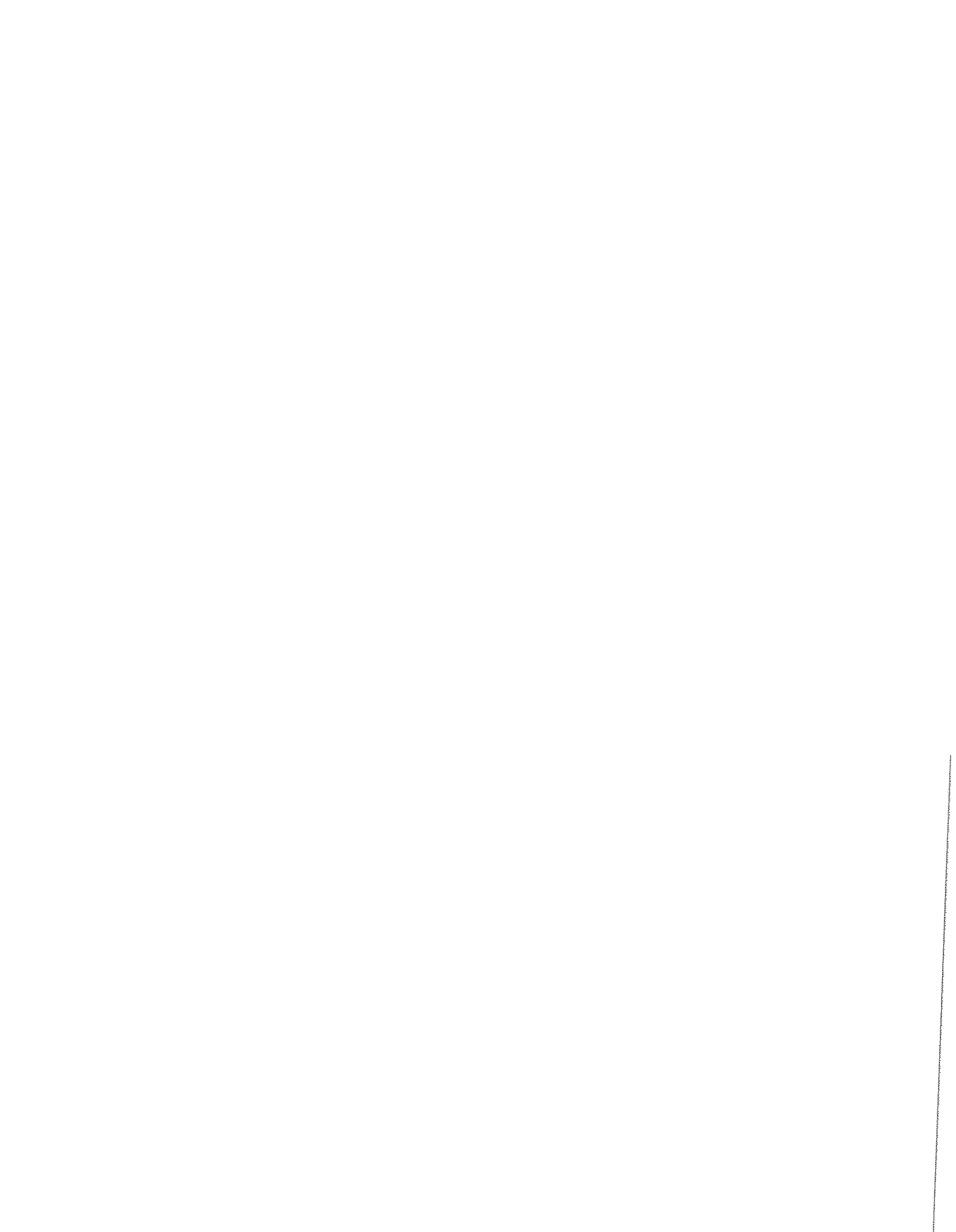


**TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY  
NEW JERSEY**

**FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY DATA  
AND INFORMATION**

**FOR THE FISCAL YEARS  
ENDED JUNE 30, 2004 and 2003**

**WITH  
REPORT OF INDEPENDENT AUDITORS**



TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

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TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

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PART I  
INDEPENDENT AUDITOR'S REPORT  
FINANCIAL STATEMENTS

HODULIK & MORRISON, P.A.  
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REGISTERED MUNICIPAL ACCOUNTANTS  
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REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

JO ANN BOOS, CPA, PSA

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying balance sheets – statutory basis of the various funds and account group of the Township of Piscataway, County of Middlesex, New Jersey, as of June 30, 2004 and 2003 and the related statements of operations and changes in fund balance – statutory basis for the years then ended and the related statements of revenues – statutory basis and statements of expenditures – statutory basis of the various funds for the year ended June 30, 2004. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as discussed in the following paragraph, 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 disclosed in Note 2 to the financial statements, the Statement of General Fixed Assets is unaudited and represents 100 percent of the assets of the general fixed asset group.

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, 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 generally accepted accounting principles. 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 statutory basis of accounting as described in the preceding 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, 2004 and 2003 or the results of its operations, or cash flows of its proprietary fund type for the years then ended.

HODULIK & MORRISON, P.A.  
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JO ANN BOOS, CPA, PSA

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

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, 2004, and have issued our report thereon dated April 18, 2005. Our report was qualified because of the departure from accounting principles generally accepted in the United States of America as disclosed in Note 2. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

FINANCIAL STATEMENTS



TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
COMPARATIVE BALANCE SHEET - STATUTORY BASIS  
JUNE 30, 2004 AND 2003

ASSETS	BALANCE JUNE 30, 2004	BALANCE JUNE 30, 2003	LIABILITIES, RESERVES AND FUND BALANCE	BALANCE JUNE 30, 2004	BALANCE JUNE 30, 2003
Cash and Investments - Treasurer	A-4 \$ 11,598,230.41	\$ 10,482,218.56	Liabilities:		
Cash - Change Fund	535.00	535.00	Appropriation Reserves	A-3, A-10 \$ 1,320,528.90	\$ 1,574,633.95
Due from State of N.J. per Ch. 20, P.L. 1976	A-6 202,532.44	205,192.83	Reserve for Encumbrances	A-3, A-10 1,129,717.61	1,142,840.36
			Prepaid Taxes	A-7 100,586.57	99,007.56
			Various Payables	A-11 507,552.43	334,111.80
			Various Reserves	A-11 2,678,320.24	2,558,684.09
			Tax Overpayments	A-14 19,093.78	54,934.17
			Interfunds Payable	A-12 507,847.74	416,145.58
Receivables With Offsetting Reserves:					
Taxes Receivable	A-7 1,654,552.39	1,669,487.27		6,263,647.27	6,180,357.51
Tax Title Liens	A-7 303,313.76	272,351.61			
Property Acquired for Taxes (At Assessed Valuation)	A-7 2,592,330.89	2,592,330.89	Reserve for Receivables	Reserve 4,902,086.23	4,970,469.25
Revenue Accounts Receivable	A-9 78,435.36	47,722.32	Fund Balance	A-1 5,592,650.58	4,645,054.23
Interfunds Receivable	A-12 273,453.83	388,577.16	Total Regular Fund	16,758,384.08	15,795,880.99
	4,902,086.23	4,970,469.25			
Deferred Charges:					
Special Emergency - (40A:4-55)	A-8 55,000.00	137,465.35	State and Federal Grant Fund:		
			Reserve for State and Federal Grants:		
Total Regular Fund	16,758,384.08	15,795,880.99	Appropriated	A-17 1,077,863.66	989,959.45
State and Federal Grant Fund:			Unappropriated	A-18 63,734.15	50,225.92
Grants Receivable	A-15 1,640,788.73	1,145,375.45	Interfunds Payable	A-16 24,544.82	151,710.90
Interfunds Receivable	A-16	235,410.46	Reserve for Encumbrances	A-17 474,646.10	188,889.64
Total State and Federal Grant Fund	1,640,788.73	1,380,785.91	Total State and Federal Grant Fund	1,640,788.73	1,380,785.91
	\$ 18,399,172.81	\$ 17,176,666.90		\$ 18,399,172.81	\$ 17,176,666.90

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGE IN FUND BALANCE - STATUTORY BASIS  
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>REF</u>	<u>SFY 2004</u>	<u>SFY 2003</u>
Fund Balance Utilized	A-1, A-2	\$ 3,446,002.00	\$ 3,422,050.00
Miscellaneous Revenues Anticipated	A-2	12,348,947.50	12,236,345.30
Receipts from Delinquent Taxes	A-2	1,475,952.17	1,286,654.79
Receipts from Current Taxes	A-7	102,325,800.11	96,699,783.33
Non-Budget Revenue	A-7	242,905.88	264,566.96
Other Credits to Income:			
Unexpended Balances of Approp. Reserves	A-10	1,108,270.35	1,223,028.73
Interfunds:			
Sewer Operating Fund	A-12	10.00	
Trust Other Fund	A-12	5,540.00	
Grants Cancelled	A-12	65,277.43	37,130.75
Tax Overpayments Cancelled			9.36
		<hr/>	<hr/>
Total Revenues		121,018,705.44	115,169,569.22
		<hr/>	<hr/>
<u>EXPENDITURES AND OTHER CHARGES</u>			
Budget Appropriations and Emergency Appropriations			
Within "CAP"			
Operations:			
Salaries and Wages	A-3	15,720,402.19	15,165,852.37
Other Expenses	A-3	4,055,139.79	8,423,624.47
Deferred Charges and Statutory Expend.	A-3	734,756.77	876,117.51
Appropriations Excluded from "CAP"			
Operations:			
Salaries and Wages	A-3	840,446.00	802,824.00
Other Expenses	A-3	9,135,125.10	4,267,939.72
Capital Improvements	A-3	440,000.00	515,000.00
Municipal Debt Service	A-3	2,882,831.26	2,926,041.25
Deferred Charges and Statutory Expend.	A-3	157,465.35	103,852.64
Special District Taxes	A-13	2,105,590.00	2,186,019.00
County Tax	A-13	14,229,434.42	13,975,860.73
Due County for Added Taxes	A-13	1,234,236.48	128,982.54
Local District School Taxes	A-13	64,014,368.00	60,490,720.00
Open Space Fund	A-13	89,160.62	1,386,683.05
Reserve for Tax Appeals	A-11	749,055.88	110,115.09
Interfunds:			
Interfunds Advanced - Net	Var.	229,654.89	384,976.96
Grants Receivable Cancelled	A-12	61,010.00	28,976.91
Refund Prior Years Revenue	A-4	1,430.34	15,470.15
Taxes Receivable Cancelled			300.00
		<hr/>	<hr/>
Total Expenditures		116,680,107.09	111,789,356.39
		<hr/>	<hr/>
Excess in Revenue (Balance Forward)		4,338,598.35	3,380,212.83
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budgets of Succeeding Years	A-8	55,000.00	137,465.35
		<hr/>	<hr/>
Statutory Excess to Fund Balance		4,393,598.35	3,517,678.18

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
 COMPARATIVE STATEMENT OF OPERATIONS AND  
 CHANGE IN FUND BALANCE - STATUTORY BASIS  
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>REF</u>	<u>SFY 2004</u>	<u>SFY 2003</u>
Statutory Excess to Fund Balance (brought forward)		4,393,598.35	3,517,678.18
<u>FUND BALANCE</u>			
Balance - July 1	A	<u>4,645,054.23</u>	<u>4,549,426.05</u>
		9,038,652.58	8,067,104.23
Decreased by:			
Utilization as Anticipated Revenue	A-1	<u>3,446,002.00</u>	<u>3,422,050.00</u>
Balance - June 30	A	<u>\$ 5,592,650.58</u>	<u>\$ 4,645,054.23</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2004

REF.	ANTICIPATED 2004 BUDGET	APPROP. N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
	\$	\$	\$	\$
Fund Balance Anticipated	3,446,002.00		3,446,002.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	46,000.00		44,550.00	(1,450.00)
Other	22,000.00		17,102.20	(4,897.80)
Fees and Permits	210,000.00		229,278.35	19,278.35
Fines and Costs:				
Municipal Court	660,000.00		704,298.75	44,298.75
Interest and Costs on Taxes	280,000.00		332,978.24	52,978.24
Interest on Investments and Deposits	210,000.00		409,372.62	199,372.62
Cable Television Franchise Fees	97,000.00		107,807.00	10,807.00
Property Rentals	20,000.00		28,500.00	8,500.00
Swimming Pool Fees	15,000.00		16,049.09	1,049.09
Sale of Municipal Assets	190,000.00		190,000.00	
Reserve for PCTC	40,000.00		40,000.00	
Reserve for Library State Aid	59,634.00		59,634.00	
Reserve for Snow Reimbursement	56,550.00		56,550.00	
Health Insurance Dividend	325,000.00		325,882.00	882.00
Library Fines and Fees	263,800.00		260,800.00	(3,000.00)
Legislative Initiative Municipal Block Grant	206,047.00		206,047.00	
Consolidated Municipal Property Tax Relief Aid	3,469,812.00		3,469,812.00	
Energy Receipts Taxes	3,992,742.88		3,992,742.87	(0.01)
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees	500,000.00		842,287.00	342,287.00
Garden State Trust	1.20		1.20	
Uniform Fire Safety Act	50,500.00		69,643.76	19,143.76

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - STATUTORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2004

	REF.	ANTICIPATED 2004 BUDGET	APPROP. N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Public and Private Revenues Offset with Approps.:					
Public Health Priority Funding	A-12		21,998.00	21,998.00	21,998.00
Safe and Secure Communities	A-12	60,000.00		60,000.00	
Urban Forestry Grant	A-12	13,700.00		13,700.00	
Drunk Driving Enforcement Fund	A-12	9,160.50		9,160.50	
Municipal Alliance Program	A-12	45,987.00		45,987.00	
US DOJ Local Law Enforcement Block Grant	A-12	17,976.00		17,976.00	
Middlesex County Cultural Heritage Grant	A-12	10,500.00		10,500.00	
NFL Youth Grant	A-12	2,200.00		2,200.00	
Local Domestic Preparedness Grant	A-12		15,000.00	15,000.00	
NJDO I - Mountain Avc.	A-12		270,000.00	270,000.00	
Walmart Safe Neighborhood	A-12	1,500.00		1,500.00	
Multi-Jurisdictional Task Force	A-12	20,000.60		20,000.60	
Recycling Tonnage Grant	A-12	28,790.34		28,790.34	
DCA Smart Growth	A-12		75,000.00	75,000.00	
Occupant Protection	A-12		5,000.00	5,000.00	
Juvenile Accountability Incentive	A-12	11,569.00		11,569.00	
Metlars House	A-12	197,024.00		197,024.00	
State Local Cooperative Housing	A-12	3,500.00		3,500.00	
Clean Communities Grant	A-12	40,275.64		40,275.64	
Middlesex County Business Improvement	A-12	68,630.00		68,630.00	
State Local Preparedness Equipment	A-12		2,405.72	2,405.72	
NJ Ease Sr. Citizen Grant	A-12	7,000.00		7,000.00	
Nextel Blackberry	A-12	345.00		345.00	
Bullet Proof Vest Grant	A-12	4,277.42	5,500.00	9,777.42	
Body Armor Replacement Fund	A-12		8,272.20	8,272.20	
Total Miscellaneous Revenues	A-1, A-4, A-10	11,256,522.58	403,175.92	12,348,947.50	711,247.00
Receipts from Delinquent Taxes	A-1	1,200,000.00		1,475,952.17	275,952.17
Subtotal General Revenues		15,902,524.58	403,175.92	17,270,901.67	987,199.17

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF REVENUES - STATUTORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2004

REF.	ANTICIPATED 2004 BUDGET	APPROP. N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
A-7	20,653,389.41		23,465,246.30	2,811,856.89
A-1, A-9	36,555,913.99	403,175.92	40,736,147.97	3,777,058.06
			242,905.88	
	\$ 36,555,913.99	\$ 403,175.92	\$ 40,979,053.85	

Amount to be Raised by Taxes for Support of  
Municipal Budget:  
Local Tax for Municipal Purposes Including  
Reserve for Uncollected Taxes

Budget Totals

Non-Budget Revenues

- 12 -

Ref.

( ) Denotes Deficit

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2004

	2003 BUDGET	CH 159	BUDGET AFTER MODIFICATION	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
				PAID OR CHARGED	ENCUMBERED		
	\$	\$	\$	\$	\$	\$	
<b>OPERATIONS WITHIN "CAPS"</b>							
General Government:							
Township Council	60,761.19		60,761.19	59,421.84		1,339.35	
Salaries and Wages	9,450.00		9,450.00	6,017.69	25.00	3,407.31	
Other Expenses							
Township Clerk	126,485.00		126,485.00	126,013.74		471.26	
Salaries and Wages	13,450.00		18,450.00	14,517.98	3,332.50	599.52	
Other Expenses							
Elections							
Other Expenses	24,800.00		24,800.00	412.82	1,364.00	23,023.18	
Administration:							
Dept. of Administration	319,448.00		320,448.00	319,433.75		1,014.25	
Salaries and Wages	103,322.58		68,322.58	56,590.75	4,667.60	7,064.23	
Other Expenses							
Division of Personnel	75,838.00		75,838.00	74,432.23		1,405.77	
Salaries and Wages	90,994.00		90,994.00	64,165.36	22,531.30	4,297.34	
Other Expenses							
Computer Center	54,392.00		54,392.00	52,775.00		1,617.00	
Salaries and Wages	140,100.00		165,100.00	59,451.87	85,246.98	20,401.15	
Other Expenses							
Division of Purchasing	47,018.00		47,018.00	47,011.55		6.45	
Salaries and Wages							
Other Expenses							
Postage ( All Depts )	65,000.00		65,000.00	45,041.00	150.00	19,809.00	
Duplicating ( All Depts.)	12,000.00		12,000.00	4,766.51	2,105.00	5,128.49	
Miscellaneous Other Expenses	9,925.00		9,925.00	4,343.96	158.80	5,422.24	
Division of Real Estate							
Salaries and Wages	2,000.00						
Other Expenses							
Municipal Land Use (N.J.S.A. 40:55 D-1):							
Planning Board	4,440.00		4,440.00	4,440.00			
Salaries and Wages	65,318.00		65,318.00	50,774.27		14,543.73	
Other Expenses							
Zoning Board	4,529.00		4,529.00	4,440.00		89.00	
Salaries and Wages	63,652.00		63,652.00	43,613.81	6,177.00	13,861.19	
Other Expenses							
Celebration of Public Evets	24,650.00		24,650.00	10,531.87	13,683.25	434.88	
Other Expenses							
Cable TV Studio	142,541.00		142,541.00	140,755.88		1,785.12	
Salaries and Wages	25,718.00		25,718.00	10,058.05	6,171.84	9,488.11	
Other Expenses							

