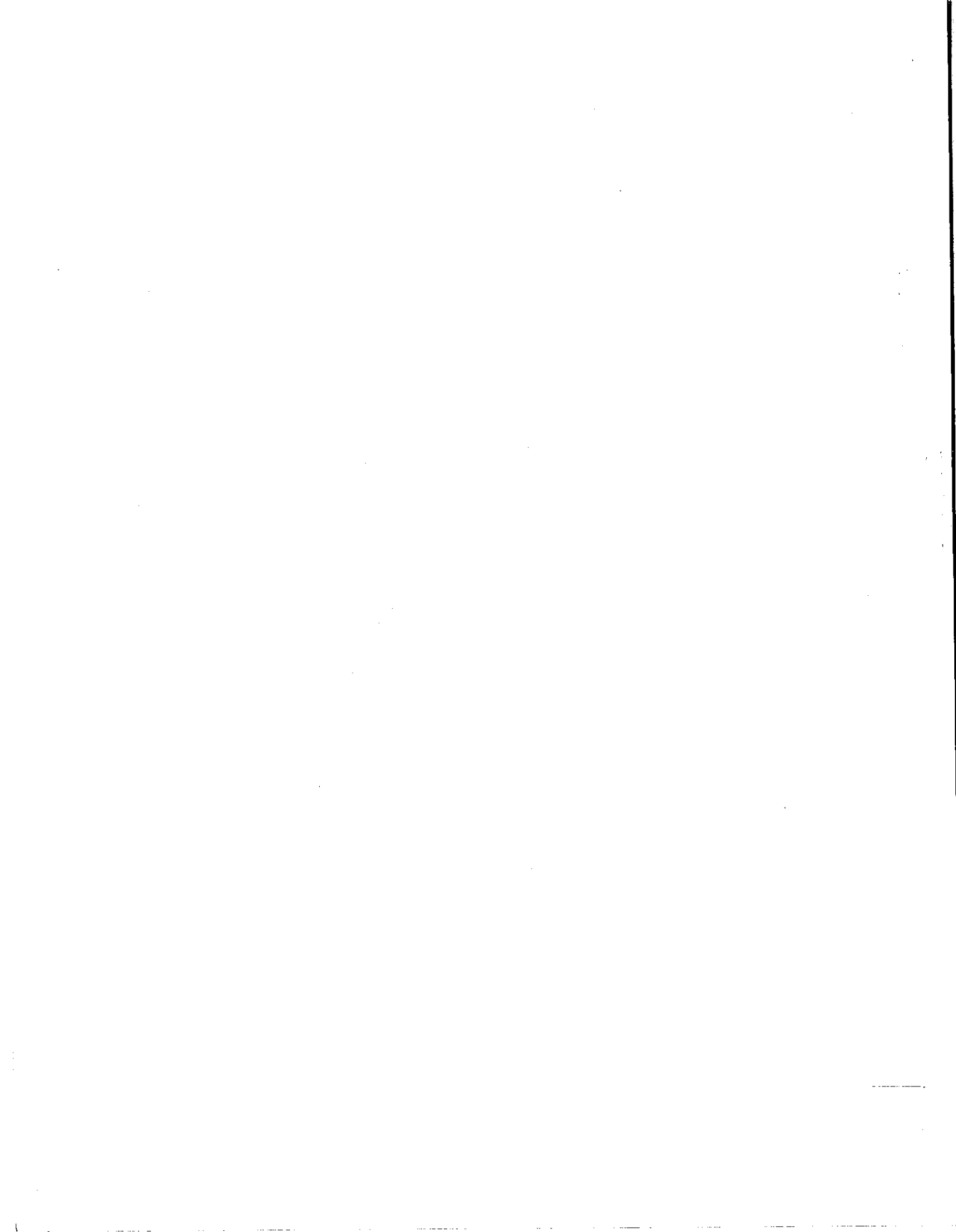


**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY
NEW JERSEY**

**FINANCIAL STATEMENTS
AND
SUPPLEMENTARY DATA
AND INFORMATION**

**FOR THE YEARS ENDED
DECEMBER 31, 2013 AND 2012**

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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MIDDLESEX COUNTY, NEW JERSEY**

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MIDDLESEX COUNTY, NEW JERSEY**

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TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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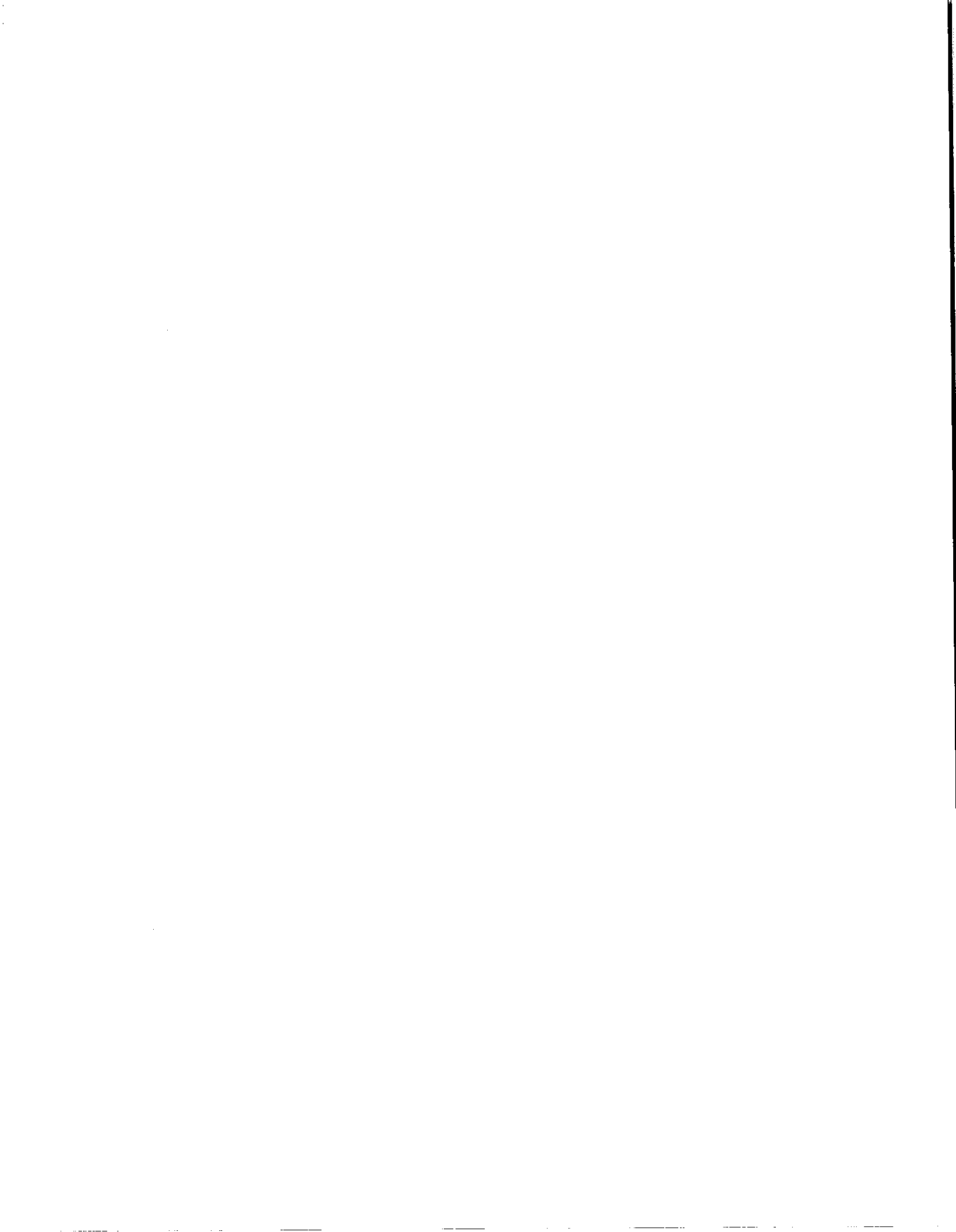
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**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**



**PART I
INDEPENDENT AUDITOR'S REPORT
FINANCIAL STATEMENTS**



HODULIK & MORRISON, P.A.
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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, 2013 and 2012, 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, 2013, 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. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 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 second paragraph of 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, 2013, 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. The amount that should have been reported could not reasonably be determined.

Opinion on Regulatory Basis of Accounting

In our opinion, except for the omitted disclosure referred to in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" section, the financial statements - regulatory basis referred to above 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, 2013 and 2012 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, 2013, 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 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, Single Audit Policy for Recipients of Federal Grants, and are also not a required part of the financial statements. 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

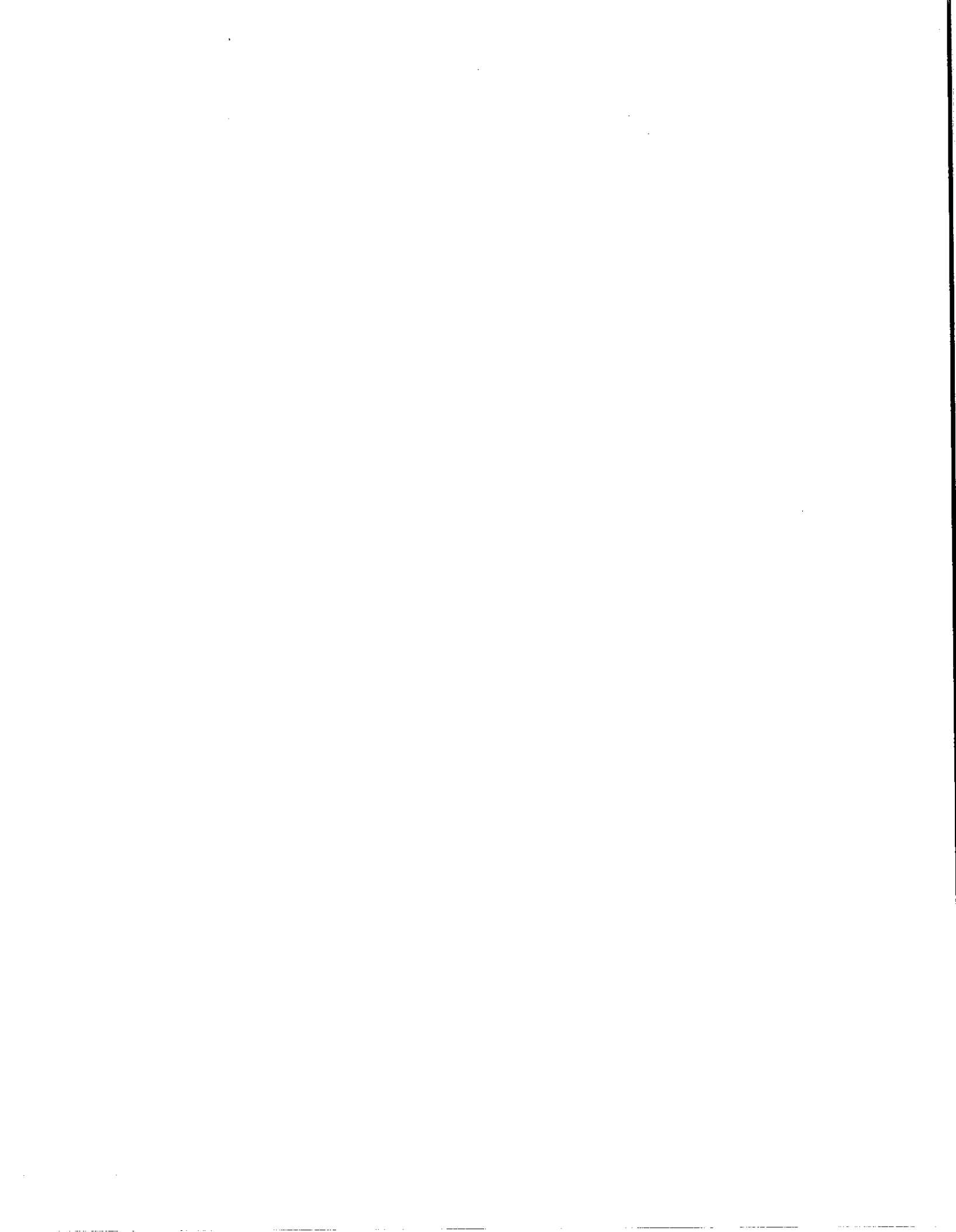
In accordance with Government Auditing Standards, we have also issued a report dated January 20, 2015 on our consideration of the Township of Piscataway's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements 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.

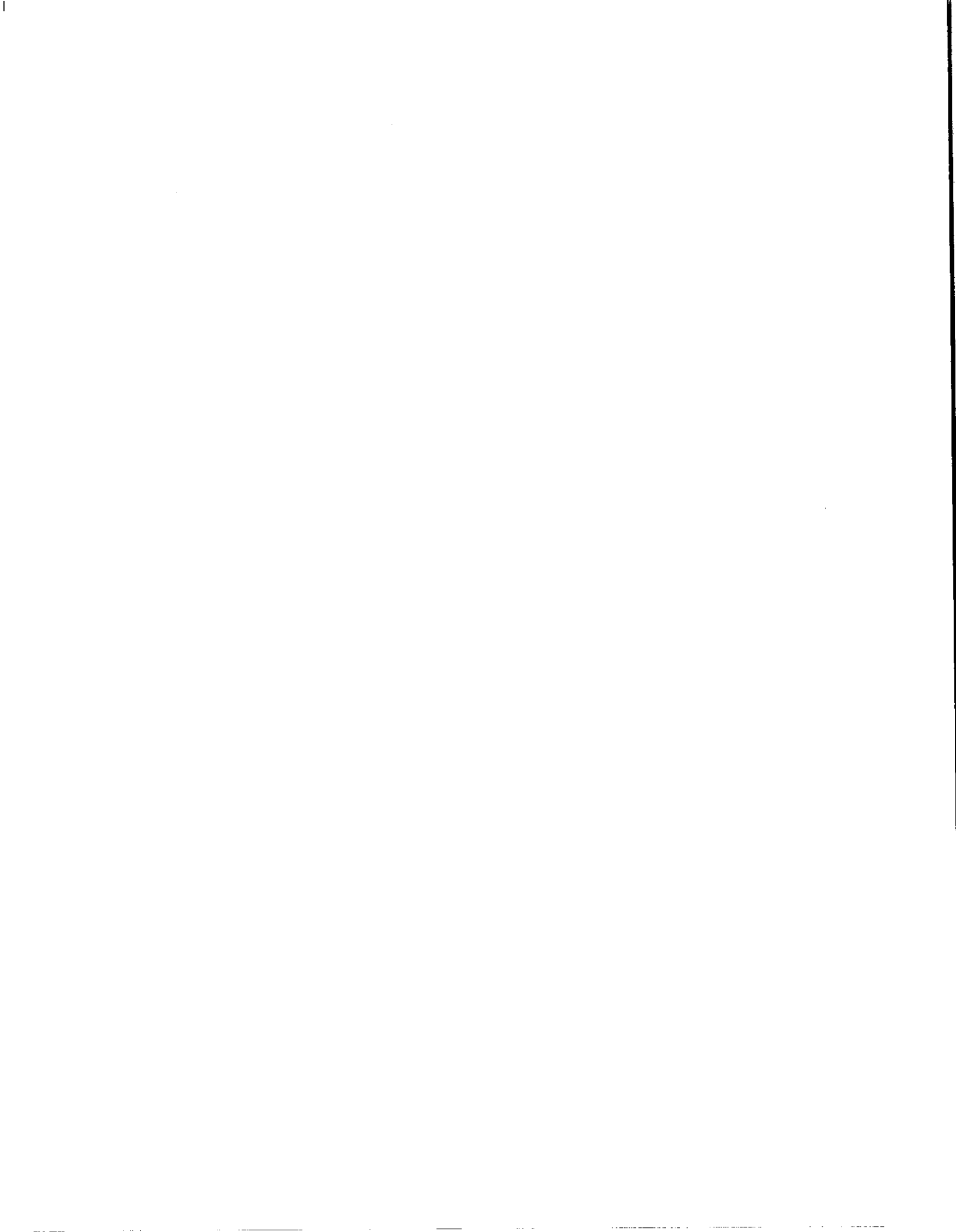
HODULIK & MORRISON, P.A.
Certified Public Accountants
Registered Municipal Accountants
Public School Accountants



Andrew G. Hodulik
Registered Municipal Accountant
No. 406
Highland Park, New Jersey
January 20, 2015



FINANCIAL STATEMENTS

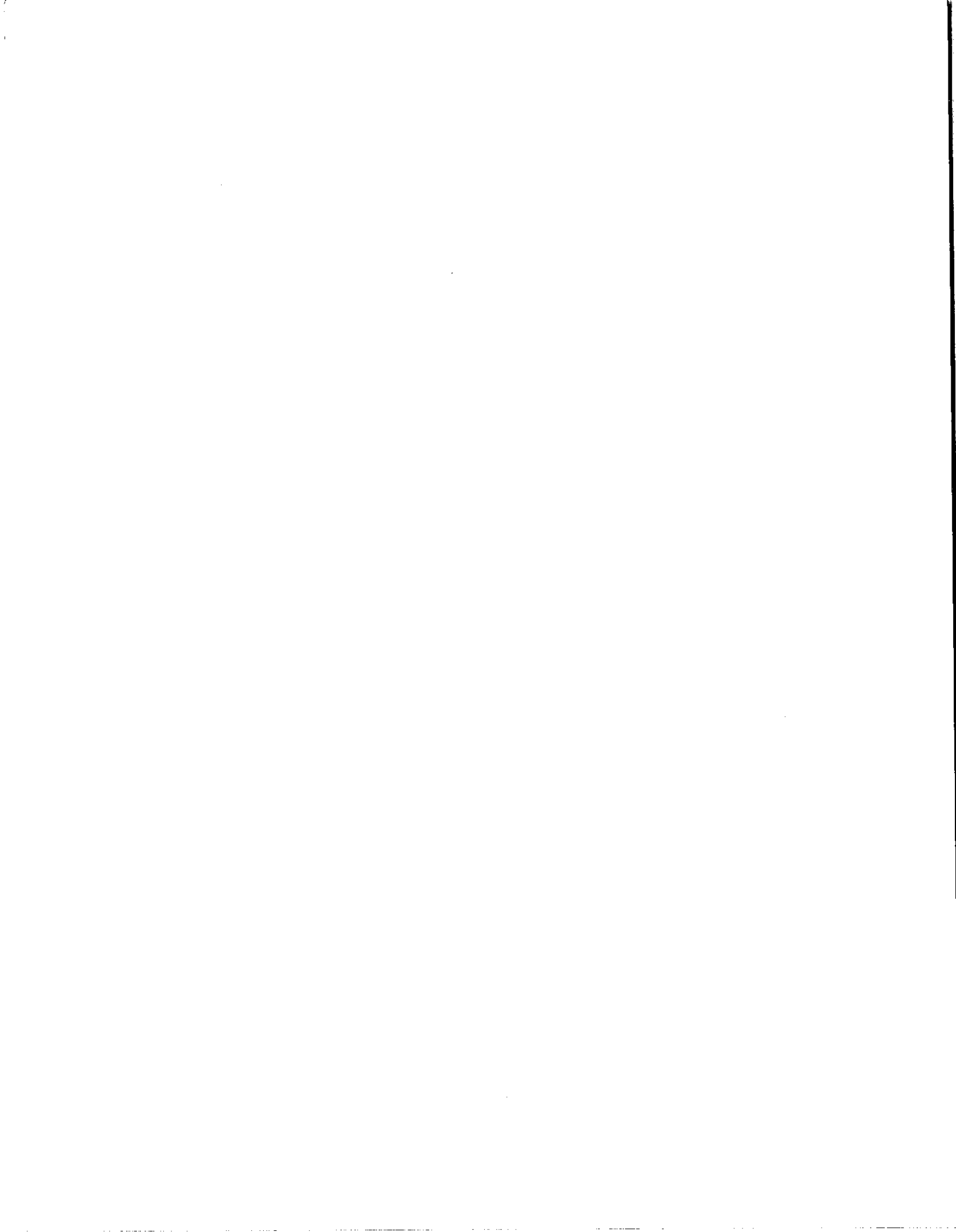


TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012

ASSETS	BALANCE		LIABILITIES, RESERVES AND FUND BALANCE		BALANCE DEC. 31, 2012
	DEC. 31, 2013	DEC. 31, 2012	DEC. 31, 2013	DEC. 31, 2012	
Cash and Investments - Treasurer	A-4 \$ 26,018,002.76	\$ 23,069,170.52			\$ 3,530,711.26
Cash - Change Fund	A 535.00	535.00	Appropriation Reserves	A-3, A-9	3,599,769.57
Due from State of N.J. per Ch. 20, P.L. 1976	A-6 180,691.07	144,345.94	Reserve for Encumbrances	A-3, A-9	569,304.81
			Prepaid Taxes	A-7	1,325,257.75
	26,199,228.83	23,214,051.46	Various Payables	A-10	6,419,916.42
			Various Reserves	A-10	100,002.02
			Taxes Payable	A-13	36,397.20
Receivables With Offsetting Reserves:			Tax Overpayments	A-14	265,886.27
Taxes Receivable	A-7 1,942,317.33	2,155,871.06	Interfunds Payable	A-12	
Tax Title Liens	A-7 574,136.57	556,212.06			15,847,245.30
Property Acquired for Taxes (At Assessed Valuation)	A-7 2,592,900.00	2,592,900.00	Reserve for Receivables	Reserve	5,516,517.38
Revenue Accounts Receivable	A-8 257,037.84	211,534.26	Fund Balance	A-1	12,066,806.16
	5,366,391.74	5,516,517.38			
Deferred Charges:			Total Regular Fund		34,955,322.10
Special Emergency	A-19 900,000.00	1,200,000.00	State and Federal Grant Fund:		33,430,568.84
Special Emergency: Hurricane Sandy	A-19 2,489,701.53	3,500,000.00	Reserve for State and Federal Grants:		
	3,389,701.53	4,700,000.00	Appropriated	A-17	1,337,152.96
			Unappropriated	A-18	676.00
			Reserve for Encumbrances	A-17	135,546.36
Total Regular Fund	34,955,322.10	33,430,568.84	Total State and Federal Grant Fund		1,716,845.68
State and Federal Grant Fund:					
Cash and Investments - Treasurer	A-4 759,978.72	541,620.95			1,580,623.32
Grants Receivable	A-15 856,166.53	1,175,224.73			676.00
					135,546.36
Total State and Federal Grant Fund	1,616,145.25	1,716,845.68			1,716,845.68
Grand Total	\$ 36,571,467.35	\$ 35,147,414.52	Grand Total	\$	35,147,414.52

Note: See Notes to Financial Statements.

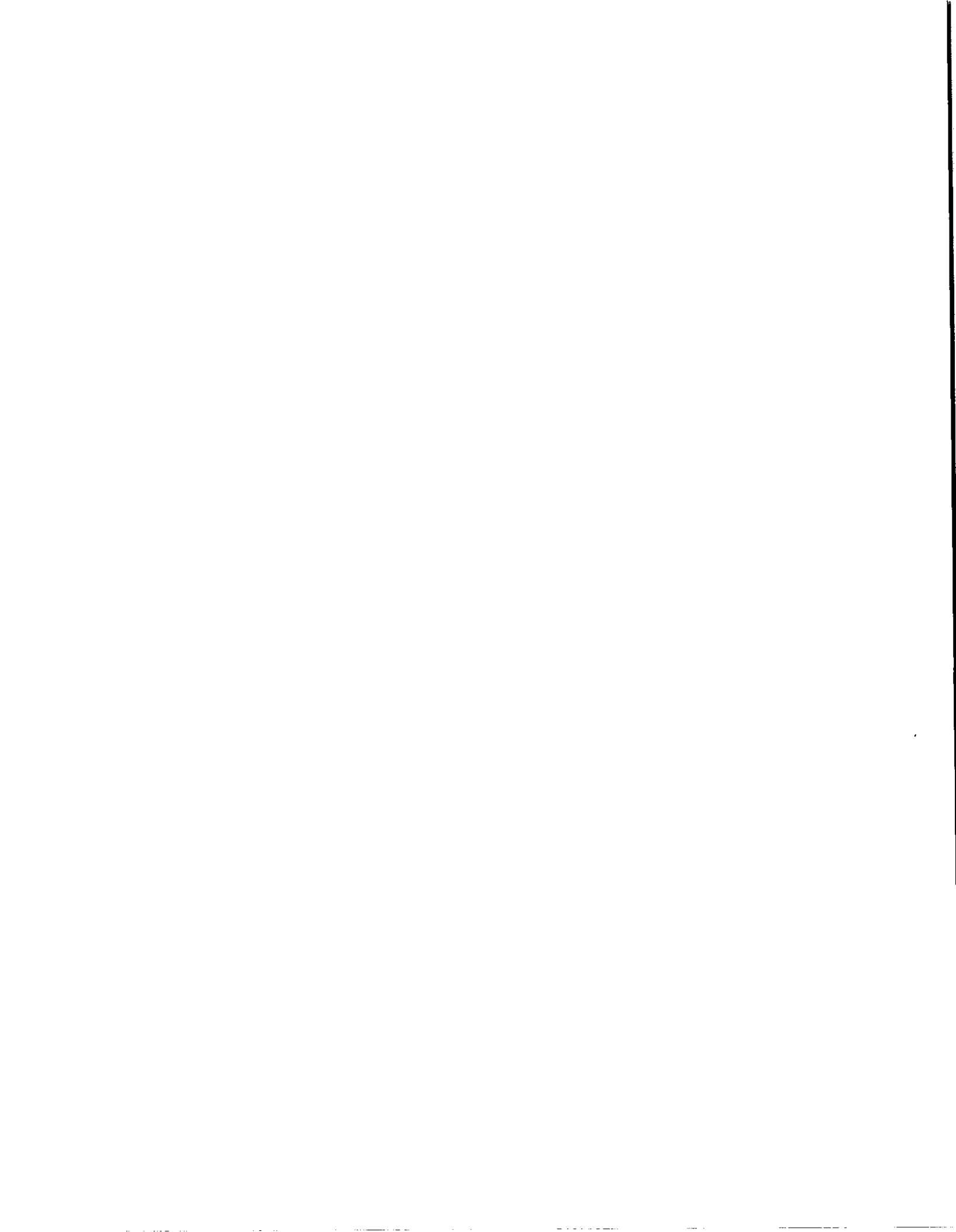


**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>REF</u>	<u>CY 2013</u>	<u>CY 2012</u>
Fund Balance Utilized	A-1, A-2	\$ 7,000,000.00	\$ 6,855,000.00
Miscellaneous Revenues Anticipated	A-2	13,029,974.83	10,574,517.17
Receipts from Delinquent Taxes	A-2	2,085,573.45	2,155,989.46
Non-Budget Revenue	A-2	757,297.39	1,005,846.25
Receipts from Current Taxes	A-7	151,702,193.63	143,705,802.43
Other Credits to Income:			
Unexpended Balances of Approp. Reserves	A-9	3,202,894.55	2,418,557.07
Prior Year Revenue			590.00
Accounts Payable Cancelled			909,811.07
Various Reserves Cancelled			406,784.12
County Taxes Cancelled	A-13	0.02	
Overpayments Cancelled	A-14	289,959.12	
Prior Year Senior Citizen Deduction Allowed	A-6	27,750.00	38,220.55
		<hr/>	<hr/>
Total Revenues		178,095,642.99	168,071,118.12
 <u>EXPENDITURES AND OTHER CHARGES</u>			
Budget Appropriations and Emergency Appropriations			
Within "CAP"			
Operations:			
Salaries and Wages	A-3	18,460,799.00	17,515,392.60
Other Expenses	A-3	18,378,626.00	19,989,568.00
Deferred Charges and Statutory Expend.	A-3	4,299,588.80	4,389,950.16
Appropriations Excluded from "CAP"			
Operations:			
Salaries and Wages	A-3	685,611.00	634,575.00
Other Expenses	A-3	4,957,211.44	5,057,958.99
Capital Improvements	A-3	795,000.00	695,000.00
Municipal Debt Service	A-3	9,409,539.49	8,050,311.26
Deferred Charges and Statutory Expend.	A-3	2,958,460.00	374,333.52
Special District Taxes	A-13	3,575,349.00	3,483,019.00
County Tax	A-13	21,635,739.10	19,787,586.73
County Open Space Fund	A-13	1,837,118.40	1,808,242.98
Due County for Added Taxes	A-13	216,400.55	174,327.28
Local District School Taxes	A-13	84,111,763.00	82,567,560.00
Tax Overpayments			
Tax Appeals	A-7	2,119,080.35	
Refund Prior Years Revenue	A-4	13,154.02	7,583.15
		<hr/>	<hr/>
Total Expenditures		173,453,440.15	164,535,408.67
Excess in Revenue		4,642,202.84	3,535,709.45
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budgets of Succeeding Years		2,000,000.00	3,500,000.00
		<hr/>	<hr/>
Statutory Excess to Fund Balance		6,642,202.84	7,035,709.45
 <u>FUND BALANCE</u>			
Balance - January 1	A	12,066,806.16	11,886,096.71
		<hr/>	<hr/>
Decreased by:		18,709,009.00	18,921,806.16
Utilization as Anticipated Revenue	A-1	7,000,000.00	6,855,000.00
		<hr/>	<hr/>
Balance - December 31	A	\$ 11,709,009.00	\$ 12,066,806.16
		<hr/>	<hr/>

Note: See Notes to Financial Statements.



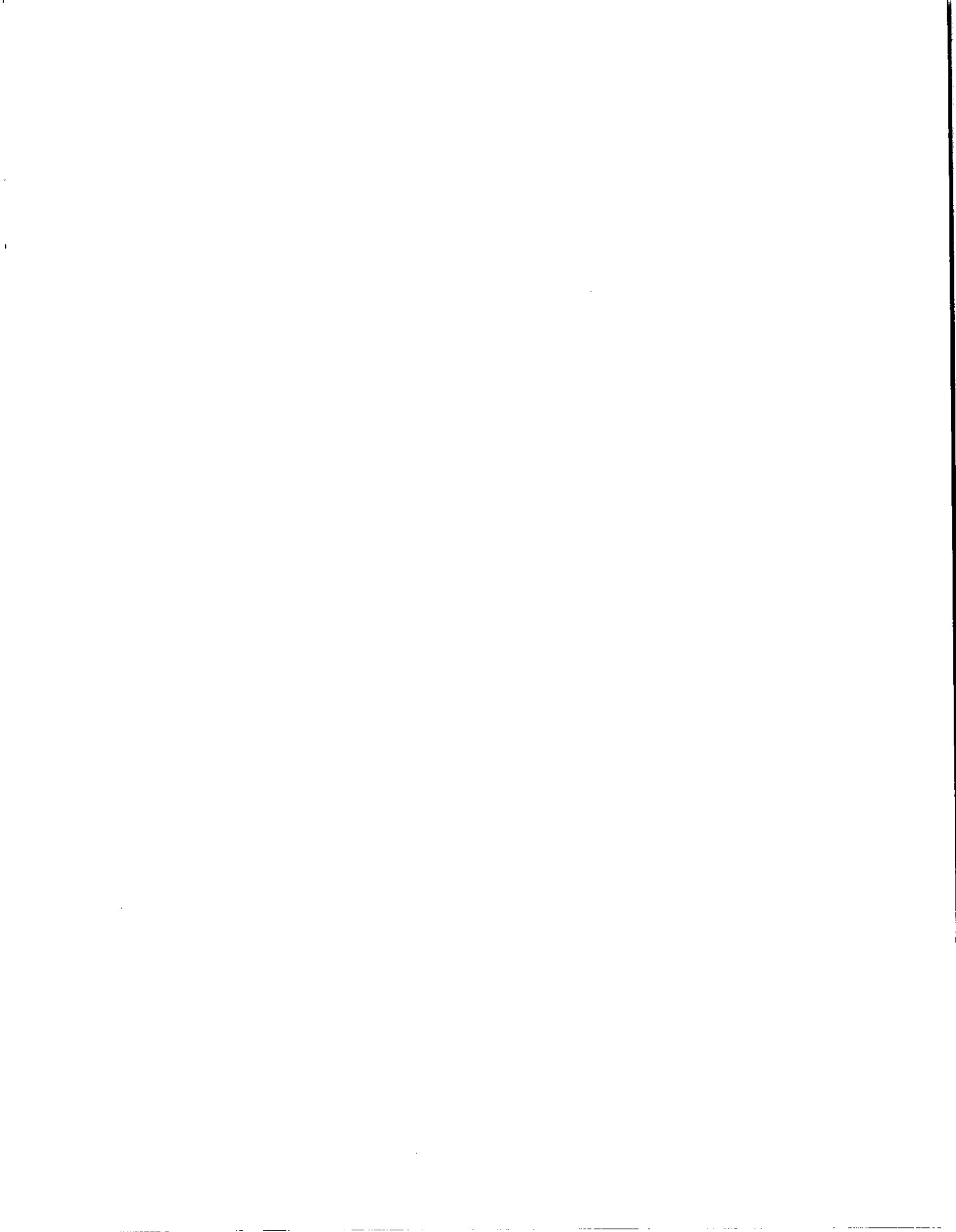
**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	REF.	ANTICIPATED CY 2013 BUDGET	APPROP. N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	A-1	\$ 7,000,000.00	\$	\$ 7,000,000.00	\$
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-8	50,000.00		55,850.00	5,850.00
Other	A-8	75,000.00		110,681.50	35,681.50
Fees and Permits	A-8	420,000.00		565,139.55	145,139.55
Fines and Costs:					
Municipal Court	A-8	900,000.00		1,748,016.39	848,016.39
Interest and Costs on Taxes	A-5	400,000.00		469,476.89	69,476.89
Interest on Investments and Deposits	A-8	40,000.00		47,952.63	7,952.63
Reserve for PCTV	A-10	14,000.00		14,000.00	
Hotel and Motel Tax	A-8	260,000.00		151,246.55	(108,753.45)
Cable Franchise Fees	A-8	150,000.00		164,969.11	14,969.11
Library Fines and Fees	A-8	36,000.00		33,000.00	(3,000.00)
Consolidated Municipal Property Tax Relief Aid	A-8	508,362.00		508,362.00	
Energy Receipts Taxes	A-8	5,350,217.00		5,350,217.34	0.34
Supplemental Energy Receipts Taxes with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):	A-8				
Uniform Construction Code Fees	A-8	900,000.00		2,083,989.00	1,183,989.00
Uniform Fire Safety Act	A-8	68,000.00		86,105.43	18,105.43
Interlocal Services: Shared Services with Dunellen	A-8	100,000.00		100,000.00	
Capital Surplus Fund	A-12	474,044.96		474,044.96	
Reserve for Debt Service - Capital Fund	A-12	484,415.04		484,415.04	
Public and Private Revenues Offset with Approps.:					
Alcohol Education Rehabilitation Fund	A-12		738.85	738.85	
Body Armor Fund	A-12		10,204.03	10,204.03	
Clean Communities Program	A-12	75,847.45	13,203.58	89,051.03	
Community Development Block Grant	A-12		255,805.00	255,805.00	
COPS in Shop Grant	A-12	2,800.00		2,800.00	
Drunk Driving Enforcement Grant	A-12		9,233.47	9,233.47	
Drive Sober or Pulled Over	A-12		4,400.00	4,400.00	
Federal Emergency Management Grant	A-12	5,000.00	5,000.00	10,000.00	
Green Communities Grant	A-12		3,000.00	3,000.00	
Middlesex County Cultural and Heritage Library	A-12	1,125.00	225.00	1,350.00	
Multi-Jurisdictional Gang, Gun & Narcotics Task Force Program	A-12	6,000.00	6,000.00	12,000.00	
Municipal Alliance on Alcoholism and Drug Abuse	A-12	44,587.00	22,293.50	66,880.50	
Recycling Tonnage Grant	A-12		57,045.56	57,045.56	
Safe and Secure Communities Program	A-12	60,000.00		60,000.00	
Total Miscellaneous Revenues	A-1	10,425,398.45	387,148.99	13,029,974.83	2,217,427.39
Receipts from Delinquent Taxes	A-1,A-7	1,500,000.00		2,085,573.45	585,573.45
Subtotal General Revenues		18,925,398.45	387,148.99	22,115,548.28	2,803,000.84
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	A-7	41,470,073.36		43,096,539.27	1,626,465.91
Budget Totals		60,395,471.81	387,148.99	65,212,087.55	\$ 4,429,466.75
Non-Budget Revenues	A-1,A-8			757,297.39	
		\$ 60,395,471.81	\$ 387,148.99	\$ 65,969,384.94	
Ref.		A-3	A-3		

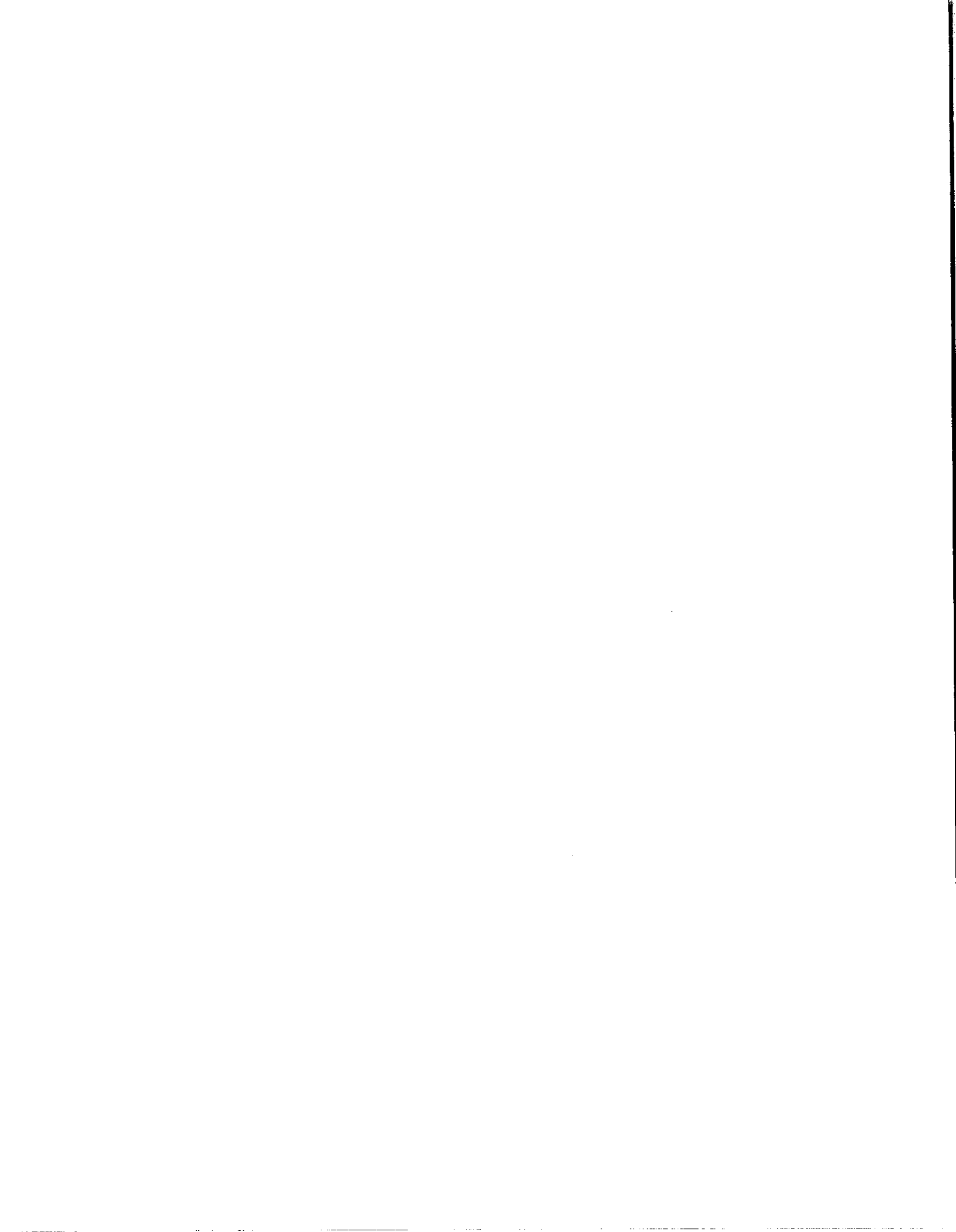
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Note: See Notes to Financial Statements



**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013**

	CY 2013 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
OPERATIONS WITHIN "CAPS"						
<u>General Government:</u>						
Township Council						
Salaries and Wages	\$ 70,000.00	\$ 70,000.00	\$ 69,706.02	\$ 0.40	\$ 293.98	\$ 12,000.68
Other Expenses	16,250.00	16,250.00	4,248.92			
Township Clerk						
Salaries and Wages	232,761.00	232,761.00	206,720.91	3,717.15		26,040.09
Other Expenses	22,787.50	34,787.50	17,198.96			13,871.39
Elections						
Salaries and Wages	15,000.00	15,000.00	405.26			15,000.00
Other Expenses	10,300.00	10,300.00				9,894.74
<u>Administration:</u>						
Dept. of Administration						
Salaries and Wages	404,827.00	404,827.00	300,848.91			103,978.09
Other Expenses	128,955.00	112,955.00	88,553.09	11,578.57		12,823.34
Division of Personnel						
Salaries and Wages	106,587.00	106,587.00	104,050.33	830.00		2,536.67
Other Expenses	12,720.00	12,720.00	7,843.35			4,046.65
Computer Center						
Other Expenses	330,000.00	304,000.00	187,596.98	73,458.07		42,944.95
Division of Purchasing						
Salaries and Wages	76,860.00	76,860.00	73,162.28			3,697.72
Other Expenses:	43,850.00	43,850.00	42,752.30			1,097.70
Postage (All Depts.)	65,000.00	65,000.00	61,253.53	1,019.82		2,726.65
Duplicating (All Depts.)	8,000.00	8,000.00	7,606.50			393.50
Miscellaneous Other Expenses						
Municipal Land Use (N.J.S.A. 40:55 D-1):						
Planning Board						
Salaries and Wages	54,000.00	54,000.00	7,064.04			46,935.96
Other Expenses	61,997.00	49,997.00	41,028.83	796.27		8,171.90
Zoning Board of Adjustment						
Salaries and Wages	54,000.00	54,000.00	7,063.08			46,936.92
Other Expenses	59,775.00	55,775.00	45,652.02	7,034.83		3,088.15



TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

	CY 2013 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
Administration (cont'd):						
Cable TV Studio						
Salaries and Wages	\$ 194,646.00	\$ 195,246.00	\$ 194,776.24	\$	469.76	\$
Other Expenses	12,510.00	12,510.00	10,231.23	1,077.58	1,201.19	
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	259,636.00	259,636.00	250,502.76		9,133.24	
Other Expenses	68,750.00	68,750.00	48,833.71	2,332.49	17,583.80	
Annual Audit	70,000.00	70,000.00		70,000.00		
Division of Assessment						
Salaries and Wages	163,007.00	163,007.00	162,618.00		389.00	
Other Expenses	202,825.00	187,825.00	141,768.78	30,880.17	15,176.05	
Division of Revenue						
Salaries and Wages	114,210.00	114,210.00	108,034.83		6,175.17	
Other Expenses	36,800.00	36,800.00	30,670.74	5,961.24	168.02	
Insurance						
Liability Insurance	1,326,900.00	1,326,900.00	1,056,739.23	221,579.01	48,581.76	
Worker's Compensation Insurance	5,000.00	5,000.00			5,000.00	
Health Insurance Waiver	100,000.00	100,000.00	78,680.72		21,319.28	
Employee Group Insurance	6,932,584.50	6,932,584.50	4,789,703.85	2,142,860.65	20.00	
Municipal Court						
Salaries and Wages	409,288.00	409,288.00	399,034.06		10,253.94	
Other Expenses	30,680.00	30,680.00	12,476.76	507.38	17,695.86	
Public Defender (P.L. 1997, Ch. 256)						
Other Expenses	27,148.00	27,148.00			27,148.00	
Law						
Department of Law						
Other Expenses	450,000.00	450,000.00	412,018.71	33,207.89	4,773.40	
Municipal Prosecutor						
Salaries and Wages	62,000.00	62,000.00	61,583.10		416.90	
PUBLIC SAFETY:						
Uniform Fire Safety Act (P.L. 1983 C. 383)						
Salaries and Wages	231,448.00	231,448.00	214,718.85		16,729.15	
Other Expenses	13,014.00	13,014.00	9,988.17	3,010.11	15.72	
Animal Control						
Salaries and Wages	88,844.00	88,844.00	12,542.67		76,301.33	
Other Expenses	18,350.00	18,350.00	16,034.68	852.00	1,463.32	

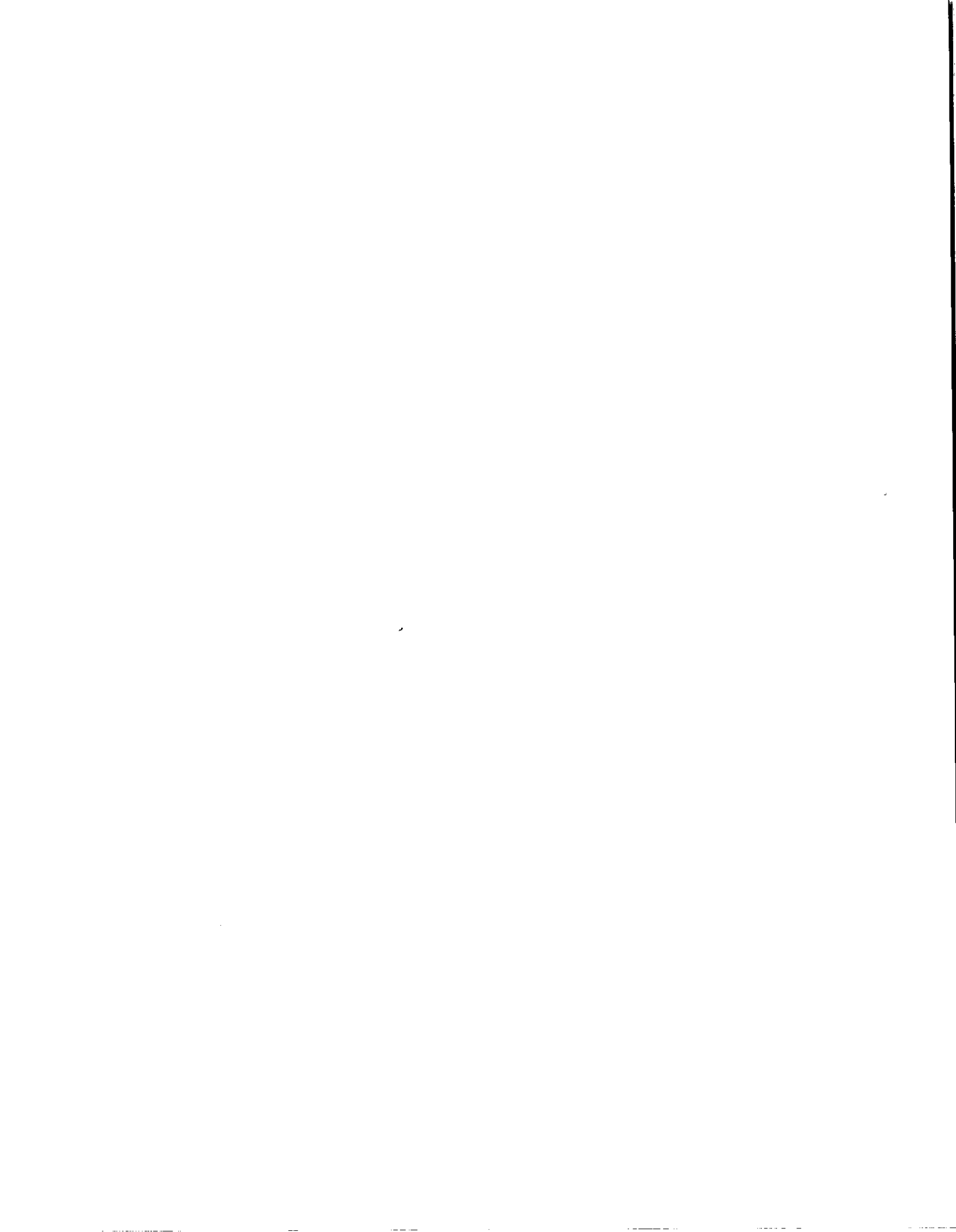


TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

	CY 2013 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
				ENCUMBERED			
PUBLIC SAFETY (CONTD):							
Division of Schools Crossing Guards							
Salaries and Wages	\$ 300,000.00	\$ 300,000.00	\$ 265,089.66	\$	\$ 34,910.34	\$	\$
Other Expenses	1,524.00	1,524.00	618.00		906.00		
Division of Police							
Salaries and Wages	11,008,943.00	11,008,943.00	10,780,943.43		227,999.57		
Other Expenses	357,287.00	357,287.00	302,298.75	24,545.22	30,443.03		
First Aid Organization - Contribution	94,800.00	94,800.00	66,772.50	26,314.50	1,713.00		
Office of Emergency Management							
Salaries and Wages	120,200.00	120,200.00	18,062.16		102,137.84		
Other Expenses	10,050.00	10,050.00	8,754.79	967.85	327.36		
PUBLIC WORKS:							
Department of Public Works							
Salaries and Wages	177,122.00	187,122.00	181,003.64		6,118.36		
Other Expenses	45,900.00	48,900.00	33,777.65	2,257.16	12,865.19		
Division of Engineering							
Salaries and Wages	478,334.00	478,334.00	335,613.44		142,720.56		
Other Expenses	53,758.00	35,758.00	18,522.08	8,944.00	8,291.92		
Division of Community Development and Planning							
Salaries and Wages	420,421.00	421,421.00	420,835.50		585.50		
Other Expenses	55,080.00	65,080.00	38,419.07	15,018.22	11,642.71		
Public Building and Grounds							
Salaries and Wages	173,228.00	173,228.00	154,754.59		18,473.41		
Other Expenses	328,500.00	328,500.00	247,810.76	69,555.01	11,134.23		
Division of Property Maintenance TRAFFIC							
Salaries and Wages	163,721.00	183,721.00	165,009.45		18,711.55		
Other Expenses	107,100.00	107,100.00	74,048.50	21,025.72	12,025.78		
Division of Property Maintenance FLEET							
Salaries and Wages	352,399.00	362,399.00	346,233.89		16,165.11		
Other Expenses	427,100.00	392,100.00	200,745.95	97,329.78	94,024.27		
Division of Streets and Road Maintenance							
Salaries and Wages	664,150.00	634,150.00	610,421.06		23,728.94		
Other Expenses	54,500.00	39,500.00	19,271.66	7,810.46	12,417.88		
Snow Removal							
Salaries and Wages	100,000.00	100,000.00	69,752.48		30,247.52		
Other Expenses	247,500.00	247,500.00	154,887.13	84,661.02	7,951.85		
All Utilities							
Division of Parks	1,772,000.00	1,772,000.00	994,595.36	709,563.00	67,841.64		
Salaries and Wages	587,264.00	587,264.00	570,643.02		16,620.98		
Other Expenses	289,000.00	289,000.00	179,916.65	28,164.58	80,918.77		
Shade Tree							
Other Expenses	900.00	900.00			900.00		

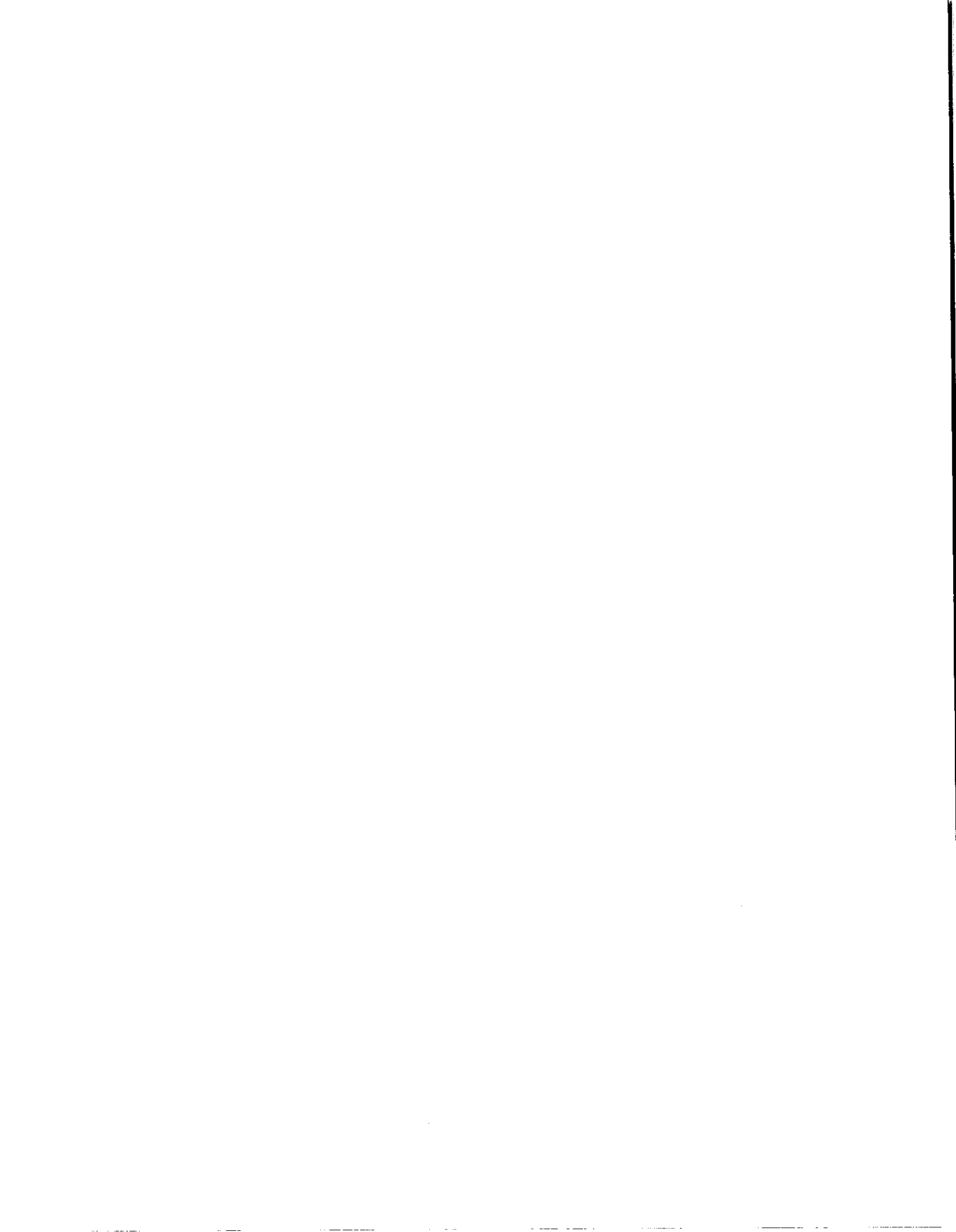


TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

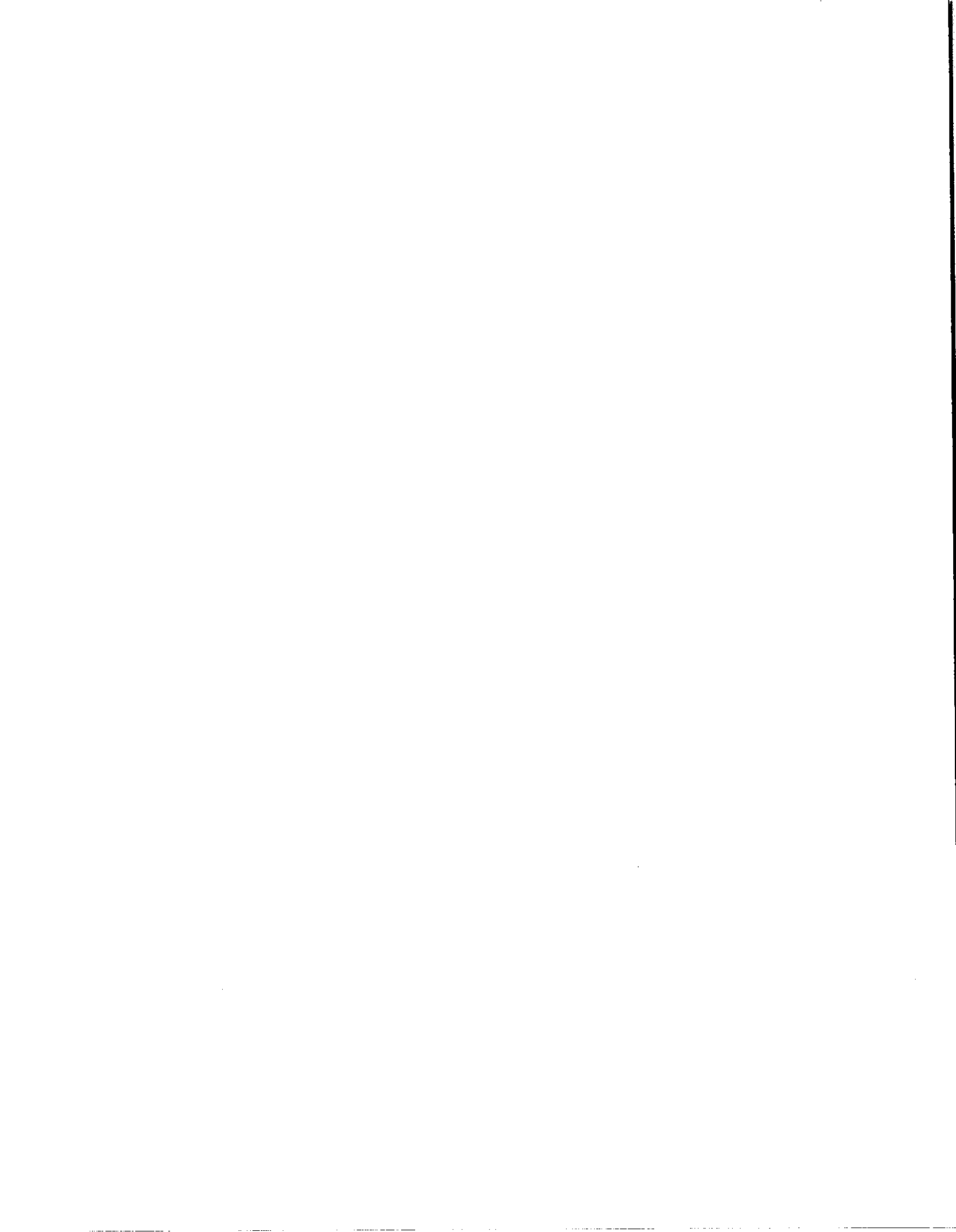
	CY 2013 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
	\$	\$	\$	\$	\$	\$
PUBLIC WORKS(CONTD):						
Division of Sanitation - Sewer System						
Other Expenses						
Solid Waste Collection						
Salaries and Wages	32,500.00	32,500.00				32,500.00
Other Expenses	678,175.00	631,175.00	592,415.15			38,759.85
Recycling Program	7,100.00	7,100.00	1,487.57	1,999.86		3,612.57
Other Expenses	85,700.00	85,700.00	14,370.27	2,818.12		68,511.61
Municipal Services Act	35,000.00	35,000.00	32,269.85			2,730.15
Hurricane Sandy Cleanup/Repairs	2,000,000.00	2,000,000.00	2,000,000.00			
HEALTH AND WELFARE:						
Division of Public Assistance						
Salaries and Wages	500.00	500.00	500.00			
Other Expenses	2,000.00	2,000.00	2,000.00			
Office on Aging						
Salaries and Wages	375,119.00	375,119.00	323,866.10			51,252.90
Other Expenses	75,630.00	79,630.00	69,009.25	5,864.08		4,756.67
RECREATION AND EDUCATION						
Department of Recreation						
Salaries and Wages	250,035.00	250,035.00	249,155.21			879.79
Other Expenses	234,131.00	204,131.00	156,909.18	16,280.99		30,940.83
Accumulated Leave Compensation	300,000.00	310,400.00	310,400.00			
Salary Adjustment						
Salaries and Wages	15,000.00					
Reserve for Tax Appeals						
Other Expenses	1,500,000.00	1,500,000.00	1,500,000.00			
Uniform Construction Code						
Division of Inspections						
Salaries and Wages	375,907.00	375,907.00	363,093.97			12,813.03
Other Expenses	13,875.00	13,875.00	11,161.59	1,095.10		1,618.31
Boards and Commissions						
Salaries and Wages	6,132.00	6,132.00	5,577.00			555.00
Other Expenses	44,530.00	38,530.00	18,689.29	4.19		19,836.52
Total Operations Within "CAPS"	35,027,425.00	36,839,425.00	31,197,418.00	3,734,922.49		1,907,084.51
Total Operations Including Contingent Within "CAPS"	35,027,425.00	36,839,425.00	31,197,418.00	3,734,922.49		1,907,084.51
DETAIL:						
Salaries and Wages	17,926,868.00	17,829,624.00	16,855,428.56			974,195.44
Other Expenses (including Contingent)	17,100,557.00	19,009,801.00	14,341,989.44	3,734,922.49		932,889.07



TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

	CY 2013 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
				ENCUMBERED			
STATUTORY EXPENDITURES:							
Contribution to:							
Social Security System (O.A.S.I.)	\$ 1,100,000.00	\$ 1,030,000.00	\$ 680,005.91		\$ 349,994.09		
Public Employees Retirement System	935,140.80	935,140.80	2,226,948.00				
Police and Firemen's Pension Fund	2,226,948.00	2,226,948.00	100,000.00				
State Unemployment Insurance	100,000.00	100,000.00	6,122.07		1,377.93		
Defined Contribution Retirement Program	7,500.00	7,500.00					
Total Deferred Charges and Statutory Expenditures Municipal Within "CAPS"	4,369,588.80	4,299,588.80	3,948,216.78		351,372.02		
Total General Appropriations for Municipal Purposes Within "CAPS"	39,397,013.80	41,139,013.80	35,145,634.78	3,734,922.49	2,258,456.53		
OPERATIONS EXCLUDED FROM "CAPS"							
911 Emergency Telecommunication Services	647,611.00	685,611.00	680,472.28		5,138.72		
Salaries and Wages	185,679.00	185,679.00	157,379.91	3,076.33	25,222.76		
Other Expenses	2,398,349.00	2,398,349.00	2,290,891.59	107,272.62	184.79		
Maintenance of Free Public Library (NJSA 40:54-8)							
NIDES - Storm Water							
Other Expenses	74,000.00	74,000.00	47,392.20	17,412.80	9,195.00		
Supplemental Fire Services District Payment	18,425.00	18,425.00	18,425.00				
MCIA Recycling Program	750,000.00	750,000.00	407,304.77	163,776.67	178,918.56		
MCUA Solid Waste Agreement	400,000.00	400,000.00	139,774.15	85,225.85	175,000.00		
Edison Animal Control Contract	50,000.00	50,000.00	41,037.90	8,962.10	(0.00)		
UMDNJ Agreements	27,500.00	27,500.00	7,825.77		19,674.23		
Middlesex County Health Department	420,750.00	420,750.00	382,500.00		38,250.00		

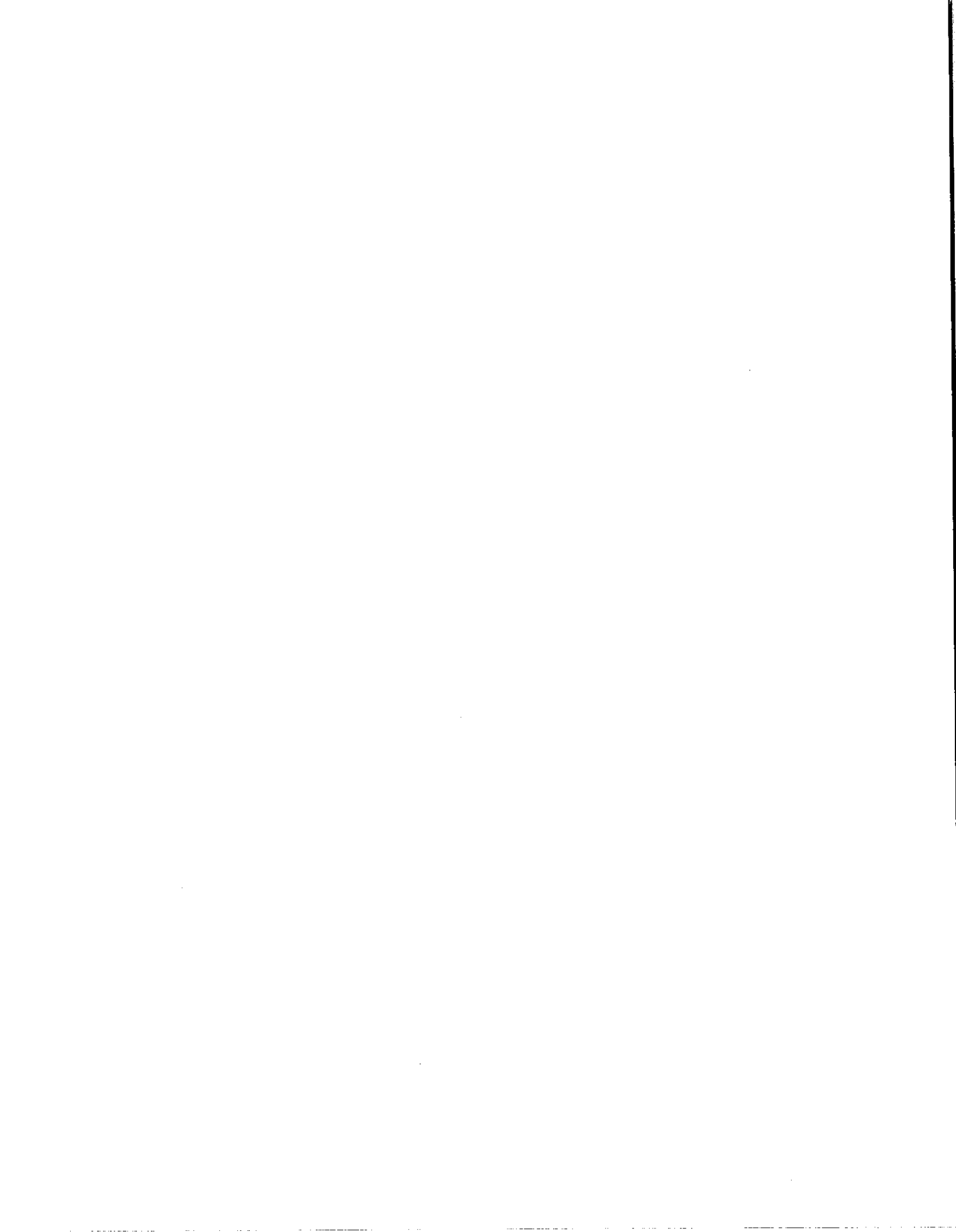


TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

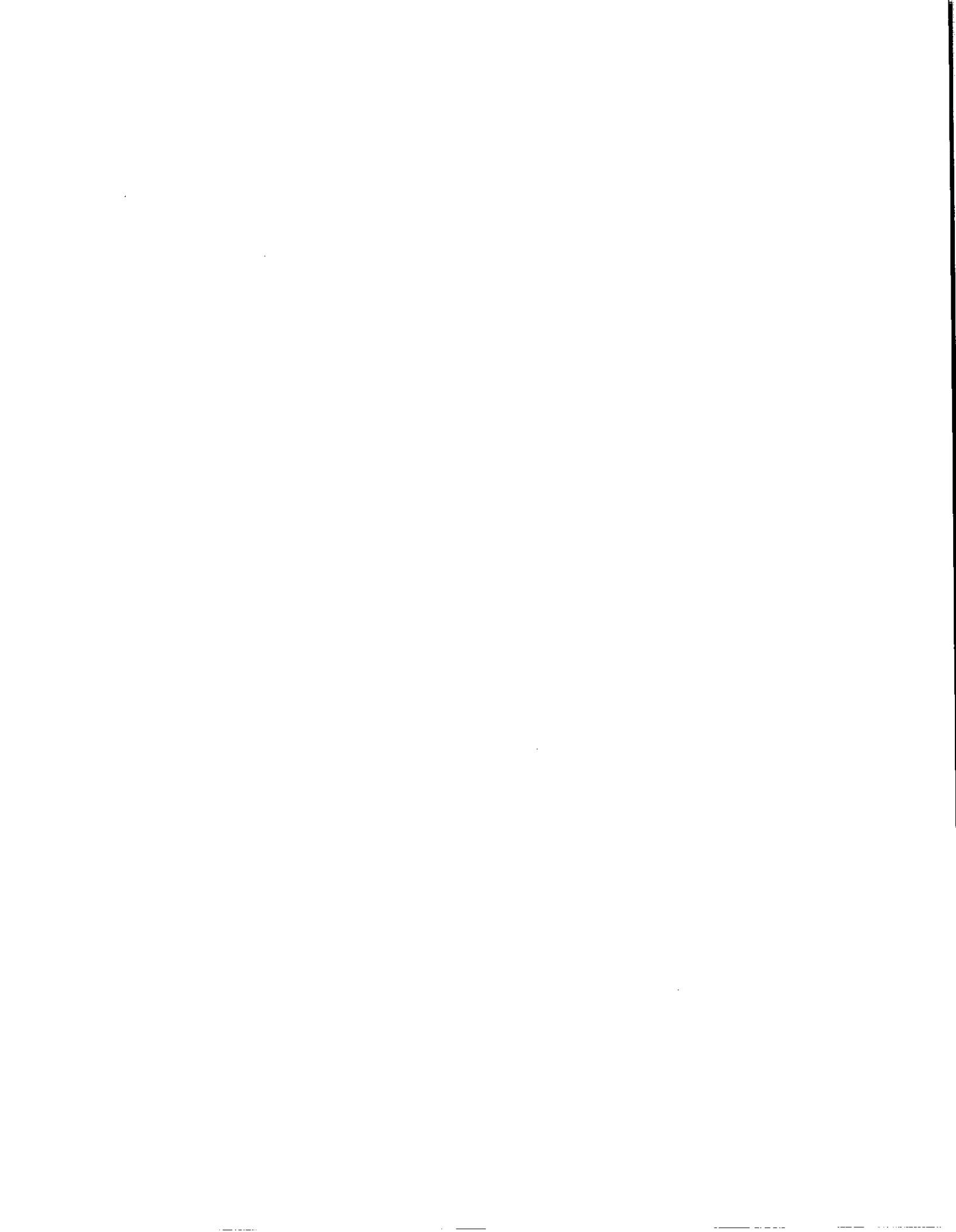
	CY 2013 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
PUBLIC AND PRIVATE PROGRAMS						
OFFSET BY REVENUES						
Alcohol Education Rehab Program		738.85	738.85			\$
Body Armor Fund Grant	75,847.45	10,204.03	10,204.03			\$
Clean Communities Grant	2,800.00	89,051.03	89,051.03			
Cops In shop		2,800.00	2,800.00			
Community Development Block Grant- Drive Sober or Get Pulled Over		255,805.00	255,805.00			
Drunk Driving Enforcement		4,400.00	4,400.00			
Federal Emergency Management: OEM		9,233.47	9,233.47			
Green Communities Grant	5,000.00	10,000.00	10,000.00			
Municipal Alliance on Alcoholism and Drug Abuse Grant		3,000.00	3,000.00			
Middlesex County Cultural & Heritage	44,587.00	66,880.50	66,880.50			
Multi-Jurisdictional Gang, Gun & Narcotic Task Force Program	1,125.00	1,350.00	1,350.00			
Recycling Tonnage Grant	6,000.00	12,000.00	12,000.00			
Safe and Secure Communities Program	60,000.00	57,045.56	57,045.56			
Matching Funds	50,000.00	60,000.00	60,000.00			
		24,720.13	24,720.13		25,279.87	
Total Operations Excluded from "CAPS"	5,217,673.45	5,642,822.44	4,780,232.14	385,726.37	476,863.93	
DETAIL:						
Salaries and Wages	647,611.00	685,611.00	680,472.28		5,138.72	
Other Expenses	4,570,062.45	4,957,211.44	4,099,759.86	385,726.37	471,725.21	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Down Payment on Improvements	400,000.00	620,000.00	620,000.00			
4-Wheel Vehicles for Code Enforcement	125,000.00	125,000.00	125,000.00			
Computers : Code Enforcement	50,000.00	50,000.00	22,771.76	28,768.00	38,696.00	
Total Capital Improvements Excl. from "CAPS"	575,000.00	795,000.00	700,307.76	28,768.00	65,924.24	



TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

	CY 2013 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	\$ 7,525,000.00	\$ 7,525,000.00	\$ 7,525,000.00	\$	\$	\$
Interest on Bonds	1,951,608.87	1,951,608.87	1,884,539.49			67,069.38
Total Municipal Debt Service - Excl. from "CAPS"	9,476,608.87	9,476,608.87	9,409,539.49			67,069.38
DEFERRED CHARGES EXCLUDED FROM "CAPS"						
Unfunded Ordinances						
Ordinance 06-26	204,000.00	204,000.00	204,000.00			
Ordinance 05-41	218,975.00	218,975.00	218,975.00			
Ordinance 05-11	213,470.00	213,470.00	213,470.00			
Ordinance 11-14	15.00	15.00	15.00			
Ordinance 06-48	47,000.00	47,000.00	47,000.00			
Ordinance 07-02	275,000.00	275,000.00	275,000.00			
Total Deferred Charges - Excl. from "CAPS"	958,460.00	958,460.00	958,460.00			
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"						
Deferred Charges						
Emergency Authorizations	1,700,000.00	1,700,000.00	1,700,000.00			
Emergency Authorizations - 5 yrs	300,000.00	300,000.00	300,000.00			
Total Deferred Charges - Municipal Excluded from "CAPS"	2,000,000.00	2,000,000.00	2,000,000.00			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	18,227,742.32	18,872,891.31	17,848,539.39	414,494.37	542,788.17	67,069.38



TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

	CY 2013 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED		UNEXPENDED BALANCE CANCELLED	
			PAID OR CHARGED	ENCUMBERED RESERVED		
Subtotal General Appropriations	\$ 57,624,756.12	\$ 60,011,905.11	\$ 52,994,174.17	\$ 4,149,416.86	\$ 2,801,244.70	\$ 67,069.38
Reserve for Uncollected Taxes	<u>2,770,715.69</u>	<u>2,770,715.69</u>	<u>2,770,715.69</u>			
Total General Appropriations	\$ 60,395,471.81	\$ 62,782,620.80	\$ 55,764,889.86	\$ 4,149,416.86	\$ 2,801,244.70	\$ 67,069.38
Adopted Budget		\$ 60,395,471.81	A-1	A-A-1	A-1	
Approp. by N.J.S.A. 40A:4-87		<u>387,148.99</u>				
		<u>\$ 62,782,620.80</u>				
Disbursed						
Reserve for Uncollected Taxes		\$ 47,142,636.76				
Reserve for Tax Appeals		<u>2,770,715.69</u>				
Reserve for Library		1,500,000.00				
Reserve: Hurricane Sandy		(24,802.00)				
General Capital Fund - Capital Improvement Fund		2,000,000.00				
Due to Unemployment Trust		1,578,215.17				
Due to Payroll Fund		100,000.00				
Due Sewer Utility Operating		3,309,608.00				
Due to Senior Housing Utility		(3,408,329.30)				
Due To Trust Fund:		(119,789.00)				
Due to State and Federal Grants Fund		334,126.10				
		<u>582,508.44</u>				
		<u>\$ 55,764,889.86</u>				

Note: See Notes to Financial Statements



TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012

ASSETS	REF.	BALANCE DEC. 31, 2013	BALANCE DEC. 31, 2012	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE DEC. 31, 2013	BALANCE DEC. 31, 2012
Animal Control Fund:							
Cash and Investments - Treasurer	B-1	\$ 19,907.84	\$ 2,416.38	Animal Control Fund:	B-1	\$ 24.80	\$ 168.20
Total Animal Control Fund		19,907.84	2,416.38	Due to State of New Jersey	B-1	19,883.04	2,248.18
				Reserve for Animal Control Expenditures			
Self-Insurance Trust Fund:				Total Animal Control Fund		19,907.84	2,416.38
Cash and Investments - Treasurer	B-1	68,364.93	964,458.86	Self-Insurance Trust Fund:	B-1	68,364.93	964,458.86
Total Trust-Other Fund		68,364.93	964,458.86	Reserve for Self Insurance			
				Total Trust-Other Fund		68,364.93	964,458.86
Other Trust Funds:							
Cash and Investments - Treasurer	B-1	8,168,393.91	8,739,559.46	Payroll Liabilities	B-1	144,294.13	180,893.72
Interfund Receivable	B-1	8,707,795.94	3,415,222.21	Unemployment Insurance Trust Fund	B-1	380,528.61	265,202.03
Total Escrow Trust Fund		16,876,189.85	12,154,781.67	Reserve for CDBG	B-1	-	104,403.07
				Miscellaneous Deposits	B-1	8,539,030.37	6,339,660.71
				Affordable Housing	B-1	315,835.43	147,838.87
				Interfund Payable	B-1	-	400,000.00
				Recreation Trust	B-1	63,887.81	57,188.89
				Schedule of Escrows	B-2	7,432,813.50	4,639,594.38
				Total Escrow Trust Fund		16,876,189.85	12,154,781.67
Public Assistance Fund:				Public Assistance Fund:			
Cash and Investments - Treasurer	B-1	6,411.35	3,911.35	Reserve for Public Assistance	B-1	6,411.35	3,911.35
Total Public Assistance Fund		6,411.35	3,911.35	Total Public Assistance Fund		6,411.35	3,911.35
Grand Total		\$ 16,970,873.97	\$ 13,125,568.26	Grand Total		\$ 16,970,873.97	\$ 13,125,568.26

Note: See Notes to Financial Statements.

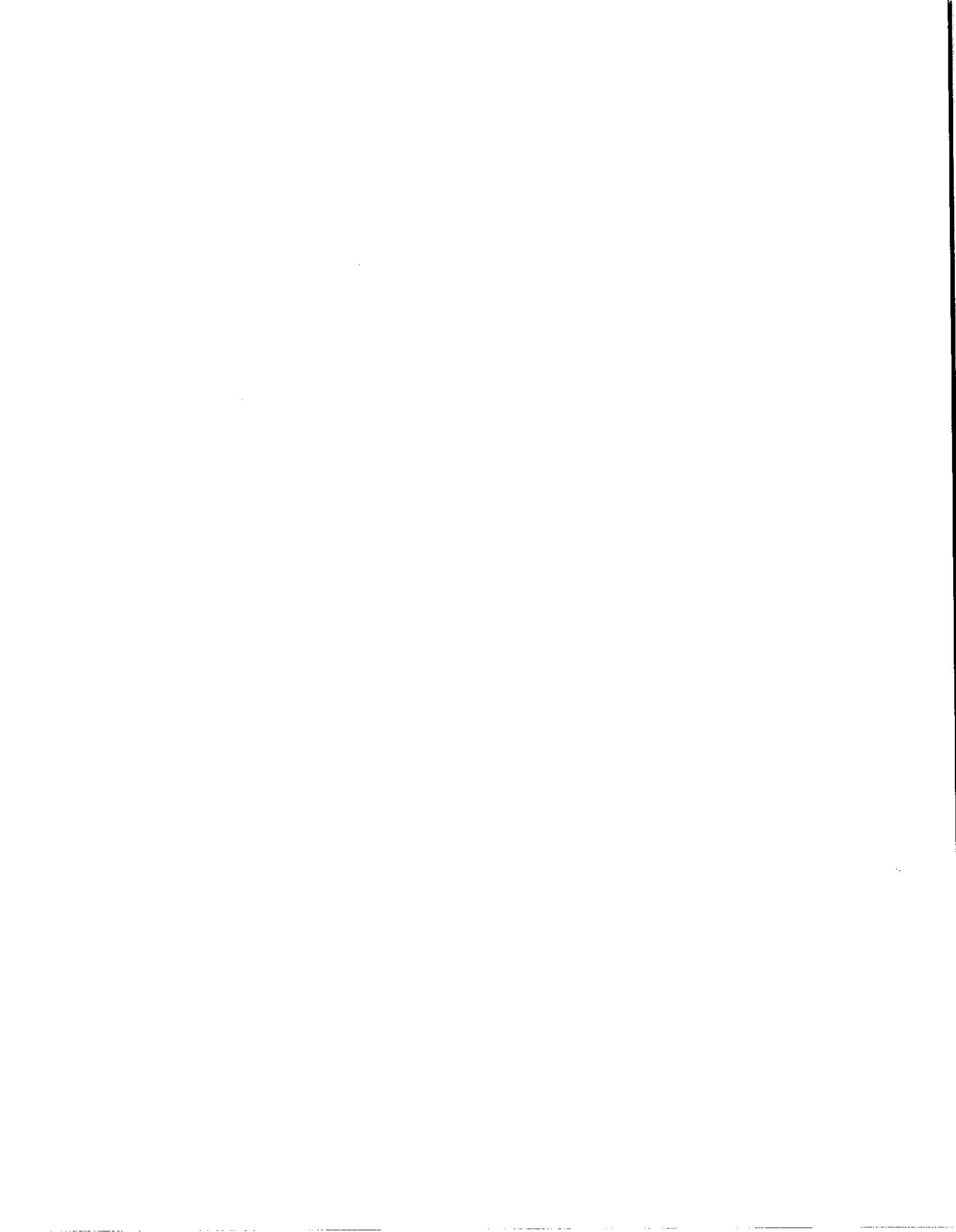


**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012**

	<u>REF.</u>	<u>BALANCE DEC. 31,2013</u>	<u>BALANCE DEC. 31,2012</u>
<u>ASSETS</u>			
Cash, Cash Equivalents and Investments	C- 2	\$ 615,993.04	\$ 76,294.26
Deferred Charges to Future Taxation:			
Funded	C- 4	47,703,000.00	55,228,000.00
Unfunded	C- 5	45,832,000.00	35,224,210.00
Total Assets		<u>\$ 94,150,993.04</u>	<u>\$ 90,528,504.26</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-9	\$ 47,703,000.00	\$ 55,228,000.00
Improvement Authorizations:			
Funded	C- 8	19,994,805.65	2,700,944.45
Unfunded	C- 8	7,409,485.91	20,295,448.74
Reserve for Encumbrances	C- 8	4,565,042.61	5,485,456.20
Capital Improvement Fund	C- 6	13,500.00	2,250.00
Contributions - Off-Site Improvements	C- 7	3,413,187.73	1,781,675.71
Reserve for Preliminary Expenses	C-11	457,402.90	457,402.90
Reserve for Debt Service	C-15	19,141.98	484,415.04
Contributions - Tree Contributions	C-12	8,300.00	200.00
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	C-16	190,000.00	
Interfund: Sewer Utility Capital Fund	C- 10	1,200,000.00	
Interfund: Other Trust Fund	C- 10	8,707,795.94	3,149,335.94
Fund Balance	C- 1	444,080.32	918,125.28
Total Liabilities, Reserves and Fund Balance		<u>\$ 94,150,993.04</u>	<u>\$ 90,528,504.26</u>
Bonds & Notes Authorized but not Issued	C-17	<u>\$ 45,832,000.00</u>	<u>\$ 35,224,210.00</u>

Note: See Notes to Financial Statements

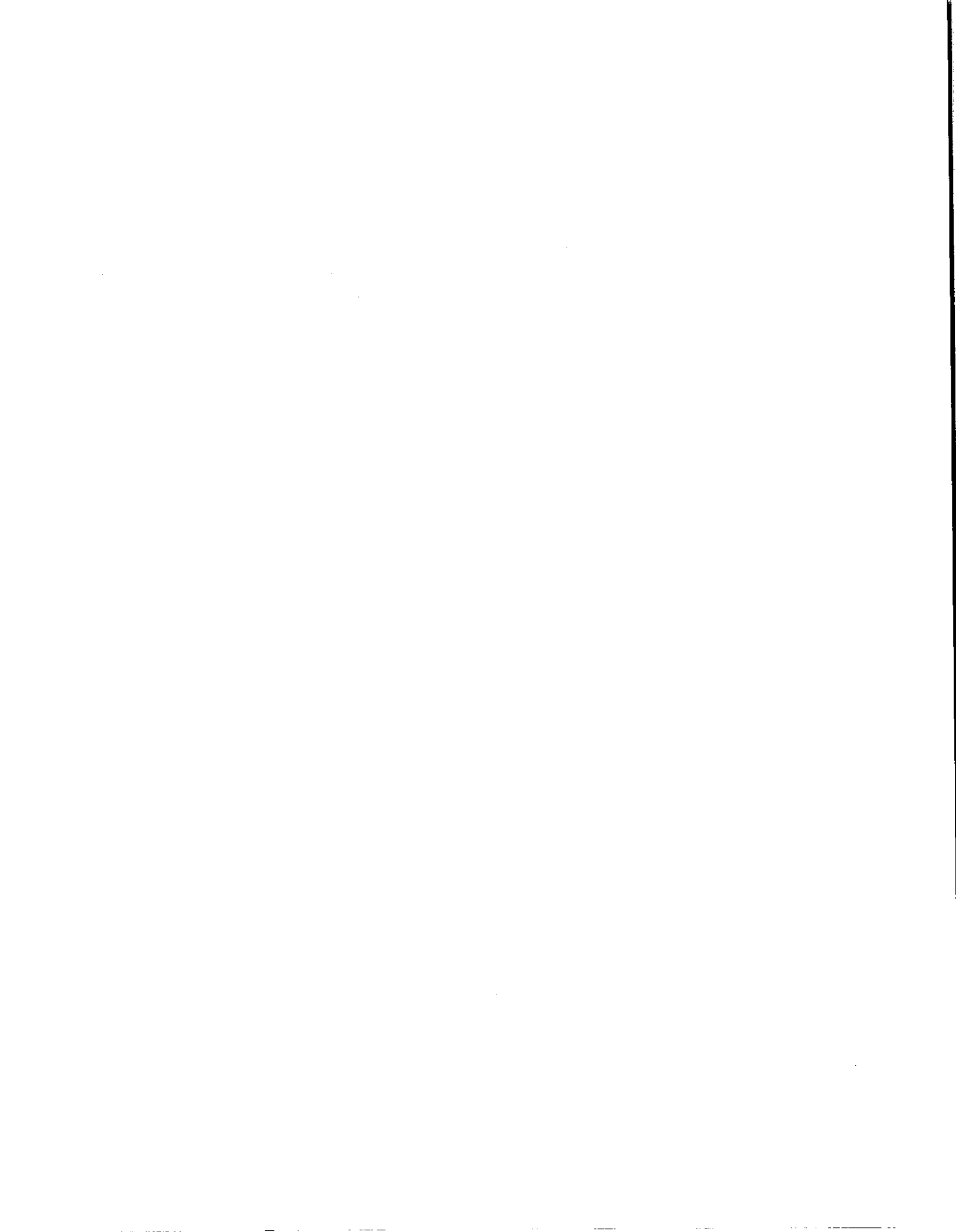


**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE PERIOD ENDED DECEMBER 31, 2013**

	<u>REF.</u>	
Balance - December 31, 2012	C	\$ 918,125.28
Decreased by:		
Utilized as Revenue in CY 2013 General Budget	C-10	<u>474,044.96</u>
Balance - December 31, 2013	C	<u>\$ 444,080.32</u>

Note: See Notes to Financial Statements



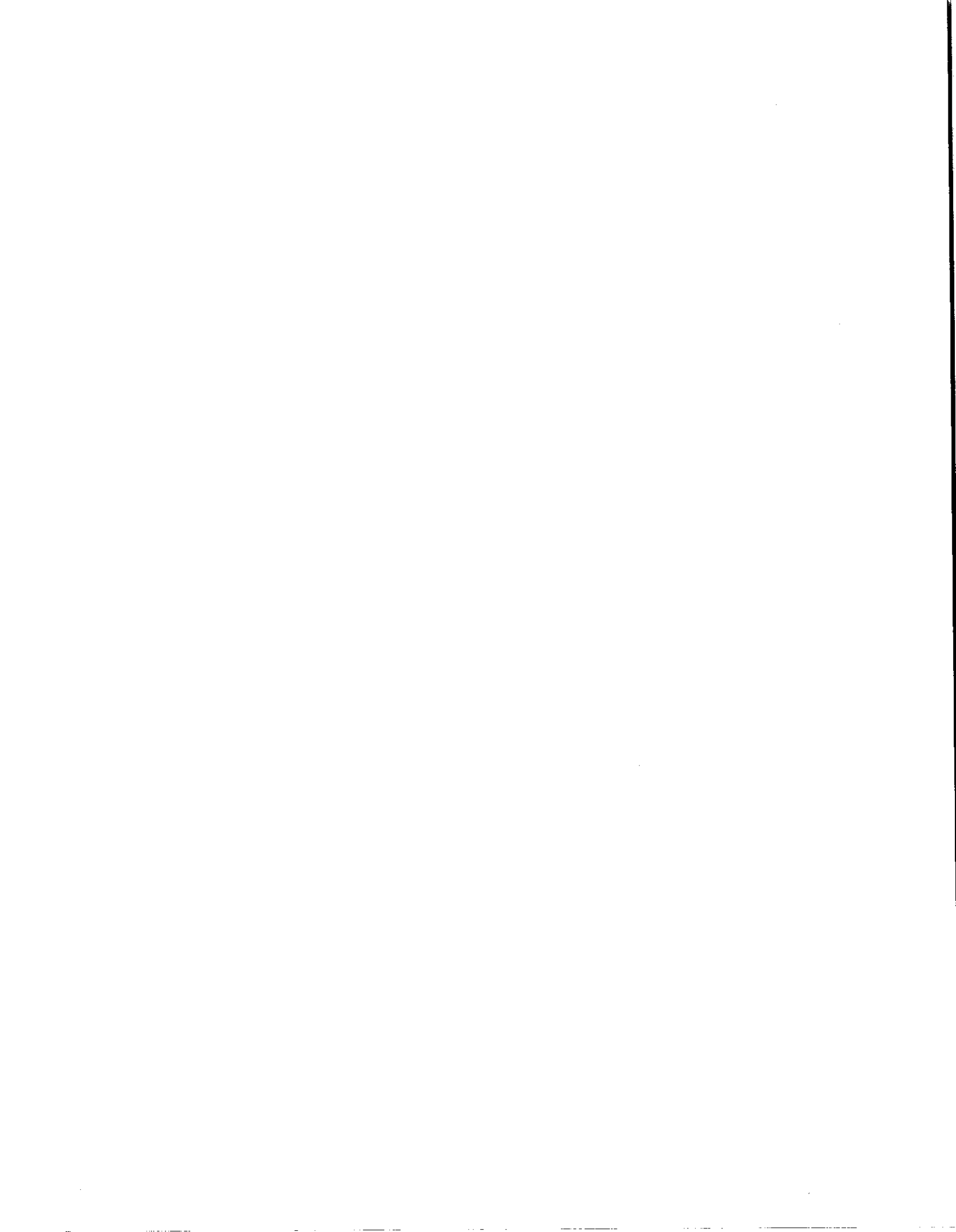
TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2013 AND 2012

ASSETS	REF.	BALANCE DEC. 31, 2013	BALANCE DEC. 31, 2012	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE DEC. 31, 2013	BALANCE DEC. 31, 2012
Operating Fund:							
Cash and Investments - Treasurer	D-5	\$ 5,664,080.11	\$ 4,974,561.67	Operating Fund:	D-4, D-11	\$ 1,488,160.29	\$ 105,868.99
Change Fund - Collector	D	100.00	100.00	Appropriation Reserves	D-4	282,324.30	108,349.71
Due from Sewer Capital Fund	D-21	250,000.00		Reserve for Encumbrances	D-12	34,497.40	36,380.73
				Accrued Interest Payable	D-13	13,838.99	23,349.77
				Prepaid Sewer Charges	D-14	4,594.78	250.00
				Sewer Overpayments	D-15	10,840.00	44,132.71
				Accounts Payable			
Receivables With Offsetting Reserves:							
Sewer Charges Receivable	D-8	790,155.16	883,803.36			1,834,255.76	318,331.91
				Reserve for Receivables	Reserve	790,155.16	883,803.36
				Fund Balance	D-1	4,079,924.35	4,656,329.76
Total Operating Fund		6,704,335.27	5,858,465.03	Total Operating Fund		6,704,335.27	5,858,465.03
Capital Fund:							
Cash and Investments - Treasurer	D-5	271,607.82	1,051,167.91	Serial Bonds Payable	D-23	3,490,000.00	3,700,000.00
Fixed Capital	D-9	13,107,561.49	13,107,561.49	Reserve for Encumbrances	D-16	1,565,367.48	612,084.71
Fixed Capital Authorized and Uncompleted	D-10	9,030,000.00	9,030,000.00	Due to Sewer Operating Fund	D-22	250,000.00	
Due from General Capital Fund	D-20	1,200,000.00		Improvement Authorizations:			
				Funded	D-16	855,664.19	291.50
				Unfunded	D-16	2,151,507.88	3,136,601.73
				Capital Improvement Fund	D-18	103,750.00	2,078,750.00
				Reserve for Amortization	D-19	14,767,439.79	13,235,561.49
				Deferred Reserve for Amortization	D-17	323,500.00	323,500.00
				Fund Balance	D-2	101,939.97	101,939.97
Total Capital Fund		23,609,169.31	23,188,729.40	Total Capital Fund		23,609,169.31	23,188,729.40
Grand Total		\$ 30,313,504.58	\$ 29,047,194.43	Grand Total		\$ 30,313,504.58	\$ 29,047,194.43

There were Bonds and Notes Authorized but Not Issued on December 31, 2013 in the amount of \$3,556,621.70 (Exhibit D-24).

Note: See Notes to Financial Statements



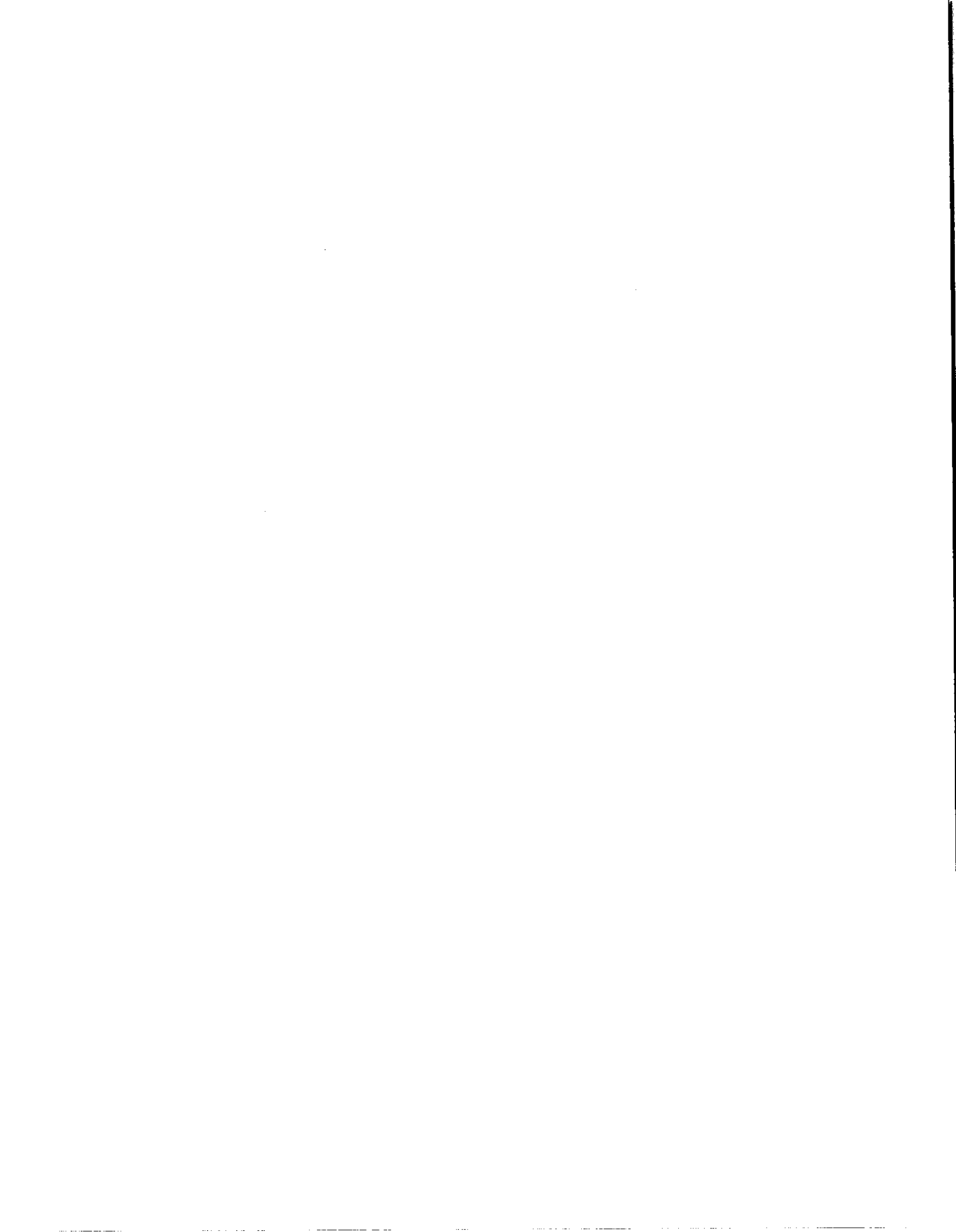
**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

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, 2013 AND 2012**

<u>REVENUE AND OTHER INCOME</u>		<u>CY 2013</u>	<u>CY 2012</u>
Fund Balance Utilized	D- 3	\$ 1,600,000.00	\$ 1,667,000.00
Sewer Charges	D- 3	9,185,897.03	9,413,003.85
Connection Fees	D- 3	841,445.30	414,000.00
Interest on Investments	D- 3	1,401.25	507.73
Interest on Delinquent Accounts	D- 3	101,985.22	64,820.56
Other Credits to Income:			
Miscellaneous Revenue	D- 3	55,562.80	21,668.93
Accounts Payable Cancelled	D- 15	44,132.71	
Unexpend. Balance of Appropriation Reserves Lapsed and Reserve for Encumb. Canceled	D- 11	<u>151,057.91</u>	<u>42,221.77</u>
 Total Revenues		<u>11,981,482.22</u>	<u>11,623,222.84</u>
 <u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operating	D- 4	\$ 8,476,215.00	\$ 7,342,698.11
Capital Improvements	D- 4	525,000.00	2,025,000.00
Debt Service	D- 4	350,504.17	365,483.33
Deferred Charges and Statutory Expend.	D- 4	1,581,397.50	256,543.56
Refund of Revenue	D- 5	<u>24,770.96</u>	
 Total Expenditures		<u>10,957,887.63</u>	<u>9,989,725.00</u>
 Excess/(Deficit) in Revenues		1,023,594.59	1,633,497.84
 <u>FUND BALANCE</u>			
Balance - January 1	D	<u>4,656,329.76</u>	<u>4,689,831.92</u>
		5,679,924.35	6,323,329.76
Decreased by:			
Utilized as Anticipated Revenue		<u>1,600,000.00</u>	<u>1,667,000.00</u>
 Balance - December 31	D	<u>\$ 4,079,924.35</u>	<u>\$ 4,656,329.76</u>

Note: See Notes to Financial Statements



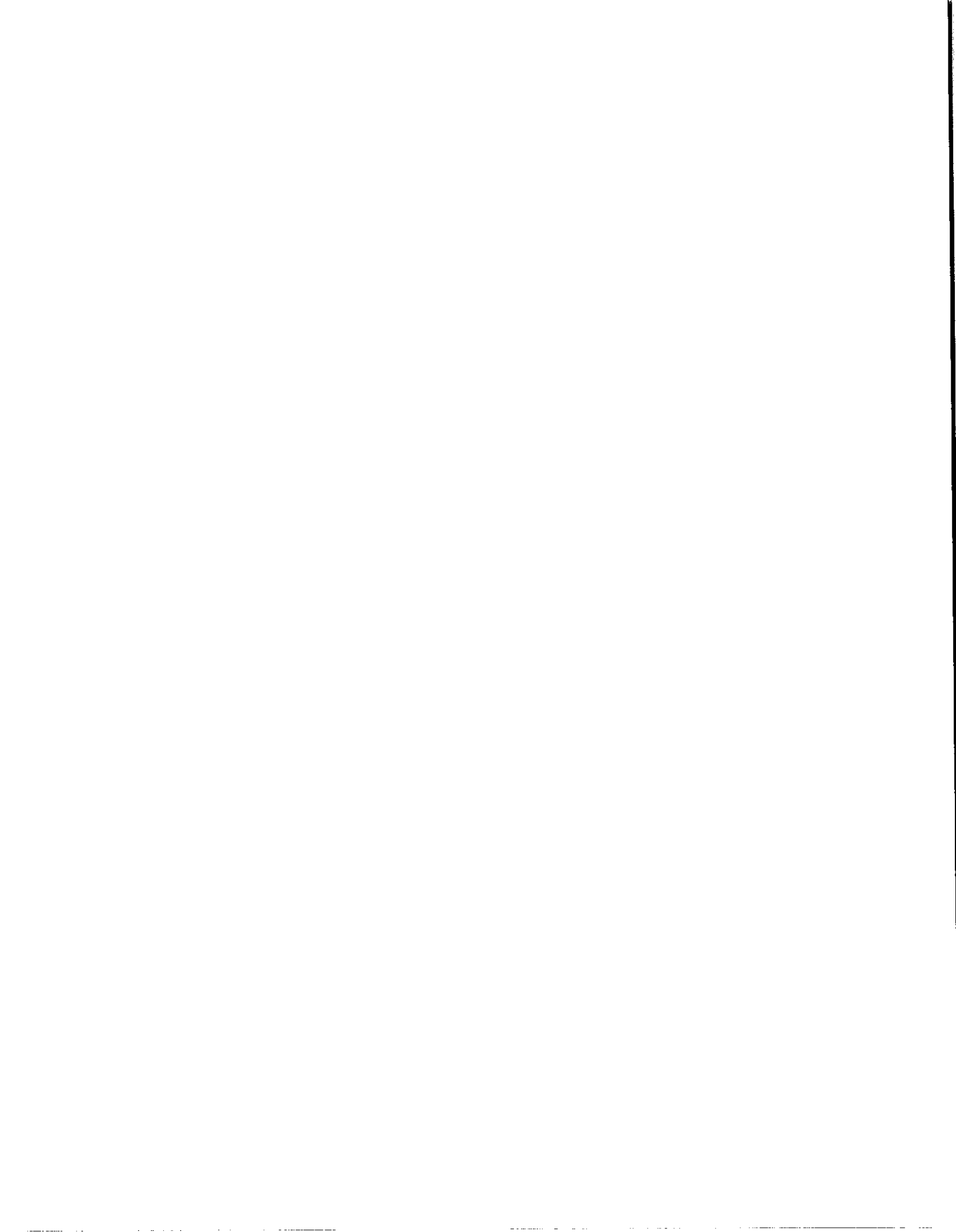
**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

Exhibit D-2

**SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013**

	<u>REF</u>	
Balance December 31, 2012	D	\$ 101,939.97
Balance December 31, 2013	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, 2013**

	<u>REF.</u>	CY 2013 <u>BUDGET</u>	<u>REALIZED</u>	EXCESS OR <u>(DEFICIT)</u>
Fund Balance	D- 1	\$ 1,600,000.00	\$ 1,600,000.00	\$
Sewer Service Charges	D- 1	9,000,000.00	9,185,897.03	185,897.03
Sewer Connection Fees & Permits	D- 1	300,000.00	841,445.30	541,445.30
Miscellaneous	D- 1	2,000.00	1,401.25	(598.75)
Interest on Delinquencies	D- 1	<u>33,000.00</u>	<u>101,985.22</u>	<u>68,985.22</u>
Total		\$ <u>10,935,000.00</u>	\$ <u>11,730,728.80</u>	\$ <u>795,728.80</u>

Ref. D-4

Analysis of Realized Revenues:

Sewer Service Charges:

Prepays Applied	D-13	\$ 23,349.77
Collected	D- 8	<u>9,162,547.26</u>
	D- 1	<u>\$ 9,185,897.03</u>

Connection Fees:

Received by Collector		<u>\$ 841,445.30</u>
	D-1,D-6	<u>\$ 841,445.30</u>

Interest on Delinquent Accounts:

Collected		<u>\$ 101,985.22</u>
	D-1,D-6	<u>\$ 101,985.22</u>

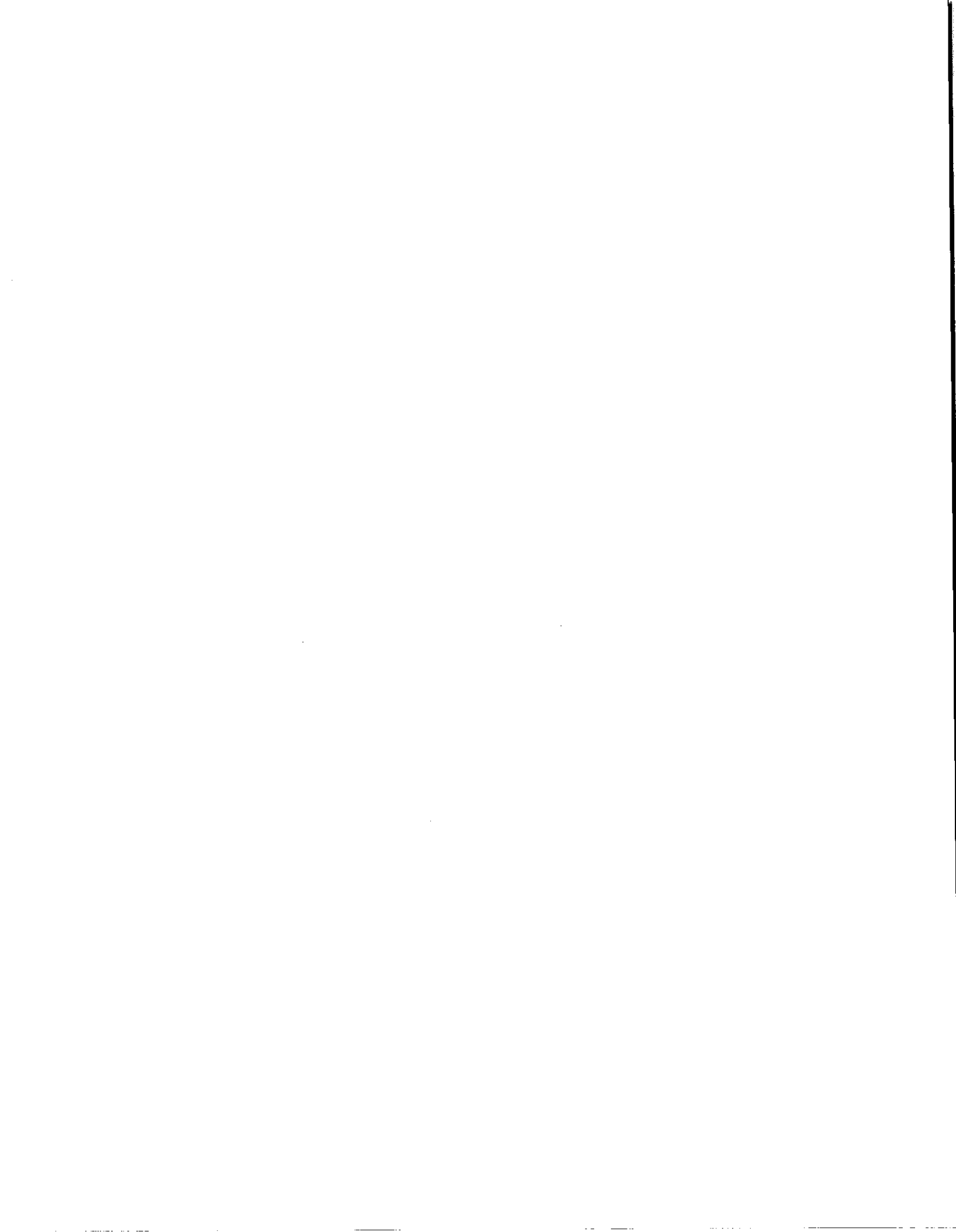
Interest on Investments:

Collected	D-5	<u>\$ 1,401.25</u>
	D-1	<u>\$ 1,401.25</u>

Miscellaneous Revenue:

Received by Collector	D-6	\$ 562.80
Collected	D-5	<u>55,000.00</u>
	D-1	<u>\$ 55,562.80</u>

Note: See Notes to Financial Statements

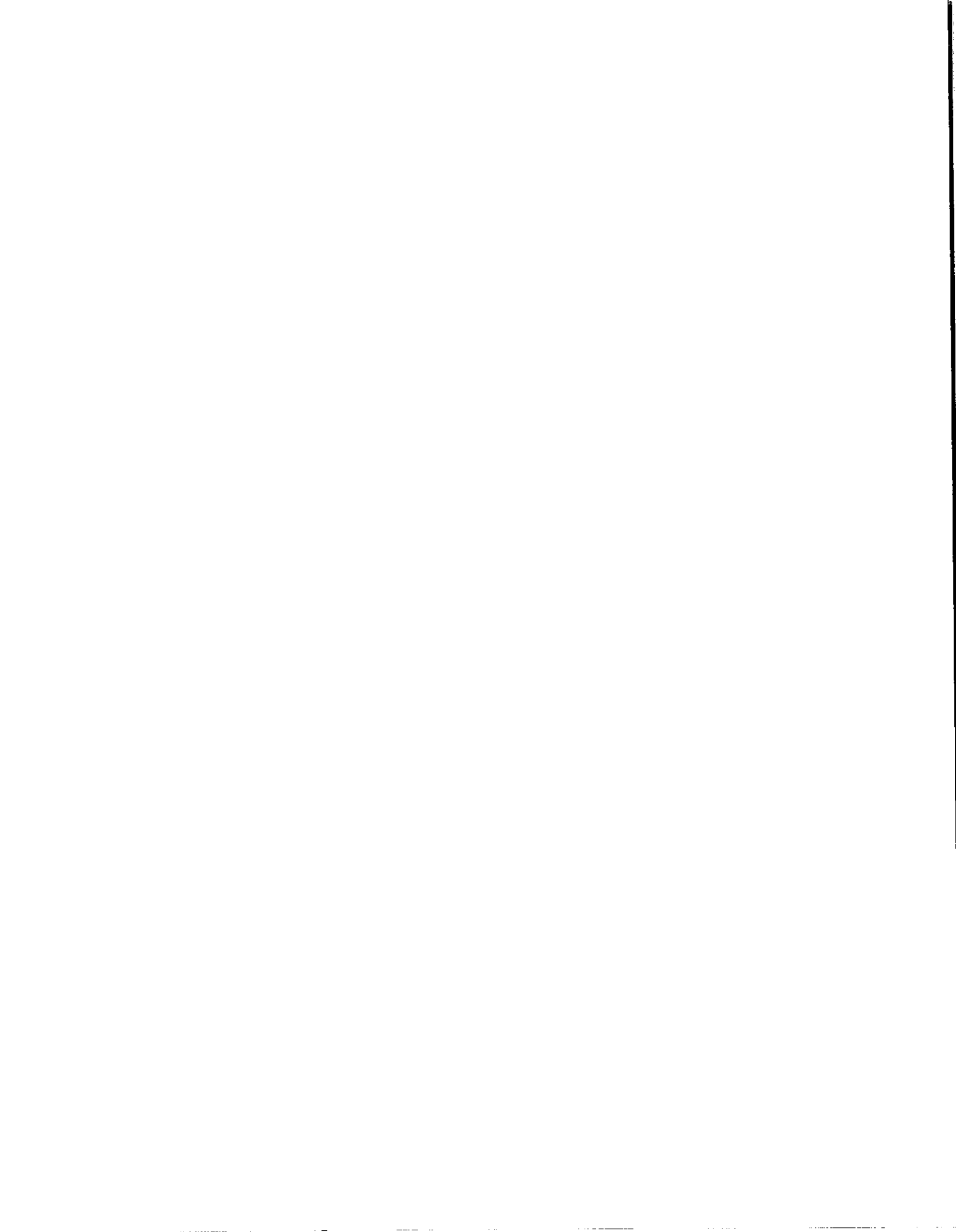


TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	CY 2013 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
Operating:						
Salaries and Wages	\$ 1,369,265.00	\$ 1,369,265.00	\$ 1,124,980.13	\$	\$ 244,284.87	\$
Other Expenses	1,306,950.00	1,306,950.00	1,112,563.50	134,234.16	60,152.34	
Middlesex County Utilities Authority						
Service Charges - Contractual	5,800,000.00	5,800,000.00	4,968,186.78	58,592.14	773,221.08	
Capital Improvements:						
Down Payments on Improvements	25,000.00	25,000.00				
Capital Outlay	500,000.00	500,000.00		89,498.00	410,502.00	
Debt Service:						
Payment on Bond Principle	210,000.00	210,000.00	210,000.00			
Interest on Bonds	142,387.50	142,387.50	140,504.17			1,883.33
Deferred Charges and Statutory Expenditures:						
Deferred Charges:						
Unfunded Bond Ordinances	1,321,878.30	1,321,878.30	1,321,878.30			
Statutory Expenditures:						
Public Employees' Retirement System	127,519.20	127,519.20	127,519.20			
Social Security System (O.A.S.I.)	132,000.00	132,000.00	132,000.00			
Total Sewer Utility Appropriations	\$ 10,935,000.00	\$ 10,935,000.00	\$ 9,162,632.08	\$ 282,324.30	\$ 1,488,160.29	\$ 1,883.33
Ref:	D-3	D-3	D-1	D,D-1	D,D-1	
Cash Disbursements			\$ 7,675,249.61			
Sewer Capital			1,346,878.30			
Accrued Interest			140,504.17			
			<u>\$ 9,162,632.08</u>			

Note: See Notes to Financial Statements



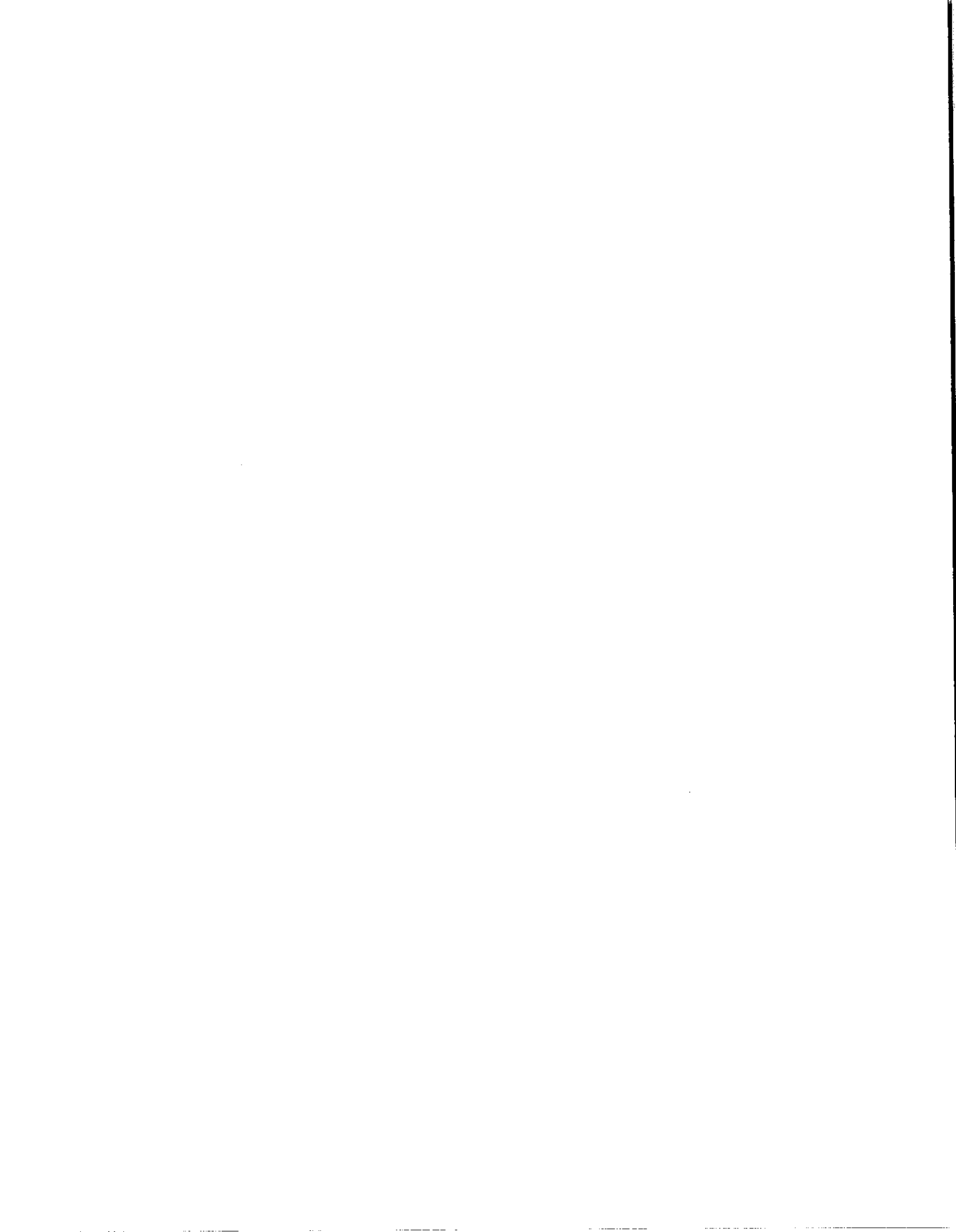
TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY FUND
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2013

ASSETS	REF.	BALANCE DEC.31, 2013	BALANCE DEC.31, 2012	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE DEC.31, 2013	BALANCE DEC.31, 2012
Operating Fund:							
Cash and Investments - Treasurer	E-5	\$ 319,943.65	\$ 293,751.01	Operating Fund:	E-4	\$ 158,639.30	\$ 383,071.34
Due from Senior Housing Capital	E-17	841,240.00	661,000.00	Appropriation Reserves	E-4	196,432.86	163,376.33
				Reserve for Encumbrances	E-7	106,800.00	90,576.07
				Accounts Payable	E-8	16,554.37	18,444.37
				Accrued Interest on Bonds	E-9	127,257.00	116,456.35
				Security Deposits			
Total Operating Fund		1,161,183.65	954,751.01	Fund Balance	E-1	605,683.53	771,924.46
						555,500.12	182,826.55
				Total Operating Fund		1,161,183.65	954,751.01
Capital Fund:				Capital Fund:			
Cash and Investments - Treasurer	E-5	60,344.57	8,170.45	Serial Bonds Payable	E-12	920,000.00	1,040,000.00
Due from Affordable Housing Trust			400,000.00	Due to Senior Housing Operating	E-18	841,240.00	661,000.00
Fixed Capital	E-15	10,351,052.26	10,351,052.26	Improvement Authorizations:			
Fixed Capital Authorized and Uncompleted	E-16	2,283,000.00	2,283,000.00	Funded	E-11	23,108.05	23,348.05
				Unfunded	E-11	235,054.28	237,759.88
Total Capital Fund		12,694,396.83	13,042,222.71	Reserve for:			
				Encumbrances	E-11	204,728.75	759,849.03
				Capital Improvement Fund	E-13	154,035.75	124,035.75
				Amortization	E-10	9,431,052.26	9,311,052.26
				Deferred Amortization	E-14	883,000.00	883,000.00
				Fund Balance	E-2	2,177.74	2,177.74
				Total Capital Fund		12,694,396.83	13,042,222.71
Grand Total		\$ 13,855,580.48	\$ 13,996,973.72	Grand Total		\$ 13,855,580.48	\$ 13,996,973.72

There were Bonds and Notes Authorized but Not Issued on December 31, 2013 in the amount of \$1,400,000.00 (Exhibit E-20).

