	97.83%

CY Calendar Year
 SFY State Fiscal Year
 TY Transition Year

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 five years.

<u>YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2014 CY	\$ 596,653.18	\$ 2,616.77	\$ 599,269.95	0.37%
2013 CY	574,136.57	1,942,317.33	2,516,453.90	1.63%
2012 CY	556,212.06	2,155,871.06	2,712,083.12	1.85%
2011 CY	507,792.66	2,051,333.18	2,559,125.84	1.79%
2010 TY	446,852.55	2,506,187.85	2,953,040.40	4.23%
2010 SFY	407,532.86	1,706,225.24	2,113,758.10	1.54%

COMPARISON OF SEWER UTILITY LEVIES

<u>YEAR</u>	<u>LEVY</u>	<u>CASH COLLECTIONS</u>
2014 CY	\$ 9,586,208	\$ 9,853,323
2013 CY	9,097,844	9,191,492
2012 CY	9,418,291	9,413,004
2011 CY	8,550,093	8,847,600
2010 TY	4,228,800	3,514,476
2010 SFY	7,331,101	7,391,729

TOWNSHIP OF PISCATAWAY

STATISTICAL DATA

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE</u> <u>JUNE 30/DEC 31</u>	<u>UTILIZED</u> <u>IN BUDGET OF</u> <u>SUCCEEDING YEAR</u>
CURRENT FUND	2014 CY	\$ 14,300,996 \$	6,986,820
	2013 CY	11,709,009	9,000,000
	2012 CY	12,066,806	7,000,000
	2011 CY	11,886,097	6,855,000
	2010 TY	11,856,873	5,817,370
	2010 SFY	6,293,194	718,899
SEWER UTILITY OPERATING FUND	2014 CY	\$ 4,208,569 \$	1,757,927
	2013 CY	4,079,924	2,545,000
	2012 CY	4,656,832	1,600,000
	2011 CY	4,689,832	1,667,000
	2010 TY	1,991,576	None
	2010 SFY	1,323,475	None
SENIOR CITIZENS HOUSING UTILITY FUND	2014 CY	\$ 656,901 \$	319,181
	2013 CY	374,348	253,700
	2012 CY	182,827	130,000
	2011 CY	314,776	260,000
	2010 TY	244,152	210,100
	2010 SFY	260,931	250,498

**TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX, NEW JERSEY**

**REQUIRED SUPPLEMENTARY INFORMATION
POSTEMPLOYMENT HEALTH BENEFITS
SCHEDULE OF FUNDING PROGRESS**

<u>Year</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAAL as a Percentage of Covered Payroll</u>
07/01/08	\$ -	\$ 79,859,700	\$ 79,859,700	0.00%	\$ 21,779,431	366.67%
01/01/11	-	78,625,900	78,625,900	0.00%	17,506,964	449.11%
01/01/13	-	85,931,300	85,931,300	0.00%	16,873,000	509.28%

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office as at December 31, 2014:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Brian C. Wahler	Mayor	
Steven D. Cahn	Council Vice-President	
Gabrielle Cahill	Council Member	
Chanelle McCullum	Council Member	
James Bullard	Council Member	
Michael Griffith	Council Member (January 1, 2014 to November 18, 2014) Passed Away	
Camille Fernicola	Council Member (December 16, 2014 -December 31, 2014)	
Mark Hardenburg	Council Member	
Michele Lombardi	Council President	
Joseph Criscuolo	Business Administrator	
Daniel Mensah Lamptey	Director of Finance, Chief Financial Officer	400,000.00 (A)
Melissa A. Seader	Township Clerk	
Michael Baker	Director of Law - Attorney	
James F. Clarkin III, Esq.	Director of Law - Assistant Attorney	
Paula Ferreira	Tax Collector	
Dennis Fackelman	Magistrate, Presiding Judge	
James Hoebich	Associate Judge	
Claudia Santos	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
MIDDLESEX COUNTY, NEW JERSEY



PART V
GENERAL COMMENTS AND RECOMMENDATIONS

**TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX, NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2014**

GENERAL COMMENTS

An audit of the financial accounts and transactions of the Township of Piscataway, County of Middlesex, New Jersey, for the year ended December 31, 2014, 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.