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2004

	2003 BUDGET	CH 152	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
					ENCUMBERED	UNEXPENDED		
<b>Finance and Revenue</b>								
Department of Finance								
Salaries and Wages	222,579.00		174,579.00	169,328.51		5,250.49		
Other Expenses	20,255.00		40,255.00	33,369.99	6,839.71	45.30		
Annual Audit	45,500.00		45,500.00		45,500.00			
Division of Assessment								
Salaries and Wages	223,346.00		202,346.00	201,956.97		389.03		
Other Expenses	66,595.00		66,595.00	47,074.97	7,996.66	11,523.37		
Division of Revenue								
Salaries and Wages	116,085.00		101,085.00	98,043.30		3,041.70		
Other Expenses	27,600.00		27,600.00	22,691.82	2,019.08	2,889.10		
Insurance								
Other Insurance Premiums	14,000.00		14,000.00	8,056.00		4,857.00		
<b>Law</b>								
Department of Law								
Salaries and Wages	55,715.00		55,715.00	54,700.02		1,014.98		
Other Expenses	195,000.00		200,000.00	191,661.84		8,338.16		
Municipal Prosecutor								
Salaries and Wages	40,623.00		40,623.00	40,623.00				
<b>PUBLIC SAFETY:</b>								
Joint Fire Board								
Salaries and Wages	1,166.00		1,166.00	1,142.04		23.96		
Uniform Fire Safety Act (P.L. 1983 C. 383)								
Salaries and Wages	177,973.00		178,973.00	178,964.49		8.51		
Other Expenses	21,410.00		21,410.00	10,073.25	11,184.18	1,52.57		
Animal Control								
Other Expenses	3,400.00		3,400.00	155.00		3,245.00		
Division of Schools Crossing Guards								
Salaries and Wages	268,100.00		286,100.00	280,748.31		5,351.69		
Other Expenses	2,000.00		2,000.00	1,943.75		56.25		
Division of Police								
Salaries and Wages	8,078,451.00		7,965,451.00	7,926,218.88		39,232.12		
Other Expenses	329,957.00		329,957.00	241,708.99	84,995.58	3,248.43		
First Aid Organization - Contribution	74,300.00		74,300.00	72,600.00	600.00	1,100.00		



TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2004

	2003 BUDGET	CH 152	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
					ENCUMBERED			
<b>PUBLIC WORKS:</b>								
Department of Public Works								
Salaries and Wages	293,621.00		293,621.00	253,732.14			39,888.86	
Other Expenses	47,645.90		47,645.90	34,531.96	7,914.01		5,199.93	
Division of Engineering								
Salaries and Wages	394,161.00		384,161.00	377,032.63			7,128.37	
Other Expenses	61,176.00		61,176.00	46,157.65	4,800.07		10,218.28	
Division of Planning								
Salaries and Wages	424,631.00		424,631.00	423,901.24			729.76	
Other Expenses	39,839.32		39,839.32	21,379.09	2,852.92		15,607.31	
Public Building and Grounds								
Salaries and Wages	347,268.00		347,268.00	336,381.36			8,886.64	
Other Expenses	153,150.00		147,150.00	98,389.37	33,345.19		15,415.44	
Division of Property Maintenance								
Salaries and Wages	400,753.00		406,753.00	402,642.93			4,110.07	
Other Expenses	440,800.00		422,300.00	275,042.59	103,260.04		43,997.37	
Division of Streets								
Salaries and Wages	673,848.00		673,848.00	648,883.40			24,964.60	
Other Expenses	113,000.00		113,000.00	44,106.10	65,748.18		3,145.72	
Snow Removal								
Salaries and Wages	90,000.00		90,000.00	84,217.97			5,782.03	
Other Expenses	181,000.00		181,000.00	134,584.12	30,738.66		15,677.22	
All Utilities	870,340.99		922,340.99	838,103.27	26,013.08		58,224.64	
Division of Parks								
Salaries and Wages	621,055.00		633,555.00	583,480.98			50,074.02	
Other Expenses	228,500.00		213,500.00	100,200.63	67,168.04		46,131.33	
Shade Tree								
Other Expenses	10,000.00		24,000.00	-	24,000.00			
Division of Sanitation - Sewer System								
Other Expenses	23,600.00		23,600.00	22,752.92	518.75		328.33	
Solid Waste Collection								
Salaries and Wages	547,604.00		567,604.00	553,939.70			13,664.30	
Other Expenses	26,385.00		26,385.00	7,267.93	476.26		18,640.81	
Recycling Program								
Other Expenses	137,900.00		125,900.00	87,953.57	14,619.09		23,327.34	
Municipal Services Act	27,000.00		27,000.00	7,035.57	15,422.54		4,541.89	

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2004

	2003 BUDGET	CH 152	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
				PAID OR CHARGED	ENCUMBERED	RESERVED	
<b>HEALTH AND WELFARE:</b>							
Department of Health	413,819.00		411,819.00	399,350.72		12,468.28	
Salaries and Wages	24,807.00		18,807.00	12,241.79	3,618.39	2,946.82	
Other Expenses							
Division of Public Assistance	5,495.00		5,495.00	5,387.04		107.96	
Salaries and Wages	375.00		375.00			375.00	
Other Expenses							
Office on Aging	387,369.00		367,369.00	351,338.99		16,030.01	
Salaries and Wages	90,120.00		90,120.00	64,910.43	21,124.28	4,085.29	
Other Expenses	500.00		500.00			500.00	
Aid to American Cancer Society	500.00		500.00	500.00			
Aid to Heart Fund	5,000.00		5,000.00				
Kiddie Keepwell Contribution						5,000.00	
<b>RECREATION AND EDUCATION</b>							
Department of Recreation	423,450.00		423,450.00	390,123.33		33,326.67	
Salaries and Wages	221,415.00		221,415.00	148,933.28	34,049.08	38,432.64	
Other Expenses							
Swimming Pool	48,000.00		48,000.00	38,012.38		9,987.62	
Salaries and Wages	19,200.00		49,200.00	16,933.57	7,376.82	24,889.61	
Other Expenses							
Youth Center	112,101.00		123,101.00	122,087.97		1,013.03	
Salaries and Wages	31,780.00		31,780.00	23,323.40	7,240.57	1,216.03	
Other Expenses							
<b>Uniform Construction Code</b>							
Division of Inspections	315,036.00		335,036.00	335,036.00			
Salaries and Wages	90,650.00		90,650.00	62,895.98	3,051.70	24,702.32	
Other Expenses							
Boards and Commissions	12,901.00		12,901.00	8,094.75		4,806.25	
Salaries and Wages	32,859.00		32,859.00	17,745.41	1,060.52	14,053.07	
Other Expenses							
Total Operations Within "CAPS"	19,858,541.98		19,775,541.98	18,160,703.22	780,237.67	834,601.09	
Contingent							
Total Operations Including Contingent Within "CAPS"	19,858,541.98		19,775,541.98	18,160,703.22	780,237.67	834,601.09	
<b>DETAIL:</b>							
Salaries and Wages	15,532,602.19		15,391,102.19	15,096,093.04		295,009.15	
Other Expenses (Including Contingent)	4,325,939.79		4,384,439.79	3,064,610.18	780,237.67	539,591.94	

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2004

	2003 BUDGET	CH 159	BUDGET AFTER MODIFICATION	PAID OR CHARGED		EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
						ENCUMBERED			
	673,154.77		673,154.77	669,571.54				3,583.23	
	31,602.00		31,602.00	58.86				31,543.14	
	<u>30,000.00</u>		<u>30,000.00</u>	<u>30,000.00</u>					
	734,756.77		734,756.77	699,630.40				35,126.37	
	<u>20,593,298.75</u>		<u>20,510,298.75</u>	<u>18,860,333.62</u>		<u>780,237.67</u>		<u>869,727.46</u>	

STATUTORY EXPENDITURES:

Contribution to,  
Social Security System (O.A.S.I.)  
Cons Police & Firemen's Retirement System of N.J.  
State Unemployment Insurance

Total Deferred Charges and Statutory Expenditures  
Municipal Within "CAPS"

Total General Appropriations for Municipal  
Purposes Within "CAPS"

OPERATIONS EXCLUDED FROM "CAPS"

Municipal Court  
Salaries and Wages  
Other Expenses  
Public Defender (P.L. 1997, Ch. 256)  
Other Expenses  
9141 Emergency Telecommunication Services  
Salaries and Wages  
Other Expenses  
Division of Emergency Management  
Salaries and Wages  
Other Expenses  
Maintenance of Free Public Library (NJSA 40:54-8)  
Insurance  
Group Insurance for Employees  
Other Insurance Premiums  
Workers' Compensation IBNR  
Police and Firemen's Retirement System  
SFSP Fire District Payment  
MCIA Recycling Program  
MCUA Solid Waste Agreement  
Edison Animal Control Contract  
Middlesex County Nursing Services  
UNDNJ Agreements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2004

	2003 BUDGET	CH 159	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
					ENCUMBERED	RESERVED	
<b>PUBLIC AND PRIVATE PROGRAMS</b>							
<b>OFFSET BY REVENUES</b>							
Matching Funds for Grants	26,575.00		26,575.00				
Public Health Priority Funding	21,998.00	21,998.00	21,998.00	21,998.00		26,575.00	
Safe & Secure Communities Program	82,888.54		82,888.54	82,888.54			
Urban Forestry Grant	17,125.00		17,125.00	17,125.00			
Drunk Driving Enforcement Fund	9,160.50		9,160.50	9,160.50			
Municipal Alliance Program	57,483.75		57,483.75	57,483.75			
U.S. DOJ Local Law Enfore. Block Grant	19,973.00		19,973.00	19,973.00			
SLAHEOP-OEM Grant		2,405.72	2,405.72	2,405.72			
Walmart Safe Heroes	1,500.00		1,500.00	1,500.00			
NJ Historical Trust Medlar's House	197,024.00		197,024.00	197,024.00			
Smart Future Planning Grant	75,000.00		75,000.00	75,000.00			
NFL Youth Grant	2,200.00		2,200.00	2,200.00			
Nextel Blackberry PDA Grant	345.00		345.00	345.00			
NJ Cultural Arts Grant	10,500.00		10,500.00	10,500.00			
Local Domestic Preparedness Grant	15,000.00	15,000.00	15,000.00	15,000.00			
NJDOT Mountain Ave.	270,000.00	270,000.00	270,000.00	270,000.00			
Multi Jurisdictional Task Force	20,000.60		20,000.60	20,000.60			
Make It Click	5,000.00	5,000.00	5,000.00	5,000.00			
Recycling Tonnage Grant	28,790.34		28,790.34	28,790.34			
State Local Housing Inspection Program	3,500.00		3,500.00	3,500.00			
Juvenile Accountability Incentive	12,854.00		12,854.00	12,854.00			
Middlesex Office on Aging	7,000.00		7,000.00	7,000.00			
Middlesex County Business District Improv.	68,630.00		68,630.00	68,630.00			
Clean Communities Grant	40,275.64		40,275.64	40,275.64			
Bullet Proof Vest Grant	4,277.42		4,277.42	4,277.42			
Body Armor Replacement Grant	8,272.20	8,272.20	8,272.20	8,272.20			
<b>Total Operations Excluded from "CAPS"</b>	<b>9,489,395.18</b>	<b>397,675.92</b>	<b>9,975,571.10</b>	<b>9,327,033.62</b>	<b>293,139.94</b>	<b>355,397.54</b>	
<b>DETAIL:</b>							
Salaries and Wages	853,644.00		459,793.00	455,282.56		4,510.44	
Other Expenses	8,635,751.18	397,675.92	9,515,778.10	8,871,751.06	293,139.94	350,887.10	
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>							
Capital Improvement Fund	250,000.00		250,000.00	250,000.00			
Land Acquisition	190,000.00		190,000.00	38,256.10	56,340.00	95,403.90	
<b>Total Capital Improvements Excl. from "CAPS"</b>	<b>440,000.00</b>		<b>440,000.00</b>	<b>288,256.10</b>	<b>56,340.00</b>	<b>95,403.90</b>	

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2004

	2003 BUDGET	CH 159	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
					ENCUMBERED	EXPENDED		
<b>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>								
Payment of Bond Principal	2,142,228.00		2,142,228.00	2,010,000.00				132,228.00
Interest on Bonds	921,291.00		921,291.00	872,831.26				48,459.74
Total Municipal Debt Service - Excl. from "CAPS"	3,063,519.00		3,063,519.00	2,882,831.26				180,687.74
<b>DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"</b>								
Deferred Charges								
Emergency Authorizations	137,465.35		137,465.35	137,465.35				
Emergency Authorizations - 5 yrs	20,000.00		20,000.00	20,000.00				
Total Deferred Charges - Municipal Excluded from "CAPS"	157,465.35		157,465.35	157,465.35				
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	13,150,379.53	397,675.92	13,636,555.45	12,655,586.33	349,479.94		450,801.44	180,687.74
Subtotal General Appropriations	33,743,678.28	397,675.92	34,146,854.20	31,515,919.95	1,129,717.61		1,320,528.90	180,687.74
Reserve for Uncollected Taxes	2,812,235.71		2,812,235.71	2,812,235.71				
Total General Appropriations	\$ 36,555,913.99	397,675.92	\$ 36,959,089.91	\$ 34,328,155.66	\$ 1,129,717.61	\$ 1,320,528.90	\$ 180,687.74	
REF.	A			A-1	A-1	A-1	A-1	
Disbursed				\$ 30,308,125.69				
Reserve for Uncollected Taxes				2,812,235.71				
Duct to State and Federal Grants Fund				986,703.71				
Emergency Approp. 40A:4-47				157,465.35				
Due to Sewer Utility Fund				63,625.20				
Note: See Notes to Financial Statements				\$ 34,328,155.66				

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS  
COMPARATIVE BALANCE SHEET - STATUTORY BASIS  
JUNE 30, 2004 AND 2003

ASSETS	REF.	BALANCE June 30, 2004	BALANCE June 30, 2003	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE June 30, 2004	BALANCE June 30, 2003
<b>Assessment Trust Fund:</b>							
Cash and Investments - Treat	B-3	\$ 889.80	\$ 889.80	Assessment Trust Fund:	B-1	\$ 889.80	\$ 889.80
				Fund Balance			
Total Assessment Trust Fund		889.80	889.80	Total Assessment Trust Fund		889.80	889.80
<b>Animal Control Fund:</b>							
Cash and Investments - Treat	B-3	13,459.67	9,935.20	Animal Control Fund:	B-3	92.40	370.80
				Due to State of New Jersey		13,367.27	9,564.40
Total Animal Control Fund		13,459.67	9,935.20	Reserve for Animal Control Expei	B-3		
				Total Animal Control Fund		13,459.67	9,935.20
<b>Self-Insurance Trust Fund:</b>							
Cash and Investments - Treat	B-3	58,359.32		Self-Insurance Trust Fund:	B-3	58,359.32	
Due from Other Trust Fund	B-3	90,931.75		Reserve for Self Insurance		90,931.75	
				Reserve for Mellars House (Self In	B-3		
Total Trust-Other Fund		149,291.07		Total Trust-Other Fund		149,291.07	
<b>Other Trust Funds:</b>							
Cash and Investments - Treat	B-3	4,655,117.79	4,164,580.00	Other Trust Funds:	B-3	83,396.35	98,082.74
State and Federal Grants Rec	B-3	346,560.27	357,109.20	Payroll Liabilities	B-3	90,931.75	
Due from Current Fund	B-3	199,376.66	180,735.12	Due to Self Insurance Trust Fund	B-3	60,330.85	96,982.16
				Unemployment Insurance Trust F	B-3	7,684.15	
Total Escrow Trust Fund		5,201,054.72	4,702,424.32	Workmen's Comp. Self-Insurance	B-3	354,529.30	5,540.00
				Reserve for CDBG	B-3	380,683.73	
				Due to Grant Fund	B-3	1,295,377.03	954,484.81
Public Assistance Fund:				Miscellaneous Deposits	B-3	2,984,049.79	2,839,921.94
Cash and Investments - Treasurer		5,542.85	6,534.14	Schedule of Escrows	B-4	208,378.75	247,292.75
				Reserve for 3rd Party Inspection F	B-3	97,906.47	97,906.47
Total Public Assistance Fund		5,542.85	6,534.14	Due to Capital Fund	B-3		
				Total Escrow Trust Fund		5,201,054.72	4,702,424.32
				Public Assistance Fund:		5,542.85	6,534.14
				Reserve for Public Assistance			
				Total Public Assistance Fund		5,542.85	6,534.14
						\$ 5,370,238.11	\$ 4,719,783.46

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

TRUST ASSESSMENT FUND  
 STATEMENT OF FUND BALANCE - STATUTORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>REF.</u>	
Balance - June 30, 2003	B	\$889.80
		<hr/>
Balance - June 30, 2004	B	<u>\$889.80</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEET - STATUTORY BASIS  
JUNE 30, 2004 AND 2003

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE</u> <u>JUNE 30,</u> <u>2004</u>	<u>BALANCE</u> <u>JUNE 30,</u> <u>2003</u>
Cash and Investments - Treasurer	C-2, C-3	\$ 12,712,283.49	\$ 7,701,168.22
Grants - In - Aid, Loans and Other Receivable	C-4	141,078.23	497,328.23
Interfunds Receivable	C-8	406,377.55	249,617.37
Deferred Charges to Future Taxation:			
Funded	C-5	29,175,000.00	20,736,000.00
Unfunded	C-6	<u>6,300.00</u>	<u>3,372,500.00</u>
		<u>\$ 42,441,039.27</u>	<u>\$ 32,556,613.82</u>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
General Serial Bonds	C-9	\$ 29,175,000.00	\$ 20,736,000.00
Reserve for Encumbrances Payable	C-7	5,897,490.17	3,734,828.65
Interfunds Payable	C-8		139,668.15
Improvement Authorizations:			
Funded	C-7	5,701,402.80	4,617,539.85
Unfunded	C-7	6,300.00	1,901,491.11
Reserve for:			
Capital Improvement Fund	C-11		1,131.31
Various Reserves	C-10	1,594,493.58	1,305,765.87
Fund Balance	C-1	<u>66,352.72</u>	<u>120,188.88</u>
		<u>\$ 42,441,039.27</u>	<u>\$ 32,556,613.82</u>

There were Bonds and Notes Authorized but not Issued at June 30, 2004 in the amount of \$6,300.00. ( Exhibit C-12 ).