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, 2013

<u>REVENUE AND OTHER INCOME</u>		<u>CY 2013</u>	<u>CY 2012</u>
Fund Balance Utilized	E- 3	\$ 130,000.00	260,000.00
Rental Income	E- 3	1,407,129.52	1,332,017.27
Interest on Investments	E- 3	70.36	20.82
Other Credits to Income:			
Non-Budget Revenue	E- 3	15,511.42	13,502.34
Accounts Payable Canceled	E- 7	90,576.07	
Unexpend. Balance of Appropriation			
Reserves Lapsed	E- 7	<u>316,261.20</u>	<u>214,588.61</u>
 Total Revenues		 <u>1,959,548.57</u>	 <u>1,820,129.04</u>
 <u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operating	E- 4	\$ 1,154,309.00	1,116,754.00
Capital Improvements	E- 4	130,000.00	393,744.00
Debt Service	E- 4	167,295.00	177,388.12
Deferred Charges and Statutory Expend.	E- 4	<u>5,271.00</u>	<u>4,192.00</u>
 Total Expenditures		 <u>1,456,875.00</u>	 <u>1,692,078.12</u>
 Excess/(Deficit) in Revenues		 502,673.57	 128,050.92
 <u>FUND BALANCE</u>			
Balance - January 1	E	<u>182,826.55</u>	<u>314,775.63</u>
		685,500.12	442,826.55
Decreased by:			
Utilized as Anticipated Revenue	E- 1	<u>130,000.00</u>	<u>260,000.00</u>
 Balance - December 31	E	 <u>\$ 555,500.12</u>	 <u>182,826.55</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, 2013

	<u>REF.</u>	
Balance - December 31, 2012	E	\$ 2,177.74
Balance - December 31, 2013	E	<u>\$ 2,177.74</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, 2013

	<u>REF.</u>	<u>CY 2013 BUDGET</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance	E-1	\$ 130,000.00	\$ 130,000.00	\$
Rental Income	E-1,E-3	1,332,000.00	1,407,129.52	75,129.52
Interest on Investments	E-1,E-3	<u> </u>	<u>70.36</u>	<u>70.36</u>
		<u>1,462,000.00</u>	<u>1,537,199.88</u>	<u>75,199.88</u>
Non-Budget Revenues	E-1,E-3	<u> </u>	<u>15,511.42</u>	<u>15,511.42</u>
		<u>\$ 1,462,000.00</u>	<u>\$ 1,552,711.30</u>	<u>\$ 90,711.30</u>

Ref.

E-4

E-1

Analysis of Realized Revenues:Analysis of Rental Income:

Rental Income		\$ 1,388,637.52
Surcharge for Utilities:		
Aircondition Surcharge		<u>18,492.00</u>
	E-3,E-5	<u>\$ 1,407,129.52</u>

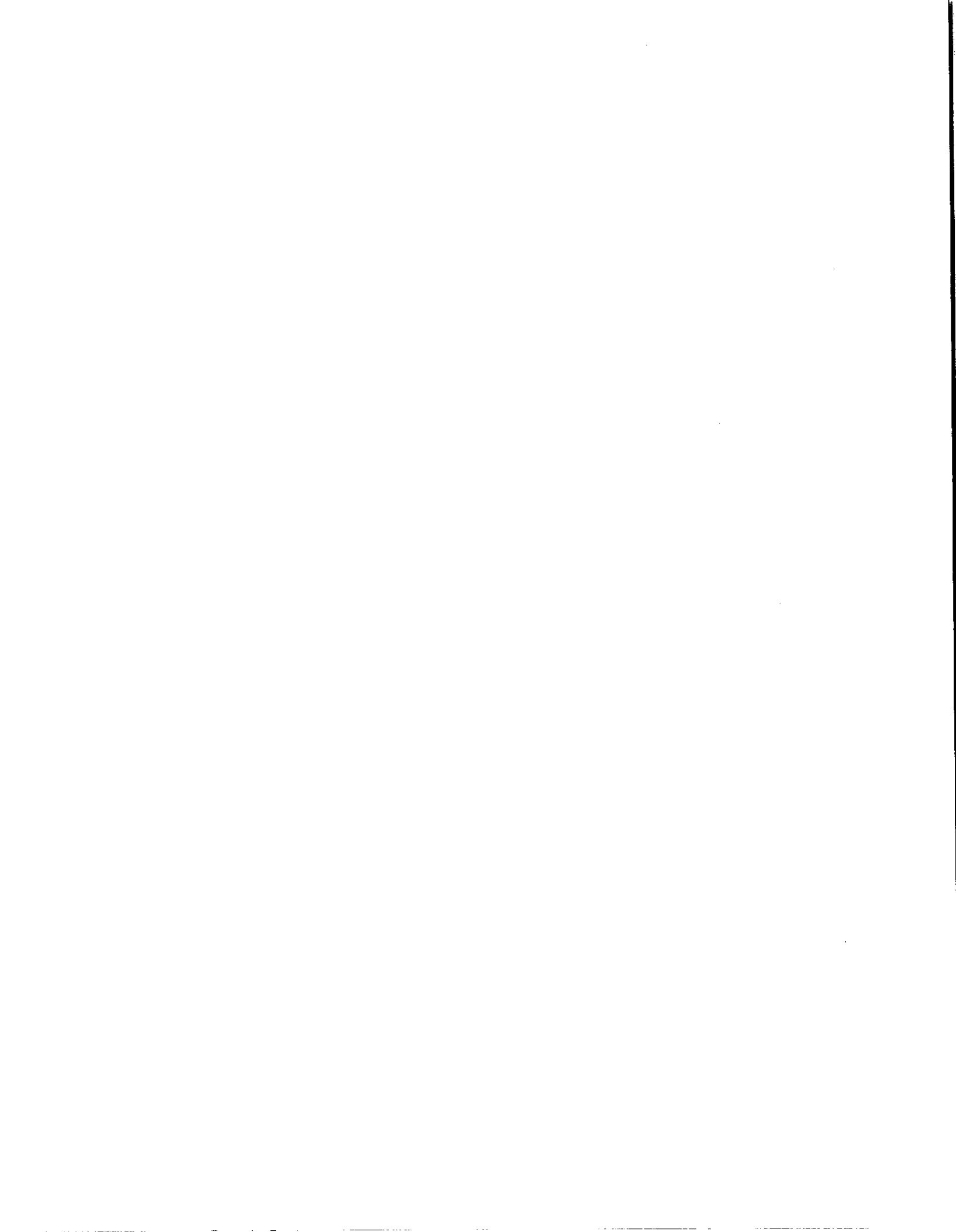
Analysis of Non-Budget Revenues:

Room Rental		\$ 5,000.00
Laundromat Income		9,646.42
Miscellaneous		100.00
Deposit Withheld		
Late Fees		490.00
Replacement Key		75.00
Return Check Fees		<u>200.00</u>
	E-3,E-5	<u>\$ 15,511.42</u>

Analysis of Interest on Investments:

Senior Citizen Operating Fund	E-5	<u>70.36</u>
	E-3	<u>\$ 70.36</u>

Note: See Notes to Financial Statements

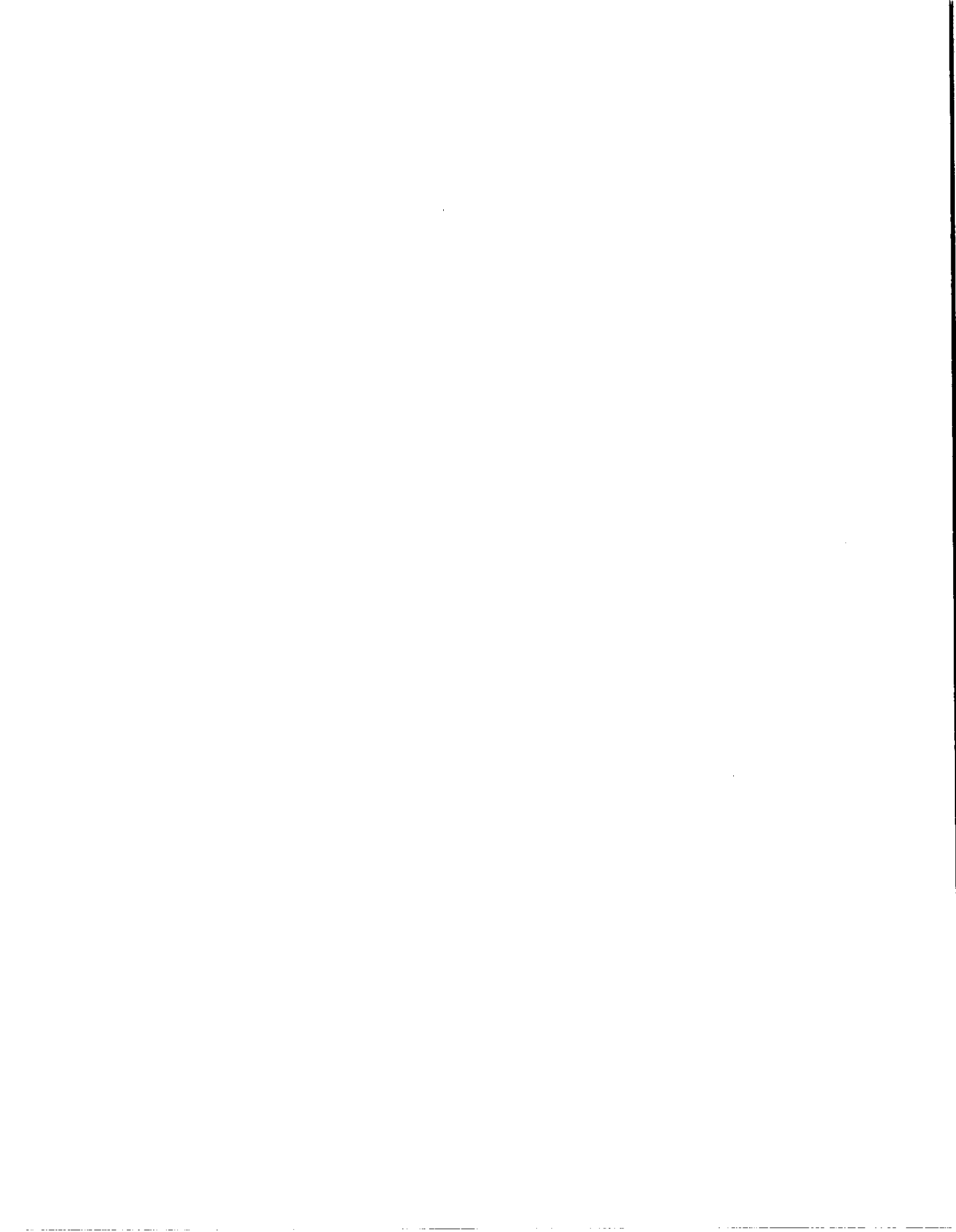


TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

	CY 2013 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	1,117,309.00	1,117,309.00	851,961.84	144,001.86	121,345.30	
Debt Service:						
Payment on Bond Principle	120,000.00	120,000.00	120,000.00			
Interest on Bonds	52,420.00	52,420.00	47,295.00			5,125.00
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Social Security System (O.A.S.I.)	5,271.00	5,271.00	5,271.00			
Capital Improvements:						
Capital Improvement Fund	100,000.00	100,000.00	10,275.00	52,431.00	37,294.00	
Down Payments on Improvements	30,000.00	30,000.00	30,000.00			
Total Senior Citizen Housing Appropriations	\$ 1,462,000.00	\$ 1,462,000.00	\$ 1,101,802.84	\$ 196,432.86	\$ 158,639.30	\$ 5,125.00
2013 Budget						
Cash Disbursements			\$ 1,054,507.84			
Accrued Interest on Bonds			47,295.00			
			\$ 1,101,802.84			

Note: See Notes to Financial Statements



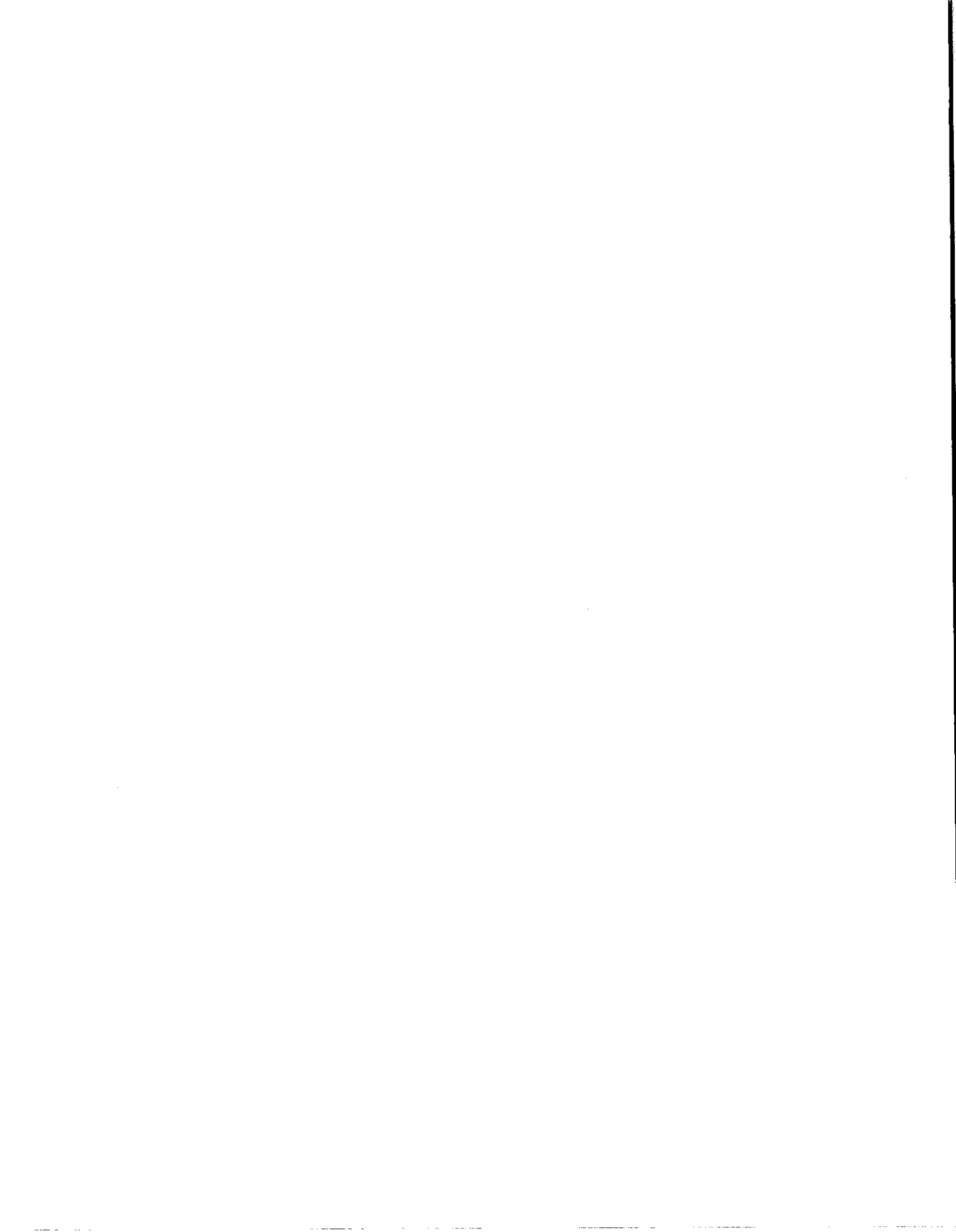
TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit - F

STATEMENT OF GOVERNMENTAL FIXED ASSETS
REGULATORY BASIS
DECEMBER 31, 2013

	<u>BALANCE</u> <u>DEC. 31, 2013</u>	<u>BALANCE</u> <u>DEC. 31, 2012</u>
Governmental Fixed Assets:		
Land	\$ 26,181,100.00	\$ 23,686,300.00
Buildings and Improvements	17,110,200.00	16,850,200.00
Machinery and Equipments	<u>19,871,620.00</u>	<u>19,075,360.00</u>
Total Governmental Fixed Assets	<u>\$ 63,162,920.00</u>	<u>59,611,860.00</u>
Investments in Governmental Fixed Assets	<u>\$ 63,162,920.00</u>	<u>59,611,860.00</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, 2013 AND 2012

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, 2013 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 \$230,194.70 at December 31, 2013 and \$201,323.88 at December 31, 2012. 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. 65, "Items Previously Reported as Assets and Liabilities" in March 2012. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. Statement No. 65 is effective for financial statements for periods beginning after December 15, 2012.

GASB issued Statement No. 67, "Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25" in June 2012. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. Statement No. 67 is effective for financial statements for periods beginning after June 15, 2013.

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

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

GASB issued Statement No. 68, "Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27" in June 2012. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions 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 pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. Statement No. 68 is effective for financial statements for periods beginning after June 15, 2014.

GASB issued Statement No. 69, "Government Combinations and Disposals of Government Operations" in January 2013. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term *government combinations* include a variety of transactions referred to as mergers, acquisitions, and transfers of operations. Statement No. 69 is effective for financial statements for periods beginning after December 15, 2013.

GASB issued Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees" in April 2013. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. Statement No. 70 is effective for financial statements for periods beginning after June 15, 2013.

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.

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.

NOTES TO FINANCIAL STATEMENTS

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

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

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, 2012</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Balance</u> <u>Dec. 31, 2013</u>
Governmental Fixed Assets			
Land	\$23,686,300.00	\$2,494,800.00	\$26,181,100.00
Building and Improvements	16,850,200.00	260,000.00	17,110,200.00
Machinery and Equipment	19,075,360.00	796,260.00	19,871,620.00
Total Governmental Fixed Assets	<u>\$59,611,860.00</u>	<u>\$3,551,060.00</u>	<u>\$63,162,920.00</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.

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.

NOTES TO FINANCIAL STATEMENTS

Note 5: ASSESSMENT AND COLLECTION OF PROPERTY TAXES (CONT'D):

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, 2013 and December 31, 2012 were appropriated and included as anticipated revenue in their own respective funds for the "Fiscal Year" ending December 31, 2013 and December 31, 2012 as follows:

	<u>FUND BALANCE DECEMBER 31, 2013</u>	<u>UTILIZED IN SUCCEEDING BUDGET</u>
Current Fund	\$11,709,009.00	\$5,000,000.00
Sewer Utility Fund	4,079,924.35	2,545,000.00
Senior Citizens Utility Fund	374,347.98	253,700.00

	<u>FUND BALANCE DECEMBER 31, 2012</u>	<u>UTILIZED IN SUCCEEDING BUDGET</u>
Current Fund	\$12,066,806.16	\$7,000,000.00
Sewer Utility Fund	4,656,831.92	1,600,000.00
Senior Citizens Utility Fund	182,826.55	130,000.00

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, 2013 the following deferred charges are shown on the balance sheet of the various funds:

	Balance December 31, <u>2012</u>	Amount in 2013 <u>Budget</u>	Amount Raised in <u>2013</u>	Cash Received in <u>2013</u>	Balance December 31, <u>2013</u>
Current Fund:					
Special					
Emergency App:					
Revaluation of	\$1,200,000.00	\$ 0.00	(\$300,000.00)	\$ 0.00	\$ 900,000.00
Real Property					
Hurricane	<u>3,500,000.00</u>	<u>2,000,000.00</u>	<u>(1,700,000.00)</u>	<u>(1,310,298.47)</u>	<u>2,489,701.53</u>
Sandy					
Total	<u>\$1,500,000.00</u>	<u>\$2,000,000.00</u>	<u>(\$300,000.00)</u>	<u>(\$1,310,298.47)</u>	<u>\$4,700,000.00</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 2013, and accordingly no future minimum annual rental payments disclosed.

Note 9: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION - DECEMBER 31, 2012

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, 2013

	<u>CY 2013</u>	<u>CY 2012</u>
<u>Issued:</u>		
General:		
Bonds and Notes	\$ 47,703,000.00	\$ 55,228,000.00
Sewer Utility:		
Bonds and Notes	3,490,000.00	3,700,000.00
Senior Citizens Housing Utility:		
Bonds and Notes	<u>920,000.00</u>	<u>1,040,000.00</u>
Net Debt Issued	<u>\$ 52,113,000.00</u>	<u>\$ 59,968,000.00</u>
<u>Authorized But Not Issued:</u>		
General:		
Bonds and Notes	45,832,000.00	35,224,210.00
Sewer Utility:		
Bonds and Notes	3,556,621.70	4,878,500.00
Senior Citizens Housing Utility:		
Bonds and Notes	<u>1,400,000.00</u>	<u>1,400,000.00</u>
Total Authorized But Not Issued	<u>50,788,621.70</u>	<u>41,502,710.00</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 102,901,621.70</u>	<u>\$ 101,470,710.00</u>

Summarized below are the Township's individual bond issues which are outstanding at December 31, 2013

	<u>CY 2013</u>	<u>CY 2012</u>
<u>General Debt:</u>		
\$9,659,000 General Improvement Bonds of 2004, due in annual installments of \$500,000 to \$1,040,000 through February 2017, interest at 3.125% to 3.750%.		\$ 800,000.00
\$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%.	9,200,000.00	10,600,000.00
\$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%.	13,210,000.00	14,510,000.00

NOTES TO FINANCIAL STATEMENTS

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

	<u>CY 2013</u>	<u>CY 2012</u>
\$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%.	\$ 990,000.00	\$ 1,315,000.00
\$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%.	3,839,000.00	4,214,000.00
\$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%.	1,560,000.00	2,085,000.00
\$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%.	5,620,000.00	6,720,000.00
\$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%.	4,405,000.00	5,505,000.00
\$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%.	3,595,000.00	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%.	5,284,000.00	5,884,000.00
Total General Capital Debt	<u>\$ 47,703,000.00</u>	<u>\$ 55,228,000.00</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%.	\$ 140,000.00	\$ 170,000.00
\$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%.	1,770,000.00	1,840,000.00
\$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%.	980,000.00	1,040,000.00
\$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%.	600,000.00	650,000.00
Total Sewer Utility Debt	<u>\$ 3,490,000.00</u>	<u>\$ 3,700,000.00</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%.	\$ 920,000.00	\$ 1,040,000.00
Total Debt for Capital Projects outstanding at December 31	<u>\$ 52,113,000.00</u>	<u>\$ 59,968,000.00</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 2013

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>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	<u>93,535,000.00</u>		<u>93,535,000.00</u>
	<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 = 1.53%

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>

<u>2012</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 29,660,000.00	\$ 29,660,000.00	-
Sewer Utility Debt	8,578,500.00	8,578,500.00	-
Senior Citizen Housing Utility Debt	2,440,000.00	2,440,000.00	-
General Debt	<u>90,452,210.00</u>		<u>90,452,210.00</u>
	<u>\$ 131,130,710.00</u>	<u>\$ 40,678,500.00</u>	<u>\$ 90,452,210.00</u>

Net Debt \$90,452,210.00 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$6,303,319,577.33 = 1.43%

Average Equalized Valuation Basis

2010 Equalized Value of Real Property	\$6,605,442,925.00
2011 Equalized Value of Real Property	6,150,730,014.00
2012 Equalized Value of Real Property	<u>6,153,785,793.00</u>
Average Equalized Valuation	<u>\$6,303,319,577.33</u>

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

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

	<u>2013</u>	<u>2012</u>
<u>Borrowing Power Under N.J.S.A. 40A:2-6 As Amended</u>		
3 1/2% of Equalized Valuation Basis Municipal Net Debt	\$213,909,156.31 <u>93,535,000.00</u>	\$220,616,185.21 <u>90,452,210.00</u>
Remaining Borrowing Power	<u>\$120,374,156.31</u>	<u>\$130,163,975.21</u>
<u>Calculation of "Self-Liquidating Purpose" Sewer Utility Per N.J.S.A. 40A:2-45</u>		
Cash Receipts from Fees, Rents or Other Charges for Year	\$11,830,424.31	\$11,581,001.07
Deductions:		
Operating and Maintenance Cost	10,057,612.50	7,599,241.67
Debt Service per Sewer Account	<u>350,504.17</u>	<u>365,483.33</u>
Total Deductions	<u>10,408,116.67</u>	<u>7,964,725.00</u>
Excess/(Deficit) in Revenues	<u>\$1,422,307.64</u>	<u>\$3,616,276.07</u>
<u>Deduction of Self-Liquidating Utility Debt for Statutory Net Debt - Sewer Utility Per N.J.S.A. 40A:2-48</u>		
The difference between the excess/(deficit) in revenues for debt statement purposes and the excess/(deficit) in revenues on a cash basis for the Sewer Utility Fund is as follows:		
Excess/(Deficit) in Revenues - Cash Basis (D-1)	\$1,023,594.59	\$1,633,497.84
Add: Capital Improvements	525,000.00	2,025,000.00
Refund of Prior Year Revenue	<u>24,770.96</u>	<u></u>
	\$1,573,365.55	3,658,497.84
Less: Reserves Lapsed	<u>151,057.91</u>	<u>42,221.77</u>
Excess/(Deficit) in Revenue per Debt Statement	<u>\$1,422,307.64</u>	<u>\$3,616,276.07</u>

NOTES TO FINANCIAL STATEMENTS

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

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

	<u>2013</u>	<u>2012</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	\$1,643,287.37	\$1,605,540.43
Deductions:		
Operating and Maintenance Cost	1,159,580.00	1,120,946.00
Debt Service per Housing Account	<u>167,295.00</u>	<u>177,388.12</u>
Total Deductions	<u>1,326,875.00</u>	<u>1,298,334.12</u>
Excess/(Deficit) in Revenues	<u>\$316,412.37</u>	<u>\$307,206.31</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)	\$502,673.57	\$128,050.92
Add: Capital Improvement	<u>130,000.00</u>	<u>393,744.00</u>
	632,673.57	521,794.92
Less: Reserves Lapsed/Accounts Payable Canceled	<u>316,261.20</u>	<u>214,588.61</u>
Excess in Revenue per Debt Statement	<u>\$316,412.37</u>	<u>\$307,206.31</u>

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

C. SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING

Year	General		Senior Housing		Sewer Utility		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2014	7,845,000.00	1,633,667.50	145,000.00	44,145.00	210,000.00	135,643.75	10,013,456.25
2015	8,155,000.00	1,384,048.75	140,000.00	37,910.00	220,000.00	128,625.00	10,065,583.75
2016	8,340,000.00	1,094,455.00	135,000.00	31,750.00	255,000.00	120,400.00	9,976,605.00
2017	7,610,000.00	799,480.00	160,000.00	25,000.00	265,000.00	110,850.00	8,970,330.00
2018	5,970,000.00	550,880.00	160,000.00	17,000.00	235,000.00	101,100.00	7,033,980.00
Subtotal	37,920,000.00	5,462,531.25	740,000.00	155,805.00	1,185,000.00	596,618.75	46,059,955.00
2019	4,834,000.00	341,480.00	180,000.00	9,000.00	235,000.00	91,500.00	5,690,980.00
2020	2,425,000.00	149,460.00			260,000.00	81,400.00	2,915,860.00
2021	2,524,000.00	50,480.00			280,000.00	70,800.00	2,925,280.00
2022					180,000.00	61,543.75	241,543.75
2023					180,000.00	54,175.00	234,175.00
Subtotal	9,783,000.00	541,420.00	180,000.00	9,000.00	1,135,000.00	359,418.75	12,007,838.75
2024					200,000.00	46,475.00	246,475.00
2025					200,000.00	38,037.50	238,037.50
2026					100,000.00	31,787.50	131,787.50
2027					100,000.00	27,787.50	127,787.50
Subtotal	-	-	-	-	600,000.00	144,087.50	744,087.50
2028					110,000.00	23,662.50	133,662.50
2029					110,000.00	19,125.00	129,125.00
2030					110,000.00	14,587.50	124,587.50
2031					120,000.00	10,050.00	130,050.00
2032					120,000.00	5,100.00	125,100.00
Subtotal	-	-	-	-	570,000.00	72,525.00	642,525.00
	\$47,703,000.00	\$6,003,951.25	\$920,000.00	\$164,805.00	\$3,490,000.00	\$1,172,650.00	\$59,454,406.25

NOTES TO FINANCIAL STATEMENTS

Note 10: INTERFUNDS

The following interfund balances remained on the balance sheet date at December 31, 2013:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Other Trust Funds	\$8,707,795.94	\$ 0.00
General Capital Fund		9,907,795.94
Sewer Utility Operating Fund	250,000.00	
Sewer Utility Capital Fund	1,200,000.00	250,000.00
Senior Citizen Housing Utility Operating Fund	841,240.00	
Senior Citizen Housing Utility Capital Fund	<u>-0-</u>	<u>841,240.00</u>
Total	<u>\$10,999,035.94</u>	<u>\$10,999,035.94</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.

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, 2012 and December 31, 2013:

	<u>2013</u>	<u>2012</u>
Cash (Demand Accts.)	\$37,832,387.19	\$38,974,105.18
Investments (CD's)	0.00	0.00
NJ Cash Management Fund	751,174.93	750,753.32
Change Funds (On-Hand)	<u>635.00</u>	<u>635.00</u>
Total	<u>\$38,584,197.12</u>	<u>\$39,725,493.50</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 2013, the carrying amount of the Township's deposits was \$38,584,197.12 and the bank balance was \$43,926,438.16. Of the bank balance, \$558,682.20 was covered by Federal depository insurance and \$42,616,581.03 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, 2013, 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, 2013, the Township had \$751,174.93 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, 2013 and 2012, exclusive of contributions from employees were \$1,062,660 and \$1,173,448 respectively for PERS, and \$2,226,948 and \$2,154,032, 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 \$2,967,142 and \$2,647,509 for CY 2013 and CY 2012 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 2013 and 2012, the Township's annual OPEB cost (expense) of \$6,225,400 was greater than the ARC of \$6,222,400.

	<u>2012 Total</u>	<u>2011 Total</u>
Net OPEB obligation – beginning of year	\$15,552,100	\$11,324,600
Annual required contribution (ARC)	6,225,400	6,225,400
Less: Contributions	<u>2,205,700</u>	<u>1,997,900</u>
Net OPEB obligation – end of year	<u>\$19,571,800</u>	<u>\$15,552,100</u>

The funded status of the plan for the Township as of January 1, 2012 and 2011, is as follows:

	<u>Total</u>
Actuarial accrued liability (AAL)	\$78,625,900
Actuarial value of plan assets	<u>- 0 -</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$78,625,900</u>
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$17,506,964
UAAL as a percentage of covered payroll	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, 2012 and 2011 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, 2013. 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, 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 and at December 31, 2012, the Fund reported for all years combined, total assets of \$14,498,917.94, liabilities and reserves of \$11,903,906.05, which includes case reserves of \$9,634,344.44 and IBNR of \$2,135,321 and a fund balance for all years of \$2,595,011.89.

NOTES TO FINANCIAL STATEMENTS

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 2013</u>		
Worker’s Compensation – Self-Insurance (All Program Years)	<u>\$64,538.30</u>	<u>\$68,364.93</u>
<u>CY 2012</u>		
Worker’s Compensation – Self-Insurance (All Program Years)	<u>\$64,538.30</u>	<u>\$964,458.86</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, 2013 and December 31, 2012:

<u>CY 2013</u>				
<u>Cash Reserve Dec. 31, 2012</u>	<u>Township Appropriation</u>	<u>Refunds, Subrogation & Interest Earnings</u>	<u>Claims & Fees Paid</u>	<u>Cash Reserve 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 Reserve Requirement Dec. 31, 2012</u>	<u>Estimated Reserves For Prior Period Adjustment</u>	<u>Net Claims/ Fees Paid</u>	<u>Estimated Reserve Requirement Dec. 31, 2013</u>
<u>\$64,538.30</u>	<u>\$(929,511.44)</u>	<u>\$929,511.44</u>	<u>\$64,538.30</u>

NOTES TO FINANCIAL STATEMENTS

Note 14: RISK MANAGEMENT (CONT'D):

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

<u>CY 2012</u>				
<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, 2012</u>
<u>\$850,069.98</u>	<u>\$10,000.00</u>	<u>\$1,071,579.07</u>	<u>\$967,190.19</u>	<u>\$964,458.86</u>

The following is an analysis of changes in the estimated reserve requirement for claims reported for all program years as at December 31, 2012:

<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, 2012</u>
<u>\$64,316.99</u>	<u>\$(996,968.88)</u>	<u>\$967,190.19</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 2013	\$100,000.00	\$-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
CY 2011	150,000.00	-0-	-0-	-0-	175,794.28	157,258.85

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, 2013, 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, 2012 and 2013, and are due in ten equal annual installments consisting of:

<u>Year Levied</u>	<u>Supplemental Assessments</u>		<u>Final Installment</u>
	<u>Original Levy</u>	<u>December 31, 2013 Balance</u>	
2010	\$3,769,587	\$2,818,308	2021
2011	952,802	857,522	2022
2012	1,349,762	1,349,762	2023
2013	<u>824,241</u>	<u>824,241</u>	2024
Totals	<u>\$6,896,392</u>	<u>\$5,849,833</u>	

<u>Year Levied</u>	<u>Retrospective Assessments</u>	
	<u>Original Levy</u>	<u>December 31, 2013 Balance</u>
2013	1,626,407	1,626,407

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, 2013, 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 2013 through 2024 in the total amount of \$566,677 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, 2013 it was determined that Piscataway's actual claim loss exceeded the amounts upon which annual assessments were based for Fund Year 2012 and 2013 in an aggregate amount of \$144,489.

B. Litigation Pending or Threatened

At December 31, 2013, 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.

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, 2013 and December 31, 2012 it is estimated that the current cost of such unpaid sick pay would approximate \$6,110,108 and \$5,553,320. 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, 2013, the Township does not believe that any material liabilities will result from such audits.

As at December 31, 2013 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.

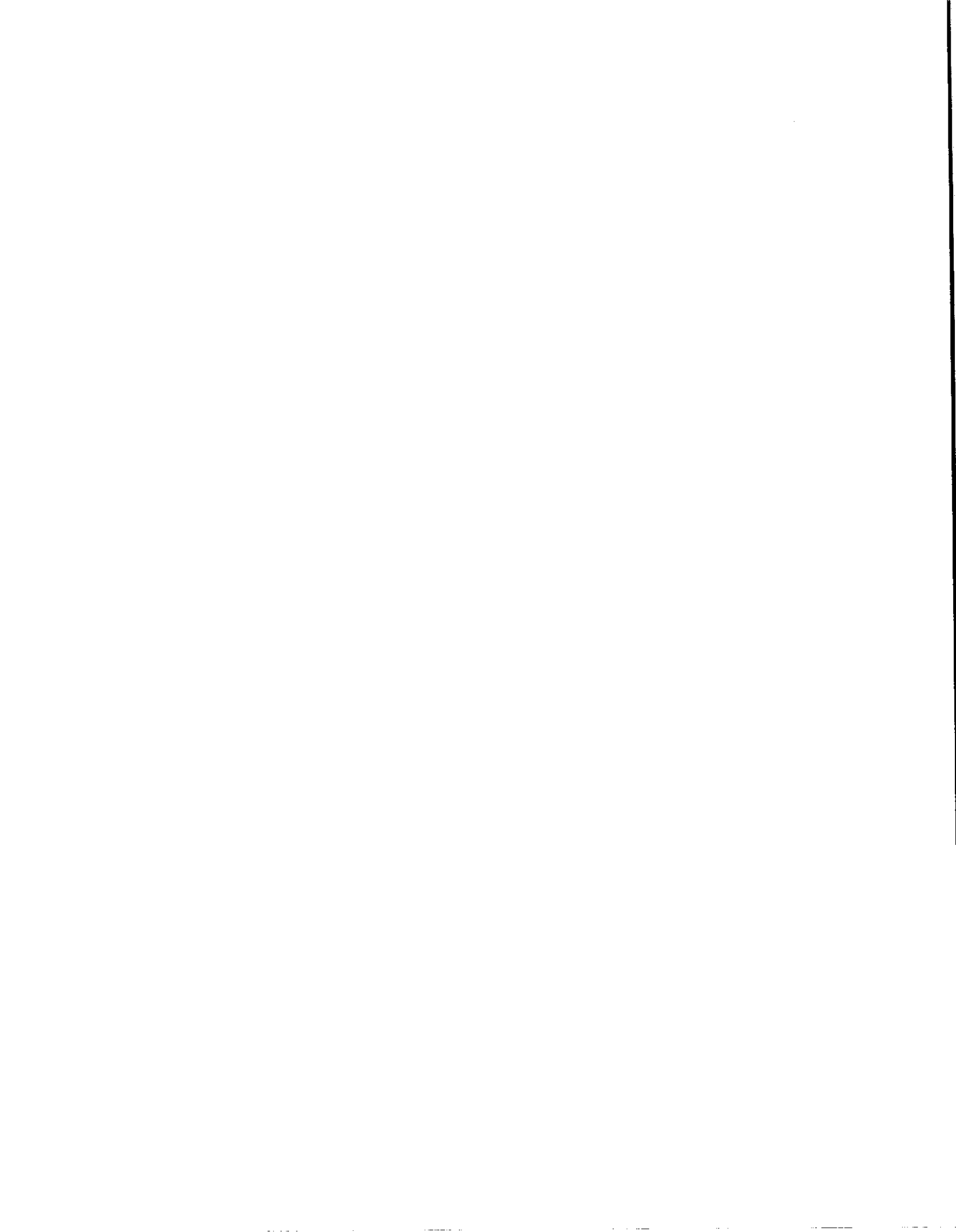
NOTES TO FINANCIAL STATEMENTS

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:

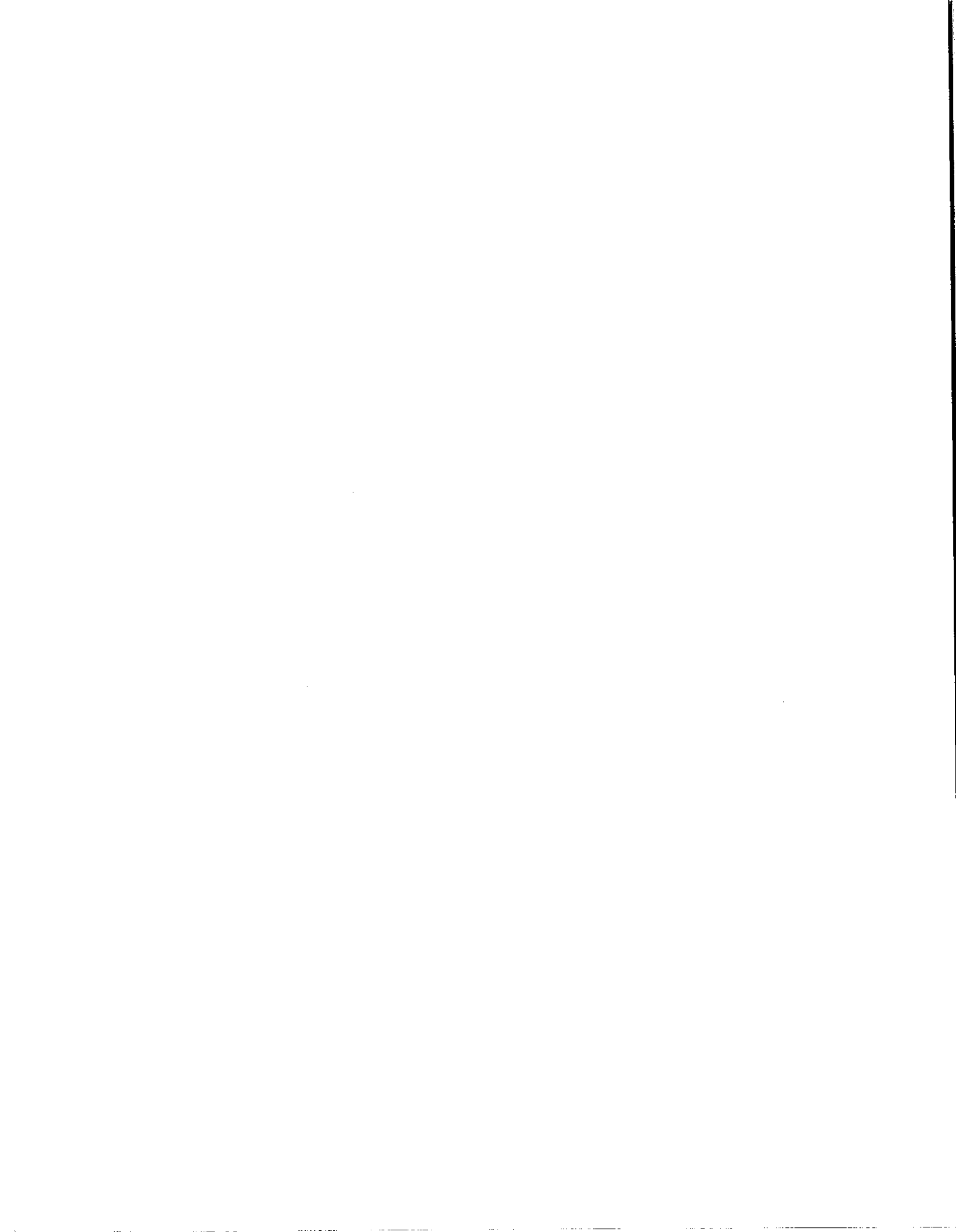
<u>Project</u>	<u>Total</u>	<u>Bond/Notes Authorized</u>
Various Capital Improvements	\$1,450,000.00	\$1,140,000.00
Various Sewer Improvements	1,400,000.00	0.00
Road Improvements	1,500,000.00	1,425,000.00
Road Rehabilitation and Improvements	2,450,000.00	2,327,500.00
Various Park Improvements	1,600,000.00	1,006,557.00
Various Sewer Improvements	1,500,000.00	0.00



**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
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ROBERT S. MORRISON, CPA, RMA, PSA

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

JO ANN BOOS, CPA, PSA

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Township of Piscataway, County of Middlesex, New Jersey as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Township of Piscataway's financial statements and have issued our report thereon date January 20, 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, P.A.

HODULIK & MORRISON, PA.
Certified Public Accountants
Registered Municipal Accountants
Public School Accountants
Highland Park, New Jersey
January 20, 2015

HODULIK & MORRISON, P.A.
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REGISTERED MUNICIPAL ACCOUNTANTS
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

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" that could have a direct and material effect on each of the Township of Piscataway's major federal programs for the year ended December 31, 2013. The Township of Piscataway's major federal 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 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". 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 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 program. However, our audit does not provide a legal determination on the Township of Piscataway's compliance.

Basis for Qualified Opinion on Major Federal Programs

As described in the accompanying "Schedule of Findings and Questioned Costs," The Township of Piscataway, County of Middlesex, State of New Jersey did not comply with requirements of OMB Circular A-133 as described in finding number 2013-01. Compliance with such requirements is necessary, in our opinion, for the Township of Piscataway to comply with the requirements applicable to OMB Circular A-133.

Qualified Opinion on Each Major Federal Program

In our opinion, except for the noncompliance described in the "Basis for Qualified Opinion" paragraph, 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 programs for the year ended December 31, 2013.

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 program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 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 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 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.

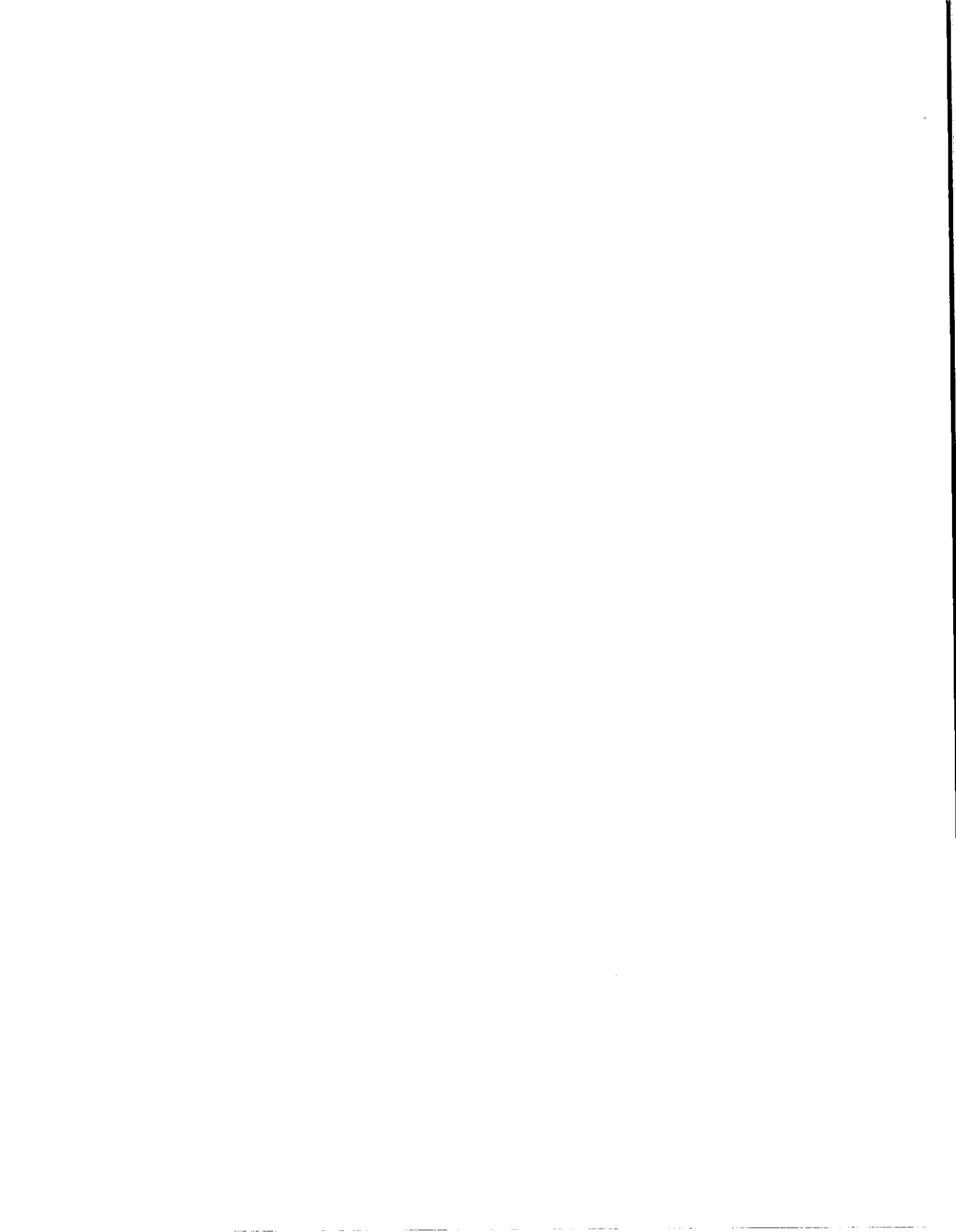
Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify 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. Accordingly, this report is not suitable for any other purposes.

Hodulik & Morrison, P.A.

