

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY
NEW JERSEY**

**FINANCIAL STATEMENTS
AND
SUPPLEMENTARY DATA
AND INFORMATION**

**FOR THE FISCAL YEARS
ENDED JUNE 30, 2010 and 2009**

**WITH
REPORT OF INDEPENDENT AUDITORS**

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

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

PART I
INDEPENDENT AUDITOR'S REPORT
FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying balance sheets – regulatory basis of the various funds of the Township of Piscataway, County of Middlesex, New Jersey, as of June 30, 2010 and 2009 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 June 30, 2010. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, these financial statements were prepared in conformity with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, United States of America, that demonstrate compliance with the modified accrual basis, with certain exceptions, and the budget laws of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. These prescribed principles are designed primarily for determining compliance with legal provisions and budgetary restrictions, and as a means of reporting on the stewardship of public officials with respect to public funds. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in accordance with accounting principles generally accepted in the United States of America.

In our opinion, because the prescribed regulatory basis of accounting as described in the third paragraph is utilized by the Township of Piscataway, County of Middlesex, New Jersey for the purpose of financial statement preparation, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township of Piscataway, County of Middlesex, New Jersey as of June 30, 2010 and 2009 or the results of its operations, or cash flows of its proprietary fund type for the years then ended.


However, in our opinion 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, New Jersey as of June 30, 2010 and 2009 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 June 30, 2010 on the basis of accounting described in Note 2.

In accordance with Government Auditing Standards, we have also issued a report dated February 16, 2011 on our consideration of the Township of Piscataway's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant 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 and should be considered in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Township of Piscataway, County of Middlesex, New Jersey taken as a whole. The accompanying schedules of expenditures of state financial assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and New Jersey OMB Circular 04-04 and are not a required part of the financial statements. Additionally, the information included in the supplementary data and schedules 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. Such information, as identified herein, except for the completeness and the categorization of federal funding sources for certain grants, along with the reporting of various CFDA and account numbers included within the aforementioned schedules of financial assistance, on which we express no opinion, has been subjected to auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects to the financial statements taken as a whole.

 Andrew G. Hodulik, P.A.

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


Andrew G. Hodulik
Registered Municipal Accountant
No. 406

Highland Park, New Jersey
February 16, 2011

FINANCIAL STATEMENTS

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2010 AND 2009

<u>ASSETS</u>		<u>BALANCE</u> <u>JUNE 30, 2010</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>	<u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>		<u>BALANCE</u> <u>JUNE 30, 2010</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>
Cash and Investments - Treasurer	A- 4	\$ 18,205,658.27	\$ 12,081,798.61	Liabilities:			
Cash - Change Fund	A	535.00	535.00	Appropriation Reserves	A-3,A-9	\$ 3,552,892.87	\$ 1,868,106.86
Due from State of N.J. per Ch. 20, P.L. 1976	A- 6	<u>154,906.98</u>	<u>171,193.17</u>	Reserve for Encumbrances	A-3,A-9	1,643,542.42	1,588,696.61
		<u>18,361,100.25</u>	<u>12,253,526.78</u>	Prepaid Taxes	A- 7	568,939.61	581,832.83
				Various Payables	A-10	321,681.49	299,404.94
				Various Reserves	A-10	2,337,920.30	2,091,862.62
				Tax Overpayments	A-14	60,761.12	981,300.07
				Interfunds Payable	A-12	<u>3,582,168.73</u>	
Receivables With Offsetting Reserves:							
Taxes Receivable	A- 7	1,706,225.24	1,848,811.03			12,067,906.54	7,411,203.93
Tax Title Liens	A- 7	407,532.86	361,106.45				
Property Acquired for Taxes (At Assessed Valuation)	A- 7	2,592,900.00	2,592,900.00	Reserve for Receivables	Reserve	6,199,665.50	4,987,986.64
Revenue Accounts Receivable	A- 8	91,110.09	87,491.75	Fund Balance	A- 1	<u>6,293,193.71</u>	<u>4,842,322.85</u>
Interfunds Receivable	A-11	<u>1,401,897.31</u>	<u>97,677.41</u>				
		<u>6,199,665.50</u>	<u>4,987,986.64</u>	Total Regular Fund		<u>24,560,765.75</u>	<u>17,241,513.42</u>
Total Regular Fund		<u>24,560,765.75</u>	<u>17,241,513.42</u>				
State and Federal Grant Fund:				State and Federal Grant Fund:			
Cash and Investments - Treasurer	A-4	505,789.32	1,549.80	Reserve for State and Federal Grants:			
Grants Receivable	A-15	1,104,672.24	1,059,047.33	Appropriated	A-17	1,311,351.28	914,647.40
Interfunds Receivable	A-16	190,566.49		Unappropriated	A-18	11,000.00	
Prepaid Grant Expenditures	A-4		<u>43,227.06</u>	Interfunds Payable	A-16		97,677.41
				Reserve for Encumbrances	A-17	<u>478,676.77</u>	<u>91,499.38</u>
Total State and Federal Grant Fund		<u>1,801,028.05</u>	<u>1,103,824.19</u>	Total State and Federal Grant Fund		<u>1,801,028.05</u>	<u>1,103,824.19</u>
		<u>\$ 26,361,793.80</u>	<u>\$ 18,345,337.61</u>			<u>\$ 26,361,793.80</u>	<u>\$ 18,345,337.61</u>

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 JUNE 30, 2010 AND 2009

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>REF.</u>	<u>SFY 2010</u>	<u>SFY 2009</u>
Fund Balance Utilized	A-1, A-2	\$ 4,054,233.19	\$ 6,070,315.97
Miscellaneous Revenues Anticipated	A-2	15,515,413.13	12,710,057.95
Receipts from Delinquent Taxes	A-2	2,370,382.57	2,442,993.30
Non-Budget Revenue	A-2	549,344.87	609,845.97
Receipts from Current Taxes	A-7	134,585,095.95	130,139,693.79
Other Credits to Income:			
Unexpended Balances of Approp. Reserves	A-9	2,128,319.07	1,083,152.79
Accounts Payable Cancelled	A-10	15,606.40	2,562.99
Tax Appeals	A-10	1,000,000.00	
Prior Year Senior Citizen Deduction Allowed	A-6	3,500.00	
Total Revenues		160,221,895.18	153,058,622.76
<u>EXPENDITURES AND OTHER CHARGES</u>			
Budget Appropriations and Emergency Appropriations Within "CAP"			
Operations:			
Salaries and Wages	A-3	17,507,761.01	19,489,168.13
Other Expenses	A-3	14,965,964.83	12,412,574.35
Deferred Charges and Statutory Expend.	A-3	2,740,692.04	3,071,522.00
Appropriations Excluded from "CAP"			
Operations:			
Salaries and Wages	A-3	598,092.76	571,239.00
Other Expenses	A-3	7,887,048.07	5,730,888.49
Capital Improvements	A-3	171,000.00	381,000.00
Municipal Debt Service	A-3	6,182,063.76	4,852,298.13
Deferred Charges and Statutory Expend.	A-3	500.00	
Special District Taxes	A-13	3,092,993.50	2,860,038.00
County Tax	A-13	18,354,354.12	17,813,716.07
County Open Space Fund	A-13	2,045,801.30	2,092,372.14
Due County for Added Taxes	A-13	814,440.06	50,109.17
Local District School Taxes	A-13	79,028,217.00	79,062,706.00
Interfunds:			
Interfunds Advanced - Net	A-11	1,304,219.90	88,546.04
Refund Prior Years Revenue	A-4	24,142.78	6,558.39
Total Expenditures		154,716,791.13	148,483,235.91
Excess in Revenue		5,505,104.05	4,575,386.85
<u>FUND BALANCE</u>			
Balance - July 1	A	4,842,322.85	6,337,251.97
Decreased by:			
Utilization as Anticipated Revenue	A-1	10,347,426.90	10,912,638.82
Balance - June 30	A	4,054,233.19	6,070,315.97
	A	\$ 6,293,193.71	\$ 4,842,322.85

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2010

REF	ANTICIPATED	BUDGET	N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
A-1	\$ 4,054,233.19	\$ 4,054,233.19	\$ 4,054,233.19	\$ 4,054,233.19	
Fund Balance Anticipated					
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	50,000.00	50,000.00		62,850.00	12,850.00
Other	73,000.00	73,000.00		100,991.00	27,991.00
Fees and Permits	280,000.00	280,000.00		381,796.67	101,796.67
Fines and Costs:					
Municipal Court	830,000.00	830,000.00		992,496.95	162,496.95
Interest and Costs on Taxes	380,000.00	380,000.00		446,056.16	66,056.16
Interest on Investments and Deposits	250,000.00	250,000.00		195,967.63	(54,032.37)
Cable Television Franchise Fees	120,000.00	120,000.00		140,348.41	20,348.41
Reserve for PCTV	14,000.00	14,000.00		14,000.00	
Hotel and Motel Tax	280,000.00	280,000.00		255,653.44	(24,346.56)
Library Fines and Fees	36,000.00	36,000.00		36,000.00	
Consolidated Municipal Property Tax Relief Aid	1,999,400.00	1,999,400.00		1,999,400.00	
Energy Receipts Taxes	5,365,250.00	5,365,250.00		5,365,250.00	
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):	500,000.00	500,000.00		989,242.00	489,242.00
Uniform Construction Code Fees	63,500.00	63,500.00		79,762.99	16,262.99
Uniform Fire Safety Act	550,000.00	550,000.00		550,000.00	
Capital Surplus Fund	118,464.32	118,464.32		118,464.32	
Reserve for Debt Service - Capital Fund					
Public and Private Revenues Offset with Approps:					
Alcohol Education Rehabilitation Fund	3,066.66	3,066.66		3,066.66	
Body Armor Replacement Fund	7,800.00	7,800.00		7,800.00	
Bullet Proof Vest	79,371.28	79,371.28		79,371.28	
Clean Communities Program	4,000.00	4,000.00		4,000.00	
Click It or Ticket	21,000.00	21,000.00		21,000.00	
Comshap	3,200.00	3,200.00		3,200.00	
COPS in Shop Grant	17,867.91	17,867.91		17,867.91	
Drunk Driving Enforcement Grant	6,000.00	6,000.00		6,000.00	
Drunk Driving - Over the Limit, Under Arrest	5,000.00	5,000.00		5,000.00	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2010

	APPROP.	N.J.S.A.	40A:4-87	REALIZED	EXCESS OR (DEFICIT)
	ANTICIPATED	2010	BUDGET		
	REF.				
Public and Private Revenues Offset with Approps. (cont'd.):					
Edward Byrne Memorial Justice Assistance Grant	A-12	10,605.00	10,605.00		
FEMA - OEM - 2008	A-12	5,000.00	5,000.00		
FEMA - OEM - 2009	A-12	5,000.00	5,000.00		
Green Acres Grant - Open Space	A-12	2,100,000.00	2,100,000.00		
Justice Assistance Grant: Program II Additional	A-12	11,535.00	11,535.00		
Middlesex County Cultural and Heritage Library	A-12	900.00	900.00		
Multi-jurisdictional Gang, Gun & Narcotics Task Force Program	A-12	12,000.00	12,000.00		
Municipal Alliance on Alcoholism and Drug Abuse	A-12	44,587.00	44,587.00		
NJ DOT - Haines Avenue	A-12	640,200.00	640,200.00		
PARIS Grant	A-12	25,750.00	25,750.00		
Recycling Tonnage Grant	A-12	145,189.10	145,189.10		
Safe and Secure Communities Program	A-12	60,000.00	60,000.00		
USDOE - Energy Efficiency & Conversation Block Grant	A-12	528,800.00	528,800.00		
Justice Assistance Grant	A-12	47,564.00	47,564.00		
Total Miscellaneous Revenues	A-1	10,915,614.32	3,781,133.56	15,515,413.13	818,665.25
Receipts from Delinquent Taxes	A-1,A-7	1,500,000.00		2,370,382.57	870,382.57
Subtotal General Revenues		16,469,847.51	3,781,133.56	21,940,028.89	1,689,047.82
Amount to be Raised by Taxes for Support of Municipal Budget: Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	A-7	32,546,698.00		33,994,346.57	1,447,648.57
Budget Totals		49,016,545.51	3,781,133.56	55,934,375.46	3,136,696.39
Non-Budget Revenues	A-1,A-8	49,016,545.51	3,781,133.56	549,344.87	
Rel.		\$ 49,016,545.51	\$ 3,781,133.56	\$ 56,483,720.33	

() Denotes Deficit

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2010

2010 BUDGET
BUDGET AFTER
MODIFICATION
PAID OR
CHARGED
ENCUMBERED
RESERVED
UNEXPENDED
BALANCE
CANCELLED

\$ 64,566.00	\$ 64,566.00	\$ 64,566.00	\$ 3,323.28	\$
6,165.00	6,165.00	2,841.72	3,235.73	
168,266.00	168,266.00	14,617.66	9,533.78	
5,000.00	5,000.00	528.41	4,471.59	
20,070.00	20,070.00	15,984.34	4,085.66	
340,118.00	310,118.00	304,551.68	5,566.32	
65,325.00	65,325.00	44,410.47	17,710.85	
98,579.00	98,579.00	98,579.00	4,371.20	
20,375.00	20,375.00	13,535.75	2,468.05	
296,700.00	296,700.00	111,060.96	59,564.85	
28,718.00	28,718.00	26,983.92	1,734.08	
85,000.00	85,000.00	10,388.79	5,277.48	
17,500.00	17,500.00	3,871.45	238.50	
78,250.00	78,250.00	71,185.28	7,064.72	
6,539.00	5,064.00	5,064.00	9,730.00	
64,118.52	64,118.52	46,058.13	8,330.39	
6,338.00	5,063.04	5,063.04	7,313.46	
59,493.00	59,493.00	43,557.22	8,622.32	
3,600.00	3,600.00	3,600.00		

OPERATIONS WITHIN "CAPS"

General Government
Township Council
Salaries and Wages
Other Expenses
Township Clerk
Salaries and Wages
Other Expenses
Elections
Salaries and Wages
5,000.00
20,070.00
Administration:
Dept. of Administration
Salaries and Wages
Other Expenses
340,118.00
310,118.00
304,551.68
44,410.47
3,203.68
17,710.85
5,566.32
Salaries and Wages
Other Expenses
Division of Personnel
Salaries and Wages
Other Expenses
98,579.00
98,579.00
98,579.00
13,535.75
2,468.05
4,371.20
59,564.85
Division of Purchasing
Other Expenses
Computer Center
Other Expenses
296,700.00
296,700.00
111,060.96
126,074.19
1,734.08
85,000.00
85,000.00
10,388.79
5,277.48
69,333.73
13,390.05
0.00
Postage (All Deps.)
Duplication (All Deps.)
Miscellaneous Other Expenses
Municipal Land Use (N.J.S.A. 40:55 D-1)
Planning Board
Salaries and Wages
Other Expenses
64,118.52
64,118.52
46,058.13
9,730.00
8,330.39
Zoning Board of Adjustment
Salaries and Wages
Other Expenses
6,338.00
5,063.04
5,063.04
7,313.46
Celebration of Public Events
Other Expenses
3,600.00
3,600.00
3,600.00
Other Expenses

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2010

UNEXPENDED BALANCE CANCELLED	EXPENDED	2010 BUDGET			
		PAID OR CHARGED	ENCUMBERED	RESERVED	BUDGET AFTER MODIFICATION
		179,792.13	7,451.45	3,275.87	183,068.00
		3,946.07		3,467.48	14,865.00
		80.00		29,920.00	30,000.00
		217,962.13	205.02	27,929.87	245,892.00
		11,680.26		13,069.72	24,955.00
		142,414.53	64,000.00	17,591.47	64,000.00
		69,059.65	64,170.95	76,319.40	209,550.00
		62,509.69	178.31	6,210.31	68,720.00
		20,099.98		12,371.71	32,650.00
		956,903.09	750.00	180,049.50	1,137,702.59
		5,515,471.51	138.00	826,670.49	10,000.00
		10,000.00			6,542,280.00
		361,804.58		40,431.42	402,236.00
		18,437.12	123.90	3,442.68	22,003.70
				25,282.00	25,282.00
		385,903.20	17,226.05	11,870.75	415,000.00
		53,049.96			53,049.96
		179,159.84	3,460.00	134.16	179,294.00
		9,487.91		66.09	13,014.00
				1,755.00	1,755.00
Administration (cont'd.)					
Cable TV Studio					
Salaries and Wages					
Other Expenses					
Economic Development					
Other Expenses					
Finance and Revenue					
Department of Finance					
Salaries and Wages					
Other Expenses					
Annual Audit					
Division of Assessment					
Salaries and Wages					
Other Expenses					
Division of Revenue					
Salaries and Wages					
Other Expenses					
Insurance					
Liability Insurance					
Workers Compensation Insurance					
Employer Group Insurance					
Municipal Court					
Salaries and Wages					
Other Expenses					
Public Defender (P.L. 1997, Ch. 256)					
Other Expenses					
Law					
Department of Law					
Other Expenses					
Department of Prosecutor					
Salaries and Wages					
PUBLIC SAFETY					
Uniform Fire Safety Act (P.L. 1983 C. 383)					
Salaries and Wages					
Other Expenses					
Animal Control					
Other Expenses					

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2010

UNEXPENDED BALANCE CANCELLED	EXPENDED	PAID OR CHARGED	BUDGET AFTER MODIFICATION	2010 BUDGET	2010 BUDGET
		252,069.46	280,400.00	210,400.00	210,400.00
28,330.54		1,758.32	1,764.00	1,764.00	1,764.00
5.68					
169,625.40	44,051.48	10,001,251.45	10,170,876.85	10,1785,876.85	10,1785,876.85
51,899.89		286,426.93	382,378.30	382,378.30	382,378.30
		83,689.20	83,689.20	83,689.20	83,689.20
	1,562.89	33,062.16	33,062.16	65,925.00	15,925.00
13,545.51		816.60	15,925.00	15,925.00	15,925.00
		166,645.07	168,686.00	168,686.00	168,686.00
2,040.93	5,551.96	32,823.62	60,160.00	60,160.00	60,160.00
		272,757.21	289,533.00	419,533.00	419,533.00
16,775.79	21,726.46	29,667.15	67,558.34	67,558.34	67,558.34
		441,491.05	453,494.00	483,494.00	483,494.00
12,002.95	5,355.00	10,737.57	41,995.00	41,995.00	41,995.00
25,902.43					
15,170.52	53,252.26	151,228.48	166,399.00	166,399.00	166,399.00
4,297.77		155,509.97	213,060.00	213,060.00	213,060.00
33,942.55	146,685.16	432,380.45	466,323.00	466,323.00	466,323.00
25,951.44		278,763.40	451,400.00	451,400.00	451,400.00
12,678.81	20,817.93	702,816.19	715,495.00	715,495.00	715,495.00
46,386.42		22,465.65	89,670.00	89,670.00	89,670.00
		125,000.00	125,000.00	125,000.00	125,000.00
820,718.03	86,869.67	184,380.33	271,250.00	271,250.00	271,250.00
	210,919.41	1,091,744.40	2,123,381.84	2,123,381.84	2,123,381.84
26,454.49	45,617.84	677,097.51	703,552.00	703,552.00	703,552.00
30,971.32		127,910.84	204,500.00	204,500.00	204,500.00
		900.00	900.00	900.00	900.00

PUBLIC SAFETY (CONT'D)

Division of Schools Crossing Guards

Salaries and Wages

Other Expenses

Division of Police

Salaries and Wages

Other Expenses

First Aid Organization - Contribution

Office of Emergency Management

Salaries and Wages

Other Expenses

Department of Public Works

Salaries and Wages

Other Expenses

Division of Engineering

Salaries and Wages

Other Expenses

Division of Community Development and Planning

Salaries and Wages

Other Expenses

Public Building and Grounds

Salaries and Wages

Other Expenses

Division of Property Maintenance

Salaries and Wages

Other Expenses

Division of Streets and Road Maintenance

Salaries and Wages

Other Expenses

Snow Removal

Salaries and Wages

Other Expenses

All Utilities

Division of Parks

Salaries and Wages

Other Expenses

Shade Tree

Other Expenses

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2010

UNEXPENDED BALANCE CANCELLED	EXPENDED	PAID OR CHARGED	BUDGET AFTER MODIFICATION	2010 BUDGET	PUBLIC WORKS(CONT'D)
	9,840.31	27,141.79	38,000.00	38,000.00	Division of Sanitation - Sewer System Other Expenses Solid Waste Collection
13,212.30	1,234.12	556,041.70	569,254.00	569,254.00	Salaries and Wages Other Expenses Recycling Program
5,185.88		1,180.00	7,600.00	7,600.00	Other Expenses Municipal Services Act
12,183.95	3,699.75	52,816.30	68,700.00	68,700.00	Other Expenses
27,000.00			27,000.00	27,000.00	HEALTH AND WELFARE:
					Department of Health Salaries and Wages Other Expenses
590.66	2,085.00	190,704.34	191,295.00	472,545.00	Division of Public Assistance Salaries and Wages Other Expenses
3,397.64		50,421.36	55,904.00	65,904.00	Division of Public Assistance Salaries and Wages Other Expenses
2,340.99		3,477.01	5,818.00	5,818.00	Salaries and Wages Other Expenses
1,800.00			1,800.00	1,800.00	Office on Aging Salaries and Wages Other Expenses
40,572.58	24,587.54	357,549.42	398,122.00	530,122.00	Salaries and Wages Other Expenses Aid to American Cancer Society
15,130.15		35,933.81	75,651.50	75,651.50	Other Expenses Aid to American Cancer Society
450.00			450.00	450.00	Aid to Heart Fund
450.00		6,750.00	6,750.00	6,750.00	Kiddle Keepwell Contribution
					RECREATION AND EDUCATION
9,247.68	26,688.62	390,477.32	399,725.00	431,725.00	Department of Recreation Salaries and Wages Other Expenses
41,389.60		175,944.28	244,022.50	244,022.50	Salaries and Wages Other Expenses
		1,311,082.84	1,311,082.84	250,000.00	Accumulated Leave Compensation
				5,000.00	Salaries and Wages