Note: See Notes to Financial Statements



TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND  
 STATEMENT OF FUND BALANCE - STATUTORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	<u>REF.</u>	
Balance - June 30, 2003	C	\$ 120,188.88
Increased by:		
Canceled Funded Improvement Authorizations	C- 7	28,189.53
Premium Received on Sale of Bonds	C- 2	27.28
Accrued Interest on Bonds	C- 2	<u>13,917.23</u>
		<u>42,134.04</u>
		162,322.92
Decreased by:		
Improvement Authorizations	C- 7	<u>95,970.20</u>
Balance - June 30, 2004	C	<u>\$ 66,352.72</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET - STATUTORY BASIS  
JUNE 30, 2004 AND 2003

ASSETS	REF.	BALANCE JUNE 30, 2004	BALANCE JUNE 30, 2003	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE JUNE 30, 2004	BALANCE JUNE 30, 2003
<b>Operating Fund:</b>							
Cash and Investments - Treasurer	D-5	\$ 2,098,262.67	\$ 2,519,984.69	Operating Fund:			
Change Fund - Collector		100.00	100.00	Appropriation Reserves	D-4, D-11	\$ 569,479.56	\$ 581,893.45
Due from Sewer Capital	D-20	77.46	82.05	Reserve for Encumbrances	D-4, D-11	206,587.13	260,369.91
				Due to Current Fund	D-17	248,909.01	248,909.01
				Sewer Overpayments	D-14	51.43	0.19
				Accounts Payable	D-11	35,463.14	
				Prepaid Sewer Charges	D-13	17,546.01	17,236.21
		2,098,440.13	2,520,166.74				
						1,078,036.28	1,108,408.77
<b>Receivables and Inventory With</b>							
<b>Offsetting Reserves:</b>				Reserve for Receivables	Reserve	153,976.36	231,443.86
Sewer Charges Receivable	D-8	1,433.76	1,123.76	Fund Balance	D-1	1,020,403.85	1,411,757.97
Sewer Liens Receivable	D-12	152,542.60	230,320.10	Total Operating Fund		2,252,416.49	2,751,610.60
		153,976.36	231,443.86				
<b>Total Operating Fund</b>		<b>2,252,416.49</b>	<b>2,751,610.60</b>			<b>408,851.55</b>	<b>107,593.50</b>
				<b>Capital Fund:</b>			
				Reserve for Encumbrances	D-15	583,863.88	269,175.38
				Improvement Authorizations:			
				Funded	D-15	200,280.80	
				Unfunded	D-21	77.46	82.05
				Due to Sewer Operating	D-22	380,000.00	
				Serial Bonds Payable	D-18	187,091.49	15,091.49
				Capital Improvement Fund	D-19	11,793,561.49	11,793,561.49
				Reserve for Amortization	D-16	690,900.00	612,900.00
				Deferred Reserve for Amortization	D-2	29,871.94	29,871.94
				Fund Balance			
				Total Capital Fund		14,274,498.61	12,828,275.85
						\$ 16,526,915.10	\$ 15,579,886.45

There were Bonds and Notes Authorized but Not Issued on June 30, 2004 in the amount of \$437,100.00. (Exhibit D-23)

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 - STATUTORY BASIS  
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

<u>REVENUE AND OTHER INCOME</u>		<u>SFY 2004</u>	<u>SFY 2003</u>
Fund Balance Utilized	D- 3	\$ 880,660.15	\$ 837,402.00
Sewer Charges	D- 3	5,663,614.45	5,186,632.21
Connection Fees	D- 3	308,447.15	231,368.64
Interest on Investments	D- 3	45,827.38	44,898.22
Interest on Delinquent Accounts	D- 3	22,146.91	22,138.97
Other Credits to Income:			
Miscellaneous Revenue	D- 6	1,365.91	160.00
Unexpend. Balance of Appropriation Reserves Lapsed and Reserve for Encumb. Canceled	D-11	<u>107,445.68</u>	<u>134,773.53</u>
 Total Revenues		 <u>7,029,507.63</u>	 <u>6,457,373.57</u>
 <u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operating	D- 4	\$ 6,095,348.56	\$ 5,678,356.00
Capital Improvements	D- 4	340,000.00	100,000.00
Deferred Charges and Statutory Expend.	D- 4	100,293.04	91,240.00
Miscellaneous Expenditures	D- 5	<u>4,560.00</u>	<u>5,080.00</u>
 Total Expenditures		 <u>6,540,201.60</u>	 <u>5,874,676.00</u>
 Excess/(Deficit) in Revenues		 489,306.03	 582,697.57
 <u>FUND BALANCE</u>			
Balance - July 1	D	<u>1,411,757.97</u>	<u>1,666,462.40</u>
		1,901,064.00	2,249,159.97
Decreased by:			
Utilized as Anticipated Revenue	D- 1	<u>880,660.15</u>	<u>837,402.00</u>
 Balance - June 30	D	 <u>\$ 1,020,403.85</u>	 <u>\$ 1,411,757.97</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

Exhibit D-2

SEWER UTILITY CAPITAL FUND  
STATEMENT OF FUND BALANCE - STATUTORY BASIS  
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

	<u>REF</u>		
Balance June 30, 2003	D	\$	29,871.94
Balance June 30, 2004	D	\$	<u>29,871.94</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND  
STATEMENT OF REVENUES - STATUTORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>REF.</u>	2004 <u>BUDGET</u>	<u>REALIZED</u>	EXCESS OR <u>(DEFICIT)</u>
Fund Balance	D- 1	\$ 880,660.15	\$ 880,660.15	\$
Sewer Service Charges	D- 1	5,612,981.45	5,663,614.45	50,633.00
Interest on Investments	D- 1	25,000.00	45,827.38	20,827.38
Interest on Delinquencies	D- 1	17,000.00	22,146.91	5,146.91
Non-Budget Connection Fees	D- 1	<u>                    </u>	<u>308,447.15</u>	<u>308,447.15</u>
		<u>\$ 6,535,641.60</u>	<u>\$ 6,920,696.04</u>	<u>\$ 385,054.44</u>

Ref.                      D- 4

Analysis of Realized Revenues:

Sewer Service Charges:

Prepays Applied	D-13	16,994.14
Overpayments Applied	D-14	5,506.25
Collected	D- 8	<u>5,641,114.06</u>
	D- 1	<u>\$ 5,663,614.45</u>

Connection Fees:

Received by Collector		<u>308,447.15</u>
	D-1,D-6	<u>\$ 308,447.15</u>

Interest on Delinquent Accounts:

Collected		\$ 22,164.55
Less: Refunds		<u>17.64</u>
	D-1,D-6	<u>\$ 22,146.91</u>

Interest on Investments:

Collected		<u>\$ 45,827.38</u>
	D-1,D-5	<u>\$ 45,827.38</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2004

	2004 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
Operating:						
Salaries and Wages	\$ 1,311,020.12	\$ 1,311,020.12	\$ 1,280,337.83	\$	\$ 30,682.29	\$
Other Expenses	1,074,735.76	1,074,735.76	825,042.50	206,587.13	43,106.13	
Middlesex County Utilities Authority Service Charges - Contractual	3,709,592.68	3,709,592.68	3,240,601.54		468,991.14	
Capital Improvements:						
Capital Improvement Fund	250,000.00	250,000.00	250,000.00			
Backhoe Purchase	90,000.00	90,000.00	63,300.00		26,700.00	
	<u>100,293.04</u>	<u>100,293.04</u>	<u>100,293.04</u>			
Deferred Charges and Statutory Expenditures: Statutory Expenditures: Social Security System (O.A.S.I.)						
	\$ 6,535,641.60	\$ 6,535,641.60	\$ 5,759,574.91	\$ 206,587.13	\$ 569,479.56	\$
Total Water & Sewer Utility Appropriations						
	Ref: D-3		D-1,D-5	D,D-1	D,D-1	
Cash Disbursements			\$ 5,759,574.91			
			\$ 5,759,574.91			

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

Exhibit - E

SENIOR CITIZENS HOUSING UTILITY FUND  
COMPARATIVE BALANCE SHEET - STATUTORY BASIS  
JUNE 30, 2004 AND 2003

ASSETS	REF.	BALANCE JUNE 30, 2004	BALANCE JUNE 30, 2003	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE JUNE 30, 2004	BALANCE JUNE 30, 2003
<b>Operating Fund:</b>							
Cash and Investments - Treasurer	E-5	\$ 712,592.22	\$ 670,034.71	Operating Fund:	E-4,E-13	\$ 49,384.82	\$ 37,095.55
Interfunds Receivable	E-14	269.04	303.38	Appropriation Reserves	E-4,E-13	83,153.12	106,857.35
				Reserve for Encumbrances	E-11	3,840.62	12,131.66
				Accounts Payable	E-10	33,174.84	34,599.85
				Accrued Interest on Bonds	E-7	92,726.12	89,920.90
				Security Deposits		262,279.52	280,605.31
		<u>712,861.26</u>	<u>670,340.09</u>	<b>Fund Balance</b>	E-1	<u>450,581.74</u>	<u>389,734.78</u>
<b>Total Operating Fund</b>		<u>712,861.26</u>	<u>670,340.09</u>	<b>Total Operating Fund</b>		<u>712,861.26</u>	<u>670,340.09</u>
<b>Capital Fund:</b>							
Cash and Investments - Treasurer	E-5	394,306.78	394,483.12	Capital Fund:	E-15	269.04	305.38
Fixed Capital		<u>10,098,252.26</u>	<u>10,098,252.26</u>	Interfunds Payable	E-16	2,030,000.00	2,125,000.00
				Serial Bonds Payable			
				Improvement Authorizations:			
				Funded	E-9	400.00	400.00
<b>Total Capital Fund</b>		<u>10,492,559.04</u>	<u>10,492,735.38</u>	Reserve for:			
				Capital Improvement Fund	E-12	391,860.00	392,000.00
				Amortization	E-8	8,068,252.26	7,973,252.26
				Fund Balance	E-2	1,777.74	1,777.74
				<b>Total Capital Fund</b>		<u>10,492,559.04</u>	<u>10,492,735.38</u>
		<u>\$ 11,205,420.30</u>	<u>\$ 11,163,075.47</u>			<u>\$ 11,205,420.30</u>	<u>\$ 11,163,075.47</u>

There were no Bonds and Notes Authorized but not Issued at June 30, 2004.

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 - STATUTORY BASIS  
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

<u>REVENUE AND OTHER INCOME</u>		<u>SFY 2004</u>	<u>SFY 2003</u>
Fund Balance Utilized	E- 3	\$ 16,937.72	\$ 85,641.26
Rental Income	E- 3	1,045,869.30	997,841.20
Interest on Investments	E- 3	9,603.06	13,763.12
Other Credits to Income:			
Non-Budget Revenue	E- 3	9,561.31	5,355.12
Accounts Payable Cancelled	E-11	8,931.66	
Unexpend. Balance of Appropriation Reserves Lapsed and Reserve for Encumb. Canceled	E-13	<u>39,894.34</u>	<u>67,256.56</u>
 Total Revenues		 <u>1,130,797.39</u>	 <u>1,169,857.26</u>
 <u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operating	E- 4	\$ 771,257.88	\$ 823,842.50
Capital Improvements	E- 4	95,000.00	42,000.00
Debt Service	E- 4	183,941.25	173,356.26
Deferred Charges and Statutory Expend.	E- 4	2,813.58	3,442.50
Accrued Interest		<u>                    </u>	<u>6,761.36</u>
 Total Expenditures		 <u>1,053,012.71</u>	 <u>1,049,402.62</u>
 Excess/(Deficit) in Revenues		 77,784.68	 120,454.64
 <u>FUND BALANCE</u>			
Balance - July 1	E	<u>389,734.78</u>	<u>354,921.40</u>
		467,519.46	475,376.04
Decreased by:			
Utilized as Anticipated Revenue	E- 1	<u>16,937.72</u>	<u>85,641.26</u>
Balance - June 30	E	<u>\$ 450,581.74</u>	<u>\$ 389,734.78</u>

Note: See Notes to Financial Statements



TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND  
STATEMENT OF FUND BALANCE - STATUTORY BASIS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2004 AND 2003

	<u>REF.</u>	
Balance - June 30, 2003	E	\$ 1,777.74
Balance - June 30, 2004	E	<u>\$ 1,777.74</u>

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND  
STATEMENT OF REVENUES - STATUTORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2004

	<u>REF.</u>	2004 <u>BUDGET</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance	E-1	\$ 16,937.72	\$ 16,937.72	\$
Rental Income	E-1,E-3	1,037,500.00	1,045,869.30	8,369.30
Interest on Investments	E-1,E-3	<u>                    </u>	<u>9,603.06</u>	<u>9,603.06</u>
		<u>1,054,437.72</u>	<u>1,072,410.08</u>	<u>17,972.36</u>
Non-Budget Revenues	E-3	<u>                    </u>	<u>9,561.31</u>	<u>9,561.31</u>
		<u>\$ 1,054,437.72</u>	<u>\$ 1,081,971.39</u>	<u>\$ 27,533.67</u>

Ref.                      E-4

Analysis of Realized Revenues:

Analysis of Rental Income:

Rental Income		\$ 985,660.30	
Surcharge for Utilities:			
Electric		42,397.16	
Gas		15,596.24	
Water		<u>2,215.60</u>	
		<u>60,209.00</u>	
	E-1,E-3,E-5	<u>\$ 1,045,869.30</u>	

Analysis of Non-Budget Revenues:

Room Rental		3,750.00	
Laundromat Income		4,161.15	
Returned Check Fee		60.00	
Floor Replacement		400.00	
Sprinkler Recall		159.80	
Security Forfeiture		<u>1,030.36</u>	
	E-1,E-3,E-5	<u>\$ 9,561.31</u>	

Analysis of Interest on Investments:

Senior Citizen Capital fund	E-14	\$ 3,281.42	
Senior Citizen Operating Fund	E-5	<u>6,321.64</u>	
	E-1,E-3	<u>\$ 9,603.06</u>	

Note: See Notes to Financial Statement:

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2004

	2004 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
Operating:						
Salaries and Wages	\$ 36,778.88	\$ 36,778.88	\$ 36,778.88	\$	\$	\$
Other Expenses	734,479.00	734,479.00	679,941.06	28,357.12	26,180.82	
Debt Service:						
Payment on Bond Principle	95,000.00	95,000.00	95,000.00			
Interest on Bonds	90,366.26	90,366.26	88,941.25			1,425.01
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Social Security System (O.A.S.I.)	2,813.58	2,813.58	2,813.58			
Capital Improvements:						
Capital Improvement Fund	17,000.00	17,000.00	17,000.00			
Kitchen Cabinet & Counter Top	20,000.00	20,000.00		20,000.00		
Water Heater Replacement	8,000.00	8,000.00		4,796.00	3,204.00	
Entrance Driveway Replacement	50,000.00	50,000.00		30,000.00	20,000.00	
Total Senior Citizen Housing Appropriations	\$ 1,054,437.72	\$ 1,054,437.72	\$ 920,474.77	\$ 83,153.12	\$ 49,384.82	\$ 1,425.01

Ref: E-3 E-1 E,E-1 E,E-1

Cash Disbursements	\$ 831,533.52
Accrued Interest on Bonds	88,941.25
	\$ 920,474.77

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

BOND AND INTEREST FUND  
 BALANCE SHEET - STATUTORY BASIS  
JUNE 30, 2004 AND 2003

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE</u> <u>JUNE 30, 2004</u>	<u>BALANCE</u> <u>JUNE 30, 2003</u>
Cash	F - 1	<u>\$0.00</u>	<u>\$5,733.74</u>
 <u>LIABILITIES</u>			
Bonds Payable			\$5,000.00
Interest Payable			<u>733.74</u>
		<u>\$0.00</u>	<u>\$5,733.74</u>

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

STATEMENT OF GOVERNMENTAL FIXED ASSETS  
 STATUTORY BASIS  
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

	UNAUDITED	
<u>REF.</u>	<u>BALANCE</u> <u>JUNE 30, 2004</u>	<u>BALANCE</u> <u>JUNE 30, 2003</u>
Governmental Fixed Assets:		
Land	\$ 5,098,256.87	\$ 5,098,256.87
Buildings and Improvements	25,922,610.16	25,922,610.16
Machinery and Equipment	6,926,642.97	6,926,642.97
Total Governmental Fixed Assets	\$ 37,947,510.00	\$ 37,947,510.00
Investment in Governmental Fixed Assets	\$ 37,947,510.00	\$ 37,947,510.00

Note: See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS – STATUTORY BASIS  
THE FISCAL YEARS ENDED JUNE 30, 2004 AND 2003

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

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)

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.

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

C. Basis of Accounting (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, 2004 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.

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 general fixed asset account group at the lower of cost or fair market value.

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

Basis of Accounting (Cont'd)

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. 40 "Deposit and Investment Risk Disclosures – an amendment of GASB Statement No.3" in March 2003. The statement establishes certain disclosures of investments that have fair values that are highly sensitive to changes in interest rates.

GASB Statement No. 41 "Budgetary Comparison Schedules – Perspective Differences – an amendment of GASB Statement No. 34" clarifies certain budgetary presentation requirements and was issued May 2003.

GASB issued Statement No. 42 "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries" in November, 2003. The statement establishes accounting and financial reporting standards for impairment of capital assets and clarifies and establishes accounting requirements for insurance recoveries.

GASB issued Statement No. 43, "Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans" in May 2004. Other post-employment benefits (OPEB) include healthcare and other non-pension benefits provided to employees as part of their compensation for services. The standards apply to OPEB plans that are included as trust funds in the financial reports of plan sponsors or employers, and to stand-alone financial reports of OPEB plans that are established as trusts, when issued by the public employee retirement systems, or other governmental entities that administer them. The Statement also provides requirements for reporting OPEB funds by administrators of multi-employer OPEB plans, when the fund used is not a trust fund.

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.



## NOTES TO FINANCIAL STATEMENTS

## Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION - JUNE 30, 2004 AND 2003

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

A. SUMMARY OF MUNICIPAL DEBT - YEAR ENDED JUNE 30, 2004 & JUNE 30, 2003

	<u>SFY 2004</u>	<u>SFY 2003</u>
<u>Issued:</u>		
General:		
Bonds and Notes	\$ 29,175,000.00	\$ 20,736,000.00
Sewer Utility:		
Bonds and Notes	380,000.00	
Senior Citizens Housing Utility:		
Bonds and Notes	<u>2,030,000.00</u>	<u>2,125,000.00</u>
Net Debt Issued	<u>\$ 31,585,000.00</u>	<u>\$ 22,861,000.00</u>
 <u>Authorized But Not Issued:</u>		
General:		
Bonds and Notes	6,300.00	3,372,500.00
Sewer Utility:		
Bonds and Notes	473,100.00	36,100.00
Senior Citizens Housing Utility:		
Bonds and Notes	<u>                    </u>	<u>                    </u>
Total Authorized But Not Issued	<u>479,400.00</u>	<u>3,408,600.00</u>
 Net Bonds and Notes Issued and Authorized but not Issued	 <u>\$ 32,064,400.00</u>	 <u>\$ 26,269,600.00</u>

Summarized below are the Township's individual bond issues which are outstanding at June 30, 2004 and 2003

	<u>SFY 2004</u>	<u>SFY 2003</u>
<u>General Debt:</u>		
\$4,615,000, General Improvement Bonds of 1990, due in annual installments of \$350,000 to \$406,000 through December 15, 2005, interest at 6.45%	\$ 756,000.00	\$ 1,106,000.00
 \$6,165,000, General Improvement Bonds of 2000, due in annual installments of \$540,000 to \$750,000 through April 1, 2011, interest at 4.375% to 4.500%	 4,540,000.00	 5,090,000.00

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

B. Summary of Statutory Debt Condition - Annual Debt Statement 2004 and 2003

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

<u>2004</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 35,507,000.00	\$ 35,507,000.00	-
Sewer Utility Debt	416,100.00	416,100.00	-
Senior Citizen Housing Utility Debt	2,030,000.00	2,030,000.00	-
General Debt	<u>29,181,300.00</u>		<u>29,181,300.00</u>
	<u>\$ 67,134,400.00</u>	<u>\$ 37,953,100.00</u>	<u>\$ 29,181,300.00</u>

Net Debt \$29,181,300 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$3,951,914,870 = 0.74%.

Average Equalized Valuation Basis

2001 Equalized Value of Real Property	3,569,241,054.00
2002 Equalized Value of Real Property	3,895,456,104.00
2003 Equalized Value of Real Property	<u>4,391,047,452.00</u>
Average Equalized Valuation	<u>\$3,951,914,870.00</u>

2003

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>2003</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 46,142,000.00	\$ 46,142,000.00	-
Sewer Utility Debt	36,100.00	36,100.00	-
Senior Citizen Housing Utility Debt	2,125,000.00	2,125,000.00	-
General Debt	<u>24,108,500.00</u>		<u>24,108,500.00</u>
	<u>\$ 72,411,600.00</u>	<u>\$ 48,303,100.00</u>	<u>\$ 24,108,500.00</u>

Net Debt \$24,108,500 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$3,578,379,949 = 0.67%.