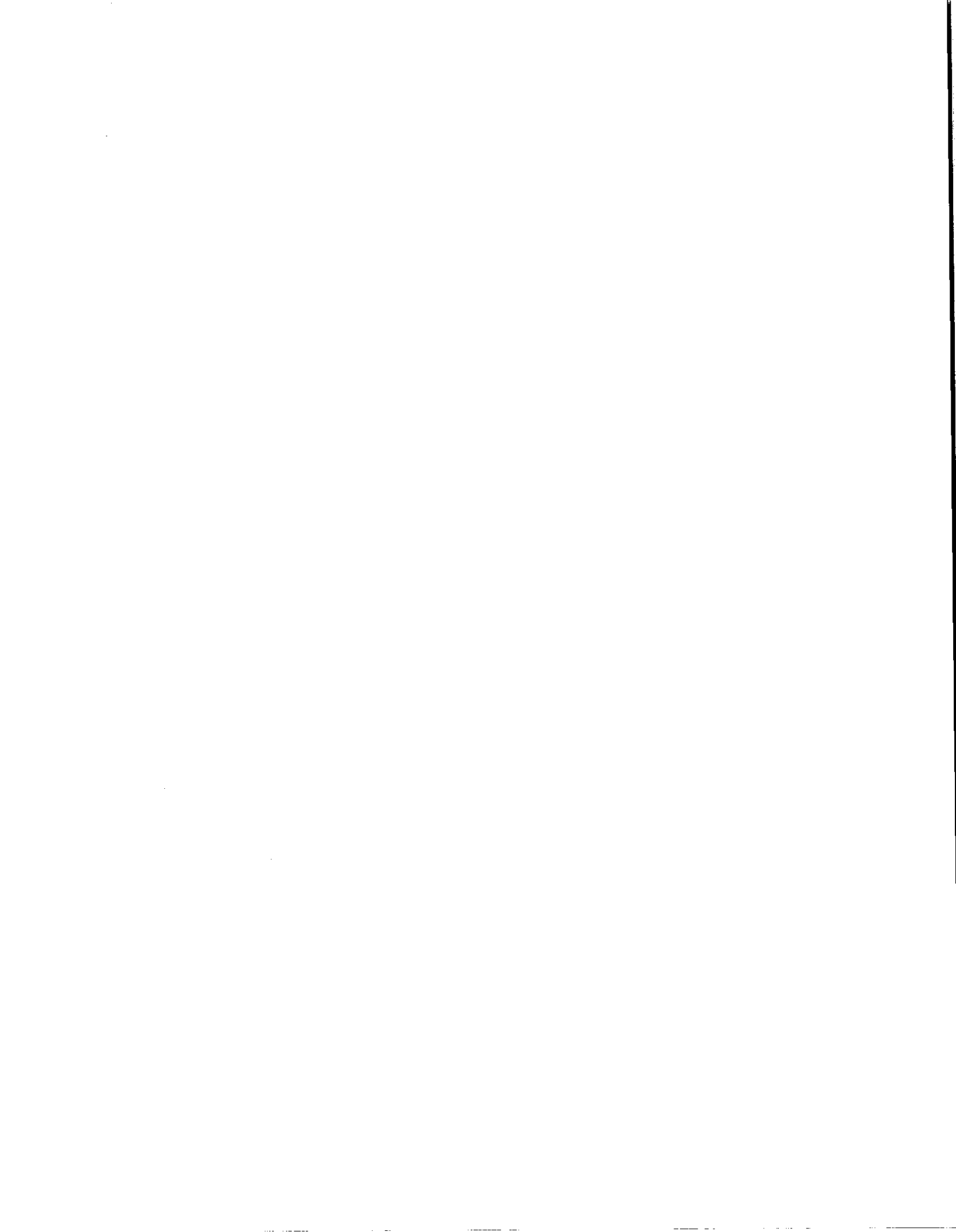
HODULIK & MORRISON, P.A.
Certified Public Accountants
Registered Municipal Accountants
Public School Accountants
Highland Park, New Jersey
January 20, 2015

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS



Township of Piscataway
County of Middlesex, New Jersey
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2013

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	GRANT YEAR	PROGRAM OR AWARD AMOUNT	RECEIPTS OR REVENUE RECOGNIZED	EXPENDITURES	CUMULATIVE DISBURSEMENTS / CANCELLED EXPENDITURES
Department of Housing and Urban Development Pass-Through Programs From: Middlesex County, New Jersey Community Development Block Grants Community Development Block Grants	14.228 14.228	N/A N/A	2011 2012	242,560.00 220,487.00	213,309.64 120,487.00	4,291.32 173,021.70	242,560.00 92,460.02
Total Department of Housing and Urban Development				333,796.64	177,313.02	177,313.02	335,020.02
Department of Justice Multi Jurisdictional Task Force Multi Jurisdictional Task Force	16.579 16.579	N/A N/A	2012 2013	24,000.00 12,000.00	12,000.00	13,780.48	19,780.48
Total Department of Justice				12,000.00	12,000.00	13,780.48	19,780.48
Department of Transportation National Highway Safety Administration Pass-Through Programs From: State of New Jersey, Department of Law and Public Safety COPS in Shop Drive Sober Or Get Pulled Over Law enforcement Response to Community (BIAS) Law enforcement Response to Community (BIAS) Law enforcement Response to Community (BIAS)	20.601 20.601 20.611 20.611 20.611	066-1400-100-013 066-1160-100-057 N/A N/A N/A	2013 2012 2010 2011 2012	2,800.00 8,800.00 5,000.00 5,000.00 4,910.00	28,000.00 4,395.00 732.45 4,910.00	2,800.00 2,200.00	2,800.00 6,800.00 5,000.00 5,000.00 4,910.00
Total Department of Transportation National Highway Safety Administration				38,037.45	5,000.00	5,000.00	35,910.00
Department of Homeland Security Pass-Through Programs From: State of New Jersey, Department of Law and Public Safety Emergency Management Assistance Grant Emergency Management Assistance Grant Emergency Management Assistance Grant Emergency Management Assistance Grant Emergency Management Assistance Grant Disaster Grants - Public Assistance - Hurricane Sandy	97.042 97.042 97.042 97.042 97.042 97.036	066-12000-100-726 066-12000-100-726 066-12000-100-726 066-12000-100-726 066-12000-100-726 N/A	2010 2010 2011 2009 2013 2013	5,000.00 10,000.00 5,000.00 15,000.00 15,000.00 (1) 2,347,065.73	5,000.00 10,000.00 5,000.00 5,000.00 5,000.00 1,310,298.47	4,806.80	5,000.00 10,000.00 5,000.00 15,000.00 15,000.00 2,347,065.73
Total Department of Homeland Security				1,340,298.47	2,376,872.53	2,376,872.53	2,397,065.73



Township of Piscataway
County of Middlesex, New Jersey

Schedule of Expenditures of Federal Awards
Year Ended December 31, 2013

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	GRANT YEAR	PROGRAM OR AWARD AMOUNT	RECEIPTS OR REVENUE RECOGNIZED	EXPENDITURES	CUMULATIVE DISBURSEMENTS / CANCELLED EXPENDITURES
Department of Energy - Direct Program Energy Efficiency and Conservation Block Grant - ARR	81.128	N/A	2010	528,800.00		923.76	519,084.27
Total Department of Energy - Direct Program						923.76	519,084.27
Total Expenditures For Federal Awards					\$ 1,724,132.56	\$ 2,573,889.79	\$ 3,306,860.50

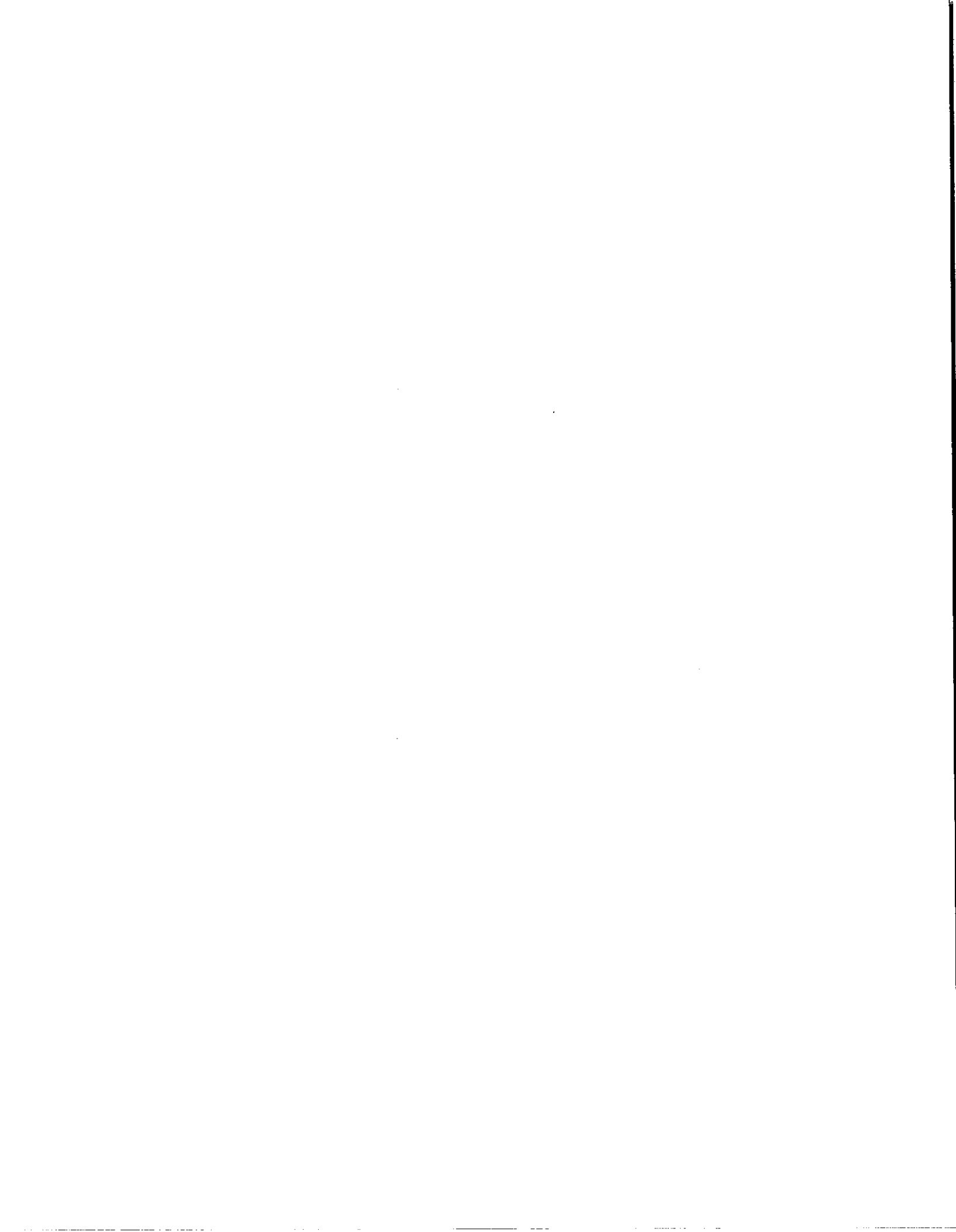
Footnotes:

NOTE: See accompanying Notes to Schedules of Expenditures of Awards.

The Township's federal grants are presented within the Township's overall financial statements on the modified accrual basis of accounting 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.

N/A - Not Available

(1) - Represents 90% of amount obligated - \$2,607,850.80



TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2013

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.

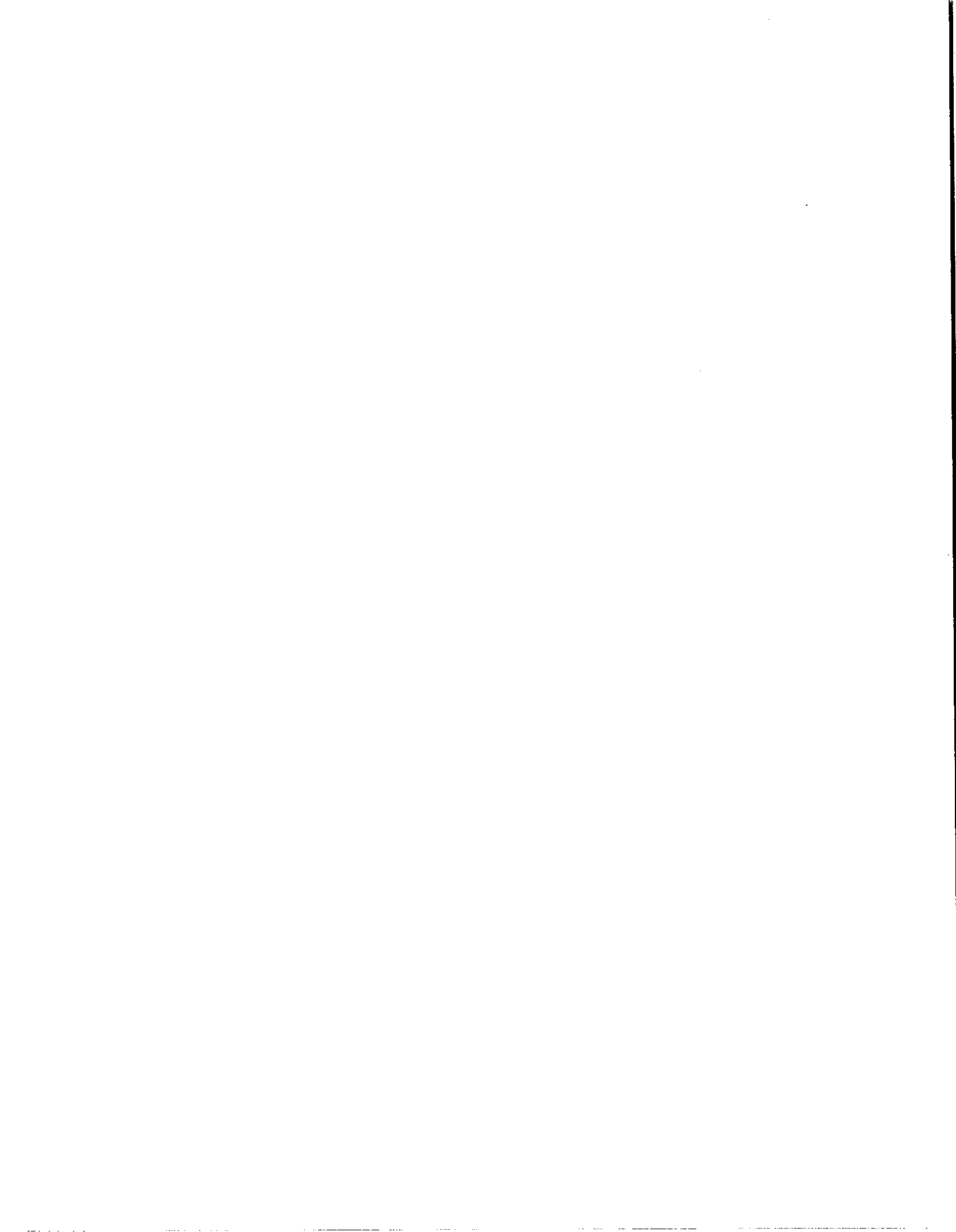
NOTE 4: RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

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

NOTE 5: DIASTER GRANTS – PUBLIC ASSISTANCE – HURRICANE SANDY

Amounts reported as eligible reimbursable expenditures for Hurricane Sandy related costs are subject to additional audits by the DHS Office of the Inspector General and State auditors. Furthermore, amounts deemed eligible for reimbursement based upon these audits will be reduced by any insurance recoveries received by the Township. The amounts, if any of potential insurance recoveries has not been determined. Based on the OMB Circular A-133 grant compliance supplement issued in March 2014, entities must record expenditures on the SEFA when FEMA has approved the entity's Project Worksheet (PW) and the entity has incurred the eligible expenditures. The Township's PW and eligible expenditures were approved during 2013.

Expenditures reported against the Public Assistance Disaster Grant are reported at 90% of the approved project costs. Some costs reported on these grants occurred in 2012.



TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Qualified - 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: Qualified

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>97.036</u>	<u>Diaster Grants - Public Assistance - Hurricane Sandy</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, 2013

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

State Awards - Not Applicable

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

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

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

Internal Control over major programs:

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

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

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

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
_____	_____
_____	_____
_____	_____
_____	_____

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

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, 2013

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.

Information on Federal Award Programs:

Finding 2013-01

Criteria or Specific Requirements:

In accordance with OMB Circular A-133, the single audit report is to be filed within nine months after the end of the audit period.

Condition:

The Township audit was not filed within the required time frame as required by OMB Circular A-133 as the financial statements and schedules of expenditures of federal awards were not prepared in a timely manner.

Questioned Costs:

None Identified

Context:

N/A

Effect:

None Identified

Cause:

Preparation of the financial statements and schedule of expenditures of federal awards were not prepared in a timely manner.

Recommendation:

It is recommended that the financial statements and schedules of expenditures of federal awards be prepared and submitted in a timely manner.

Management Response:

The Township will review procedures in place to ensure the completeness and timeliness of the preparation and submission of the financial statements and schedule of expenditures of federal awards.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013

Section 1 – Summary of Prior Year Findings

FINDING
NUMBER

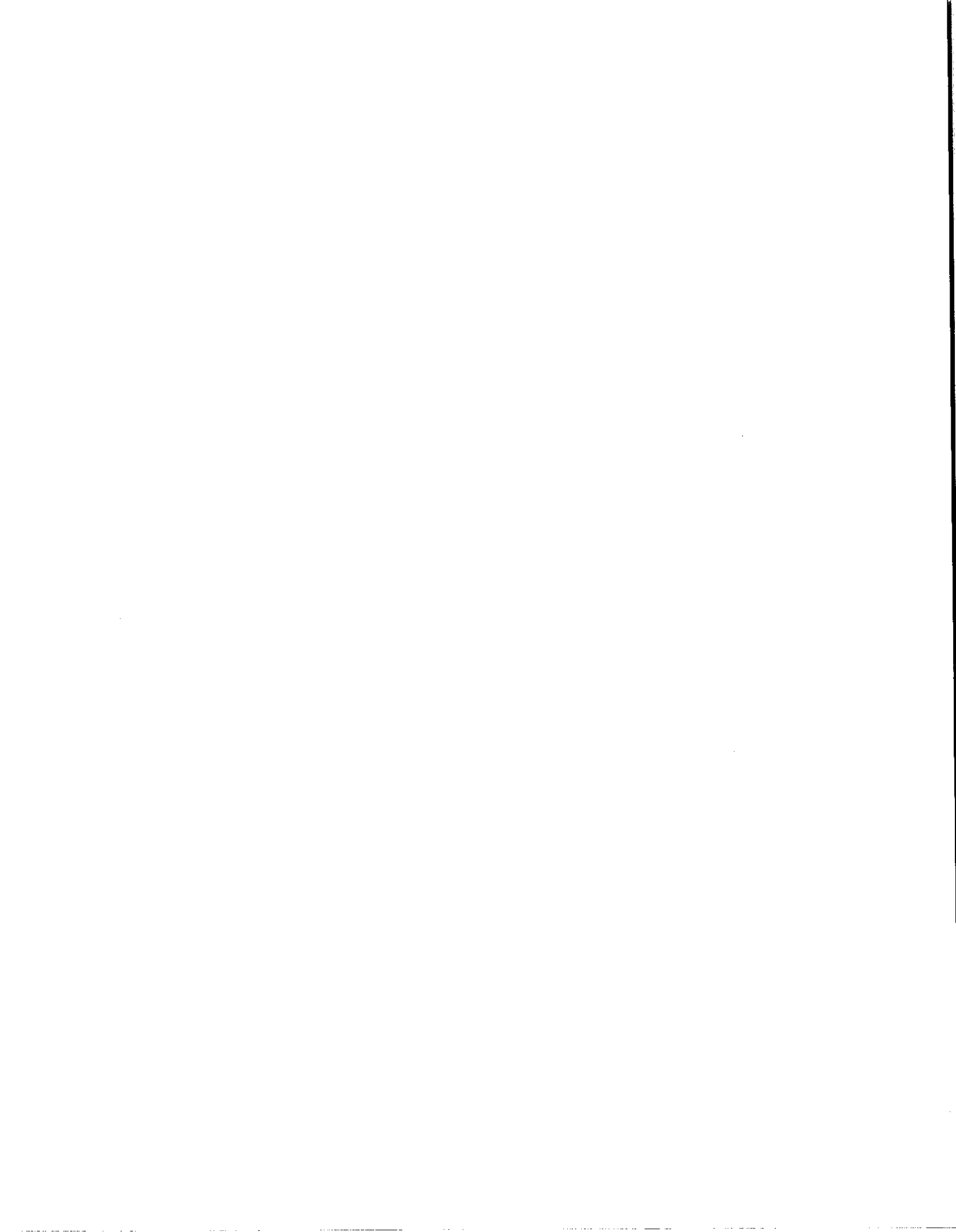
PRIOR YEAR FINDING

2012-01

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.

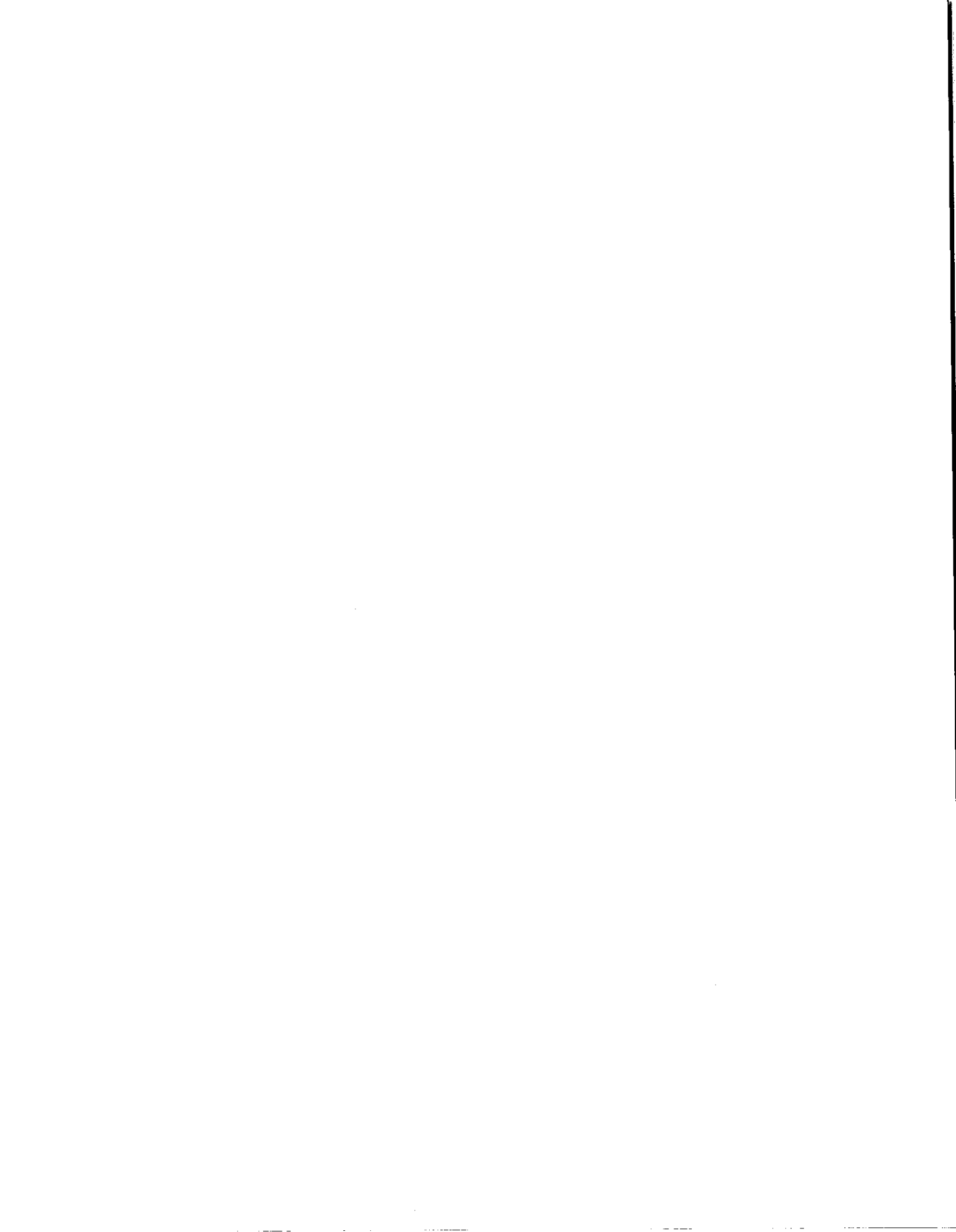
Current Status: The above finding is repeated in the current year as finding number 2013-01.



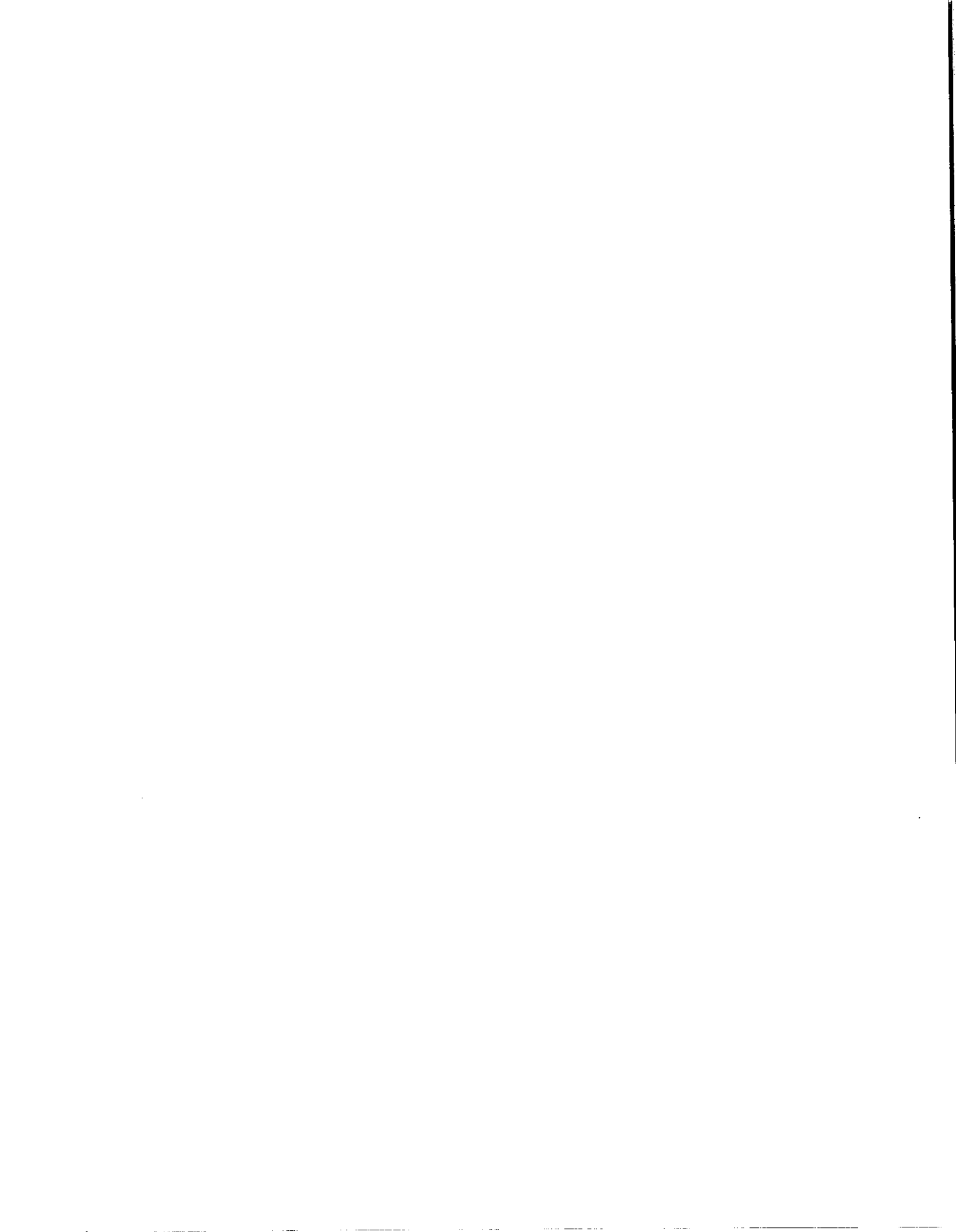
**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

PART III

SUPPLEMENTARY SCHEDULES

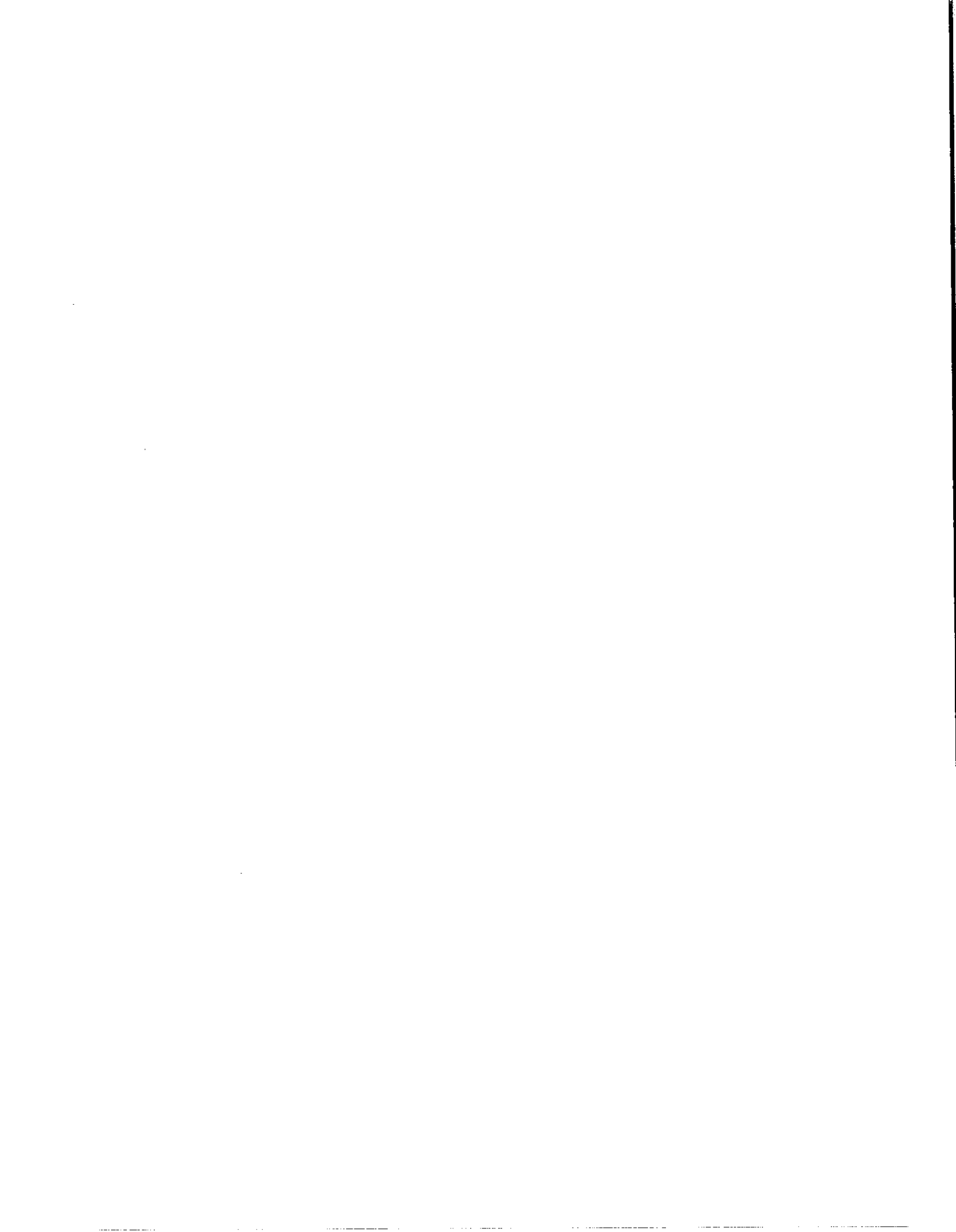


Current Fund



SCHEDULE OF CASH

	Ref.	CURRENT FUND	GRANT FUND
Cash Balance Dec 31, 2012.....	A	\$ 23,069,170.52	\$ 541,620.95
Increased by Cash Receipts			
Collector	A-5	154,056,847.42	
Due from State of NJ - Ch. 20	A-6	286,879.71	
Revenue Accounts Receivable	A-8	10,960,042.03	
Miscell. Revenue Not Anticipated	A-8	288,058.74	
Various Payables	A-10	217,899.00	
Various Reserves	A-10	4,607,427.36	
Interfunds Receivable	A-11	716,801.50	
Interfunds Payable	A-12, A-16	20,937,388.13	868,117.36
Federal and State Grants Receivable	A-15		715,224.02
Deferred Charges: Hurricane Sandy	A-19	1,310,298.47	
Total Cash Receipts.....		193,381,642.36	1,583,341.38
Decreased by Disbursements			
Refund of Prior Year Revenue	A-1	13,154.02	
CY 2013 Appropriations	A-3	47,142,636.76	
CY 2012 Approp. Reserves	A-9	1,241,348.92	
Various Payables	A-10	151,642.80	
Various Reserves	A-10	9,823,621.40	
Interfunds Receivable	A-11	1,279,520.94	
Interfunds Payable	A-12	19,048,409.76	
County Tax	A-13	23,689,258.05	
Fire District Tax	A-13	3,575,349.00	
Local School District Tax	A-13	84,211,765.00	
Tax Overpayments	A-14	256,103.47	
Interfunds Returned	A-16		703,851.89
Federal and State Grants Appropriated	A-17		661,131.72
Total Cash Disbursements.....		190,432,810.12	1,364,983.61
Cash Balance December 31, 2013.....	A	\$ 26,018,002.76	\$ 759,978.72



**SCHEDULE OF COLLECTORS CASH
CURRENT FUND**

	<u>Ref.</u>		
Increased by Receipts:			
Interest and Cost on Taxes	A-2	\$ 469,476.89	
Taxes Receivable - Current Year	A-7	148,580,954.71	
Taxes Receivable - Delinquent	A-7	2,084,594.54	
Taxes Receivable - Arrears	A-7	19,577.55	
Taxes Receivable -Prepaid Taxes	A-7	830,063.39	
Non-Budget Revenue	A-8	18,572.00	
Trust Fund: Premium	A-12	2,026,692.87	
Miscellaneous Revenue	A-8	<u>26,915.47</u>	
			<u>\$ 154,056,847.42</u>
Decreased by:			
Deposited to Treasurer	A-4		<u>\$ 154,056,847.42</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, 2012	A		\$ 144,345.94
Increased by:			
Allowable Deductions per Tax Billings	A- 6	\$ 339,000.00	
2013 Sr. Citizens and Vet. Ded. Allowed by Collector	A- 6	16,235.51	
2012 Sr. Citizens and Vet. Ded. Allowed by Collector	A- 6	<u>250.00</u>	
			<u>355,485.51</u>
			499,831.45
Decreased by:			
Collected	A- 4	286,879.71	
2013 Sr. Citizens and Vet. Ded. Disallowed by Collector	A- 6	4,260.67	
2012 Sr. Citizens and Vet. Ded. Disallowed by Collector	A- 6	<u>28,000.00</u>	
			<u>319,140.38</u>
Balance - December 31, 2013	A		<u>\$ 180,691.07</u>
<u>Analysis of Sr. Citizens & Veterans Deductions Allowed - 2013 Taxes</u>			
Per Tax Billings	A- 6		\$ 339,000.00
Allowed (Disallowed) by Tax Collector Current Year	A- 6		11,974.84
Allowed (Disallowed) by Tax Collector Prior Year	A- 6, A-1		<u>(27,750.00)</u>
Total	A-7		<u>\$ 323,224.84</u>

CURRENT FUND
SCHEDULE OF PROPERTY TAXES RECEIVABLE AND LEVY ANALYSIS

	Ref	Total	2013 Prepaid	CY 13 Current	CY 12 Delinquent	Arrears	Tax Title Liens	Property Acquired for Taxes
Balance 12/31/12.....	A	\$ 4,735,678.31	\$	\$ (569,304.81)	\$ 2,126,030.67	\$ 29,840.39	\$ 556,212.06	\$ 2,592,900.00
Billings / Levy:				152,680,853.60				
Original Levy.....	A-7	152,680,853.60		1,406,581.52				
Added & Omitted.....	A-7	1,406,581.52		(409,139.44)	(306,050.92)	(1,403,889.99)		
Reductions due to tax appeals.....	A-1	(2,119,080.35)						
Cancelled Taxes.....		(20,613.11)		(15,860.21)	(2,377.92)	(2,374.98)		
Transfers				(17,924.51)			17,924.51	
Tax Lien.....		-						
Revenue								
Sr.Citizens & Vets.....								
Original Levy.....	A-6	(339,000.00)		(339,000.00)				
Allowed/Disallowed.....	A-6	15,775.16		(11,974.84)	27,750.00			
Cash Receipts.....	A-5	(151,515,190.19)	(830,063.39)	(148,580,954.71)	(2,084,594.54)	(19,577.55)		
Homestead Rebate		(2,096,408.96)		(2,096,408.96)				
Prepaid Applied.....	A-7		569,304.81	(569,304.81)				
Tax Overpayments.....	A-14	(113,701.67)		(104,550.31)	(9,151.36)			
Balance 12/31/13.....		\$ 2,634,894.31	\$ (830,063.39)	\$ 1,942,317.33	\$ (248,394.07)	\$ (1,396,002.13)	\$ 574,136.57	\$ 2,592,900.00

Ref	A	A-A-7	A	A	A	A	A
Analysis of CY 2013 Property Tax Levy:							
Tax Yield:							
General Purpose Tax	\$ 152,680,853.60						
Added Taxes	1,406,581.52						
Local School District Tax							
County Tax							
County Open Space							
Due County - Added & Omitted							
Special District Taxes							
Local Tax for Municipal Purposes							
Add: Additional Tax Levied							
Current Taxes Realized:							
Sr. Citizens & Vets							
Cash Receipts							
Overpayments Applied							
Subtotal							
Res. For Uncoll. Tax							
Allocated to School, County and Special District							
Total	\$ 84,111,763.00	\$ 21,635,739.10	\$ 1,837,118.40	\$ 216,400.55	\$ 3,575,349.00	\$ 111,376,370.05	\$ 41,470,073.36
						\$ 1,240,991.71	\$ 154,087,435.12
							\$ 2,085,573.45

Ref	A-6	A-7	A-1	A-3
General Purpose Tax	\$ 350,974.84	\$ 151,246,668.48	\$ 104,550.31	\$ 151,702,193.63
Added Taxes				
Local School District Tax				
County Tax				
County Open Space				
Due County - Added & Omitted				
Special District Taxes				
Local Tax for Municipal Purposes				
Add: Additional Tax Levied				
Current Taxes Realized:				
Sr. Citizens & Vets				
Cash Receipts				
Overpayments Applied				
Subtotal				
Res. For Uncoll. Tax				
Allocated to School, County and Special District				
Total	\$ 350,974.84	\$ 151,246,668.48	\$ 104,550.31	\$ 151,702,193.63
				\$ 154,472,909.32
				\$ 43,096,539.27

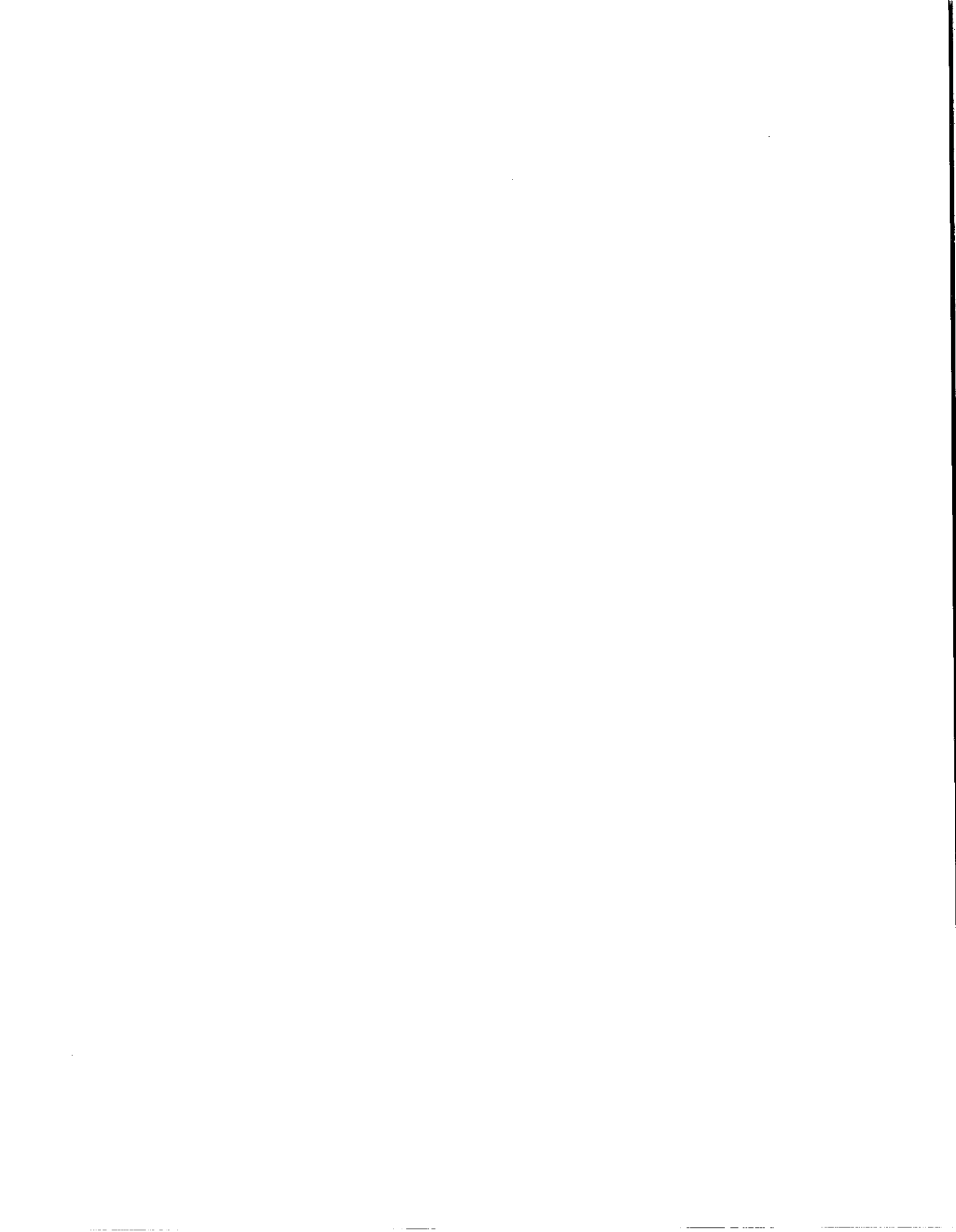
CURRENT FUND
SCHEDULE OF NONBUDGET REVENUES & VARIOUS ACCOUNTS RECEIVABLES

	December 31, 2012	Accrued/ Adjustments	Cash Receipts	December 31, 2013
Revenue Accounts Receivable:				
Licenses - Other	\$ -	\$ 55,850.00	\$ (55,850.00)	\$ -
Alcoholic Beverage License		110,681.50	(110,681.50)	-
Fees and Permits		565,139.55	(565,139.55)	-
Fines and Costs - Municipal Court	208,534.26	1,793,519.97	(1,748,016.39)	254,037.84
Construction Code Fees		2,083,989.00	(2,083,989.00)	-
Interest on Investments and Deposits		47,952.63	(47,952.63)	-
Cable Franchise Fees		164,969.11	(164,969.11)	-
Hotel and Motel Tax		151,246.55	(151,246.55)	-
Interlocal Services: Shared Services		100,000.00	(100,000.00)	-
Library Fines	3,000.00	33,000.00	(33,000.00)	3,000.00
State Aid: Energy Receipts Tax		5,350,217.34	(5,350,217.34)	-
State Aid: Consolidated Municipal Property Tax Relief Aid		508,362.00	(508,362.00)	-
Uniform Fire Safety Act		86,105.43	(86,105.43)	-
A-2	<u>211,534.26</u>	<u>11,051,033.08</u>	<u>(11,005,529.50)</u>	<u>257,037.84</u>
Non - Budget Revenue:				
Administrative Fees Outside Jobs		444,082.97	(444,082.97)	-
Abandoned Vehicles		5,023.00	(5,023.00)	-
Bid Specifications		11,275.00	(11,275.00)	-
Cost of Tax Sale		12,458.18	(12,458.18)	-
Credit Card Convenience Fees		11,716.69	(11,716.69)	-
Cultural Arts		485.00	(485.00)	-
Delinquent Fees		285.00	(285.00)	-
DMV Inspection Fees		3,614.50	(3,614.50)	-
Duplicate Bill		5.00	(5.00)	-
Fire Report		2,560.00	(2,560.00)	-
Interpretation		700.00	(700.00)	-
In Lieu of Taxes		8,500.00	(8,500.00)	-
July 4th Fireworks		3,200.00	(3,200.00)	-
Medical Appointments		4,295.00	(4,295.00)	-
Miscellaneous		152,427.02	(152,427.02)	-
Maintenance Liens		12,336.05	(12,336.05)	-
Photo Copies		4,043.88	(4,043.88)	-
Police Report		3,290.00	(3,290.00)	-
Recycling Bins		779.58	(779.58)	-
Rent Land		18,000.00	(18,000.00)	-
Restitutions		3,141.00	(3,141.00)	-
Returned Check Fees		1,677.90	(1,677.90)	-
Sale of Recyclables		6,233.57	(6,233.57)	-
Scrap Metal		23,827.80	(23,827.80)	-
Senior Citizen/Veterans Administration Fees		6,172.01	(6,172.01)	-
Tax Search		698.24	(698.24)	-
Violations - Code		16,470.00	(16,470.00)	-
A-1, A-2	<u>-</u>	<u>757,297.39</u>	<u>(757,297.39)</u>	<u>-</u>
Total.....	\$ 211,534.26	\$ 11,808,330.47	\$ (11,762,826.89)	\$ 257,037.84
	Ref.	A	Reserve	A
Analysis of Miscellaneous Revenues:				
Account Receivable Collections	A-4		\$ 10,960,042.03	
Grass Coupons	A-2		17,467.00	
Cost of Sale	A-2, A-5		12,458.18	
Return Check Fee	A-2, A-5		1,417.90	
Tax Search	A-2, A-5		698.24	
Maintenance Lien	A-2, A-5		12,336.05	
Duplicate Bill	A-2, A-5		5.10	
Elevator Fees	A-2		1,105.00	
Subtotal			<u>11,005,529.50</u>	
Non-Budget Revenue	A-4		288,058.74	
Non-Budget Revenue	A-5		18,572.00	
Trust Fund	A-12		<u>450,666.65</u>	
			<u>\$ 11,762,826.89</u>	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - CY 2012
FOR THE YEAR ENDED DECEMBER 31, 2013

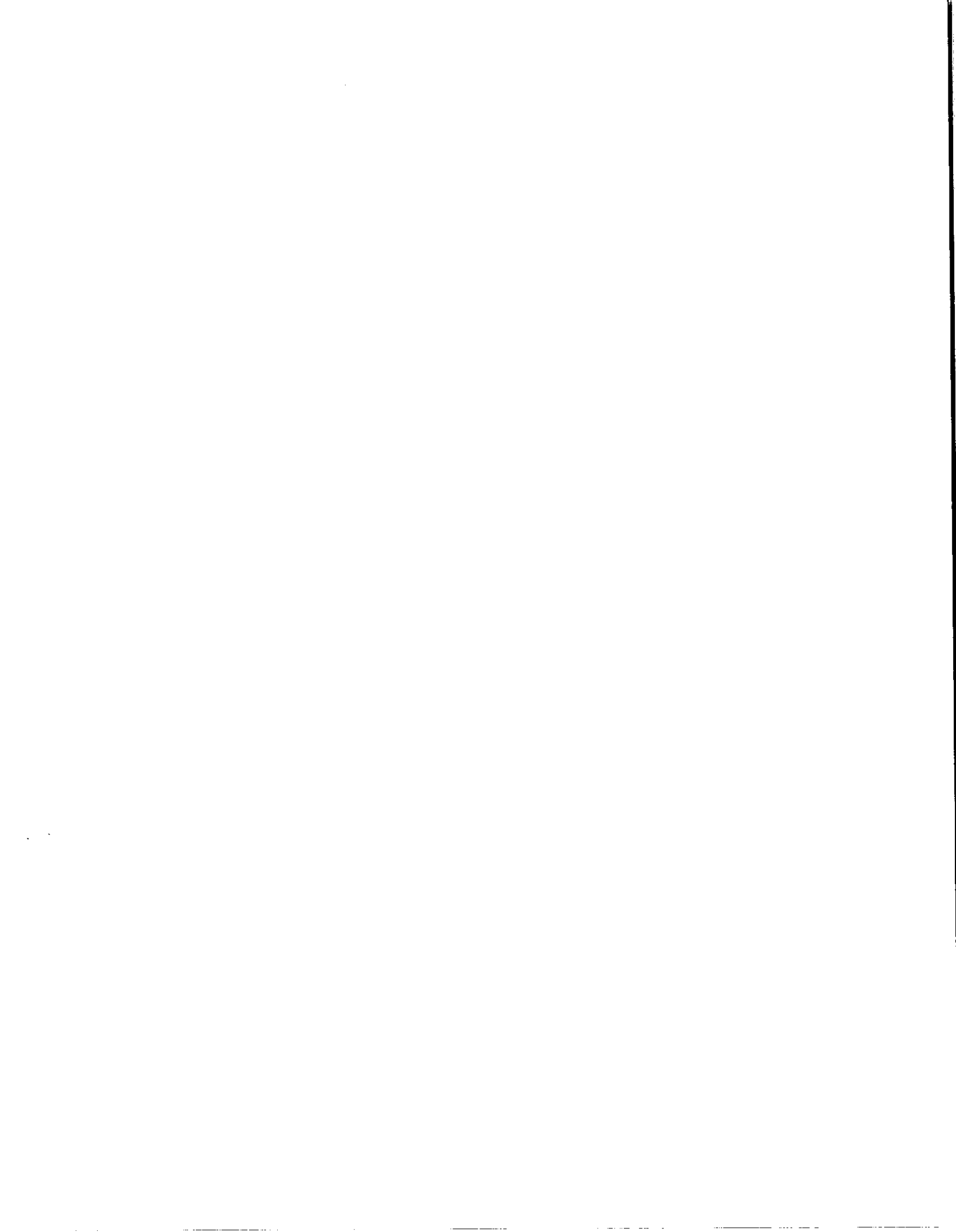
	BALANCE DEC 31, 2012	ENCUMBERED DEC 31, 2012	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS"					
<u>General Government</u>					
Township Council	\$ 14,177.20	\$ 807.44	\$ 14,984.64	\$ 6,377.44	\$ 8,607.20
Other Expenses	7,897.85				
Township Clerk	10,149.04	3,043.46	13,192.50	1,940.98	11,251.52
Salaries and Wages					
Other Expenses	13,300.00				
Elections	172.39		172.39	100.00	72.39
Salaries and Wages					
Other Expenses					
<u>Administration</u>					
Department of Administration					
Salaries and Wages	84,728.01		281.40	281.40	(0.00)
Other Expenses	55,385.07	1,444.45	56,829.52	929.79	55,899.73
Division of Personnel					
Salaries and Wages	438.84				
Other Expenses	1,514.38	2,524.10	4,038.48	1,468.20	2,570.28
Computer Center					
Other Expenses	91,331.54	30,154.23	91,485.77	39,610.14	51,875.63
Division of Purchasing					
Salaries and Wages	23,488.60				
Other Expenses:					
Postage (All Departments)	1,207.29	948.64	2,155.93	529.99	1,625.94
Duplicating (All Departments)	364.85		364.85		364.85
Miscellaneous Other Expenses	11,402.99	763.55	12,166.54	342.44	11,824.10



CURRENT FUND

STATEMENT OF APPROPRIATION RESERVES - CY-2012
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

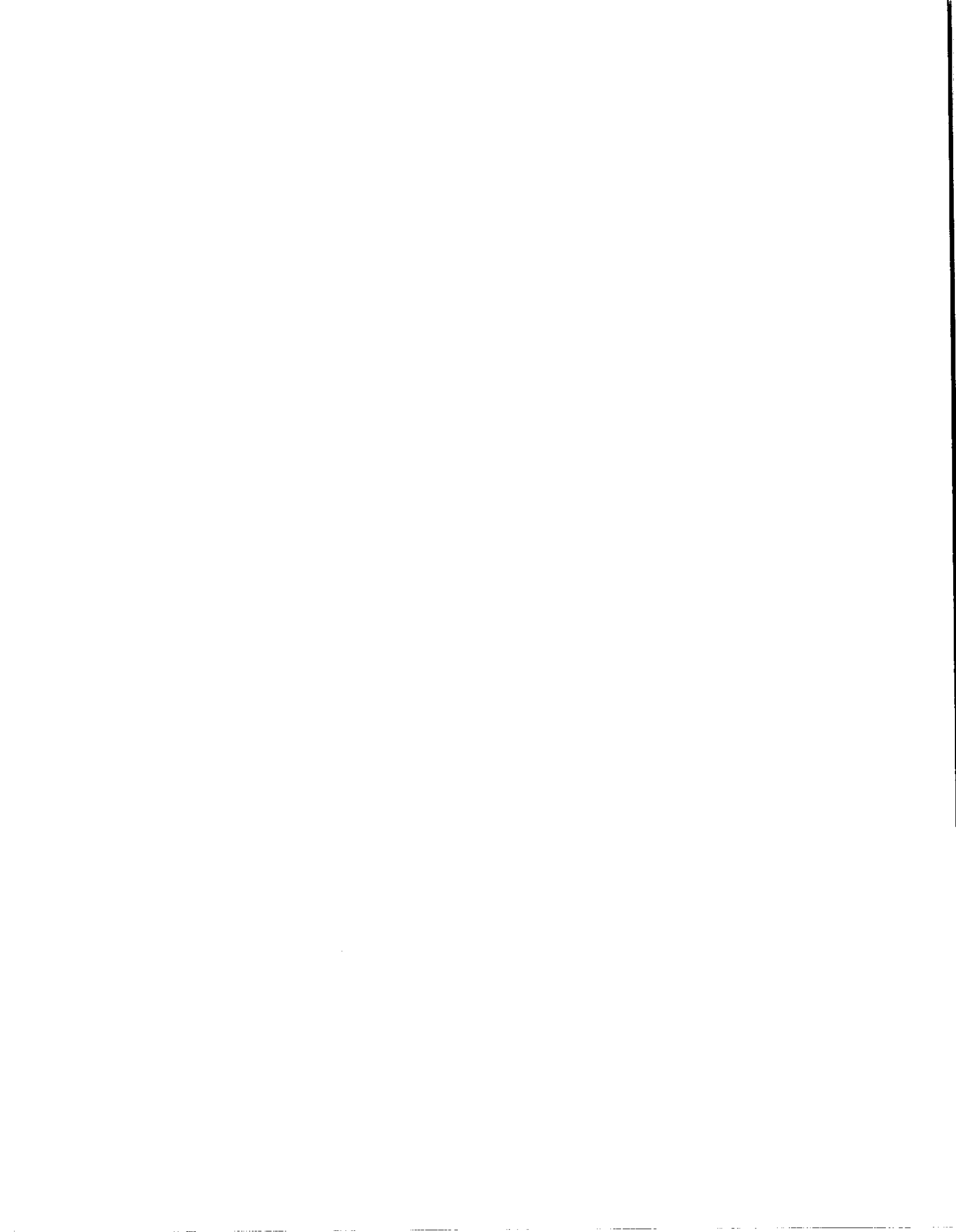
	BALANCE DEC 31, 2012	ENCUMBERED DEC 31, 2012	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
Municipal Land Use (N.J.S.A. 40:55 D-1):					
Planning Board					
Salaries and Wages	\$ 21,935.96	\$	\$	\$	\$
Other Expenses	507.53	14,475.00	14,982.53	12,225.07	2,757.46
Zoning Board					
Salaries and Wages	21,936.92				
Other Expenses	7,249.26	8,682.80	15,932.06	4,308.44	11,623.62
Celebration of Public Events					
Other Expenses	400.00		400.00		400.00
Cable TV Studio					
Salaries and Wages	2,070.48				
Other Expenses	32.00	2,486.66	2,518.66	1,551.51	967.15
<u>Finance and Revenue</u>					
Department of Finance					
Salaries and Wages	6,489.58		176.40	176.40	(0.00)
Other Expenses	12,778.01	4,192.89	16,970.90	7,258.52	9,712.38
Annual Audit		70,000.00	70,000.00	70,000.00	
Division of Assessment					
Salaries and Wages	1,763.47				
Other Expenses	451.84	14,052.79	14,504.63	12,932.02	1,572.61
Division of Revenue					
Salaries and Wages	6,978.20				
Other Expenses	4,942.39		4,942.39	1,568.00	3,374.39
Insurance					
Liability Insurance	30,949.56		30,949.56		30,949.56
Workers' Compensation Insurance				(2,609.00)	2,609.00
Employee Group Insurance		1,812,963.42	1,812,963.42	1,812,963.42	



TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - CY-2012
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