INTERNAL CONTROL MATTERS

In planning and performing our audit of the financial statements of Township of Piscataway, County of Middlesex, New Jersey as of and for the year ended December 31, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the Township's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis.

A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

GENERAL COMMENTS

INTERNAL CONTROL MATTERS (Cont'd.)

With respect to the reporting of internal control matters, standards require that only a significant deficiency and/or a material weakness need be reported in writing to management and those charged with governance.

The deficiencies in internal control, as reported below, are not considered to be significant deficiencies nor material weaknesses. In addition, these deficiencies are not required to be reported in writing, however, these deficiencies are presented to management and those charged with governance in this report as a means to present those matters identified in review of the Township's internal controls and as a means to inform management and those charged with governance as to the auditing standards requirements with respect to internal controls.

As indicated below, we identified certain deficiencies in internal control, as follows:

In addition, during our audit, we noted certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated September 29, 2015 on the financial statements of the Township of Piscataway. Our comments and recommendations, which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies.

Internal Control Deficiencies:

2014-1 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.

OTHER MATTERS

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

N.J.S.A. 40A: 11-4 states "every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$17,500 except by contract or agreement."

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A: 11-4

On June 9, 2010, the Local Public Contracts Law was amended, effective on July 1, 2010. The amendments address the bid threshold (Section 7, N.J.S.A. 40A: 11-3), thereby increasing the amount from \$21,000.00 to \$26,000.00 under which a contract may be awarded without public advertising. Furthermore, if the Borough's Purchasing Agent is "Qualified" the Board may increase the bid threshold from \$29,000 to \$36,000. On May 5, 2011, the Local Public Contracts Law was revised again pursuant to a statutorily permitted notice issued by the Governor of the State of New Jersey, effective January 1, 2011. The law eliminated the previous "lower" non-QPA threshold of \$26,000. Thus a contracting unit without a Qualified Purchasing Agent now has a maximum bid threshold of \$17,500.

The governing body of the Township has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Counsel's opinion should be sought before a commitment is made.

A review of the Township's purchasing procedures indicates that bids were requested by public advertisement for the following items tested.

Materials, Supplies and Equipment

Passenger Bus; Diesel Fuel; Playground Equipment; Position 9-1-1 System; Ford F-350 Pick-up Truck; Police Interceptor Sedans; Hot Mix Asphalt Road Materials; 2014 John Deere XUV 625i & Boss Straight Plow;

Services and Rentals

Debris and Stump Removal and Sidewalk Replacement; Municipal Cleaning Services; Landscaping; Fireworks Display; HVAC Repairs; Police Radio Service.

Construction and Repairs

Demolition of residential structures; Hoes Lane Road Improvements; Curb and Sidewalks Improvements

The minutes indicate that State Contracts were authorized for the following:

Contracts

Data Network Services

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

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 \$17,500 "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.

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.

Compliance with P.L. 2005, c.271

On January 5, 2006, P.L. 2005, c.271 was signed into law. A key element of the law authorizes municipalities and counties to adopt their own pay-to-play policies. Secondly, required new disclosures for "non-fair and open" contracts over \$17,500.

Tests of expenditures for vendors with payments in excess of \$17,500.00 and less than the applicable bid threshold and for contracts not awarded through state contracts, bidding or the "fair and open process" indicated no exceptions related to lack of the requisite disclosure forms on file.

We suggest that the vendor files be reviewed and maintained complete in all respects with the applicable Pay-to-Play and Business Registration Requirements

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 2, 2014, 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

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Collection of Interest on Delinquent Taxes and Assessments (Cont'd)

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

BE IT FURTHER RESOLVED that if payment of the installment for taxes, sewer service charges or assessments is not made within the ten (10) calendar day period, interest shall be charged in accordance with the rates specified in this Resolution and such interest shall revert to the date the installment was due.