Average Equalized Valuation Basis

2000 Equalized Value of Real Property	3,270,442,688.00
2001 Equalized Value of Real Property	3,569,241,054.00
2002 Equalized Value of Real Property	<u>3,895,456,104.00</u>
Average Equalized Valuation	<u>\$3,578,379,948.67</u>

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

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

	<u>2004</u>	<u>2003</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	\$1,090,903.05	\$1,102,600.70
Deductions:		
Operating and Maintenance Cost	774,071.46	827,285.00
Debt Service per Housing Account	<u>183,941.25</u>	<u>180,117.62</u>
Total Deductions	<u>958,012.71</u>	<u>1,007,402.62</u>
	<u>\$132,890.34</u>	<u>\$95,198.08</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)	\$77,784.68	\$120,454.64
Add: Capital Improvement	<u>95,000.00</u>	<u>42,000.00</u>
	172,784.68	162,454.64
Less: Reserves Lapsed	<u>39,894.34</u>	<u>67,256.56</u>
Excess in Revenue per Debt Statement	<u>\$132,890.34</u>	<u>\$95,198.08</u>

## Note 4: DEFERRED COMPENSATION TRUST FUND

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

## Note 5: ASSESSMENT AND COLLECTION OF PROPERTY TAXES

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

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

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

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

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

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

Note 10: DEPOSITS AND INVESTMENTS

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), New Jersey's Governmental Unit Deposit Protection Act, or by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund. The New Jersey Governmental Deposit Protection Act requires all banks doing business in the State of New Jersey to maintain collateral in the amount of 5% of the average public deposits and deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

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.

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. The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities, which mature within one year. Collateralization of Fund investments is generally not required.

The cash on deposit is partially insured by federal deposit insurance in the amount of \$100,000.00 in each depository. Balances above the federal deposit insurance amount are insured by the Government Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:941, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

At June 30, 2004 and June 30, 2003, the cash and cash equivalents and investments, on deposit, of the Township consisted of the following, by type:

	<u>2004</u>	<u>2003</u>
Change Funds (On-Hand)	635.00	635.00
Checking/Savings Accounts	31,074,761.21	22,927,023.97
State of NJ Cash Management Fund	835,887.57	827,502.64
Escrow Accounts	2,342,413.27	2,690,064.64
Investments – Other	25,000.00	25,000,000
New Jersey ARM	<u>522,001.67</u>	<u>478,267.85</u>
TOTAL ON DEPOSIT	<u>\$ 34,794,329.98</u>	<u>\$ 26,948,494.10</u>

As at June 30, 2004 and June 30, 2003, cash, cash equivalents and investments, by fund, are as follows:

	<u>2004</u>	<u>2003</u>
Current Fund	\$11,598,230.41	\$10,482,753.56
Trust Fund	4,727,826.58	4,175,405.00
General Capital Funds	12,712,283.49	7,701,168.22
Sewer Utility Funds	3,035,199.79	2,905,799.05
Senior Citizen Housing Utility	1,106,899.00	1,064,517.83
Public Assistance Fund	5,542.85	6,532.14
Bond & Interest	<u>5,733.74</u>	<u>5,733.74</u>
TOTAL	<u>\$ 33,191,715.86</u>	<u>\$ 26,341,911.54</u>

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

Investments (Cont'd.)

As of June 30, 2004 and June 30, 2003, the Township's investments are summarized as follows:

<u>Type</u>	<u>Carrying Amount</u>	<u>Market Value</u>
<u>2004</u>		
Evergreen Select Instl. Treas. – First Union	<u>\$25,000.00</u>	<u>\$26,980.03</u>
<u>2003</u>		
Evergreen Select Instl. Treas. – First Union	<u>\$25,000.00</u>	<u>\$26,823.13</u>

The investments recorded in the financial statements have been recorded at the carrying amount. The difference between the carrying amount and market value is not material to the financial statements.

The investments recorded in the financial statements have been recorded at the carrying amount. The difference between the carrying amount and market value is not material to the financial statements.

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, 2004, the Township had \$835,887.57 on deposit with the New Jersey Cash Management Fund compared to \$827,502.64 on deposit as of June 30, 2003.

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 2004 and 2003 were \$472,648.37 and \$510,800.00 for PERS and \$837,632.67 and \$815,573.44 for PFRS, respectively, which represents contributions from the employees that are remitted on a quarterly basis. For SFY 2004, the Township contributed amounts of \$0.00 for PERS and \$145,961.00 for PFRS.

## Note 13: RISK MANAGEMENT (Cont'd.)

Summary of Risk Management Program (Cont'd.)

## 2. General Liability

The Fund covers \$250,000 CSL

The MEL covers excess claims to the following limits:

General Liability - \$4,750,000 CSL excess of the Funds' \$250,000\*  
 Other - \$1,750,000 CSL excess of the Funds' \$250,000\*  
 Garage Keeper Liability- \$1,750,000 CSL excess of the Funds' \$250,000\*  
 Failure to Supply Liability- \$4,750,000 CSL excess of the Funds' \$250,000\*  
 Riot/Civil Commotion - \$4,750,000 CSL excess of the Funds' \$250,000\*  
 Chlorine Release - \$750,000 CSL excess of the Funds' \$250,000  
 Skateboard Facilities -\$4,750,000 CSL excess of the Funds \$250,000

\* - Subject to annual aggregate limits

## 3. Automobile Liability

The Fund covers \$250,000 CSL for bodily injury, property damage and PIP.

The Fund covers \$15,000/person \$30,000/occurrence for uninsured/underinsured motorist liability.

The MEL covers excess claims as part of its excess General Liability limit.

## 4. Property

Coverage is provided through participation in a statewide joint purchasing program Through the MEL.

Basic Statewide Limit - \$100,000,000/occurrence\*

Standard Deductible - \$1,000/occurrence\*\*

\* - Subject to per occurrence and annual aggregate limits

\*\* - Certain Flood Loss and Coastal Windstorm Loss deductibles are higher

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:

Note 13: RISK MANAGEMENT (CONT'D.)

Estimated Reserve Requirement <u>June 30,2002</u>	Estimated Reserves For Prior Period Adjustment	Net Claims/ Fees Paid	Estimated Reserve Requirement <u>June 30,2003</u>
<u>\$975,117.41</u>	<u>\$150,805.39</u>	<u>\$215,750.25</u>	<u>\$910,172.55</u>

New Jersey Unemployment Compensation Insurance – The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. Following is a summary of Township appropriations, interest earning and remittances to the State for the current and prior year:

<u>State Fiscal Year</u>	<u>Township Appropriation</u>	<u>Employee Contribution</u>	<u>Interest Earnings</u>	<u>Amounts Reimbursed</u>	<u>Ending Balance</u>
2004	\$30,000.00	-0-	\$708.04	\$67,359.35	\$60,330.85
2003	-0-	-0-	1,843.73	55,576.00	96,982.16
2002	-0-	-0-	4,114.24	41,347.00	150,714.43
2001	-0-	-0-	10,577.43	32,258.99	187,950.19
2000	60,000.00	-0-	8,957.72	43,727.69	209,631.75

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, 2004 and 2003 it is estimated that the current cost of such unpaid sick pay would approximate \$4,203,702 and \$2,058,469.00. 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.



TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY

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

CURRENT FUND

CURRENT FUND  
SCHEDULE OF CASH

	<u>Ref.</u>		
Cash Balance June 30, 2003	A		\$ 10,482,218.56
Increased by Cash Receipts			
Collector	A-5	103,850,223.01	
Miscell. Revenue Not Anticipated	A-2,A-9	240,681.40	
Due from State of State of NJ - Ch. 20	A-6	489,689.50	
Various Payables	A-11	85,914.00	
Interfunds Receivable	A-12	779,304.11	
Revenue Accounts Receivable	A-9	10,719,293.07	
Various Reserves	A-1	<u>558,620.24</u>	
Total Cash Receipts.....			<u>116,723,725.33</u>
			127,205,943.89
Decreased by Disbursements			
SFY 2004 Appropriations	A-3	30,308,125.69	
SFY 2003 Approp. Reserves	A-10	1,288,849.29	
Tax Overpayments	A-14	248,567.49	
Various Payables	A-11	232,828.04	
Various Reserves	A-11	865,940.70	
Interfunds Payable	A-12	989,182.41	
Refund of Prior Year Revenue	A-1	1,430.34	
County Tax	A-13	15,552,831.52	
Fire District Tax	A-13	2,105,590.00	
Local School District Tax	A-13	<u>64,014,368.00</u>	
Total Cash Disbursements.....			<u>115,607,713.48</u>
Cash Balance June 30, 2004.....	A		<u>\$ 11,598,230.41</u>

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, 2003	A	\$ 205,192.83
Increased by:		
Allowable Deductions per Tax Billings	A- 6	480,625.00
2004 Sr. Citizens and Vet. Ded. Allowed by Collector	A- 6	<u>16,406.59</u>
		<u>497,031.59</u>
		702,224.42
Decreased by:		
Collected	A- 4	489,689.50
2004 Sr. Citizens and Vet. Ded. Disallowed by Collector	A- 6	<u>10,002.48</u>
		<u>499,691.98</u>
Balance - June 30, 2004	A	<u>\$ 202,532.44</u>
Analysis of Sr. Citizens & Veterans <u>Deductions Allowed - 2004 Taxes</u>		
Per Tax Billings	A- 6	\$ 480,625.00
Allowed (Disallowed) by Tax Collector (Net)	A- 6	<u>6,404.11</u>
	A-7	<u>\$ 487,029.11</u>

CURRENT FUND  
SCHEDULE OF PROPERTY TAXES RECEIVABLE AND LEVY ANALYSIS

	Ref.	Total	SFY 04 Prepaid	SFY 04 Current	SFY 03 Delinquent	Arrears	Tax Liens	Property Acquired for Taxes
Balance 6/30/03		\$ 4,435,162.21	\$ (99,007.56)	\$ -	\$ 1,631,645.46	\$ 37,841.81	\$ 272,351.61	\$ 2,592,330.89
<b>Billings / Levy</b>								
Original Levy	A-7	103,316,350.03		103,316,350.03				
Added & Omitted	A-7	587,423.47		419,728.37	92,082.86	75,612.24		
Canceled Taxes		(100,509.07)		(97,382.19)	(3,126.88)			
<b>Transfers</b>								
Tax Lien		31,165.27					31,165.27	
Tax Sale and Adjustments		(31,165.27)		(30,936.60)	(228.67)		246.13	
Adjustments	Reserve	246.13						
<b>Revenue</b>								
St. Citizens & Vets								
Original Levy	A-6	(480,625.00)		(480,625.00)				
Allowed/Disallowed	A-6	(6,404.11)		(6,404.11)				
Cash Receipts	A-4	(103,514,760.29)		(101,938,221.55)	(1,384,182.37)	(91,320.55)	(149.25)	
Prepaid Applied		212,727.10		198,007.56	14,268.99			
Tax Overpayments				198,458.11				
Balance 6/30/04	A-14	\$ 4,449,610.47	\$ (100,586.57)	\$ 1,281,959.50	\$ 350,459.39	\$ 22,133.50	\$ 303,313.76	\$ 2,592,330.89
<b>Analysis of SFY 2004 Property Tax Levy</b>								
<b>Tax Yield:</b>								
General Purpose Tax	Ref.	\$ 103,316,350.03						\$ 487,029.11
Added Taxes		419,728.37						101,739,763.44
		<u>103,736,078.40</u>						<u>99,007.56</u>
	A-7							102,325,800.11
								<u>105,138,035.82</u>
								<u>(81,672,789.52)</u>
								<u>\$ 23,465,246.30</u>
<b>Delinquent Taxes Realized:</b>								
SFY 03 Collections		\$ 1,384,182.37						
Arrears Collections		91,320.55						
Tax Liens Collected		449.25						
	A-1, A-2	<u>\$ 1,475,952.17</u>						

CURRENT FUND  
SCHEDULE OF NONBUDGET REVENUES & VARIOUS ACCOUNTS RECEIVABLES

	6/30/03	Accrued/ Adjustments	Cash Receipts	6/30/04
<b>Revenue Accounts Receivable:</b>				
Licenses - Other	\$ 44.50	\$ 17,057.70	\$ (17,102.20)	\$ -
Alcoholic Beverage License		44,550.00	(44,550.00)	-
Fees and Permits		229,278.35	(229,278.35)	-
Fines and Costs - Municipal Court	47,677.82	735,056.29	(704,298.75)	78,435.36
Construction Code Fees		842,287.00	(842,287.00)	-
Interest on Investments and Deposits		409,372.62	(409,372.62)	-
Library Fines		260,800.00	(260,800.00)	-
State Aid		7,668,603.07	(7,668,603.07)	-
Health Insurance Dividend		325,882.00	(325,882.00)	-
Cable TV Franchise Fees		107,807.00	(107,807.00)	-
Property Rentals		28,500.00	(28,500.00)	-
Pool Fees		16,049.09	(16,049.09)	-
Uniform Fire Safety Act		69,643.76	(69,643.76)	-
<b>Total</b>	<b>\$ 47,722.32</b>	<b>\$ 10,754,886.88</b>	<b>\$ (10,724,173.84)</b>	<b>\$ 78,435.36</b>
A-2				
<b>Non - Budget Revenue:</b>				
Collector		17,118.27	(17,118.27)	-
Construction Fee		430.00	(430.00)	-
Theatre Tickets		16,135.00	(16,135.00)	-
Vending Machines		378.06	(378.06)	-
Eng. & Inspect Fees		17,225.20	(17,225.20)	-
Housing Inspections		38.00	(38.00)	-
Township Auction		2,714.02	(2,714.02)	-
Bad Check Fee		40.00	(40.00)	-
Miscellaneous		22,094.31	(22,094.31)	-
Phone Commissions		114.73	(114.73)	-
Public Works		5,778.62	(5,778.62)	-
Planning & Zoning Fees		18,192.47	(18,192.47)	-
Scrap Metal		7,290.00	(7,290.00)	-
World Comm		500.00	(500.00)	-
Insurance Refund - Administration		67,763.59	(67,763.59)	-
In Lieu of Taxes		6,000.00	(6,000.00)	-
Fireworks		14,950.00	(14,950.00)	-
Hotel & Motel Tax		46,143.61	(46,143.61)	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 242,905.88</b>	<b>\$ (242,905.88)</b>	<b>\$ -</b>
A-1, A-2				
<b>Total</b>	<b>\$ 47,722.32</b>	<b>\$ 10,997,792.76</b>	<b>\$ (10,967,079.72)</b>	<b>\$ 78,435.36</b>
	A	Reserve		A
<b>Analysis of Miscellaneous Revenues:</b>				
Account Receivable Collections	A-2, A-4	\$ 10,719,293.07		
Tax Search Fees	A-2, A-5	260.00		
Interest on Investments-General Capital Fund	A-2, A-12	4,360.77		
<b>Subtotal</b>	A-2, A-4	10,724,173.84		
Receipts	A-4	240,681.40		
Collector	A-5	2,224.48		
<b>Total</b>		\$ 10,967,079.72		

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY  
CURRENT FUND  
STATEMENT OF APPROPRIATION RESERVES - SFY 2003  
FOR THE YEAR ENDED JUNE 30, 2004

	BALANCE JUNE 30, 2003	ENCUMBERED JUNE 30, 2003	BALANCE AFTER MODIFICATION	PAID	ENCUMBRANCES TRANSFERRED TO PAYABLES	PAID OR CHARGED	BALANCE LAPSED
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>							
Municipal Court	17,335.11		17,335.11	714.30		714.30	16,620.81
Salaries and Wages	12,692.24	7,131.28	19,823.52	11,897.58	200.00	12,097.58	7,725.94
Other Expenses	58,908.57	166,854.55	225,763.12	177,995.34	934.62	178,929.96	46,833.16
Maintenance of Free Public Library							
9-1-1 Emergency Telecommunications Services							
Other Expenses	2,400.00		2,400.00	70.00		70.00	2,330.00
MICIA Recycling Program	25,838.98	37,100.00	62,938.98	56,047.60		56,047.60	6,891.38
MCUA Solid Waste Agreement	13,752.52	19,000.00	32,752.52	32,633.12		32,633.12	119.40
Edison Animal Control Contract	9,542.06		9,542.06				9,542.06
Middlesex County Nursing Services	13,388.30		13,388.30				13,388.30
UNDMJ Agreements	120.50		120.50				120.50
Public and Private Programs Offset by Revenues	24,991.00		24,991.00				24,991.00
Matching Fund for Grants							
Total Operations - Excluded from "CAPS"	<u>178,969.28</u>	<u>230,085.83</u>	<u>409,055.11</u>	<u>279,357.94</u>	<u>1,134.62</u>	<u>280,492.56</u>	<u>128,562.55</u>
<u>Capital Improvements - Excluded from "CAPS"</u>							
Capital Improvement Fund							
Road Overlay Program	46,276.00	90,093.58	136,369.58	32,660.67		94,643.58	41,726.00
Total Capital Improvements - Excluded from Caps	<u>46,276.00</u>	<u>90,093.58</u>	<u>136,369.58</u>	<u>32,660.67</u>		<u>94,643.58</u>	<u>41,726.00</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>225,245.28</u>	<u>320,179.41</u>	<u>545,424.69</u>	<u>312,018.61</u>		<u>375,136.14</u>	<u>170,288.55</u>
Total General Appropriations	<u>\$ 1,574,633.95</u>	<u>\$ 1,142,840.36</u>	<u>\$ 2,717,474.31</u>	<u>\$ 1,288,849.29</u>	<u>\$ 320,354.67</u>	<u>\$ 1,609,203.96</u>	<u>\$ 1,108,270.35</u>

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TOWNSHIP OF PISCATAWAY  
 MIDDLESEX COUNTY, NEW JERSEY  
 CURRENT FUND  
 STATEMENT OF APPROPRIATION RESERVES - SFY 2003  
 FOR THE YEAR ENDED JUNE 30, 2004

	BALANCE JUNE 30, 2003	ENCUMBERED JUNE 30, 2003	BALANCE AFTER MODIFICATION	PAID	ENCUMBRANCES TRANSFERRED TO PAYABLES	PAID OR CHARGED	BALANCE LAPSED
	\$	\$	\$	\$	\$	\$	\$
Operations Within "CAPS"	104.77	2,297.00	104.77	2,229.50		2,229.50	104.77
General Government	2,916.20		5,213.20				2,983.70
Township Council							
Salaries and Wages							
Other Expenses	5,182.06	2,176.09	5,182.06	2,617.59	127.00	2,744.59	5,182.06
Township Clerk	683.32		2,859.41				114.82
Salaries and Wages							
Other Expenses	23,484.99	34,000.00	57,484.99	51,531.44		51,531.44	5,953.55
Elections							
Other Expenses							
Administration							
Department of Administration							
Salaries and Wages	302.64		302.64				302.64
Other Expenses	9,110.13	12,931.58	22,041.71	12,033.29	845.30	12,878.59	9,163.12
Division of Personnel							
Other Expenses		56,331.64	56,331.64	41,998.24	12,708.40	54,706.64	1,625.00
Computer Center							
Other Expenses	22,362.91	42,201.34	64,564.25	46,143.34		46,143.34	18,420.91
Division of Purchasing							
Salaries and Wages	808.75		808.75				808.75
Other Expenses							
Postage (All Departments)	5,726.50		5,726.50				5,726.50
Duplicating (All Departments)	2,916.13	1,177.68	4,093.81	1,177.68		1,177.68	2,916.13
Miscellaneous Other Expenses	5,572.75		5,572.75				5,572.75
Division of Real Estate							
Salaries and Wages	4,341.00		4,341.00				4,341.00
Municipal Land Use (N.J.S.A. 40:55 D-1):							
Planning Board							
Salaries and Wages	98.01		98.01				98.01
Other Expenses	19,165.68		19,165.68	5,275.00		5,275.00	13,890.68
Zoning Board							
Salaries and Wages	76.01		76.01				76.01
Other Expenses	11,775.28	5,704.50	17,479.78	4,870.50		4,870.50	12,609.28



TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY  
 CURRENT FUND  
 STATEMENT OF APPROPRIATION RESERVES - SFY 2003  
 FOR THE YEAR ENDED JUNE 30, 2004