	BALANCE DEC 31, 2012	ENCUMBERED DEC 31, 2012	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
Municipal Court					
Salaries and Wages	\$ 49,712.53	\$ -	\$ -	\$ -	\$ -
Other Expenses	14,086.73	1,124.19	15,210.92	1,357.88	13,853.04
Public Defender (P.L. 1997, Ch. 256)					
Other Expenses	26,000.00		26,000.00	-	26,000.00
<u>Law</u>					
Department of Law					
Other Expenses	236,384.07	16,471.85	252,855.92	49,154.07	203,701.85
Municipal Prosecutor					
Salaries and Wages	1,889.00		-	-	-
<u>Public Safety</u>					
Uniform Fire Safety Act					
Salaries and Wages	37,966.58		-	-	-
Other Expenses	21.84	4,789.98	4,811.82	4,597.84	213.98
Animal Control					
Salaries and Wages	3,730.80		-	-	-
Other Expenses	4,447.58	5,775.00	10,222.58	1,112.50	9,110.08
Division of Schools Crossing Guards					
Salaries and Wages	18,664.27		-	-	-
Other Expenses	157.50	495.00	652.50	-	652.50
Division of Police					
Salaries and Wages	182,578.14		182,578.14	20,046.10	162,532.04
Other Expenses	86,671.52	105,524.84	167,196.36	57,572.95	109,623.41
First Aid Organization - Contribution	30,612.00	3,498.00	34,110.00	24,489.75	9,620.25

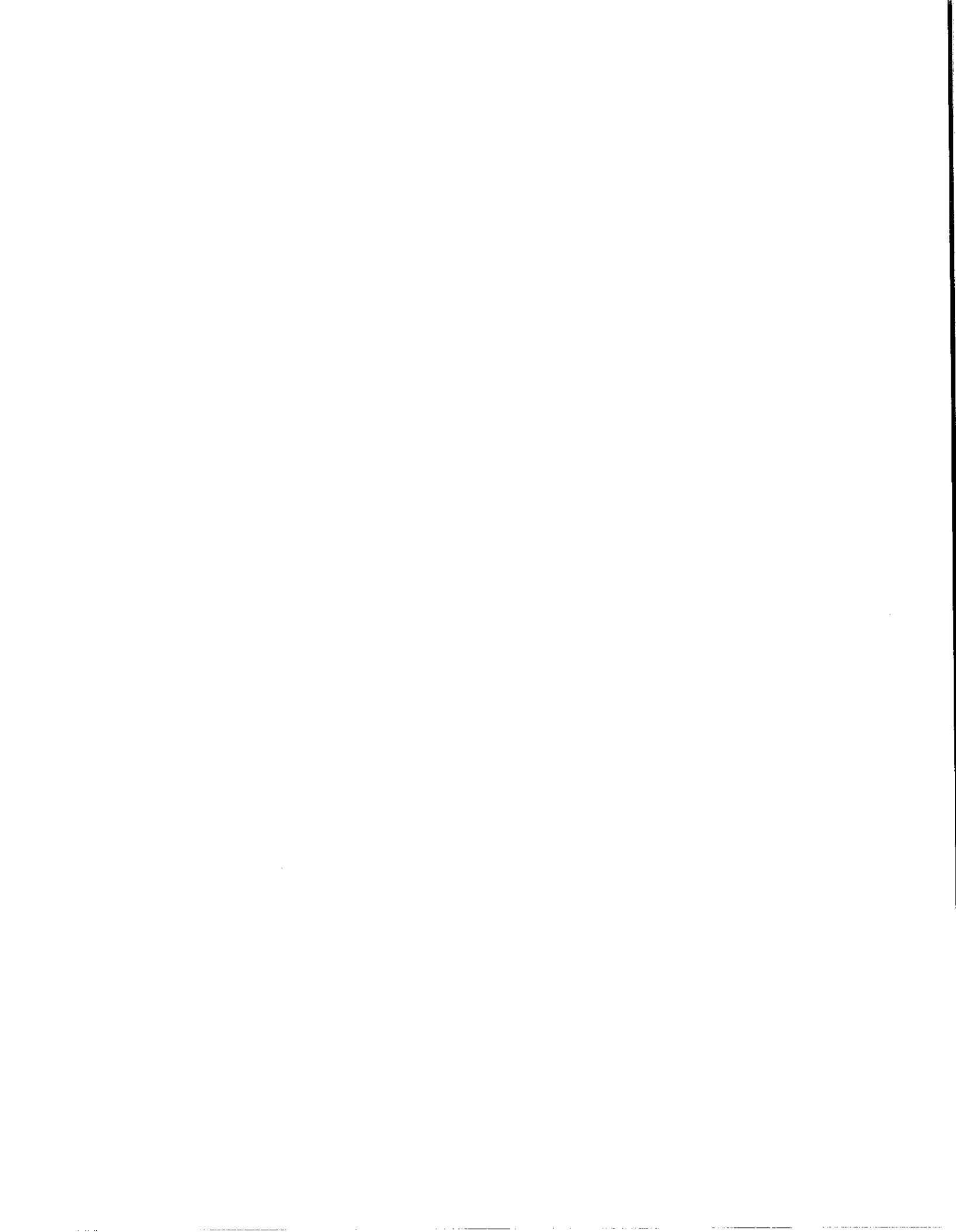


TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATION RESERVES - CY-2012
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

	BALANCE DEC. 31, 2012	ENCUMBERED DEC. 31, 2012	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
<u>Public Safety (Cont'd.)</u>					
Division of Emergency Management Services	\$ 87,137.84	\$	\$ 87,137.84	\$	\$ 87,137.84
Salaries and Wages	13,653.54	1,595.76	15,249.30	3,670.76	11,578.54
Other Expenses					
<u>Public Works</u>					
Department of Public Works					
Salaries and Wages	349.84		349.84	232.39	117.45
Other Expenses	15,542.23	6,508.14	22,050.37	3,902.23	18,148.14
Division of Engineering					
Salaries and Wages	36,059.11				
Other Expenses	11,985.16	9,309.40	21,294.56	16,136.49	5,158.07
Division of Community Development and Planning					
Salaries and Wages	1,201.66				
Other Expenses	19,844.47	388.06	20,232.53	756.36	19,476.17
Public Buildings and Grounds					
Salaries and Wages	25,146.16		25,146.16	2,763.05	22,383.11
Other Expenses	46,599.11	83,071.92	129,671.03	39,293.57	90,377.46
Division of Property Maintenance					
Salaries and Wages	6,472.38		6,472.38	3,086.84	3,385.54
Other Expenses	9,951.40	38,424.41	48,375.81	22,960.64	25,415.17
Division of Fleet Maintenance					
Salaries and Wages	14,160.96		14,160.96	6,254.37	7,906.59
Other Expenses	78,482.17	105,302.45	183,784.62	23,132.81	160,651.81
Division of Streets					
Salaries and Wages	15,711.21		15,711.21	9,536.20	6,175.01
Other Expenses	553.20	8,206.75	8,759.95		8,759.95

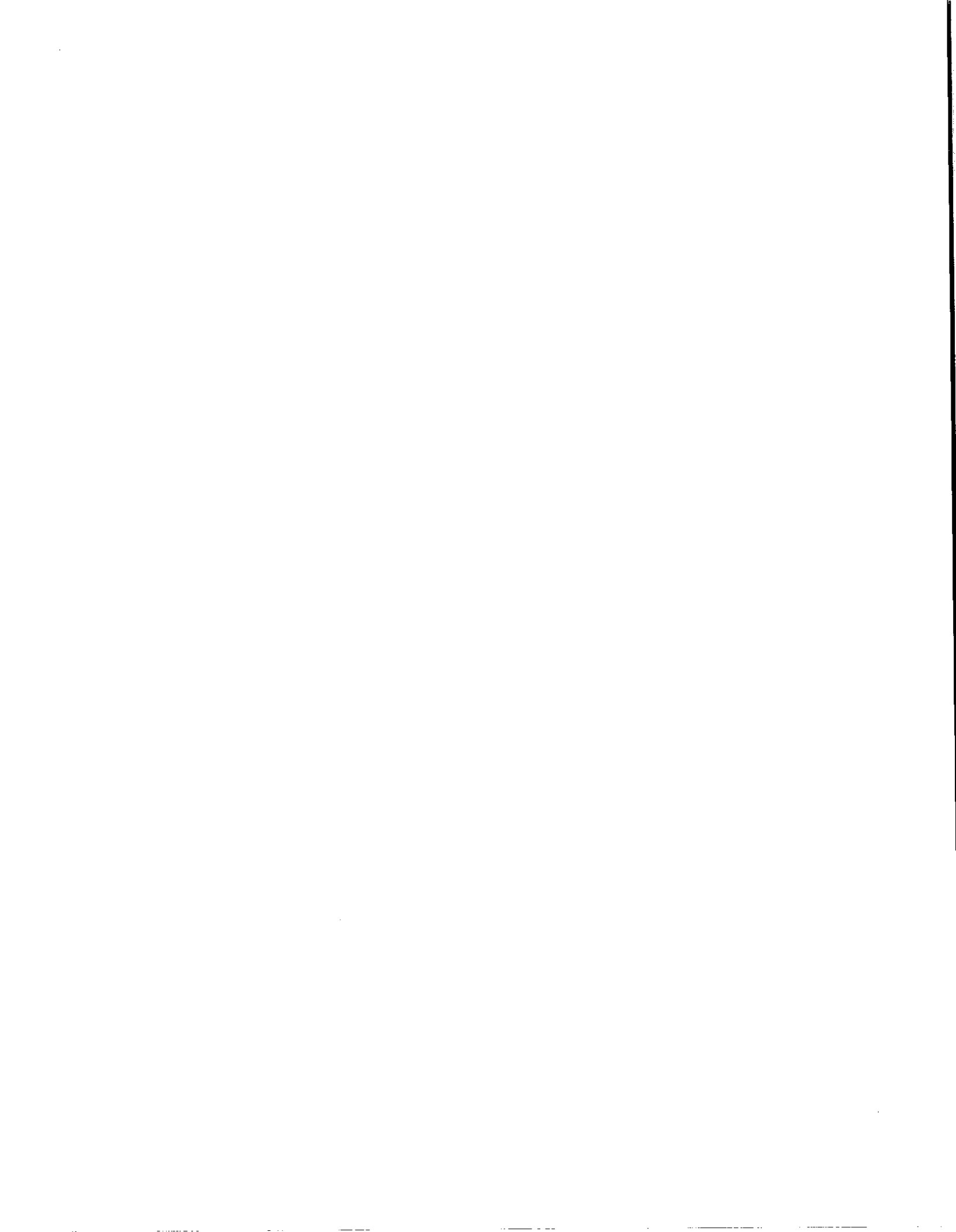


TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATION RESERVES - CY-2012
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

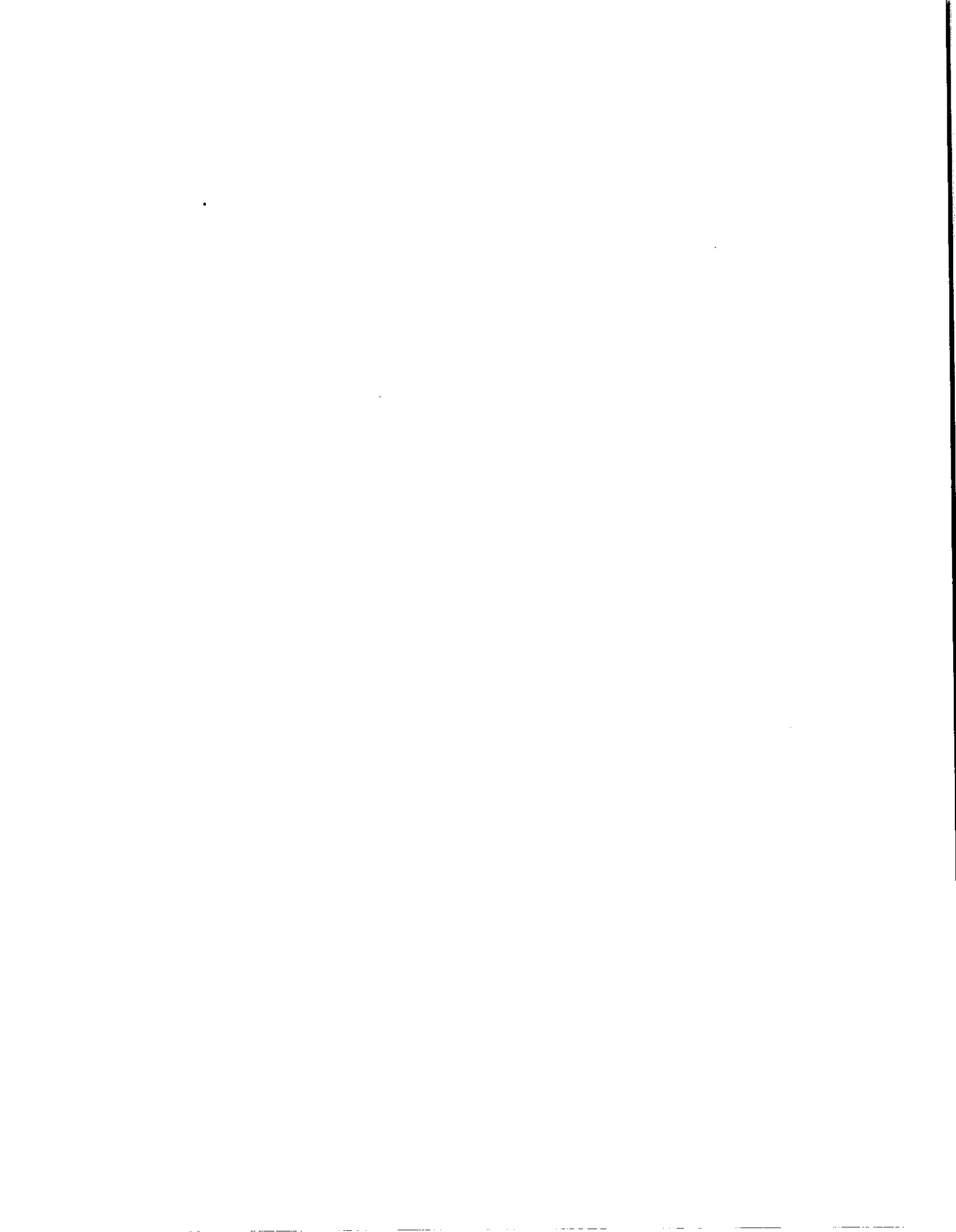
	BALANCE DEC 31, 2012	ENCUMBERED DEC 31, 2012	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
<u>Public Works (Cont'd.)</u>					
Snow Removal					
Salaries and Wages	\$ 87,712.61	\$	\$ 87,712.61	\$ 87,712.61	\$ -
Other Expenses	19,100.56	206,268.97	225,369.53	225,369.53	-
All Utilities	527,311.63	504,538.99	1,136,850.62	303,410.41	833,440.21
Division of Parks					
Salaries and Wages	34,075.28		34,075.28	8,971.73	25,103.55
Other Expenses	113,237.89	42,507.62	130,745.51	29,555.14	101,190.37
Shade Trees					
Other Expenses	900.00		900.00	-	900.00
Division of Sanitation - Sewer System					
Other Expenses	15,200.00	11,689.88	26,889.88	6,484.00	20,405.88
Solid Waste Collection					
Salaries and Wages	20,918.45		20,918.45	11,068.67	9,849.78
Other Expenses	21,833.00	105,267.00	127,100.00	105,267.00	21,833.00
Recycling Program					
Other Expenses	26,156.52	25,272.98	51,429.50	22,122.50	29,307.00
Municipal Services Act	14,355.98		14,355.98	14,355.98	-
<u>Health and Welfare</u>					
Division of Public Assistance					
Salaries and Wages	3,000.00		3,000.00	-	3,000.00
Other Expenses	2,000.00		2,000.00	-	2,000.00
Office on Aging					
Salaries and Wages	124,502.38		103,900.83	2,436.60	101,464.23
Other Expenses	23,672.32	7,756.90	31,429.22	1,668.46	29,760.76



TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - CY-2012
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

	BALANCE DEC.31, 2012	ENCUMBERED DEC.31, 2012	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
<u>Recreation and Education</u>					
Department of Recreation					
Salaries and Wages	\$ 24,957.75	\$	20,336.22	1,013.80	19,322.42
Other Expenses	32,289.51	21,743.99	29,033.50	15,525.89	13,507.61
Accumulated Leave Compensation	3,528.40		375,764.27	375,764.27	-
<u>Uniform Construction Code</u>					
Division of Inspections					
Salaries and Wages	7,260.79		42.06	42.06	0.00
Other Expenses	339.64	3,009.33	3,348.97	1,452.88	1,896.09
Boards and Commissions					
Other Expenses	10,934.31	1,668.50	12,602.81	818.50	11,784.31
Total Operations Within "CAPS"	2,997,342.40	3,314,910.36	6,218,953.85	3,475,051.59	2,434,801.02
Total Operation Including Contingent	2,997,342.40	3,314,910.36	6,218,953.85	3,475,051.59	2,434,801.02
Deferred Charges and Statutory Expenditures - <u>Municipal Within "CAPS"</u>					
STATUTORY EXPENDITURES:					
Contribution to:					
Social Security System	393,630.64		393,630.64	-	393,630.64
Public Employees Retirement System	0.56		0.56	-	0.56
Defined Contribution Retirement Program	1,920.15		1,920.15	-	1,920.15
Total Deferred Charges and Statutory Expenditures Within "CAPS"	395,551.35	-	395,551.35	-	395,551.35
Total General Appropriations Within "CAPS"	3,392,893.75	3,314,910.36	6,614,505.20	3,475,051.59	2,830,352.37



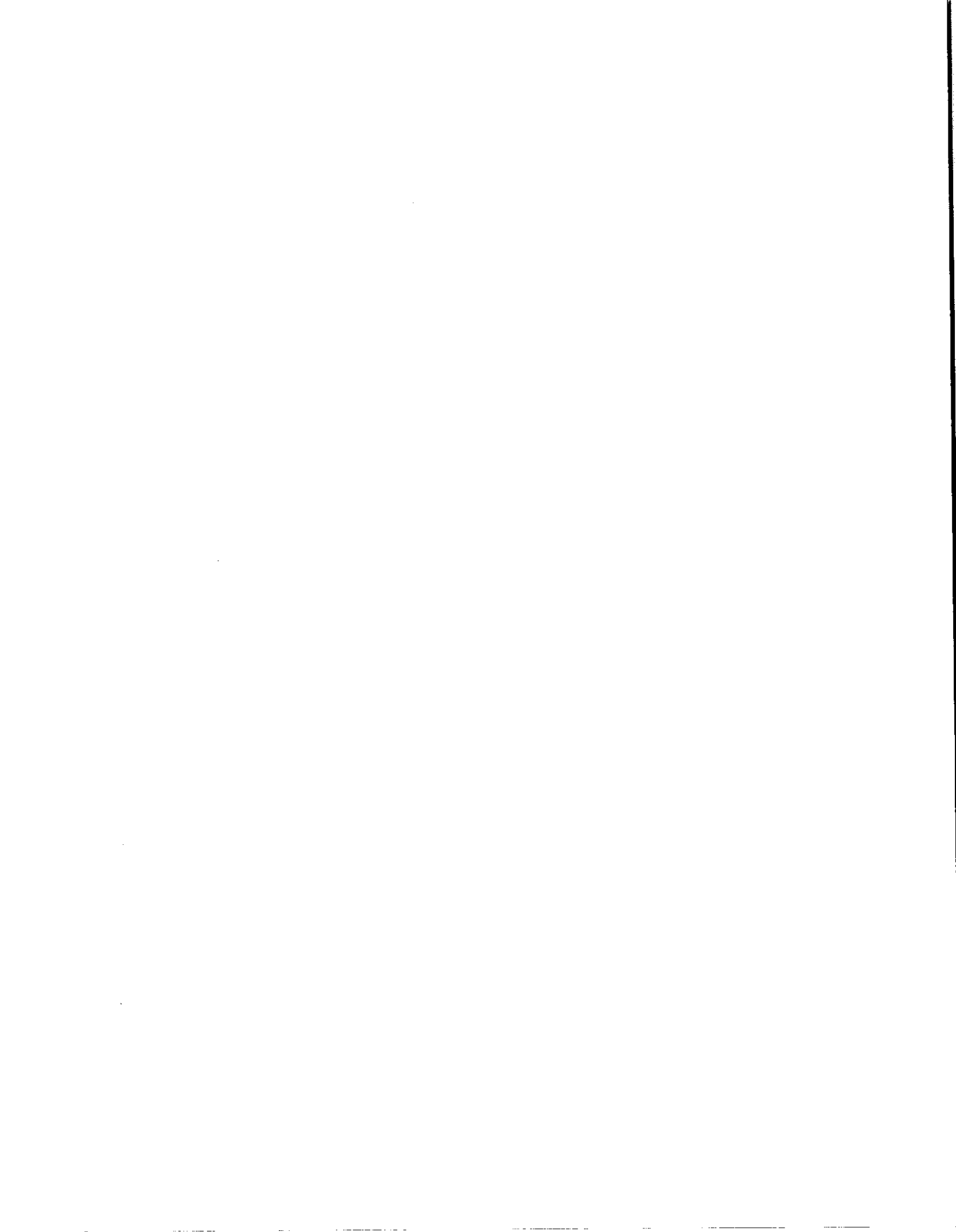
TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF APPROPRIATION RESERVES - CY-2012
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2013

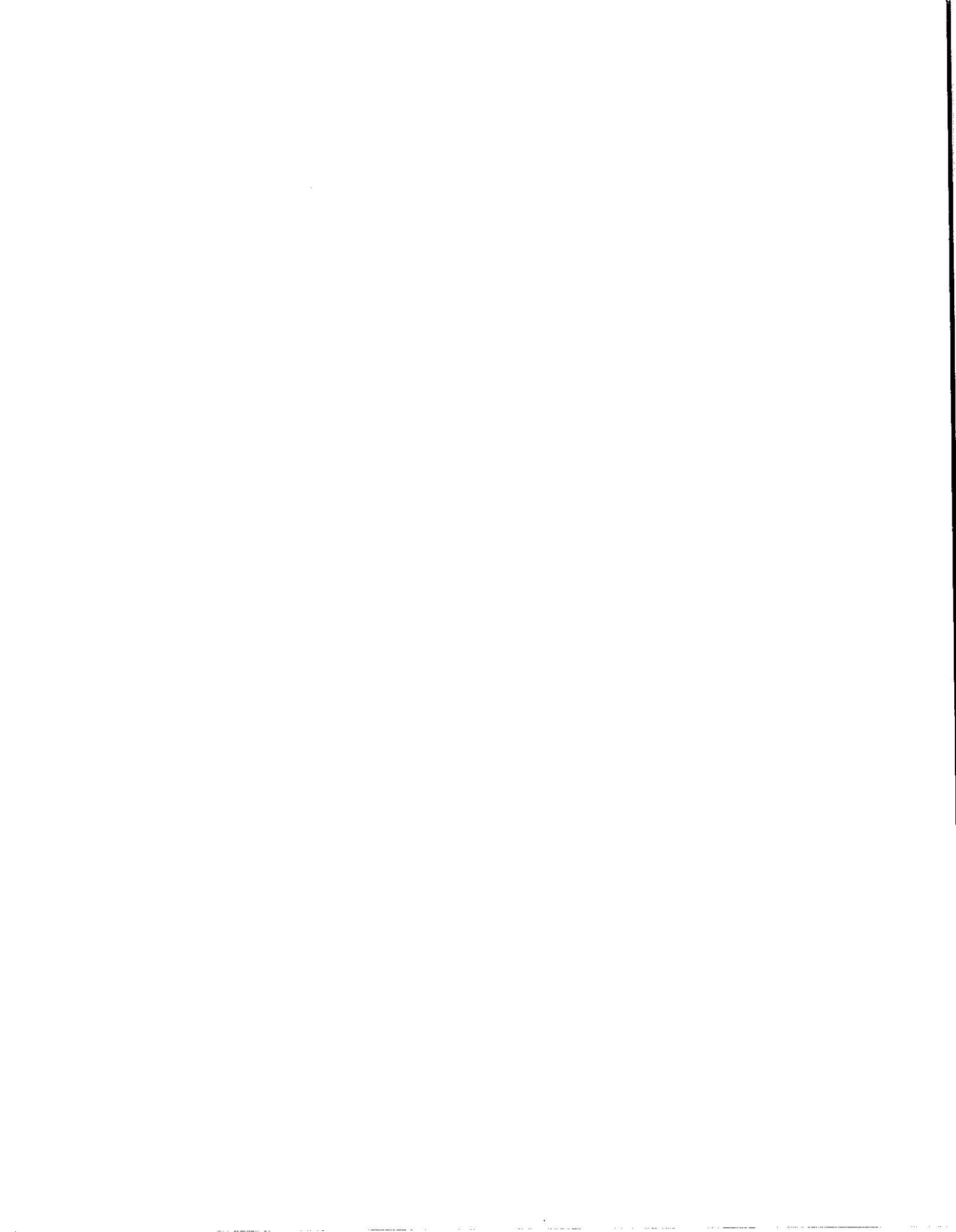
	BALANCE DEC 31, 2012	ENCUMBERED DEC 31, 2012	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
OPERATIONS EXCLUDED FROM "CAPS"					
Maintenance of Free Public Library	\$ 15,956.08	\$ 124,913.68	\$ 140,869.76	\$ 132,228.00	\$ 8,641.76
Salaries and Wages	845.82		845.82	845.82	-
Other Expenses	22,820.01	5,107.60	27,927.61	2,077.80	25,849.81
Other Expenses	17,500.00	26,710.18	44,210.18	24,818.40	19,391.78
MCIA Recycling Program	219,263.41	66,638.11	285,901.52	68,017.91	217,883.61
MCUA Solid Waste Agreement	127,000.00	88,650.66	215,650.66	215,650.66	-
Edison Animal Control Contract	44,972.99	1,000.00	45,972.99	8,896.10	37,076.89
UMDNJ Agreements	2,281.08		2,281.08	-	2,281.08
Public and Private Programs Offset by Revenues					
Matching Fund for Grants	38,853.25		38,853.25	-	38,853.25
Total Operations - Excluded from "CAPS"	489,492.64	313,020.23	802,512.87	452,534.69	349,978.18
Capital Improvements - Excluded from "CAPS"					
Uniform Code Enforcement Trucks	22,564.00		22,564.00	-	22,564.00
Total Capital Improvements - Excluded from Caps	22,564.00	-	22,564.00	-	22,564.00
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	512,056.64	313,020.23	825,076.87	452,534.69	372,542.18
Total General Appropriations	\$ 3,904,950.39	\$ 3,627,930.59	\$ 7,439,582.07	\$ 3,927,586.28	\$ 3,202,894.55

REF	A	A	A-1
Cash Disbursed			
Transfer to Accounts Payable	\$	1,241,348.92	
Interfund Capital Fund		2,115,646.61	
Severance Liability		(1,512.00)	
		572,102.75	
	\$	3,927,586.28	\$



CURRENT FUND
SCHEDULE OF CHANGES IN VARIOUS ACCOUNTS PAYABLES & RESERVES

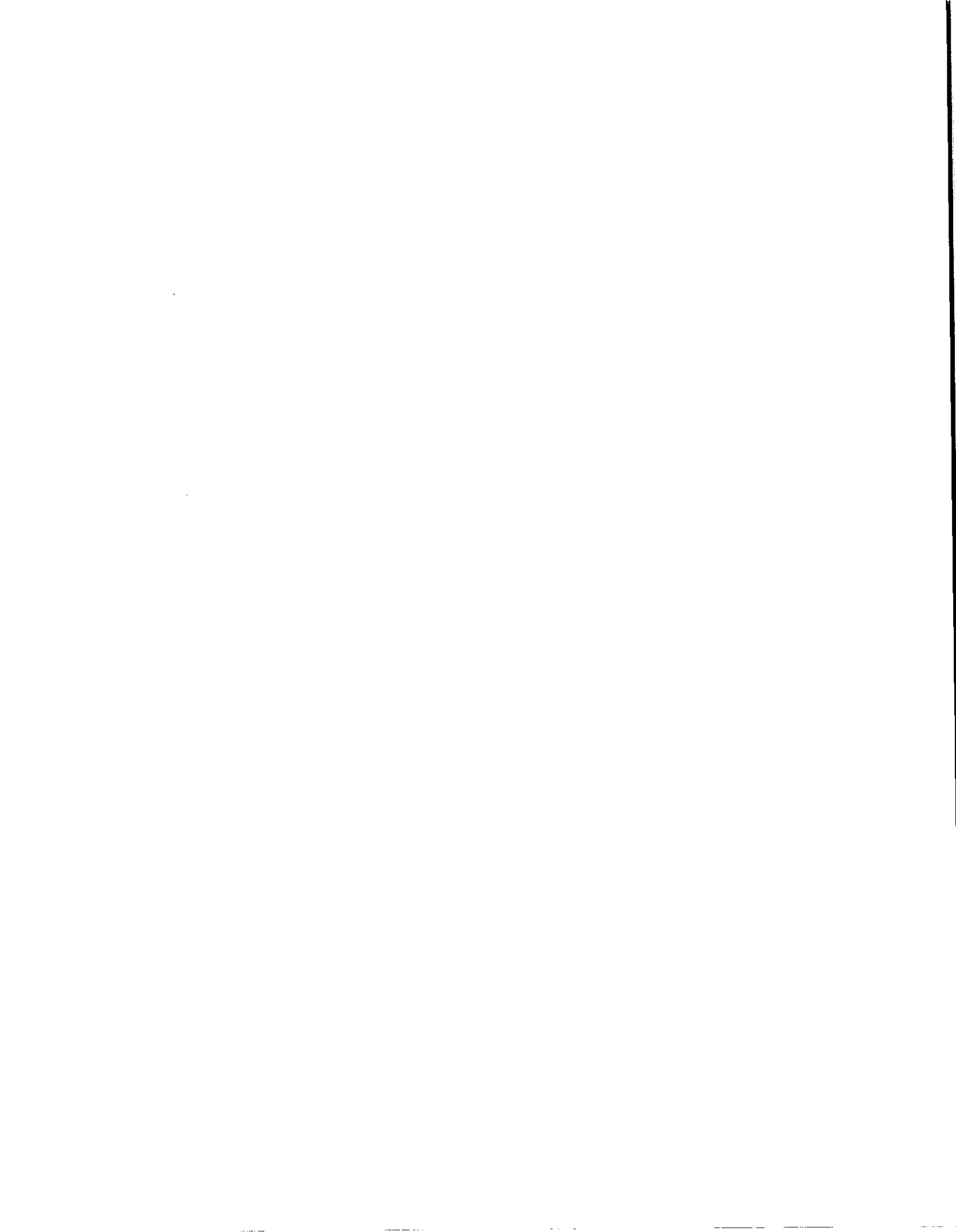
	Dec. 31, 2012	Transfer from/(to) Budget	Cash Receipts	Cash Disbursements	Adjustments	Dec. 31, 2013
Accounts Payable:						
Vendor Accounts Payable.....	\$ 1,292,419.75	\$ -	\$ -	\$ (4,163.80)	\$ 2,115,646.61	\$ 3,403,902.56
State of New Jersey 3rd Party Fees						
State Training Fees	31,388.00		210,394.00	(140,479.00)		101,303.00
Marriage License Fee	1,350.00		7,400.00	(7,000.00)		1,750.00
Domestic Partnership Fee	100.00		100.00			200.00
Burial Permit Fee			5.00			5.00
Subtotal	1,325,257.75	-	217,899.00	(151,642.80)	2,115,646.61	3,507,160.56
Reserve for:						
Library State Aid	24,802.00		24,553.00		(24,802.00)	24,553.00
Lien Redemption & Premium			2,637,162.87	(2,637,162.87)		46,433.05
PCTV	40,874.05	(14,000.00)	19,559.00			230,194.70
Sale of Municipal Assets	201,323.88		28,870.82			2,484,072.81
Tax Appeals Pending	2,755,038.49	1,500,000.00		(1,770,965.68)	4,298.00	1,503,688.05
Hurricane Sandy	2,979,939.49	2,000,000.00	1,296,018.67	(1,377,079.41)		
Red Light Camera	81,060.74					
Third Party Inspections						
Electrical	141,136.31		379,729.00	(367,699.00)		153,166.31
Plumbing	291.00			(1,125.00)	834.00	
Elevator	240.00		43,778.00	(36,535.00)		7,483.00
Certificate of Occupancy	106,932.80		13,000.00			119,932.80
Certificate of Continued Occupancy	9,210.00		6,100.00	(6,730.00)		8,580.00
Fire	79,067.66		158,656.00	(145,775.00)	(834.00)	91,114.66
Subtotal	6,419,916.42	3,486,000.00	4,607,427.36	(9,823,621.40)	(20,504.00)	4,669,218.38
Total.....	\$ 7,745,174.17	\$ 3,486,000.00	\$ 4,825,326.36	\$ (9,975,264.20)	\$ 2,095,142.61	\$ 8,176,378.94
Ref.		A-2,A-3	A-4	A-4	A-9	A
Appropriation		\$ 3,500,000.00				
Realized as Revenue		(14,000.00)				
		<u>\$ 3,486,000.00</u>				
Interfund: Trust Fund				\$ 4,298.00		
Appropriation				(24,802.00)		
Appropriation Reserves				<u>2,115,646.61</u>		
				<u>\$ 2,095,142.61</u>		



**CURRENT FUND
STATEMENT OF INTERFUNDS RECEIVABLE**

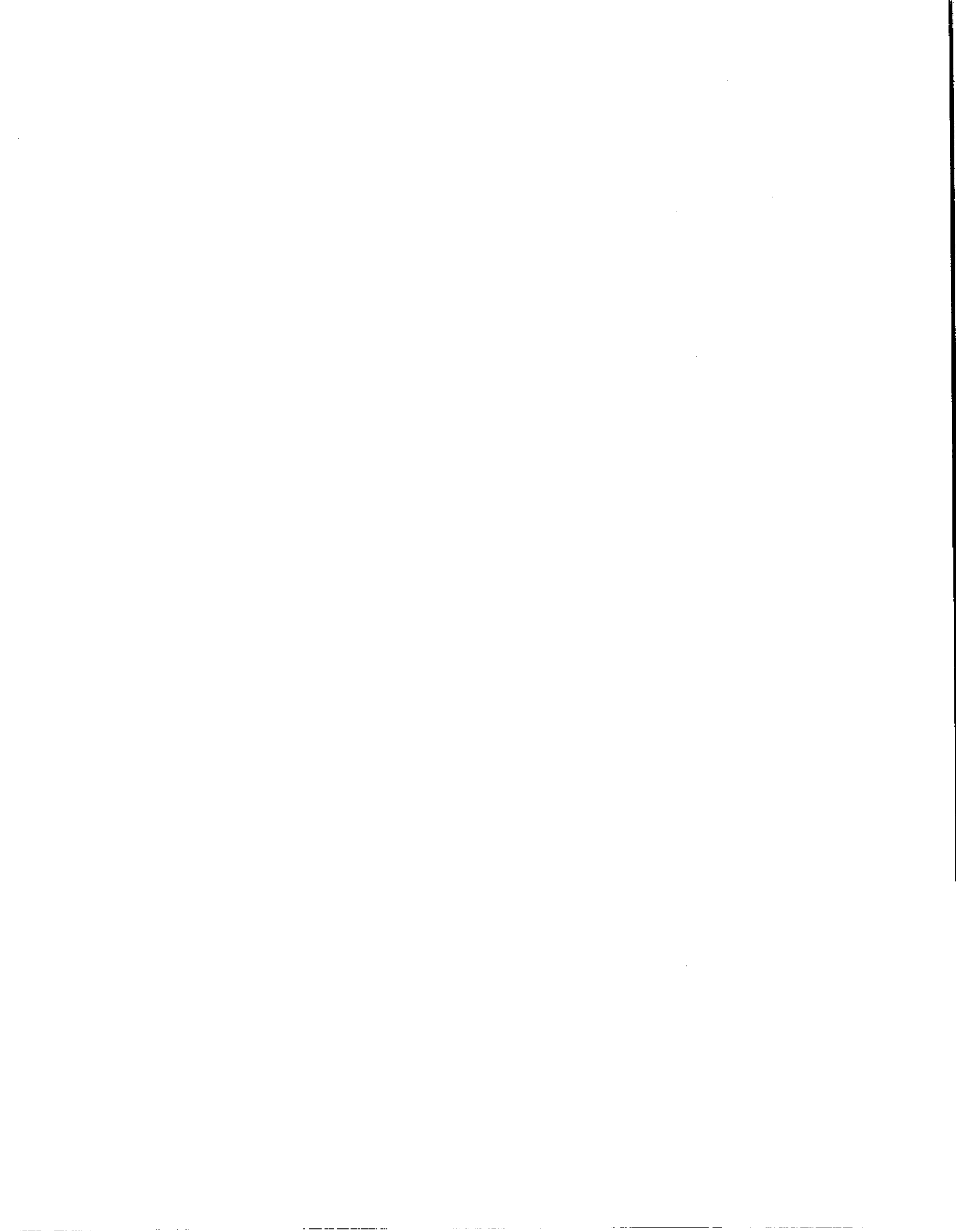
	Dec. 31, 2012	Cash Receipts	Cash Disbursements	Budget Appropriation December 31, 2013	Dec. 31, 2013
Interfunds					
Due from Unemployment Fund	\$ -	-	(100,000.00)	\$ 100,000.00	\$ -
Due from Senior Housing Capital Fund	-	400,000.00	(400,000.00)		-
Due from Senior Housing Utility Fund	-	316,801.50	(197,012.50)	(119,789.00)	-
Due from Grant Fund	-	-	(582,508.44)	582,508.44	-
Total.....	\$ -	\$ 716,801.50	\$ (1,279,520.94)	\$ 562,719.44	\$ -

<u>Ref.</u>	A	A-4	A-4	A-3,A-10	A
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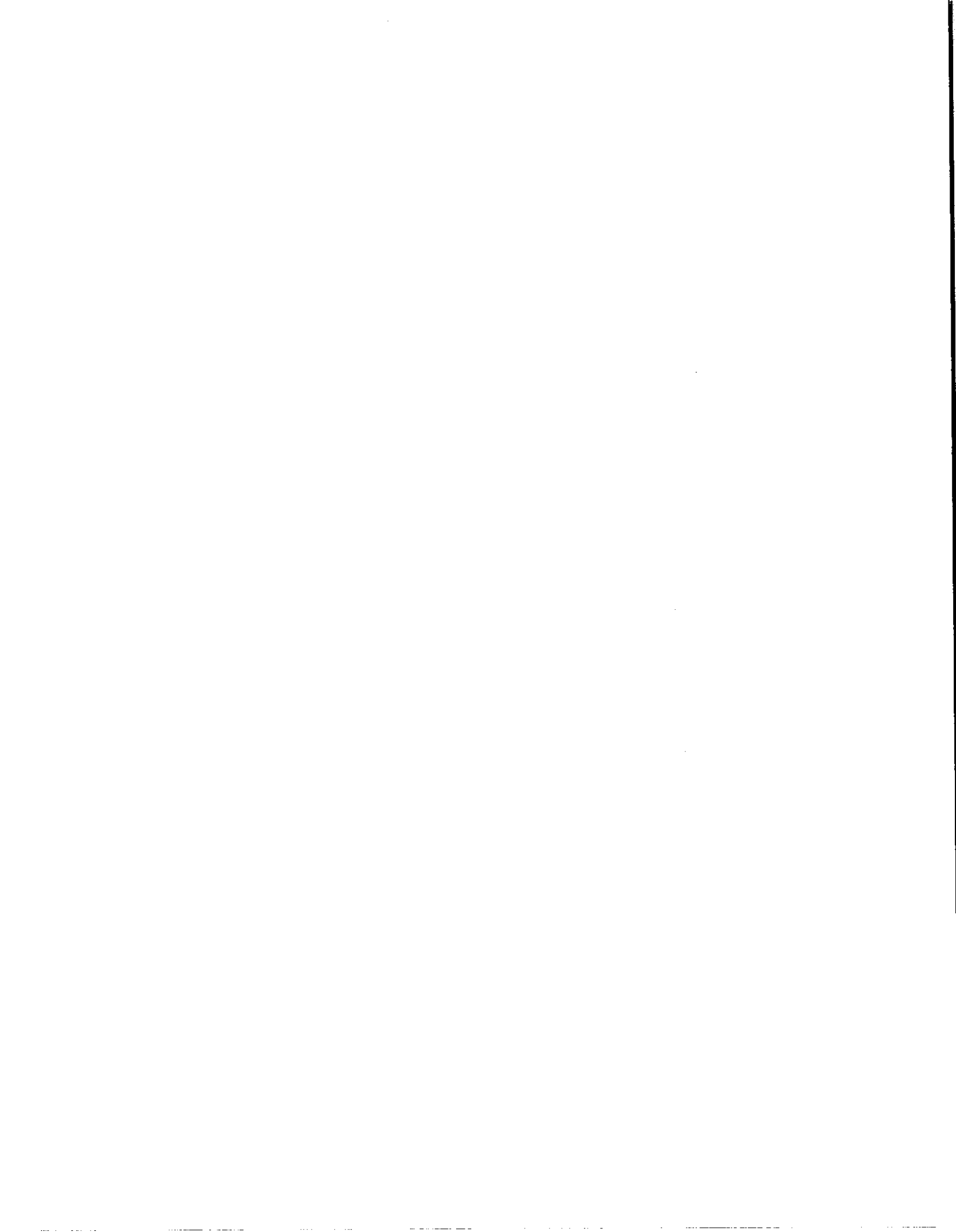
**CURRENT FUND
STATEMENT OF INTERFUNDS PAYABLE**

	Dec. 31, 2012	Cash Receipts	Cash Disbursements	Budget Revenues	Budget Appropriations	Adjustment	Dec. 31, 2013
Interfunds							
Due from/(to) Other Trust Fund.....	\$ (265,886.27)	\$ (5,384,450.03)	\$ 4,651,736.50	\$ -	\$ (334,126.10)	\$ 1,332,725.90	\$ -
General Capital Fund.....		(5,008,296.83)	7,085,000.00	958,460.00	(1,578,215.17)	(1,456,948.00)	-
Sewer Operating Fund.....		(7,443,038.10)	2,765,885.66		3,408,329.30	1,268,823.14	-
Payroll Trust Fund.....		(3,309,608.00)	3,309,608.00				-
Self Insurance Trust Fund.....		(950,570.68)	950,570.68				-
Due (to)/from Grant Fund		(868,117.36)	285,608.92	582,508.44			-
Total.....	\$ (265,886.27)	\$ (22,964,081.00)	\$ 19,048,409.76	\$ 1,540,968.44	\$ 1,495,988.03	\$ 1,144,601.04	\$ -
Ref	A	A-4, A-5	A-4	A-2	A-3		A



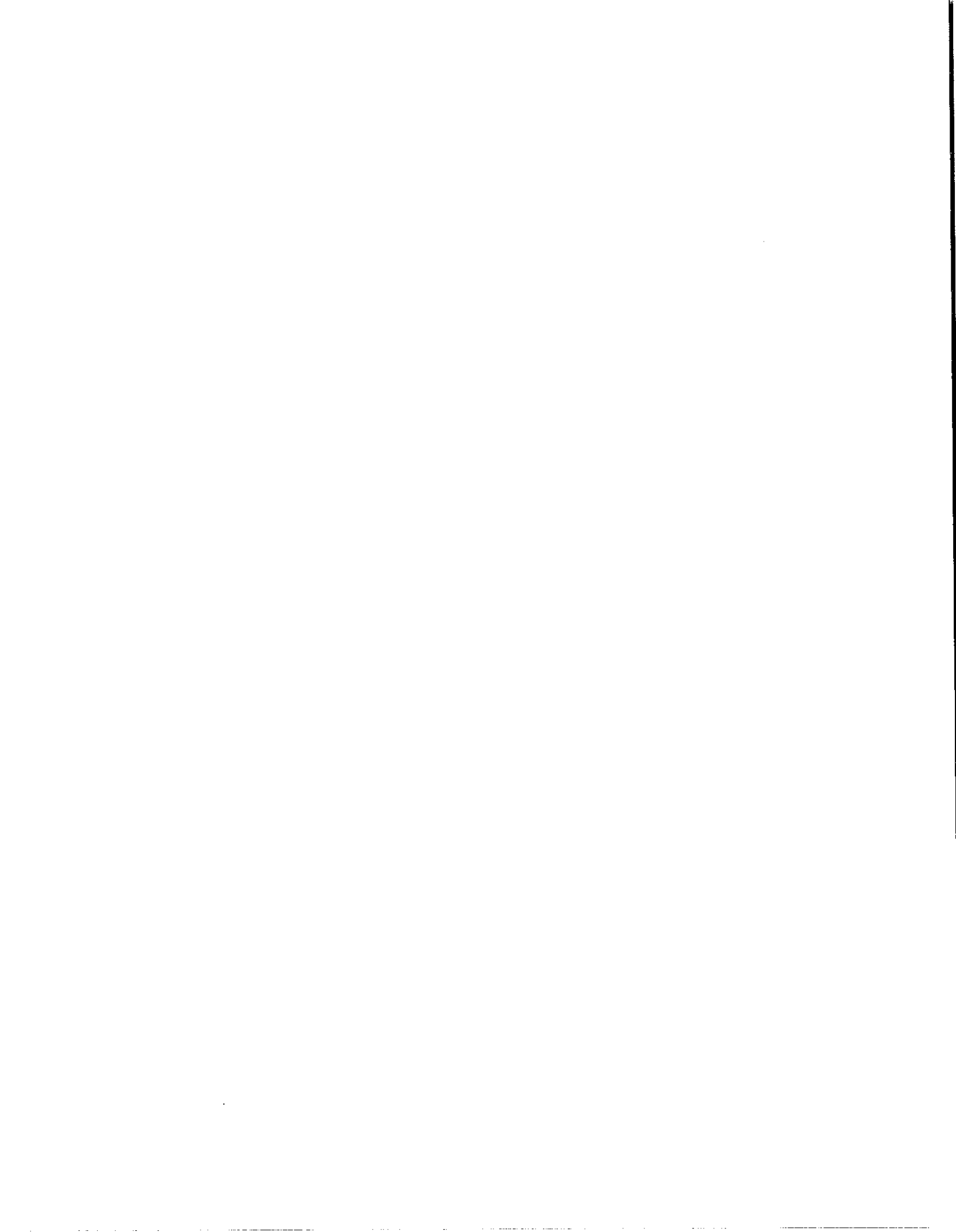
**CURRENT FUND
SCHEDULE OF TAXES PAYABLE**

	Dec. 31, 2012	Taxes Levied	Cancel	Cash Disbursements	Dec. 31, 2013
County - General.....	\$ -	\$ 21,635,739.10	\$ -	\$ (21,635,739.10)	\$ -
County - Open Space.....	0.02	1,837,118.40	(0.02)	(1,837,118.40)	-
County - Added & Omitted.....	-	216,400.55		(216,400.55)	-
Local School District Taxes.....	100,002.00	84,111,763.00		(84,211,765.00)	-
Fire District Taxes.....	-	3,575,349.00		(3,575,349.00)	-
Total.....	\$ 100,002.02	\$ 111,376,370.05	\$ (0.02)	\$ (111,476,372.05)	\$ -
<u>Ref.</u>	A	A-1,A-7	A-1	A-4	A



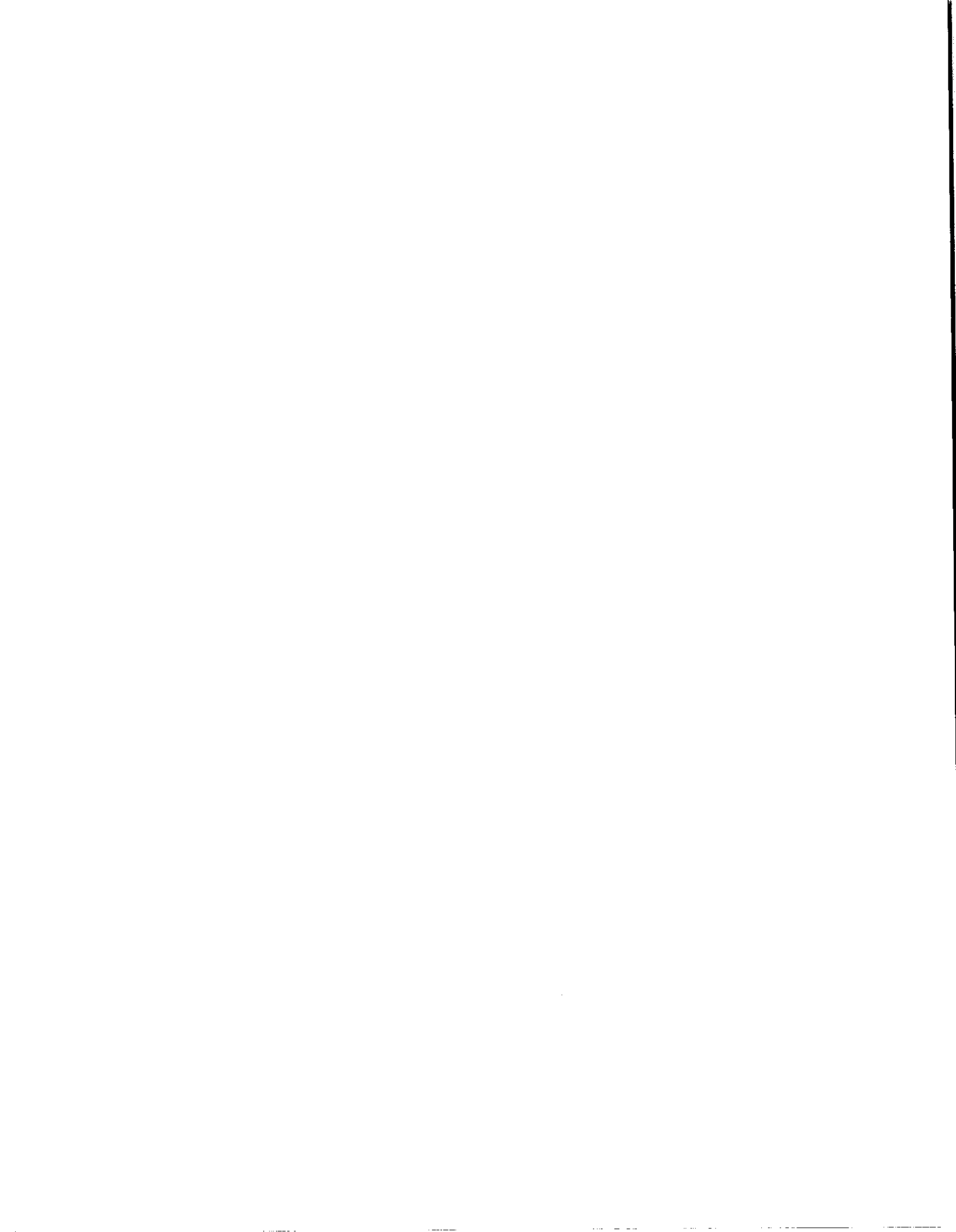
**CURRENT FUND
SCHEDULE OF PROPERTY TAX OVERPAYMENTS**

		Total
	<u>Ref.</u>	
Balance - 12/31/2012.....	A	\$ 36,397.20
Applied to Taxes Receivable.....	A-7	(113,701.67)
Cash Payments - Refunds.....	A-4	(256,103.47)
Overpayments Cancelled.....	A-1	289,959.12
Balances Adjustments:.....		<u>1,966,266.29</u>
Balance - 12/31/2013.....	A	<u>\$ 1,922,817.47</u>



SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
GRANT FUND

BUDGET YEAR	GRANTS	BALANCE DEC. 2012	CY 2013 BUDGET REVENUE REALIZED	COLLECTED	TRANSFERRED FROM UNAPPROP GRANTS	BALANCE DEC. 31, 2013
SFY 2002		\$ 80,974.65	\$			\$ 80,974.65
SFY 2004	Hazardous Discharge Grant					
SFY 2007	DCA Smart Growth	60,000.00				60,000.00
SFY 2008	Municipal Stormwater Grant	10,310.00				10,310.00
SFY 2009	Pedestrian/Bicycle Grant	20,000.00				20,000.00
	NJ DOT - William Street					
	NJ DOT - Operation Safe Children and Roadways	30,000.00				-
SFY 2010	Tobacco Age of Sale	360.00		360.00		30,000.00
	Comshap	9,982.19				-
	COPS in Shop Grant	800.00		800.00		9,982.19
TY 2010	Drunk Driving - Over the Limit, Under Arrest	600.00		600.00		-
	Drunk Driving - Over the Limit, Under Arrest	150.00		150.00		-
CY-2011						
	CDBG -2011	213,309.64		213,309.64		-
	Drive Sober or Get Pulled Over					-
	Emergency Management Agency Assistance Grant	5,000.00		5,000.00		-
	Emergency Management Agency Assistance Grant FY-2010	5,000.00		5,000.00		-
	Historic Preservation Trust: Metlar, Knapp Bodine Grant	150,000.00				-
	Law Enforcement Response to Community Concerns (Bias Grant)	732.45		732.45		150,000.00
	Municipal Alliance on Alcoholism	5,080.80		5,080.80		-
	NJDOT: Centennial Avenue Roadway	75,000.00		75,000.00		-
	Over Limit Under Arrest 2011	4,400.00		4,400.00		-



SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
GRANT FUND

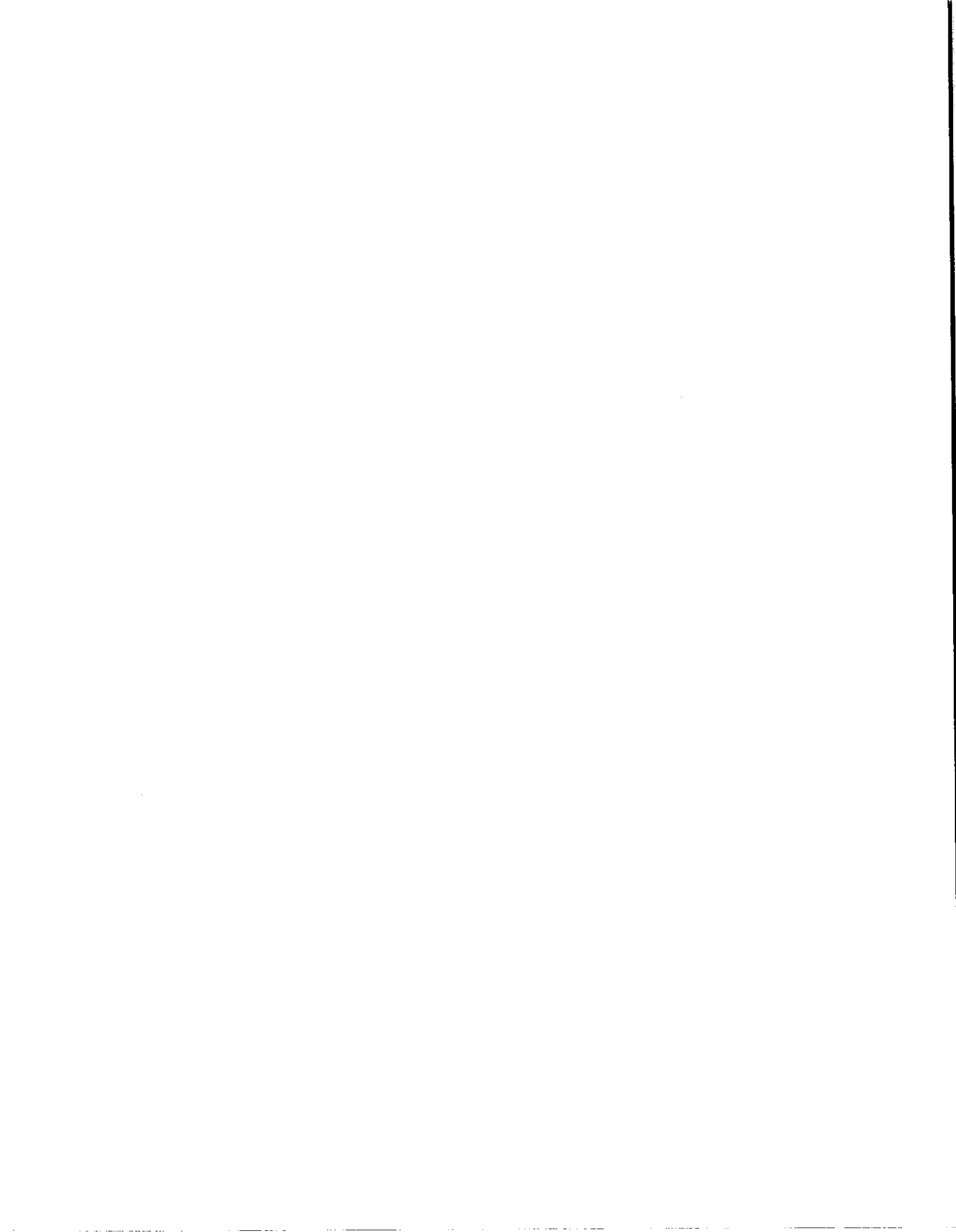
BUDGET YEAR	GRANTS	BALANCE DEC. 2012	CY 2013 BUDGET REVENUE REALIZED	COLLECTED	TRANSFERRED FROM UNAPPROP GRANTS	BALANCE DEC. 31, 2013	
CY-2012	Municipal Alliance on Alcoholism	\$ 10,928.00	\$	10,928.00	\$	\$	
	NJDOT: William Street Phase III	250,000.00		187,500.00		62,500.00	
	Cops In Shop	2,400.00				2,400.00	
	Multi-Jurisdictional Task Force Grant	6,000.00		6,000.00			
	Drive Sober or Get Pulled Over	4,400.00				4,400.00	
	Law Enforcement Response To Community Concerns	4,910.00		4,910.00			
	Drive Sober or Get Pulled Over 2012 Year End	4,400.00				4,400.00	
	CDBG - 2012	220,487.00		120,487.00		100,000.00	
	CY-2013	Middlesex County Cultural & Heritage Grant		1,350.00	1,350.00		
		Multi-Jurisdictional Task Force		12,000.00	12,000.00		
Clean Communities Grant Program			89,051.03	89,051.03			
Cops In Shop			2,800.00	2,800.00			
Alcohol Education Rehab Program			738.85	738.85			
Body Armor Grant			10,204.03	10,204.03			
Recycling Tonnage Grant			57,045.56	57,045.56			
Municipal Alliance on Alcoholism			66,880.50	13,885.81			
Drunk Driving Enforcement Grant			9,233.47	9,233.47			
Safe and Secure Grant			60,000.00	60,000.00			
FEMA: Office of Emergency Management			10,000.00				
Drive Sober or Get Pulled Over 2012 Year End			4,400.00				
Community Development Block Grant - 2012			255,805.00				
Green Communities Grant			3,000.00				
			\$ 1,175,224.73	\$ 582,508.44	\$ 901,566.64	\$ 0.00	\$ 886,166.53
Totals		\$ 1,175,224.73	\$ 582,508.44	\$ 901,566.64	\$ 0.00	\$ 886,166.53	