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2010

	EXPENDED	ENCUMBERED	RESERVED	CANCELLED	UNEXPENDED BALANCE
Uniform Construction Code					
Division of Inspections					
Salaries and Wages	384,506.00	344,538.06	39,967.94		
Other Expenses	11,896.30	9,949.30	1,626.44		
Boards and Commissions	8,580.00	8,580.00			
Salaries and Wages	37,683.60	20,781.21	3,847.85		
Other Expenses	32,867,975.84	28,356,001.49	3,105,222.03		
Total Operations Within "CAPS"	32,867,975.84	28,356,001.49	3,105,222.03		
Contingent					
Total Operations Including Contingent Within "CAPS"	32,867,975.84	28,356,001.49	3,105,222.03		
DETAIL:					
Salaries and Wages	18,797,093.85	16,974,226.06	533,534.95		
Other Expenses (Including Contingent)	14,070,881.99	11,381,775.43	2,571,687.08		
STATUTORY EXPENDITURES:					
Contribution to:					
Social Security System (O.A.S.I.)	950,000.00	696,746.81	153,253.19		
Public Employees Retirement System	448,971.04	448,971.04			
Police and Firemen's Pension Fund	1,086,721.00	1,086,721.00			
State Unemployment Insurance	150,000.00	350,000.00			
Defined Contribution Retirement Program	5,000.00	1,975.94	3,024.06		
Total Deferred Charges and Statutory Expenditures	2,640,692.04	2,584,414.79	156,277.25		
Total Municipal Within "CAPS"	35,508,667.88	30,940,416.28	3,261,499.28		
Total General Appropriations for Municipal Purposes Within "CAPS"	35,508,667.88	30,940,416.28	3,261,499.28		

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>BUDGET AFTER</u>	<u>MODIFICATION</u>	<u>PAID OR</u>	<u>CHARGED</u>	<u>ENCUMBERED</u>	<u>RESERVED</u>	<u>CANCELLED</u>
2010 BUDGET							
	UNEXPENDED						
	BALANCE						

OPERATIONS EXCLUDED FROM "CAPS"							
911 Emergency Telecommunication Services	598,092.76	598,092.76	548,848.37	548,848.37		49,244.39	
Salaries and Wages	184,132.05	184,132.05	135,076.81	135,076.81		3,048.15	46,007.09
Other Expenses	184,132.05	184,132.05	135,076.81	135,076.81		3,048.15	46,007.09
Maintenance of Free Public Library (NJS A 40:54-8)	2,336,612.46	2,336,612.46	2,229,883.61	2,229,883.61		101,268.91	5,459.94
NJDES - Storm Water	144,590.00	144,590.00	25,369.50	25,369.50		107,692.58	11,527.92
Other Expenses	23,952.00	23,952.00	23,952.00	23,952.00			
Supplemental Fire Services District Payment	629,000.00	629,000.00	510,667.74	510,667.74		118,332.26	0.00
MCTA Recycling Program	320,000.00	320,000.00	163,288.80	163,288.80		156,711.20	
MCUA Solid Waste Agreement	42,732.00	42,732.00	39,040.00	39,040.00		3,692.00	28,846.00
Edison Animal Control Contract	28,846.00	28,846.00	25,800.00	25,800.00			
Middlesex County Nursing Services	25,800.00	25,800.00	187,500.00	187,500.00		93,750.00	
UNDNJ Agreements							
Middlesex County Health Department							
PUBLIC AND PRIVATE PROGRAMS							
OFFSET BY REVENUES							
Alcohol Education Rehab Program	3,066.66	3,066.66	3,066.66	3,066.66			
Body Armor Replacement Grant	7,800.00	7,800.00	7,800.00	7,800.00			
Bullet Proof Vest	79,371.28	79,371.28	79,371.28	79,371.28			
Clean Communities Grant	4,000.00	4,000.00	4,000.00	4,000.00			
Click It or Ticket Grant	21,000.00	21,000.00	21,000.00	21,000.00			
COMSHAP Grant	3,200.00	3,200.00	3,200.00	3,200.00			
COPS in Shop Grant	17,867.91	17,867.91	17,867.91	17,867.91			
Drunk Driving Enforcement Fund	11,000.00	11,000.00	11,000.00	11,000.00			
FEMA - OEM	15,000.00	15,000.00	15,000.00	15,000.00			
Green Acres Grant - Open Space	2,100,000.00	2,100,000.00	2,100,000.00	2,100,000.00			
Municipal Alliance on Alcoholism and Drug Abuse	44,587.00	44,587.00	44,587.00	44,587.00			
Grant Match	11,146.75	11,146.75	11,146.75	11,146.75			

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2010

	EXPENDED	RESERVED	CANCELLED	UNEXPENDED	BALANCE
	PAID OR	ENCUMBERED	CHARGED	MODIFICATION	2010 BUDGET
	CHARGED	ENCUMBERED	CHARGED	MODIFICATION	2010 BUDGET
Justice Assistance Grant	69,704.00		69,704.00		
Multi-Jurisdictional Gang, Gun & Narcotic Task Force Program	12,000.00		12,000.00		
NI DOT - Haines Avenue	900.00		900.00		
Middlesex County Cultural and Heritage Library	640,200.00		640,200.00		
PARIS	25,750.00		25,750.00		
Recycling Tonnage Grant	145,189.10		145,189.10		
Safe and Secure Communities Program	60,000.00		60,000.00		
USDOE - Energy Efficiency & Conversation Block Grant	528,800.00		528,800.00		
Matching Funds	70,000.00		53,853.25		
DETAIL:					
Total Operations Excluded from "CAPS"	4,409,757.27	8,472,140.83	7,692,707.14	584,495.10	194,938.59
Salaries and Wages	598,092.76	548,848.37	548,848.37	49,244.39	49,244.39
Other Expenses	3,811,664.51	7,143,858.77	584,495.10	145,694.20	145,694.20
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Down Payment on Improvements	41,000.00	41,000.00	41,000.00		66,455.00
Land Acquisition	100,000.00				30,000.00
4-Wheel Vehicles for Code Enforcement	30,000.00				96,455.00
Total Capital Improvements Excl. from "CAPS"	171,000.00	41,000.00	41,000.00		33,545.00
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Principal	4,290,000.00	4,290,000.00	4,290,000.00		
Interest on Bonds	1,892,063.76	1,892,063.76	1,892,063.76		
Total Municipal Debt Service - Excl. from "CAPS"	6,182,063.76	6,182,063.76	6,182,063.76		

PUBLIC AND PRIVATE PROGRAMS (CONTD.)

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2010

	EXPENDED				UNEXPENDED BALANCE CANCELLED			
	PAID OR CHARGED	ENCUMBERED	RESERVED	UNEXPENDED	PAID OR CHARGED	ENCUMBERED	RESERVED	UNEXPENDED
2010 BUDGET	10,762,821.03	13,915,770.90	618,040.10	291,393.59	14,825,204.59	46,271,488.91	2,745,056.60	49,016,545.51
BUDGET AFTER MODIFICATION	50,052,622.47	44,856,187.18	1,643,542.42	3,552,892.87	52,797,679.07	47,601,243.78	2,745,056.60	52,797,679.07
	\$	\$	\$	\$	\$	\$	\$	\$
	49,016,545.51	47,601,243.78	1,643,542.42	3,552,892.87	49,016,545.51	47,601,243.78	2,745,056.60	52,797,679.07
	A-2	A-1	A,A-1	A,A-1	A-2	A-1	A,A-1	A-2
	REF.							
Adopted Budget	A-2							
Approp. by N.J.S.A. 40A:4-87	A-2							
	3,781,133.56							
	\$							
Disbursed	A-4							
Reserve for Uncollected Taxes	A-7							
Due to State and Federal Grants Fund	A-12							
	41,052,906.87	3,803,280.31			47,601,243.78			
	\$				\$			

Total General Appropriations for Municipal Purposes Excluded from "CAPS" 10,762,821.03

Subtotal General Appropriations 46,271,488.91

Reserve for Uncollected Taxes 2,745,056.60

Total General Appropriations \$ 49,016,545.51

REF. A-2

Adopted Budget Approp. by N.J.S.A. 40A:4-87 A-2

Disbursed Reserve for Uncollected Taxes Due to State and Federal Grants Fund A-4 A-7 A-12

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2010 AND 2009

	REF.	BALANCE JUNE 30, 2010	BALANCE JUNE 30, 2009		REF.	BALANCE JUNE 30, 2010	BALANCE JUNE 30, 2009
ASSETS							
Animal Control Fund:				Animal Control Fund:			
Cash and Investments - Treasurer	B-1	\$ 21,896.68	\$ 14,299.16	Due to State of New Jersey	B-1	\$ 109.20	\$ 105.00
B-1		207.80		Reserve for Animal Control Expenditures	B-1	21,995.28	14,194.16
B-1			14,299.16	Total Animal Control Fund		22,104.48	14,299.16
Self-Insurance Trust Fund:				Self-Insurance Trust Fund:			
Cash and Investments - Treasurer	B-1	697,987.77	509,612.37	Reserve for Self Insurance	B-1	697,987.77	509,612.37
B-1			509,612.37	Total Trust-Other Fund		697,987.77	509,612.37
Other Trust Funds:				Other Trust Funds:			
Cash and Investments - Treasurer	B-1	6,688,596.87	7,559,967.57	Payroll Liabilities	B-1	160,736.09	130,470.76
B-1		1,923,308.32		Unemployment Insurance Trust Fund	B-1	54,676.46	10,442.03
B-1		489,190.40		Reserve for CDBG	B-1	168,111.64	197,750.14
B-1		202,835.22	233,793.72	Miscellaneous Deposits	B-1	2,643,358.79	1,220,569.66
B-1			7,793,761.29	Affordable Housing	B-1	1,845,575.83	1,685,971.99
B-1		9,303,930.81		Recreation Trust	B-1	100,439.29	82,761.36
B-1				Interfunds Payable	B-1	15,864.92	
B-2				Schedule of Escrows	B-2	4,465,795.35	4,465,795.35
Total Escrow Trust Fund		9,303,930.81	7,793,761.29	Total Escrow Trust Fund		9,303,930.81	7,793,761.29
Public Assistance Fund:				Public Assistance Fund:			
Cash and Investments - Treasurer	B-1	911.35	911.35	Reserve for Public Assistance	B-1	911.35	911.35
B-1			911.35	Total Public Assistance Fund		911.35	911.35
Total Public Assistance Fund		911.35	911.35				
		\$ 10,024,934.41	\$ 8,318,584.17			\$ 10,024,934.41	\$ 8,318,584.17
LIABILITIES, RESERVES AND FUND BALANCE							

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
 BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2010 AND JUNE 30, 2009

	<u>REF.</u>	<u>BALANCE</u> <u>JUNE 30, 2010</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>
<u>ASSETS</u>			
Cash, Cash Equivalents and Investments	C-2	\$ 2,508.86	\$ 5,350,416.08
Federal and State Grants Receivable	C-4	640,200.00	767,500.00
Deferred Charges to Future Taxation:			
Funded	C-5	46,634,000.00	50,924,000.00
Unfunded	C-6	<u>23,110,924.00</u>	<u>12,150,370.00</u>
		<u>\$ 70,387,632.86</u>	<u>\$ 69,192,286.08</u>
<u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>			
General Serial Bonds	C-10	\$ 46,634,000.00	\$ 50,924,000.00
Due to Current Fund	C-11	1,401,897.31	
Improvement Authorizations:			
Funded	C-9	1,564,658.72	1,714,685.56
Unfunded	C-9	15,635,887.21	10,268,371.04
Reserve for Encumbrances	C-9	3,550,434.43	3,027,237.89
Capital Improvement Fund	C-7	7,250.00	
Contributions - Off-Site Improvements	C-8	968,977.51	1,015,115.50
Reserve for Preliminary Expenses	C-12	493,906.90	670,656.90
Contributions - Tree Contributions	C-13	1,108.99	6,743.08
Reserve: Stelton Streetscape	C-14	20,250.00	20,250.00
Reserve for Debt Service	C-15		118,464.32
Reserve: Community Center	C-16	5,000.00	5,000.00
Reserve for Grant Receivables	C-4		767,500.00
Fund Balance	C-1	<u>104,261.79</u>	<u>654,261.79</u>
		<u>\$ 70,387,632.86</u>	<u>\$ 69,192,286.08</u>
Bonds & Notes Authorized but not Issued	C-17	<u>\$ 23,110,924.00</u>	<u>\$ 12,150,370.00</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 FISCAL YEAR ENDED JUNE 30, 2010

	<u>REF.</u>	
Balance - June 30, 2009	C	\$ 654,261.79
Decreased by:		
2010 Current Fund Budget Revenue	C-11	<u>550,000.00</u>
Balance - June 30, 2010	C	<u><u>\$ 104,261.79</u></u>

Note: See Notes to Financial Statements

SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2010 AND 2009

ASSETS	REF.	BALANCE JUNE 30, 2010	BALANCE JUNE 30, 2009	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE JUNE 30, 2010	BALANCE JUNE 30, 2009
Operating Fund:				Operating Fund:			
Cash and Investments - Treasurer	D-5	\$ 472,737.88	\$ 1,502,263.40	Appropriation Reserves	D-4, D-12	\$ 477,768.06	\$ 872,271.35
Change Fund - Collector	D	100.00	100.00	Reserve for Encumbrances	D-4, D-12	58,583.61	37,440.32
Due from Current Fund	D-19	1,468,571.42		Due to Sewer Capital	D-23		287,231.32
Due from Payroll Fund	D-22	15,379.62		Accrued Interest Payable	D-13	29,197.40	30,395.31
Due from Sewer Capital Fund	D-23	161,000.00		Prepaid Sewer Charges	D-14	218,278.49	208,889.05
				Sewer Overpayments	D-15	10,486.00	1,995.00
				Accounts Payable	D-16	10,486.00	10,486.00
Receivables and Inventory With				Reserve for Receivables	D-1	794,313.56	663,708.35
Offsetting Reserves:							
Sewer Charges Receivable	D-8	851,526.24	912,154.23	Reserve		851,986.24	912,154.23
Sewer Liens Receivable	D-9	460.00		Fund Balance		1,323,475.36	1,125,539.86
Deferred Charges:				Total Operating Fund		2,969,775.16	2,701,402.44
Operating Deficit	D-4	286,884.81	286,884.81	Capital Fund:			
				Serial Bonds Payable	D-25	3,406,000.00	3,541,000.00
Total Operating Fund		2,969,775.16	2,701,402.44	Reserve for Encumbrances	D-17	221,495.78	247,074.65
				Due to Sewer Operating Fund	D-24	161,000.00	
Capital Fund:				Funded			
Cash and Investments - Treasurer	D-5	177,048.33	99,654.37	Improvement Authorizations:			
Due from Sewer Operating	D-24		287,231.32	Capital Improvement Fund	D-20	3,750.00	
Fixed Capital	D-10	13,107,561.49	13,107,561.49	Reserve for Amortization	D-21	12,829,561.49	12,694,561.49
Fixed Capital Authorized and Uncompleted	D-11	7,030,000.00	6,605,000.00	Deferred Reserve for Amortization	D-18	323,500.00	302,250.00
Total Capital Fund		20,314,609.82	20,099,447.18	Fund Balance	D-2	80,113.41	80,113.41
				Total Capital Fund		20,314,609.82	20,099,447.18
		\$ 23,284,384.98	\$ 22,800,849.62			\$ 23,284,384.98	\$ 22,800,849.62

There were Bonds and Notes Authorized but Not Issued on June 30, 2010 in the amount of \$3,578,500.00 (Exhibit D-26).

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 YEARS ENDED JUNE 30, 2010 AND 2009

<u>REVENUE AND OTHER INCOME</u>	<u>SFY 2010</u>	<u>SFY 2009</u>
Sewer Charges	D-3 \$ 7,391,268.89	\$ 6,852,149.98
Connection Fees	D-3 465,090.00	392,480.00
Interest on Investments	D-3 3,846.02	20,145.57
Interest on Delinquent Accounts	D-3 49,534.95	33,160.12
Other Credits to Income:		
Miscellaneous Revenue	D-3 50,420.00	481.22
Unexpnd. Balance of Appropriation Reserves		
Lapsed and Reserve for Encumb. Canceled	D-12 83,532.76	<u>154,047.56</u>
Total Revenues	<u>8,043,692.62</u>	<u>7,452,464.45</u>
<u>EXPENDITURES</u>		
Budget and Emergency Appropriations:		
Operating	D-4 \$ 7,009,000.00	\$ 5,920,162.48
Capital Improvements	D-4 25,000.00	25,000.00
Debt Service	D-4 271,333.35	212,428.64
Deferred Charges and Statutory Expend.	D-4 253,538.96	745,942.16
Deficit in Operations Prior Years	D-4 286,884.81	<u>184,390.36</u>
Total Expenditures	<u>7,845,757.12</u>	<u>7,087,923.64</u>
Excess/(Deficit) in Revenues	197,935.50	364,540.81
<u>FUND BALANCE</u>		
Balance - July 1	D 1,125,539.86	<u>760,999.05</u>
Balance - June 30	D \$ <u>1,323,475.36</u>	<u>\$ 1,125,539.86</u>

Note: See Notes to Financial Statements

SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	<u>REF</u>	
Balance June 30, 2009	D	\$ 80,113.41
Balance June 30, 2010	D	<u>\$ 80,113.41</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 YEAR ENDED JUNE 30, 2010

	2010			
<u>REF.</u>	<u>BUDGET</u>	<u>REALIZED</u>		<u>EXCESS OR (DEFICIT)</u>
Sewer Service Charges	D-1 \$ 7,552,286.61	\$ 7,391,268.89	\$	(161,017.72)
Sewer Connection Fees & Permits	D-1 260,000.00	465,090.00		205,090.00
Miscellaneous	D-1 35,000.00	3,846.02		(31,153.98)
Interest on Delinquencies	D-1	<u>49,534.95</u>		<u>49,534.95</u>
	\$ <u>7,847,286.61</u>	\$ <u>7,909,739.86</u>	\$	<u>62,453.25</u>

Ref. D-4

Analysis of Realized Revenues:

Sewer Service Charges:				
Prepays Applied	D-14	\$ 208,889.05		
Overpayments Applied	D-15	1,995.00		
Collected	D-8	<u>7,180,384.84</u>		
Connection Fees:				
Received by Collector	D-1	\$ <u>7,391,268.89</u>		
Interest on Delinquent Accounts:				
Collected	D-1,D-6	\$ <u>465,090.00</u>		
Interest on Investments:				
Collected	D-1,D-6	\$ <u>49,534.95</u>		
Miscellaneous Revenue:				
Received by Collector	D-5	\$ <u>3,846.02</u>		
Collected	D-1	\$ <u>3,846.02</u>		
Miscellaneous Revenue:				
Received by Collector	D-6	\$ 420.00		
Collected	D-5	<u>50,000.00</u>		
	D-1	\$ <u>50,420.00</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 JUNE 30, 2010

EXPENSE	EXPENSED			UNEXPENDED BALANCE CANCELLED
	PAID OR CHARGED	ENCUMBERED	RESERVED	
	BUDGET AFTER MODIFICATION			
2010 BUDGET				
Operating:				
Salaries and Wages	\$ 1,469,000.00	\$ 1,443,695.41	\$ 25,304.59	\$ 25,304.59
Other Expenses	940,000.00	769,251.70	58,583.61	112,164.69
Middlesex County Utilities Authority	4,600,000.00	4,259,701.22	340,298.78	
Service Charges - Contractual				
Capital Improvements:				
Capital Improvement Fund	25,000.00	25,000.00	25,000.00	
Debt Service:				
Payment on Bond Principle	135,000.00	135,000.00	135,000.00	
Interest on Bonds	137,862.84	137,862.84	136,333.35	1,529.49
Deferred Charges and Statutory Expenditures:				
Statutory Expenditures:				
Public Employees' Retirement System	125,538.96	125,538.96	125,538.96	
Social Security System (O.A.S.I.)	128,000.00	128,000.00	128,000.00	
Deficit in Operations Prior Years	286,884.81	286,884.81	286,884.81	
Total Sewer Utility Appropriations	\$ 7,847,286.61	\$ 7,847,286.61	\$ 7,309,405.45	\$ 1,529.49
Ref.	D-3	D-3	D-1	D,D-1
Cash Disbursements	D-5			
Due to Current Fund	D-19			
Due to Sewer Capital	D-23			
Accrued Interest	D-13			
Emergency Appropriations	D			
		\$ 5,176,529.91	\$ 1,684,657.38	
		25,000.00	136,333.35	
		136,333.35	286,884.81	
			\$ 7,309,405.45	

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SENIOR CITIZENS HOUSING UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2010 AND 2009

ASSETS		REF.	BALANCE	JUNE 30, 2010	BALANCE	JUNE 30, 2009	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE	JUNE 30, 2010	BALANCE	JUNE 30, 2009
Operating Fund:												
Cash and Investments - Treasurer		E-5	\$	828,104.29	\$	779,657.63	Appropriation Reserves	E-4,E-7	\$	221,511.38	\$	206,086.71
Cash and Investments - Treasurer		E-5		828,104.29		183,389.43	Reserve for Encumbrances	E-4,E-7		203,133.55		129,052.98
Interfunds Receivable		E-14						E-7		8,236.00		6,030.00
				828,104.29		963,047.06	Accounts Payable	E-8		24,191.25		25,717.03
							Accrued Interest on Bonds	E-9		110,100.80		109,728.56
							Security Deposits	E-1		567,172.98		476,615.28
							Fund Balance			828,104.29		963,047.06
Total Operating Fund				828,104.29		963,047.06	Total Operating Fund			828,104.29		963,047.06
Capital Fund:												
Interfunds Payable		E-15		258,486.42		258,486.42	Serial Bonds Payable	E-12		1,420,000.00		1,525,000.00
Cash and Investments - Treasurer		E-5		92,596.99		10,351,052.26	Improvement Authorizations:	E-11		19,631.05		19,631.05
Fixed Capital		E-17		1,483,000.00		483,000.00	Funded	E-11		1,000,000.00		1,000,000.00
Fixed Capital Authorized and Uncompleted		E-18					Unfunded	E-11		19,631.05		19,631.05
Total Capital Fund				11,926,649.25		11,092,538.68	Reserve for:	E-11		34,252.45		34,252.45
							Encumbrances	E-11		36,535.75		19,035.75
							Capital Improvement Fund	E-13		8,931,052.26		8,931,052.26
							Amortization	E-10		483,000.00		483,000.00
							Deferred Amortization	E-16		2,177.74		2,177.74
							Fund Balance	E-2		11,926,649.25		11,092,538.68
Total Capital Fund				12,754,753.54		12,055,585.74	Total Capital Fund			12,754,753.54		12,055,585.74

There were Bonds and Notes Authorized but Not Issued on June 30, 2010 in the amount of \$1,000,000.00 (Exhibit E-19).