	BALANCE JUNE 30, 2003	ENCUMBERED JUNE 30, 2003	BALANCE AFTER MODIFICATION	PAID	ENCUMBRANCES TRANSFERRED TO PAYABLES	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAFS" (Cont'd)							
Celebration of Public Events							
Other Expenses	8,357.50	1,932.00	10,289.50	312.00	1,500.00	1,812.00	8,477.50
Cable TV Studio	602.22	17,645.13	18,247.35	16,785.36	998.61	17,783.97	463.38
Other Expenses							
Finance and Revenue							
Department of Finance							
Salaries and Wages	19,731.57	9,662.03	19,731.57	14,631.57		14,631.57	5,100.00
Other Expenses	454.31	38,150.00	10,116.34	9,642.88		9,642.88	473.46
Annual Audit			38,150.00	2,405.00	35,745.00	38,150.00	
Division of Assessment							
Salaries and Wages	8,074.61	6,106.55	8,074.61	8,534.05		8,534.05	8,074.61
Other Expenses	12,214.65		18,321.20				9,787.15
Division of Revenue							
Salaries and Wages	575.84	4,978.21	575.84	5,539.98	0.21	5,540.19	575.84
Other Expenses	2,752.65		7,730.86				2,190.67
Insurance							
Group Insurance Plan for Employees	212,365.83	636.43	213,002.26	122,126.00	510.43	122,636.43	90,365.83
Other Insurance Premium	55,373.86	500.00	55,373.86	55,373.86		55,373.86	
Workers' Compensation IBNR	44,500.00		45,000.00	45,000.00		45,000.00	
Law							
Department of Law							
Salaries and Wages	75.30	9,933.89	75.30	13,069.87	3,864.00	16,933.89	75.30
Other Expenses	7,730.16		17,664.05				730.16
Municipal Prosecutor							
Salaries and Wages	19,182.20		19,182.20				19,182.20
Public Safety							
Joint Fire Board							
Salaries and Wages	1.00		1.00				1.00
Uniform Fire Safety Act							
Salaries and Wages	1,789.12	215.77	2,004.89	13,998.68		13,998.68	2,004.89
Other Expenses	280.04	14,471.36	14,751.40				752.72
Animal Control							
Other Expense	3,362.10		3,362.10				3,362.10

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY  
CURRENT FUND  
STATEMENT OF APPROPRIATION RESERVES - SFY 2003  
FOR THE YEAR ENDED JUNE 30, 2004

	BALANCE JUNE 30, 2003	ENCUMBERED JUNE 30, 2003	BALANCE AFTER MODIFICATION	PAID	ENCUMBRANCES TRANSFERRED TO PAYABLES	PAID OR CHARGED	BALANCE LAPSED
<b>Operations Within "CAPS" (Cont'd)</b>							
Division of Schools Crossing Guards							
Salaries and Wages	5,395.15		5,395.15				5,395.15
Other Expenses	1,362.76		1,362.76	75.00		75.00	1,287.76
Division of Police							
Salaries and Wages	23,017.62		23,017.62	14,317.26		14,317.26	8,700.36
Other Expenses	10,699.96	45,706.25	56,406.21	24,196.82	22,662.65	46,859.47	9,546.74
First Aid Organization - Contribution	2,900.00		2,900.00	1,800.00		1,800.00	1,100.00
Division of Emergency Management Services							
Salaries and Wages	1,600.75	99.00	1,699.75				1,699.75
Other Expenses	1,391.98	1,060.07	2,452.05	1,151.07		1,151.07	1,300.98
<b>Public Works</b>							
Department of Public Works							
Salaries and Wages	995.22		995.22	995.22		995.22	
Other Expenses	3,552.25	17,375.09	20,927.34	15,113.45	769.90	15,883.35	5,043.99
Division of Engineering							
Salaries and Wages	3,308.74		3,308.74	9,126.76		9,126.76	3,308.74
Other Expenses	16,399.66	2,315.69	18,715.35				9,588.59
Division of Planning							
Other Expenses	26,309.30	1,017.72	27,327.02	2,622.70		2,622.70	24,704.32
Public Buildings and Grounds							
Salaries and Wages	7,395.98		7,395.98	7,395.98		7,395.98	
Other Expenses	56,265.66	36,872.18	93,137.84	16,929.24	19,168.41	36,097.65	57,040.19
Division of Property Maintenance							
Salaries and Wages	12,834.07		12,834.07	12,834.07		12,834.07	
Other Expenses	13,486.87	68,530.38	82,017.25	39,964.15	22,057.84	62,021.99	19,995.26
Division of Streets							
Salaries and Wages	15,787.25		15,787.25	15,787.25		15,787.25	
Other Expenses	131,300.83	14,519.80	145,820.63	6,684.93	42,687.35	49,372.28	96,448.35
Snow Removal							
Other Expenses	50,752.22	31,238.68	81,990.90	75.00	6,748.30	6,823.30	75,167.60
All Utilities	80,495.91	83,598.69	164,094.60	54,456.49	17,845.01	72,301.50	91,793.10
Division of Parks							
Salaries and Wages	26,763.59		26,763.59	26,340.08		26,340.08	423.51
Other Expenses	12,653.64	93,794.49	106,448.13	59,114.39	33,358.21	92,472.60	13,975.53

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY  
CURRENT FUND  
STATEMENT OF APPROPRIATION RESERVES - SFY 2003  
FOR THE YEAR ENDED JUNE 30, 2004

	BALANCE JUNE 30, 2003	ENCUMBERED JUNE 30, 2003	BALANCE AFTER MODIFICATION	PAID	ENCUMBRANCES TRANSFERRED TO PAYABLES	PAID OR CHARGED	BALANCE LAPSED
Operations Within "CAPS" (Cont'd)							
Stade Trees							
Other Expenses		10,000.00	10,000.00	7,500.00		7,500.00	2,500.00
Division of Sanitation - Sewer System							
Other Expenses	805.85	25,479.60	26,285.45	24,591.84		24,591.84	1,693.61
Solid Waste Collection							
Salaries and Wages	4,893.09		4,893.09	4,893.09		4,893.09	
Other Expenses	4,582.15	1,705.53	6,287.68	143.00	1,562.53	1,705.53	4,582.15
Recycling Program							
Other Expenses	6,482.47	12,552.85	19,035.32	3,958.80	6,919.05	10,877.85	8,157.47
Municipal Services Act	27,000.00		27,000.00	21,571.44	2,593.68	24,165.12	2,834.88
Health and Welfare							
Department of Health							
Salaries and Wages	22,268.64		22,268.64	(2,887.50)		(2,887.50)	25,156.14
Other Expenses	3,187.26	9,195.02	12,382.28	9,602.75	731.00	10,333.75	2,048.53
Division of Public Assistance							
Salaries and Wages	282.04		282.04				282.04
Other Expenses	313.00		313.00				313.00
Office on Aging							
Salaries and Wages	16,749.44		16,749.44	4,772.94		4,772.94	11,976.50
Other Expenses	14,950.91	16,833.97	31,784.88	8,233.36	5,520.97	13,754.33	18,030.55
Aid to American Cancer Society	500.00		500.00				500.00
Aid to Heart Fund	500.00		500.00				500.00
Recreation and Education							
Department of Recreation							
Salaries and Wages	30,357.91		30,357.91	6,293.28		6,293.28	24,064.63
Other Expenses	17,072.56	17,451.81	34,524.37	8,404.93	11,817.08	20,222.01	14,302.36
Swimming Pool							
Salaries and Wages	13,569.85		13,569.85	3,904.17		3,904.17	9,665.68
Other Expenses	8,611.28	6,476.13	15,087.41	2,439.40	5,219.05	7,658.45	7,428.96
Youth Center							
Salaries and Wages	6,512.83		6,512.83	414.33		414.33	6,098.50
Other Expenses	6,527.16	3,824.21	10,351.37	3,152.36	832.21	3,984.57	6,366.80

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY  
CURRENT FUND  
STATEMENT OF APPROPRIATION RESERVES - SFY 2003  
FOR THE YEAR ENDED JUNE 30, 2004

	BALANCE JUNE 30, 2003	ENCUMBERED JUNE 30, 2003	BALANCE AFTER MODIFICATION	PAID	ENCUMBRANCES TRANSFERRED TO PAYABLES	PAID OR CHARGED	BALANCE LAISED
Operations Within "CAPS" (Cont'd)							
Uniform Construction Code							
Division of Inspections							
Salaries and Wages	885 76		885 76	662 59		662 59	223.17
Other Expenses	26,039.70	48,000.31	74,040.01	47,843.54	114.95	47,958.49	26,081.52
Boards and Commissions							
Salaries and Wages	4,274.12		4,274.12				4,274.12
Other Expenses	1,566 38	13,962.28	15,528 66	3,654.63	330.00	3,984 63	11,544 03
Property Tax Payments on Tax Title Liens	891 85		891 85				891 85
Severance Liability	0.01		0.01				0.01
Total Operations Within "CAPS"	1,235,543.76	822,660.95	2,058,204.71	943,424.66	257,237.14	1,200,661.80	857,542.91
Total Operation Including Contingent	1,235,543.76	822,660.95	2,058,204.71	943,424.66	257,237.14	1,200,661.80	857,542.91
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"							
STATUTORY EXPENDITURES:							
Contribution to:							
Social Security System	82,280 90		82,280.90	20,000.00		20,000 00	62,280.90
Consolidated Police & Firemen's Pension Fund	31,564.01		31,564.01	13,406.02		13,406.02	18,157.99
Total Deferred Charges and Statutory Expenditures Within "CAPS"	113,844.91		113,844.91	33,406.02		33,406.02	80,438.89
Total General Appropriations Within "CAPS"	1,349,388.67	822,660.95	2,172,049.62	976,830.68	257,237.14	1,234,067.82	937,981.80

CURRENT FUND  
SCHEDULE OF CHANGES IN VARIOUS ACCOUNTS PAYABLES & RESERVES

	6/30/03	Transfer from/(to) Budget	Cash Receipts	Cash Disbursements	Adjustments	6/30/04
Accounts Payable:						
Vendor Accounts Payable.....	\$ 321,852.80	\$ 320,354.67	\$ 85,914.00	\$ (153,826.04)	\$	\$ 488,381.43
State of New Jersey 3rd Party Fees	12,259.00			(79,002.00)		19,171.00
<b>Subtotal</b>	<b>334,111.80</b>	<b>320,354.67</b>	<b>85,914.00</b>	<b>(232,828.04)</b>	<b>-</b>	<b>507,552.43</b>
Reserve for:						
Tax Appeals Pending	700,000.00			(99,055.88)	749,055.88	1,350,000.00
FEMA - Hurricane Floyd	34,183.12					34,183.12
Lien Redemption	53,582.29		440,659.92	(442,409.22)		51,832.99
PCTC	114,512.39	(40,000.00)	20,741.00			95,253.39
Library State Aid	59,634.00	(59,634.00)	60,202.00			60,202.00
Sale of Municipal Assets	262,008.00	(190,000.00)	33,750.00			105,758.00
Tree Replacement	75,000.00			(26,748.65)		48,251.35
Unfunded Severance Liability	1,195,345.73		3,267.32	(274,196.13)		921,149.60
Fire Districts	3,263.75			(6,530.82)		0.25
Snow Reimbursement	56,550.00	(56,550.00)				-
FEMA - 911 Tragedy	4,604.81			(17,000.00)	24,084.73	4,604.81
Demolition						7,084.73
<b>Subtotal</b>	<b>2,558,684.09</b>	<b>(346,184.00)</b>	<b>558,620.24</b>	<b>(865,940.70)</b>	<b>773,140.61</b>	<b>2,678,320.24</b>
<b>Total.....</b>	<b>\$ 2,892,795.89</b>	<b>\$ (25,829.33)</b>	<b>\$ 644,534.24</b>	<b>\$ (1,098,768.74)</b>	<b>\$ 773,140.61</b>	<b>\$ 3,185,872.67</b>
	Ref. A		A-1	A-4		A
Appropriation Reserves		\$ 320,354.67				
Realized as Revenue		(286,550.00)				
		<u>\$ 33,804.67</u>				
Fund Balance				\$ 749,055.88		
Reserve for Taxes				(3,059.87)		
Due from Sewer Operating				<u>27,144.60</u>		
				<u>\$ 773,140.61</u>		

CURRENT FUND  
STATEMENT OF INTERFUNDS RECEIVABLE/PAYABLE

	6/30/03	Cash Receipts	Cash Disbursements	Budget Revenues	Budget Appropriations	Adjustments	6/30/04
<b>Interfunds</b>							
General Capital Fund.....	\$ (139,668.15)	\$ -	\$ -	\$ -	\$ -	\$ 448,139.23	\$ 308,471.08
Sewer Operating Fund	(248,909.01)	27,144.60	(63,635.20)			36,490.60	(248,909.01)
Grant Fund.....	235,410.46	350,196.37	(547,765.61)	(945,611.42)	986,703.71	(103,478.33)	(24,544.82)
Trust - Other Fund.....	180,735.12	401,963.14	(377,781.60)			(5,540.00)	199,376.66
<b>Total.....</b>	<b>\$ 27,568.42</b>	<b>\$ 779,304.11</b>	<b>\$ (989,182.41)</b>	<b>\$ (945,611.42)</b>	<b>\$ 986,703.71</b>	<b>\$ 375,611.50</b>	<b>\$ 234,393.91</b>
Receivables	\$ (388,577.16)						\$ (273,453.83)
Payables	416,145.58						507,847.74
	<u>\$ 27,568.42</u>						<u>\$ 234,393.91</u>
Interfunds Advanced/Returned							
Cancelled to Operations						\$ 278,289.10	
Deferred Charges						(5,540.00)	
Grants Receivable Cancelled						75,000.00	
Due to Sewer Operations						61,010.00	
Budget Appropriations						(27,144.60)	
Cancelled to Operations						63,625.20	
Interest Due from General Capital						10.00	
Grants Appropriated Cancelled						(4,360.77)	
						<u>(65,277.43)</u>	
						\$ 375,611.50	

CURRENT FUND  
SCHEDULE OF TAXES PAYABLE

	6/30/03	Taxes Levied	Cash Disbursements	6/30/04
County - General.....	-	14,229,434.42	(14,229,434.42)	-
County - Open Space.....	-	89,160.62	(89,160.62)	-
County - Added & Omitted.....	-	1,234,236.48	(1,234,236.48)	-
Local School District Taxes.....	-	64,014,368.00	(64,014,368.00)	-
Fire District Taxes.....	-	2,105,590.00	(2,105,590.00)	-
<b>Total.....</b>	<b>-</b>	<b>81,672,789.52</b>	<b>(81,672,789.52)</b>	<b>-</b>
<u>Ref.</u>	A	A-1, A-2, A-7	A-4	A

CURRENT FUND  
SCHEDULE OF PROPERTY TAX OVERPAYMENTS

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		Total	Current Taxes
	<u>Ref.</u>		
Balance - 6/30/2003.....		\$ 54,934.17	\$ 54,934.17
Cash Receipts	A-7	212,727.10	212,727.10
Cash Payments - Refunds.....	A-4	<u>(248,567.49)</u>	<u>(248,567.49)</u>
Balance - 6/30/2004.....		<u>\$ 19,093.78</u>	<u>\$ 19,093.78</u>
	<u>Ref.</u>	A	A



SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE  
GRANT FUND

BUDGET YEAR	GRANTS	BALANCE JUNE 30, 2003	SFY 2004 BUDGET REVENUE REALIZED	CHP 152	CANCELLED	COLLECTED	BALANCE JUNE 30, 2004
		\$	\$	\$	\$	\$	\$
SFY 1996	NIDOT Metlars House Project	1,439.90					1,439.90
	Sr. Citizen Home Safety Grant	1,063.73					1,063.73
	Occupant Protection Program	880.00					880.00
SFY 2001	NCADD Grant - Youth Center	1,000.00		1,000.00			-
	NIDOT - New Market Dam Rehab.	331,805.00					331,805.00
	Public Relations Beautification	3,500.00					3,500.00
SFY 2002	Safe and Secure Communities Program	60,000.00		60,000.00			-
	InfoLink Regional Library	8,520.00					8,520.00
	Urban Forestry Grant	1,562.50				1,562.50	-
	Aggressive Driver Grant	820.00					820.00
	Make It Click Grant	5,017.00				3,600.00	1,417.00
	Hazardous Discharge Grant	133,010.00				52,035.35	80,974.65
	Child Passenger Safety	1,489.72					1,489.72
	Library Collection Development Grant	10.00		10.00			-
SFY 2003	Safe and Secure Communities Program	15,000.00				15,000.00	-
	Recreation Trails Program	14,000.00				14,000.00	-
	COPS in School Grant	190,499.40					190,499.40
	NIDOT Grant - Park Ave.	52,500.00				52,500.00	-
	History Grant	500.00					500.00
	NIDOT - Stelton & Haines Rd.	60,890.20					60,890.20
	Make It Click Grant	360.00					360.00
	Tree Planting Grant	2,250.00					2,250.00
	SLDP Equipment	67,657.00					67,657.00
	Tobacco Age of Sale	1,440.00				1,440.00	-
	Bike Way Extension	175,000.00					175,000.00
	Juvenile Accountability Grant	11,641.00					-
	Cops in Shop Grant	3,520.00					-
SFY 2004	Bullet Proof Vest Grant		4,277.42				
	Clean Communities Program		40,275.64				
	Cultural Arts Grant		10,500.00				
	Drunk Driving Enforcement Grant		9,160.50				
	Juvenile Accountability Grant		11,569.00				
	Local Law Enforcement Block Grant		17,976.00				
	Middlesex County Business District Improvements		68,630.00				
	Middlesex County Office on Aging		7,000.00				
	Multi-Jurisdictional Task Force		20,000.60				
	Municipal Alliance Activities Program		45,987.00				
	Nextel Blackberry PDA		345.00				
	NFL Youth Grant		2,200.00				
	NIDOT - Metlars House Project		39,641.00				
	NIDOT - Metlars House Project		157,383.00				
	Recycling Tonnage Grant		28,790.34				
	Safe and Secure Communities Program		60,000.00				
						28,790.34	
						30,000.00	

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE  
GRANT FUND

BUDGET YEAR	GRANTS	BALANCE JUNE 30, 2003	SFY 2004 BUDGET REVENUE REALIZED	CHP 159	CANCELLED	COLLECTED	BALANCE JUNE 30, 2004
	State Local Cooperative Housing	\$ 3,500.00	\$ 3,500.00			\$ 3,500.00	\$ -
	Urban Forestry Grant	13,700.00	13,700.00			7,537.50	6,162.50
	Walmart Safe Neighborhoods Heroes Public Health Priority Funding	1,500.00				1,500.00	-
	State Local Preparedness Grant			21,998.00		21,998.00	15,000.00
	NJDOT - Mountain Ave.			15,000.00			270,000.00
	State & Local All Hazards Emergency			270,000.00			270,000.00
	Body Armor Replacement Fund			2,405.72		2,405.72	-
	Occupant Protection Program			8,272.20		8,272.20	-
	Bullet Proof Vest Partnership			5,000.00			5,000.00
	DCA Smart Growth			5,500.00			5,500.00
				75,000.00			75,000.00
		<u>\$ 1,145,375.45</u>	<u>\$ 542,435.50</u>	<u>\$ 403,175.92</u>	<u>\$ 661,010.00</u>	<u>\$ 389,188.14</u>	<u>\$ 1,640,788.73</u>

Ref. A A-2 A-16 A

Total Revenue Realized \$945,611.42

Due from General Capital Fund	\$ 52,500.00
Unappropriated Reserve for Grants	44,600.92
Due from Current Fund	292,087.22
	<u>\$ 389,188.14</u>