Ref.	A	A-16	A-18	A
Due to Current Fund		\$ 186,342.62		
Cash		\$ 715,224.02		
		\$ 901,566.64		



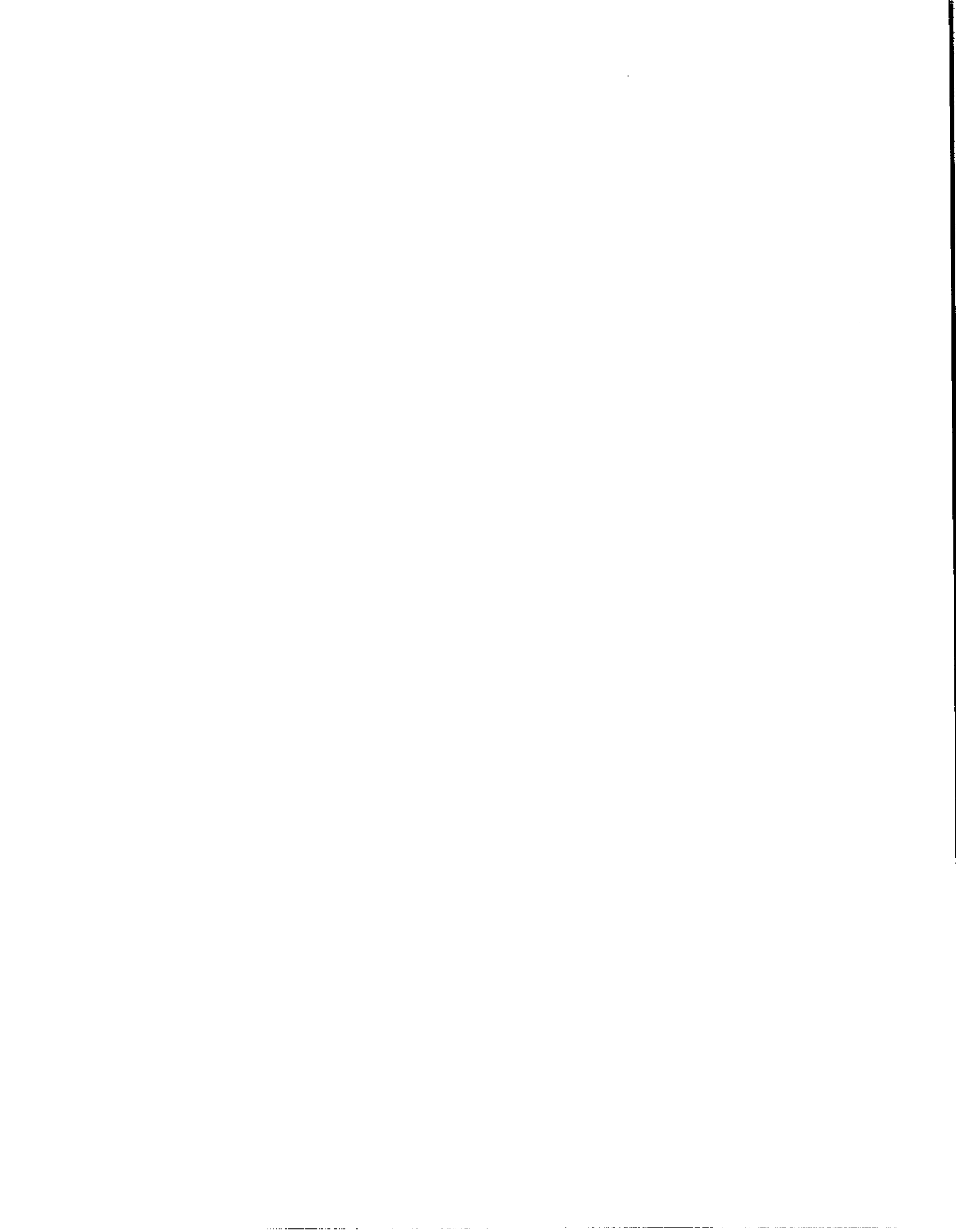
**GRANT FUND
STATEMENT OF INTERFUNDS RECEIVABLE/PAYABLE**

	Dec. 31, 2012	Cash Receipts	Cash Disbursements	Budget Revenues	Budget Appropriations	Adjustments	Dec. 31, 2013
Interfunds							
Current Fund Due (to)/from	\$ -	\$ (868,117.36)	\$ 703,851.89	\$ (582,508.44)	\$ 607,228.57	\$ 139,545.34	\$ -
Total.....	\$ -	\$ (868,117.36)	\$ 703,851.89	\$ (582,508.44)	\$ 607,228.57	\$ 139,545.34	\$ -
Ref	A	A-4	A-4	A-15	A-17		A
				Grant Unappropriated Reserves	A-18	(676.00)	
				Grant Appropriation Reserves Canceled	A-17	(46,121.28)	
				Grant Receivable	A-15	\$ 186,342.62	
						<u>\$ 139,545.34</u>	



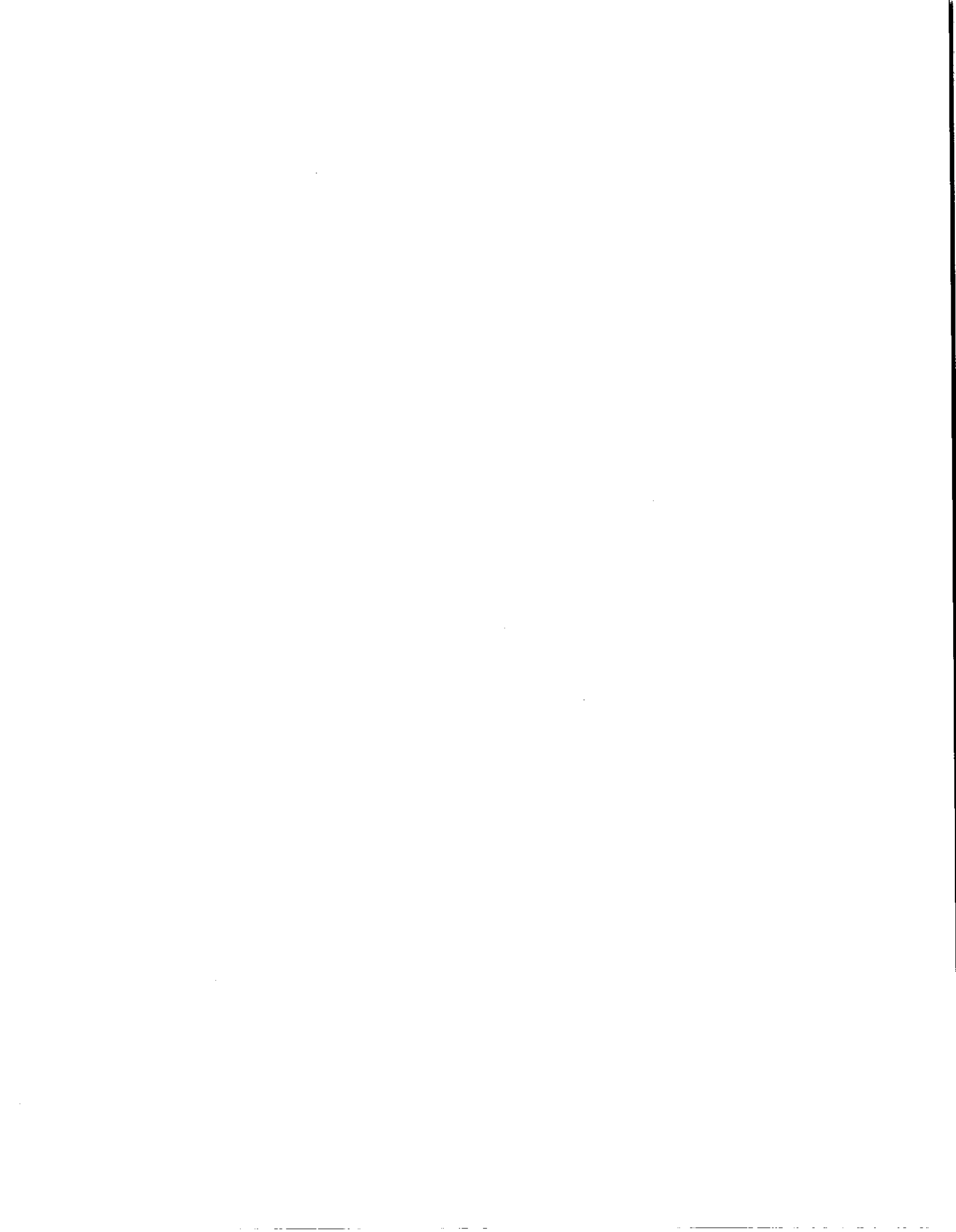
SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED
GRANT FUND

BUDGET YEAR/PROGRAM	BALANCE DEC. 31 2012	ENC DEC 31 2012	TOTAL TRANSFERRED FROM CY 2013 BUDGET	PAID OR CHARGED	TRANSFER/ CANCELLED	ENC DEC. 31 2013	BALANCE DEC. 31 2013
	\$	\$	\$	\$	\$	\$	\$
SFY 2002							
Hazardous Discharge Grant	31,516.34						31,516.34
SFY 2003							
History Grant	2,997.19			2,997.19			
SFY 2004							
NIDOT: Metlars House Project	48,898.00			28,961.50		19,936.50	
SFY 2007							
Domestic Violence Training Program	2,092.43			2,092.43			20,000.00
Durham Park Bike Path	20,000.00						
Federal Emergency Management Assistance	8,238.00			8,238.00			
Municipal Stormwater Grant	3,000.00						
Municipal TDM Award							
SFY 2008							
Pedestrian/Bicycle Grant	25,282.40						25,282.40
SFY 2009							
Alcohol Education Rehab Program	1,268.47			660.00			608.47
Body Armor Replacement Grant	87.00	650.00		737.00			
Clean Communities Grant		10,360.05		10,360.05			
NJ DOT - Safe Routes to School Program	30,000.00						30,000.00
NJ DOT - William Street	500,000.00						500,000.00
Recycling Tonnage Grant		630.02		630.02			
SFY 2010							
Alcohol Education Rehab Program	3,066.66						3,066.66
Clean Communities Program	1,017.88	13,738.39		14,756.27			(0.00)
Comprehensive Stationhouse Adjustment Program (COMSHAP)	10,813.08						10,813.08
FEMA - OEM - 2008		4,806.80		4,806.80			
Multi-Jurisdictional Gang, Gun & Narcotics Task Force Program	199.57			199.57			
Municipal Alliance on Alcoholism and Drug Abuse	12,402.69				12,402.69		
PARIS Grant	4,896.42			4,896.42			
Recycling Tonnage Grant	39,032.95	20,189.00		44,866.09		180.00	14,175.86
USDOE - Energy Efficiency & Conversation Block Grant	7,245.00	3,394.49		923.76		2,470.73	7,245.00
TY 2010							
Drunk Driving - Over the Limit, Under Arrest	150.00				150.00		
CY-2011							
Body Armor Replacement Fund	4,054.81			4,054.81			
Community Development Block Grant - 2011	84,853.00			4,291.32			0.00
Clean Communities Grant - FY-2011	50,961.43			66,577.46			8,717.89
Drunk Driving Enforcement Fund	15,619.04	30,917.60		10,424.35			5,194.69
Historic Preservation Trust: Metlar, Knapp Bodine Grant	125,100.00	24,900.00		19,790.00		130,210.00	
Law Enforcement Response to Community Concerns (Bias Grant)	392.45						(0.00)
Middlesex County Cultural & Heritage - Library	275.00			150.00		125.00	
Multi-Jurisdictional Task Force Grant	5,050.00						5,050.00
Municipal Alliance on Alcoholism	5,179.08						
Municipal Court Alcohol And Education Rehab	2,211.32			5,179.08			2,211.32
Recycling Tonnage Grant	97,353.38	375.00		27,469.84		17,250.00	53,008.54



SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED
GRANT FUND

BUDGET YEAR/PROGRAM	BALANCE DEC. 31 2012	ENC DEC 31 2012	TOTAL TRANSFERRED FROM CY 2013 BUDGET	PAID OR CHARGED	TRANSFER/ CANCELLED	ENC DEC. 31 2013	BALANCE DEC. 31 2013
CY-2012							
Middlesex County Cultural & Heritage Grant: Library Grant	\$ 400.00	\$ 10,891.39	\$	\$ 400.00	\$	\$	(0.00)
Municipal Alliance on Alcoholism & Match	200.00			3,767.63	7,123.76		
Cops-In-Shop Grant	24,000.00				200.00		4,219.52
Multi-Jurisdictional Task Force	2,860.04			13,780.48	6,000.00		2,860.04
Municipal Court Alcohol And Education Rehab	60,548.49	14,693.62		44,788.68			30,453.43
Clean Communities Grant	7,943.09			7,870.19			72.90
Body Armor Grant	106,724.03			5,300.00			101,424.03
Recycling Tonnage Grant	10,007.08			240.00			9,767.08
Drunk Driving Enforcement	220,487.00			173,021.70	(80,561.68)	81,863.30	46,163.68
Community Development Block Grant	4,200.00			2,200.00			2,000.00
Drive Sober or Get Pulled Over							
CY-2013							
Middlesex County Cultural & Heritage Grant			1,350.00	1,050.00			300.00
Multi-Jurisdictional Task Force			12,000.00				12,000.00
Clean Communities Grant Program			89,051.03	23,821.18		26,725.00	38,504.85
Cops In Shop			2,800.00	2,800.00			
Alcohol Education Rehab Program			738.85				738.85
Body Armor Grant			10,204.03				10,204.03
Recycling Tonnage Grant			57,045.56				57,045.56
Municipal Alliance on Alcoholism			66,880.50	54,298.60		231.76	12,350.14
Municipal Alliance on Alcoholism - Match			16,720.13				16,720.13
Drunk Driving Enforcement Grant			9,233.47				9,233.47
Safe and Secure Grant			60,000.00	60,000.00			
FEMA: Office of Emergency Management			10,000.00	10,000.00			
FEMA: Office of Emergency Management - MATCH			5,000.00	5,000.00			
Drive Sober or Get Pulled Over 2012 Year End			4,400.00				4,400.00
Community Development Block Grant - 2012			255,805.00				255,805.00
Green Communities Grant			3,000.00				3,000.00
Green Communities Grant - MATCH			3,000.00				3,000.00
Totals	\$ 1,580,623.32	\$ 135,546.36	\$ 607,228.57	\$ 661,131.72	\$ 46,121.28	\$ 278,992.29	\$ 1,337,152.96
Ref.	A	A	A-16	A-4	A-16	A	A



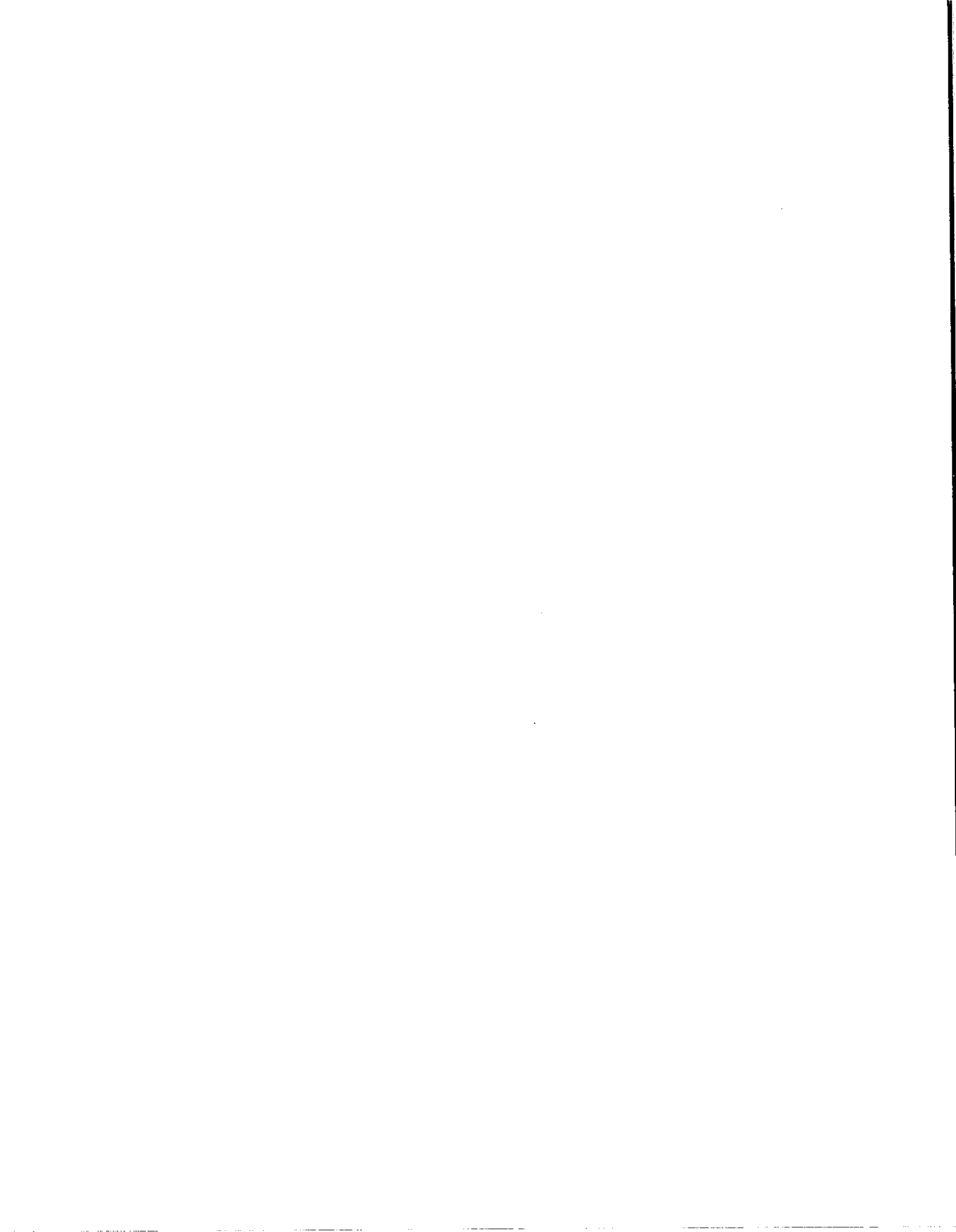
**SCHEDULE OF STATE AND FEDERAL GRANTS
UNAPPROPRIATED
GRANT FUND**

<u>GRANT</u>	<u>BALANCE DEC. 31, 2012</u>	<u>RECEIVED IN CASH</u>	<u>TRANSFER INTERFUND</u>	<u>BALANCE DEC. 31, 2013</u>
Bullet Proof Vest	\$ <u>676.00</u>	\$ _____	\$ <u>676.00</u>	\$ _____
Totals	\$ <u>676.00</u>	\$ _____	\$ <u>676.00</u>	\$ _____
<u>Ref.</u>	A	A-4	A-16	A

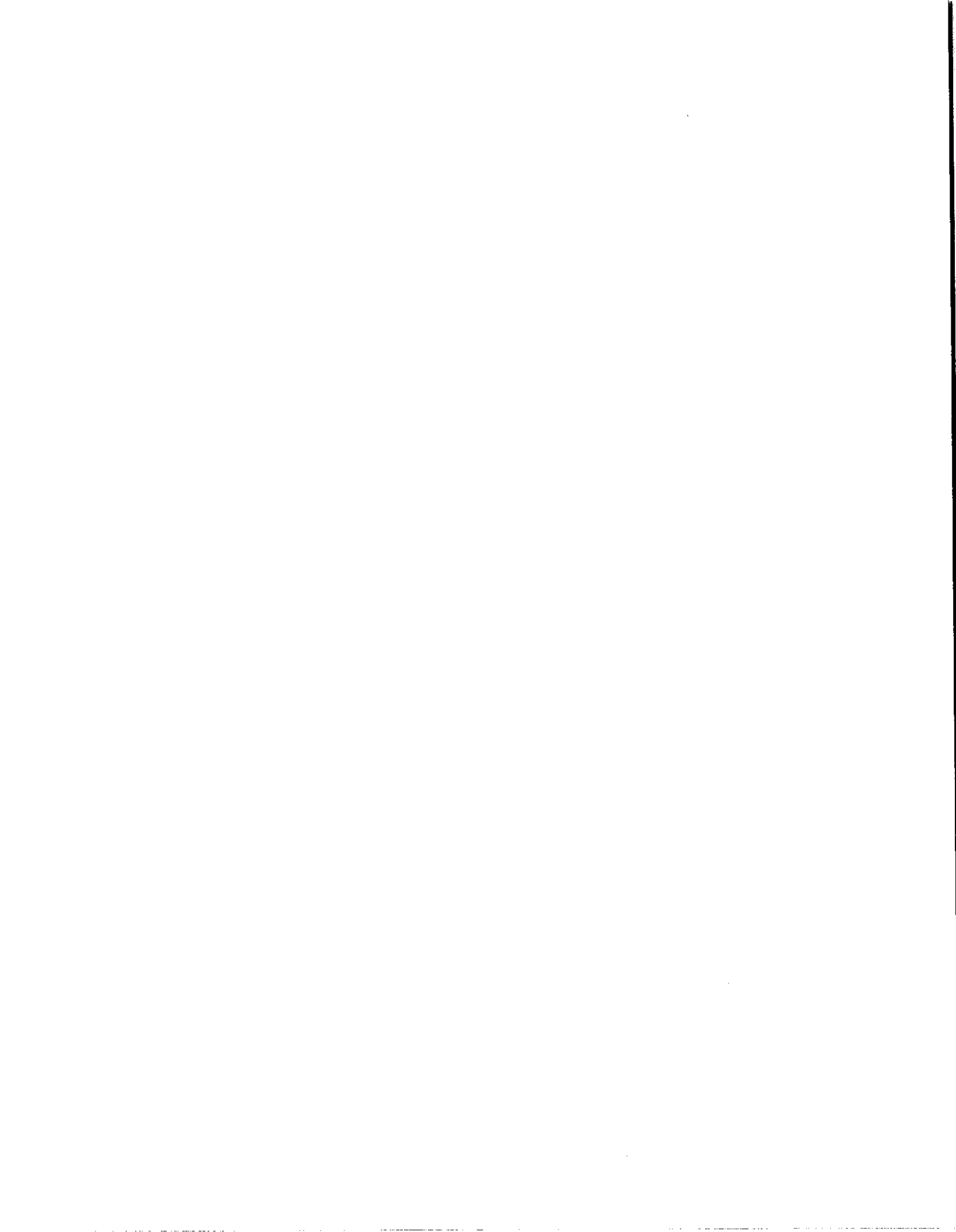


DEFERRED CHARGES - EMERGENCY APPROPRIATION
CURRENT FUND

	<u>BALANCE</u> DEC 31, 2012	<u>CASH</u> <u>RECEIPTS</u>	2013 SPECIAL <u>EMERGENCY</u>	<u>BUDGET</u> <u>APPROPR</u>	<u>BALANCE</u> DEC 31, 2013
Special Emergency:					
Revaluation of Real Property	\$ 1,200,000.00	\$ -	-	\$ (300,000.00)	\$ 900,000.00
Hurricane Sandy	3,500,000.00	(1,310,298.47)	2,000,000.00	(1,700,000.00)	2,489,701.53
Total	\$ 4,700,000.00	\$ (1,310,298.47)	\$ 2,000,000.00	\$ (2,000,000.00)	\$ 3,389,701.53
<u>Ref.</u>	A	A-4	A-3	A-3	A



Trust Fund



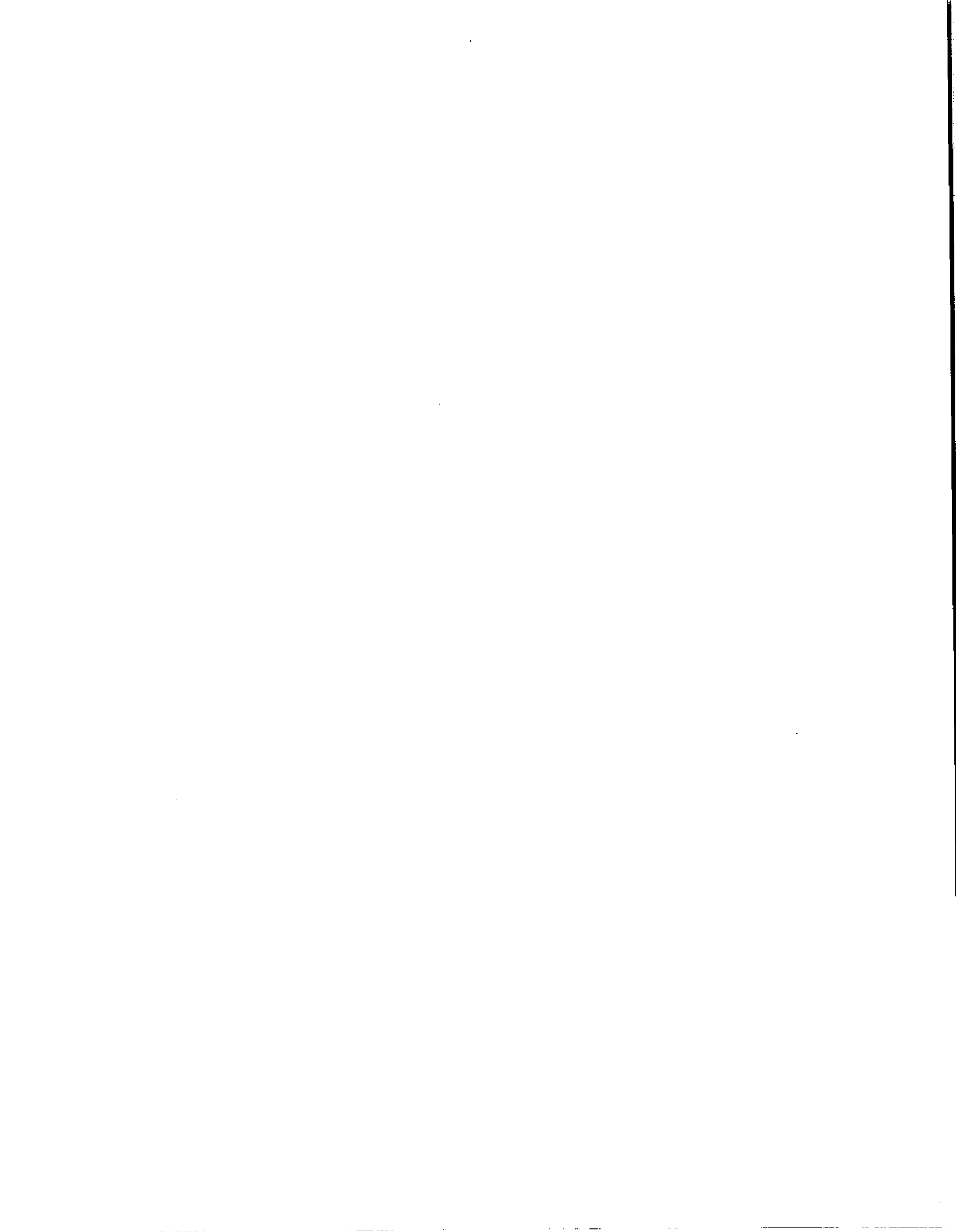
**TRUST FUNDS
SCHEDULE OF CASH AND RESERVE ACTIVITY**

	Balance Dec. 31, 2012	Cash	Balance Dec. 31, 2013
		Receipts Disbursements	
Animal Control:			
Due NJ - State License Fees..... \$	168.20 \$	2,022.60 \$	24.80
Animal Control Reserves.....	2,248.18	26,309.60	19,883.04
Total	2,416.38	28,332.20	(10,840.74)
Self Insurance Trust Fund			
Reserve for Self Insurance.....	964,458.86	33,417.51	(929,511.44)
Total	964,458.86	33,417.51	(929,511.44)
Other Trust Funds:			
State and Federal Grants Receivable.....			-
Due to/(from) Current Fund.....	(265,886.27)	4,651,736.50	(4,385,850.23)
Due to/Senior Housing Capital Fund	400,000.00		(400,000.00)
Due to/from Capital Fund.....	(3,149,335.94)		(5,558,460.00)
Due to Sewer Utility Operating Fund	-	25,000.00	(25,000.00)
Payroll Liabilities.....	180,893.72	13,722,990.73	(13,759,590.32)
Unemployment Trust Fund.....	265,202.03	365,027.43	(249,900.85)
Reserve for CDBG.....	104,403.07		(104,403.07)
Reserve for Affordable Housing	147,838.87	173,368.31	(5,371.75)
Miscellaneous Deposits.....	6,339,660.71	7,272,250.06	(5,072,880.40)
Recreation Trust	57,188.89	14,770.00	(8,071.08)
Schedule of Escrows	4,659,594.38	3,436,760.06	(663,540.94)
Total	8,739,559.46	29,661,903.09	(30,233,068.64)
Public Assistance Trust Fund:			
Reserve for Public Assistance.....	3,911.35	2,500.00	6,411.35
Total	3,911.35	2,500.00	-
Total	\$ 9,710,346.05 \$	\$ 29,726,152.80 \$	\$ (31,173,420.82) \$

Ref.	B	B
Reserve for Animal Control		
License Fees Collected:		
Year		
CY 2012	\$ 24,466.39	
CY 2013	26,309.60	
	<u>\$ 50,775.99</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, 2012			Dec. 31, 2013
1. CB Engineering & Inspections Fees (over \$5,000)	\$ 929,106.40	\$ 199,915.95	\$ 106,973.85	\$ 1,022,048.50
2. CB Engineering & Inspections Fees (under \$5,000)	126,292.95	29,559.58	21,097.35	134,755.18
3. Performance Bonds (over \$10,000)	223,771.75	758,000.08		981,771.83
4. CB Planning Board (over \$5,000)	264,405.77	62,729.00	140,729.49	186,405.28
5. CB Planning Board (under \$5,000)	299,537.23	156,260.00	95,069.38	360,727.85
6. CB Developers Interest	9,158.87	302.88		9,461.75
7. CB Performance (under \$5,000)	189,630.19	15,016.96	7,605.55	197,041.60
8. CB Operations	229,809.00			229,809.00
9. CB Developers	2,387,882.22	2,214,975.61	292,065.32	4,310,792.51
Total	\$ 4,659,594.38	\$ 3,436,760.06	\$ 663,540.94	\$ 7,432,813.50

Ref.

B

B-1

B-1

B

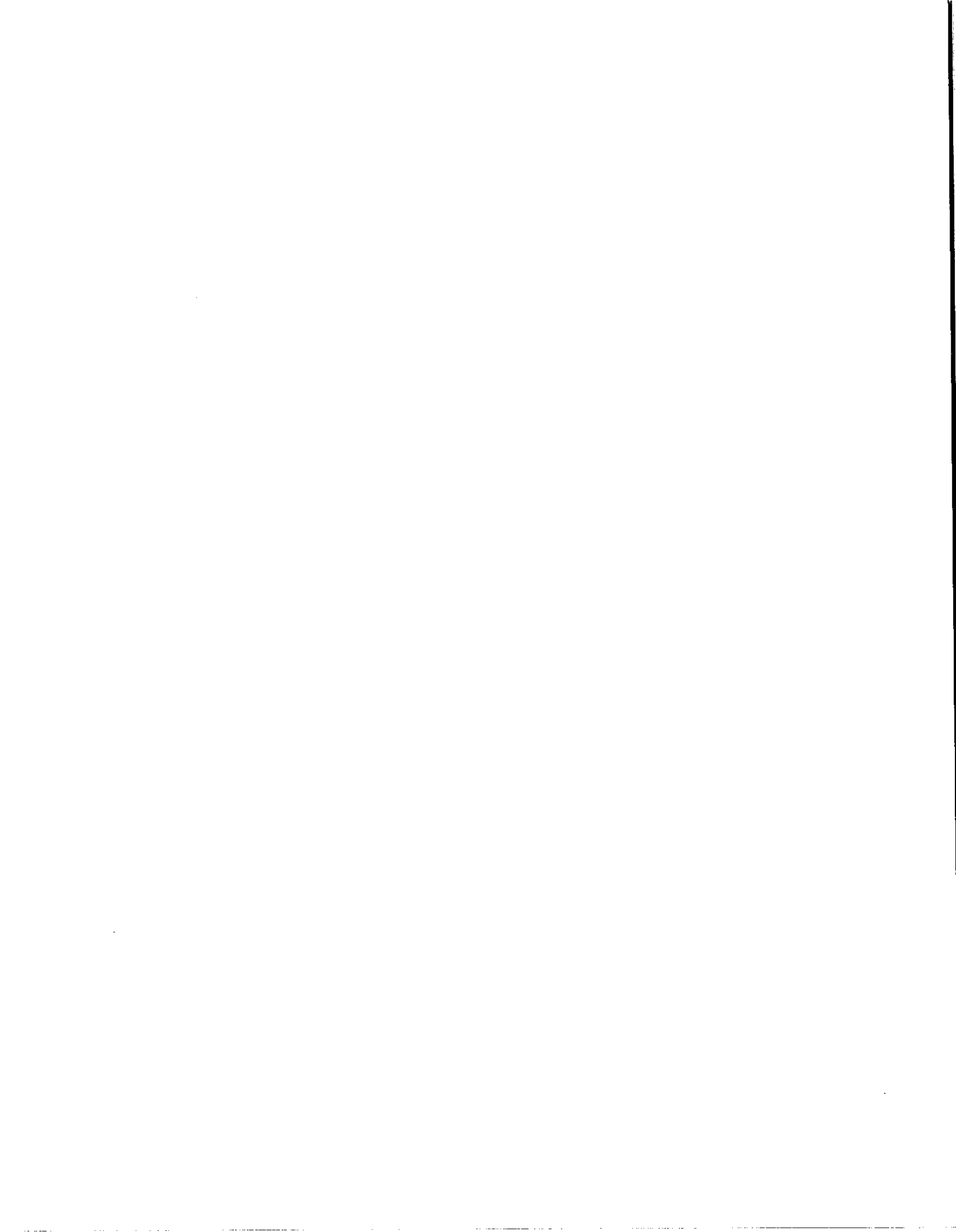


**SCHEDULE OF MISCELLANEOUS DEPOSITS
TRUST - OTHER FUND**

Purpose	Balance Dec. 31, 2012	Increases	Decreases	Balance Dec. 31, 2013
1. DARE Program	\$ 1,380.84	3,590.40		\$ 4,971.24
2. Dep. For Redemp. Of Tax Sale Certif.	7,194.05			7,194.05
3. Donations: Emergency Management	13,095.97	9,786.76	10,660.04	12,222.69
4. Escrow/Bond: Appraisal		950.00	950.00	-
5. Escrow/Bond: Curb Repair		28,750.00	250.00	28,500.00
6. Federal Forfeiture Funds	8,040.28	8.04		8,048.32
7. Forfeiture Funds	107,867.40	17,149.09	40,696.79	84,319.70
8. Future Improvement Deposits	226,786.52			226,786.52
9. Grading Bonds	11,000.00			11,000.00
10. Landscape Bonds	170,306.39	44,128.00	8,000.00	206,434.39
11. Local Seized Funds	3,088.11		594.00	2,494.11
12. Municipal Court - POAA	3,656.45	316.00		3,972.45
13. Municipal Court - Bail		1,200.00		1,200.00
14. Prem. Received at Tax Sale	1,509,900.00	1,555,900.00	1,023,700.00	2,042,100.00
15. Public Defender Fees	46,231.71	17,404.50	43,243.98	20,392.23
16. Public Relations Beautification Fund	13,884.10	4,190.00		18,074.10
17. Recapture Fees- Sale of Afford. Hsg.	1,500.00	1,500.00		3,000.00
18. Reserve for Domestic Violence	500.00			500.00
19. Reserve for Police Off-Duty Pay	22,848.87	1,982,224.47	2,005,073.34	-
20. Reserve for Recycling Project	9,733.13			9,733.13
21. Senior Citizens Trips	33,285.65	34,935.89	58,153.97	10,067.57
22. Seized Funds	5,651.01			5,651.01
23. Sick and Vacation Accrual	2,519,850.63	901,164.27	96,126.87	3,324,888.03
24. Snow Removal	1,130,002.59	200,636.48	16,571.90	1,314,067.17
25. Street Opening Bonds	388,016.59	8,104.40	155,396.64	240,724.35
26. Tax Lien Redemption	104,800.42	2,460,311.76	1,613,462.87	951,649.31
27. Youth Center Donations	1,040.00			1,040.00
Total	\$ 6,339,660.71	\$ 7,272,250.06	\$ 5,072,880.40	\$ 8,539,030.37
Ref.	B	B- 1	B- 1	B

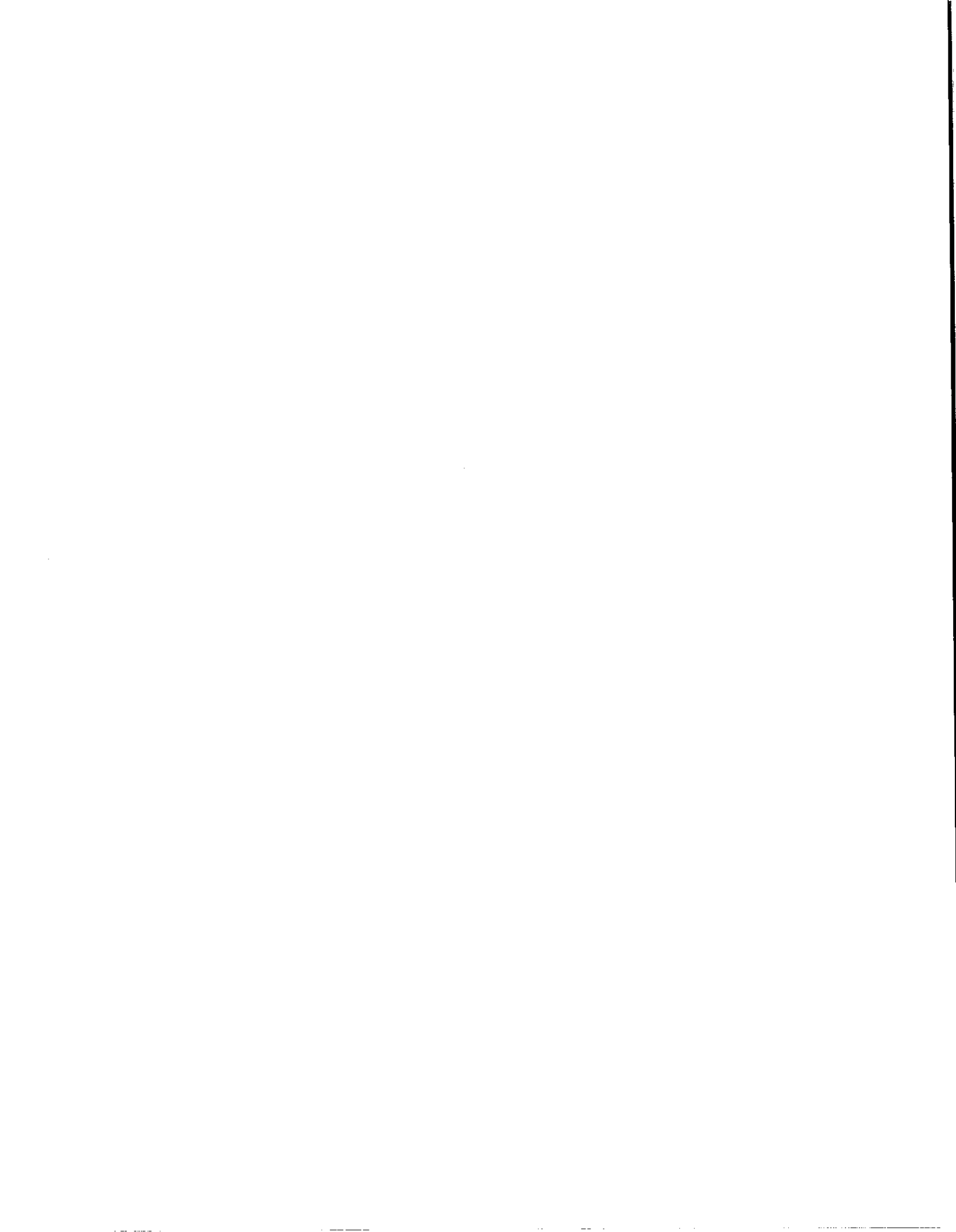


General Capital Fund



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

	<u>REF.</u>		
Balance - December 31, 2012	C		\$ 76,294.26
Increased by Receipts:			
Reserve for Debt Service	C- 15	\$ 19,141.98	
Contributions - Off-Site Improvements	C- 7	1,631,512.02	
Interfund: Receipts	C-10	12,250,000.00	
Developer's Tree Contribution	C-12	<u>8,100.00</u>	
			<u>13,908,754.00</u>
			13,985,048.26
Decreased by Disbursements:			
Improvement Authorizations	C- 8	8,658,212.99	
Interfund: Payments	C-10	<u>4,710,842.23</u>	
			<u>13,369,055.22</u>
Balance - December 31, 2013	C		\$ <u>615,993.04</u>



ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS
GENERAL CAPITAL FUND

	RECEIPTS		DISBURSEMENTS		BALANCE	
	DEC. 31, 2012	MISCEL- LANEOUS	IMPROV. AUTHOR.	MISCEL- LANEOUS	DEC. 31, 2013	DEC. 31, 2013
Fund Balance	\$ 918,125.28	\$ -	\$ -	\$ -	\$ 918,125.28	\$ -
Capital Improvements Fund	2,250.00	1,631,512.02			1,633,762.02	
Contributions - Off-Site Improvements	1,781,675.71	8,100.00			1,789,775.71	
Contributions - Tree Contributions	200.00				200.00	
Federal & State Grants Receivable						
Reserve for Good Faith Deposit						
Reserve for Preliminary Expenses	457,402.90				457,402.90	
Reserve for Stetson Streetscape	20,250.00				20,250.00	
Reserve for Community Center	5,000.00				5,000.00	
Reserve for Debt Service	484,415.04	19,141.98			503,556.99	
Due to Current Fund	3,149,535.94	6,950,000.00		4,683,296.83	5,516,239.11	
Due to Grant Fund		4,100,000.00		27,545.40	4,072,454.60	
Due from Sewer Utility Fund		1,200,000.00			1,200,000.00	
Reserve for Encumbrances	5,485,456.20			5,485,456.20		
Total	\$ 76,294.26	\$ 13,908,754.00	\$ 8,658,212.99	\$ 4,710,842.23	\$ 15,033,931.04	\$ 615,999.84

ORD. IMPROVEMENT NO. AUTHORIZATIONS

88-1 Various Improvements

01-01 Various Improvements

01-30 Various Improvements

02-18 Various Capital Improvements

02-24 Various Park Improvements

02-25 Various Capital Improvements

03-10 Acquisition of Land

03-32 Master Plan

03-39 Various Capital Improvements

04-05 Various Capital Improvements

04-51 Various Capital Equipments

04-52 Various Capital Projects

05-11 Various Capital Projects

05-13 Various Capital Projects

35-41, 06-14 Various Capital Improvements

06-04 Various Capital Improvements

06-21 Demolition of Structures

06-26 William Street Improvements

06-36 Various Capital Improvements

06-46 Various Capital Improvements

07-02 Various Capital Improvements

07-33 Various Capital Improvements

08-10 Acquisition of Land: Highland

08-19 Land Acquisition

09-04 Various Capital Improvements

09-20 Digital Tax Maps

09-40 Various Capital Improvements

10-01 Various Improvements

11-01 Reevaluation

11-04 Various Road Improvements - Annual

11-08 Various Road Improvements (\$900,000 - NIDOT)

11-14 Various Capital Improvements

11-14 Renovations, Expansion and Improvements

11-21 to Municipal Facilities

12-02 Various Roads

12-04 Various Imp Roads

12-19 Various Capital Improvements

12-28 Various Road Rehabilitation & Improvements:

13-06 Various Capital Improvements

13-07 Various Capital Improvements (Sec 12-19)

13-26 Rehab of Various Road

13-27 Various Capital Improvements

C-1, C-7, C-10, C-12, C-15

C-8

C-9

Ref

C-10

C

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	<u>REF.</u>	
Balance - December 31, 2012	C	\$ 55,228,000.00
Decreased by:		
2013 Budget Approp. to Pay Bonds	C-9	<u>7,525,000.00</u>
Balance - December 31, 2013	C	<u>\$ 47,703,000.00</u>

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

ORD. NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DEC. 31, 2012	2013 AUTHORIZATION	FUNDED BY BUDGET APPROPR	BALANCE DEC. 31, 2013	ANALYSIS OF BALANCE DEC. 31, 2013	
						EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
05-11	Various Capital Projects	\$ 213,470.00	\$ -	\$ 213,470.00	\$ -	\$ -	\$ -
05-41	Various Capital Improvements	218,975.00	-	218,975.00	-	-	-
06-26	William Street Improvements	204,000.00	-	204,000.00	-	-	-
06-36	Various Capital Improvements	3,539,000.00	-	-	3,539,000.00	3,021,672.62	517,327.38
06-48	Various Capital Improvements	547,000.00	-	47,000.00	500,000.00	420,586.62	79,413.38
07-02	Various Capital Improvements	275,000.00	-	275,000.00	-	-	-
07-33	Various Capital Improvements	1,275,000.00	-	-	1,275,000.00	277,428.38	997,571.62
09-04	Various Capital Improvements	953,200.00	-	-	953,200.00	228,745.20	724,454.80
09-40	Various Capital Improvements	3,281,050.00	-	-	3,281,050.00	2,412,927.57	868,122.43
10-01	Various Improvements	5,357,500.00	-	-	5,357,500.00	1,303,426.46	4,054,073.54
11-04	Various Improvements	1,425,000.00	-	-	1,425,000.00	1,425,000.00	-
11-08	Various Improvements	2,850,000.00	-	-	2,850,000.00	2,006,772.32	843,227.68
11-14	Various Improvements	15.00	-	15.00	-	-	-
11-21	Various Improvements	2,450,000.00	-	-	2,450,000.00	2,450,000.00	-
12-02	Various Road Improvements	1,757,500.00	-	-	1,757,500.00	1,757,500.00	-
12-04	Various Road & Engineering Projects	2,897,500.00	2,850,000.00	-	5,747,500.00	4,534,651.35	1,212,848.65
12-19	Various Capital Improvements	3,040,000.00	(3,040,000.00)	-	-	-	-
12-28	Various Capital Improvements	3,040,000.00	-	-	3,040,000.00	3,040,000.00	-
12-30	Various Road Rehabilitation	1,900,000.00	-	-	1,900,000.00	1,900,000.00	-
13-06	Various Capital Improvements	2,018,750.00	2,018,750.00	-	2,018,750.00	575,428.58	1,443,321.42
13-07	Various Capital Improvements (See 12-19)	3,040,000.00	3,040,000.00	-	3,040,000.00	2,556,944.75	4,750,000.00
13-26	Rehab of Various Road	4,750,000.00	4,750,000.00	-	4,750,000.00	483,055.25	4,750,000.00
13-27	Various Capital Improvements	1,947,500.00	1,947,500.00	-	1,947,500.00	-	1,947,500.00
Total		\$ 35,224,210.00	\$ 11,566,250.00	\$ 958,460.00	\$ 45,832,000.00	\$ 25,837,194.35	\$ 19,994,805.65

Ref. C C-8 C-10 C
Unexpended Balances of Unfunded Improv. Authors.