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit - E-1

SENIOR CITIZEN HOUSING UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

<u>REVENUE AND OTHER INCOME</u>	<u>SFY 2010</u>	<u>SFY 2009</u>
Fund Balance Utilized	E-1, E-3 \$ 397,162.74	\$ 413,712.50
Rental Income	E-3 1,254,312.90	1,246,390.74
Interest on Investments	E-3 1,612.60	10,651.38
Other Credits to Income:		
Non-Budget Revenue	E-3 14,337.21	14,637.39
Accounts Payable Cancelled	E-7 30.00	
Unexpnd. Balance of Appropriation		
Reserves Lapsed	E-7 130,620.82	69,078.56
Total Revenues	1,798,076.27	1,754,470.57
<u>EXPENDITURES</u>		
Budget and Emergency Appropriations:		
Operating	E-4 \$ 1,125,600.00	\$ 1,123,165.00
Capital Improvements	E-4 325,000.00	325,000.00
Debt Service	E-4 170,018.60	174,070.94
Deferred Charges and Statutory Expend.	E-4 5,018.40	5,000.00
Refund of Prior Year's Revenue	E-5 777.00	835.00
Total Expenditures	1,626,414.00	1,628,070.94
Excess/(Deficit) in Revenues	171,662.27	126,399.63
<u>FUND BALANCE</u>		
Balance - July 1	E 486,431.78	773,744.65
	658,094.05	900,144.28
Decreased by:		
Utilized as Anticipated Revenue	E-1 397,162.74	413,712.50
Balance - June 30	E \$ 260,931.31	486,431.78

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 FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	<u>REF.</u>	
Balance - June 30, 2009	E	\$ 2,177.74
Balance - June 30, 2010	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 JUNE 30, 2010

	REF.	2010 BUDGET	REALIZED	EXCESS OR (DEFICIT)
Fund Balance	E-1	\$ 397,162.74	\$ 397,162.74	\$
Rental Income	E-1,E-3	1,230,000.00	1,254,312.90	24,312.90
Interest on Investments	E-1,E-3		1,612.60	1,612.60
		<u>1,627,162.74</u>	<u>1,653,088.24</u>	<u>25,925.50</u>
Non-Budget Revenues	E-1,E-3		14,337.21	14,337.21
		<u>\$ 1,627,162.74</u>	<u>\$ 1,667,425.45</u>	<u>\$ 40,262.71</u>

Ref. E-4

Analysis of Realized Revenues:

Analysis of Rental Income:

Rental Income	\$ 1,232,705.90
Surcharge for Utilities:	
Aircondition Surcharge	<u>21,607.00</u>
	\$ <u>1,254,312.90</u>

Analysis of Non-Budget Revenues:

Room Rental	\$ 6,000.00
Laundromat Income	8,027.21
Deposit Withheld	100.00
Late Fees	25.00
Replacement Key	100.00
Return Check Fees	85.00
	\$ <u>14,337.21</u>

Analysis of Interest on Investments:

Senior Citizen Capital Fund	\$ 199.81
Senior Citizen Operating Fund	<u>1,412.79</u>
	\$ <u>1,612.60</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 JUNE 30, 2010

EXPENSE	2010					UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	
Operating:						
Salaries and Wages	\$ 65,600.00	\$ 65,600.00	\$ 65,600.00	\$ 65,600.00	\$	
Other Expenses	1,060,000.00	1,060,000.00	886,892.67	112,540.95	60,566.38	\$
Debt Service:						
Payment on Bond Principle	105,000.00	105,000.00	105,000.00			
Interest on Bonds	66,544.34	66,544.34	65,018.60			1,525.74
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Social Security System (O.A.S.I.)	5,018.40	5,018.40	5,018.40			
Capital Improvements:						
Capital Improvement Fund	307,500.00	307,500.00	307,500.00			
Down Payments on Improvements	17,500.00	17,500.00	17,500.00			
Total Senior Citizen Housing Appropriations	\$ 1,627,162.74	\$ 1,627,162.74	\$ 1,200,992.07	\$ 203,133.55	\$ 221,511.38	\$ 1,525.74
Ref.	E-3	E-3	E-1	E,E-1	E,E-1	
Cash Disbursements	E-5					
\$ 1,118,473.47						
Accrued Interest on Bonds	E-8					
65,018.60						
Due to Senior Citizen Housing Capital Fund -	E-14					
Capital Improvement Fund						
17,500.00						
\$ 1,200,992.07						

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

STATEMENT OF GOVERNMENTAL FIXED ASSETS
 REGULATORY BASIS
JUNE 30, 2010 AND JUNE 30, 2009

	<u>BALANCE</u> <u>JUNE 30, 2010</u>	<u>BALANCE</u> <u>JUNE 30, 2009</u>
Governmental Fixed Assets:		
Land	\$ 23,686,300.00	\$ 23,686,300.00
Buildings and Improvements	16,850,200.00	16,850,200.00
Machinery and Equipments	18,108,566.00	17,893,634.00
	<hr/>	<hr/>
Total Governmental Fixed Assets	<u>\$ 58,645,066.00</u>	<u>\$ 58,430,134.00</u>
Investment in Governmental Fixed Assets	<u>\$ 58,645,066.00</u>	<u>\$ 58,430,134.00</u>

Notes: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

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. Debt obligations authorized in conjunction with the Township's conversion to the state's fiscal year are also accounted for in the General Capital Fund.

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 Account Group 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:

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.

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

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

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

For the purposes of calculating the results of Current Fund operations, the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories of overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the balance sheet of the affected Fund. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance. The status of deferred charges at June 30, 2010 is set forth in Note 7.

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

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

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

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

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 at June 30, 2010 and 2009, totaling \$173,605.48, and \$100,771.74. 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. 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.

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 instruments.

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.

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

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

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

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

Disclosures About Fair Value of Financial Instruments

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

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

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

Recent Accounting Standards

GASB issued Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" in March 2009. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

GASB issued Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments" in March 2009. The objective of this Statement is to incorporate the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the Governmental Accounting Standards Board's (GASB) authoritative literature. The "GAAP hierarchy" consists of the sources of accounting principles used in the preparation of financial statements of state and local governmental entities that are presented in conformity with GAAP, and the framework for selecting those principles.

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. 56, "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards" in March 2009. The objective of this Statement is to incorporate into the Governmental Accounting Standards Board's (GASB) authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' Statements on Auditing Standards. This Statement addresses three issues not included in the authoritative literature that establishes *accounting* principles—related party transactions, going concern considerations, and subsequent events. The presentation of principles used in the *preparation* of financial statements is more appropriately included in accounting and financial reporting standards rather than in the auditing literature.

GASB issued Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans" in December 2009. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers). This Statement amends Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

GASB issued Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies" in December 2009. The objective of this Statement is to provide accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. It requires governments to remeasure liabilities that are adjusted in bankruptcy when the bankruptcy court confirms (that is, approves) a new payment plan.

GASB issued Statement No. 59, "Financial Instruments Omnibus" in June 2010. The objective of this Statement is to update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice.

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.

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

Note 3 : DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION - JUNE 30, 2010 AND 2009

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 - YEARS ENDED JUNE 30, 2010 & JUNE 30, 2009

	<u>SFY 2010</u>	<u>SFY 2009</u>
<u>Issued:</u>		
General:		
Bonds and Notes	\$ 46,634,000.00	\$ 50,924,000.00
Sewer Utility:		
Bonds and Notes	3,406,000.00	3,541,000.00
Senior Citizens Housing Utility:		
Bonds and Notes	<u>1,420,000.00</u>	<u>1,525,000.00</u>
Net Debt Issued	<u>\$ 51,460,000.00</u>	<u>\$ 55,990,000.00</u>
 <u>Authorized But Not Issued:</u>		
General:		
Bonds and Notes	23,110,924.00	12,150,370.00
Sewer Utility:		
Bonds and Notes	3,578,500.00	3,174,750.00
Senior Citizens Housing Utility:		
Bonds and Notes	<u>1,000,000.00</u>	
Total Authorized But Not Issued	<u>27,689,424.00</u>	<u>15,325,120.00</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 79,149,424.00</u>	<u>\$ 71,315,120.00</u>

Summarized below are the Township's individual bond issues which are outstanding at June 30, 2010 and 2009

	<u>SFY 2010</u>	<u>SFY 2009</u>
<u>General Debt:</u>		
\$6,165,000, General Improvement Bonds of 2000, due in annual installments of \$540,000 to \$750,000 through April 1, 2011, interest at 4.375% to 4.500%	\$ 540,000.00	\$ 1,080,000.00
\$5,765,000 General Improvement Bonds of 2001, due in annual installments of \$250,000 to \$500,000 through October 15, 2016, interest at 3.500% to 4.375%	3,240,000.00	3,665,000.00
\$7,520,000 General Improvement Bonds of 2002, due in annual installments of \$400,000 to \$700,000 through February 2017, interest at 4.0% to 4.5%	4,220,000.00	4,720,000.00

NOTES TO FINANCIAL STATEMENTS

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

	<u>SFY 2010</u>	<u>SFY 2009</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%.	\$ 6,059,000.00	\$ 6,759,000.00
\$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%.	13,900,000.00	14,700,000.00
\$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%.	16,710,000.00	17,710,000.00
\$2,290,000 Tax Appeal Bonds of 2009, due in annual installments of \$325,000 to \$340,000 through March 2016, interest at 3.000% to 3.250%.	1,965,000.00	2,290,000.00
Total General Capital Debt	<u>\$ 46,634,000.00</u>	<u>\$ 50,924,000.00</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%.	\$ 230,000.00	\$ 255,000.00
\$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%.	2,026,000.00	2,086,000.00
\$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%.	1,150,000.00	1,200,000.00
<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%.	<u>1,420,000.00</u>	<u>1,525,000.00</u>
Total Debt for Capital Projects outstanding at June 30	<u>\$ 51,460,000.00</u>	<u>\$ 55,990,000.00</u>

NOTES TO THE FINANCIAL STATEMENTS

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

B. Summary of Statutory Debt Condition - Annual Debt Statement 2010 and 2009

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>2010</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 34,997,000.00	\$ 34,997,000.00	-
Sewer Utility Debt	6,984,500.00	6,984,500.00	-
Senior Citizen Housing Utility Debt	2,420,000.00	2,420,000.00	-
General Debt	69,744,924.00		69,744,924.00
	<u>\$ 114,146,424.00</u>	<u>\$ 44,401,500.00</u>	<u>\$ 69,744,924.00</u>

Net Debt \$69,744,924.00 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$6,829,141,238.00 = 1.02%.

Average Equalized Valuation Basis

2007 Equalized Value of Real Property	6,821,456,994.00
2008 Equalized Value of Real Property	6,949,837,391.00
2009 Equalized Value of Real Property	6,716,129,329.00
Average Equalized Valuation	<u>\$6,829,141,238.00</u>

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>2009</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 38,242,000.00	\$ 38,242,000.00	-
Sewer Utility Debt	6,715,750.00	6,715,750.00	-
Senior Citizen Housing Utility Debt	1,525,000.00	1,525,000.00	-
General Debt	63,074,370.00		63,074,370.00
	<u>\$ 109,557,120.00</u>	<u>\$ 46,482,750.00</u>	<u>\$ 63,074,370.00</u>

Net Debt \$63,074,370.00 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$6,779,708,606.33 = 0.93%.

Average Equalized Valuation Basis

2006 Equalized Value of Real Property	6,567,831,434.00
2007 Equalized Value of Real Property	6,821,456,994.00
2008 Equalized Value of Real Property	6,949,837,391.00
Average Equalized Valuation	<u>\$6,779,708,606.33</u>

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

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

	2010	2009
<u>Borrowing Power Under N.J.S.A. 40A:2-6 As Amended</u>		
3 1/2% of Equalized Valuation Basis Municipal Net Debt	\$239,019,943.33 <u>69,744,924.00</u>	\$237,289,801.22 <u>63,074,370.00</u>
Remaining Borrowing Power	<u>\$169,275,019.33</u>	<u>\$174,215,431.22</u>
Calculation of "Self-Liquidating Purpose" <u>Sewer Utility Per N.J.S.A. 40A:2-45</u>		
Cash Receipts from Fees, Rents or Other Charges for Year	\$7,960,159.86	\$7,298,416.89
Deductions:		
Operating and Maintenance Cost	7,549,423.77	6,850,495.00
Debt Service per Sewer Account	<u>271,333.35</u>	<u>212,428.64</u>
Total Deductions	<u>7,820,757.12</u>	<u>7,062,923.64</u>
Excess/(Deficit) in Revenues	<u>\$139,402.74</u>	<u>\$235,493.25</u>
Deduction of Self-Liquidating Utility Debt for <u>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)	\$197,935.50	\$364,540.81
Add: Capital Improvements	<u>25,000.00</u>	<u>25,000.00</u>
	222,935.50	389,540.81
Less: Reserves Lapsed	<u>83,532.76</u>	<u>154,047.56</u>
Excess/(Deficit) in Revenue per Debt Statement	<u>\$139,402.74</u>	<u>\$235,493.25</u>

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

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

	<u>2010</u>	<u>2009</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	\$1,666,648.45	\$1,684,557.01
Deductions:		
Operating and Maintenance Cost	1,130,618.40	1,128,165.00
Debt Service per Housing Account	<u>170,018.60</u>	<u>174,070.94</u>
Total Deductions	<u>1,300,637.00</u>	<u>1,302,235.94</u>
	<u>\$366,011.45</u>	<u>\$382,321.07</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)	\$171,662.27	\$126,399.63
Add: Capital Improvement	<u>325,000.00</u>	<u>325,000.00</u>
	496,662.27	451,399.63
Less: Reserves Lapsed/Accounts Payable Canceled	<u>130,650.82</u>	<u>69,078.56</u>
Excess in Revenue per Debt Statement	<u>\$366,011.45</u>	<u>\$382,321.07</u>

Note 3: 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	
*2010	\$1,325,000.00	\$878,506.88	\$130,000.00	\$32,225.00	\$60,000.00	\$66,875.00	\$2,492,606.88
2011	4,590,000.00	1,641,301.25	125,000.00	59,310.00	140,000.00	129,512.50	6,685,123.75
2012	4,625,000.00	1,469,213.75	125,000.00	54,310.00	156,000.00	123,887.50	6,553,411.25
2013	4,925,000.00	1,304,113.75	120,000.00	49,185.00	160,000.00	118,637.50	6,676,936.25
2014	5,125,000.00	1,130,701.25	145,000.00	44,145.00	160,000.00	113,393.75	6,718,240.00
Subtotal	20,590,000.00	6,423,836.88	645,000.00	239,175.00	676,000.00	552,306.25	29,126,318.13
2015	5,375,000.00	946,995.00	140,000.00	37,910.00	170,000.00	107,875.00	6,777,780.00
2016	5,389,000.00	750,919.38	135,000.00	31,750.00	180,000.00	101,900.00	6,588,569.38
2017	4,820,000.00	552,100.00	160,000.00	25,000.00	190,000.00	95,350.00	5,842,450.00
2018	3,300,000.00	393,400.00	160,000.00	17,000.00	160,000.00	88,600.00	4,119,000.00
2019	3,300,000.00	256,900.00	180,000.00	9,000.00	160,000.00	82,000.00	3,987,900.00
Subtotal	22,184,000.00	2,900,314.38	775,000.00	120,660.00	860,000.00	475,725.00	27,315,699.38
2020	1,900,000.00	116,400.00			160,000.00	75,400.00	2,251,800.00
2021	1,960,000.00	39,200.00			180,000.00	68,800.00	2,248,000.00
2022					180,000.00	61,543.75	241,543.75
2023					180,000.00	54,175.00	234,175.00
2024					200,000.00	46,475.00	246,475.00
Subtotal	3,860,000.00	155,600.00	-	-	900,000.00	306,393.75	5,221,993.75
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
2028					110,000.00	23,662.50	133,662.50
2029					110,000.00	19,125.00	129,125.00
Subtotal	-	-	-	-	620,000.00	140,400.00	760,400.00
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	-	-	-	-	350,000.00	29,737.50	379,737.50
	\$46,634,000.00	\$9,479,751.26	\$1,420,000.00	\$359,835.00	\$3,406,000.00	\$1,504,562.50	\$62,804,148.76

* The 2010 year represents the transition year amount. All other years represent calendar year amounts.

Note 4: DEFERRED COMPENSATION TRUST FUND

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

Note 5: ASSESSMENT AND COLLECTION OF PROPERTY TAXES

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

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

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

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

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

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

Note 6: FUND BALANCE APPROPRIATED

Fund balances at June 30, 2010 and 2009 were appropriated and included as anticipated revenue in their own respective funds for the "Fiscal Year" ending June 30, 2010 and 2009 as follows:

	<u>FUND BALANCE JUNE 30, 2010</u>	<u>UTILIZED IN SUCCEEDING BUDGET</u>
Current Fund	\$6,293,193.71	\$718,898.55
Senior Citizens Utility Fund	260,931.31	250,498.00

	<u>FUND BALANCE JUNE 30, 2009</u>	<u>UTILIZED IN SUCCEEDING BUDGET</u>
Current Fund	\$4,842,322.85	\$4,054,233.19
Senior Citizens Utility Fund	486,431.78	397,162.74

Note 7: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. There were no deferred charges as of June 30, 2010 or June 30, 2009, in the Current Fund. The deferred charges as of June 30, 2010, in the Sewer Utility Operating Fund are \$0.00, compared to \$286,884.81 as of June 30, 2009.

Note 8: LEASES

The Township did not enter into operating lease agreements providing for facilities and equipment during SFY 2010, and accordingly no future minimum annual rental payments disclosed.

Note 9: INTERFUNDS

The following interfund balances remained on the balance sheet date at June 30, 2010:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$1,401,897.31	\$3,582,168.73
Grant Fund	190,566.49	
Animal Control Fund	207.80	
Trust Fund	1,923,308.32	15,864.92
General Capital Fund		1,401,897.31
Sewer Utility Operating Fund	1,644,951.04	
Sewer Utility Capital Fund		<u>161,000.00</u>
Total	<u>\$5,160,930.96</u>	<u>\$5,160,930.96</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 requires to collect to fund the appropriation and the statute or budget to expend them.

Note 10: DEPOSITS AND INVESTMENTS

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

Deposits

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

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

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less 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.

At June 30, 2010 and 2009, the cash and cash equivalents and investments of the Township on deposit and on-hand consisted of the following:

	<u>2010</u>	<u>2009</u>
Cash (Demand Accts.)	\$25,063,799.51	\$25,752,636.76
Investments (CD's)	1,881,373.50	1,659,901.91
NJ Cash Management Fund	748,663.60	746,078.09
Change Funds (On-Hand)	<u>635.00</u>	<u>635.00</u>
Total	<u>\$27,694,471.61</u>	<u>\$28,159,251.76</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, the carrying amount of the Township's deposits was \$26,945,173.01 and the bank balance was \$28,659,961.51. Of the bank balance, \$757,013.83 was covered by Federal depository insurance and \$27,902,947.68 was covered under the provisions of NJGUDPA.

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned. The government does not have a specific deposit policy for custodial risk other than those policies that adhere to the requirements of statute. As of June 30, 2010, 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.

Note 10: DEPOSITS AND INVESTMENTS (CONT'D.)

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;
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 June 30, 2010, the Township had \$748,663.60 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 11: PENSION AND RETIREMENT PLANS

Employees of the Township of Piscataway are enrolled in one of two cost sharing multiple-employer public employee retirement systems: the Public Employees Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS). The Division of Pensions in the Department of the Treasury, State of New Jersey, administers the PERS and PFRS plans. The plans are funded annually based on the projected benefit method with aggregate level normal cost and frozen initial unfunded accrued liability. The plans, which cover public employees throughout the state, do not maintain separate records for each reporting unit and, accordingly, the actuarial data for the employees of the Township who are members of the plans are not available. The contributions in SFY 2010 and 2009 were \$784,797.24 and \$921,942.18 for PERS and \$1,053,686.33 and \$1,166,199.83 for PFRS, respectively, which represents contributions from the employees that are remitted on a quarterly basis. For SFY 2010 and SFY 2009, the Township contributed amounts of \$1,024,276.00 and \$918,450.00 for PERS and \$2,073,142.00 and \$1,991,522.00 for PFRS.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits issues publicly available financial reports that include the financial statements and required supplementary information for TPAF and PFRS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pension and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

Note 12: POST 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 188 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 \$3,011,223 and \$2,406,694 for 2010 and 2009 respectively.

The contribution requirements of plan members and the participating agencies are established and may be amended by the Mayor and Council. 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 2008, the Township's annual OPEB cost (expense) of \$6,493,300 was equal to the ARC.

	<u>Total</u>
Net OPEB obligation – beginning of year	\$0
Annual required contribution (ARC)	6,493,300
Less: Contributions	<u>1,795,900</u>
Net OPEB obligation – end of year	<u>\$4,697,400</u>

Note 13: RISK MANAGEMENT (CONT'D):

At December 31, 2009, the Fund reported for all years combined, total assets of \$10,000,944, liabilities and reserves of \$9,960,966, which includes case reserves of \$7,147,707 and IBNR of \$2,715,969 and a fund balance for all years of \$39,978.

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:

	Estimated Reserve Requirement For Reported Claims	Cash Reserves June 30,
<u>2010</u>		
Worker’s Compensation – Self- Insurance (All Program Years)	<u>\$883,255.29</u>	<u>\$697,987.77</u>
<u>2009</u>		
Worker’s Compensation – Self- Insurance (All Program Years)	<u>\$776,849.68</u>	<u>\$509,612.37</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 June 30, 2010 and June 30, 2009:

	<u>2010</u>		<u>2010</u>
Cash Reserve June 30,2009	Township Appropriation	Refunds, Subrogation & Interest Earnings	Cash Reserve June 30,2010
<u>\$509,612.37</u>	<u>\$10,000.00</u>	<u>\$267,957.12</u>	<u>\$697,987.77</u>
		<u>\$89,581.72</u>	<u>\$89,581.72</u>

The following is an analysis of changes in the estimated reserve requirement for claims reported for all program years as at June 30, 2010:

Estimated Reserve Requirement June 30,2009	Estimated Reserves For Prior Period Adjustment	Estimated Reserve Requirement June 30,2010
<u>\$776,849.68</u>	<u>\$195,987.33</u>	<u>\$883,255.29</u>
	<u>\$89,581.72</u>	<u>\$883,255.29</u>

Note 13: 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:

	Estimated Reserve Requirement For Reported Claims	Cash Reserves June 30,
<u>2010</u>		
Worker’s Compensation – Self- Insurance (All Program Years)	<u>\$883,255.29</u>	<u>\$697,987.77</u>
<u>2009</u>		
Worker’s Compensation – Self- Insurance (All Program Years)	<u>\$776,849.68</u>	<u>\$509,612.37</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 June 30, 2010 and June 30, 2009:

<u>2010</u>	Refunds, Subrogation & Interest	Claims & Fees Paid	Cash Reserve
<u>June 30, 2009</u>	<u>Earnings</u>	<u>Fees Paid</u>	<u>June 30, 2010</u>
<u>\$509,612.37</u>	<u>\$10,000.00</u>	<u>\$267,957.12</u>	<u>\$89,581.72</u>
	<u>Cash</u>		<u>\$697,987.77</u>
	<u>Reserve</u>		

The following is an analysis of changes in the estimated reserve requirement for claims reported for all program years as at June 30, 2010:

Estimated Reserves For Prior Period	Estimated Reserves For Prior Period Adjustment	Net Claims/ Fees Paid	Estimated Reserve Requirement June 30, 2010
<u>June 30, 2009</u>		<u>June 30, 2010</u>	
<u>\$776,849.68</u>	<u>\$195,987.33</u>	<u>\$89,581.72</u>	<u>\$883,255.29</u>

Note 13: RISK MANAGEMENT (CONT'D):

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

2009

Cash Reserve	Township	Refunds, Subrogation & Interest	Claims &	Cash Reserve
<u>June 30, 2008</u>	<u>Appropriation</u>	<u>Earnings</u>	<u>Fees Paid</u>	<u>June 30, 2009</u>
<u>\$514,549.97</u>	<u>\$10,000.00</u>	<u>\$43,431.01</u>	<u>\$58,368.61</u>	<u>\$509,612.37</u>

The following is an analysis of changes in the estimated reserve requirement for claims reported for all program years as at June 30, 2009:

Estimated Reserve Requirement	Estimated Reserves For Prior Period	Estimated Reserve
<u>June 30, 2008</u>	<u>Net Claims/ Period Adjustment</u>	<u>Requirement</u>
<u>\$802,552.82</u>	<u>Fees Paid</u>	<u>June 30, 2009</u>
	<u>\$32,665.47</u>	<u>\$776,849.68</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:

State Fiscal Year	Township Appropriation	Employee Contribution	Interest Earnings	Amounts Reimbursed	Ending Balance
2010	\$350,000.00	-0-	\$8.53	\$305,774.10	\$54,676.46
2009	100,000.00	-0-	102.33	99,579.17	10,442.03
2008	25,000.00	-0-	461.16	30,114.98	9,918.87
2007	25,000.00	-0-	1,235.74	66,892.60	14,572.69
2006	5,000.00	-0-	2,906.53	53,627.15	55,229.55

NOTES TO FINANCIAL STATEMENTS

Note 14: 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 June 30, 2010 and 2009 it is estimated that the current cost of such unpaid sick pay would approximate \$4,828,282 and \$5,571,288. These amounts represent the current value of all accumulations, and is 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 15: 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 June 30, 2010, the Township does not believe that any material liabilities will result from such audits.