GRANT FUND  
STATEMENT OF INTERFUNDS RECEIVABLE/PAYABLE

Interfunds	6/30/03	Budget Revenues	Budget Appropriations	Adjustments	6/30/04
General Capital Fund.....	\$ 151,710.90			\$ (151,710.90)	\$ -
Current Fund	(235,410.46)	945,611.42	(986,703.71)	301,047.57	24,544.82
<b>Total.....</b>	<b>\$ (83,699.56)</b>	<b>\$ 945,611.42</b>	<b>\$ (986,703.71)</b>	<b>\$ 149,336.67</b>	<b>\$ 24,544.82</b>
	Ref.	A	A-15	A-17	A
Receivables Payables	\$ (235,410.46)				\$ -
	<u>151,710.90</u>				<u>24,544.82</u>
	<u>\$ (83,699.56)</u>				<u>\$ 24,544.82</u>
General Capital Current Fund Appropriations Cancelled Cancelled Reserves				\$ (52,500.00) (292,087.22) (58,109.15) (61,010.00) 65,277.43 <u>547,765.61</u>	
				<u>\$ 149,336.67</u>	

SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED  
GRANT FUNDS

BUDGET YEAR/PROGRAM	BALANCE JUNE 30, 2003	ENC. JUNE 30 2003	TOTAL TRANSFERRED FROM FY 2004 BUDGET	CHLSP	PAID OR CHARGED	CANCELLED	ENC JUNE 30 2004	BALANCE JUNE 30, 2004
	\$	\$	\$	\$	\$	\$	\$	\$
<b>SFY 1995</b>								
NIDOT - Melins House Project	500.00							500.00
<b>SFY 1999</b>								
Infolink - Regional Library Org	111.94	21.02						132.96
Public Relations Beautification Project	419.40							419.40
<b>SFY 2000</b>								
Clean Communities Program	1,518.68		1,512.29					6.39
Sr. Citizen Home Safety Grant	1,063.73							1,063.73
Alcohol Education & Rehabilitation Grant	629.03							629.03
Occupant Protection Program	257.52							257.52
<b>SFY 2001</b>								
Alcohol Education & Rehabilitation Grant	89.78							89.78
Bicycle Helmet Donations	90.80							90.80
NCADD Grant	1,000.00			1,000.00				
Interlibrary Loan Transaction	111.00							111.00
NIDOT - New Market Dam Rehab	305,648.45		40,000.00		40,000.00	64,243.45	201,405.00	
Domestic Violence Program	26.83							26.83
Clean Communities Grant	0.01		0.01					
Body Armor Replacement Fund	24.42							24.42
Public Relations Beautification	735.55							735.55
NJ Division of Highways - Make It Click	6,517.00							6,517.00
Senior Citizens Center Grant	325.00							325.00
COFS in Shop Grant	757.50							757.50
<b>SFY 2002</b>								
Recycling Tonnage Grant	9,314.34		7,201.57		7,201.57		2,112.77	
Drunk Driving Enforcement Grant	1,252.31		1,252.31					
Alcohol Education & Rehabilitation	2,110.11							2,110.11
Juvenile Accountability Grant	1,753.22							1,753.22
Urban Forest Grant	37.00							37.00
Municipal Alliance Grant	758.00	4,850.41	(568.64)		(568.64)		5,970.34	206.71
Cops in Shop Grant	320.00							320.00
Aggressive Driver Grant	9,600.00							9,600.00
Multi Jurisdictional Task Force	12,045.00		12,045.00					
Hazardous Discharge Grant	6,140.65		51,124.31					57,265.00
Child Passenger Safety Grant	1,035.72	126,200.00						127,235.72
Library Collection Development Grant	10.00			10.00				
<b>SFY 2003</b>								
Public Health Priority Funding		6,090.00						
Drunk Driving Enforcement Fund	15,664.00	1,015.00					541.53	16,679.00
Bikeway Extension Grant	175,000.00						175,000.00	
Tobacco Age of Sale	3,000.00							
Recreation Trails Program PHA	16,800.00							16,800.00
NFL Youth Grant	2,000.00							2,000.00
NJ Essex Senior Citizen Grant	3,600.00							3,600.00

SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED  
GRANT FUND

BUDGET YEAR/PROGRAM	BALANCE JUNE 30, 2003	ENC JUNE 30 2003	TOTAL TRANSFERRED FROM FY 2004 BUDGET	CH 159	PAID OR CHARGED	CANCELLED	ENC JUNE 30 2004	BALANCE JUNE 30, 2004
COPS in School Grant	252,906.72				20,833.00			232,073.72
Bullet Proof Vest Grant	251.58				251.58			-
Juvenile Accountability	4,747.43	2,689.00			7,436.43			-
Library Autistic Grant	870.00				864.27	5.73		0.00
Local Domestic Preparedness Grant	11,584.18	34,138.80			45,722.98			-
Body Armor Replacement Fund - State	18,915.18	495.00			10,082.53			9,327.65
Stellion Road & Utilities Ave		2,690.41			2,690.41			-
Karma Foundation		700.00			631.09			68.91
Click It or Ticket	2,205.00	10,000.00			1,809.00			405.00
Tree Planting Grant					10,000.00			-
Domestic Violence Program	4,452.01				943.66			
COPS in Shop Grant	1,600.00				66,628.64		1,660.46	3,508.35
NIDOT Grant - Park Avenue	68,289.10							1,600.00
History Grant	3,000.00							3,000.00
Wal-Mart Foundation	1,000.00					13.21		0.00
Pop Warner	5,000.00				985.79			0.00
SFSP Fire District Payments	23,952.00				4,116.00			884.00
Clean Communities Program	10,919.26				23,952.00		500.00	-
					4,673.30			5,745.96
SFY 2004								
Bullet Proof Vest Grant			4,277.42		4,277.42			-
Clean Communities Program			40,275.64				40,112.00	163.64
Cultural Arts Grant			10,500.00		9,442.96			1,057.04
Drunk Driving Enforcement Fund			9,160.50		791.00			8,369.50
Juvenile Accountability			12,854.00		3,637.87		1,500.00	7,716.13
Local Law Enforcement Block Grant			19,973.00		14,235.00		5,738.00	-
Middlesex County Business District Improv			68,630.00					68,630.00
Middlesex County Office On Aging			7,000.00		6,999.99		0.01	0.00
Multi Jurisdictional Task Force			20,000.60		20,000.60		18,028.00	1,972.60
Municipal Alliance Activities Program			57,483.75		33,856.00			5,599.75
NexTel Blackberry FDA			345.00		339.97			(0.00)
NFL Youth Grant			2,200.00		2,200.00			-
NIDOT, Mehars House Project			39,641.00					39,641.00
NIDOT, Mehars House Project			157,383.00					157,383.00
Recycling Tonnage Grant			28,790.34				5,389.06	23,401.28
Safe & Secure Communities Program			82,888.54		82,888.54			-
State Local Cooperative Housing			3,500.00					3,500.00
Urban Forestry Grant			17,125.00				143.00	17,125.00
Wal-Mart Safe Neighborhood Heroes			1,500.00		701.90			655.10
Public Health Priority Funding			21,998.00		21,998.00			-
State Local Preparedness Grant			15,000.00		189.36		14,434.88	375.76
NIDOT - Mountain Ave			270,000.00					270,000.00
State and Local All Hazards Emergency			2,405.72					2,405.72
Body Armor Replacement Fund			8,272.20		5,000.00		2,111.06	6,161.14
Occupant Protection Program			5,000.00		5,000.00			-
Bullet Proof Vest Partnership			5,500.00					5,500.00
DCA Smart Growth			75,000.00					75,000.00
<b>TOTAL</b>	<b>\$ 989,959.45</b>	<b>\$ 188,889.64</b>	<b>\$ 583,527.79</b>	<b>\$ 403,175.92</b>	<b>\$ 547,765.61</b>	<b>\$ 65,277.43</b>	<b>\$ 474,646.10</b>	<b>\$ 1,077,863.66</b>

Ref: A A A-16 A-16 A A A

Total Budgeted Appropriations \$ 986,703.71

Total Revenue Realized \$ 986,703.71

SCHEDULE OF RESERVE FOR STATE GRANTS - UNAPPROPRIATED  
CURRENT FUND

	BALANCE JUNE 30, 2003	INCREASED BY GRANTS RECEIVED	TRANSFERRED TO GRANTS RECEIVABLE	BALANCE JUNE 30, 2004
Drunk Driving Enforcement Fund	\$ 3,165.40	\$	\$ 3,165.40	\$
Bullet Proof Vest	4,277.42		4,277.42	
Multi Jurisdictional Task Force	20,000.60	12,901.47	20,000.60	12,901.47
National Park Grant		3,000.00		3,000.00
New Jersey Tree Planting Grant	5,625.00			5,625.00
Alcohol & Education Rehab.		436.90		436.90
Downtown Bus. District Grant	17,157.50		17,157.50	
Clean Communities Grant		41,770.78		41,770.78
	<u>\$ 50,225.92</u>	<u>\$ 58,109.15</u>	<u>\$ 44,600.92</u>	<u>\$ 63,734.15</u>

Ref. A A-16 A-15 A

TRUST FUND

ANALYSIS OF TRUST ASSESSMENT CASH AND INVESTMENTS

Exhibit - B-2

	BALANCE JUNE 30, 2003	BALANCE JUNE 30, 2004
Fund Balance	\$ 889.80	\$ 889.80
	<u>\$ 889.80</u>	<u>\$ 889.80</u>

Ref.

B

B

( ) Denotes Deficit or Deduction



SCHEDULE OF ESCROW FUND DEPOSITS AND RESERVES  
TRUST - OTHER FUND

Purpose	Balance 06/30/03	Increases	Decreases	Transfers	Balance 06/30/04
1. Engineering Fees	\$ 1,500.00	\$	\$		\$ 1,500.00
2. Engineering & Inspections Fees (over \$5,000)	457,146.18	72,862.65	51,635.79		478,373.04
3. Engineering & Inspections Fees (under \$5,000)	89,649.05	5,111.66		(94,760.71)	-
4. YB Engineering & Inspection Interest (over \$5,000)		3,768.74			3,768.74
5. YB Township Interest		413.21			413.21
6. YB Developers \$5,000		32,819.65	538.99	94,760.71	127,041.37
7. Planning Board Fees	218.71	10,276.29	10,495.00		-
8. Developers Escrow Interest	105,137.98	3,024.37	114.25	(108,048.10)	-
9. Performance Bonds (over \$5,000)	1,567,685.74	18,991.94		(1,586,677.68)	-
10. Performance Bonds (over \$10,000)	231,558.18	1,000.00	5,341.60		227,216.58
11. CB Planning Board (over \$5,000)	126,263.20	27,377.73			153,640.93
12. CB Planning Board (under \$5,000)	114,789.69		18,301.63		96,488.06
13. CB Developers Interest	1,245.99	6,651.87			7,897.86
14. CB Operating	321.44				321.44
15. CB Performance (under \$5,000)	144,405.78	16,164.05			160,569.83
16. YB Developers		557,766.63	549,618.46	1,586,677.68	1,594,825.85
17. YB Developers Interest Developers		14,108.77		108,048.10	122,156.87
18. YB Developers Interest		9,836.01			9,836.01
	<u>\$ 2,839,921.94</u>	<u>\$ 780,173.57</u>	<u>\$ 636,045.72</u>	<u>\$ -</u>	<u>\$ 2,984,049.79</u>

Ref.

B

B-3

B-3

B

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL CAPITAL FUND  
CASH AND INVESTMENTS - TREASURER

	<u>REF.</u>	
Balance - June 30, 2003	C	\$7,701,168.22
Increased by Receipts:		
Premium on Sale of Bonds	C- 1	27.28
Grants, Loans and Other Receivables	C- 4	356,250.00
Accrued Interest on Bonds	C- 1	13,917.23
Capital Improvement Fund	C-11	250,000.00
Interfunds Received	C- 8	56,860.77
General Serial Bonds Issued	C- 9	10,449,000.00
Various Reserves	C-10	<u>577,348.71</u>
		<u>11,703,403.99</u>
		19,404,572.21
Decreased by Disbursements:		
Interfunds Disbursed	C- 8	278,289.10
Preliminary Expenses	C-10	3,800.00
Improvement Authorizations	C- 7	<u>6,410,199.62</u>
		<u>6,692,288.72</u>
Balance - June 30, 2004	C	<u><u>\$12,712,283.49</u></u>

SCHEDULE OF VARIOUS GRANTS, LOANS AND OTHER RECEIVABLES

Ordinance Number	Balance June 30, 2003	Increases	Decreases	Balance June 30, 2004
Receivables: CDBG - Middlesex County Pass Through State of NJ DOT - Municipal Road Program State of NJ DOT - Municipal Road Program	\$ 378,578.23 118,750.00 <u>\$ 497,328.23</u>	175,000.00 <u>\$ 175,000.00</u>	\$ 356,250.00 175,000.00 <u>\$ 531,250.00</u>	\$ 22,328.23 118,750.00 - <u>\$ 141,078.23</u>
Ref.	C			C
Cash Transactions Improvement Authorization		\$ 175,000.00	\$ 356,250.00 175,000.00 <u>\$ 531,250.00</u>	

SCHEDULE OF DEFERRED CHARGES - FUNDED

	<u>Ref.</u>	<u>Total</u>	<u>Serial Bonds</u>
Balance - June 30, 2003	C	\$ 20,736,000.00	\$ 20,736,000.00
Increased by:			
Bonds/Loans Issued	C- 6	10,449,000.00	10,449,000.00
		31,185,000.00	31,185,000.00
Decreased by:			
Serial Bonds/Loans Paid From Budget Appropriation	C- 9	2,010,000.00	2,010,000.00
Balance - June 30, 2004	C	\$ 29,175,000.00	\$ 29,175,000.00

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

ORD. NO.	IMPROVEMENT DESCRIPTION	BALANCE	2004	FUNDED BY	BALANCE	ANALYSIS OF BALANCE
		June 30, 2003	AUTHOR.	SERIAL BONDS ISSUED	June 30, 2004	June 30, 2004 UNEXPENDED BALANCE OF IMPROV. AUTHOR.
99-260	Various Improvements	\$ 3,000.00	\$	\$ 18,500.00	\$ 3,000.00	\$ 3,000.00
01-01	Various Improvements	18,500.00				
01-31	Various Capital Improvements	2,500.00			2,500.00	2,500.00
02-24	Various Park Improvements	1,425,000.00		1,425,000.00		
02-25	Various Capital Improvements	973,500.00		973,500.00		
02-27	Improvements-No. Randolphville Rd.	950,000.00	790,000.00	950,000.00		
03-36/04-25	Unfunded Pension Liabilities		3,933,750.00	790,000.00	750.00	750.00
03-39	Various Capital Improvements		2,359,050.00	3,933,000.00	50.00	50.00
04-05	Various Capital Improvements			2,359,000.00		
		<u>\$ 3,372,500.00</u>	<u>\$ 7,082,800.00</u>	<u>\$ 10,449,000.00</u>	<u>\$ 6,300.00</u>	<u>\$ 6,300.00</u>

Ref.

C

C-7

C-5

C

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
GENERAL CAPITAL FUND

ORD NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	BALANCE - JUNE 30, 2003		2004 AUTHORIZATIONS		CAPITAL IMPROV FUND	OTHER	FUND BALANCE	DEFERRED CHARGES UNFUNDED		ENCUM- BRANCES PAYABLE JUNE 30, 2003	CANCELLED	PAID OR CHARGED	BALANCE - JUNE 30, 2004	
			FUNDED	UNFUNDED	FUND	OTHER				UNFUNDED	UNFUNDED				FUNDED	UNFUNDED
89-27 & 01-24	Housing Rehabilitation Program	10/7/89	\$ 669,150.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,750.00	\$ -	\$ 16,750.00	\$ 118,038.66	\$ 2,881.64	\$ 16,750.00	\$ 51,686.25	\$ -
01-27	Expansion of Senior Citizen Center	1/6/00	800,000.00	-	-	-	-	-	63,881.82	-	63,881.82	3,768.73	-	17,670.62	38,866.77	-
89-27	Various Improvements	1/6/00	1,075,000.00	-	-	-	-	-	85,811.18	-	85,811.18	975.00	-	20,321.76	314,539.54	-
01-20	Various Improvements	1/21/01	1,156,600.00	-	-	-	-	-	314,881.30	-	314,881.30	975.00	-	107,784.48	83,220.76	-
01-15	Open Space at Ware Acquisition	1/21/01	1,700,000.00	3,000.00	-	-	-	-	71,448.70	-	71,448.70	6,874.89	-	0.00	33,689.74	3,000.00
93-26 93-26 99-27	Various Improvements Various Road Reconstruction Improv. to Steillon Road & Right-of-Way	1/21/99 1/21/99 6/21/00	1,810,500.00 975,000.00 320,000.00	101.06 - -	-	-	-	-	40,463.48	-	40,463.48	-	-	0.00	-	21,700.00
01-01	Way Acquisition	1/21/01	3,191,800.00	18,500.00	-	-	-	-	4,000.00	-	4,000.00	-	-	109,300.43	285,000.00	
01-30-02-27	Various Improvements	1/21/01	1,335,940.36	18,500.00	-	-	-	-	110,243.14	-	110,243.14	-	-	(4,439.47)	235,000.00	
01-31	Various Park Improvements	1/21/01	117,348.53	2,100.00	-	-	-	-	369,776.87	-	369,776.87	-	-	156,641.62	180,000.00	
01-32-02-28	Various Improvements	1/21/01	133,809.30	2,100.00	-	-	-	-	191,001.62	-	191,001.62	-	-	1,274,756.23	341,110.20	
02-12	Fire Training Center	6/18/02	1,387,463.16	736.89	-	-	-	-	2,500.00	-	2,500.00	-	-	736.89	67,925.00	
01-09/01-07	Purchase of Land	2/19/2003 - 01/07	246,500.00	222,132.00	-	-	-	-	20,483.15	-	20,483.15	-	-	2,189.80	237,100.00	
03-01	Replacement Vehicle Health Dept.	1/21/03	22,600.00	-	-	-	-	-	584,646.00	-	584,646.00	-	-	1,316.85	121,120.43	
02-25/03-23	Various Capital Improvements	1/21/02	1,250,000.00	6,610,979.00	-	-	-	-	-	-	-	-	-	67,600.00	-	
02-21	Purchase of Vacant Lots	12/17/02	72,119.00	-	-	-	-	-	43,447.52	-	43,447.52	-	-	1,166,700.02	71,484.04	
02-19	Various Capital Improvements	1/17/02	218,000.00	266,412.11	-	-	-	-	969,159.48	-	969,159.48	-	-	170,261.43	64,839.65	
02-14	Various Park Improvements	1/21/02	1,500,000.00	-	-	-	-	-	2,680.00	-	2,680.00	-	-	-	13,344.37	
02-18	Various Capital Improvements	1/16/02	237,000.00	194,254.80	-	-	-	-	-	-	-	-	-	-	237,100.00	
03-23	Improvements - North Randolphville	5/2/03	1,000,000.00	375,000.00	-	-	-	-	-	-	-	-	-	-	-	
03-10	Acquisition of Land	3/4/03	275,000.00	-	-	-	-	-	21,866.00	-	21,866.00	-	-	2,189.80	237,100.00	
03-31	Purchase of Land Block 626/1	9/2/03	1,866.00	-	-	-	-	-	75,000.00	-	75,000.00	-	-	14,000.00	-	
03-32	Master Plan	9/27/2003-03/18/2	75,000.00	-	-	-	-	-	-	-	-	-	-	790,000.00	61,000.00	
3-36/03/18-C	Unfunded Pension Liabilities	10/21/2003 - 03/11	790,000.00	-	-	-	-	-	-	-	-	-	-	3,033,750.00	-	
03-39	Various Capital Improvements	1/16/03	4,325,000.00	-	-	-	-	-	-	-	-	-	-	790,000.00	-	
01-04	Various Capital Improvements	1/6/04	67,700.00	-	-	-	-	-	175,000.00	-	175,000.00	-	-	238,642.66	1,855,234.48	
01-05	Various Capital Improvements	1/6/04	2,494,000.00	-	-	-	-	-	67,700.00	-	67,700.00	-	-	7,309.00	15,882.78	
01-14	Purchase of Land Block 816/8	2/17/04	45,155.00	-	-	-	-	-	45,155.00	-	45,155.00	-	-	724,648.84	783,437.59	
01-15	Purchase of Land Block 1601 W 4th	2/17/04	130,000.00	-	-	-	-	-	130,000.00	-	130,000.00	-	-	89,120.00	38,680.00	
			<b>\$ 4,617,538.85</b>	<b>\$ 1,901,301.11</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 51,681.00</b>	<b>\$ -</b>	<b>\$ 2,082,800.00</b>	<b>\$ -</b>	<b>\$ 2,082,800.00</b>	<b>\$ 3,734,879.65</b>	<b>\$ 71,298.49</b>	<b>\$ 6,611,200.15</b>	<b>\$ 5,897,490.17</b>	<b>\$ 5,701,403.80</b>
	Due to Current Fund															
	Contributions - Offsets Improvements															
	M/DOT Grant Receivable															
	Disbursed															
	M/DOT Grant Receivable															
	Cancelled to Fund Balance															