An examination of the Tax Collector's records indicated that interest on delinquent accounts was calculated in accordance with the foregoing resolution for items tested.

Delinquent Taxes and Tax Title Liens

The Township held a tax sale during CY 2014. The Tax Collector should continue to review all delinquent and disputed items to determine the status of delinquent accounts for proper disposition. Upon final determination of the status of the delinquent accounts, where appropriate, the delinquent item should be included in the following tax sale.

The tax sale omitted items that were reported to be in bankruptcy proceedings, installment agreements and or disputed items for real estate taxes and sewer utility charges. Delinquent real estate taxes as at December 31, 2014 reported \$2,616.77 amount due in previous tax years.

The following comparison is made of the number of tax title liens receivable at year-end of the current and two previous years:

<u>DEC. 31</u>	<u>NUMBER OF LIENS</u>
CY 2014	16
CY 2013	7
CY 2012	7

It is essential to good management that all means provided by statute be utilized to liquidate Tax Title Liens in order to return properties to a tax-paying basis.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

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 CY 2014. Earnings from the investments are shown as revenue in the various funds of the Township for CY 2014.

All deposits and investments held by the Township were directly confirmed as of December 31, 2014.

The Township adopted a formal Cash Management Plan for depositing and investing of Township funds for CY 2014 in accordance with 40A: 5-14 on January 2, 2014.

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.

Interfund Balances

The following interfund balances appear in the balance sheets of the Township's financial statements of the year ended December 31, 2014:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$896,615.70	\$ 67,154.77
State and Federal Grant Fund	67,154.77	1,160,000.00
Other Trust Funds	6,000,000.00	896,615.70
General Capital Fund	1,160,000.00	6,000,000.00
Sewer Utility Operating Fund	1,500,000.00	0.00
Sewer Utility Capital Fund	0.00	1,500,000.00
Senior Citizen Housing Utility Operating Fund	30,884.09	0.00
Senior Citizen Housing Utility Capital Fund	<u>0.00</u>	<u>30,884.09</u>
Total	<u>\$9,654,654.56</u>	<u>\$9,654,654.56</u>

It is recommended that all interfund balances be cleared by cash transfer where required.

Outside Offices/Departments and Other Officials Collecting Fees

Our review of records maintained for other officials collecting fees were designed to determine that minimum levels of internal controls and accountability were met, that cash receipts were deposited or turned over to the Treasurer's accounts within a 48 hour period as required by N.J.S.A. 40A: 5-15, and the fees charged were in accordance with the provisions of the Township Code.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Municipal Court

The financial records maintained by the Municipal Court during the period were reviewed. The examination of the general and bail accounts indicated that deposits were recorded and spread by receipt category and cash was reconciled monthly. The processing of traffic and criminal cases entered on the State's on-line computer system indicated no exceptions with respect to items tested.

Administration and Accounting of State & Federal Grants

During CY 2014, the Township operated programs that were funded in whole or in part by state or federal grant awards. As part of the acceptance of these funds, the Township is required to make assurances to the grantor agency that it will comply, in its general operations as well as in the operation of grant funded programs, with various laws and regulations. In addition, the individual grant contracts impose specific compliance requirements for the operations of each program. Based upon the myriad compliance and reporting requirements for grant awards, the Township should continue to develop sound administrative functions over grant programs.

The acceptance of grant funds also places additional requirements upon the Township with respect to the Township's system of internal controls. Based upon the matrix of requirements applicable to a specific grant, the Township's internal controls are required to include systems and policies and procedures designed to ensure compliance with the applicable requirements. It was noted that currently the Township has limited control procedures in place for the certifying of payroll registers for compliance with the Davis-Bacon Act regarding verification of wage and pay rates for construction projects. The Township should continue to review their control procedures for the verification of wage and pay rates for funded construction projects to strengthen their controls for compliance with the Davis-Bacon Act. In addition, we suggest the Township review all of the applicable grant requirements in conjunction with the Township's system of internal controls in order to ensure the Township's internal controls are functioning at the requisite levels to meet with the various compliance requirements.