The Township has various payables in the Current Fund in the amount of \$321,681.49 of June 30, 2010 and \$299,404.94 as of June 30, 2009, to meet the expected obligations as they become due, presently these amounts were provided for in the budget years prior to the year 2010. The Township operated on a "pay as you go" basis for amounts due to employees upon retirement.

As at June 30, 2010 and through the date of this report, the Township had litigation pending, including property tax appeals and other matters. The Township estimates that potential claims against the Township not covered by insurance resulting from such litigation would not materially affect the financial statements of the Township.

Note 16: SUBSEQUENT EVENTS

During the period subsequent to the balance sheet date, through the date of the auditor's report, the Township issued general obligation bonds in the amount of \$15,694,000 dated January 27, 2011 with interest rates ranging from 2.00% to 4.00%.

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

TY 2010 Programs/Projects:

<u>Project</u>	<u>Total</u>	<u>Bond/Notes Authorized</u>
Refunding Tax Appeals	<u>\$7,821,604.52</u>	<u>\$7,821,604.52</u>

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

PART II - SUPPLEMENTARY DATA AND SCHEDULES
SINGLE AUDIT SECTION
SUPPLEMENTAL FINANCIAL STATEMENTS
SUPPLEMENTARY DATA
GENERAL COMMENTS AND RECOMMENDATIONS

SINGLE AUDIT SECTION

HODULIK & MORRISON, P.A.
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NEW JERSEY SOCIETY OF CPAs
REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

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

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

We have audited the financial statements of the Township of Piscataway as of and for the year ended June 30, 2010, which collectively comprise the Township of Piscataway's financial statements and have issued our report thereon dated February 16, 2011. 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. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Piscataway's internal control over financial reporting 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 of Piscataway's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township of Piscataway's internal control over financial reporting.

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

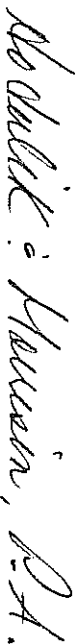
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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.

Also, we noted other matters involving internal control over financial reporting that we have reported to the management of the Township in the General Comments section of the Report of Audit.

This report is intended solely for the information and use of the Mayor and Township Council, management, Division of Local Government Services and state awarding agencies and is not intended to be, and should not be, used by anyone other than these specified parties.



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

Highland Park, New Jersey
February 16, 2011

HODULIK & MORRISON, P. A.
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REGISTERED MUNICIPAL ACCOUNTANTS
PUBLIC SCHOOL ACCOUNTANTS
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JO ANN BOOS, CPA, PSA
ABHISHEK DESAI, CPA

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

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

Compliance

We have audited the compliance of the Township of Piscataway with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that are applicable to each of its major state programs for the year June 30, 2010. The Township of Piscataway's major state programs are identified in the "Summary of Auditor's Results Section" of the accompanying schedule of findings and questioned costs. Compliance with the requirement of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Township of Piscataway's management. Our responsibility is to express an opinion on the Township of Piscataway's compliance based on our audit.

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

In our opinion, the Township of Piscataway complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended June 30, 2010.

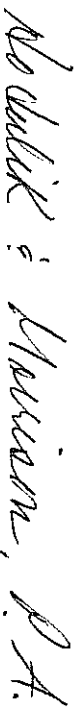
Internal Control Over Compliance

Management of the Township of Piscataway is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the Township of Piscataway's internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance 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 state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented or detected and corrected, on a timely basis.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Mayor and Township Council, management, the Division of Local Government Services and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.



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

Highland Park, New Jersey
February 16, 2011

SCHEDULES OF EXPENDITURES OF
STATE FINANCIAL ASSISTANCE

Township of Pisataway
County of Middlesex
Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2010

Cumulative Disbursements/ Cancelled Expenditures	State Funding		Department or Division
	Total	State Account Number	

8,380.00	8,380.00	1020-718-001-2008	Department of Law & Public Safety, Division of Highway Traffic Safety
6,390.85	5,200.00	1020-718-001-2008	Body Armor Replacement Fund
8,266.80	4,261.28	1020-718-001-2008	Body Armor Replacement Fund
4,213.22	2,697.61	1020-718-001-2008	Body Armor Replacement Fund
550.00	8,266.80	1160-100-057-2008	Drunk Driving Enforcement Fund
58,345.00	4,213.22	1160-100-057-2009	Drunk Driving Enforcement Fund
60,000.00	238.22	1160-100-057-2009	Drunk Driving Enforcement Fund
56,432.72	550.00	1160-100-057-2009	Drunk Driving Enforcement Fund
56,766.48	17,867.91	1020-100-232-2009	Safe and Secure Communities Program
5,423.88	58,345.00	1020-100-232-2009	Safe and Secure Communities Program
5,441.48	58,345.00	1020-718-001-2008	Clean Communities Grant
59,441.48	58,345.00	042-4900-765-008	Clean Communities Grant
56,432.72	76,267.09	042-4900-765-009	Clean Communities Grant
19,555.12	79,371.28	042-4900-765-009	Clean Communities Grant
19,555.12	19,687.50	N/A	Recycling Enhancement Grant
24,065.20	26,238.33	042-4900-752-001	Recycling Tonnage Grant
24,438.68	80,158.54	042-4900-752-001	Recycling Tonnage Grant
12,381.00	145,189.10	042-4900-752-001	Recycling Tonnage Grant
865.00	20,619.00	042-4850-100-118	Municipal Stormwater Grant
865.00	865.00	N/A	Department of State Library, Mini Grant Library
450.00	900.00	N/A	Department of State Library, Mini Grant Library
25,000.00	900.00	SFY 09	Department of State
25,000.00	25,000.00	SFY 10	Public Archives and Record Infrastructure Support (PARIS)
2,100,000.00	25,750.00	SFY 08	Public Archives and Record Infrastructure Support (PARIS)
600,000.00	2,100,000.00	SFY 10	Department of Environmental Protection
600,000.00	2,100,000.00	SFY 06	Green Acres Grant
2,100,000.00	2,100,000.00	SFY 08	Green Acres Grant
140.00	2,100,000.00	SFY 08	Department of Community Affairs
1,942.00	2,092.43	SFY 07	Domestic Violence
1,942.00	1,942.00	SFY 08	Department of Health and Senior Services
22,710.00	1,942.00	SFY 08	Alcohol Education and Rehab Funds
22,710.00	1,268.47	SFY 09	Alcohol Education and Rehab Funds
3,066.66	1,268.47	SFY 09	Alcohol Education and Rehab Funds
3,066.66	3,066.66	SFY 10	Alcohol Education and Rehab Funds
5,786.00	3,066.66	SFY 10	Public Health Priority Funding
23,630.00	22,710.00	SFY 08	Public Health Priority Funding
23,630.00	22,710.00	SFY 09	Public Health Priority Funding

Township of Piscataway
County of Middlesex
Schedule of Expenditures of State Financial Assistance
Year Ended June 30, 2010

Cumulative Disbursements/ Cancelled Expenditures	State Funding		Department or Division	State Account Number	Award	Grant Year	Cash	
	Total	Expenditures					Receipts	Expenditures
9,861.28	75,000.00		Department of Transportation: Smart Future Grant	N/A	200,000.00	SFY 05		
18,981.94			County Offices on Alcoholism, Drug Abuse and Addiction Services: Municipal Alliance Program	082-2000-100-044	55,733.75	SFY 10	40,702.31	
109,053.66			Economic Development Authority: Hazardous Discharge Grant	N/A	140,570.00	SFY 02		
6,177.81	9,000.00	1,266.25	Middlesex County Department of Human Services Division of Behavioral Health and Children Services Comprehensive Stationhouse Adjustment Program	N/A	21,000.00	SFY 08	3,986.25	2,850.00
74,717.60	100,000.00		Middlesex County: Open Space and Recreation Open Space and Recreation Bike Safety Grant	N/A	100,000.00	SFY 08		
\$3,034,593.81	\$3,376,726.67	\$2,299,397.14						

Footnotes:

Grant Award/Amount Reflects Current Year Awards

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

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

(1) Includes match of \$11,146.75

N/A - Not Available or Not Applicable

TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO SCHEDULE OF EXPENDITURES OF
STATE FINANCIAL ASSISTANCE
JUNE 30, 2010

NOTE 1: GENERAL

The accompanying schedules of financial assistance present the activity of all state financial assistance programs of the Township of Piscataway. The Township is defined in Note 1(A) to the financial statements.

NOTE 2: BASIS OF ACCOUNTING

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

NOTE 3: RELATIONSHIP TO GENERAL FINANCIAL STATEMENTS

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

NOTE 4: RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

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

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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

FEDERAL AWARDS PROGRAMS

None noted.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Finding 2009-01

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.

The audit for the state fiscal year ended June 30, 2010 has been filed within the required time frame in accordance with OMB Circular A-133.

CURRENT FUND

SCHEDULE OF CASH

GRANT FUND		CURRENT FUND	
1,549.80		\$ 12,081,798.61	
\$		\$	
1,682,890.71		161,179,796.40	
1,684,440.51		173,261,595.01	
Total Cash Receipts.....		Total Cash Disbursements.....	
1,178,651.19		155,055,936.74	
\$ 505,789.32		\$ 18,205,658.27	
Cash Balance June 30, 2009		Cash Balance June 30, 2010.....	
A		A	
Ref.		Ref.	
Increased by Cash Receipts		Decreased by Disbursements	
Collector		Refund of Prior Year Revenue	
Due from State of State of NJ - Ch. 20		SFY 2009 Appropriations	
Revenue Accounts Receivable		SFY 2008 Approp. Reserves	
Miscell. Revenue Not Anticipated		Various Payables	
A-8		Various Reserves	
A-8		A-10	
10,599,759.09		167,615.34	
549,344.87		1,271,830.11	
A-8		A-9	
A-6		A-10	
387,142.05		3,538,615.39	
A-5		A-11	
136,870,952.66		2,587,723.70	
A-5		A-12	
A-6		A-13	
4,798,673.07		21,214,595.48	
A-10		A-13	
A-11		A-13	
1,951,968.12		3,092,993.50	
A-11		A-13	
5,873,112.54		79,028,217.00	
A-12		A-14	
A-4		A-16	
A-15		A-17	
A-18		Federal and State Grants Returned	
Federal and State Grants Receivable		Federal and State Grants Appropriated	
Prepaid Grant Expenditures		Local School District Tax	
A-4		Fire District Tax	
A-12		County Tax	
A-11		Interfunds Payable	
A-10		Interfunds Receivable	
A-10		Various Reserves	
A-8		Various Payables	
A-8		SFY 2008 Approp. Reserves	
A-6		SFY 2009 Appropriations	
A-5		Refund of Prior Year Revenue	
A-5		A-1	
A-6		A-3	
A-8		A-9	
A-10		A-10	
A-10		A-10	
A-11		A-11	
A-11		A-11	
A-12		A-12	
A-12		A-12	
A-15		A-13	
A-18		A-14	
Federal and State Grants Unappropriated		A-17	
Federal and State Grants Unappropriated		A-17	

SCHEDULE OF COLLECTORS CASH
CURRENT FUND

Ref.

Increased by Receipts:

Interest and Cost on Taxes	A-2	446,056.16
Taxes Receivable - Current Year	A-7	133,424,813.20
Taxes Receivable - Delinquent	A-7	2,235,671.34
Taxes Receivable - Arrears	A-7	131,170.12
Taxes Receivable -Prepaid Taxes	A-7	568,939.61
Tax Title Liens Receivable	A-7	3,541.11
Tax Overpayment	A-14	<u>60,761.12</u>
		<u>\$ 136,870,952.66</u>

Decreased by:

Deposited to Treasurer	A-4	<u>\$ 136,870,952.66</u>
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SCHEDULE OF DUE FROM STATE OF NEW JERSEY -
FOR ALLOWABLE DEDUCTIONS PER CHAPTER 20, P.L. 1976
CURRENT FUND

	<u>REF.</u>	
Balance - June 30, 2009	A	\$ 171,193.17
Increased by:		
Allowable Deductions per		
Tax Billings	A- 6	369,750.00
2009 Sr. Citizens and Vet.		
Ded. Allowed by Collector	A- 1	<u>3,500.00</u>
		<u>373,250.00</u>
Decreased by:		
Collected	A- 4	387,142.05
2010 Sr. Citizens and Vet.		
Ded. Disallowed by Collector	A- 6	<u>2,394.14</u>
		<u>389,536.19</u>
Balance - June 30, 2010	A	<u>\$ 154,906.98</u>
Analysis of Sr. Citizens & Veterans		
<u>Deductions Allowed - 2010 Taxes</u>		
Per Tax Billings	A- 6	\$ 369,750.00
Allowed (Disallowed) by Tax Collector (Net)	A- 6	<u>(2,394.14)</u>
	A- 7	<u>\$ 367,355.86</u>

CURRENT FUND
SCHEDULE OF PROPERTY TAXES RECEIVABLE AND LEVY ANALYSIS

Property Acquired	SFY 08, 07, and 06	SFY 09	SFY 10	TY 10	Total	Ref.
Property Acquired for Taxes	361,106.45	1,717,640.91	(581,832.83)	4,220,984.65	2,592,900.00	Ref.
						Balance 6/30/09
						Billings / Levy:
						A-7
						Original Levy
						A-7
						134,183,590.39
						Added & Omitted
						A-7
						3,386,829.21
						Added Taxes
						1,884,671.38
						Cancelled Taxes
						(2,597,825.03)
						Transfers
						Tax Lien
						Tax Sale and Adjustments
						2,053.19
						Revenue
						Sr.Citizens & Vets
						Original Levy
						A-6
						(369,750.00)
						Allowed/Disallowed
						A-6
						2,394.14
						Cash Receipts
						A-5
						(136,364,135.38)
						Prepaid Applied
						A-7
						-
						Tax Overpayments
						A-14
						(211,094.06)
						Balance 6/30/10
						Ref.
						Analysis of SFY 2010 Property Tax Levy:
						Tax Yield:
						General Purpose Tax
						Added Taxes
						Tax Yield:
						Local School District Tax
						County Tax
						County Open Space
						Due County - Added & Omitted
						Special District Taxes
						Local Tax for Municipal Purposes
						Additional Tax Levied
						A-2
						137,570,419.60
						Delinquent Taxes Realized:
						SFY 09 Collections
						SFY 09 Collections
						Arrears Collections
						A-1, A-2
						2,235,671.34
						131,170.12
						\$ 2,370,382.57
						Current
						A, A-7
						1,677,846.80
						Delinquent
						A
						28,378.44
						Arrears
						A
						407,532.86
						Taxes
						Liens
						A
						47,914.33
						Tax Sale and Adjustments
						2,053.19
						Revenue
						Sr.Citizens & Vets
						Original Levy
						A-6
						(369,750.00)
						Allowed/Disallowed
						A-6
						2,394.14
						Cash Receipts
						A-5
						(136,364,135.38)
						Prepaid Applied
						A-7
						-
						Tax Overpayments
						A-14
						(211,094.06)
						Balance 6/30/10
						Ref.
						Analysis of SFY 2010 Property Tax Levy:
						Tax Yield:
						General Purpose Tax
						Added Taxes
						Tax Yield:
						Local School District Tax
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						County Open Space
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						Delinquent
						A
						28,378.44
						Arrears
						A
						407,532.86
						Taxes
						Liens
						A
						47,914.33
						Tax Sale and Adjustments
						2,053.19
						Revenue
						Sr.Citizens & Vets
						Original Levy
						A-6
						(369,750.00)
						Allowed/Disallowed
						A-6
						2,394.14
						Cash Receipts
						A-5
						(136,364,135.38)
						Prepaid Applied
						A-7
						-
						Tax Overpayments
						A-14
						(211,094.06)
						Balance 6/30/10
						Ref.
						Analysis of SFY 2010 Property Tax Levy:
						Tax Yield:
						General Purpose Tax
						Added Taxes
						Tax Yield:
						Local School District Tax
						County Tax
						County Open Space
						Due County - Added & Omitted
						Special District Taxes
						Local Tax for Municipal Purposes
						Additional Tax Levied
						A-2
						137,570,419.60
						Delinquent Taxes Realized:
						SFY 09 Collections
						SFY 09 Collections
						Arrears Collections
						A-1, A-2
						2,235,671.34
						131,170.12
						\$ 2,370,382.57
						Current
						A, A-7
						1,677,846.80
						Delinquent
						A
						28,378.44
						Arrears
						A
						407,532.86
						Taxes
						Liens
						A
						47,914.33
						Tax Sale and Adjustments
						2,053.19
						Revenue
						Sr.Citizens & Vets
						Original Levy
						A-6
						(369,750.00)
						Allowed/Disallowed
						A-6
						2,394.14
						Cash Receipts
						A-5
						(136,364,135.38)
						Prepaid Applied
						A-7
						-
						Tax Overpayments
						A-14
						(211,094.06)
						Balance 6/30/10
						Ref.
						Analysis of SFY 2010 Property Tax Levy:
						Tax Yield:
						General Purpose Tax
						Added Taxes
						Tax Yield:
						Local School District Tax
						County Tax
						County Open Space
						Due County - Added & Omitted
						Special District Taxes
						Local Tax for Municipal Purposes
						Additional Tax Levied
						A-2
						137,570,419.60
						Delinquent Taxes Realized:
						SFY 09 Collections
						SFY 09 Collections
						Arrears Collections
						A-1, A-2
						2,235,671.34
						131,170.12
						\$ 2,370,382.57
						Current
						A, A-7
						1,677,846.80
						Delinquent
						A
						28,378.44
						Arrears
						A
						407,532.86
						Taxes
						Liens
						A
						47,914.33
						Tax Sale and Adjustments
						2,053.19
						Revenue
						Sr.Citizens & Vets
						Original Levy
						A-6
						(369,750.00)
						Allowed/Disallowed
						A-6
						2,394.14
						Cash Receipts

SCHEDULE OF NONBUDGET REVENUES & VARIOUS ACCOUNTS RECEIVABLES

	June 30, 2009	Accrued/ Adjustments	Cash Receipts	June 30, 2010
Revenue Accounts Receivable:				
Licenses - Other		\$ 100,991.00	\$ (100,991.00)	\$ -
Alcoholic Beverage License		62,850.00	(62,850.00)	-
Fees and Permits		381,796.67	(381,796.67)	-
Fines and Costs - Municipal Court	\$ 84,491.75	996,115.29	(992,496.95)	88,110.09
Construction Code Fees		989,242.00	(989,242.00)	-
Interest on Investments and Deposits		195,967.63	(195,967.63)	-
Hotel and Motel Tax		255,653.44	(255,653.44)	-
Library Fines	3,000.00	36,000.00	(36,000.00)	3,000.00
State Aid		7,364,650.00	(7,364,650.00)	-
Cable TV Franchise Fees		140,348.41	(140,348.41)	-
Uniform Fire Safety Act		79,762.99	(79,762.99)	-
A-2	<u>87,491.75</u>	<u>10,603,377.43</u>	<u>(10,599,759.09)</u>	<u>91,110.09</u>
Non - Budget Revenue:				
Administrative Fees Outside Jobs		200,676.88	(200,676.88)	-
Bid Specifications		3,725.00	(3,725.00)	-
Budget Refunds		178,230.34	(178,230.34)	-
Cost of Tax Sale		5,289.39	(5,289.39)	-
Delinquent Fees		665.00	(665.00)	-
DMV Inspection Fees		21,627.00	(21,627.00)	-
Fire Penalty		2,084.00	(2,084.00)	-
Fire Report		90.00	(90.00)	-
Flu Shots		1,484.00	(1,484.00)	-
Hotel Reimbursements		999.00	(999.00)	-
In Lieu of Taxes		8,500.00	(8,500.00)	-
MCUA Recycling Rebate		13,562.10	(13,562.10)	-
Miscellaneous		30,823.57	(30,823.57)	-
Miscellaneous Refunds		15,180.38	(15,180.38)	-
Photo Copies		25,112.85	(25,112.85)	-
Prior Year Outstanding Checks Canceled		20.00	(20.00)	-
Recycling Bins		803.47	(803.47)	-
Returned Check Fees		1,158.52	(1,158.52)	-
Sale of Recyclables		145.91	(145.91)	-
Scrap Metal		23,174.62	(23,174.62)	-
Senior Citizen/Veterans Administration Fees		7,742.84	(7,742.84)	-
Tax Search		10.00	(10.00)	-
Violations - Code		8,240.00	(8,240.00)	-
A-1, A-2	<u>-</u>	<u>549,344.87</u>	<u>(549,344.87)</u>	<u>-</u>
Total	<u>\$ 87,491.75</u>	<u>\$ 11,152,722.30</u>	<u>\$ (11,149,103.96)</u>	<u>\$ 91,110.09</u>

Analysis of Miscellaneous Revenues:
 Account Receivable Collections
 Subtotal
 Non-Budget Revenue