SCHEDULE OF INTERFUNDS  
GENERAL CAPITAL FUND

	<u>Ref.</u>	<u>TOTAL</u>	<u>CURRENT</u>	<u>TRUST FUND</u>	<u>GRANT FUND</u>
Balance - June 30, 2003					
Due From	C	\$ 249,617.37		\$ 97,906.47	\$ 151,710.90
Due To	C	139,668.15	139,668.15		
Increased by:					
Funds Received	C- 2	56,860.77	4,360.77		52,500.00
Transfer to Current Fund	C- 8	99,210.90			99,210.90
Subtotal		<u>156,071.67</u>	<u>4,360.77</u>	<u>-</u>	<u>151,710.90</u>
Decreased by:					
Funds Disbursed	C- 2	(278,289.10)	(278,289.10)		
Interfunds Accrued	C- 7	(75,000.00)	(75,000.00)		
Transfer to Grant Fund	C- 8	(99,210.90)	(99,210.90)		
		<u>(452,500.00)</u>	<u>(452,500.00)</u>	<u>-</u>	<u>-</u>
Balance - June 30, 2004					
Due From	C	<u>\$ 406,377.55</u>	<u>\$ 308,471.08</u>	<u>\$ 97,906.47</u>	<u>\$</u>

Ref.

C



SCHEDULE OF GENERAL SERIAL BONDS

ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	BALANCE June 30, 2003	INCREASE	DECREASE	BALANCE June 30, 2004
			OUTSTANDING - JUNE 30, 2004	AMOUNT					
General Improvements	12/15/90	\$ 4,615,000.00	12/15/04	350,000.00	6.45%	\$ 1,106,000.00	\$ -	\$ 350,000.00	\$ 756,000.00
			12/15/05	406,000.00	6.45%				
General Improvements	4/1/00	6,165,000.00	4/1/05	650,000.00	4.50%	5,090,000.00		550,000.00	4,540,000.00
			4/1/06-07	700,000.00	4.50%				
			4/1/08	750,000.00	4.50%				
			4/1/09	660,000.00	4.50%				
			4/1/10-11	540,000.00	4.50%				
General Improvements Refunding Bonds	8/1/01	2,370,500.00	8/1/04-05	1,880,500.00	4.00%	1,905,000.00	460,000.00		1,445,000.00
			8/1/06	490,000.00	4.50%				
General Improvement Bonds	10/15/01	5,765,000.00	10/15/04-06	250,000.00	3.50%	5,515,000.00	250,000.00		5,265,000.00
			10/15/07	425,000.00	3.75%				
			10/15/08	425,000.00	3.875%				
			10/15/09-11	425,000.00	4.00%				
			10/15/12	500,000.00	4.00%				
			10/15/13	500,000.00	4.125%				
			10/15/14-15	500,000.00	4.250%				
			10/15/16	390,000.00	4.375%				
General Improvement Bonds	2/1/03	7,520,000.00	2/1/04	400,000.00	4.00%	7,120,000.00	400,000.00		6,720,000.00
			2/1/05-09	400,000.00	4.125%				
			2/1/10-11	500,000.00	4.125%				
			2/1/12	500,000.00	4.20%				
			2/1/13	600,000.00	4.20%				
			2/1/14	600,000.00	4.25%				
			2/1/15	700,000.00	4.30%				
			2/1/16	700,000.00	4.40%				
			2/1/17	620,000.00	4.50%				
General Improvement Bonds	3/1/04	9,659,000.00	9/1/2005-06	500,000.00	3.125%	9,659,000.00	9,659,000.00		9,659,000.00
			9/1/07-08	600,000.00	3.125%				
			9/1/09-10	700,000.00	3.125%				
			9/1/11	700,000.00	3.250%				
			9/1/12-13	800,000.00	3.250%				
			9/1/14	900,000.00	3.375%				
			9/1/15	900,000.00	3.500%				
			9/1/16	959,000.00	3.625%				
			9/1/17	1,040,000.00	3.750%				
Pension Bor	3/1/04	790,000.00	3/1/07	395,000.00	4.200%	790,000.00	790,000.00		790,000.00
			3/1/08	395,000.00	4.650%				
						\$ 20,736,000.00	\$ 10,449,000.00	\$ 2,010,000.00	\$ 29,175,000.00

C

C-2

C-5

C

Ref.

SCHEDULE OF VARIOUS RESERVES

	Balance		Increases	Decreases	Balance	
	June 30, 2003	June 30, 2004			June 30, 2003	June 30, 2004
Reserve for:						
Grants, Loans & Other Reserves:						
Preliminary Expenses	\$ 7,800.00	\$ 44,293.00	\$ 44,293.00	\$ (3,800.00)	\$ 48,293.00	
Contributions-Off-Site Improvements	876,931.11	478,203.93	478,203.93	(329,114.00)	1,026,021.04	
Community Development Grant Fund	421,034.76	99,144.78	99,144.78		520,179.54	
	<u>\$ 1,305,765.87</u>	<u>\$ 621,641.71</u>	<u>\$ 621,641.71</u>	<u>\$ (332,914.00)</u>	<u>\$ 1,594,493.58</u>	
	Ref. C					C
Cash Transactions		\$ 577,348.71	\$ 577,348.71	\$ (3,800.00)		
Preliminary Expenses		44,293.00	44,293.00	(44,293.00)		
Improvement Authorizations				(284,821.00)		
		<u>\$ 621,641.71</u>	<u>\$ 621,641.71</u>	<u>\$ (332,914.00)</u>		

SCHEDULE OF BONDS AND NOTES  
AUTHORIZED BUT NOT ISSUED

Exhibit C-12

ORD. NO.	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE</u> <u>JUNE 30, 2003</u>	<u>BALANCE</u> <u>JUNE 30, 2004</u>
	<u>General Improvements</u>		
99-26,02-26	Various Improvements	3,000.00	3,000.00
01-31	Various Park Improvements	2,500.00	2,500.00
03-39	Various Capital Improvements	750.00	750.00
04-05	Various Capital Improvements	50.00	50.00
		\$ 6,300.00	\$ 6,300.00
		\$ 6,300.00	\$ 6,300.00

Ref.

Footnote C

SEWER UTILITY FUND

SCHEDULE OF SEWER UTILITY CASH AND INVESTMENTS  
TREASURER

REF.	OPERATING FUND	CAPITAL FUND
Balance - June 30, 2003	\$2,519,984.69	\$385,714.36
Increased by Receipts:		
Collector	5,995,935.46	
Interest on Investments	45,827.38	
Serial Bonds		380,000.00
Capital Improvement Fund		250,000.00
Due to Sewer Operating Fund		886.31
Due to Current Fund	3,059.87	
Due from Sewer Capital	890.90	
	<u>6,045,713.61</u>	<u>630,886.31</u>
	8,565,698.30	1,016,600.67
Decreased by Disbursements:		
SFY 2004 Budget	5,759,574.91	
Appropriation Reserves	699,354.54	
Miscellaneous Refunds	4,560.00	
Due to Sewer Operating Fund		890.90
Due to Sewer Capital Fund		886.31
Due to Current Fund	3,059.87	
Improvement Authorizations		78,772.65
	<u>6,467,435.63</u>	<u>79,663.55</u>
Balance - June 30, 2004	<u>\$2,098,262.67</u>	<u>\$936,937.12</u>

ANALYSIS OF SEWER UTILITY CAPITAL  
CASH AND INVESTMENTS

	BALANCE JUNE 30, <u>2003</u>	BALANCE JUNE 30, <u>2004</u>
Fund Balance	\$ 29,871.94	\$ 29,871.94
Capital Improvement Fund	15,091.49	187,091.49
Due (from)/to Sewer Operating Fund	82.05	77.46
Reserve for Encumbrances	107,593.50	408,851.55
Improvement Authorizations Funded	269,175.38	583,863.88
Improvement Authorizations Unfunded		200,280.80
Bonds and Notes Authorized Not Issued	<u>(36,100.00)</u>	<u>(473,100.00)</u>
	<u>\$ 385,714.36</u>	<u>\$ 936,937.12</u>
<u>Ref.</u>	D	D

SCHEDULE OF FIXED CAPITAL  
SEWER UTILITY CAPITAL FUND

<u>ORD</u> <u>NO.</u>		<u>BALANCE</u> <u>JUNE 30</u> <u>2003</u>	<u>BALANCE</u> <u>JUNE 30</u> <u>2004</u>
	Arbor-New Market Sewers	\$ 4,600,000.00	\$ 4,600,000.00
63-1	Oakdale Pumping Station	29,302.00	29,302.00
64-1	Knollwood Area Sewers	160,240.00	160,240.00
64-2	Randolphville Road Sewer	8,353.00	8,353.00
65-1	Ambrose Brook Trunk Sewer	2,093,430.00	2,093,430.00
67-1	River Road Sewers	178,793.00	178,793.00
69-1	River Road Sewers	40,000.00	40,000.00
70-1	Sewer System Improvements	349,925.00	349,925.00
70-20	Purchase of Equipment	18,696.00	18,696.00
70-21	Sewer System Improvements	315,276.00	315,276.00
71-1	Park Avenue Sewer	25,000.00	25,000.00
73-1	Purchase of Equipment	32,384.00	32,384.00
72-1	Sewer System Improvements	1,443,500.00	1,443,500.00
77-2	Extension of Sewer System	100,000.00	100,000.00
77-58	Sanitary Sewer - Orris-Dunbar	10,000.00	10,000.00
76-20	Sanitary Sewer - Buena Vista Avenue	2,325.00	2,325.00
75-29	Sanitary Sewer - Stelton Road	88,180.00	88,180.00
77-18	Sanitary Sewer - River Road Area	172,150.00	172,150.00
77-64 &			-
80-48	Sanitary Sewer - Overbrook Road Area	508,506.00	508,506.00
78-17	Public Works Center	274,639.00	274,639.00
78-22	Public Works Equipment	20,000.00	20,000.00
80-40	Public Works Equipment	52,677.06	52,677.06
78-19	San. Sewer - Blue Ridge/Gates Avenue South Randolphville Road Area	199,398.16	199,398.16
76-63 &			-
81-33	Sanitary Sewer - Hillside Ave.	106,853.00	106,853.00
82-20	Sanitary Sewer - Sunset Lane & River Road and Fisher and Ludlow Avenues	232,825.00	232,825.00
82-48	Public Works Equipment	58,981.00	58,981.00
84-43	Public Works Equipment	33,000.00	33,000.00
84-11	Ethel Road Sanitary Sewer	227,656.22	227,656.22
90-26	Public Works Equipment	192,472.05	192,472.05
		<u>\$ 11,574,561.49</u>	<u>\$ 11,574,561.49</u>

REF.

D

D

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
SEWER UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE JUNE 30, 2003	AUTHORIZED SFY 2004	BALANCE JUNE 30, 2004
89-25 & 89-52	Gramercy Drive and River Road Sanitary Sewer	3/16/89	\$ 600,000.00	\$ 600,000.00		\$ 600,000.00
94-17	Sewer Utility Equipment	5/3/94	38,000.00	38,000.00		38,000.00
98-21	Reduction of I & I	12/15/98	230,000.00	230,000.00		230,000.00
03-40	Various Sewer Improvements		400,000.00		400,000.00	400,000.00
04-10	Various Sewer Projects		495,000.00		495,000.00	495,000.00
				\$ 868,000.00	\$ 895,000.00	\$ 1,763,000.00

Ref. D D-15 D

SCHEDULE OF SFY 2003 APPROPRIATION RESERVES  
SEWER UTILITY OPERATING FUND

	BALANCE JUNE 30, 2003	APROPRIATION RESERVE FOR RESERVES	ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCED LAPSED
Operations:						
Salaries and Wages	\$ 13,453.37	\$		\$ 13,453.37	\$ 13,453.37	\$
Other Expenses	126,402.36	260,369.91		386,772.27	279,326.59	107,445.68
MCUA Service Charges	442,037.72			442,037.72	442,037.72	
Total Operations	581,893.45	260,369.91		842,263.36	734,817.68	107,445.68
	\$ 581,893.45	\$ 260,369.91		\$ 842,263.36	\$ 734,817.68	\$ 107,445.68

REF. D-5 D

Cash Paid  
Transfer to Accounts Payable

699,354.54  
35,463.14  
734,817.68



SCHEDULE OF SEWER OVERPAYMENTS  
SEWERL UTILITY OPERATING FUND

	<u>Ref.</u>	
Balance - June 30, 2003	D	\$ 0.19
Increased by:		
Cash Receipts	D- 6	<u>5,557.49</u>
		5,557.68
Decreased by:		
Applied to Sewer Charges Receivable	D-1,D-8	<u>5,506.25</u>
Balance - June 30, 2004	D	<u><u>\$ 51.43</u></u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
SEWER UTILITY CAPITAL FUND

ORD. NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	BALANCE - JUNE 30, 2003		2004 AUTHORIZATIONS		PAID OR CHARGED	ENCUMBRANCES PAYABLE JUNE 30, 2004		BALANCE - JUNE 30, 2004	
			AMOUNT	UNFUNDED	CAPITAL IMPROV FUND	DEFERRED CHARGES UNFUNDED		ENCUMBRANCES PAYABLE JUNE 30, 2004	UNFUNDED	FUNDED	UNFUNDED
89-52	River Road Sanitary Sewer	5/16/89	\$ 600,000.00		\$ -	\$ -		\$ 3,136.07	\$ 1,082.39		
98-21	Reduction of I & I	12/15/98	230,000.00					50,572.50	89,909.92		
2-19	Replacement of Trunk Line	11/26/03	300,000.00		20,000.00	380,000.00	57,021.00	60,855.98	175,047.00		
3-40	Various Sewer Improvements		400,000.00		58,000.00	437,000.00	21,319.45	294,287.00	317,824.57		
4-10	Various Sewer Projects		495,000.00		78,000.00	817,000.00	432.20				200,280.80
			\$ 269,175.38	\$ -	\$ 78,000.00	\$ 817,000.00	\$ 78,772.65	\$ 408,851.55	\$ 583,863.88	\$ -	\$ 200,280.80

Ref.

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

ORD. NUMBER	IMPROVEMENT DESCRIPTION	DATE	BALANCE JUNE 30, 2003	AUTHORIZED SEP 2004	BALANCE JUNE 30, 2004
89-25 & 89-52	Granney Drive and River Road Sanitary Sewers	5/16/89	\$ 600,000.00		\$ 600,000.00
94-17	Sewer Utility Equipment	5/3/94	1,900.00		1,900.00
98-21	Reduction of I & I	12/15/98	11,000.00	20,000.00	11,000.00
03-40	Var. Sewer Improvements			20,000.00	20,000.00
04-10	Var. Sewer Projects			58,000.00	58,000.00
			\$ 612,900.00	\$ 78,000.00	\$ 690,900.00

Ref

Exhibit D-19

SCHEDULE OF RESERVE FOR AMORTIZATION  
SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance - June 30, 2003	D	\$11,793,561.49
Balance - June 30, 2004	D	<u>\$11,793,561.49</u>

Exhibit D-20

SCHEDULE OF DUE TO/FROM SEWER CAPITAL  
SEWER UTILITY FUND

	<u>REF.</u>	
Balance - June 30, 2003	D	\$82.05
Increased by:		
Interfunds Returned	D- 5	<u>886.31</u>
		968.36
Decreased by:		
Interfunds Advanced	D- 5	<u>890.90</u>
Balance - June 30, 2004	D	<u>\$77.46</u>

Exhibit D-21

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

	<u>REF.</u>	
Balance - June 30, 2003	D	\$82.05
Increased by:		
Interfunds Advanced	D- 5	<u>886.31</u>
		968.36
Decreased by:		
Interfunds Returned	D- 5	<u>890.90</u>
Balance - June 30, 2004	D	<u>\$77.46</u>

SCHEDULE OF GENERAL SERIAL BONDS

Exhibit D-22

ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	INCREASE	BALANCE June 30, 2004
			OUTSTANDING - JUNE 30, 2004	AMOUNT			
Sewer Improvements	3/1/04	\$ 380,000.00	25,000.00	3.125%	\$ -	\$ -	
			30,000.00	3.250%			
			30,000.00	3.375%			
			30,000.00	3.500%			
			40,000.00	3.625%			
			40,000.00	3.750%			
						<u>380,000.00</u>	
						<u>\$ 380,000.00</u>	

Ref

D-5

D

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Exhibit D-23

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BONDS AUTHORIZED		BONDS ISSUED	BALANCE JUNE 30, 2004
		BALANCE JUNE 30, 2003			
94-17	Sewer Utility Equipment	\$ 36,100.00	\$		36,100.00
3-40	Various Sewer Improvements		380,000.00	380,000.00	
4-10	Various Sewer Projects		437,000.00		437,000.00
		<u>\$ 36,100.00</u>	<u>\$ 817,000.00</u>	<u>\$ 380,000.00</u>	<u>\$ 473,100.00</u>

Footnote D

SENIOR CITIZENS HOUSING UTILITY FUND

SCHEDULE OF CASH AND INVESTMENTS  
SENIOR CITIZEN HOUSING FUND

	REF.	OPERATING FUND	CAPITAL FUND
Balance - June 30, 2003	E	\$670,034.71	\$394,483.12
Increased by Receipts:			
Rental Income	E- 3	1,045,869.30	
Interfunds Received	E-14,E-15	18,517.76	18,481.12
Capital Improvement Fund	E-12		15,060.00
Interest on Investments	E- 3	6,321.64	
Miscellaneous Revenues	E- 3	9,561.31	
Security Deposits	E- 7	12,159.55	
		<u>1,092,429.56</u>	<u>33,541.12</u>
		1,762,464.27	428,024.24
Decreased by Disbursements:			
Budget Appropriations	E- 4	831,533.52	
Accrued Interest	E-10	90,366.26	
Appropriation Reserves	E-13	100,217.94	
Accounts Payable	E-11	3,200.00	
Security Deposits	E- 7	9,354.33	
Capital Improvement Fund	E-10		15,200.00
Interfunds Disbursed	E-14,E-15	15,200.00	18,517.76
		<u>1,049,872.05</u>	<u>33,717.76</u>
Balance - June 30, 2004	F	<u>\$712,592.22</u>	<u>\$394,306.48</u>