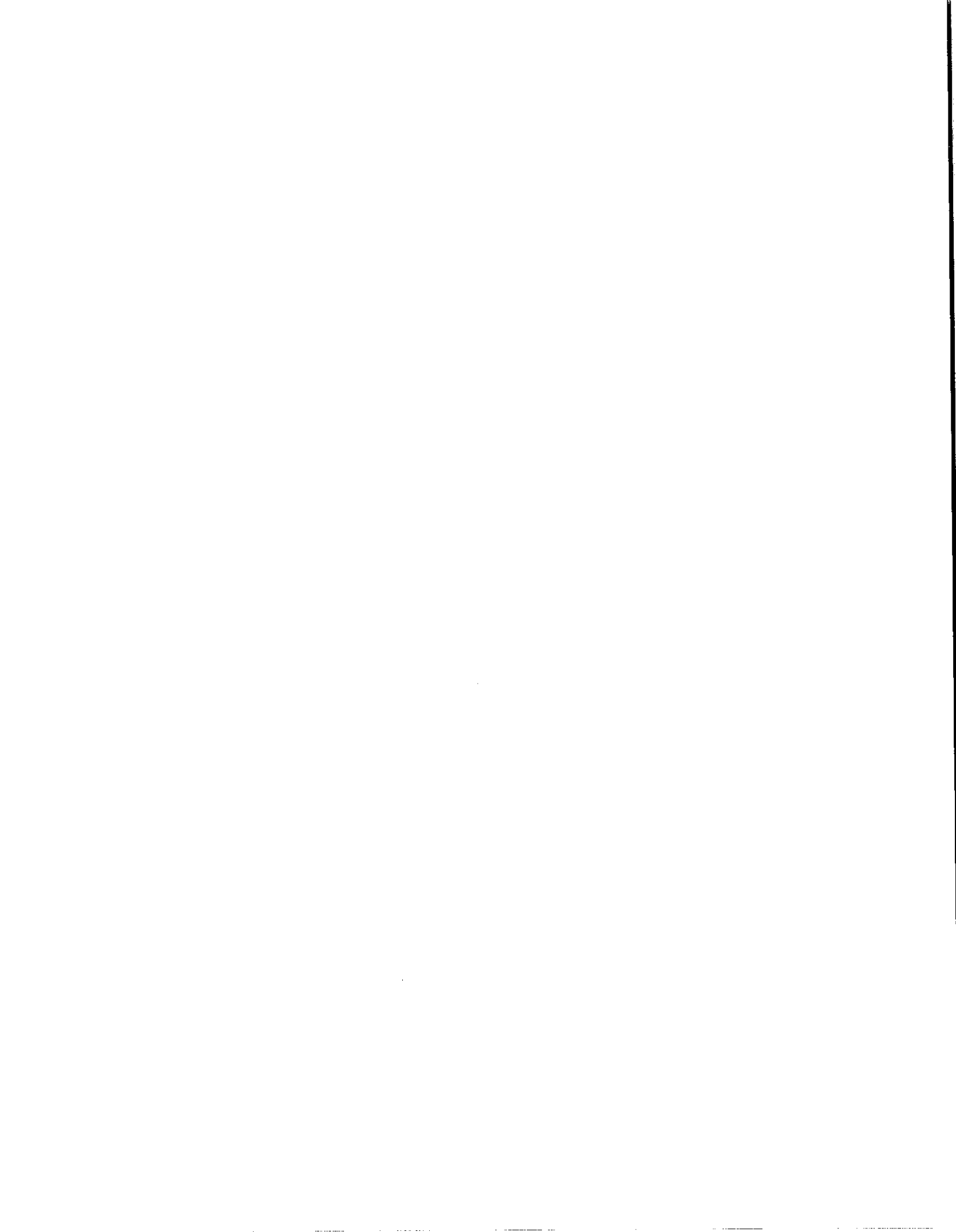
\$ 19,994,805.65
\$ 19,994,805.65

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

	<u>REF.</u>	
Balance - December 31, 2012		\$ 2,250.00
Increased by:		
CY 2013 Budget Appropriation	C-10	<u>620,000.00</u>
		622,250.00
Decreased by:		
Appropriation to Finance Improvement Authorizations	C- 8	<u>608,750.00</u>
Balance - December 31, 2013	C	<u><u>\$ 13,500.00</u></u>

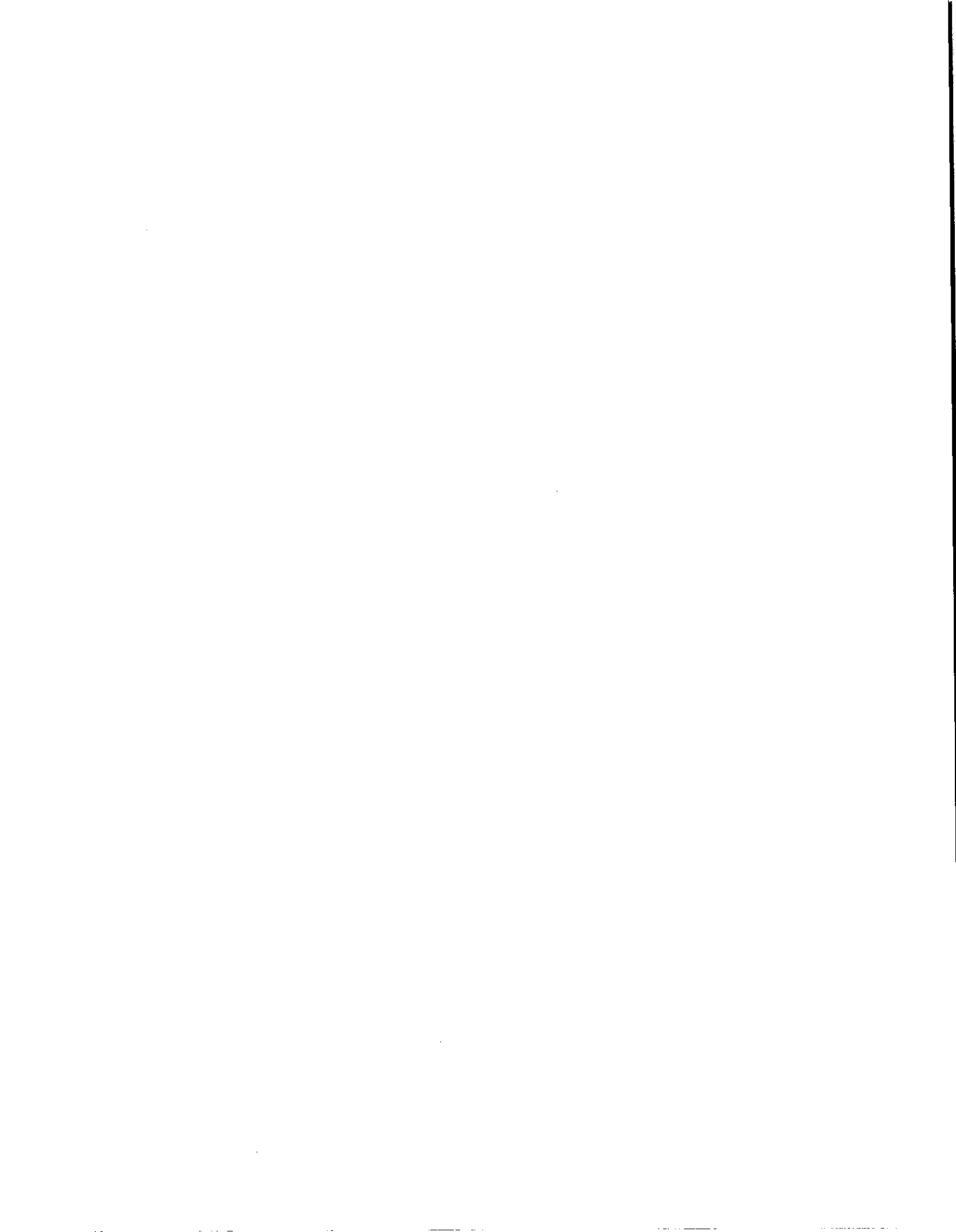
SCHEDULE OF CONTRIBUTIONS - OFF-SITE IMPROVEMENTS

	<u>REF.</u>	
Balance - December 31, 2012	C	\$ 1,781,675.71
Increased by:		
Cash Receipts	C- 2	<u>1,631,512.02</u>
Balance - December 31, 2013	C	<u><u>\$ 3,413,187.73</u></u>



SCHEDULE OF GENERAL SERIAL BONDS
GENERAL CAPITAL FUND

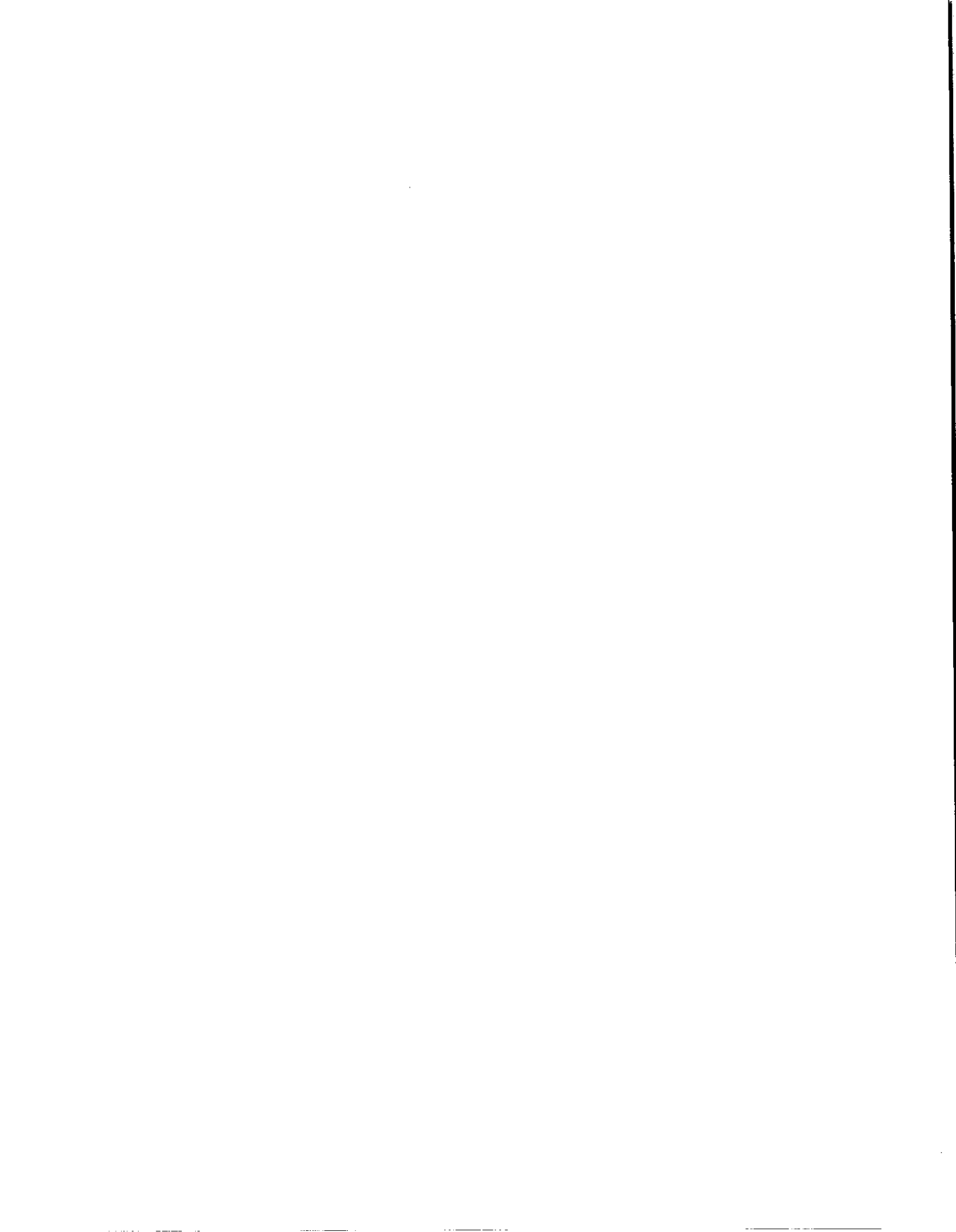
PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURETIES OF BONDS OUTSTANDING DEC. 31, 2013	INTEREST RATE	BALANCE	
					DEC. 31, 2012	DEC. 31, 2013
General Improvement Bonds	03/01/04	9,659,000.00			\$ 800,000.00	\$ 800,000.00
General Improvement Bonds	11/01/07	15,500,000.00	11/01/14 11/01/15 11/01/16 11/01/17-19	3.500% 3.500% 3.625% 3.750%	10,600,000.00	9,200,000.00
General Improvement Bonds	03/15/09	17,710,000.00	03/15/14 03/15/15 03/15/16 03/15/17 03/15/18 03/15/19 03/15/20 03/15/21	3.000% 3.250% 3.250% 4.000% 4.000% 5.000% 4.000% 4.000%	14,510,000.00	13,210,000.00
Tax Appeals	03/15/09	2,290,000.00	03/15/14 03/15/15 03/15/16	3.000% 3.250% 3.250%	1,315,000.00	990,000.00
General Improvement Bonds	1/27/11	4,564,000.00	2/1/14/8-1-14 2/1/15/8-1-15 2/1/16/8-1-16 2/1/17/8-1-17 2/1/18/8-1-18 2/1/19/8-1-19 2/1/20/8-1-20 2/1/21/8-1-21	3.000% 3.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.000%	4,214,000.00	3,839,000.00
Tax Appeals	1/27/11	2,610,000.00	2/1/14/8-1-14 2/1/15/8-1-15 2/1/16/8-1-16	3.000% 3.000% 4.000%	2,085,000.00	1,560,000.00



SCHEDULE OF GENERAL SERIAL BONDS
GENERAL CAPITAL FUND

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURETIES OF BONDS OUTSTANDING DEC. 31, 2013	INTEREST RATE	BALANCE DEC. 31, 2012	DECREASED	BALANCE DEC. 31, 2013
Tax Appeals	1/27/11	7,820,000.00	2/1/14/8-1-14 2/1/15/8-1-15 2/1/16/8-1-16 2/1/17/8-1-17 2/1/18/8-1-18	3.000% 3.000% 4.000% 4.000% 4.000%	6,720,000.00	1,100,000.00	5,620,000.00
	3/24/11	6,050,000.00	02/01/14 02/01/15 02/01/16 02/01/17	3.000% 4.000% 4.000% 4.000%	5,505,000.00	1,100,000.00	4,405,000.00
	11/28/12	3,595,000.00	03/01/14 03/01/15 03/01/16 03/01/17	3.000% 4.000% 4.000% 4.000%	3,595,000.00		3,595,000.00
	12/11/12	5,884,000.00	12/15/14 12/15/15 12/15/16 12/15/17 12/15/18 12/15/19	2.000% 3.000% 3.000% 2.000% 3.000% 3.000%	5,884,000.00	600,000.00	5,284,000.00

Total	\$	55,228,000.00	\$	7,525,000.00	\$	47,703,000.00
		C		C-4		C



SCHEDULE OF INTERFUNDS PAYABLE

	REF.	Total	Due to Current Fund	Due to Grant Fund	Due to Trust Fund	Due from Sewer Utility Operating Fund
Balance - December 31, 2012	C	\$ 3,149,335.94	\$ -	\$ -	\$ 3,149,335.94	\$ -
Increased by:						
Fund Balance	C- 1	474,044.96	474,044.96			
Cash Received	C- 2	12,250,000.00	6,950,000.00		4,100,000.00	1,200,000.00
Improvement Authorization	C- 8	29,302.23	1,756.83	27,545.40		
Due from Current Fund	C-10	1,458,460.00			1,458,460.00	
Reserve for Debt Service	C-15	484,415.04	484,415.04			
		<u>17,845,558.17</u>	<u>7,910,216.83</u>	<u>27,545.40</u>	<u>8,707,795.94</u>	<u>1,200,000.00</u>
Decreased by:						
Cash Disbursed	C- 2	\$ 4,710,842.23	\$ 4,683,296.83	27,545.40		
Deferred Charges Unfunded	C- 5	\$ 958,460.00	\$ 958,460.00			
Capital Improvement Fund	C- 6	620,000.00	620,000.00			
Due from Trust Fund	C-10	1,458,460.00	1,458,460.00			
Reserve for Good Faith Deposit	C-16	190,000.00	190,000.00			
		<u>7,937,762.23</u>	<u>7,910,216.83</u>	<u>27,545.40</u>		
Balance - December 31, 2013	C	<u>\$ 9,907,795.94</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,707,795.94</u>	<u>\$ 1,200,000.00</u>

**SCHEDULE OF PRELIMINARY EXPENSES
GENERAL CAPITAL FUND**

	<u>REF.</u>	
Balance December 31, 2012	C	\$ 457,402.90
Balance December 31, 2013	C	<u>\$ 457,402.90</u>

SCHEDULE OF RESERVES DEVELOPER'S TREE CONTRIBUTIONS

	<u>REF.</u>	
Balance - December 31, 2012	C	\$ 200.00
Increased by:		
Cash Received	C- 2	<u>8,100.00</u>
Balance December 31, 2013	C	<u>\$ 8,300.00</u>

SCHEDULE OF STELTON STREETSSCAPE

	<u>REF.</u>		
Balance December 31, 2012	C	\$	20,250.00
Balance December 31, 2013	C	\$	<u>20,250.00</u>

SCHEDULE OF RESERVES COMMUNITY CENTER

	<u>REF.</u>		
Balance December 31, 2012	C	\$	5,000.00
Balance December 31, 2013	C	\$	<u>5,000.00</u>

SCHEDULE OF RESERVES FOR DEBT SERVICE

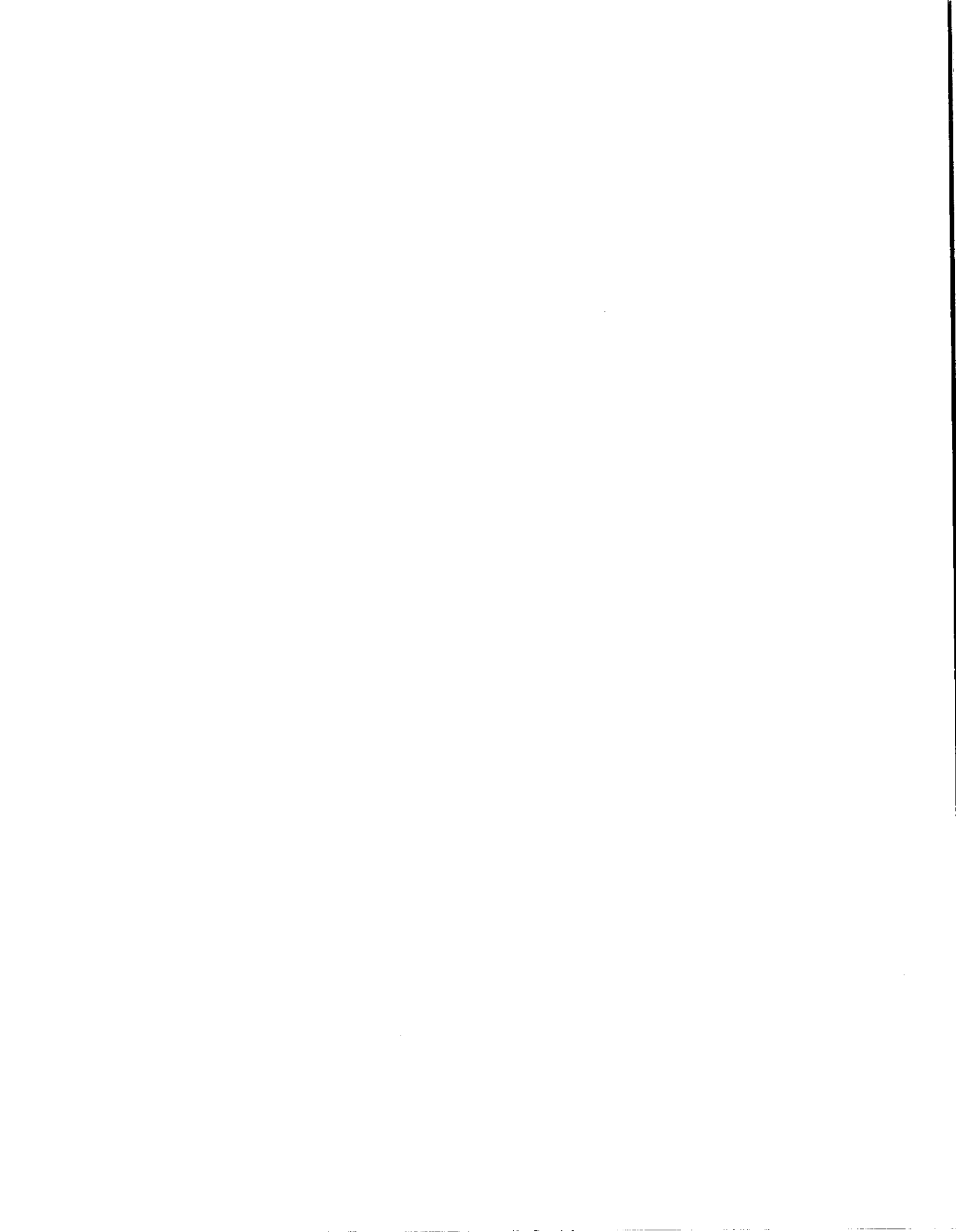
Balance December 31, 2012		\$	484,415.04
Increased by:			
Cash Received	C-2		<u>19,141.98</u>
			503,557.02
Decreased by:			
Utilized as Revenue on General Budget	C-10		<u>484,415.04</u>
Balance December 31, 2013	C	\$	<u>19,141.98</u>

SCHEDULE OF RESERVES FOR GOOD FAITH DEPOSIT

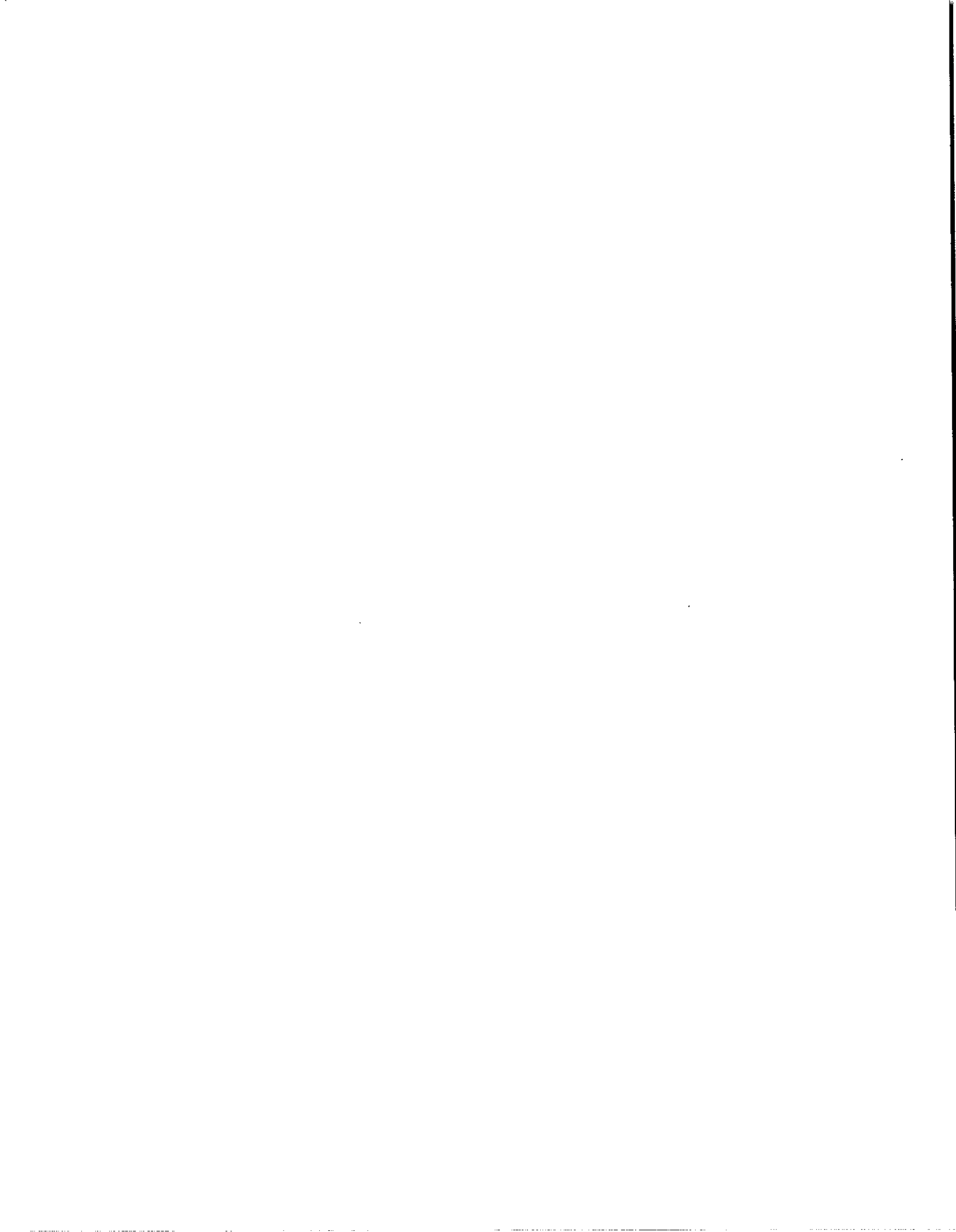
	<u>REF.</u>		
Increased by:			
Interfund: Current	C- 10	\$	190,000.00
Balance December 31, 2013	C	\$	<u>190,000.00</u>

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

ORD. NO.	<u>IMPROVEMENT DESCRIPTION</u>	BALANCE DEC. 31, 2012	2013 <u>AUTHORIZATIONS</u>	Budget Appropri.	BALANCE DEC. 31, 2013
	<u>General Improvements</u>				
04-52,05-40	Various Capital Improvements	\$	\$	\$	\$
05-11	Various Capital Improvements	213,470.00		213,470.00	
05-41, 06-14	Various Capital Improvements	218,975.00		218,975.00	
06-26	William Street Improvements	204,000.00		204,000.00	
06-36	Various Capital Improvements	3,539,000.00			3,539,000.00
06-48	Various Capital Improvements	547,000.00		47,000.00	500,000.00
07-02	Various Capital Improvements	275,000.00		275,000.00	
07-33	Various Capital Improvements	1,275,000.00			1,275,000.00
09-04	Various Capital Improvements	953,200.00			953,200.00
09-40	Various Capital Improvements	3,281,050.00			3,281,050.00
10-01	Various Improvements	5,357,500.00			5,357,500.00
10-02	Tax Appeal Refunding				
10-24	Tax Appeal Refunding				
11-04	Various Improvements	1,425,000.00			1,425,000.00
11-08	Various Improvements	2,850,000.00			2,850,000.00
11-14	Various Improvements	15.00		15.00	
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	2,897,500.00	2,850,000.00		5,747,500.00
12-19	Various Capital Improvements	3,040,000.00	(3,040,000.00)		
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
Total		<u>\$ 35,224,210.00</u>	<u>\$ 11,566,250.00</u>	<u>\$ 958,460.00</u>	<u>\$ 45,832,000.00</u>
	<u>Ref</u>	C			C

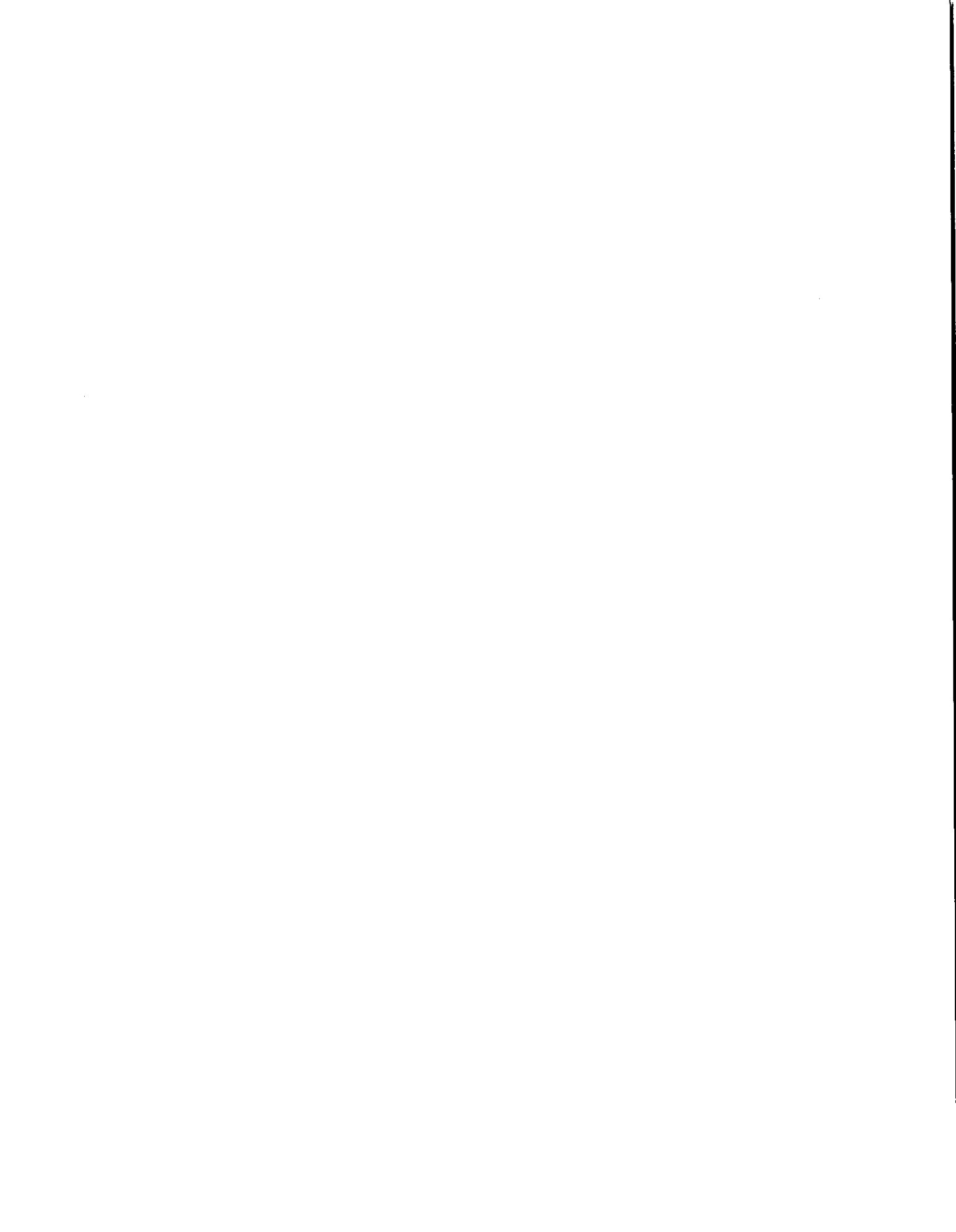


Sewer Utility Fund



SCHEDULE OF SEWER UTILITY CASH AND INVESTMENTS
TREASURER

<u>REF.</u>	<u>OPERATING FUND</u>	<u>CAPITAL FUND</u>
Balance - December 31, 2012	\$ 4,974,561.67	\$ 1,051,167.91
Increased by Receipts:		
Interest on Investments	1,401.25	
Miscellaneous Revenues	55,000.00	
Collector	10,125,974.35	
Due from Sewer Operating Fund	<u>1,596,878.30</u>	
	<u>10,182,375.60</u>	<u>1,596,878.30</u>
	15,156,937.27	2,648,046.21
Decreased by Disbursements:		
FY 2013 Budget	7,675,249.61	
Appropriation Reserves	52,320.79	
Accrued Interest	142,387.50	
Sewer Overpayment	1,250.00	
Improvement Authorizations		1,176,438.39
Due from Capital Fund		1,200,000.00
Due to Sewer Capital Fund	1,596,878.30	
Refund of Revenue	<u>24,770.96</u>	
	<u>9,492,857.16</u>	<u>2,376,438.39</u>
Balance - December 31, 2013	\$ 5,664,080.11	\$ 271,607.82



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

	<u>REF</u>		
Increased by:			
Sewer Service Charges	D- 8	\$ 9,162,547.26	
Interest on Delinquent Accounts	D- 3	101,985.22	
Miscellaneous Revenue	D- 3	562.80	
Connection Fees	D- 3	841,445.30	
Prepaid Sewer Charges	D-13	13,838.99	
Sewer Overpayments	D-14	<u>5,594.78</u>	
			<u>\$ 10,125,974.35</u>
 Decreased by:			
Payments to Treasurer	D- 5		<u>\$ 10,125,974.35</u>

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

	BALANCE DEC. 31, <u>2013</u>	BALANCE DEC. 31, <u>2012</u>
Fund Balance	\$ 101,939.97	\$ 101,939.97
Capital Improvement Fund	103,750.00	2,078,750.00
Due (from)/to General Capital Fund	(1,200,000.00)	0.00
Due (from)/to Sewer Operating Fund	250,000.00	0.00
Reserve for Encumbrances	1,565,367.48	612,084.71
Improvement Authorizations Funded	855,664.19	291.50
Improvement Authorizations Unfunded	2,151,507.88	3,136,601.73
Bonds and Notes Authorized Not Issued	<u>(3,556,621.70)</u>	<u>(4,878,500.00)</u>
Total	<u>\$ 271,607.82</u>	<u>\$ 1,051,167.91</u>

Ref.

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SCHEDULE OF SEWER CHARGES RECEIVABLE
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>	
Balance - December 31, 2012	D	\$ 883,803.36
Increased by:		
Sewer Charges Levied	Reserve	<u>9,097,843.61</u>
		9,981,646.97
Decreased by:		
Collection	D-3,D-6	9,162,547.26
Prepays Applied	D-13	23,349.77
Overpayments Applied	D-14	<u>5,594.78</u>
		<u>9,191,491.81</u>
Balance - December 31, 2013	D	\$ <u><u>790,155.16</u></u>

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

<u>ORD NO.</u>	<u>BALANCE DEC. 31 2013</u>	<u>BALANCE DEC. 31 2012</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
03-40 Various Sewer Improvements	400,000.00	400,000.00
04-10 Various Sewer Projects	495,000.00	495,000.00
Total	\$ 13,107,561.49	\$ 13,107,561.49

REF.

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

ORD. NO.	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE DEC. 31, 2013	BALANCE DEC. 31, 2012
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
	Total		\$ 9,030,000.00	\$ 9,030,000.00	\$ 9,030,000.00

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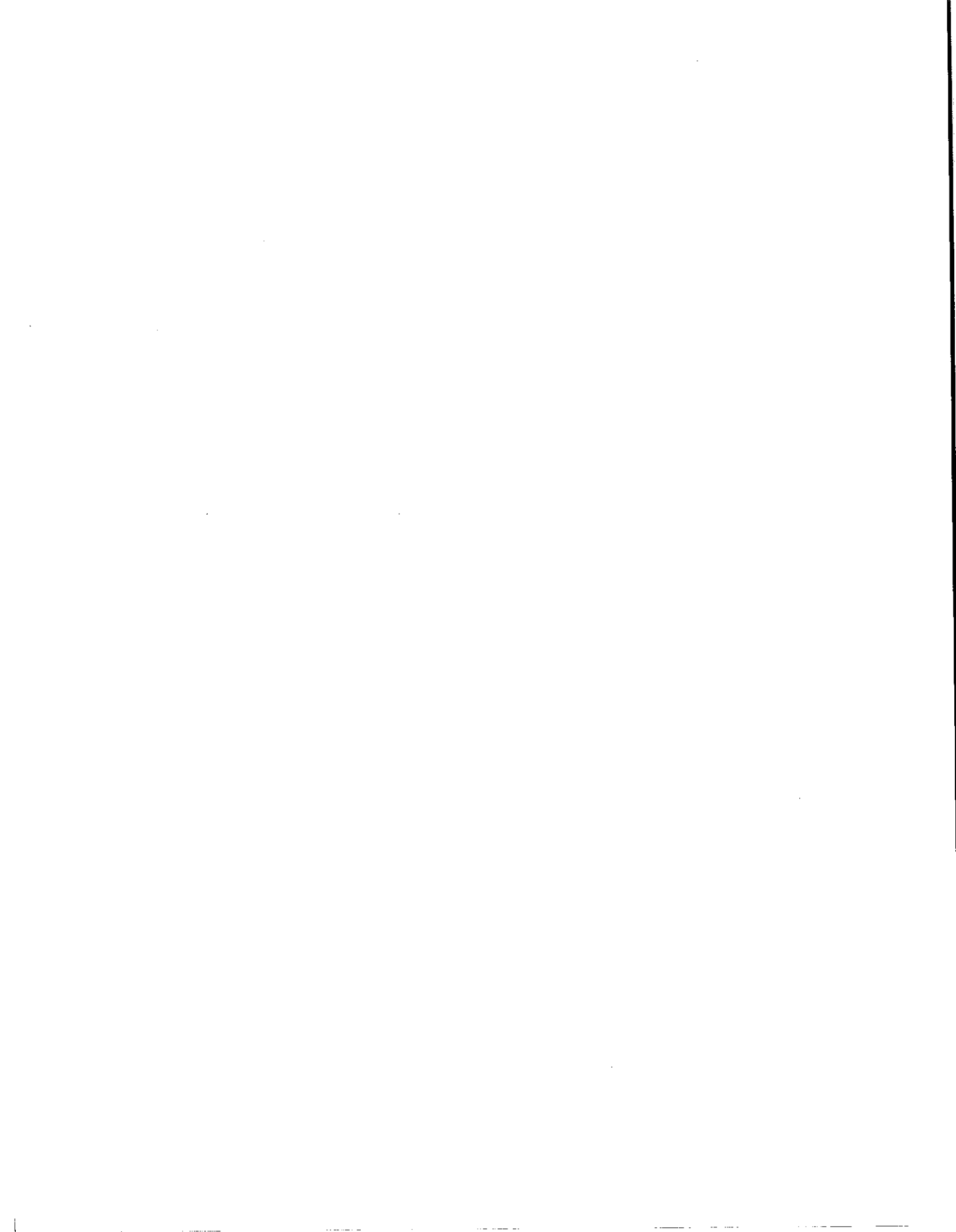
**SCHEDULE OF CY 2013 APPROPRIATION RESERVES
SEWER UTILITY OPERATING FUND**

	BALANCE DECEMBER 31, 2012	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCED LAPSED
Operations:				
Salaries and Wages	\$ 76,515.70	\$ 76,515.70	\$ 6,613.64	\$ 69,902.06
Other Expenses	29,353.29	137,703.00	56,547.15	81,155.85
	108,349.71			
Total Operations	\$ 105,868.99	\$ 214,218.70	\$ 63,160.79	\$ 151,057.91

REF. D D

D-1

Disbursed	\$ 52,320.79
Transfer to Accounts Payable	10,840.00
	\$ 63,160.79



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

	<u>REF.</u>	
Balance - December 31, 2012	D	\$ 36,380.73
Increased by:		
Accrued Interest Charged to:		
CY 2013 Budget Appropriations	D-4	<u>140,504.17</u>
		176,884.90
Decreased by:		
Payment	D-5	<u>142,387.50</u>
Balance - December 31, 2013	D	<u>\$ 34,497.40</u>

Analysis of Balance - December 31, 2013:

Principal Outstanding 12/31/13	Interest Rate	From	To	Period	Amount
30,000.00	3.375%	09/01/13	12/31/13	4 mos.	\$ 337.50
30,000.00	3.500%	09/01/13	12/31/13	4 mos.	350.00
40,000.00	3.625%	09/01/13	12/31/13	4 mos.	483.33
40,000.00	3.750%	09/01/13	12/31/13	4 mos.	500.00
70,000.00	3.500%	11/01/13	12/31/13	2 mos	408.33
70,000.00	3.500%	11/01/13	12/31/13	2 mos	408.33
70,000.00	3.625%	11/01/13	12/31/13	2 mos	422.92
80,000.00	3.750%	11/01/13	12/31/13	2 mos	500.00
80,000.00	3.750%	11/01/13	12/31/13	2 mos	500.00
80,000.00	3.750%	11/01/13	12/31/13	2 mos	500.00
80,000.00	4.000%	11/01/13	12/31/13	2 mos	533.33
90,000.00	4.000%	11/01/13	12/31/13	2 mos	600.00
90,000.00	4.000%	11/01/13	12/31/13	2 mos	600.00
90,000.00	4.000%	11/01/13	12/31/13	2 mos	600.00
100,000.00	4.000%	11/01/13	12/31/13	2 mos	666.67
100,000.00	4.000%	11/01/13	12/31/13	2 mos	666.67
100,000.00	4.000%	11/01/13	12/31/13	2 mos	666.67
100,000.00	4.125%	11/01/13	12/31/13	2 mos	687.50
110,000.00	4.125%	11/01/13	12/31/13	2 mos	756.25
110,000.00	4.125%	11/01/13	12/31/13	2 mos	756.25
110,000.00	4.125%	11/01/13	12/31/13	2 mos	756.25
120,000.00	4.125%	11/01/13	12/31/13	2 mos	825.00
120,000.00	4.250%	11/01/13	12/31/13	2 mos	850.00

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

Analysis of Balance - December 31, 2013:

<u>Principal Outstanding 12/31/13</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
60,000.00	3.000%	09/16/13	12/31/13	3.5 mos	525.00
70,000.00	3.250%	09/16/13	12/31/13	3.5 mos	663.54
70,000.00	3.250%	09/16/13	12/31/13	3.5 mos	663.54
70,000.00	4.000%	09/16/13	12/31/13	3.5 mos	816.67
80,000.00	4.000%	09/16/13	12/31/13	3.5 mos	933.33
80,000.00	5.000%	09/16/13	12/31/13	3.5 mos	1,166.67
80,000.00	4.000%	09/16/13	12/31/13	3.5 mos	933.33
90,000.00	4.000%	09/16/13	12/31/13	3.5 mos	1,050.00
90,000.00	4.125%	09/16/13	12/31/13	3.5 mos	1,082.81
90,000.00	4.250%	09/16/13	12/31/13	3.5 mos	1,115.63
100,000.00	4.375%	09/16/13	12/31/13	3.5 mos	1,276.04
100,000.00	4.500%	09/16/13	12/31/13	3.5 mos	1,312.50
50,000.00	3.000%	08/01/13	12/31/13	5 mos	625.00
50,000.00	3.000%	08/01/13	12/31/13	5 mos	625.00
75,000.00	4.000%	08/01/13	12/31/13	5 mos	1,250.00
75,000.00	4.000%	08/01/13	12/31/13	5 mos	1,250.00
75,000.00	4.000%	08/01/13	12/31/13	5 mos	1,250.00
75,000.00	4.000%	08/01/13	12/31/13	5 mos	1,250.00
100,000.00	4.000%	08/01/13	12/31/13	5 mos	1,666.67
100,000.00	4.000%	08/01/13	12/31/13	5 mos	1,666.67
<hr/>					
\$ 3,490,000.00					\$ 34,497.40

Exhibit D-13

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

	<u>Ref.</u>	
Balance - December 31, 2012	D	\$ 23,349.77
Increased by:		
Collections	D- 6	<u>13,838.99</u>
		37,188.76
Decreased by:		
Prepays Applied	D-3,D-8	<u>23,349.77</u>
Balance - December 31, 2013	D	<u>\$ 13,838.99</u>

Exhibit D-14

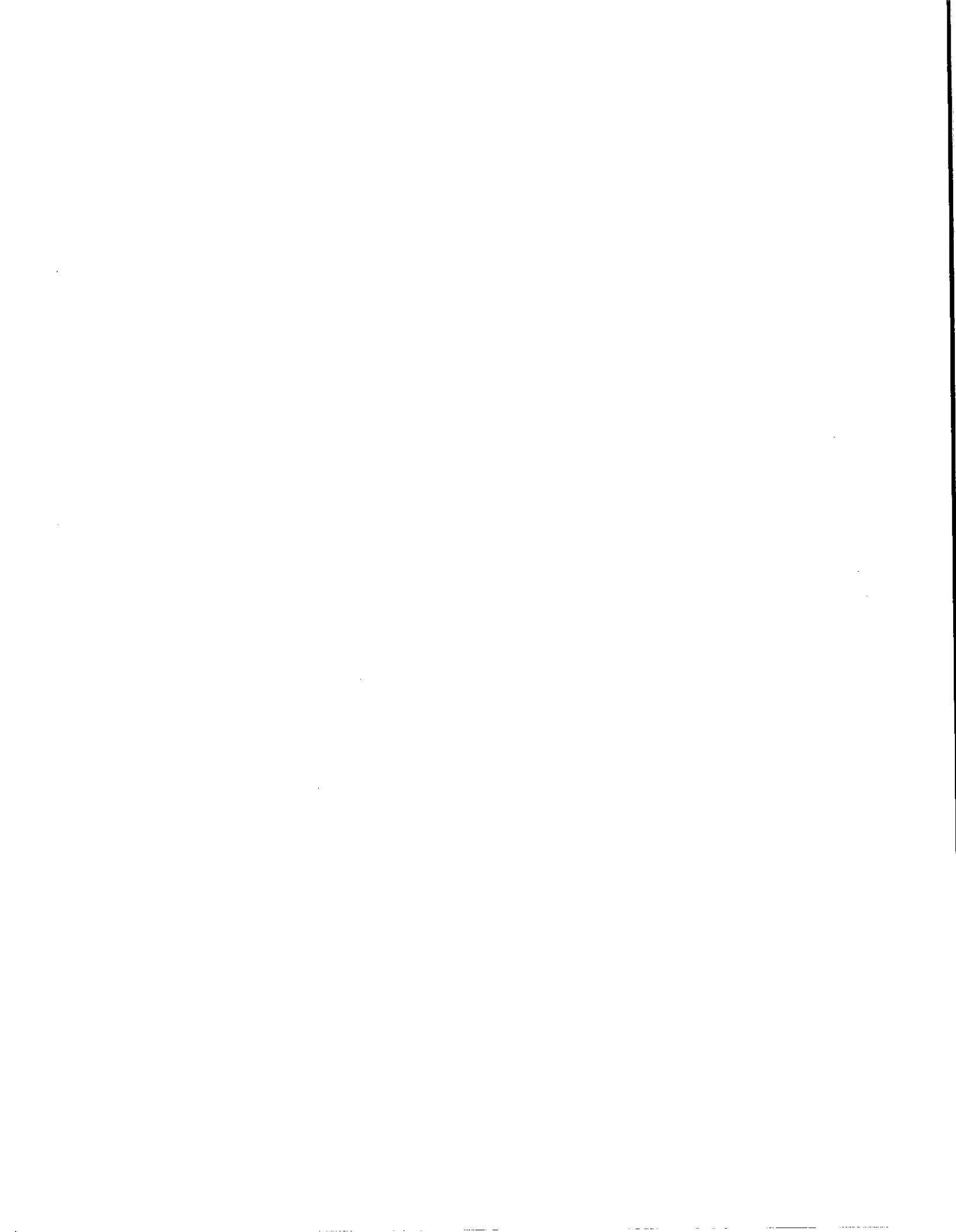
**SCHEDULE OF SEWER OVERPAYMENTS
SEWER UTILITY OPERATING FUND**

	<u>Ref.</u>	
Balance - December 31, 2012	D	\$ 250.00
Increased by:		
Cash Receipts	D- 6	<u>\$ 5,594.78</u>
		5,844.78
Decreased by:		
Cash Payments	D-5	<u>1,250.00</u>
Balance -December 31, 2013	D	<u>\$ 4,594.78</u>

Exhibit D-15

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

	<u>Ref.</u>	
Balance - December 31, 2012	D	\$ 44,132.71
Increased by:		
Transferred from Appropriation Reserves	D-11	<u>10,840.00</u>
		54,972.71
Decreased by:		
Cancelled to Fund Balance	D- 1	<u>44,132.71</u>
Balance - December 31, 2013	D	<u>\$ 10,840.00</u>



SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SEWER UTILITY CAPITAL FUND

ORD. NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		CY 2013 AUTHORIZATIONS		ENCUMBRANCES PAYABLE DEC. 31, 2012	PAID OR CHARGED	ENCUMBRANCES PAYABLE DEC. 31, 2013	BALANCE - DEC. 31, 2013	
		DATE	AMOUNT	OTHER	OTHER				FUNDED	UNFUNDED
98-21	Reduction of I & I	12/15/98	\$ 230,000.00	\$	\$		\$ 291.50	\$	\$	\$
05-10	Various Sewer Projects	04/05/05	460,000.00	(0.00)			21,926.84		(0.00)	
05-42	Freedom Avenue Improvements	11/29/05	1,100,000.00	133,357.57			8,989.75	430.61		136,882.76
06-05	Various Sewer Projects	01/03/06	1,400,000.00				49,123.93	49,684.90		
06-49	Various Sewer Improvements	12/19/06	1,700,000.00	1,011,569.55			51,300.50		800,000.00	161,684.05
07-34	Acquisition of Various Equipment	12/18/07	770,000.00	0.00			48,488.06			
09-05	Various Sewer Improvements	02/17/09	945,000.00	406,699.44			95,406.37	98,120.87		320,008.74
10-13	Acquisition of Various Vehicles	04/27/10	425,000.00				2,396.60			
11-23	Construction & Rehab Sewer Fac	12/20/11	2,000,000.00	1,584,975.17			354,838.43	16,471.70		1,552,952.33
13-04	Sewer Garage Building	01/29/13	2,000,000.00		2,000,000.00		543,676.41	1,400,659.40		55,664.19
Total			\$ 291.50	\$ 3,136,601.73	\$ 2,000,000.00	\$ 612,084.71	\$ 1,176,438.39	\$ 1,565,367.48	\$ 855,664.19	\$ 2,151,507.88
	Ref		D	D	D-18	D	D-5	D	D	D

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, 2012</u>
98-21	Reduction of I & I	12/15/98	\$ 11,000.00	\$ 11,000.00
05-10	Var. Sewer Projects	04/05/05	80,500.00	80,500.00
05-42	Freedom Avenue Improvements	11/29/05	55,000.00	55,000.00
06-05	Various Sewer Projects	01/03/06	70,000.00	70,000.00
	Acquisition of			
07-34	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
	Total		<u>\$ 323,500.00</u>	<u>\$ 323,500.00</u>
		Ref.	D	D

SCHEDULE OF CAPITAL IMPROVEMENT FUND
SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance - December 31, 2012	D	\$ 2,078,750.00
Increased by:		
CY 2013 Budget Appropriation	D-22	<u>25,000.00</u>
		2,103,750.00
Decreased by:		
Approp. to Finance Improvement Authorizations	D-16	<u>2,000,000.00</u>
Balance - December 31, 2013	D	<u>\$ 103,750.00</u>

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

	<u>REF.</u>		
Balance - December 31, 2012	D		\$ 13,235,561.49
Increased by:			
Serial Bonds	D- 23	210,000.00	
CY 2013 Budget Appropriation - Unfunded Bond Ordinances	D-22	<u>1,321,878.30</u>	
			<u>1,531,878.30</u>
Balance - December 31, 2013	D		<u>\$ 14,767,439.79</u>

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

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

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

	<u>REF.</u>	
Increased by:		
Interfunds Returned	D- 5	<u>1,596,878.30</u>
		1,596,878.30
Decreased by:		
CY 2013 Budget Appropriation	D- 4	<u>1,346,878.30</u>
Balance - December 31, 2013	D	<u>\$ 250,000.00</u>

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

	<u>REF.</u>		
Increased by:			
Interfunds Returned	D- 5		<u>1,596,878.30</u>
			1,596,878.30
Decreased by:			
CY 2013 Budget Appropriation - Unfunded Bond Ordinances	D-19	1,321,878.30	
CY 2013 Budget Appropriation - Capital Improvement Fund	D-18	<u>25,000.00</u>	
			<u>1,346,878.30</u>
Balance - December 31, 2013	D		<u>\$ 250,000.00</u>

SCHEDULE OF GENERAL SERIAL BONDS

ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DEC. 31, 2012	DECREASE	BALANCE DEC. 31, 2013
			OUTSTANDING - DEC. 31, 2013	AMOUNT				
Sewer Improvements	03/01/04	\$ 380,000.00	03/01/14	\$ 30,000.00	3.375%	\$ 170,000.00	\$ 30,000.00	\$ 140,000.00
	03/01/15		03/01/15	30,000.00	3.500%			
	03/01/16		03/01/16	40,000.00	3.625%			
	03/01/17		03/01/17	40,000.00	3.750%			
Sewer Improvements	11/01/07	2,146,000.00	11/1/2014-2015	70,000.00	3.500%	1,840,000.00	70,000.00	1,770,000.00
			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	03/15/14	60,000.00	3.000%	1,040,000.00	60,000.00	980,000.00
			3/15/2015-2016	70,000.00	3.250%			
			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	2/1/11	700,000.00				650,000.00	50,000.00	600,000.00
						<u>\$3,700,000.00</u>	<u>\$210,000.00</u>	<u>\$3,490,000.00</u>

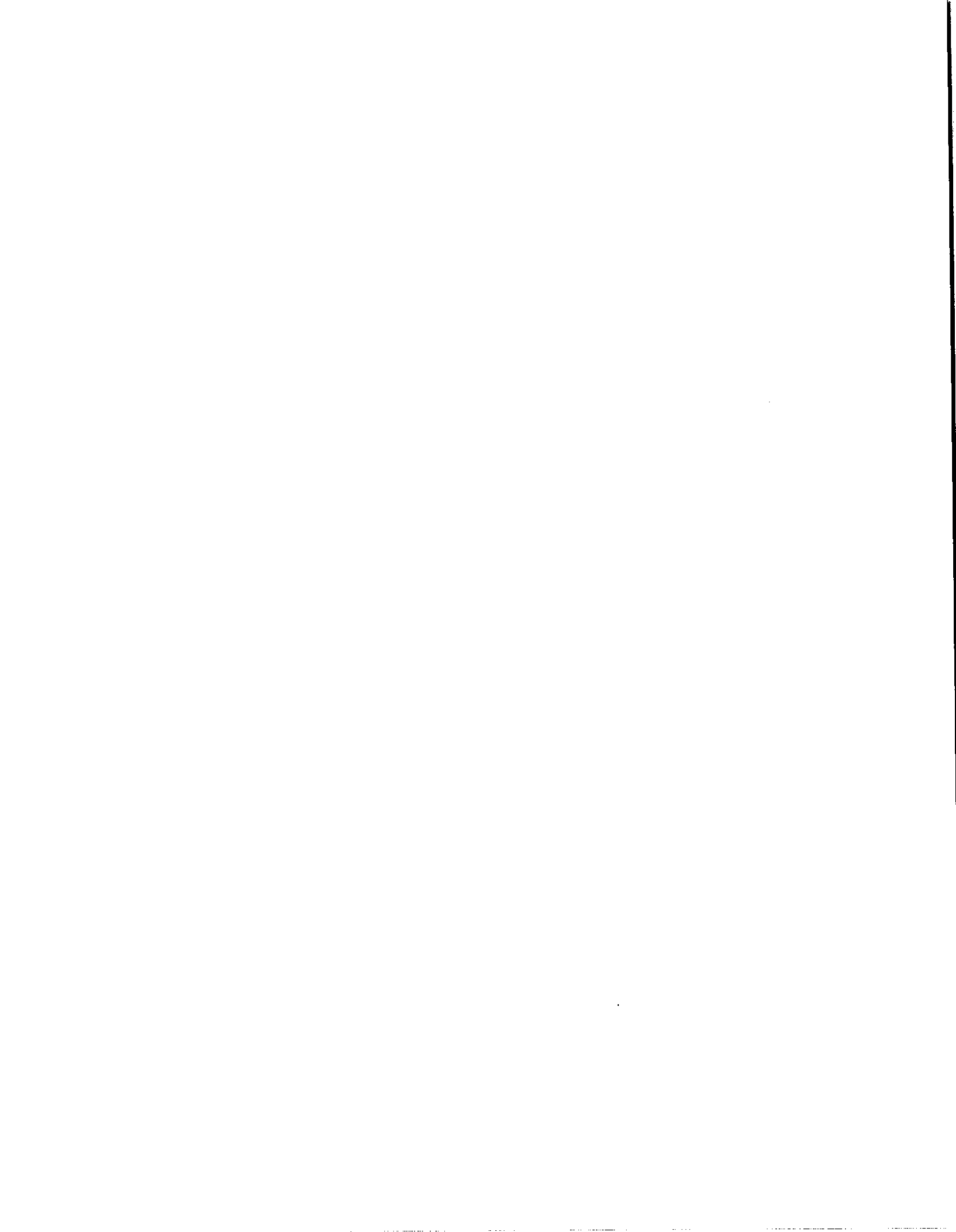
Ref.