Ref	A	Reserve	A
A-4			\$ 10,599,759.09
			10,599,759.09
A-4			549,344.87
			<u>\$ 11,149,103.96</u>

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2009
FOR THE YEAR ENDED JUNE 30, 2010

	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS"			
General Government			
Township Council	1,082.71	-	1,082.71
Other Expenses			
Township Clerk	1,245.03	-	1,245.03
Salaries and Wages	1,358.36	989.69	433.93
Other Expenses			
Elections	4,118.99	17,418.20	4,700.79
Other Expenses			
Administration			
Department of Administration	141.52	141.52	-
Salaries and Wages	16,260.56	21,087.17	4,324.65
Other Expenses			
Division of Personnel	649.44	-	-
Salaries and Wages	11,544.52	11,848.52	11,582.52
Other Expenses			
Computer Center	54,692.56	101,449.14	130,961.11
Other Expenses			
Division of Purchasing	155.32	-	-
Salaries and Wages	696.98	6,384.25	6,384.25
Other Expenses:			
Postage (All Departments)	3,911.76	7,256.36	7,256.36
Duplicating (All Departments)	16.08	4,769.82	2,164.31
Miscellaneous Other Expenses			
Municipal Land Use (N.J.S.A. 40:55 D-1):			
Planning Board	43.48	-	-
Salaries and Wages	7,942.00	16,367.00	10,890.28
Other Expenses			
Zoning Board	6,536.68	16,440.43	12,415.43
Other Expenses			

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2009
FOR THE YEAR ENDED JUNE 30, 2010

	BALANCE JUNE 30, 2009	ENCUMBERED JUNE 30, 2009	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)	171.79	6,177.76	7,706.90	5,116.59	2,590.31
Cable TV Studio					
Salaries and Wages					
Other Expenses					
Finance and Revenue	86.69	65,000.00	7,765.90	7,500.00	265.90
Department of Finance					
Salaries and Wages					
Other Expenses					
Annual Audit					
Division of Assessment					
Salaries and Wages	7,101.83	32,846.47	44,133.02	11,315.02	32,818.00
Other Expenses					
Division of Revenue					
Salaries and Wages	78.65	1,398.00	4,678.40	1,398.00	3,280.40
Other Expenses					
Insurance	42,365.51	178,393.80	180,915.40	1,289.12	42,365.51
Liability Insurance					
Employee Group Insurance					
Municipal Court	11,907.68	7,567.77	907.68	907.68	-
Salaries and Wages					
Other Expenses					
Law	32,916.26	484.23	33,400.49	30,524.36	2,876.13
Department of Law					
Other Expenses					
Public Safety					
Uniform Fire Safety Act					
Salaries and Wages	3,608.84	2,949.93	2,986.85	2,884.95	101.90
Other Expenses					
Animal Control					
Other Expense	1,755.00		1,755.00	-	1,755.00

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2009
FOR THE YEAR ENDED JUNE 30, 2010

	BALANCE AFTER MODIFICATION	BALANCE AFTER MODIFICATION	ENCUMBERED JUNE 30, 2009	BALANCE JUNE 30, 2009	ENCUMBERED JUNE 30, 2009	BALANCE JUNE 30, 2009
Operations Within "CAPS" (Cont'd)						
Division of Schools Crossing Guards	-	-	1,207.23	8,871.55	66.00	1,141.23
Salaries and Wages	-	-	-	8,871.55	-	-
Other Expenses	66.00	66.00	1,207.23	141.23	66.00	1,141.23
Division of Police						
Salaries and Wages	4,352.71	4,352.71	4,352.71	19,944.63	4,352.71	-
Other Expenses	-	-	-	19,944.63	-	-
First Aid Organization - Contribution	86,501.40	136,621.42	13,527.90	74,848.70	13,527.90	50,120.02
Division of Emergency Management Services	-	-	-	400.00	-	-
Salaries and Wages	-	-	-	400.00	-	-
Other Expenses	200.00	11,851.80	11,851.80	11,651.80	200.00	11,651.80
Public Works						
Department of Public Works						
Salaries and Wages	1,175.08	1,175.08	1,175.08	1,175.08	1,175.08	-
Other Expenses	1,175.08	1,175.08	1,175.08	1,175.08	1,175.08	11,416.84
Division of Engineering						
Salaries and Wages	-	-	-	5.30	-	-
Other Expenses	1,182.83	15,278.48	15,278.48	13,511.08	1,182.83	14,095.65
Division of Community Development and Planning						
Salaries and Wages	-	-	-	494.50	-	-
Other Expenses	7,915.00	23,227.21	23,227.21	17,920.61	7,915.00	15,312.21
Public Buildings and Grounds						
Salaries and Wages	3,746.34	3,746.34	3,746.34	8,962.98	3,746.34	-
Other Expenses	21,861.20	42,073.62	42,073.62	164.10	21,861.20	20,212.42
Division of Property Maintenance						
Salaries and Wages	5,764.81	5,764.81	5,764.81	5,764.81	5,764.81	-
Other Expenses	12,879.08	167,929.27	167,929.27	64,502.19	12,879.08	155,050.19
Division of Streets						
Salaries and Wages	4,597.05	4,597.05	4,597.05	4,597.05	4,597.05	-
Other Expenses	1,810.25	52,452.16	52,452.16	47,731.09	1,810.25	50,641.91
Snow Removal						
Other Expenses	61,787.94	61,787.94	61,787.94	84,976.88	61,787.94	263,149.93
All Utilities						
Division of Parks						
Salaries and Wages	14,555.64	14,555.64	14,555.64	24,541.94	14,555.64	-
Other Expenses	48,577.07	85,603.10	85,603.10	34,232.54	48,577.07	37,026.03

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2009
FOR THE YEAR ENDED JUNE 30, 2010

	BALANCE JUNE 30, 2009	ENCUMBERED JUNE 30, 2009	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)					
Shade Trees	900.00		900.00	900.00	-
Other Expenses					
Division of Sanitation - Sewer System	2,135.60	24,519.25	26,654.85	24,082.65	2,572.20
Solid Waste Collection	26,041.80	13,774.52	13,774.52	13,774.52	-
Salaries and Wages	10,029.04	10,029.04	10,029.04	265.88	9,763.16
Other Expenses	38,247.36	43,069.87	43,069.87	75.00	42,994.87
Municipal Services Act	27,000.00	27,000.00	27,000.00	24,893.06	2,106.94
Health and Welfare					
Department of Health					
Salaries and Wages	4,395.45		-	-	-
Other Expenses	5,742.66	8,188.92	13,931.58	1,110.92	12,820.66
Division of Public Assistance	2,297.54	2,297.54	2,297.54	192.10	2,105.44
Salaries and Wages	1,800.00	1,800.00	1,800.00	-	1,800.00
Other Expenses	121,098.32	15,616.35	5,618.06	5,618.06	-
Office on Aging	7,226.44	22,842.79	22,842.79	9,941.00	12,901.79
Other Expenses	450.00	450.00	450.00	-	450.00
Aid to American Cancer Society	450.00	450.00	450.00	-	450.00
Aid to Heart Fund	6,750.00	6,750.00	6,750.00	-	6,750.00
Kiddie Keep Well - Contribution					
Recreation and Education					
Department of Recreation					
Salaries and Wages	87,415.01	24,196.96	5,580.15	5,580.15	-
Other Expenses	50,314.97	74,511.93	74,511.93	5,833.52	68,678.41
Youth Center	800.00	2,044.90	2,844.90	26.25	2,818.65
Other Expenses					

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2009
FOR THE YEAR ENDED JUNE 30, 2010

Operations Within "CAPS" (Cont'd) Uniform Construction Code	BALANCE JUNE 30, 2009	ENCUMBERED JUNE 30, 2009	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Accumulated Leave Compensation	-	345,471.06	345,471.06	345,471.06	-
Division of Inspections	44,030.96	-	-	-	-
Salaries and Wages	5,631.96	130.52	5,762.48	676.36	5,086.12
Other Expenses	13,717.81	952.00	14,669.81	36.40	14,633.41
Boards and Commissions	1,143,032.86	1,248,305.83	2,416,338.69	1,095,950.45	1,320,388.24
Other Expenses	1,143,032.86	1,248,305.83	2,416,338.69	1,095,950.45	1,320,388.24
Total Operations Within "CAPS"	1,143,032.86	1,248,305.83	2,416,338.69	1,095,950.45	1,320,388.24
Total Operation Including Contingent	1,143,032.86	1,248,305.83	2,416,338.69	1,095,950.45	1,320,388.24
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
STATUTORY EXPENDITURES: Contribution to: Social Security System	70,041.98	45,041.98	3,797.90	-	45,041.98
Defined Contribution Retirement Program	3,797.90	3,797.90	3,797.90	199.22	3,598.68
Total Deferred Charges and Statutory Expenditures Within "CAPS"	73,839.88	-	48,839.88	199.22	48,640.66
Total General Appropriations Within "CAPS"	1,216,872.74	1,248,305.83	2,465,178.57	1,096,149.67	1,369,028.90

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - SFY 2009
FOR THE YEAR ENDED JUNE 30, 2010

	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
	ENCUMBERED JUNE 30, 2009		
OPERATIONS EXCLUDED FROM "CAPS"			
Maintenance of Free Public Library	102,153.96	97,403.64	120,078.91
9-1-1 Emergency Telecommunications Services			
Salaries and Wages	36,346.17	11,031.01	25,315.16
Other Expenses			
NJDES - Storm Water	73,651.34	1,206.50	76,370.05
Other Expenses			
MCI/A Recycling Program	24,181.66	18,795.81	40,818.57
MCI/A Solid Waste Agreement	89,751.10	56,021.38	33,729.72
Edison Animal Control Contract	20,000.00	25,435.07	80,208.04
Middlesex County Nursing Services	15,610.56	17,235.24	17,113.92
UMDNJ Agreements	18,115.80	-	18,115.80
Public and Private Programs Offset by Revenues	70,000.00	70,000.00	70,000.00
Matching Fund for Grants			
Total Operations - Excluded from "CAPS"	373,234.12	217,254.73	484,370.17
Capital Improvements - Excluded from "CAPS"			
Land Acquisition	188,000.00	200,000.00	184,920.00
4-Wheel Vehicles for Code Enforcement	90,000.00	90,000.00	90,000.00
Total Capital Improvements - Excluded from Caps	278,000.00	290,000.00	274,920.00
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	651,234.12	991,624.90	759,290.17
Total General Appropriations	\$ 1,868,106.86	\$ 3,456,803.47	\$ 2,128,319.07
REF	A	A	A-1
A-4			
Cash Disbursed			
Transfer to Accounts Payable			
A-10			
		\$ 1,271,830.11	\$ 56,654.29
		\$ 1,328,484.40	\$ 1,328,484.40

CURRENT FUND
SCHEDULE OF CHANGES IN VARIOUS ACCOUNTS PAYABLES & RESERVES

	June 30, 2009	Transfer from/(to) Budget	Cash Receipts	Cash Disbursements	Adjustments	June 30, 2010
Accounts Payable:	211,055.94		\$	(68,258.34)	\$ 41,047.89	183,845.49
Vendor Accounts Payable.....	88,349.00		148,844.00	(99,357.00)		137,836.00
State of New Jersey 3rd Party Fees	299,404.94	-	148,844.00	(167,615.34)	41,047.89	321,681.49
Subtotal	7,084.73		86,192.82	(142,441.91)		7,084.73
Reserve for:						
Demolition	56,249.09					-
Equipment Others	1,012.98					1,012.98
Fire Districts	61,431.00		46,785.00	(61,431.00)		46,785.00
Library State Aid	75,706.02	(14,000.00)	539,620.98	(523,605.81)		91,721.19
Liens Redemption	23,547.00		23,269.00			32,816.00
PCTV	1,300.00		1,950.00	(3,250.00)		-
Police Equipment	100,771.74		72,833.74			173,605.48
Sale of Municipal Assets	635,628.69		3,781,657.67	(1,625,168.66)	(1,000,000.00)	1,769,527.21
Snow Reimbursement	613,038.20		246,363.86	(217,506.50)		215,367.71
Tax Appeals Pending	186,510.35			(329,582.82)		-
Third Party Inspections	329,582.82					-
Unfunded Severance Liability	2,091,862.62	(14,000.00)	4,798,673.07	(3,538,615.39)	(1,000,000.00)	2,337,920.30
Subtotal	2,391,267.56	(14,000.00)	4,947,517.07	(3,706,230.73)	(958,952.11)	2,659,601.79
Accounts Payable Cancelled	A-1					\$ (15,606.40)
Reserve for Tax Appeals Cancelled	A-1					(1,000,000.00)
Appropriation Reserves	A-9					56,654.29
Total.....	\$	(14,000.00)	\$	(958,952.11)	\$	\$ (958,952.11)

CURRENT FUND
STATEMENT OF INTERFUNDS RECEIVABLE

	June 30, 2009	Cash Receipts	Cash Disbursements	Budget Revenues	June 30, 2010
Interfunds					
Due from General Capital Fund.....	-	(1,854,290.71)	2,587,723.70	\$ 668,464.32	1,401,897.31
Due from Grant Fund	97,677.41	(97,677.41)			-
Total.....	\$ 97,677.41	\$ (1,951,968.12)	\$ 2,587,723.70	\$ 668,464.32	\$ 1,401,897.31
<u>Ref.</u>	A	A-4	A-4	A-2	A

CURRENT FUND
STATEMENT OF INTERFUNDS PAYABLE

June 30, 2009	Cash Receipts	Cash Disbursements	Budget Revenues	Budget Appropriations	June 30, 2010
Interfunds					
Due from/(to) Other Trust Fund.....	\$ -	\$ (3,686,301.57)	1,762,993.25		(1,923,308.32)
Sewer Operating Fund.....	-	(2,012,668.73)	544,097.31		(1,468,571.42)
Due (to)/from Grant Fund		(174,142.24)	3,787,133.56	(3,803,280.31)	(190,288.99)
Total.....	\$ -	\$ (5,873,112.54)	2,307,090.56	\$ (3,803,280.31)	\$ (3,582,168.73)
Ref.	A	A-4	A-2	A-3,A-10	A

CURRENT FUND
SCHEDULE OF TAXES PAYABLE

	June 30, 2009	Taxes Levied	Cash Disbursements	June 30, 2010
County - General.....	-	\$ 18,354,354.12	\$ (18,354,354.12)	-
County - Open Space.....	-	2,045,801.30	(2,045,801.30)	-
County - Added & Omitted.....	-	814,440.06	(814,440.06)	-
Local School District Taxes.....	-	79,028,217.00	(79,028,217.00)	-
Fire District Taxes.....	-	3,092,993.50	(3,092,993.50)	-
Total.....	-	\$ 103,335,805.98	\$ (103,335,805.98)	-

<u>Ref.</u>	A	A-1,A-7	A-4	A
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CURRENT FUND
SCHEDULE OF PROPERTY TAX OVERPAYMENTS

	<u>Ref.</u>	
Total		
Balance - 06/30/2009.....	A	\$ 981,300.07
Applied to Taxes Receivable.....	A-7	(211,094.06)
Cash Receipts.....	A-5	60,761.12
Cash Payments - Refunds.....	A-4	<u>(770,206.01)</u>
Balance - 06/30/2010.....	A	<u><u>\$ 60,761.12</u></u>

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE

GRANT FUND

BUDGET YEAR	GRANTS	BALANCE JUNE 30, 2009	BUDGET REVENUE REALIZED	COLLECTED	CANCELLED	BALANCE JUNE 30, 2010
SFY 2002	Hazardous Discharge Grant	\$ 80,974.65	\$	\$	\$	80,974.65
SFY 2004	DCA Smart Growth	60,000.00	51,472.50	51,472.50	60,000.00	60,000.00
	Middlesex County Business District Improvements	51,472.50	28,038.50	28,038.50	-	-
	NJDOT - Metlars House Project	28,038.50	123,416.50	123,416.50	-	2,253.50
	NJDOT - Metlars House Project	125,670.00	140.00	140.00	-	-
SFY 2005	Domestic Violence Program	140.00	20.11	20.11	-	-
SFY 2007	Child Safety & Child Booster Seat Incentive	20.11	10,310.00	10,310.00	-	10,310.00
SFY 2008	Municipal Stormwater Grant	10,310.00	6,322.00	200.00	6,322.00	-
	Aggressive Driver Enforcement Grant	6,322.00	6,748.44	1,266.25	200.00	5,482.19
	Comprehensive Stationhouse Adjustment Program (COMSHAP)	200.00	20,000.00	2,709.91	20,000.00	2,709.91
	Click It or Ticket	200.00	62,500.00	15.50	62,500.00	-
SFY 2009	Pedestrian Safety Grant	15.50	5.72	5.72	0.00	0.00
	Alcohol Education Rehabilitation Fund	5.72	3,200.00	3,200.00	3,200.00	3,200.00
	COPS in Shop Grant	3,200.00	200.00	200.00	-	125,000.00
	Drunk Driving - Over the Limit, Under Arrest	200.00	30,000.00	375,000.00	200.00	30,000.00
	NJ DOT - William Street	500,000.00	11,815.00	5,907.50	5,907.50	-
	NJ DOT - Operation Safe Children and Roadways	30,000.00	58,345.00	58,345.00	-	360.00
	Public Health Priority Funding	11,815.00	58,345.00	58,345.00	-	-
	Safe and Secure Communities Program	58,345.00	360.00	360.00	-	360.00
	Tobacco Age of Sale	360.00	-	-	-	-

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
GRANT FUND

BUDGET YEAR	GRANTS	BALANCE JUNE 30, 2009	BUDGET REVENUE REALIZED	COLLECTED	CANCELLED	BALANCE JUNE 30, 2010
SFY 2010	Alcohol Education Rehabilitation Fund		3,066.66	3,066.66		
	Body Armor Replacement Fund		2,697.61	2,697.61		
	Bullet Proof Vest		7,800.00	7,800.00		
	Clean Communities Program		79,371.28	79,371.28		
	Click It or Ticket		4,000.00	4,000.00		
	Cornshap		21,000.00			21,000.00
	COPS in Shop Grant		3,200.00			3,200.00
	Drunk Driving Enforcement Grant		17,867.91	17,867.91		
	Drunk Driving - Over the Limit, Under Arrest		11,000.00	5,800.00	200.00	5,000.00
	Edward Byrne Memorial Justice Assistance Grant		10,605.00	5,000.00		10,605.00
	FEMA - OEM - 2008		5,000.00	5,000.00		
	FEMA - OEM - 2009		5,000.00	5,000.00		
	Green Acres Grant - Open Space		2,100,000.00		2,100,000.00	
	Justice Assistance Grant: Program II Additional		11,535.00	900.00		11,535.00
	Middlesex County Cultural and Heritage Library		900.00			
	Multi-jurisdictional Gang, Gun & Narcotics Task Force Program		12,000.00	12,000.00		
	Municipal Alliance on Alcoholism and Drug Abuse		44,587.00			44,587.00
	NJ DOT - Haines Avenue		640,200.00	640,200.00		
	PARIS Grant		25,750.00	25,750.00		
	Recycling Tonnage Grant		145,189.10	145,189.10		
	Safe and Secure Communities Program		60,000.00			60,000.00
	USDOE - Energy Efficiency & Conversation Block Grant		528,800.00	30,409.01		498,390.99
	Justice Assistance Grant		47,564.00			47,564.00
		\$ 1,059,047.33	\$ 3,787,133.56	\$ 1,628,663.65	\$ 2,112,845.00	\$ 1,104,672.24
		A	A-16	A-4	A-16	A

GRANT FUND
STATEMENT OF INTERFUNDS RECEIVABLE/PAYABLE

	June 30, 2009	Budget Revenues	Budget Appropriations	Adjustments	June 30, 2010
Interfunds					
Other Trust Fund					
Current Fund Due (to)/from	\$ (97,677.41)	\$ (3,787,133.56)	\$ 3,803,280.31	271,819.65	190,288.99
Total.....	\$ (97,677.41)	\$ (3,787,133.56)	\$ 3,803,280.31	272,097.15	\$ 190,566.49
Ref	A	A-15	A-17		A
Cash Disbursements	A-4			(272,097.15)	
Grants Receivable Cancelled	A-15			2,112,845.00	
Grants Appropriated Cancelled	A-17			(2,112,845.00)	
				<u>\$ (272,097.15)</u>	

SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED
GRANT FUND

BUDGET YEAR/PROGRAM	BALANCE JUNE 30, 2009	ENC JUNE 30 2009	TOTAL TRANSFERRED FROM FY 2010 BUDGET	PAID OR CHARGED	TRANSFER/ CANCELED	JUNE 30 2010 ENC	BALANCE JUNE 30 2010
SFY 2002							
Hazardous Discharge Grant	\$ 31,516.34	\$	\$	\$	\$	\$	\$ 31,516.34
SFY 2003							
History Grant	2,997.19						2,997.19
SFY 2004							
NJDOT: Mellars House Project	25,173.00	43,887.10	17,908.60	43,887.10			7,264.40
Urban Forestry Grant	4,112.50						
SFY 2005							
Multi Jurisdictional Task Force	1,901.00		1,901.00				
SFY 2007							
Clean Communities Grant	5,423.88		5,423.88				
Click It or Ticket Grant	200.00						
Domestic Violence Training Program	2,092.43				200.00		2,092.43
Durham Park Bike Path	20,000.00						20,000.00
Federal Emergency Management Assistance	1,445.75				4,173.43		1,445.75
Multi Jurisdictional Task Force	9,584.98		5,411.55				8,238.00
Municipal Stormwater Grant	8,238.00						3,000.00
Municipal TDM Award	3,000.00						3,000.00
SFY 2008							
Aggressive Driver Enforcement Grant	6,322.00		6,322.00				
Alcohol Education Rehabilitation Fund	2,090.92		1,942.00				0.00
Body Armor Replenishment Fund	1,586.21				148.92		1,586.21
Clean Communities Program	28,848.21	15,175.00	21,968.33		19,379.88		0.00
Comprehensive Stationhouse Adjustment Program (COMSHAP)	6,808.44		3,986.25				172.19
Drunk Driving Enforcement Grant	4,261.28		4,261.28				
Justice Assistance Grant	994.33						11.69
Library Mini Grant							
Middlesex County Open Space & Recreation	25,282.40						25,282.40
Pedestrian/Bicycle Grant	15.50	9.00					9.00
Public Health Priority Funding	142.00		142.00				132.38
Recycling Enhancement Grant	132.38						
Public Archives and Records Infrastructure Support (PARIS)	23,956.00		15,220.49		8,735.51		
Recycling Tonnage Grant	6,843.91	976.92	5,647.70				274.31

SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED
GRANT FUND

BUDGET YEAR/PROGRAM	BALANCE JUNE 30, 2009	ENC JUNE 30 2009	TOTAL TRANSFERRED FROM FY 2010 BUDGET	PAID OR CHARGED	TRANSFERRED/ CANCELLED	ENC JUNE 30 2010	BALANCE JUNE 30 2010
SFY 2009	1,119,555	1,950,000	5,200,000	(148,922)	650,000	1,861,677	1,268,477
Alcohol Education Rehab Program							
Body Armor Replacement Grant	5,761,677					1,861,677	
Clean Communities Grant	76,267,098					90,502,225	
Drunk Driving Enforcement Fund	4,450,988		238,222		200,000	4,212,766	
Drunk Driving - Over the Limit, Under Arrest	200,000						
Library Mini Grant		590,000					
Multi-Jurisdictional Gang, Gun & Narcotic Task Force Program	3,960,922	6,977,880	590,000	(4,173,433)	1,600,000	13,512,115	30,000,000
NJ DOT - Safe Routes to School Program							
NJ DOT - William Street	500,000,000						500,000,000
Public Health Priority Funding	3,512,000	8,181,566	5,786,066		5,907,500		55,719,866
Recycling Tonnage Grant	66,406,544	13,752,000	24,438,688				
SFY 2010	3,066,666		3,066,666			3,066,666	
Alcohol Education Rehab Program							
Body Armor Replacement Grant	2,697,611					2,697,611	
Bullet Proof Vest	7,800,000					7,800,000	
Clean Communities Program	79,371,288		4,000,000			79,371,288	
Click It or Ticket		21,000,000	2,850,000			18,150,000	
COMSHAP (Comprehensive Stationhouse Adjustment Program)		3,200,000	3,200,000			17,317,911	
Drunk Driving Enforcement Grant		17,867,911	11,000,000		200,000	5,000,000	10,000,000
Drunk Driving - Over the Limit, Under Arrest		5,000,000	10,000,000			5,000,000	10,000,000
FEMA - OEM - 2008							
FEMA - OEM - 2009							
Green Acres Grant - Open Space		2,100,000,000	39,214,188		2,100,000,000	22,407,822	12,000,000
Justice Assistance Grant: Program II Additional		69,704,000	450,000			300,000	
Middlesex County Cultural and Heritage Library		900,000	12,000,000			15,016,944	
Multi-Jurisdictional Gang, Gun & Narcotics Task Force Program		12,000,000	55,733,756	40,702,311			
Municipal Alliance on Alcoholism and Drug Abuse							
NJ DOT - Haines Avenue		640,200,000	640,200,000				
PARIS Grant		25,750,000			(8,735,511)	34,485,511	
Recycling Tonnage Grant		145,189,100	60,000,000			145,189,100	
Safe and Secure Communities Program		60,000,000	60,000,000				
USDOE - Energy Efficiency & Conversation Block Grant		528,800,000	(19,590,099)			410,941,999	137,448,100
Ref:	\$ 914,647,440	\$ 91,499,388	\$ 3,803,280,311	\$ 906,554,944	\$ 2,112,845,000	\$ 478,676,777	\$ 1,311,350,338

12/8, 17

SCHEDULE OF STATE AND FEDERAL GRANTS
UNAPPROPRIATED
GRANT FUND

GRANT	BALANCE	RECEIVED IN	TRANSFERRED	BALANCE
	<u>JUNE 30, 2009</u>	<u>CASH</u>	TO SFY 2010 BUDGET AS <u>REVENUE</u>	<u>JUNE 30, 2010</u>
Multi-Jurisdictional Grant	\$	\$ 6,000.00	\$	\$ 6,000.00
American Library Association	\$	<u>5,000.00</u>		<u>5,000.00</u>
	\$	<u>11,000.00</u>	\$	<u>11,000.00</u>

Ref.

A

A-4

A

TRUST FUND

TRUST FUNDS
SCHEDULE OF CASH AND RESERVE ACTIVITY

	Balance June 30, 2009	Receipts	Cash Disbursements	Adjustments	Balance June 30, 2010
Animal Control:					
Due from Trust Fund.....			(207.80)		(207.80)
Due NJ - State License Fees.....	105.00	2,347.80	(2,343.60)		109.20
Animal Control Reserves.....	14,194.16	27,134.20	(19,333.08)		21,995.28
Total	14,299.16	29,482.00	(21,884.48)	-	21,896.68
Self Insurance Trust Fund					
Reserve for Self Insurance.....	509,612.37	277,957.12	(89,581.72)		697,987.77
Total	509,612.37	277,957.12	(89,581.72)	-	697,987.77
Other Trust Funds:					
State and Federal Grants Receivable.....	(233,793.72)	403,862.50	(1,923,308.32)	(372,904.00)	(202,835.22)
Due to Current Fund.....		277.50			(1,923,308.32)
Due to Grant Fund		207.80			277.50
Due to Animal Control Fund.....		15,379.62			207.80
Due to Sewer Utility Operating Fund		30,265.33			15,379.62
Payroll Liabilities.....	130,470.76		(489,190.40)		160,736.09
Prepaid Payroll Expenditures.....		350,008.53	(305,774.10)		(489,190.40)
Unemployment Trust Fund.....	10,442.03		(402,542.50)	372,904.00	54,676.46
Reserve for CDBG.....	197,750.14				168,111.64
Reserve for Affordable Housing	1,685,971.99	159,603.84	(1,400,617.02)		1,845,575.83
Miscellaneous Deposits.....	1,220,569.66	2,823,406.15	(32,749.32)		2,643,358.79
Recreation Trust	82,761.36	50,427.25			100,439.29
Schedule of Escrows	4,465,795.35	1,154,407.36	(1,305,034.92)		4,315,167.79
Total	7,559,967.57	4,987,845.88	(5,859,216.58)	-	6,688,596.87
Public Assistance Trust Fund:					
Reserve for Public Assistance.....	911.35				911.35
Total	911.35	-	-	-	911.35
Total	\$ 8,084,790.45	\$ 5,295,285.00	\$ (5,970,682.78)	\$ -	\$ 7,409,392.67

Ref.

Reserve for Animal Control
License Fees Collected:

Year	B
2008	\$ 11,148.40
2009	
	<u>\$ 11,148.40</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 June 30, 2009	Increases	Decreases	Balance June 30, 2010
1. CB Engineering & Inspections Fees (over \$5,000)	916,969.80	60,234.20	180,751.64	\$ 796,452.36
2. CB Engineering & Inspections Fees (under \$5,000)	112,380.12	43,287.08	4,913.32	150,753.88
3. Performance Bonds (over \$10,000)	221,771.75	1,000.00		222,771.75
4. CB Planning Board (over \$5,000)	193,129.39	89,791.00	62,113.64	220,806.75
5. CB Planning Board (under \$5,000)	365,054.96	89,111.87	89,618.95	364,547.88
6. CB Developers Interest	32,198.40	7,698.14		39,896.54
7. CB Performance (under \$5,000)	209,115.84	36,139.11	30,057.62	215,197.33
8. CB Developers	2,415,175.09	827,145.96	937,579.75	2,304,741.30
	<u>\$ 4,465,795.35</u>	<u>\$ 1,154,407.36</u>	<u>\$ 1,305,034.92</u>	<u>\$ 4,315,167.79</u>
Ref.	B	B-1	B-1	B

SCHEDULE OF MISCELLANEOUS DEPOSITS
TRUST - OTHER FUND

Purpose	Balance	Increases	Decreases	Balance
	June 30, 2009			June 30, 2010
1. DARE Program	\$ 1,380.84			1,380.84
2. Dep. For Redemp. Of Tax Sale Certif.	7,194.05			7,194.05
3. Donations: Emergency Management	3,911.24	2,200.00	779.00	5,332.24
4. Federal Forfeiture Funds	8,000.60	6.37		8,006.97
5. Forfeiture Funds	75,645.53	9,982.38	2,840.00	82,787.91
6. Future Improvement Deposits	212,296.52	14,490.00		226,786.52
7. Grading Bonds	11,000.00			11,000.00
8. Landscape Bonds	126,750.00	24,000.00	12,988.75	137,761.25
9. Local Seized Funds		1,579.19	1,407.29	171.90
10. Municipal Court - POAA	3,842.95	300.00		4,142.95
11. Prem. Received at Tax Sale	482,100.00	263,432.86	186,532.86	559,000.00
12. Public Defender Fees	25,461.37	24,801.50	12,749.94	37,512.93
13. Public Relations Beautification Fund	21,936.53	4,837.00	1,290.00	25,483.53
14. Recapture Fees- Sale of Afford. Hsg.		500.00		500.00
15. Reserve for Domestic Violence	500.00			500.00
16. Reserve for Police Off-Duty Pay	0.02	1,102,976.04	1,102,976.06	-
17. Reserve for Recycling Project	9,733.13			9,733.13
18. Senior Citizens Trips	40,211.88	64,940.00	63,476.12	41,675.76
19. Sick and Vacation Accrual		428,977.20		428,977.20
20. Snow Removal		707,716.61		707,716.61
21. Street Opening Bonds	189,565.00	172,667.00	15,577.00	346,655.00
22. Youth Center Donations	1,040.00			1,040.00
	<u>\$ 1,220,569.66</u>	<u>\$ 2,823,406.15</u>	<u>\$ 1,400,617.02</u>	<u>\$ 2,643,358.79</u>

Ref.

B

B-1

B-1

B

GENERAL CAPITAL FUND

SCHEDULE OF CASH AND INVESTMENTS - TREASURER
GENERAL CAPITAL FUND

	<u>REF.</u>	
Balance - June 30, 2009	C	\$ 5,350,416.08
Increased by Receipts:		
State and Federal Grant Receivable	C-4	2,867,500.00
Contributions - Off-Site Improvements	C-8	691,362.01
Due to Current Fund - Interest Earned	C-11	47,642.12
Due to Current Fund	C-11	<u>2,972,217.35</u>
		<u>6,578,721.48</u>
		11,929,137.56
Decreased by Disbursements:		
Improvement Authorizations	C-9	6,818,899.08
Due to Current Fund	C-11	4,905,345.53
Preliminary Expenses	C-12	196,750.00
Developer's Tree Contribution	C-13	<u>5,634.09</u>
		<u>11,926,628.70</u>
Balance - June 30, 2010	C	<u>\$ 2,508.86</u>

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	<u>REF.</u>	
Balance - June 30, 2009	C	\$ 50,924,000.00
Decreased by:		
2010 Budget Approp. to Pay Bonds	C-10	<u>4,290,000.00</u>
Balance - June 30, 2010	C	<u><u>\$ 46,634,000.00</u></u>

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

ORD. NUMBER	IMPROVEMENT DESCRIPTION	BALANCE JUNE 30,2009	SFY 2010 AUTHORIZATION	GRANTS RECEIVED	BALANCE JUNE 30,2010	EXPENDITURES	AUTHORIZATIONS
04-52	Various Capital Improvements	\$89,725.00			\$89,725.00	\$71,320.00	\$18,405.00
05-11	Various Capital Projects	213,470.00			213,470.00		213,470.00
05-41	Various Capital Improvements	995,975.00	600,000.00	600,000.00	395,975.00		395,975.00
06-04	Various Capital Improvements	50,500.00			50,500.00		50,500.00
06-26	William Street Improvements	204,000.00			204,000.00		204,000.00
06-36	Various Capital Improvements	3,806,500.00	167,500.00	167,500.00	3,639,000.00	99,062.49	3,539,937.51
06-48	Various Capital Improvements	547,000.00			547,000.00		547,000.00
07-02	Various Capital Improvements	275,000.00			275,000.00		275,000.00
07-33	Various Capital Improvements	2,115,000.00			2,115,000.00	828,459.78	1,286,540.22
09-04	Various Capital Improvements	3,853,200.00			3,853,200.00	2,905,045.24	948,154.76
09-40	Various Capital Improvements				3,756,050.00	442,566.22	3,313,483.78
10-01	Various Improvements	7,457,500.00	2,100,000.00	2,100,000.00	5,357,500.00	514,079.06	4,843,420.94
10-09	Tax Appeal Refunding	2,614,504.00			2,614,504.00	2,614,504.00	
		\$12,150,370.00	\$13,828,054.00	\$2,867,500.00	\$23,110,924.00	\$7,475,036.79	\$15,635,887.21
		C	C-9	C-4	C		

ANALYSIS OF BALANCE
 JUNE 30,2010

UNEXPENDED
 IMPROVEMENT
 AUTHORIZATIONS

SCHEDULE OF CAPITAL IMPROVEMENT FUND
GENERAL CAPITAL FUND

REF.

Increased by:		
SFY 2010 Budget Appropriation	C-12	\$ 41,000.00
Decreased by:		
Appropriation to Finance Improvement Authorizations	C- 9	<u>33,750.00</u>
Balance - June 30, 2010	C	<u>\$ 7,250.00</u>

Exhibit - C-8

SCHEDULE OF CONTRIBUTIONS - OFF-SITE IMPROVEMENTS

REF.

Balance - June 30, 2009	C	\$ 1,015,115.50
Increased by:		
Cash Receipts	C- 2	<u>691,362.01</u>
Decreased by:		
Improvement Authorizations	C- 9	717,500.00
Reserve for Preliminary Expenses	C-12	<u>20,000.00</u>
Balance - June 30, 2010	C	<u>\$ 968,977.51</u>

SCHEDULE OF GENERAL SERIAL BONDS
GENERAL CAPITAL FUND

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURETIES OF BONDS OUTSTANDING JUNE 30, 2010			INTEREST RATE	BALANCE JUNE 30, 2009	DECREASED	BALANCE JUNE 30, 2010
			AMOUNT	PERCENT	PERCENT				
General Improvements	04/01/98	\$ 6,165,000.00	04/01/11	\$540,000.00	4.500%	\$ 1,080,000.00	\$ 540,000.00	\$ 540,000.00	
General Improvement Bonds	10/15/01	5,765,000.00	10/15/10-11	425,000.00	4.000%	3,665,000.00	425,000.00	3,240,000.00	
General Improvement Bonds	02/01/02	7,520,000.00	02/01/11	500,000.00	4.125%	4,720,000.00	500,000.00	4,220,000.00	
General Improvement Bonds	03/01/04	9,659,000.00	03/01/11	700,000.00	3.250%	6,759,000.00	700,000.00	6,059,000.00	
General Improvement Bonds	11/01/07	15,500,000.00	11/01/10	900,000.00	5.000%	14,700,000.00	800,000.00	13,900,000.00	
General Improvement Bonds	03/15/09	17,710,000.00	03/15/11	1,000,000.00	3.000%	17,710,000.00	1,000,000.00	16,710,000.00	
Tax Appeals	03/15/09	2,290,000.00	03/15/11-14	325,000.00	3.000%	2,290,000.00	325,000.00	1,965,000.00	
				340,000.00	3.250%				
				325,000.00	3.250%				
				1,960,000.00	4.000%				
				1,900,000.00	4.000%				
				1,700,000.00	5.000%				
				1,700,000.00	4.000%				
				1,600,000.00	4.000%				
				1,500,000.00	3.250%				
				1,450,000.00	3.250%				
				1,400,000.00	3.000%				
				1,300,000.00	3.000%				
				1,200,000.00	3.000%				
				1,000,000.00	3.000%				
				1,600,000.00	3.750%				
				1,500,000.00	3.625%				
				1,500,000.00	3.500%				
				1,400,000.00	3.500%				
				1,300,000.00	3.750%				
				1,100,000.00	5.000%				
				900,000.00	5.000%				
				1,000,000.00	3.750%				
				959,000.00	3.625%				
				900,000.00	3.500%				
				900,000.00	3.375%				
				800,000.00	3.250%				
				700,000.00	3.250%				
				620,000.00	4.500%				
				700,000.00	4.400%				
				700,000.00	4.300%				
				600,000.00	4.250%				
				600,000.00	4.200%				
				500,000.00	4.200%				
				500,000.00	4.125%				
				390,000.00	4.500%				
				500,000.00	4.250%				
				500,000.00	4.125%				
				500,000.00	4.000%				
				425,000.00	4.000%				
				390,000.00	4.500%				
				340,000.00	3.250%				
				325,000.00	3.000%				
				325,000.00	3.250%				
				2,290,000.00	3.000%				
				325,000.00	3.250%				
				4,290,000.00					
				46,634,000.00					
				50,924,000.00					

SCHEDULE OF INTERFUNDS PAYABLE

	<u>REF.</u>	<u>Total</u>	<u>Due to Current Fund</u>	<u>Due to Grant Fund</u>
Increased by:				
Fund Balance	C-1	550,000.00	550,000.00	
Cash Received	C-2	2,972,217.35	2,787,217.35	185,000.00
Interest Earned	C-2	47,642.12	47,642.12	
Improvement Authorization	C-9	50,000.00		50,000.00
Improvement Authorization Cancelled	C-9	2,609,919.05	2,609,919.05	
Due from Grant Fund	C-11	235,000.00	235,000.00	
Reserve for Debt Service	C-15	118,464.32	118,464.32	
		<u>6,583,242.84</u>	<u>6,348,242.84</u>	<u>235,000.00</u>
Decreased by:				
Cash Disbursed	C-2	4,905,345.53	4,905,345.53	
Capital Improvement Fund	C-7	41,000.00	41,000.00	
Due to Current Fund	C-11	235,000.00		235,000.00
		<u>5,181,345.53</u>	<u>4,946,345.53</u>	<u>235,000.00</u>
Balance - June 30, 2010	C	<u>\$ 1,401,897.31</u>	<u>\$ 1,401,897.31</u>	<u>\$ -</u>

SCHEDULE OF PRELIMINARY EXPENSES
GENERAL CAPITAL FUND

	<u>REF.</u>
Balance June 30, 2009	C
\$ 670,656.90	
Increased by:	
Contributions - Off-Site Improvements	C- 8
<u>20,000.00</u>	
690,656.90	
Decreased by:	
Cash Disbursed	C- 2
<u>196,750.00</u>	
Balance June 30, 2010	C
<u>\$ 493,906.90</u>	

Exhibit - C-13

SCHEDULE OF RESERVES DEVELOPER'S TREE CONTRIBUTIONS

	<u>REF.</u>
Balance - June 30, 2009	C
\$ 6,743.08	
Decreased by:	
Cash Disbursed	C-2
<u>5,634.09</u>	
Balance - June 30, 2010	C
<u>\$ 1,108.99</u>	

SCHEDULE OF STELTON STREETSCAPE

	<u>REF.</u>	
Balance - June 30, 2009	C	\$ 20,250.00
Balance - June 30, 2010	C	<u>\$ 20,250.00</u>

Exhibit - C-15

SCHEDULE OF RESERVES FOR DEBT SERVICE

	<u>REF.</u>	
Balance - June 30, 2009	C	\$ 118,464.32
Decreased by: 2010 Budget Revenue	C-11	<u>\$ 118,464.32</u>

Exhibit - C-16

SCHEDULE OF RESERVES COMMUNITY CENTER

	<u>REF.</u>	
Balance - June 30, 2009	C	\$ 5,000.00
Balance - June 30, 2010	C	<u>\$ 5,000.00</u>

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

ORD. NO.	IMPROVEMENT DESCRIPTION	BALANCE JUNE 30, 2009	AUTHORIZATIONS 2010	GRANTS RECEIVED	BALANCE JUNE 30, 2010
04-52,05-40	Various Capital Improvements	\$ 89,725.00	\$	\$	\$ 89,725.00
05-11	Various Capital Improvements	213,470.00		600,000.00	213,470.00
05-41, 06-14	Various Capital Improvements	995,975.00			395,975.00
06-04	Various Capital Improvements	50,500.00			50,500.00
06-26	William Street Improvements	204,000.00			204,000.00
06-36	Various Capital Improvements	3,806,500.00		167,500.00	3,639,000.00
06-48	Various Capital Improvements	547,000.00			547,000.00
07-02	Various Capital Improvements	275,000.00			275,000.00
07-33	Various Capital Improvements	2,115,000.00			2,115,000.00
09-04	Various Capital Improvements	3,853,200.00			3,853,200.00
09-40	Various Capital Improvements				3,756,050.00
10-01	Various Improvements			2,100,000.00	5,357,500.00
10-09	Tax Appeal Refunding				2,614,504.00
		\$ 12,150,370.00	\$ 13,828,054.00	\$ 2,867,500.00	\$ 23,110,924.00

SEWER UTILITY FUND

SCHEDULE OF SEWER UTILITY CASH AND INVESTMENTS

TREASURER

REF.	OPERATING FUND	CAPITAL FUND
D	\$ 1,502,263.40	\$ 99,654.37
D-3	3,846.02	
D-3	50,000.00	
D-6	7,913,708.28	
D-19	644,891.10	
D-23	166,089.24	639,320.56
D-24		
	8,778,534.64	639,320.56
	10,280,798.04	738,974.93
D-4	5,176,529.91	
D-12	41,178.91	
D-13	137,531.26	
D-17		395,837.36
D-19	3,798,119.90	
D-22	15,379.62	
D-23	639,320.56	
D-24		166,089.24
	9,808,060.16	561,926.60
D	\$ 472,737.88	\$ 177,048.33

Balance - June 30, 2009

Increased by Receipts:

Interest on Investments

Miscellaneous Revenues

Collector

Due from Current Fund

Due to Sewer Capital Fund

Due from Sewer Operating Fund

Decreased by Disbursements:

SFY 2010 Budget

Appropriation Reserves

Accrued Interest

Improvement Authorizations

Due from Current Fund

Due from Payroll Fund

Due to Sewer Capital Fund

Due from Sewer Operating Fund

Balance - June 30, 2010

SCHEDULE OF CASH - COLLECTOR
SEWER UTILITY FUND

	<u>REF</u>	
Increased by:		
Sewer Service Charges	D- 8	\$ 7,180,384.84
Interest on Delinquent Accounts	D- 3	49,534.95
Miscellaneous Revenue	D- 3	420.00
Connection Fees	D- 3	465,090.00
Prepaid Sewer Charges	D-14	<u>218,278.49</u>
		\$ 7,913,708.28
Decreased by:		
Payments to Treasurer	D- 5	<u>\$ 7,913,708.28</u>

ANALYSIS OF SEWER UTILITY CAPITAL
CASH AND INVESTMENTS

	BALANCE JUNE 30, 2009	BALANCE JUNE 30, 2010
Fund Balance	\$ 80,113.41	\$ 80,113.41
Capital Improvement Fund	(287,231.32)	3,750.00
Due (from)/to Sewer Operating Fund	247,074.65	161,000.00
Reserve for Encumbrances	494,122.34	221,495.78
Improvement Authorizations Funded	2,740,325.29	405,056.25
Improvement Authorizations Unfunded	(3,174,750.00)	2,884,132.89
Bonds and Notes Authorized Not Issued		(3,578,500.00)
	<u>\$ 99,654.37</u>	<u>\$ 177,048.33</u>

Ref.