Exhibit E-7

SCHEDULE OF SECURITY DEPOSITS  
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	<u>REF.</u>	
Balance - June 30, 2003	E	\$89,920.90
Increased by:		
Deposits Received	E-5	<u>12,159.55</u>
		102,080.45
Decreased by:		
Deposits Refunded		9,254.33
Interest Refunded		<u>100.00</u>
	E-5	<u>9,354.33</u>
Balance - June 30, 2004	E	<u><u>\$92,726.12</u></u>

Exhibit E-8

SCHEDULE OF RESERVE FOR AMORTIZATION  
SENIOR CITIZEN HOUSING UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance - June 30, 2003	E	\$7,973,252.26
Increased by:		
Bonds Paid by Budget Appropriation	E-16	<u>95,000.00</u>
Balance - June 30, 2004	E	<u><u>\$8,068,252.26</u></u>

Exhibit E-9

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
SENIOR CITIZEN HOUSING UTILITY CAPITAL FUND

ORD. NO.	<u>IMPROVEMENT AUTHORIZATIONS</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>BALANCE JUNE 30, 2003 FUNDED</u>	<u>BALANCE JUNE 30, 2004 FUNDED</u>
89-58	Design and Construction of a Senior Citizen Housing Complex	11/21/89	\$11,300,000.00	<u>\$ 400.00</u>	<u>\$ 400.00</u>
			Ref.	E	E

SCHEDULE OF ACCOUNTS PAYABLE  
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	<u>Ref.</u>		
Balance - June 30, 2003	E	\$	12,131.66
Increased by:			
Transferred from SFY 2003 Approp. Reserves	E- 7		<u>3,840.62</u>
			15,972.28
Decreased by:			
Payable Cancelled	E- 1	8,931.66	
Disbursed	E- 5	<u>3,200.00</u>	
			<u>12,131.66</u>
Balance - June 30, 2004	E	\$	<u><u>3,840.62</u></u>

Exhibit E-12

SCHEDULE OF CAPITAL IMPROVEMENT FUND  
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

	<u>Ref.</u>		
Balance - June 30, 2003	E	\$	392,000.00
Increased by:			
SFY 2003 Budget Appropriation	E- 5		<u>15,060.00</u>
			407,060.00
Decreased by:			
Disbursements	E- 5		<u>15,200.00</u>
Balance - June 30, 2004	E	\$	<u><u>391,860.00</u></u>



SCHEDULE OF 2003 APPROPRIATION RESERVES  
FOR THE YEAR ENDED JUNE 30, 2004  
SENIOR CITIZEN HOUSING UTILITY OPERATING FUND

	<u>BALANCE</u> JUNE 30, 2003	<u>BALANCE</u> AFTER TRANSFERS	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCED</u> <u>LAPSED</u>
	<u>APROPRIATION</u> <u>RESERVES</u>	<u>RESERVE FOR</u> <u>ENCUMBRANCES</u>		
Operations:				
Salaries and Wages	\$ 10,000.00	\$ 10,000.00	\$	\$ 10,000.00
Other Expenses	18,495.55	101,857.35	99,058.56	21,294.34
Capital Improvements:				
Flat Roof Repair	3,500.00	3,500.00		3,500.00
Sidewalk Repair		5,000.00	5,000.00	
Elevator Door-Closer Protections	100.00	100.00		100.00
Sump Pit - Elevator	5,000.00	5,000.00		5,000.00
	<u>\$ 37,095.55</u>	<u>\$ 106,857.35</u>	<u>\$ 104,058.56</u>	<u>\$ 39,894.34</u>
<u>REF.</u>	E	E		E-1
Cash Disbursements			\$ 100,217.94	
Accounts Payable			<u>3,840.62</u>	
			<u>\$ 104,058.56</u>	

SCHEDULE OF GENERAL SERIAL BONDS

ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING - JUNE 30, 2004		INTEREST RATE	BALANCE	DECREASE	BALANCE	
			DATE	AMOUNT		June 30, 2003		June 30, 2004	
Senior citizen Housing Utility Refunding Bonds 2002	8/1/02	2,204,500.00	8/15/04-05	95,000.00	4.00%	\$ 2,125,000.00	\$ 95,000.00	\$ 2,030,000.00	
			8/15/06	100,000.00	4.50%				
			8/15/07	110,000.00	3.50%				
			8/15/08	105,000.00	3.75%				
			8/15/09	105,000.00	3.875%				
			8/15/10	130,000.00	4.00%				
			8/15/11	125,000.00	4.00%				
			8/15/12	125,000.00	4.10%				
			8/15/13	120,000.00	4.20%				
			8/15/14	145,000.00	4.30%				
			8/15/15	140,000.00	4.40%				
			8/15/16	135,000.00	5.00%				
			8/15/17	160,000.00	5.00%				
			8/15/18	160,000.00	5.00%				
			8/15/19	180,000.00	5.00%				
							<u>\$ 2,125,000.00</u>	<u>\$ 95,000.00</u>	<u>\$ 2,030,000.00</u>
							E	E-8	E
						Ref.			

BOND AND INTEREST FUND

SCHEDULE OF CASH  
BOND AND INTEREST FUND

Balance - June 30, 2003	\$5,733.74
Decreased by:	
Transferred to Current Fund	<u>\$5,733.74</u>

SUPPLEMENTARY DATA

TOWNSHIP OF PISCATAWAY  
MIDDLESEX COUNTY, NEW JERSEY  
COMBINED BALANCE SHEET - ALL FUNDS  
FOR THE FISCAL YEAR ENDING JUNE 30, 2004

	MEMORANDUM ONLY TOTALS							
	CURRENT FUND	TRUST FUND	CAPITAL FUND	SEWER UTILITY FUND	SENIOR HOUSING UTILITY	GENERAL FIXED ASSETS (UNAUDITED)	JUNE 30, 2004	JUNE 30, 2003
<b>ASSETS</b>								
Cash and Investments	\$ 11,598,765.41	\$ 4,733,369.43	\$ 12,712,283.49	\$ 3,035,299.79	\$ 1,106,899.00		\$ 33,186,617.12	\$ 26,341,911.54
Accounts Receivable	1,640,788.73	346,560.27	141,078.23				2,128,427.23	1,994,272.88
State and Federal Grants Receivable	202,532.44						202,532.44	205,192.83
Due from State of New Jersey								
Taxes, Assessments, Liens & Utility Charges	303,313.76			153,976.36			457,290.12	273,475.37
Property Taxes Receivable	1,654,552.39						1,654,552.39	1,669,487.27
Sewer Charges Receivable	273,453.83	290,308.41	406,377.55	77.46	269.04		970,486.29	1,060,267.54
Interfund Loans	78,435.36						78,435.36	47,722.32
Other Accounts Receivable	2,592,330.89						2,592,330.89	2,592,330.89
Property Acquired For Taxes at Assessed Valuation								
Inventory								
Fixed Assets - General						37,947,510.00	37,947,510.00	37,947,510.00
Fixed Capital - Utility				11,574,561.49	10,098,252.26		21,672,813.75	21,672,813.75
Fixed Capital - Authorized and Uncompleted - Utility				1,763,000.00			1,763,000.00	868,000.00
Deferred Charges to Revenues of Succeeding Years	55,000.00						55,000.00	137,465.35
Deferred Charges to Future Taxation: General Capital Fund		29,181,300.00					29,181,300.00	24,108,500.00
	<b>\$ 18,399,172.81</b>	<b>\$ 5,370,238.11</b>	<b>\$ 42,441,039.27</b>	<b>\$ 16,526,915.10</b>	<b>\$ 11,205,420.30</b>	<b>\$ 37,947,510.00</b>	<b>\$ 131,890,295.59</b>	<b>\$ 119,149,269.84</b>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>								
Bonds and Notes Payable								
Prepaid Taxes, Assessments, Utility Charges and Licenses	100,586.57			17,516.01			118,132.58	116,243.77
Tax, Assessment, Lien, License and Utility Charge Overpayments	19,093.78			51.43			19,145.21	54,934.36
Appropriation Reserves	1,320,528.90			569,479.56	49,384.82		1,939,393.28	3,233,808.32
Reserves for Encumbrances/Accounts Payable	1,604,363.71		5,897,490.17	650,901.82	86,993.74		8,239,749.44	5,875,363.87
Other Liabilities	507,552.43	83,488.75			125,900.96		716,942.14	235,233.29
Amounts Pledged to Specific Purposes	3,819,918.05	2,112,971.55	1,594,493.58	187,091.49	391,860.00		8,106,334.67	5,821,794.23
Interfund Loans	552,392.56	188,838.22		248,986.47	269.04		970,486.29	1,060,267.54
Investments in General Fixed Assets Escrow Funds		2,984,049.79				37,947,510.00	37,947,510.00	37,947,510.00
Improvement Authorization Reserve for Amortization of Costs of Fixed Capital Acquired or Authorized			5,707,702.80	784,144.68	400.00		6,492,247.48	6,788,606.34
Reserve for Certain Assets Acquired or Receivables & Inventories	4,902,086.23			12,484,461.49	8,068,252.26		20,552,713.75	20,379,713.75
Fund Balance	5,592,650.58	889.80	66,352.72	153,976.36	452,359.48		7,162,528.37	6,598,643.29
	<b>\$ 18,399,172.81</b>	<b>\$ 5,370,238.11</b>	<b>\$ 42,441,039.27</b>	<b>\$ 16,526,915.10</b>	<b>\$ 11,205,420.30</b>	<b>\$ 37,947,510.00</b>	<b>\$ 131,890,295.59</b>	<b>\$ 119,149,269.84</b>

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

<u>REVENUE AND OTHER INCOME REALIZED</u>	STATE FISCAL YEAR 2004		STATE FISCAL YEAR 2003	
	AMOUNT	%	AMOUNT	%
Fund Balance Utilized	\$ 880,660.15	12.53	\$ 837,402.00	12.97
Collection of Sewer Service Charges	5,663,614.45	80.57	5,186,632.21	80.32
Miscellaneous - From Other than Sewer Service Charges	485,233.03	6.90	433,339.36	6.71
Total Income	\$ 7,029,507.63	100.00	\$ 6,457,373.57	100.00
<u>EXPENDITURES</u>				
Budget Expenditures				
Operating	\$ 6,095,348.56	93.20	\$ 5,678,356.00	96.66
Deferred Charges & Statutory Expend.	100,293.04	1.53	91,240.00	1.55
Capital Improvement Fund	340,000.00	5.20	100,000.00	1.70
Miscellaneous Expenditures	4,560.00	0.07	5,080.00	0.09
Total Expenditures	6,540,201.60	100.00	5,874,676.00	100.00
Excess in Revenue	489,306.03		582,697.57	
Fund Balance - Beginning	1,411,757.97		1,666,462.40	
	1,901,064.00		2,249,159.97	
Less: Util. as Anticipated Revenue	880,660.15		837,402.00	
Fund Balance - Ending	\$ 1,020,403.85		\$ 1,411,757.97	

TOWNSHIP OF PISCATAWAY

STATISTICAL DATA

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Tax Rate:	<u>\$4.610</u>	<u>\$4.340</u>	<u>\$4.080</u>
Apportionment of Tax Rate:			
Municipal	<u>\$0.962</u>	<u>\$0.913</u>	<u>\$0.842</u>
County	<u>\$0.638</u>	<u>\$0.620</u>	<u>\$0.601</u>
County Open Space	<u>\$0.060</u>	<u>\$0.054</u>	<u>\$0.049</u>
Local School	<u>\$2.950</u>	<u>\$2.753</u>	<u>\$2.588</u>
Assessed Valuation:			
2004	<u>\$2,264,105,961</u>		
2003		<u>\$2,269,809,488</u>	
2002			<u>\$2,263,518,424</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>
2004 SFY	\$ 103,736,078	\$ 102,325,800	98.64%
2003 SFY	98,349,677	96,699,783	98.32%
2002 SFY	91,315,365	89,866,020	98.41%
2001 SFY	89,053,783	88,767,098	99.68%
2000 SFY	85,995,994	84,575,257	98.35%

SFY State Fiscal Year



TOWNSHIP OF PISCATAWAY

STATISTICAL DATA

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>		<u>BALANCE</u> <u>JUNE 30</u>	<u>UTILIZED</u> <u>IN BUDGET OF</u> <u>SUCCEEDING YEAR</u>
CURRENT FUND	2004	\$	4,823,651 \$	4,550,000
	2003		4,645,054	3,455,050
	2002		4,549,426	3,455,050
	2001		4,544,232	3,422,050
	2000		4,080,644	3,422,050

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>		<u>BALANCE</u> <u>JUNE 30</u>	<u>UTILIZED</u> <u>IN BUDGET OF</u> <u>SUCCEEDING YEAR</u>
SEWER UTILITY OPERATING FUND	2004	\$	1,055,867 \$	1,015,248
	2003		1,411,758	880,660
	2002		1,666,462	837,402
	2001		2,058,447	761,286
	2000		1,824,130	672,200
SENIOR CITIZENS HOUSING UTILITY FUND	2004	\$	450,582 \$	88,690
	2003		389,735	16,938
	2002		354,921	85,641
	2001		330,560	135,000
	2000		399,869	157,500

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office as at June 30, 2004:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Brian C. Wahler	Mayor	
Stevn D. Cahn	Council President	
James F. Huben	Council Member	
Mildred S. Scott	Council Member	
Marc Hardenburg	Council Member	
Kenneth L. Saunders	Council Member	
Loretta Keimel	Council Member	
James W. Stewart	Council Member	
Patrick Guilfoyle	Business Administrator	
Victoria Miragliarotta	Director of Finance, Chief Financial Officer	\$240,000 (A)
Ann Nolan	Township Clerk	
James F. Clarkin III, Esq.	Director of Law - Attorney	
Anne M. Triano	Collector of Revenue	
Stephen L. Ritz	Magistrate	
Debra Hamrah	Court Administrator	
Joan R. Dambach	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) *Selective Insurance Company of America*

**TOWNSHIP OF PISCATAWAY  
COUNTY OF MIDDLESEX, NEW JERSEY  
FISCAL YEAR ENDED JUNE 30, 2004**

**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, 2004, has been completed. The General Comments are herewith set forth:

**Scope of Audit**

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

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

**REPORTABLE CONDITIONS**

**Segregation of Duties - Other Offices/Departments Collecting Municipal Fees**

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

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

**Transaction Posting**

The computerized data processing system allows for the back posting of transactions for those individuals with security rights in the system. The ability to back post transactions can limit the effectiveness of the data processing system. In addition, the system does not provide the capability to access or print a check register list by funds that limits the functionality and review of checks posted.

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

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

## GENERAL COMMENTS

### OTHER MATTERS

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

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 that no individual payments, contracts or agreements in excess of \$17,500 "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement.

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

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

On January 18, 2000, the Local Public Contracts Law was amended, effective for periods beginning on April 17, 2000. The amendments address the bid threshold (Section 7, N.J.S.A. 40A: 11-3), thereby increasing the amount to \$17,500 under which a contract may be awarded without public advertising. Furthermore, if the Township's Purchasing Agent is "Qualified" the Board may increase the bid threshold to \$25,000.00.

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

#### Collection of Interest on Delinquent Taxes and Assessments

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

The governing body, on January 1, 2003, adopted the following resolution authorizing interest to be charged on delinquent taxes; assessments and sewer service charges:

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

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

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

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

## GENERAL COMMENTS

### OTHER MATTERS (CONT'D):

#### Interfund Balances

Interfund balances appear in the balance sheets of the Township's financial statements of the year ended June 30, 2004.

These interfunds, in most cases, resulted from SFY 2004 operations and should be cleared by cash transfer where feasible.

As the existence of these interfund balances are not indicative of an inability of the respective fund to meet its annual cash flow requirements, it is recommended that interfund balances be cleared by cash transfers where feasible

#### 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 2004. Earnings from the investments are shown as revenue in the various funds of the Township for SFY 2004.

All deposits and investments held by the Township were directly confirmed as of June 30, 2004 and August 31, 2004.

The Township adopted a formal Cash Management Plan for depositing and investing of Township funds for SFY 2004 in accordance with 40A: 5-14 on January 1, 2003.

However, a monthly report was not furnished to the governing body as required by the Cash Management Plan and an Investment Register/Log was not maintained.

We suggest the Finance office to follow the guidelines set forth in the Cash Management Plan.

#### Payment of Claims

The examination 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. These details were necessarily covered by the internal review and control, and review of such claims by the governing body pursuant to Township Code.

Claims were examined on a test basis for the year under review and they were found to be in generally good order for items tested.

#### 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):

#### Administration and Accounting of State & Federal Grants (Cont'd):

We noted that the efforts were being made to review prior years' grant receivable balances and unexpended grant reserve balances for proper disposition at June 30, 2004. It was noted that the Township continues to carry grant receivable and unexpended balances of grant awards that are several years old. This condition may have resulted from the decentralized management of the various grant programs. In the current environment, it is possible that grant program directors may have reported expenditures that were not charged to grant program appropriations.

We recommend that the Township continue to monitor prior years' grant receivables and unexpended grant reserves and that proper disposition is made in compliance with the terms and conditions of the grant agreements.

We also recommend that all grants should be reconciled, on a periodic basis, with quarterly expenditure reports as filed.

#### Condition of Records - Tax Office

During SFY 2004, 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, 2004, it was noted that at the end of the fiscal year the system was in proof with financial reports issued for the period.

#### Finance Department

The Finance Department maintains a manual general ledger and computerized financial accounting and reporting system that includes a general ledger system and various subsidiary ledgers and reports. Audit and adjusting entries were required to reconcile the financial accounting records and the audited financial statements. The entries included cash posting errors and the recording of budgetary transfers, amendments (Chapter 159).

We suggest periodic and timely review and reconciliation of subsidiary journals, ledgers, and accounts be performed, including the budgetary subsidiary ledger activity pursuant to resolutions of the governing body and developer trust deposits and refunds.

Also, we suggest that the financial accounts maintained in the general ledger system should be adjusted to reflect all audit and adjusting entries, and only one system be maintained.

We also recommend that all postings to the general ledger should be made on a timely basis.

#### Payroll Agency Account

The bank reconciliations for the payroll agency account were not performed for all months as of the end of the fiscal year. As of the date of this report the reconciliations were up to date for this account.

It is suggested that timely reconciliations of the payroll agency account be performed.

RECOMMENDATIONS

We recommended the following:

That postings to the general ledger be made on a timely basis.

That interfund balances be cleared by cash transfers where feasible.

That the Township review the procedures for adhering to the 48-hour rule N.J.S.A. 40A: 5-15 with the departments.

That refunds for Developer's Escrow Funds be made on a timely basis.

That the Township follow-up upon all grant fund balances and or disposition made on aged grants.

That all grants be reconciled on a timely basis in compliance with grant agreements.

That the Township continue to establish and revise procedures to allow for perpetual maintenance of the Fixed Asset Accounting System for compliance with N.J.A.C. 5:30-5.6 – Accounting for Governmental Fixed Assets.

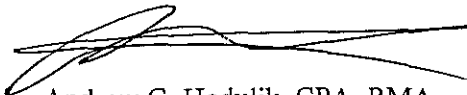
\* \* \* \* \*

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

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

Very truly yours,

HODULIK & MORRISON, P.A.



Andrew G. Hodulik, CPA, RMA  
No. 406