We suggest the Township review its system of internal controls and various policies and procedures as they apply to the compliance requirements for State and Federal grants. In addition, the grants receivable schedule indicates a number of prior years' accounts receivable balances still outstanding. We suggest the Township review and monitor grants receivable balances in order to ensure the timely collection of outstanding grant receivables.

It was also noted that the Schedules of Federal and State Financial Assistance were not complete in all respects. In addition, as with other local entities, due to weaknesses in the grant notification process followed by certain agencies that pass-through federal and state assistance to the Township, the Township often does not receive accurate and timely information with respect to grant funding sources, along with the relevant CFDA and account number information from its grantor agencies, which can inhibit the preparation of these financial assistance schedules.

We suggest that the Schedules of Federal Awards and State Financial Assistance be complete in all respects, including the proper classification of expenditures, for the single audit.

We also suggest that the Schedule of Federal Awards be prepared in a timely manner in order to comply with the applicable filing requirements of OMB Circular A-133 and NJ OMB Circular 04-04.

"Schedule C" as included in the Single Audit Section of this report contains the finding(s) for CY 2014.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Condition of Records -- Tax & Sewer Utility Office

During CY 2014, the Tax Collector utilized a monthly financial tax and sewer utility office reporting system. These reports are intended to be all-inclusive, summarizing all tax and sewer utility office transactions on a monthly basis for posting/recording within the Township general ledger financial accounting system, respectively.

Condition of Records -- Finance Department

The Finance Department utilized a computerized general ledger accounting and reporting system during CY 2014. General ledgers were maintained for all funds. The Township is currently in compliance with New Jersey Administration Code 5:30-5.7, establishment and maintenance of a general ledger for at least the current fund.

During the previous audit reporting period we noted that the Township did not maintain compliance with GASB Statement Number 45 "Other Post Retirement Benefits (OPEB)" and N.J.A.C. 5:30-6.1 requiring disclosure of OPEB liability in the Notes to the financial statements of the applicable reporting periods. The Township engaged for the professional services, however, as of the date of filing the Fiscal Year 2013 audit report the requested information was not available. During the current audit period the report for December 31, 2013 was completed and the required disclosure in the Notes to the Financial Statements was made.

During the previous audit reporting period we noted that the Finance Department encountered unforeseen personnel and staffing issues during the period subsequent to the balance sheet date and accordingly, management has stated hindered the timely the preparation of financial statements, supplemental schedules, and the Schedule of Federal Awards for the year ended December 31, 2013. During the current audit period improvements were noted the Township did complete the preparation of the financial statements, supplemental schedules, and the Schedule of Federal Awards for the year ended December 31, 2014 to comply with required filing dates in accordance with Federal and State Guidelines

It is suggested that the Township continue to review the financial reporting procedures, including the preparation of financial statements, supplemental schedules and the Schedule of Awards on a timely basis in accordance with Federal and State Guidelines, for continued improvements.

Statement on Auditing Standards 115 identifies inadequate documentation of internal controls as a possible deficiency, significant deficiency or material weakness. As the Township continues the process of documenting its controls, we suggest that the Township consider utilizing the framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) for its documentation, which includes the five components of internal controls, as follows: Control Environment; Risk Assessment; Control Activities; Information and Communication; and Monitoring. We also suggest that the documentation also include the internal controls that exist over grant compliance.

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:

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Compliance with N.J.A.C 5:30 (Cont'd)

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 Governmental 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 no exceptions were noted for those items tested.

The Township of Piscataway, County of Middlesex was not required to prepare a corrective action plan for the CY 2013, pursuant to Local Finance Board Notice Number 92-15.

RECOMMENDATIONS

We recommended the following:

That all interfund balances be cleared by cash transfer where required.

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

Hodulik & Morrison, P.A.
Certified Public Accountants
Registered Municipal Accountants
Highland Park, N.J.