D

D

SCHEDULE OF SEWER CHARGES RECEIVABLE
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>	
Balance - June 30, 2009	D	\$ 912,154.23
Increased by:		
Sewer Charges Levied	Reserve	7,331,100.90
		8,243,255.13

Decreased by:		
Collection	D-3,D-6	7,180,384.84
Transfer to Liens	D-9	460.00
Prepays Applied	D-14	208,889.05
Overpayments Applied	D-15	1,995.00
		7,391,728.89

Balance - June 30, 2010	D	\$ <u>851,526.24</u>
-------------------------	---	----------------------

Exhibit - D-9

SCHEDULE OF SEWER LIENS RECEIVABLE
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>	
Increased by:		
Transferred from Sewer Charges Receivable	D-8	\$ 460.00
Balance - June 30, 2010	D	\$ <u>460.00</u>

SCHEDULE OF FIXED CAPITAL
SEWER UTILITY CAPITAL FUND

ORD NO.	BALANCE JUNE 30 <u>2009</u>	BALANCE JUNE 30 <u>2010</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	199,398.16	199,398.16
South Randolphville Road Area	-	-
76-63 &	106,853.00	106,853.00
81-33 Sanitary Sewer - Hillside Ave.	232,825.00	232,825.00
82-20 Sanitary Sewer - Sunset Lane & River	58,981.00	58,981.00
Road and Fisher and Ludlow Avenues	33,000.00	33,000.00
82-48 Public Works Equipment	227,656.22	227,656.22
84-43 Public Works Equipment	192,472.05	192,472.05
84-11 Ethel Road Sanitary Sewer	38,000.00	38,000.00
90-26 Public Works Equipment	600,000.00	600,000.00
94-17 Sewer Utility Equipment	400,000.00	400,000.00
89-25 & Gramercy Drive and River	495,000.00	495,000.00
89-52 Road Sanitary Sewer	-	-
03-40 Various Sewer Improvements	\$ 13,107,561.49	\$ 13,107,561.49
04-10 Various Sewer Projects	13,107,561.49	13,107,561.49

REF.

D

D

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
SEWER UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE JUNE 30, 2009	AUTHORIZED SFY 2010	BALANCE JUNE 30, 2010
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
				\$ 6,605,000.00	\$ 425,000.00	\$ 7,030,000.00

SCHEDULE OF SFY 2009 APPROPRIATION RESERVES
SEWER UTILITY OPERATING FUND

BALANCE JUNE 30, 2009		BALANCE AFTER TRANSFERS		PAID OR CHARGED		BALANCED LAPSED	
APPROPRIATION RESERVE FOR ENCUMBRANCES	RESERVES	BALANCE AFTER TRANSFERS	RESERVE FOR ENCUMBRANCES	PAID OR CHARGED	RESERVES	BALANCED LAPSED	RESERVE FOR ENCUMBRANCES
\$ 3,733.95	\$ 74,051.37	\$ 3,733.95	\$ 37,440.32	\$ 41,178.91	\$ 3,733.95	\$ 70,312.78	\$ 3,733.95
936.03	936.03	936.03	936.03		936.03		936.03
8,550.00	8,550.00	8,550.00	37,440.32	41,178.91	8,550.00	8,550.00	8,550.00
\$ 87,271.35	\$ 37,440.32	\$ 124,711.67	\$ 41,178.91	\$ 83,532.76	\$ 87,271.35	\$ 37,440.32	\$ 83,532.76

Operations:
Salaries and Wages
Other Expenses
Middlesex County Utilities Authority
Service Charges - Contractual
Deferred Charges and Statutory Expenditures:
Statutory Expenditures:
Social Security System (O.A.S.I.)
Total Operations

REF.

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

	<u>REF.</u>	
Balance - June 30, 2009	D	\$ 30,395.31
Increased by:		
Accrued Interest Charged to:		
2010 Budget Appropriations	D-4	<u>136,333.35</u>
		166,728.66
Decreased by:		
Payment	D-5	<u>137,531.26</u>
Balance - June 30, 2010	D	<u>\$ 29,197.40</u>

Analysis of Balance - June 30, 2010:

Principal Outstanding <u>06/30/10</u>	Interest Rate	From	To	Period	Amount
\$ 30,000.00	3.250%	03/01/10	06/30/10	4 mos.	\$ 325.00
30,000.00	3.250%	03/01/10	06/30/10	4 mos.	325.00
30,000.00	3.250%	03/01/10	06/30/10	4 mos.	325.00
30,000.00	3.375%	03/01/10	06/30/10	4 mos.	337.50
30,000.00	3.500%	03/01/10	06/30/10	4 mos.	350.00
40,000.00	3.625%	03/01/10	06/30/10	4 mos.	483.33
40,000.00	3.750%	03/01/10	06/30/10	4 mos.	500.00
60,000.00	5.000%	05/01/10	06/30/10	2 mos	500.00
60,000.00	5.000%	05/01/10	06/30/10	2 mos	500.00
66,000.00	3.750%	05/01/10	06/30/10	2 mos	412.50
70,000.00	3.500%	05/01/10	06/30/10	2 mos	408.33
70,000.00	3.500%	05/01/10	06/30/10	2 mos	408.33
70,000.00	3.500%	05/01/10	06/30/10	2 mos	408.33
70,000.00	3.625%	05/01/10	06/30/10	2 mos	422.92
80,000.00	3.750%	05/01/10	06/30/10	2 mos	500.00
80,000.00	3.750%	05/01/10	06/30/10	2 mos	500.00
80,000.00	3.750%	05/01/10	06/30/10	2 mos	500.00
80,000.00	4.000%	05/01/10	06/30/10	2 mos	533.33
90,000.00	4.000%	05/01/10	06/30/10	2 mos	600.00
90,000.00	4.000%	05/01/10	06/30/10	2 mos	600.00
90,000.00	4.000%	05/01/10	06/30/10	2 mos	600.00
100,000.00	4.000%	05/01/10	06/30/10	2 mos	666.67
100,000.00	4.000%	05/01/10	06/30/10	2 mos	666.67
100,000.00	4.000%	05/01/10	06/30/10	2 mos	666.67
100,000.00	4.125%	05/01/10	06/30/10	2 mos	687.50
110,000.00	4.125%	05/01/10	06/30/10	2 mos	756.25
110,000.00	4.125%	05/01/10	06/30/10	2 mos	756.25
110,000.00	4.125%	05/01/10	06/30/10	2 mos	756.25
120,000.00	4.125%	05/01/10	06/30/10	2 mos	825.00
120,000.00	4.250%	05/01/10	06/30/10	2 mos	850.00

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

Analysis of Balance - June 30, 2010:

Principal Outstanding 06/30/10	Interest Rate	From	To	Period	Amount
50,000.00	3.000%	03/16/10	06/30/10	3.5 mos	437.50
60,000.00	3.000%	03/16/10	06/30/10	3.5 mos	525.00
60,000.00	3.000%	03/16/10	06/30/10	3.5 mos	525.00
60,000.00	3.000%	03/16/10	06/30/10	3.5 mos	525.00
70,000.00	3.250%	03/16/10	06/30/10	3.5 mos	663.54
70,000.00	3.250%	03/16/10	06/30/10	3.5 mos	663.54
70,000.00	4.000%	03/16/10	06/30/10	3.5 mos	816.67
80,000.00	4.000%	03/16/10	06/30/10	3.5 mos	933.33
80,000.00	5.000%	03/16/10	06/30/10	3.5 mos	933.33
80,000.00	4.000%	03/16/10	06/30/10	3.5 mos	1,166.67
90,000.00	4.000%	03/16/10	06/30/10	3.5 mos	933.33
90,000.00	4.125%	03/16/10	06/30/10	3.5 mos	1,050.00
90,000.00	4.250%	03/16/10	06/30/10	3.5 mos	1,082.81
100,000.00	4.375%	03/16/10	06/30/10	3.5 mos	1,115.63
100,000.00	4.500%	03/16/10	06/30/10	3.5 mos	1,276.04
100,000.00	4.500%	03/16/10	06/30/10	3.5 mos	1,312.50
<hr/>					<u>\$ 29,197.40</u>
<hr/>					<u>\$ 3,406,000.00</u>

SCHEDULE OF PREPAID SEWER CHARGES
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>	
Balance - June 30, 2009	D	\$ 208,889.05
Increased by:		
Collections	D- 6	<u>218,278.49</u>
		427,167.54
Decreased by:		
Prepays Applied	D-3,D-8	<u>208,889.05</u>
Balance - June 30, 2010	D	<u>\$ 218,278.49</u>
		Exhibit D-15

SCHEDULE OF SEWER OVERPAYMENTS
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>	
Balance - June 30, 2009	D	\$ 1,995.00
Decreased by:		
Applied to Sewer Charges Receivable	D-3,D-8	<u>\$ 1,995.00</u>
		Exhibit D-16

SCHEDULE OF ACCOUNTS PAYABLE
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>	
Balance - June 30, 2009	D	\$ 10,486.00
Balance - June 30, 2010	D	<u>\$ 10,486.00</u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SEWER UTILITY CAPITAL FUND

ORD. NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE	DATE	AMOUNT	Ref.	D-20	D-11	D	D-5	D	D	D	D																																								
98-21	Reduction of I & I	12/15/98	\$ 230,000.00	\$ 291.50		\$ 500.00	\$ 24,159.47	\$ 5,600.00	\$ 24,159.47	\$ 291.50	\$ 57,019.18	\$ 500.00	\$ 845,000.00																																								
05-10	Various Sewer Projects	04/05/05	460,000.00	62,619.18		845,000.00					103,116.77																																										
05-42	Freedom Avenue Improvements	11/29/05	1,100,000.00	103,116.77							223,378.80																																										
06-05	Various Sewer Projects	01/03/06	1,400,000.00	328,094.89									876,693.37																																								
06-49	Various Sewer Improvements	12/19/06	1,700,000.00	999,885.77			124,366.64	102,401.91	139,251.57				48,488.06																																								
07-34	Acquisition of Various Equipment	12/18/07	770,000.00	48,488.06									709,701.46																																								
09-05	Various Sewer Improvements	02/17/09	945,000.00	846,451.46			98,548.54	179,527.98	55,770.56				403,750.00																																								
10-13	Acquisition of Various Vehicles	04/27/10	425,000.00			\$ 21,250.00	\$ 403,750.00	\$ 395,837.36	\$ 221,495.78	\$ 405,056.25	\$ 2,884,132.89																																										
<table border="0" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> </tr> <tr> <td style="text-align: right;">BALANCE - JUNE 30, 2009</td> <td style="text-align: right;">UNFUNDED</td> <td style="text-align: right;">FUNDED</td> <td style="text-align: right;">2,740,325.29</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">494,122.34</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">21,250.00</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">403,750.00</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">247,074.65</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">395,837.36</td> </tr> <tr> <td style="text-align: right;">BALANCE - JUNE 30, 2010</td> <td style="text-align: right;">UNFUNDED</td> <td style="text-align: right;">FUNDED</td> <td style="text-align: right;">2,250.00</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">21,250.00</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">403,750.00</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">247,074.65</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">395,837.36</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">221,495.78</td> </tr> </table>																										BALANCE - JUNE 30, 2009	UNFUNDED	FUNDED	2,740,325.29	\$	494,122.34	\$	21,250.00	\$	403,750.00	\$	247,074.65	\$	395,837.36	BALANCE - JUNE 30, 2010	UNFUNDED	FUNDED	2,250.00	\$	21,250.00	\$	403,750.00	\$	247,074.65	\$	395,837.36	\$	221,495.78
BALANCE - JUNE 30, 2009	UNFUNDED	FUNDED	2,740,325.29	\$	494,122.34	\$	21,250.00	\$	403,750.00	\$	247,074.65	\$	395,837.36																																								
BALANCE - JUNE 30, 2010	UNFUNDED	FUNDED	2,250.00	\$	21,250.00	\$	403,750.00	\$	247,074.65	\$	395,837.36	\$	221,495.78																																								

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

ORD NUMBER	IMPROVEMENT DESCRIPTION	DATE	BALANCE JUNE 30, 2009	AUTHORIZED SFY 2010	BALANCE JUNE 30, 2010	Ref.	D	D-11	D																														
98-21	Reduction of I & I	12/15/98	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00																																		
05-10	Var. Sewer Projects	04/05/05	80,500.00	80,500.00	80,500.00																																		
05-42	Freedom Avenue Improvements	11/29/05	55,000.00	55,000.00	55,000.00																																		
06-05	Various Sewer Projects	01/03/06	70,000.00	70,000.00	70,000.00																																		
07-34	Acquisition of Various Equipment	12/18/07	38,500.00	38,500.00	38,500.00																																		
09-05	Various Sewer Improvements		47,250.00	47,250.00	47,250.00																																		
10-13	Acquisition of Various Vehicles		21,250.00	21,250.00	21,250.00																																		
<table border="0" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> </tr> <tr> <td style="text-align: right;">BALANCE JUNE 30, 2009</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">302,250.00</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">21,250.00</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">323,500.00</td> <td style="text-align: right;">D</td> <td style="text-align: right;">D-11</td> <td style="text-align: right;">D</td> </tr> <tr> <td style="text-align: right;">BALANCE JUNE 30, 2010</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">302,250.00</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">21,250.00</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">323,500.00</td> <td style="text-align: right;">D</td> <td style="text-align: right;">D-11</td> <td style="text-align: right;">D</td> </tr> </table>																				BALANCE JUNE 30, 2009	\$	302,250.00	\$	21,250.00	\$	323,500.00	D	D-11	D	BALANCE JUNE 30, 2010	\$	302,250.00	\$	21,250.00	\$	323,500.00	D	D-11	D
BALANCE JUNE 30, 2009	\$	302,250.00	\$	21,250.00	\$	323,500.00	D	D-11	D																														
BALANCE JUNE 30, 2010	\$	302,250.00	\$	21,250.00	\$	323,500.00	D	D-11	D																														

SCHEDULE OF DUE FROM CURRENT FUND
SEWER UTILITY OPERATING FUND

REF.

Increased by:
 Cash Disbursed

D-5 3,798,119.90

Decreased by:
 Sewer Operating Approp paid by Current Fund
 Cash Received

D-4 1,684,657.38
 D-5 644,891.10

2,329,548.48

Balance - June 30, 2010

D \$ 1,468,571.42

Exhibit D-20

SCHEDULE OF CAPITAL IMPROVEMENT FUND
SEWER UTILITY CAPITAL FUND

REF.

Increased by:
 SFY 2010 Budget Appropriation

D-24 \$ 25,000.00

Decreased by:

Approp. to Finance Improvement Authorizations

D-17 21,250.00

Balance - June 30, 2010

D \$ 3,750.00

SCHEDULE OF RESERVE FOR AMORTIZATION
SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance - June 30, 2009	D	\$ 12,694,561.49
Increased by:		
Serial Bonds	D- 25	<u>135,000.00</u>
Balance - June 30, 2010	D	<u>\$ 12,829,561.49</u>

Exhibit D-22

SCHEDULE OF DUE FROM PAYROLL FUND
SEWER UTILITY OPERATING FUND

	<u>REF.</u>	
Increased by:		
Cash Disbursements	D- 5	\$ 15,379.62
Balance - June 30, 2010	D	<u>\$ 15,379.62</u>

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

Exhibit D-23

	<u>REF.</u>		
Balance - June 30, 2009	D		\$ 287,231.32
Due to			
Increased by:			
2010 Budget Appropriation	D-4	25,000.00	
Cash Receipts	D-5	<u>166,089.24</u>	
			<u>191,089.24</u>
Decreased by:			
Interfunds Returned	D-5		478,320.56
Balance - June 30, 2010	D		<u>\$ 161,000.00</u>
Due from			

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

Exhibit D-24

	<u>REF.</u>		
Balance - June 30, 2009	D		\$ 287,231.32
Due from			
Increased by:			
Cash Disbursements	D-5	166,089.24	
2010 Budget Appropriation - Capital Improvement Fund	D-20	<u>25,000.00</u>	
			<u>191,089.24</u>
Decreased by:			
Interfunds Returned	D-5		478,320.56
Balance - June 30, 2010	D		<u>\$ 161,000.00</u>
Due to			

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION
05-10	Various Sewer Projects
05-42	Freedom Avenue Improvements
06-49	Various Sewer Projects
07-34	Acquisition of Various Equipment
09-05	Various Sewer Improvements
10-13	Acquisition of Various Vehicles

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

DATE OF ISSUE	ORIGINAL ISSUE	AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2009	DECREASE	BALANCE JUNE 30, 2010
03/01/04	\$ 380,000.00	3/1/2011-2013	3.250%			
		03/01/14	3.375%			
		03/01/15	3.500%			
		03/01/16	3.625%			
		03/01/17	3.750%			
11/01/07	2,146,000.00	11/1/2010-2011	5.000%	\$ 255,000.00	\$ 25,000.00	\$ 230,000.00
		11/01/12	3.750%			
		11/1/2013-2015	3.500%			
		11/01/16	3.625%			
		11/1/2017-2019	3.750%			
		11/01/20	4.000%			
		11/1/2021-2023	4.000%			
		11/1/2024-2026	4.000%			
		11/01/27	4.125%			
		11/1/2028-2030	4.125%			
		11/01/31	4.250%			
		11/01/32	4.250%			
03/15/09	1,200,000.00	03/15/11	3.000%	2,086,000.00	60,000.00	2,026,000.00
		03/15/11	3.000%			
		03/15/12-2014	3.000%			
		3/15/2015-2016	3.250%			
		03/15/17	4.000%			
		03/15/18	4.000%			
		03/15/19	5.000%			
		03/15/20	4.000%			
		03/15/21	4.000%			
		03/15/22	4.125%			
		03/15/23	4.250%			
		03/15/24	4.375%			
		03/15/25	4.500%			
		100,000.00		1,200,000.00	50,000.00	1,150,000.00
		100,000.00		3,541,000.00	135,000.00	3,406,000.00

Exhibit D-25

Footnote D

BALANCE JUNE 30, 2009	AUTHORIZATIONS 2010	BALANCE JUNE 30, 2010
\$ 3,174,750.00	\$ 403,750.00	\$ 3,578,500.00
\$ 897,750.00	\$ 403,750.00	\$ 403,750.00
1,300,000.00		897,750.00
845,000.00		131,500.00
500.00		1,300,000.00
		845,000.00
		500.00

SENIOR CITIZENS HOUSING UTILITY FUND

SCHEDULE OF CASH AND INVESTMENTS
SENIOR CITIZEN HOUSING FUND

CAPITAL FUND		OPERATING FUND		REF.	Balance - June 30, 2009		Balance - June 30, 2010	
\$ 258,486.42		\$ 779,657.63		E				
199.81		1,461,574.64		E-3	Increased by Receipts:			
199.81		1,254,312.90		E-3	Rental Income			
199.81		1,412.79		E-3	Interest on Investments			
199.81		14,337.21		E-3	Miscellaneous Revenues			
199.81		25,422.50		E-9	Security Deposits			
199.81		166,089.24		E-14,E-15	Interfunds Received			
199.81		2,241,232.27		E-1	Refund of Prior Year's Revenue			
199.81		1,118,473.47		E-4	Budget Appropriations			
199.81		196,282.87		E-7	Appropriation Reserves			
199.81		6,000.00		E-7	Accounts Payable			
199.81		66,544.38		E-8	Accrued Interest			
199.81		25,050.26		E-9	Security Deposits			
199.81		777.00		E-15	Interfunds Disbursed			
199.81		1,413,127.98		E				
199.81		\$ 828,104.29		E				
199.81		\$ 92,596.99		E				

SCHEDULE OF 2009 APPROPRIATION RESERVES
 FOR THE YEAR ENDED JUNE 30, 2010
 SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

BALANCE JUNE 30, 2009	APPROPRIATION RESERVE FOR	ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCED LAPSED
\$ 83,256.32	\$ 73,139.37	\$ 156,395.69	\$ 57,110.26	\$ 99,285.43	
Operations:					
Other Expenses					
Capital Improvements:					
Capital Improvement Fund					
\$ 206,086.71	\$ 129,052.98	\$ 335,139.69	\$ 204,518.87	\$ 130,620.82	E-1
RBF					
122,830.39	55,913.61	178,744.00	147,408.61	31,335.39	
Cash Disbursements					
E-5					
Accounts Payable					
E-7					
Accounts Payable Analysis					
Balance June 30, 2009					
E					
Transfer from Appropriation Reserves					
E-7					
E-1					
Accounts Payable Cancelled					
E-5					
Cash Disbursements					
Balance June 30, 2010					
E					
\$ 8,236.00	\$ 6,030.00	\$ 8,236.00	\$ 30.00	\$ 6,000.00	\$ 8,236.00

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

	<u>REF.</u>
Balance - June 30, 2009	E
\$ 25,717.03	
Increased by:	
Interest on Bonds	E-4
<u>65,018.60</u>	
90,735.63	
Decreased by:	
Disbursed	E-5
<u>66,544.38</u>	
<u>\$ 24,191.25</u>	E

Analysis of Balance - June 30, 2010:

Principal Outstanding June 30, 2010	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
\$ 130,000.00	4.000%	02/16/10	06/30/10	4 1/2 mos.	1,950.00
125,000.00	4.000%	02/16/10	06/30/10	4 1/2 mos.	1,875.00
125,000.00	4.100%	02/16/10	06/30/10	4 1/2 mos.	1,921.88
120,000.00	4.200%	02/16/10	06/30/10	4 1/2 mos.	1,890.00
145,000.00	4.300%	02/16/10	06/30/10	4 1/2 mos.	2,338.13
140,000.00	4.400%	02/16/10	06/30/10	4 1/2 mos.	2,310.00
<u>635,000.00</u>	5.000%	02/16/10	06/30/10	4 1/2 mos.	<u>11,906.25</u>
<u>\$ 1,420,000.00</u>					<u>\$ 24,191.25</u>

SCHEDULE OF SECURITY DEPOSITS
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	<u>REF</u>	
Balance - June 30, 2009	E	\$ 109,728.56
Increased by:		
Deposits Received	E- 5	<u>25,422.50</u>
Decreased by:		
Deposits Refunded	E- 5	135,151.06
		<u>25,050.26</u>
Balance - June 30, 2010	E	<u><u>\$ 110,100.80</u></u>

Exhibit E-10

SCHEDULE OF RESERVE FOR AMORTIZATION
SENIOR CITIZEN HOUSING UTILITY CAPITAL FUND

	<u>REF</u>	
Balance - June 30, 2009	E	\$ 8,826,052.26
Increased by:		
Bonds Paid by Budget Appropriation	E-12	<u>105,000.00</u>
Balance - June 30, 2010	E	<u><u>\$ 8,931,052.26</u></u>