D

D-19

D

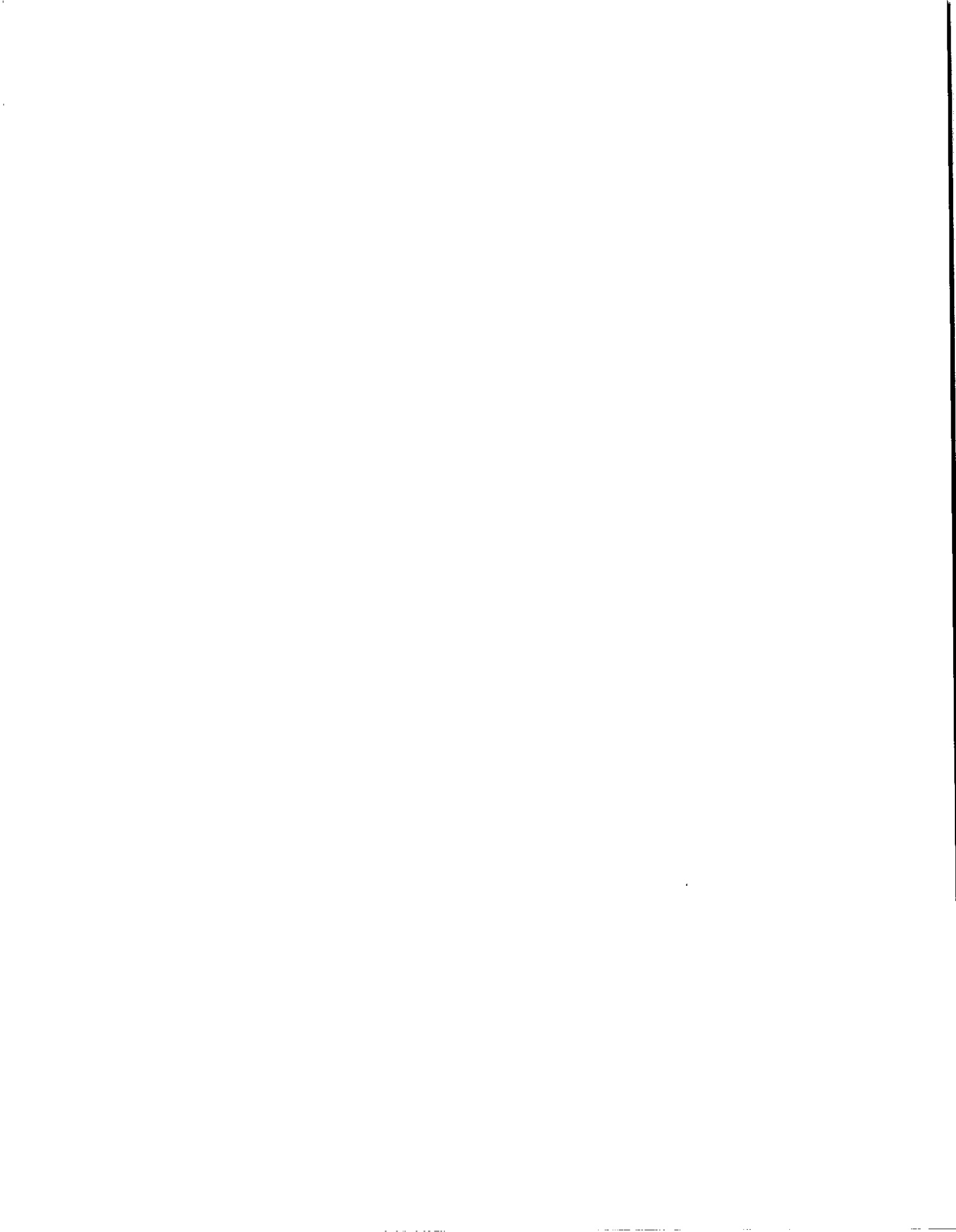
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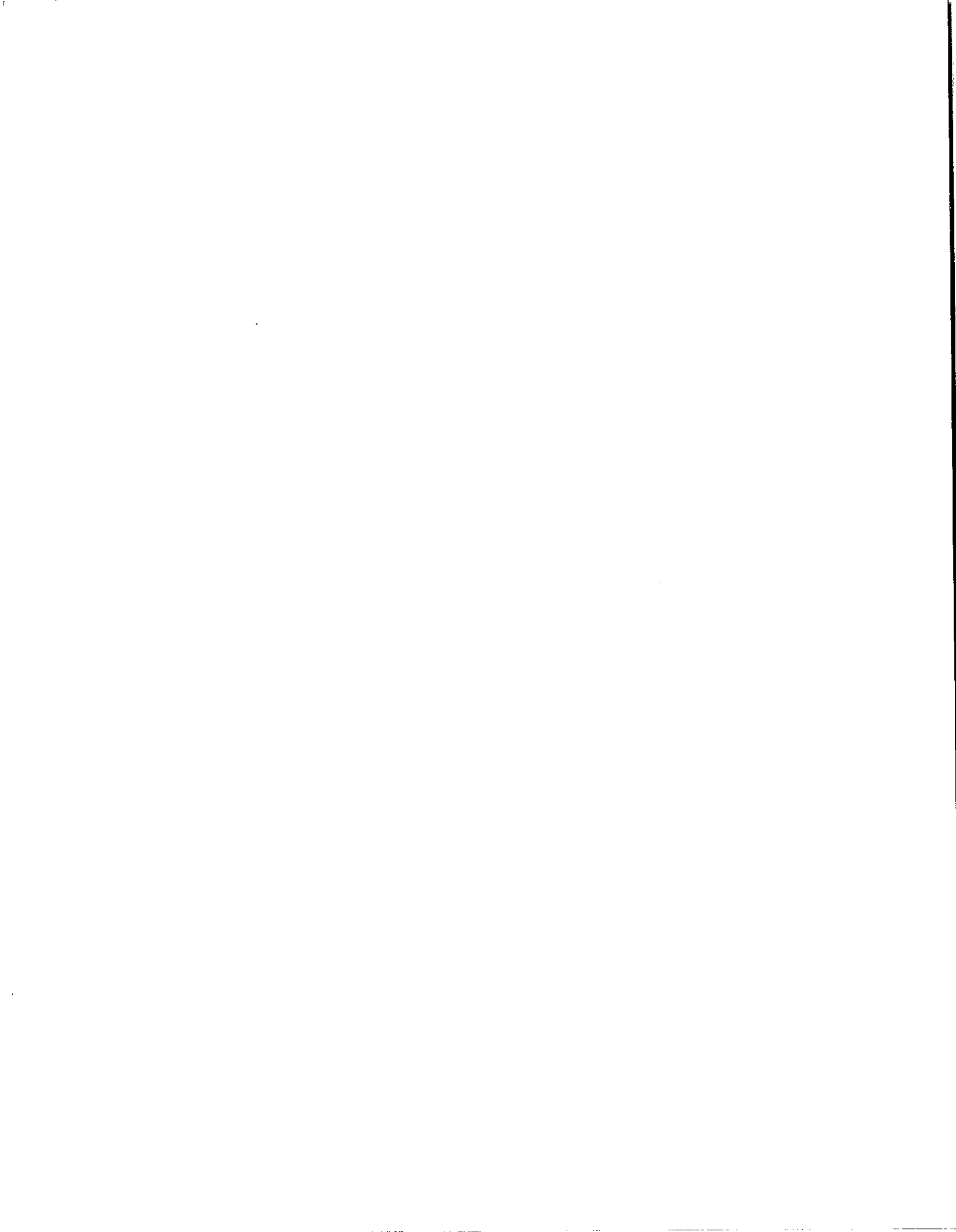
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DEC. 31, 2012</u>	<u>FUNDED CY 2013 BUDGET APPROPRIATIONS</u>	<u>BALANCE DEC. 31, 2013</u>
05-10	Various Sewer Projects	\$ 500.00	\$ 500.00	\$ -
05-42	Freedom Avenue Improvements	845,000.00		845,000.00
06-49	Various Sewer Projects	800,000.00	800,000.00	-
07-34	Acquisition of Various Equipment	51,500.00	51,500.00	-
09-05	Various Sewer Improvements	777,750.00	66,128.30	711,621.70
10-13	Acquisition of Various Vehicles	403,750.00	403,750.00	-
11-23	Construction & Rehab of Sewer Facilities	2,000,000.00		2,000,000.00
		<u>\$ 4,878,500.00</u>	<u>\$ 1,321,878.30</u>	<u>\$ 3,556,621.70</u>

Footnote D

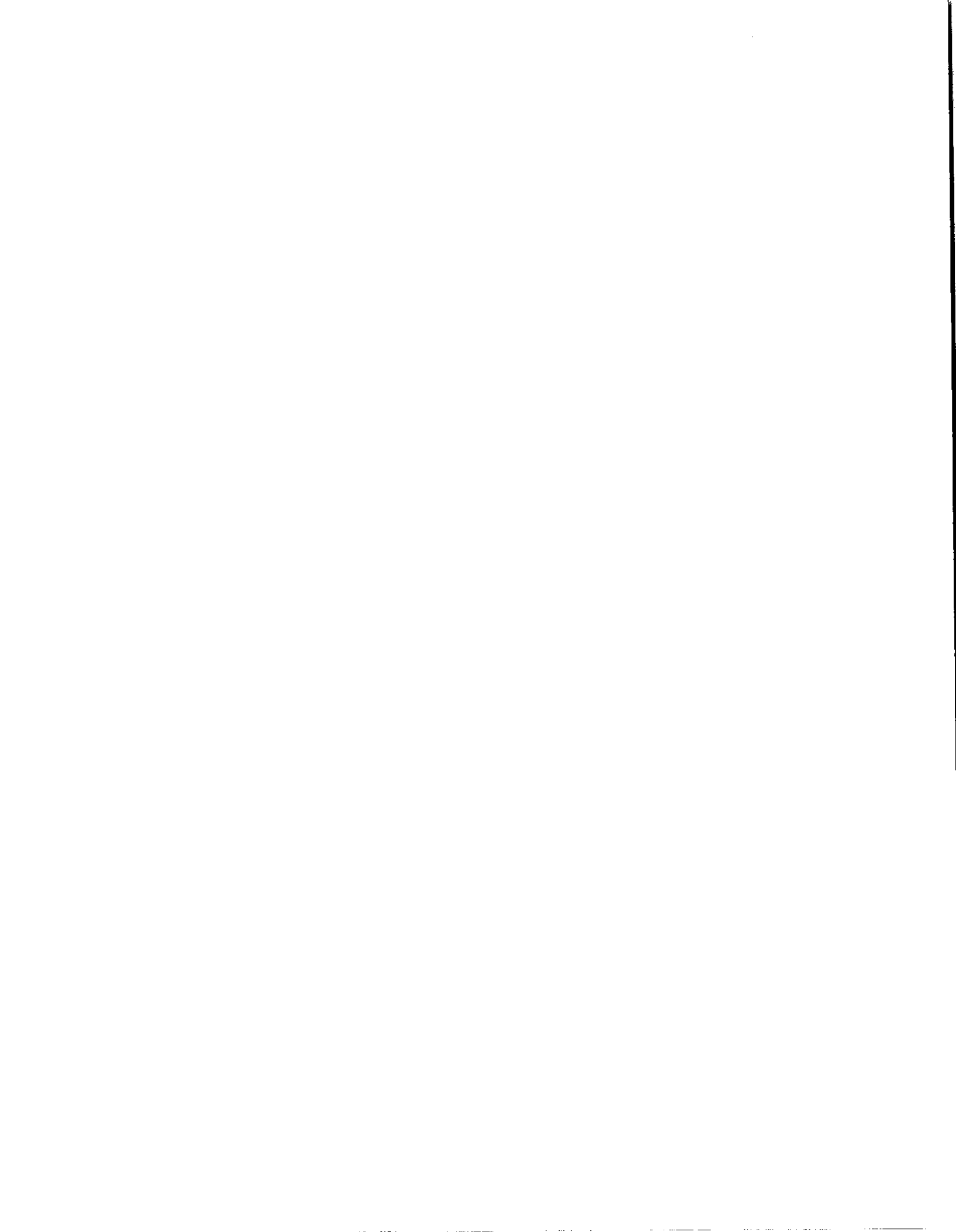


Senior Citizens Housing Utility Fund



SCHEDULE OF CASH AND INVESTMENTS
SENIOR CITIZEN HOUSING FUND

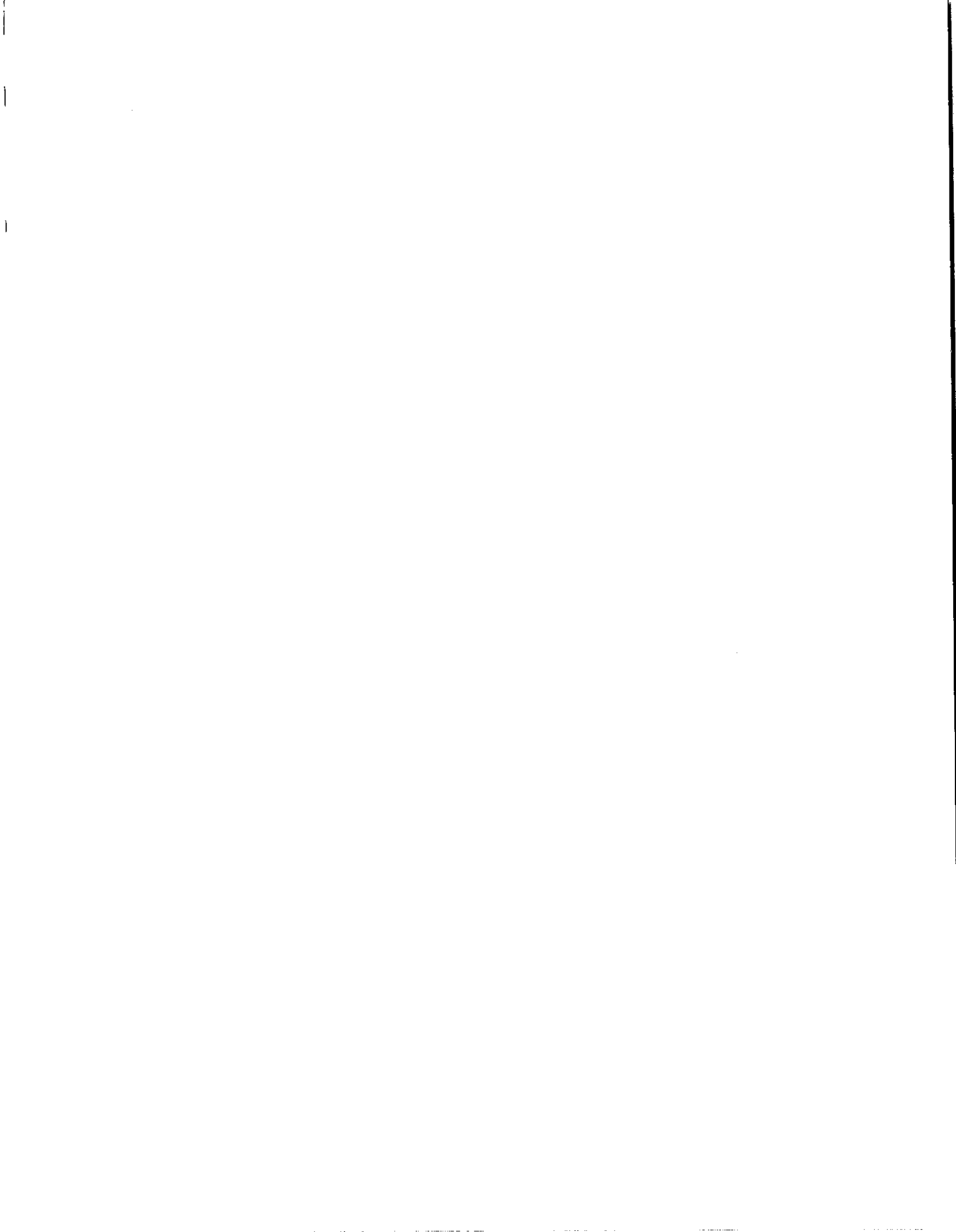
	REF.	OPERATING FUND	CAPITAL FUND
Balance - December 31, 2012	E	\$ 293,751.01	\$ 8,170.45
Increased by Receipts:			
Rental Income	E-3	1,407,129.52	
Interest on Investments	E-3	70.36	
Miscellaneous Revenues	E-3	15,511.42	
Security Deposits	E-9	27,427.99	
Due to Affordable Housing Trust	E-20		400,000.00
Capital Improvement Fund	E-13		30,000.00
Due to Senior Housing Operating	E-18	70,000.00	250,240.00
		1,520,139.29	680,240.00
		1,813,890.30	688,410.45
Decreased by Disbursements:			
Budget Appropriations	E-4	1,054,507.84	
Appropriation Reserves	E-7	123,386.47	
Accrued Interest	E-8	49,185.00	
Security Deposits	E-9	16,627.34	
Due from Senior Housing Capital	E-17	250,240.00	70,000.00
Improvement Authorizations	E-11		558,065.88
		1,493,946.65	628,065.88
Balance - December 31, 2013	E	\$ 319,943.65	\$ 60,344.57



ANALYSIS OF SENIOR HOUSING UTILITY CAPITAL CASH AND INVESTMENTS

	BALANCE DEC. 31, 2012	RECEIPTS MISCEL- LANEOUS	DISB. MISCELLA- NEOUS	TRANSFERS FROM	TO	BALANCE DEC. 31, 2013
Fund Balance	\$ 2,177.74	\$ -	\$ -	\$ -	-	\$ 2,177.74
Capital Improvement Fund	124,035.75	30,000.00	-	-	-	154,035.75
Reserve for Encumbrance Payable	759,849.03	-	-	759,849.03	204,728.75	204,728.75
Due to Senior Housing Operating	661,000.00	250,240.00	70,000.00	-	-	841,240.00
Due from Affordable Housing	(400,000.00)	400,000.00	-	-	-	-
ORD. NO.	IMPROVEMENT AUTHORIZATION					
06-50	15,198.90	-	-	-	-	15,198.90
07-33	8,149.15	-	240.00	29,252.45	29,252.45	7,909.15
10-14	(1,162,240.12)	-	557,825.88	175,476.30	730,596.58	(1,164,945.72)
	<u>\$ 8,170.45</u>	<u>\$ 680,240.00</u>	<u>\$ 628,065.88</u>	<u>\$ 964,577.78</u>	<u>\$ 964,577.78</u>	<u>\$ 60,344.57</u>

Ref E E-13, E-18, E-19 E-11 E



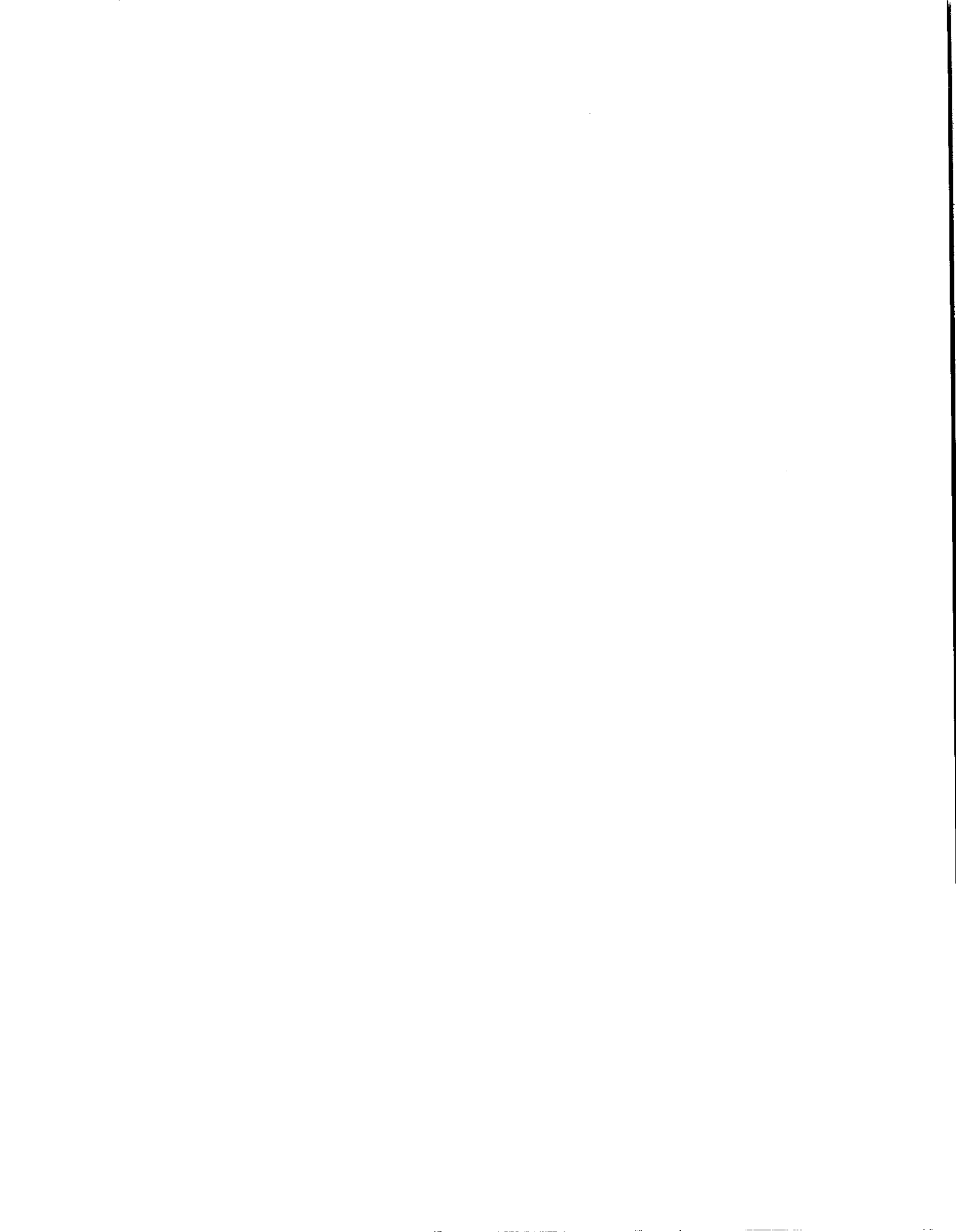
SCHEDULE OF 2012 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2013
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	<u>BALANCE</u> <u>DECEMBER 31, 2012</u>	<u>BALANCE</u> <u>AFTER</u> <u>TRANSFERS</u>	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCED</u> <u>LAPSED</u>
	<u>APPROPRIATION</u> <u>RESERVE FOR</u> <u>RESERVES</u> <u>ENCUMBRANCES</u>	<u>RESERVE FOR</u> <u>ENCUMBRANCES</u> <u>TRANSFERS</u>	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCED</u> <u>LAPSED</u>
Operations:				
Other Expenses	\$ 60,242.34	\$ 160,651.33	\$ 126,438.05	\$ 94,455.62
Capital Improvements:				
Capital Improvement Fund	<u>322,829.00</u>	<u>2,725.00</u>	<u>103,748.42</u>	<u>221,805.58</u>
	<u>\$ 383,071.34</u>	<u>\$ 163,376.33</u>	<u>\$ 230,186.47</u>	<u>\$ 316,261.20</u>

REF.

E-1

Cash Disbursements			\$ 123,386.47	
Accounts Payable			<u>106,800.00</u>	
			<u>\$ 230,186.47</u>	
<u>Accounts Payable Analysis</u>				
Balance December 31, 2012	E		\$ 90,576.07	
Transfer from Appropriation Reserves	E-7		106,800.00	
Accounts Payable Cancelled	E-1		<u>(90,576.07)</u>	
Balance December 31, 2013	E		<u>\$ 106,800.00</u>	



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

	<u>REF.</u>	
Balance - December 31, 2012	E	\$ 18,444.37
Increased by:		
Interest on Bonds	E-4	<u>47,295.00</u>
		65,739.37
Decreased by:		
Disbursed	E-5	<u>49,185.00</u>
Balance - December 31, 2013	E	<u><u>\$ 16,554.37</u></u>

Analysis of Balance - December 31, 2013:

<u>Principal Outstanding December 31, 2012</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
145,000.00	4.300%	08/16/12	12/31/12	4 1/2 mos.	2,338.12
140,000.00	4.400%	08/16/12	12/31/12	4 1/2 mos.	2,310.00
<u>635,000.00</u>	5.000%	08/16/12	12/31/12	4 1/2 mos.	<u>11,906.25</u>
 <u>\$ 920,000.00</u>					 <u>\$ 16,554.37</u>

Exhibit E-9

SCHEDULE OF SECURITY DEPOSITS
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	<u>REF.</u>	
Balance -December 31, 2012	E	\$ 116,456.35
Increased by:		
Deposits Received	E- 5	<u>27,427.99</u>
		143,884.34
Decreased by:		
Deposits Refunded	E- 5	<u>16,627.34</u>
Balance -December 31, 2013	E	<u>\$ 127,257.00</u>

Exhibit E-10

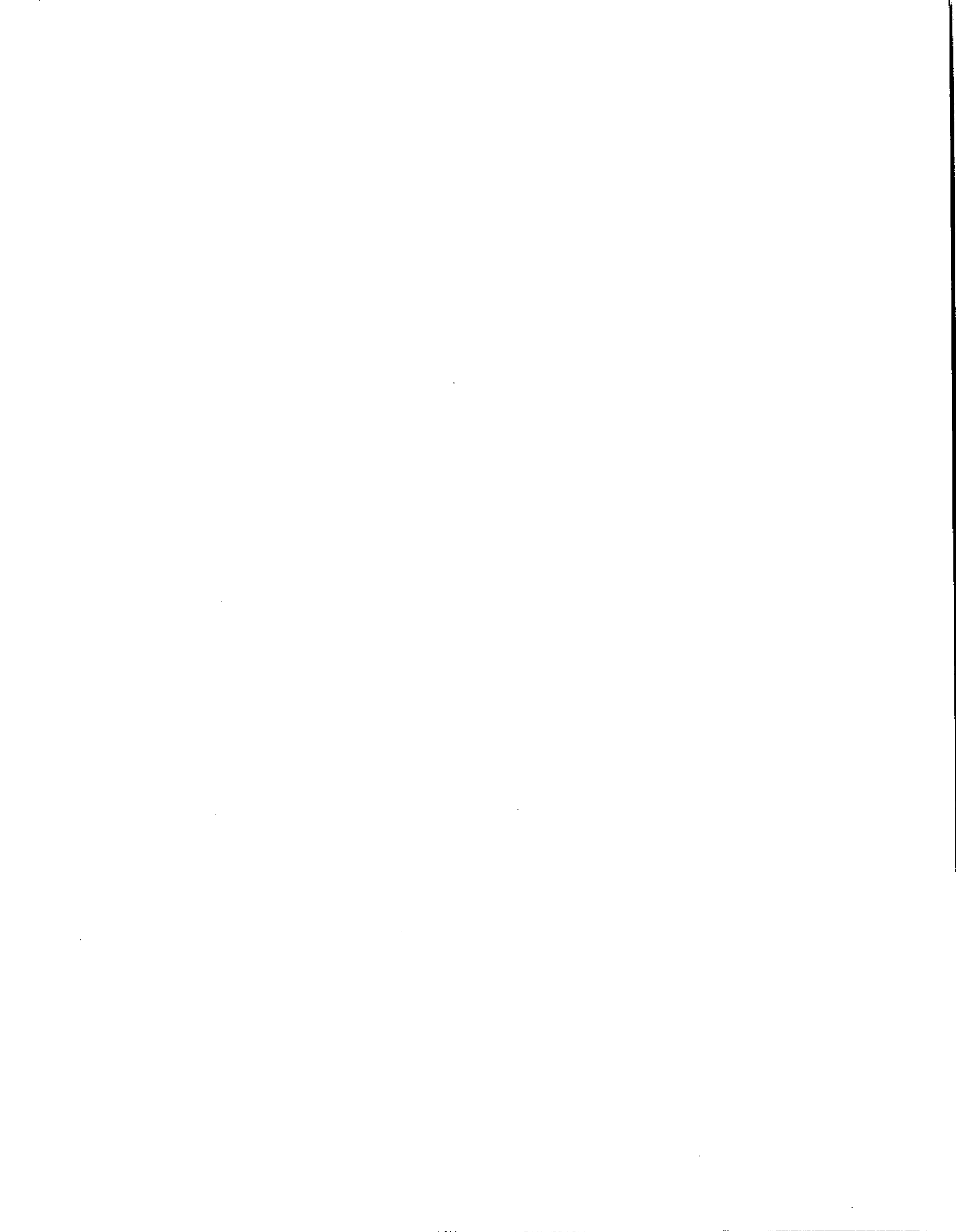
SCHEDULE OF RESERVE FOR AMORTIZATION
SENIOR CITIZEN HOUSING UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance -December 31, 2012	E	\$ 9,311,052.26
Increased by:		
Bonds Paid by Budget Appropriation	E-12	<u>120,000.00</u>
Balance -December 31, 2013	E	<u>\$ 9,431,052.26</u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SENIOR HOUSING UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2012		ENCUMB 12/31/12	PAID OR CHARGED	ENCUMB 12/31/13	BALANCE DECEMBER 31, 2013	
				FUNDED	UNFUNDED				FUNDED	UNFUNDED
06-50	Various Capital Projects	12/19/06	\$ 130,000.00	\$ 15,198.90	\$ -	\$ -	\$ -	\$ -	\$ 15,198.90	\$ -
07-35	Various Capital Projects	12/18/07 4/27/2010 &	333,000.00	8,149.15	29,252.45	240.00	29,252.45	29,252.45	7,909.15	-
10-14/ 12-18	Senior Housing Building Improve.	11/8/2012	1,000,000.00		730,596.58	557,825.88	175,476.30			235,054.28
				\$ 23,348.05	\$ 237,759.88	\$ 558,065.88	\$ 204,728.75	\$ 23,108.05	\$ 235,054.28	
			Ref.	E	E	E-5	E	E	E	E

General Improvements:



SCHEDULE OF GENERAL SERIAL BONDS

Exhibit - E-12

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUE</u>	<u>MATURITIES OF BONDS OUTSTANDING - DEC. 31, 2013</u>		<u>INTEREST RATE</u>	<u>BALANCE DEC. 31, 2012</u>	<u>DECREASE</u>	<u>BALANCE DEC. 31, 2013</u>
			<u>DATE</u>	<u>AMOUNT</u>				
Senior Citizen Housing Utility		2,204,500.00	08/15/14	145,000.00	4.30%	\$ 1,040,000.00	\$ 120,000.00	\$ 920,000.00
			08/15/15	140,000.00	4.40%			
			08/15/16	135,000.00	5.00%			
			08/15/17	160,000.00	5.00%			
			08/15/18	160,000.00	5.00%			
			08/15/19	180,000.00	5.00%			
						<u>\$ 1,040,000.00</u>	<u>\$ 120,000.00</u>	<u>\$ 920,000.00</u>

Ref

E E-10 E

SCHEDULE OF CAPITAL IMPROVEMENT FUND
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

	<u>Ref.</u>	
Balance - December 31, 2012	E	\$ 124,035.75
Increased by:		
CY 2013 Budget Appropriation	E-5	<u>30,000.00</u>
Balance - December 31, 2013	E	<u>\$ 154,035.75</u>

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORD.</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>BALANCE</u>	<u>BALANCE</u>
<u>NUMBER</u>			<u>DEC. 31, 2012</u>	<u>DEC. 31, 2013</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

Exhibit E-17

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

	<u>REF.</u>	
Balance - December 31, 2012	E	\$ 661,000.00
Increased by:		
Cash Disbursements	E- 5	250,240.00
		911,240.00
Decreased by:		
Cash Receipts	E- 5	<u>70,000.00</u>
Balance - December 31, 2013	E	<u>\$ 841,240.00</u>

Exhibit E-18

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

	<u>REF.</u>	
Balance - December 31, 2012	E	\$ 661,000.00
Increased by:		
Cash Receipts	E- 5	<u>250,240.00</u>
		911,240.00
Decreased by:		
Cash Disbursements	E- 5	<u>70,000.00</u>
Balance - December 31, 2013	E	<u>\$ 841,240.00</u>

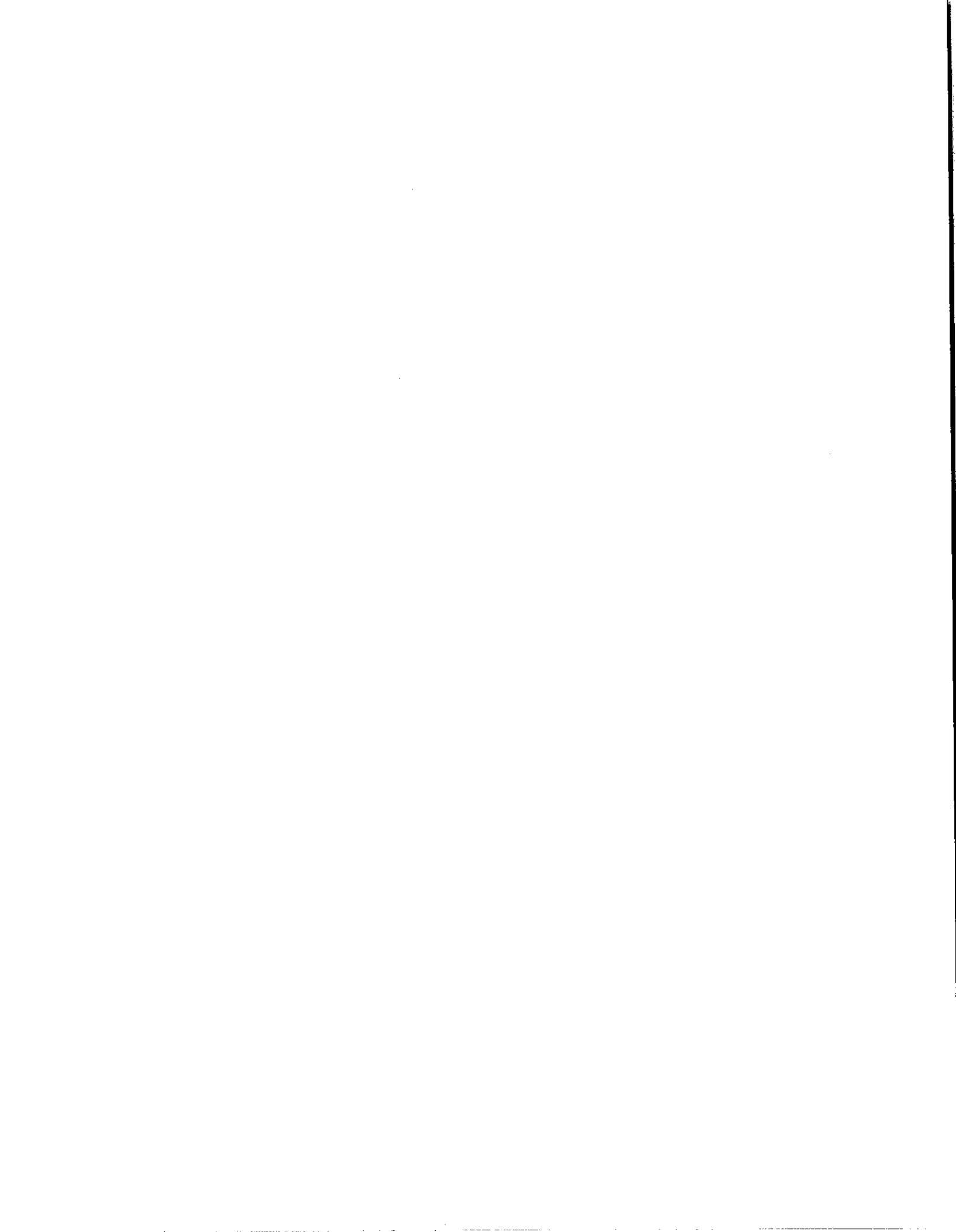
**SCHEDULE OF FROM AFFORDABLE HOUSING TRUST FUND
SENIOR HOUSING UTILITY CAPITAL FUND**

	<u>REF.</u>	
Balance - December 31, 2012		\$ 400,000.00
Decreased by:		
Cash Receipts	E- 5	<u>\$ 400,000.00</u>

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE</u>		<u>BALANCE</u>	<u>BALANCE</u>
<u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DEC. 31, 2012</u>	<u>DEC. 31, 2013</u>
10-14	Senior Housing Building Improve.	\$ 1,000,000.00	\$ 1,000,000.00
12-18	Senior Housing Building Improve.	400,000.00	400,000.00
		<u>\$ 1,400,000.00</u>	<u>\$ 1,400,000.00</u>

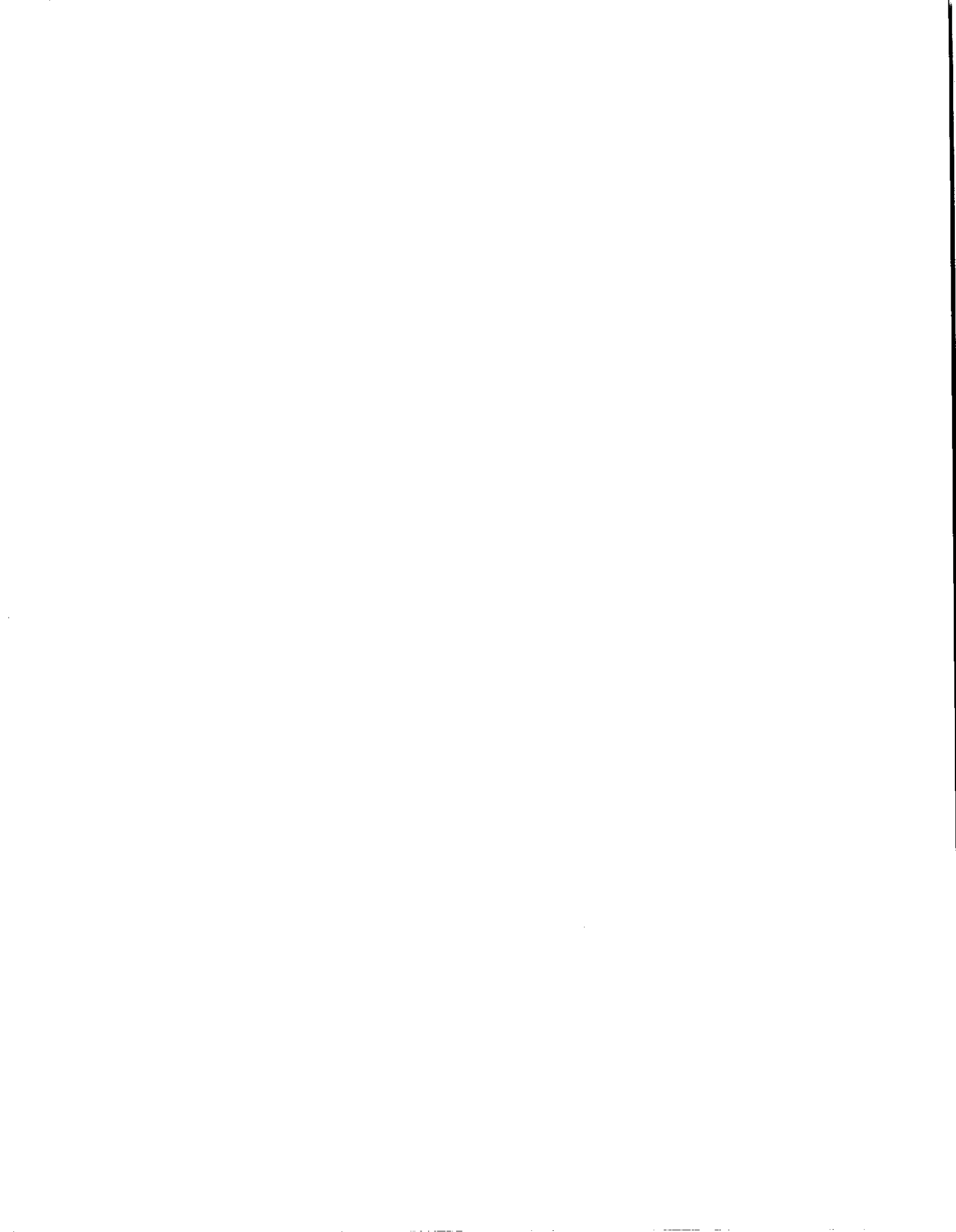
Footnote E



**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, 2013**

	ASSETS					MEMORANDUM ONLY TOTALS		
	CURRENT FUND	TRUST FUND	GENERAL CAPITAL FUND	SEWER UTILITY FUND	SENIOR HOUSING UTILITY	GOVERNMENTAL FIXED ASSETS	DEC. 31, 2012	DEC. 31, 2012
Cash and Investments	\$ 26,778,516.48	\$ 8,263,078.03	\$ 615,993.04	\$ 5,935,787.93	\$ 380,288.22	\$	\$ 41,973,663.70	\$ 39,725,717.82
Accounts Receivable	856,166.53						856,166.53	1,175,224.73
State and Federal Grants Receivable	180,691.07						180,691.07	144,345.94
Due from State of New Jersey								
Taxes, Assessments, Liens & Utility Charges	2,516,453.90							2,712,083.12
Sewer Charges Receivable				790,155.16			790,155.16	883,803.36
Interfund Loans				1,450,000.00	841,240.00		10,999,035.94	4,476,222.21
Other Accounts Receivable	257,037.84	8,707,795.94					257,037.84	211,534.26
Property Acquired For Taxes at Assessed Valuation	2,592,900.00						2,592,900.00	2,592,900.00
Prepaid Expenditures								
Fixed Assets - General						63,162,920.00	63,162,920.00	59,611,860.00
Fixed Capital - Utility				13,107,561.49	10,351,052.26		23,458,613.75	23,458,613.75
Fixed Capital - Authorized and Uncompleted - Utility				9,030,000.00	2,283,000.00		11,313,000.00	11,313,000.00
Deferred Charges to Revenue of Succeeding Years	3,389,701.53						3,389,701.53	4,700,000.00
Deferred Charges to Future Taxation:								
General Capital Fund			93,535,000.00				93,535,000.00	90,452,210.00
Total Assets	\$ 36,571,467.35	\$ 16,970,873.97	\$ 94,150,993.04	\$ 30,313,504.58	\$ 13,855,880.48	\$ 63,162,920.00	\$ 255,025,339.42	\$ 241,457,515.19
LIABILITIES, RESERVES AND FUND BALANCE								
Bonds and Notes Payable								
Prepaid Taxes, Assessments, Utility Charges and Licenses	830,063.39			13,838.99			843,902.38	592,654.58
Tax, Assessment, Lien, License and Utility Charge Overpayments	1,922,817.47			4,594.78			1,927,412.25	136,649.22
Appropriation Reserves	4,138,397.66			1,488,160.29	158,639.30		5,785,197.25	5,600,950.91
Reserves for Encumbrances/Accounts Payable	7,935,569.71	144,318.93	4,565,042.61	1,858,531.78	507,961.61		15,011,424.64	12,505,460.36
Other Liabilities				34,497.40	16,554.37		51,051.77	54,825.10
Amounts Pledged to Specific Purposes	4,669,218.38	9,393,741.54	4,126,782.61	103,750.00	281,292.75		18,574,785.28	19,375,264.13
Interfund Loans			9,907,795.94	250,000.00	841,240.00		10,999,035.94	4,476,222.21
Investments in General Fixed Assets						63,162,920.00	63,162,920.00	59,611,860.00
Escrow Funds							7,432,813.50	4,659,594.38
Improvement Authorization			27,404,291.56	3,007,172.07	258,162.33		30,669,625.96	26,394,394.35
Reserve for Amortization of Costs of Fixed Capital Acquired or Authorized			15,090,939.79		10,314,052.26		25,404,992.05	23,753,113.75
Reserve for Certain Assets Acquired or Receivables & Inventories	5,366,391.74			790,155.16			6,156,546.90	6,400,370.74
Fund Balance	11,709,009.00		444,080.32	4,181,864.32	557,677.86		16,892,631.50	17,928,205.46
Total Liabilities, Reserves and Fund Balance	\$ 36,571,467.35	\$ 16,970,873.97	\$ 94,150,993.04	\$ 30,313,504.58	\$ 13,855,880.48	\$ 63,162,920.00	\$ 255,025,339.42	\$ 241,457,515.19



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

<u>REVENUE AND OTHER INCOME REALIZED</u>	CALENDAR YEAR 2013		CALENDAR YEAR 2012	
	AMOUNT	%	AMOUNT	%
Fund Balance Utilized	\$ 7,000,000.00	3.93	\$ 6,855,000.00	4.08
Miscellaneous - From Other than Local				
Property Tax Levies	17,307,875.91	9.72	15,354,326.23	9.14
Collection of Delinquent Taxes and Tax				
Title Liens	2,085,573.45	1.17	2,155,989.46	1.28
Collections of Current Tax Levy	151,702,193.63	85.18	143,705,802.43	85.50
 Total Income	\$ 178,095,642.99	100.00	\$ 168,071,118.12	100.00
 <u>EXPENDITURES</u>				
Budget Expenditures				
Municipal Purposes	\$ 59,944,835.73	34.56	\$ 56,707,089.53	34.46
Special District Taxes	3,575,349.00	2.06	3,483,019.00	2.12
County Taxes	23,689,258.05	13.66	21,770,156.99	13.23
Local School Taxes	84,111,763.00	48.49	82,567,560.00	50.18
Other Expenditures	2,132,234.37	1.23	7,583.15	0.00
 Total Expenditures	173,453,440.15	100.00	164,535,408.67	100.00
 Less: Expenditures to be Raised by Future Taxes	2,000,000.00		3,500,000.00	
 Total Adjusted Expenditures	171,453,440.15		161,035,408.67	
 Excess in Revenue	6,642,202.84		7,035,709.45	
 Fund Balance January 1	12,066,806.16		11,886,096.71	
	18,709,009.00		18,921,806.16	
 Less: Util. as Anticipated Revenue	7,000,000.00		6,855,000.00	
 Fund Balance December 31	\$ 11,709,009.00		\$ 12,066,806.16	

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

REVENUE AND OTHER INCOME REALIZED	CALENDAR YEAR 2013		CALENDAR YEAR 2012	
	AMOUNT	%	AMOUNT	%
Fund Balance Utilized	\$ 1,600,000.00	13.35	\$ 1,667,000.00	14.34
Collection of Sewer Service Charges	9,185,897.03	76.67	9,413,003.85	80.98
Miscellaneous - From Other than Sewer Service Charges	<u>1,195,585.19</u>	<u>9.98</u>	<u>543,218.99</u>	<u>4.67</u>
Total Income	\$ <u>11,981,482.22</u>	<u>100.00</u>	\$ <u>11,623,222.84</u>	<u>100.00</u>
EXPENDITURES				
Budget Expenditures				
Operating	\$ 8,476,215.00	77.35	\$ 7,342,698.11	73.50
Debt Service	350,504.17	3.20	365,483.33	3.66
Deferred Charges & Statutory Expend.	1,581,397.50	14.43	256,543.56	2.57
Capital Improvements	525,000.00	4.79	2,025,000.00	20.27
Refund of Prior Years Revenue	<u>24,770.96</u>	<u>0.23</u>		
Total Expenditures	<u>10,957,887.63</u>	<u>100.00</u>	<u>9,989,725.00</u>	<u>100.00</u>
Excess/(Deficit) in Revenue	1,023,594.59		1,633,497.84	
Fund Balance January 1	<u>4,656,329.77</u>		<u>4,689,831.93</u>	
	5,679,924.36		6,323,329.77	
Decreased by:				
Util. as Anticipated Revenue	<u>1,600,000.00</u>		<u>1,667,000.00</u>	
Fund Balance December 31	\$ <u><u>4,079,924.36</u></u>		\$ <u><u>4,656,329.77</u></u>	

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

<u>REVENUE AND OTHER INCOME REALIZED</u>	CALENDAR YEAR 2013		CALENDAR YEAR 2012	
	AMOUNT	%	AMOUNT	%
Fund Balance	\$ 130,000.00	6.63	\$ 260,000.00	14.28
Rental Income	1,407,129.52	71.81	1,332,017.27	73.18
Miscellaneous - From Other than Rental Income	422,419.05	21.56	228,111.77	12.53
Total Income	\$ 1,959,548.57	100.00	\$ 1,820,129.04	100.00
 <u>EXPENDITURES</u>				
Budget Expenditures				
Operating	\$ 1,154,309.00	79.23	\$ 1,116,754.00	66.00
Capital Improvements	130,000.00	8.92	393,744.00	23.27
Debt Service	167,295.00	11.48	177,388.12	10.48
Statutory Expenditures	5,271.00	0.36	4,192.00	0.25
Miscellaneous Expenditures	0.00	0.00	0.00	0.00
Total Expenditures	1,456,875.00	100.00	1,692,078.12	100.00
Excess in Revenue	502,673.57		128,050.92	
Fund Balance January 1	182,826.55		314,775.63	
	685,500.12		442,826.55	
Less: Util. As Anticip. Revenue	130,000.00		260,000.00	
Fund Balance December 31	\$ 555,500.12		\$ 182,826.55	

TOWNSHIP OF PISCATAWAY

STATISTICAL DATA

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Tax Rate:	<u>\$6.634</u>	<u>\$6.312</u>	<u>\$6.312</u>
Apportionment of Tax Rate:			
Municipal	<u>\$1.754</u>	<u>\$1.579</u>	<u>\$1.534</u>
Municipal Library	<u>\$0.091</u>	<u>\$0.091</u>	<u>\$0.100</u>
County	<u>\$0.963</u>	<u>\$0.882</u>	<u>\$0.900</u>
County Open Space	<u>\$0.082</u>	<u>\$0.081</u>	<u>\$0.088</u>
Local School	<u>\$3.744</u>	<u>\$3.679</u>	<u>\$3.690</u>
Assessed Valuation:			
2013	<u>\$224,696,198</u>		
2012		<u>\$2,244,782,882</u>	
2011			<u>\$2,198,116,829</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>
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%
2009 SFY	133,026,343	131,284,061	98.69%

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>
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%
2009 SFY	361,106.45	1,848,811.03	2,209,917.48	1.66%

COMPARISON OF SEWER UTILITY LEVIES

<u>YEAR</u>	<u>LEVY</u>	<u>CASH COLLECTIONS</u>
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
2009 SFY	7,445,878	6,852,150

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	2013 CY	\$	11,709,009 \$	5,000,000
	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
	2009 SFY		4,842,323	4,054,233
SEWER UTILITY OPERATING FUND	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
	2009 SFY		1,125,540	None
SENIOR CITIZENS HOUSING UTILITY FUND	2013 CY	\$	555,500 \$	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
	2009 SFY		486,432	397,163

**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 (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
07/01/09	\$ -	\$ 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%



OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office as at December 31, 2013:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Brian C. Wahler	Mayor	
Steven D. Cahn	Council President	
Gabrielle Cahill	Council Vice-President	
Kenneth R. Armwood	Council Member (January 1, 2013-March 22, 2013)	
Chanelle McCullum	Council Member (April 16, 2013-December 31, 2013)	
James Bullard	Council Member	
Michael Griffith	Council Member	
Mark Hardenburg	Council Member	
Michele Lombardi	Council Member	
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	
David Marshall	Tax Collector, CFO, Asst Director of Finance (January 1, 2013-March 22,	
Paula Ferreira	Tax Collector (April 1, 2013-December 31, 2013)4/1/2013 to 12/31/2013	
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.

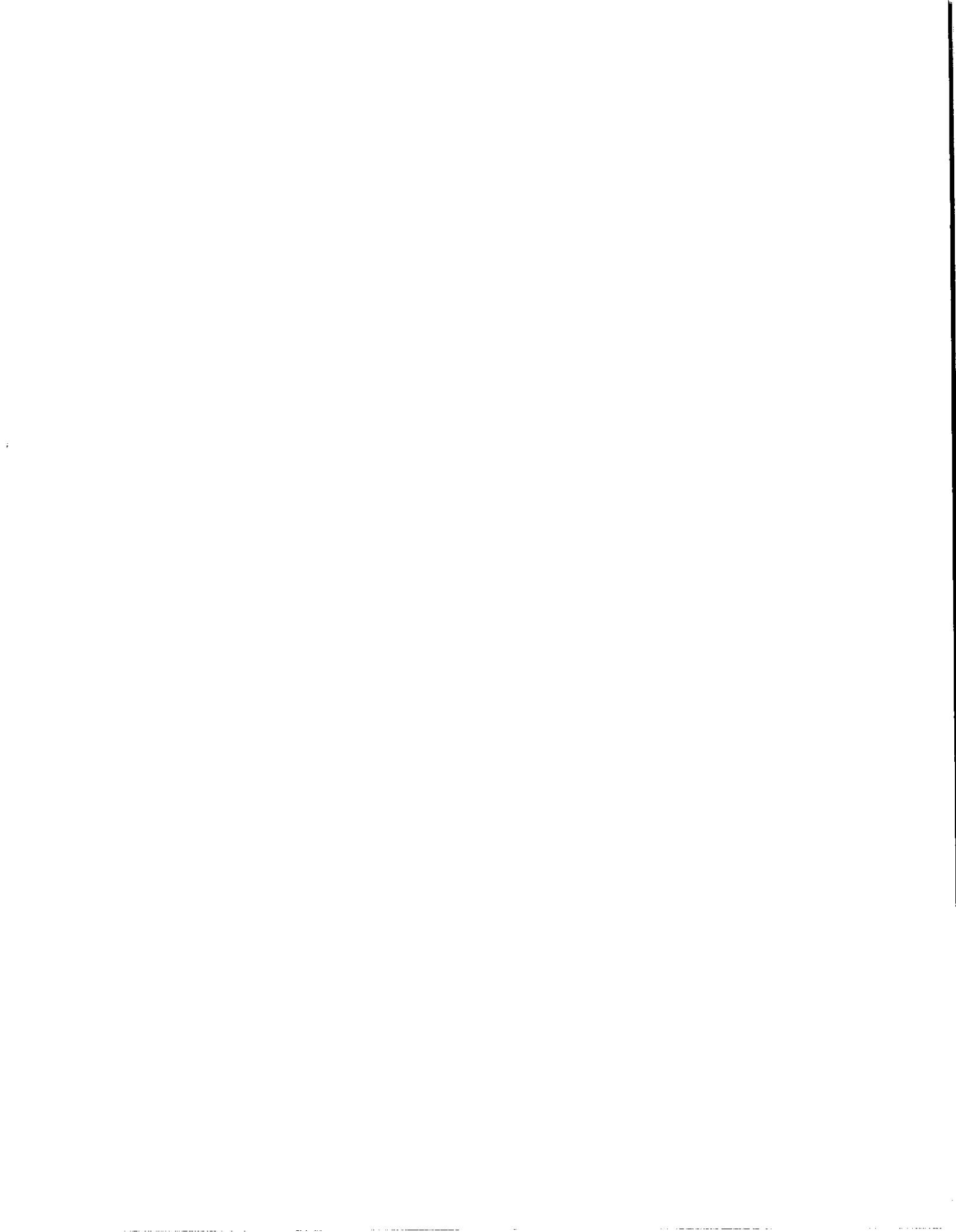
(A) Fidelity & Deposit Company of Maryland



**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, 2013**

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, 2013, 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, 2013, 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 January 20, 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:

2013-1 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

Recreation equipment and uniforms; Ford Utility Body Truck and Mason Body Truck; Hot Mix Asphalt Road Materials; Pick Truck Plow; Oil Jacketed Hot Pour Crack Sealer; Tri-Axle Roll-Off Truck

Services and Rentals

Debris and Stump Removal and Sidewalk Replacement; Municipal Cleaning Services; vacant property management; Senior Center Landscaping; Maintenance Services for Senior Housing; Real Property Valuations; Various Landscaping; Fireworks Display.

Construction and Repairs

Metlar-Bodine House Museum, Demolition of residential structures; Vehicle body repairs; Reconstruction of Wycoff Ave;

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 that tests of expenditures five (5) exceptions related to lack of the requisite disclosure forms on file.

We suggest that the vendor files be 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 5, 2013, 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 2013. 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, 2013 reported no 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</u>
<u>CY 2013</u>	<u>OF LIENS</u>
CY 2013	16
CY 2012	7
CY 2011	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 2013. Earnings from the investments are shown as revenue in the various funds of the Township for CY 2013.

All deposits and investments held by the Township were directly confirmed as of December 31, 2013.

The Township adopted a formal Cash Management Plan for depositing and investing of Township funds for CY 2013 in accordance with 40A: 5-14 on January 5, 2013.

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, 2013:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Other Trust Funds	\$8,707,795.94	\$ 0.00
General Capital Fund		9,907,795.94
Sewer Utility Operating Fund	250,000.00	
Sewer Utility Capital Fund	1,200,000.00	250,000.00
Senior Citizen Housing Utility Operating Fund	841,240.00	
Senior Citizen Housing Utility Capital Fund		841,240.00
Total	<u>\$10,999,035.94</u>	<u>\$10,999,035.94</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 2013, 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 2013.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Condition of Records – Tax & Sewer Utility Office

During CY 2013, 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 2013. 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.

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 requested information was not available.

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.

It is recommended that the Township comply in all respects with GASB Statement Number 45 "Other Post Retirement Benefits (OPEB)" reporting requirements.

It is recommended that the Township complete 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.

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:

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.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

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

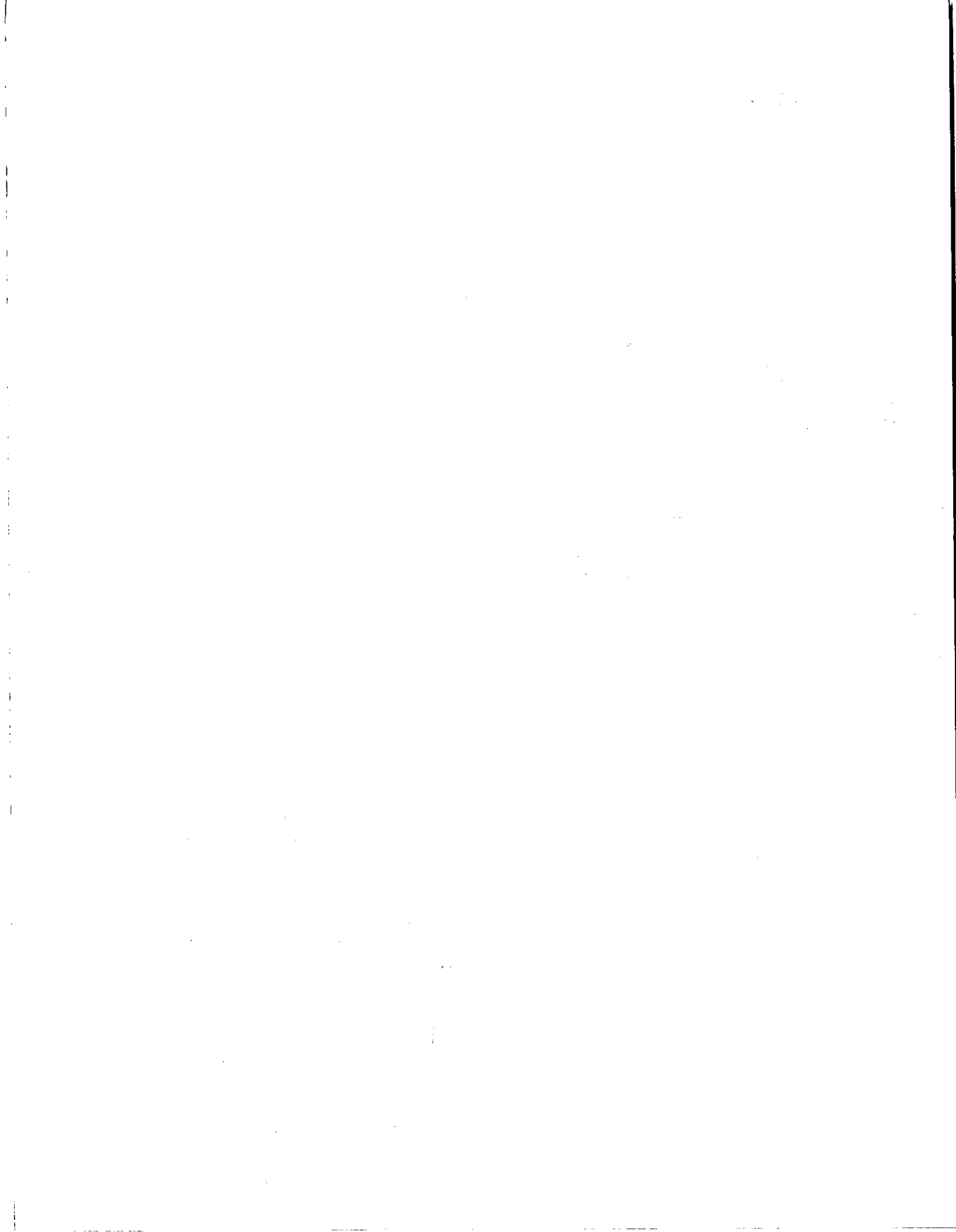
N.J.A.C. 5:30-5.6 – Accounting for Governmental Fixed Assets: This directive requires the development and implementation of accounting systems which assign values to covered assets and can track additions, retirements and transfers of inventoried assets. Our review indicated that the Township of Piscataway 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 2012, 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.

That the Township comply in all respects with GASB Statement Number 45 "Other Post Retirement Benefits (OPEB)" reporting requirements.

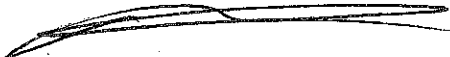
That the Township complete financial reporting procedures, including the preparation of financial statements, supplemental schedules and the Schedule of Awards on a timely basis in accordance with Federal and State Guidelines.

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