SCHEDULE OF GENERAL SERIAL BONDS

ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING - JUNE 30, 2010	INTEREST RATE	BALANCE JUNE 30, 2009	DECREASE	BALANCE JUNE 30, 2010
Senior Citizen Housing Utility Refunding Bonds 2002	08/01/02	\$ 2,204,500.00	08/15/10	4.00%	\$ 1,525,000.00	\$ 105,000.00	\$ 1,420,000.00
			08/15/11	4.00%			
			08/15/12	4.10%			
			08/15/13	4.20%			
			08/15/14	4.30%			
			08/15/15	4.40%			
			08/15/16	5.00%			
			08/15/17	5.00%			
			08/15/18	5.00%			
			08/15/19	5.00%			
					<u>\$ 1,525,000.00</u>	<u>\$ 105,000.00</u>	<u>\$ 1,420,000.00</u>

SCHEDULE OF CAPITAL IMPROVEMENT FUND
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

	<u>Ref.</u>	
Balance - June 30, 2009	E	\$ 19,035.75
Increased by:		
SFY 2010 Budget Appropriation	E-15	<u>17,500.00</u>
Balance - June 30, 2010	E	<u>\$ 36,535.75</u>

Exhibit - E-14

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

	<u>Ref.</u>	
Balance - June 30, 2009	E	\$ 183,389.43
Increased by:		
Interest Earned	E- 3	<u>199.81</u>
		183,589.24
Decreased by:		
Capital Improvement Fund	E- 4	17,500.00
Cash Receipts	E- 5	<u>166,089.24</u>
		<u>\$ 183,589.24</u>

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

	<u>Ref</u>	
Balance - June 30, 2009	E	\$ 183,389.43
Increased by:		
Interest Earned	E-5	<u>199.81</u>
		183,589.24
Decreased by:		
Cash Disbursements	E-5	166,089.24
Capital Improvement Fund	E-13	<u>17,500.00</u>
		\$ <u><u>183,589.24</u></u>

Exhibit - E-16

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORD. NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>BALANCE JUNE 30, 2009</u>	<u>BALANCE JUNE 30, 2010</u>
06-50	Various Capital Improvements	12/19/06	\$ 130,000.00	\$ 130,000.00
07-35	Various Capital Improvements	12/18/07	<u>353,000.00</u>	<u>353,000.00</u>
			<u>\$ 483,000.00</u>	<u>\$ 483,000.00</u>
Ref.	E			E

SCHEDULE OF FIXED CAPITAL
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

ORD. NO.	DATE	AMOUNT	BALANCE JUNE 30, 2009	BALANCE JUNE 30, 2010	REF.
89-58	11/21/89	\$ 10,098,252.26	\$ 10,098,252.26	\$ 10,098,252.26	
	12/21/04	144,000.00	144,000.00	144,000.00	
04-51					Replacement of Trunk Line
	11/29/05	80,000.00	80,000.00	80,000.00	
05-43					Various Capital Improvements
	04/25/06	28,800.00	28,800.00	28,800.00	
06-22					HVAC System
TOTAL					
			\$ 10,351,052.26	\$ 10,351,052.26	

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

ORD. NO.	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE JUNE 30, 2009	AUTHORIZED SFY 2010	BALANCE JUNE 30, 2010	REF.
06-50	Various Capital Improvements	12/19/06	\$ 130,000.00	\$ 130,000.00		\$ 130,000.00	
07-35	Various Capital Improvements	12/18/07	353,000.00	353,000.00		353,000.00	
10-14	Senior Housing Building Improve.	04/27/10	1,000,000.00		1,000,000.00	1,000,000.00	
TOTAL							
				\$ 483,000.00	\$ 1,000,000.00	\$ 1,483,000.00	

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE JUNE 30, 2009	2010 AUTHORIZATIONS	BALANCE JUNE 30, 2010
10-14	Senior Housing Building Improve.	\$ -	\$ 1,000,000.00	\$ 1,000,000.00
		<u>\$ -</u>	<u>\$ 1,000,000.00</u>	<u>\$ 1,000,000.00</u>

Footnote E

SUPPLEMENTARY DATA

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

COMBINED BALANCE SHEET
FOR THE FISCAL YEAR ENDING JUNE 30, 2010

	MEMORANDUM ONLY TOTALS		JUNE 30, 2010		JUNE 30, 2009	
	FIXED ASSETS	GOVERNMENTAL	SENIOR HOUSING UTILITY	SEWER UTILITY FUND	GENERAL CAPITAL FUND	TRUST FUND
ASSETS						
Cash and Investments	\$ 18,711,982.59	\$ 27,694,471.61	\$ 920,701.28	\$ 649,886.21	\$ 2,508.86	\$ 7,409,932.67
Accounts Receivable	1,112,672.24	1,955,707.46			640,200.00	202,835.22
State and Federal Grants Receivable	154,906.98	154,906.98				
Due from State of New Jersey						
Taxes, Assessments, Liens & Utility Charges	2,113,758.10	2,113,758.10		851,986.24		
Sewer Charges Receivable	1,592,463.80	5,160,930.96		1,644,951.04		1,923,516.12
Interfund Loans	91,110.09	91,110.09				
Other Accounts Receivable	2,592,900.00	2,592,900.00				
Assessed Valuation	489,190.40	489,190.40				
Prepaid Expenditures		58,645,066.00				
Fixed Assets - General		23,458,613.75	10,351,052.26	13,107,561.49		
Fixed Capital - Utility				7,030,000.00		
Fixed Capital - Authorized and Uncompleted - Utility		8,513,000.00	1,483,000.00			
Deferred Charges to Revenue of Succeeding Years						
Deferred Charges to Future Taxation:		69,744,924.00				69,744,924.00
General Capital Fund	\$ 26,369,793.80	\$ 201,466,565.59	\$ 58,645,066.00	\$ 12,754,753.54	\$ 23,284,384.98	\$ 70,387,632.86
LIABILITIES, RESERVES AND FUND BALANCE						
Bonds and Notes Payable	\$	\$ 51,460,000.00	\$ 1,420,000.00	\$ 3,406,000.00	\$ 46,634,000.00	\$
Prepaid Taxes, Assessments, Utility Charges and Licenses	568,939.61	787,218.10		218,278.49		
Tax, Assessment, Lien, License and Utility Charge Overpayments	60,761.12	60,761.12		477,768.06		
Appropriation Reserves	3,552,892.87	4,252,172.31		221,511.38		
Reserves for Encumbrances/Accounts Payable	2,443,900.68	6,691,367.79		245,622.00		
Other Liabilities	3,668,271.58	10,848,207.94	146,636.55	28,759.90	290,565.39	3,550,434.43
Amounts Pledged to Specific Purposes	3,582,168.73	5,160,930.96		3,750.00	161,000.00	1,496,493.40
Interfund Loans	15,864.92	58,645,066.00				1,401,897.31
Investments in General Fixed Assets	4,315,167.79	4,315,167.79				
Escrow Funds		21,509,366.12		1,019,631.05		17,200,545.93
Improvement Authorization Reserve for Amortization of Costs of Fixed Capital Acquired or Authorized		22,567,113.75	9,414,052.26	13,153,061.49	3,289,189.14	
Reserve for Certain Assets Acquired or Receivables & Inventories	6,199,665.50	7,051,651.74		851,986.24		
Fund Balance	6,293,193.71	8,064,590.82	263,109.05	1,404,026.27	104,261.79	10,024,934.41
	\$ 26,369,793.80	\$ 201,466,565.59	\$ 58,645,066.00	\$ 12,754,753.54	\$ 23,284,384.98	\$ 70,387,632.86

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

REVENUE AND OTHER <u>INCOME REALIZED</u>	STATE FISCAL YEAR 2010		STATE FISCAL YEAR 2009	
	AMOUNT	%	AMOUNT	%
Fund Balance Utilized	\$ 4,054,233.19	2.53	\$ 6,070,315.97	3.97
Miscellaneous - From Other than Local Property Tax Levies	19,225,183.47	12.00	14,405,619.70	9.41
Collection of Delinquent Taxes and Tax Title Liens	2,370,382.57	1.48	2,442,993.30	1.60
Collections of Current Tax Levy	134,585,095.95	83.99	130,139,693.79	85.02
Total Income	\$ 160,234,895.18	100.00	\$ 153,058,622.76	100.00
<u>EXPENDITURES</u>				
Budget Expenditures				
Municipal Purposes	\$ 50,065,622.47	32.36	\$ 46,509,190.10	31.32
Special District Taxes	3,092,993.50	2.00	2,860,038.00	1.93
County Taxes	21,214,595.48	13.71	19,956,197.38	13.44
Local School Taxes	79,028,217.00	51.07	79,062,706.00	53.25
Other Expenditures	1,328,362.68	0.86	95,104.43	0.06
Total Expenditures	154,729,791.13	100.00	148,483,235.91	100.00
Excess in Revenue	5,505,104.05		4,575,386.85	
Fund Balance - Beginning	4,842,322.85		6,337,251.97	
	10,347,426.90		10,912,638.82	
Less: Util. as Anticipated Revenue	4,054,233.19		6,070,315.97	
Fund Balance - Ending	\$ 6,293,193.71		\$ 4,842,322.85	

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

	STATE FISCAL YEAR 2010		STATE FISCAL YEAR 2009	
	AMOUNT	%	AMOUNT	%
REVENUE AND OTHER <u>INCOME REALIZED</u>				
Collection of Sewer Service Charges	\$ 7,391,268.89	91.89 %	\$ 6,852,149.98	91.94 %
Miscellaneous - From Other than Sewer Service Charges	652,423.73	8.11	600,314.47	8.06
Total Income	\$ 8,043,692.62	100.00 %	\$ 7,452,464.45	100.00 %
<u>EXPENDITURES</u>				
Budget Expenditures				
Operating	\$ 7,009,000.00	89.33 %	\$ 5,920,162.48	83.53 %
Debt Service	271,333.35	3.46	212,428.64	3.00
Deferred Charges & Statutory Expend.	253,538.96	3.23	745,942.16	10.52
Capital Improvements	25,000.00	0.32	25,000.00	0.35
Deficit in Operations Prior Years	286,884.81	3.66	184,390.36	2.60
Total Expenditures	7,845,757.12	100.00 %	7,087,923.64	100.00 %
Excess/(Deficit) in Revenue	197,935.50		364,540.81	
Fund Balance - Beginning	1,125,539.86		760,999.05	
Fund Balance - Ending	\$ 1,323,475.36		\$ 1,125,539.86	

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

REVENUE AND OTHER INCOME REALIZED	STATE FISCAL YEAR 2010	%	STATE FISCAL YEAR 2009	%
	<u>AMOUNT</u>		<u>AMOUNT</u>	<u>%</u>
Fund Balance	\$ 397,162.74	22.09	\$ 413,712.50	23.58
Rental Income	1,254,312.90	69.76	1,246,390.74	71.04
Miscellaneous - From Other than Rental Income	<u>146,600.63</u>	<u>8.15</u>	<u>94,367.33</u>	<u>5.38</u>
Total Income	<u>\$ 1,798,076.27</u>	<u>100.00</u>	<u>\$ 1,754,470.57</u>	<u>100.00</u>
 <u>EXPENDITURES</u>				
Budget Expenditures				
Operating	\$ 1,125,600.00	69.21	\$ 1,123,165.00	68.99
Capital Improvements	325,000.00	19.98	325,000.00	19.96
Debt Service	170,018.60	10.45	174,070.94	10.69
Statutory Expenditures	5,018.40	0.31	5,000.00	0.31
Miscellaneous Expenditures	<u>777.00</u>	<u>0.05</u>	<u>835.00</u>	<u>0.05</u>
Total Expenditures	<u>1,626,414.00</u>	<u>100.00</u>	<u>1,628,070.94</u>	<u>100.00</u>
Excess in Revenue	171,662.27		126,399.63	
Fund Balance - Beginning	<u>486,431.78</u>		<u>773,744.65</u>	
	658,094.05		900,144.28	
Less: Util. As Anticip. Revenue	<u>397,162.74</u>		<u>413,712.50</u>	
Fund Balance - Ending	<u>\$ 260,931.31</u>		<u>\$ 486,431.78</u>	

TOWNSHIP OF PISCATAWAY
STATISTICAL DATA

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Tax Rate:	<u>\$5.982</u>	<u>\$5.904</u>	<u>\$5.648</u>

Apportionment of Tax Rate:

Municipal	\$1,499	\$1,395	\$1,277
County	\$0,843	\$0,821	\$0,779
County Open Space	\$0,061	\$0,093	\$0,092
Local School	\$3,579	\$3,595	\$3,500

Assessed Valuation:

2010	<u>\$2,229,034,487</u>		
2009		<u>\$2,198,834,671</u>	
2008			<u>\$2,234,380,041</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>
2010 SFY	\$ 137,570,420	\$ 134,585,096	97.83%
2009 SFY	133,026,343	131,284,061	98.69%
2008 SFY	127,143,332	123,918,853	97.46%
2007 SFY	120,821,888	118,977,401	98.47%
2006 SFY	115,316,064	114,000,639	98.86%

SFY State Fiscal 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>JUNE 30</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
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%
2008 SFY	333,447.77	2,518,393.96	2,851,841.73	2.24%
2007 SFY	310,811.47	1,701,159.48	2,011,970.95	1.67%
2006 SFY	289,223.93	1,336,668.50	1,625,892.43	1.41%

COMPARISON OF SEWER UTILITY LEVIES

<u>YEAR</u>	<u>LEVY</u>	<u>CASH COLLECTIONS</u>
2010 SFY	\$ 7,331,101	7,391,729
2009 SFY	7,445,878	6,852,150
2008 SFY	5,210,550	5,041,299
2007 SFY	5,039,758	5,063,947
2006 SFY	5,578,892	5,547,797

TOWNSHIP OF PISCATAWAY

STATISTICAL DATA

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	BALANCE <u>JUNE 30</u>	UTILIZED IN BUDGET OF <u>SUCCESSING YEAR</u>
CURRENT FUND	2010	\$ 6,293,194	\$ 718,899
	2009	4,842,323	4,054,233
	2008	6,337,252	6,070,316
	2007	5,346,341	4,375,500
	2006	5,346,341	4,375,500
SEWER UTILITY OPERATING FUND	2010	\$ 1,323,475	None
	2009	1,125,540	None
	2008	760,999	None
	2007	194,999	None
	2006	1,112,973	917,973
SENIOR CITIZENS HOUSING UTILITY FUND	2010	\$ 260,931	\$ 250,498
	2009	486,432	397,163
	2008	773,745	413,713
	2007	578,813	100,053
	2006	549,892	199,344

TOWNSHIP OF PISCATAWAY
 COUNTY OF MIDDLESEX, NEW JERSEY
 REQUIRED SUPPLEMENTARY INFORMATION
 POSTEMPLOYMENT HEALTH BENEFITS
 SCHEDULE OF FUNDING PROGRESS

Year	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
07/01/09	\$ -	\$ 79,859,700	\$ 79,859,700	0.00%	\$ 21,779,431	366.67%

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office as at June 30, 2010:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Brian C. Wahler	Mayor	
Michele Lombardi	Council President	
Steven D. Cahn	Council Vice-President	
Kenneth R. Armwood	Council Member	
Gabrielle Cahill	Council Member	
Michael Griffith	Council Member	
Mark Hardenburg	Council Member	
Loretta Keimel	Council Member	
Lyn Evers	Business Administrator	
Daniel Mensah Lamptey	Director of Finance, Chief Financial Officer	400,000.00 (A)
Ann Nolan	Township Clerk	
James F. Clarkin III, Esq.	Director of Law - Attorney	
David Marshall	Tax Collector, CFO, Asst Director of Finance	
Dennis Fackelman	Magistrate	
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
COUNTY OF MIDDLESEX, NEW JERSEY
FISCAL YEAR ENDED JUNE 30, 2010**

GENERAL COMMENTS

An audit of the financial accounts and transactions of the Township of Piscataway, County of Middlesex, New Jersey, for the fiscal year ended June 30, 2010, 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 fiscal year ended June 30, 2010, 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 February 16, 2011 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:

2010-1 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 of 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 \$21,000 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

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$21,000 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 as disclosed in the official minutes.

Materials, Supplies and Equipment

Biodegradable leaf bags; rock salt; HVAC maintenance and emergency repair services; Carpet for the Senior Housing Units, building and engineering material, recreational uniforms and equipment, traffic lighting material, automotive and light duty truck parts

Services and Rentals

Professional services; management fees; janitorial services; cleaning services; security services; library fire alarm upgrade; municipal building waterproofing

Construction and Repairs

Road improvements; renovations to municipal building; communications site lease and cellular tower construction; demolition services for various structures and attic ventilation upgrades at the municipal buildings; sanitary sewer repairs; park and fire training center improvements

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

Contracts

Vehicles; catch basin castings; traffic/lighting material; auto parts and supplies; police vehicle equipment installation: Drainage improvements

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.

The examination of expenditures revealed no individual payments, contracts or agreements in excess of \$29,000 "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement.

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

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

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

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

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

We suggest that the Township review the amendments to the Local Public Contracts Law and determine the impact of the comprehensive amendments with regard to the Township.

Compliance with P.L. 2005, c.271

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 the Township had the required documentation for compliance with P.L. 2005, c.271 for items tested except from one vendor for the purchase of gloves and other safety supplies.

Pay-to-Play and Business Registration Requirements

An anomaly exists in the "Pay-to-Play" statutes when they are matched with the Local Public Contracts Law (LPCL) requirements to determine compliance requirements. The threshold for Pay-to-Play is set at \$17,500, with no escalator provision. At the time c.271 was enacted, the bid threshold per the LPCL was also set at \$17,500. However, effective July 1, 2005, the bid threshold was increased to \$21,000. This created a gap for compliance, as under c. 271, a contract not awarded using a fair & open process and exceeding \$17,500 triggers the filing of additional documentation relating to ownership of the contracting entity and disclosure of political contributions. Since "Pay-to-Play" laws cover all contracts (not just professional services as some believe) any contract (or aggregation of purchases of similar goods or services) that does not meet "fair and open" standards requires the Township to obtain the necessary c. 271 documents. The provisions of c. 271 became effective on January 1, 2006. A violation would require the issuance of purchase orders exceeding \$17,500 during the fiscal period without a "fair and open" process, and without obtaining the requisite disclosures.

Tests of expenditures for vendors with payments in excess of \$17,500 and less than the applicable bid threshold and for contracts not awarded through state contracts, bidding or the "fair and open" process indicated that there were three non-professional service vendors who had been issued POs totaling more than \$17,000 during the fiscal year without the bidding or another form of "fair and open" contracting.

We suggest that the Township modify its controls over purchasing procedures from non-professional vendors that could aggregate to \$17,500 or more to ensure that requisite disclosure for "Pay-to-Play" regulation compliance is obtained in the event that awards or purchases were not made through a "fair and open" process.

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, 2010, adopted the following resolution authorizing interest to be charged on delinquent taxes; assessments and sewer service charges:

BE IT RESOLVED, by the Township Council of Piscataway Township, New Jersey that:

WHEREAS, Delinquent taxes and sewer service charges shall bear interest at the rate of 8% per annum for the first \$1,500 and 18% per annum on any delinquent amount in excess of \$1,500; and

BE IT FURTHER RESOLVED that unpaid assessments shall bear interest at the rate of 8% per annum; and

BE IT RESOLVED that no interest shall be charged by the Township of Piscataway if the payment of installment for taxes, sewer service charges or assessments is made within ten (10) calendar days after the date upon which such installment is payable; and

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.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Delinquent Taxes and Tax Title Liens

The Township held a tax sale on June 4, 2010.

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 June 30, 2010 were \$28,378.44 for tax year 2009.

We suggest that the Tax Collector continue to review all delinquent real estate taxes and sewer utility charges to determine the status of the account for proper disposition.

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

SFY	NUMBER
<u>JUNE 30</u>	<u>OF LIENS</u>
2010	7
2009	7
2008	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.

Investment of Idle Funds

The Chief Financial Officer had the greater portion of the idle funds of the Township invested in interest-bearing investments or accounts during SFY 2010. Earnings from the investments are shown as revenue in the various funds of the Township for SFY 2010.

All deposits and investments held by the Township were directly confirmed as of June 30, 2010.

The Township adopted a formal Cash Management Plan for depositing and investing of Township funds for SFY 2010 in accordance with 40A: 5-14 on January 5, 2010.

Purchase Order System and Encumbrance System

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

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Interfund Balances

The following interfund balances appear in the balance sheets of the Township's financial statements of the year ended June 30, 2010:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$1,401,897.31	\$3,582,168.73
Grant Fund	190,566.49	
Animal Control Fund	207.80	
Trust Fund	1,923,308.32	15,864.92
General Capital Fund		1,401,897.31
Sewer Utility Operating Fund	1,644,951.04	
Sewer Utility Capital Fund		<u>161,000.00</u>
Total	<u>\$5,160,930.96</u>	<u>\$5,160,930.96</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 requires to collect to fund the appropriation and the statute or budget to expend them.

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 and that monthly financial reports are being submitted to the Finance Department timely, revealed the following exception:

Failure to turn over funds within 48 hours of receipt to the Finance Department

It is recommended that departments collecting fees turn over funds to the Finance Department within 48 hours of receipt.

Municipal Court

The Municipal Court maintained a manual detail listing of bail account deposits as part of the reconciliation of its bail account. The examination of the general account included review that deposits were recorded and spread by receipt category. Cash was reconciled monthly and disbursements were made to the agencies on a timely basis. The examination of the bail account's financial and supporting records maintained by the Municipal Court indicated no exceptions for items tested.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Administration and Accounting of State & Federal Grants

During SFY 2010, 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 program.

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.

Condition of Records - Tax Office

During SFY 2010, the Tax Collector utilized its monthly financial tax office reporting system. These reports are intended to be all-inclusive, summarizing all tax office transactions on a monthly basis for posting/recording within the Township general ledger financial accounting system.

For the year ended June 30, 2010 it was noted that at the end of the fiscal year the system was in proof with financial reports issued for the period.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Condition of Records – Finance Department

The Finance Department utilized a computerized general ledger accounting system during SFY 2010. 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.

Statement on Auditing Standards 115 identifies inadequate documentation of internal controls as a possible deficiency, significant deficiency or material weakness. As the Township initiates the process of documenting its controls, we suggest 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. In addition, we suggest the documentation also include the internal controls that exist over grant compliance.

Voided Checks

During our audit process it was noted that when a check is voided, the void check is not retained and mutilated by the Township nor a stop payment issued on the check.

It is recommended that either the check be physically obtained or a stop payment be issued.

Other Compliance Matters:

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

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

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

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

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

Compliance with Local Finance Notices

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

The Township of Piscataway, County of Middlesex, prepared and filed a corrective action plan for the SFY 2009, pursuant to Local Finance Board Notice Number 92-15.

RECOMMENDATIONS

We recommended the following:

It is recommended that departments collecting fees turn over funds to the Finance Department within 48 hours of receipt.

It is recommended that either the check be physically obtained or a stop payment be issued.

* * * * *

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.



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